

bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2934. Mr. FLAKE (for himself, Mr. INHOFE, and Mr. RISCH) submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2935. Mr. FLAKE submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2936. Mr. FLAKE submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2937. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2938. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2939. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2940. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2941. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2942. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2943. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2944. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2945. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2946. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2947. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2948. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2949. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2950. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2951. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2952. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2953. Mr. MCCONNELL submitted an amendment intended to be proposed by him

to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2954. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2955. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, supra; which was ordered to lie on the table.

SA 2956. Mr. REID (for Mr. MENENDEZ) proposed an amendment to the resolution S. Res. 371, honoring the legacy and accomplishments of Jan Karski on the centennial of his birth.

SA 2957. Mr. REID (for Mr. MENENDEZ) proposed an amendment to the resolution S. Res. 371, supra.

#### TEXT OF AMENDMENTS

**SA 2885.** Mr. BLUNT (for himself, Mr. MCCONNELL, Mr. INHOFE, Mr. THUNE, Mr. CORNYN, and Mr. CRUZ) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . POINT OF ORDER AGAINST LEGISLATION THAT WOULD CREATE A TAX OR FEE ON CARBON EMISSIONS.**

(a) **POINT OF ORDER.**—It shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, or conference report that includes a Federal tax or fee imposed on carbon emissions from any product or entity that is a direct or indirect source of the emissions.

(b) **WAIVER AND APPEAL.**—

(1) **WAIVER.**—Subsection (a) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) **APPEAL.**—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under subsection (a).

**SA 2886.** Mr. SCOTT submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . MODIFICATION OF DEFINITION OF FULL-TIME EMPLOYEE.**

(a) **FULL-TIME EQUIVALENTS.**—Paragraph (2)(E) of section 4980H(c) of the Internal Revenue Code of 1986 is amended by striking “by 120” and inserting “by 174”.

(b) **FULL-TIME EMPLOYEES.**—Paragraph (4)(A) of section 4980H(c) of the Internal Revenue Code of 1986 is amended by striking “30 hours” and inserting “40 hours”.

**SA 2887.** Mr. COBURN submitted an amendment intended to be proposed to

amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

**SEC. \_\_\_\_ . PROHIBITING FEDERAL PAYMENTS TO STATES FOR UNEMPLOYMENT COMPENSATION ADMINISTRATION WITH RESPECT TO COSTS FOR OFFICE FURNISHINGS AND MURALS, PORTRAITS, AND OTHER ARTWORK.**

(a) **IN GENERAL.**—Section 302 of the Social Security Act (42 U.S.C. 501) is amended by adding at the end the following new subsection:

“(d) No portion of the cost of office furnishings or murals, portraits, or other artwork shall be treated as being a cost for the proper and efficient administration of the State unemployment compensation law.”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to costs incurred on or after the date of the enactment of this Act.

**SA 2888.** Mr. COBURN (for himself, Mr. FLAKE, Mr. KING, and Mr. MANCHIN) submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

**SEC. \_\_\_\_ . PROHIBITION ON PAYMENT OF BENEFITS BASED ON RECEIPT OF UNEMPLOYMENT COMPENSATION.**

(a) **IN GENERAL.**—Title II of the Social Security Act (42 U.S.C. 401 et seq.) is amended by inserting after section 224 the following new section:

“PROHIBITION ON PAYMENT OF BENEFITS BASED ON RECEIPT OF UNEMPLOYMENT COMPENSATION

“SEC. 224A. (a) If for any month prior to the month in which an individual attains retirement age (as defined in section 216(1)(1))—

“(1) such individual is entitled to benefits under section 223, and

“(2) such individual is entitled for such month to unemployment compensation, the total of the individual’s benefits under section 223 for such month and of any benefits under subsections (b) through (h) of section 202 for such month based on the individual’s wages and self-employment income shall be reduced to zero.

“(b)(1) Notwithstanding any other provision of law, the head of any Federal agency shall provide such information within its possession as the Commissioner may require for purposes of making a timely determination under this section for reduction of benefits payable under this title, or verifying

other information necessary in carrying out the provisions of this section.

“(2) The Commissioner is authorized to enter into agreements with States, political subdivisions, and other organizations that administer unemployment compensation, in order to obtain such information as the Commissioner may require to carry out the provisions of this section.

“(3) Any determination by the Commissioner pursuant to this section shall be subject to the requirements described in section 205(b)(1), including provision of reasonable notice and opportunity for a hearing.

“(c) For purposes of this section, the term ‘unemployment compensation’ has the meaning given that term in section 85(b) of the Internal Revenue Code of 1986.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to benefits payable for months beginning after 180 days after the date of enactment of this Act.

**SA 2889.** Mr. SCOTT submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE —SUPPORTING KNOWLEDGE AND INVESTING IN LIFELONG SKILLS**  
**SEC. 01. SHORT TITLE.**

This title may be cited as the “Supporting Knowledge and Investing in Lifelong Skills Act” or the “SKILLS Act”.

**SEC. 02. REFERENCES.**

Except as otherwise expressly provided, wherever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.).

**SEC. 03. APPLICATION TO FISCAL YEARS.**

Except as otherwise provided, this title and the amendments made by this title shall apply with respect to fiscal year 2015 and succeeding fiscal years.

**Subtitle A—Amendments to the Workforce Investment Act of 1998**

**CHAPTER 1—WORKFORCE INVESTMENT DEFINITIONS**

**SEC. 06. DEFINITIONS.**

Section 101 (29 U.S.C. 2801) is amended—

(1) by striking paragraph (2) and inserting the following:

“(2) ADULT EDUCATION AND FAMILY LITERACY EDUCATION ACTIVITIES.—The term ‘adult education and family literacy education activities’ has the meaning given the term in section 203.”;

(2) by striking paragraphs (13) and (24);

(3) by redesignating paragraphs (1) through (12) as paragraphs (3) through (14), and paragraphs (14) through (23) as paragraphs (15) through (24), respectively;

(4) by striking paragraphs (52) and (53);

(5) by inserting after “In this title:” the following new paragraphs:

“(1) ACCRUED EXPENDITURES.—The term ‘accrued expenditures’ means—

“(A) charges incurred by recipients of funds under this title for a given period requiring the provision of funds for goods or other tangible property received;

“(B) charges incurred for services performed by employees, contractors, sub-

grantees, subcontractors, and other payees; and

“(C) other amounts becoming owed, under programs assisted under this title, for which no current services or performance is required, such as amounts for annuities, insurance claims, and other benefit payments.

“(2) ADMINISTRATIVE COSTS.—The term ‘administrative costs’ means expenditures incurred by State boards and local boards, direct recipients (including State grant recipients under subtitle B and recipients of awards under subtitles C and D), local grant recipients, local fiscal agents or local grant subrecipients, and one-stop operators in the performance of administrative functions and in carrying out activities under this title that are not related to the direct provision of workforce investment activities (including services to participants and employers). Such costs include both personnel and non-personnel expenditures and both direct and indirect expenditures.”;

(6) in paragraph (3) (as so redesignated), by striking “Except in sections 127 and 132, the” and inserting “The”;

(7) by amending paragraph (5) (as so redesignated) to read as follows:

“(5) AREA CAREER AND TECHNICAL EDUCATION SCHOOL.—The term ‘area career and technical education school’ has the meaning given the term in section 3(3) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302(3)).”;

(8) in paragraph (6) (as so redesignated), by inserting “(or such other level as the Governor may establish)” after “8th grade level”;

(9) in paragraph (10)(C) (as so redesignated), by striking “not less than 50 percent of the cost of the training” and inserting “a significant portion of the cost of training, as determined by the local board involved (or, in the case of an employer in multiple local areas in the State, as determined by the Governor), taking into account the size of the employer and such other factors as the local board or Governor, respectively, determines to be appropriate”;

(10) in paragraph (11) (as so redesignated)—

(A) in subparagraph (A)(ii)(II), by striking “section 134(c)” and inserting “section 121(e)”;

(B) in subparagraph (B)(iii)—

(i) by striking “134(d)(4)” and inserting “134(c)(4)”;

(ii) by striking “intensive services described in section 134(d)(3)” and inserting “work ready services described in section 134(c)(2)”;

(C) in subparagraph (C), by striking “or” after the semicolon;

(D) in subparagraph (D), by striking the period and inserting “; or”; and

(E) by adding at the end the following:

“(E)(i) is the spouse of a member of the Armed Forces on active duty for a period of more than 30 days (as defined in section 101(d)(2) of title 10, United States Code) who has experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of such member; or

“(ii) is the spouse of a member of the Armed Forces on active duty (as defined in section 101(d)(1) of title 10, United States Code) who meets the criteria described in paragraph (12)(B).”;

(11) in paragraph (12)(A) (as redesignated)—

(A) by striking “and” after the semicolon and inserting “or”;

(B) by striking “(A)” and inserting “(A)(i)”;

(C) by adding at the end the following:

“(ii) is the spouse of a member of the Armed Forces on active duty for a period of more than 30 days (as defined in section 101(d)(2) of title 10, United States Code)

whose family income is significantly reduced because of a deployment (as defined in section 991(b) of title 10, United States Code, or pursuant to paragraph (4) of such section), a call or order to active duty pursuant to a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, a permanent change of station, or the service-connected (as defined in section 101(16) of title 38, United States Code) death or disability of the member; and”;

(12) in paragraph (13) (as so redesignated), by inserting “or regional” after “local” each place it appears;

(13) in paragraph (14) (as so redesignated)—

(A) in subparagraph (A), by striking “section 122(e)(3)” and inserting “section 122”;

(B) by striking subparagraph (B), and inserting the following:

“(B) work ready services, means a provider who is identified or awarded a contract as described in section 117(d)(5)(C); or”;

(C) by striking subparagraph (C); and

(D) by redesignating subparagraph (D) as subparagraph (C);

(14) in paragraph (15) (as so redesignated), by striking “adult or dislocated worker” and inserting “individual”;

(15) in paragraph (20), by striking “The” and inserting “Subject to section 116(a)(1)(E), the”;

(16) in paragraph (25)—

(A) in subparagraph (B), by striking “higher of—” and all that follows through clause (ii) and inserting “poverty line for an equivalent period.”;

(B) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively; and

(C) by inserting after subparagraph (C) the following:

“(D) 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.);”;

(17) in paragraph (32), by striking “the Republic of the Marshall Islands, the Federated States of Micronesia.”;

(18) by amending paragraph (33) to read as follows:

“(33) OUT-OF-SCHOOL YOUTH.—The term ‘out-of-school youth’ means—

“(A) an at-risk youth who is a school dropout; or

“(B) an at-risk youth who has received a secondary school diploma or its recognized equivalent but is basic skills deficient, unemployed, or underemployed.”;

(19) in paragraph (38), by striking “134(a)(1)(A)” and inserting “134(a)(1)(B)”;

(20) in paragraph (41), by striking “, and the term means such Secretary for purposes of section 503”;

(21) in paragraph (43), by striking “clause (iii) or (v) of section 136(b)(3)(A)” and inserting “section 136(b)(3)(A)(iii)”;

(22) by amending paragraph (49) to read as follows:

“(49) VETERAN.—The term ‘veteran’ has the same meaning given the term in section 2108(1) of title 5, United States Code.”;

(23) by amending paragraph (50) to read as follows:

“(50) CAREER AND TECHNICAL EDUCATION.—The term ‘career and technical education’ has the meaning given the term in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).”;

(24) in paragraph (51), by striking “, and a youth activity”; and

(25) by adding at the end the following:

“(52) AT-RISK YOUTH.—Except as provided in subtitle C, the term ‘at-risk youth’ means an individual who—

“(A) is not less than age 16 and not more than age 24;

“(B) is a low-income individual; and

“(C) is an individual who is one or more of the following:

- “(i) A secondary school dropout.
- “(ii) A youth in foster care (including youth aging out of foster care).
- “(iii) A youth offender.
- “(iv) A youth who is an individual with a disability.
- “(v) A migrant youth.

“(53) **INDUSTRY OR SECTOR PARTNERSHIP.**—The term ‘industry or sector partnership’ means a partnership of—

- “(A) a State board or local board; and
- “(B) one or more industry or sector organizations, and other entities, that have the capability to help the State board or local board determine the immediate and long-term skilled workforce needs of in-demand industries or sectors and other occupations important to the State or local economy, respectively.

“(54) **INDUSTRY-RECOGNIZED CREDENTIAL.**—The term ‘industry-recognized credential’ means a credential that is sought or accepted by companies within the industry sector involved, across multiple States, as recognized, preferred, or required for recruitment, screening, or hiring and is awarded for completion of a program listed or identified under subsection (d) or (i) of section 122, for the local area involved.

“(55) **PAY-FOR-PERFORMANCE CONTRACT STRATEGY.**—The term ‘pay-for-performance contract strategy’ means a strategy in which a pay-for-performance contract to provide a program of employment and training activities incorporates provisions regarding—

- “(A) the core indicators of performance described in subclauses (I) through (IV) and (VI) of section 136(b)(2)(A)(i);
- “(B) a fixed amount that will be paid to an eligible provider of such employment and training activities for each program participant who, within a defined timetable, achieves the agreed-to levels of performance based upon the core indicators of performance described in subparagraph (A), and may include a bonus payment to such provider, which may be used to expand the capacity of such provider;
- “(C) the ability for an eligible provider to recoup the costs of providing the activities for a program participant who has not achieved those levels, but for whom the provider is able to demonstrate that such participant gained specific competencies required for education and career advancement that are, where feasible, tied to industry-recognized credentials and related standards, or State licensing requirements; and
- “(D) the ability for an eligible provider that does not meet the requirements under section 122(a)(2) to participate in such pay-for-performance contract and to not be required to report on the performance and cost information required under section 122(d).

“(56) **RECOGNIZED POSTSECONDARY CREDENTIAL.**—The term ‘recognized postsecondary credential’ means a credential awarded by a provider of training services or postsecondary educational institution based on completion of all requirements for a program of study, including coursework or tests or other performance evaluations. The term means an industry-recognized credential, a certificate of completion of a registered apprenticeship program, or an associate or baccalaureate degree from an institution described in section 122(a)(2)(A)(i).

“(57) **REGISTERED APPRENTICESHIP PROGRAM.**—The term ‘registered apprenticeship program’ means a program described in section 122(a)(2)(B).”.

**CHAPTER 2—STATEWIDE AND LOCAL WORKFORCE INVESTMENT SYSTEMS**

**SEC. 11. PURPOSE.**

Section 106 (29 U.S.C. 2811) is amended by adding at the end the following: “It is also the purpose of this subtitle to provide workforce investment activities in a manner that enhances employer engagement, promotes customer choices in the selection of training services, and ensures accountability in the use of taxpayer funds.”.

**SEC. 12. STATE WORKFORCE INVESTMENT BOARDS.**

Section 111 (29 U.S.C. 2821) is amended—  
 (1) in subsection (b)—  
 (A) in paragraph (1)—  
 (i) by striking subparagraph (B);  
 (ii) by redesignating subparagraph (C) as subparagraph (B); and  
 (iii) in subparagraph (B) (as so redesignated)—

- (I) by amending clause (i)(I), by striking “section 117(b)(2)(A)(i)” and inserting “section 117(b)(2)(A)”;
- (II) by amending clause (i)(II) to read as follows:

“(II) represent businesses, including large and small businesses, each of which has immediate and long-term employment opportunities in an in-demand industry or other occupation important to the State economy; and”;

- (III) by striking clause (iii) and inserting the following:

“(iii) a State agency official responsible for economic development; and”;

- (IV) by striking clauses (iv) through (vi);
- (V) by amending clause (vii) to read as follows:

“(vii) such other representatives and State agency officials as the Governor may designate, including—

- “(I) members of the State legislature;
- “(II) representatives of individuals and organizations that have experience with respect to youth activities;
- “(III) representatives of individuals and organizations that have experience and expertise in the delivery of workforce investment activities, including chief executive officers of community colleges and community-based organizations within the State;
- “(IV) representatives of the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by one-stop partners; or
- “(V) representatives of veterans service organizations.”; and

(VI) by redesignating clause (vii) (as so amended) as clause (iv); and  
 (B) by amending paragraph (3) to read as follows:

“(3) **MAJORITY.**—A ¾ majority of the members of the board shall be representatives described in paragraph (1)(B)(i).”;

(2) in subsection (c), by striking “(b)(1)(C)(i)” and inserting “(b)(1)(B)(i)”;

(3) by amending subsection (d) to read as follows:

“(d) **FUNCTIONS.**—The State board shall assist the Governor of the State as follows:

“(1) **STATE PLAN.**—Consistent with section 112, the State board shall develop a State plan.

“(2) **STATEWIDE WORKFORCE DEVELOPMENT SYSTEM.**—The State board shall review and develop statewide policies and programs in the State in a manner that supports a comprehensive statewide workforce development system that will result in meeting the workforce needs of the State and its local areas. Such review shall include determining whether the State should consolidate additional amounts for additional activities or programs into the Workforce Investment Fund in accordance with section 501(e).

“(3) **WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.**—The State board shall develop a statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491-2(e)), which may include using information collected under Federal law other than this Act by the State economic development entity or a related entity in developing such system.

“(4) **EMPLOYER ENGAGEMENT.**—The State board shall develop strategies, across local areas, that meet the needs of employers and support economic growth in the State by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers.

“(5) **DESIGNATION OF LOCAL AREAS.**—The State board shall designate local areas as required under section 116.

“(6) **ONE-STOP DELIVERY SYSTEM.**—The State board shall identify and disseminate information on best practices for effective operation of one-stop centers, including use of innovative business outreach, partnerships, and service delivery strategies.

“(7) **PROGRAM OVERSIGHT.**—The State board shall conduct the following program oversight:

- “(A) Reviewing and approving local plans under section 118.
- “(B) Ensuring the appropriate use and management of the funds provided for State employment and training activities authorized under section 134.
- “(C) Preparing an annual report to the Secretary described in section 136(d).

“(8) **DEVELOPMENT OF PERFORMANCE MEASURES.**—The State board shall develop and ensure continuous improvement of comprehensive State performance measures, including State adjusted levels of performance, as described under section 136(b).”;

- (4) by striking subsection (e) and redesignating subsection (f) as subsection (e);
- (5) in subsection (e) (as so redesignated), by inserting “or participate in any action taken” after “vote”;

(6) by inserting after subsection (e) (as so redesignated), the following:

“(f) **STAFF.**—The State board may employ staff to assist in carrying out the functions described in subsection (d).”;

(7) in subsection (g), by inserting “electronic means and” after “on a regular basis through”.

**SEC. 13. STATE PLAN.**

Section 112 (29 U.S.C. 2822)—

- (1) in subsection (a)—  
 (A) by striking “127 or”; and  
 (B) by striking “5-year strategy” and inserting “3-year strategy”;
- (2) in subsection (b)—  
 (A) by amending paragraph (4) to read as follows:

“(4) information describing—

- “(A) the economic conditions in the State;
- “(B) the immediate and long-term skilled workforce needs of in-demand industries, small businesses, and other occupations important to the State economy;
- “(C) the knowledge and skills of the workforce in the State; and

“(D) workforce development activities (including education and training) in the State.”;

(B) by amending paragraph (7) to read as follows:

“(7) a description of the State criteria for determining the eligibility of training services providers in accordance with section 122, including how the State will take into account the performance of providers and whether the training services relate to in-demand industries and other occupations important to the State economy.”;

(C) by amending paragraph (8) to read as follows:

“(8)(A) a description of the procedures that will be taken by the State to assure coordination of, and avoid duplication among, the programs and activities identified under section 501(b)(2); and

“(B) a description of and an assurance regarding common data collection and reporting processes used for the programs and activities described in subparagraph (A), which are carried out by one-stop partners, including—

“(i) an assurance that such processes use quarterly wage records for performance measures described in section 136(b)(2)(A) that are applicable to such programs or activities; or

“(ii) if such wage records are not being used for the performance measures, an identification of the barriers to using such wage records and a description of how the State will address such barriers within 1 year of the approval of the plan;”;

(D) in paragraph (9), by striking “, including comment by representatives of businesses and representatives of labor organizations;”;

(E) in paragraph (11), by striking “under sections 127 and 132” and inserting “under section 132”;

(F) by striking paragraph (12);

(G) by redesignating paragraphs (13) through (18) as paragraphs (12) through (17), respectively;

(H) in paragraph (12) (as so redesignated), by striking “111(f)” and inserting “111(e)”;

(I) in paragraph (13) (as so redesignated), by striking “134(c)” and inserting “121(e)”;

(J) in paragraph (14) (as so redesignated), by striking “116(a)(5)” and inserting “116(a)(3)”;

(K) in paragraph (16) (as so redesignated)—

(i) in subparagraph (A)—

(I) in clause (ii)—

(aa) by striking “to dislocated workers”; and

(bb) by inserting “and additional assistance” after “rapid response activities”;

(II) in clause (iii), by striking “134(d)(4)” and inserting “134(c)(4)”;

(III) by striking “and” at the end of clause (iii);

(IV) by amending clause (iv) to read as follows:

“(iv) how the State will serve the employment and training needs of dislocated workers (including displaced homemakers), low-income individuals (including recipients of public assistance such as supplemental nutrition assistance program benefits pursuant to the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.)), long-term unemployed individuals (including individuals who have exhausted entitlement to Federal and State unemployment compensation), English learners, homeless individuals, individuals training for nontraditional employment, youth (including out-of-school youth and at-risk youth), older workers, ex-offenders, migrant and seasonal farmworkers, refugees and entrants, veterans (including disabled and homeless veterans), and Native Americans; and”;

(V) by adding at the end the following new clause:

“(v) how the State will—

“(I) consistent with section 188 and Executive Order No. 13217 (42 U.S.C. 12131 note), serve the employment and training needs of individuals with disabilities; and

“(II) consistent with sections 504 and 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794, 794d), include the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility for individuals with disabilities to programs and services under this subtitle;”;

and

(ii) in subparagraph (B), by striking “to the extent practicable” and inserting “in accordance with the requirements of the Jobs for Veterans Act (Public Law 107-288) and the amendments made by such Act”; and

(L) by striking paragraph (17) (as so redesignated) and inserting the following:

“(17) a description of the strategies and services that will be used in the State—

“(A) to more fully engage employers, including small businesses and employers in in-demand industries and occupations important to the State economy;

“(B) to meet the needs of employers in the State; and

“(C) to better coordinate workforce development programs with economic development activities;

“(18) a description of how the State board will convene (or help to convene) industry or sector partnerships that lead to collaborative planning, resource alignment, and training efforts across a targeted cluster of multiple firms for a range of workers employed or potentially employed by the industry or sector—

“(A) to encourage industry growth and competitiveness and to improve worker training, retention, and advancement in the industry or sector;

“(B) to address the immediate and long-term skilled workforce needs of in-demand industries, small businesses, and other occupations important to the State economy; and

“(C) to address critical skill gaps within and across industries and sectors;

“(19) a description of how the State will utilize technology, to facilitate access to services in remote areas, which may be used throughout the State;

“(20) a description of the State strategy and assistance to be provided by the State for encouraging regional cooperation within the State and across State borders, as appropriate;

“(21) a description of the actions that will be taken by the State to foster communication, coordination, and partnerships with nonprofit organizations (including public libraries, community, faith-based, and philanthropic organizations) that provide employment-related, training, and complementary services, to enhance the quality and comprehensiveness of services available to participants under this title;

“(22) a description of the process and methodology for determining—

“(A) one-stop partner program contributions for the costs of infrastructure of one-stop centers under section 121(h)(1); and

“(B) the formula for allocating such infrastructure funds to local areas under section 121(h)(3);

“(23) a description of the strategies and services that will be used in the State to assist at-risk youth and out-of-school youth in acquiring the education and skills, credentials (including recognized postsecondary credentials, such as industry-recognized credentials), and employment experience to succeed in the labor market, including—

“(A) training and internships in in-demand industries or occupations important to the State and local economy;

“(B) dropout recovery activities that are designed to lead to the attainment of a regular secondary school diploma or its recognized equivalent, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities); and

“(C) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education and training and career-ladder employment; and

“(24) a description of—

“(A) how the State will furnish employment, training, including training in advanced manufacturing, supportive, and placement services to veterans, including disabled and homeless veterans;

“(B) the strategies and services that will be used in the State to assist in and expedite reintegration of homeless veterans into the labor force; and

“(C) the veterans population to be served in the State.”;

(3) in subsection (c), by striking “period, that—” and all that follows through paragraph (2) and inserting “period, that the plan is inconsistent with the provisions of this title.”; and

(4) in subsection (d), by striking “5-year” and inserting “3-year”.

#### SEC. 14. LOCAL WORKFORCE INVESTMENT AREAS.

Section 116 (29 U.S.C. 2831) is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—

“(A) PROCESS.—In order to receive an allotment under section 132, a State, through the State board, shall establish a process to designate local workforce investment areas within the State. Such process shall—

“(i) support the statewide workforce development system developed under section 111(d)(2), enabling the system to meet the workforce needs of the State and its local areas;

“(ii) include consultation, prior to the designation, with chief elected officials;

“(iii) include consideration of comments received on the designation through the public comment process as described in section 112(b)(9); and

“(iv) require the submission of an application for approval under subparagraph (B).

“(B) APPLICATION.—To obtain designation of a local area under this paragraph, a local or regional board (or consortia of local or regional boards) seeking to take responsibility for the area under this Act shall submit an application to a State board at such time, in such manner, and containing such information as the State board may require, including—

“(i) a description of the local area, including the population that will be served by the local area, and the education and training needs of its employers and workers;

“(ii) a description of how the local area is consistent or aligned with—

“(I) service delivery areas (as determined by the State);

“(II) labor market areas; and

“(III) economic development regions;

“(iii) a description of the eligible providers of education and training, including postsecondary educational institutions such as community colleges, located in the local area and available to meet the needs of the local workforce;

“(iv) a description of the distance that individuals will need to travel to receive services provided in such local area; and

“(v) any other criteria that the State board may require.

“(C) PRIORITY.—In designating local areas under this paragraph, a State board shall give priority consideration to an area proposed by an applicant demonstrating that a designation as a local area under this paragraph will result in the reduction of overlapping service delivery areas, local market areas, or economic development regions.

“(D) ALIGNMENT WITH LOCAL PLAN.—A State may designate an area proposed by an applicant as a local area under this paragraph for a period not to exceed 3 years.

“(E) REFERENCES.—For purposes of this Act, a reference to a local area—

“(i) used with respect to a geographic area, refers to an area designated under this paragraph; and

“(ii) used with respect to an entity, refers to the applicant.”;

(B) by amending paragraph (2) to read as follows:

“(2) TECHNICAL ASSISTANCE.—The Secretary shall, if requested by the Governor of a State, provide the State with technical assistance in making the determinations required under paragraph (1). The Secretary shall not issue regulations governing determinations to be made under paragraph (1).”;

(C) by striking paragraph (3);

(D) by striking paragraph (4);

(E) by redesignating paragraph (5) as paragraph (3); and

(F) in paragraph (3) (as so redesignated), by striking “(2) or (3)” both places it appears and inserting “(1)”;

(2) by amending subsection (b) to read as follows:

“(b) SINGLE STATES.—Consistent with subsection (a), the State board of a State may designate the State as a single State local area for the purposes of this title.”; and

(3) in subsection (c)—

(A) in paragraph (1), by adding at the end the following: “The State may require the local boards for the designated region to prepare a single regional plan that incorporates the elements of the local plan under section 118 and that is submitted and approved in lieu of separate local plans under such section.”; and

(B) in paragraph (2), by striking “employment statistics” and inserting “workforce and labor market information”.

**SEC. 15. LOCAL WORKFORCE INVESTMENT BOARDS.**

Section 117 (29 U.S.C. 2832) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking “include—” and all that follows through “representatives” and inserting “include representatives”;

(II) by striking clauses (ii) through (vi);

(III) by redesignating subclauses (I) through (III) as clauses (i) through (iii), respectively (and by moving the margins of such clauses 2 ems to the left);

(IV) by striking clause (ii) (as so redesignated) and inserting the following:

“(ii) represent businesses, including large and small businesses, each of which has immediate and long-term employment opportunities in an in-demand industry or other occupation important to the local economy; and”;

(V) by striking the semicolon at the end of clause (iii) (as so redesignated) and inserting “; and”;

(ii) by amending subparagraph (B) to read as follows:

“(B) may include such other individuals or representatives of entities as the chief elected official in the local area may determine to be appropriate, including—

“(i) the superintendent or other employee of the local educational agency who has primary responsibility for secondary education, the presidents or chief executive officers of postsecondary educational institutions (including a community college, where such an entity exists), or administrators of local entities providing adult education and family literacy education activities;

“(ii) representatives of community-based organizations (including organizations representing individuals with disabilities and veterans, for a local area in which such organizations are present); or

“(iii) representatives of veterans service organizations.”;

(B) in paragraph (4)—

(i) by striking “A majority” and inserting “A ¾ majority”; and

(ii) by striking “(2)(A)(i)” and inserting “(2)(A)”; and

(C) in paragraph (5), by striking “(2)(A)(i)” and inserting “(2)(A)”; and

(2) in subsection (c)—

(A) in paragraph (1), by striking subparagraph (C); and

(B) in paragraph (3)(A)(ii), by striking “paragraphs (1) through (7)” and inserting “paragraphs (1) through (8)”;

(3) by amending subsection (d) to read as follows:

“(d) FUNCTIONS OF LOCAL BOARD.—The functions of the local board shall include the following:

“(1) LOCAL PLAN.—Consistent with section 118, each local board, in partnership with the chief elected official for the local area involved, shall develop and submit a local plan to the Governor.

“(2) WORKFORCE RESEARCH AND REGIONAL LABOR MARKET ANALYSIS.—

“(A) IN GENERAL.—The local board shall—

“(i) conduct, and regularly update, an analysis of—

“(I) the economic conditions in the local area;

“(II) the immediate and long-term skilled workforce needs of in-demand industries and other occupations important to the local economy;

“(III) the knowledge and skills of the workforce in the local area; and

“(IV) workforce development activities (including education and training) in the local area; and

“(ii) assist the Governor in developing the statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491-2(e)).

“(B) EXISTING ANALYSIS.—In carrying out requirements of subparagraph (A)(i), a local board shall use an existing analysis, if any, by the local economic development entity or related entity.

“(3) EMPLOYER ENGAGEMENT.—The local board shall meet the needs of employers and support economic growth in the local area by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers.

“(4) BUDGET AND ADMINISTRATION.—

“(A) BUDGET.—

“(i) IN GENERAL.—The local board shall develop a budget for the activities of the local board in the local area, consistent with the requirements of this subsection.

“(ii) TRAINING RESERVATION.—In developing a budget under clause (i), the local board shall reserve a percentage of funds to carry out the activities specified in section 134(c)(4). The local board shall use the analysis conducted under paragraph (2)(A)(i) to determine the appropriate percentage of funds to reserve under this clause.

“(B) ADMINISTRATION.—

“(i) GRANT RECIPIENT.—The chief elected official in a local area shall serve as the local grant recipient for, and shall be liable for any misuse of, the grant funds allocated to the local area under section 133, unless the chief elected official reaches an agreement with the Governor for the Governor to act as the local grant recipient and bear such liability.

“(ii) DESIGNATION.—In order to assist in administration of the grant funds, the chief elected official or the Governor, where the Governor serves as the local grant recipient for a local area, may designate an entity to serve as a local grant subrecipient for such funds or as a local fiscal agent. Such designation shall not relieve the chief elected official or the Governor of the liability for

any misuse of grant funds as described in clause (i).

“(iii) DISBURSAL.—The local grant recipient or an entity designated under clause (ii) shall disburse the grant funds for workforce investment activities at the direction of the local board, pursuant to the requirements of this title. The local grant recipient or entity designated under clause (ii) shall disburse the funds immediately on receiving such direction from the local board.

“(C) STAFF.—The local board may employ staff to assist in carrying out the functions described in this subsection.

“(D) GRANTS AND DONATIONS.—The local board may solicit and accept grants and donations from sources other than Federal funds made available under this Act.

“(5) SELECTION OF OPERATORS AND PROVIDERS.—

“(A) SELECTION OF ONE-STOP OPERATORS.—Consistent with section 121(d), the local board, with the agreement of the chief elected official—

“(i) shall designate or certify one-stop operators as described in section 121(d)(2)(A); and

“(ii) may terminate for cause the eligibility of such operators.

“(B) IDENTIFICATION OF ELIGIBLE TRAINING SERVICE PROVIDERS.—Consistent with this subtitle, the local board shall identify eligible providers of training services described in section 134(c)(4) in the local area, annually review the outcomes of such eligible providers using the criteria under section 122(b)(2), and designate such eligible providers in the local area who have demonstrated the highest level of success with respect to such criteria as priority eligible providers for the program year following the review.

“(C) IDENTIFICATION OF ELIGIBLE PROVIDERS OF WORK READY SERVICES.—If the one-stop operator does not provide the services described in section 134(c)(2) in the local area, the local board shall identify eligible providers of such services in the local area by awarding contracts.

“(6) PROGRAM OVERSIGHT.—The local board, in partnership with the chief elected official, shall be responsible for—

“(A) ensuring the appropriate use and management of the funds provided for local employment and training activities authorized under section 134(b); and

“(B) conducting oversight of the one-stop delivery system, in the local area, authorized under section 121.

“(7) NEGOTIATION OF LOCAL PERFORMANCE MEASURES.—The local board, the chief elected official, and the Governor shall negotiate and reach agreement on local performance measures as described in section 136(c).

“(8) TECHNOLOGY IMPROVEMENTS.—The local board shall develop strategies for technology improvements to facilitate access to services authorized under this subtitle and carried out in the local area, including access in remote areas.”;

(4) in subsection (e)—

(A) by inserting “electronic means and” after “regular basis through”; and

(B) by striking “and the award of grants or contracts to eligible providers of youth activities.”;

(5) in subsection (f)—

(A) in paragraph (1)(A), by striking “section 134(d)(4)” and inserting “section 134(c)(4)”;

(B) by striking paragraph (2) and inserting the following:

“(2) WORK READY SERVICES; DESIGNATION OR CERTIFICATION AS ONE-STOP OPERATORS.—A local board may provide work ready services described in section 134(c)(2) through a one-stop delivery system described in section 121

or be designated or certified as a one-stop operator only with the agreement of the chief elected official and the Governor.”;

(6) in subsection (g)(1), by inserting “or participate in any action taken” after “vote”; and

(7) by striking subsections (h) and (i).

#### SEC. 16. LOCAL PLAN.

Section 118 (29 U.S.C. 2833) is amended—

(1) in subsection (a), by striking “5-year” and inserting “3-year”;

(2) by amending subsection (b) to read as follows:

“(b) CONTENTS.—The local plan shall include—

“(1) a description of the analysis of the local area’s economic and workforce conditions conducted under subclauses (I) through (IV) of section 117(d)(2)(A)(i), and an assurance that the local board will use such analysis to carry out the activities under this subtitle;

“(2) a description of the one-stop delivery system in the local area, including—

“(A) a description of how the local board will ensure—

“(i) the continuous improvement of eligible providers of services through the system; and

“(ii) that such providers meet the employment needs of local businesses and participants; and

“(B) a description of how the local board will facilitate access to services described in section 117(d)(8) and provided through the one-stop delivery system consistent with section 117(d)(8);

“(3) a description of the strategies and services that will be used in the local area—

“(A) to more fully engage employers, including small businesses and employers in in-demand industries and occupations important to the local economy;

“(B) to meet the needs of employers in the local area;

“(C) to better coordinate workforce development programs with economic development activities; and

“(D) to better coordinate workforce development programs with employment, training, and literacy services carried out by non-profit organizations, including public libraries, as appropriate;

“(4) a description of how the local board will convene (or help to convene) industry or sector partnerships that lead to collaborative planning, resource alignment, and training efforts across multiple firms for a range of workers employed or potentially employed by a targeted industry or sector—

“(A) to encourage industry growth and competitiveness and to improve worker training, retention, and advancement in the targeted industry or sector;

“(B) to address the immediate and long-term skilled workforce needs of in-demand industries, small businesses, and other occupations important to the local economy; and

“(C) to address critical skill gaps within and across industries and sectors;

“(5) a description of how the funds reserved under section 117(d)(4)(A)(ii) will be used to carry out activities described in section 134(c)(4);

“(6) a description of how the local board will coordinate workforce investment activities carried out in the local area with statewide workforce investment activities, as appropriate;

“(7) a description of how the local area will—

“(A) coordinate activities with the local area’s disability community, and with transition services (as defined under section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401)) provided under that Act by local educational agencies serv-

ing such local area, to make available comprehensive, high-quality services to individuals with disabilities;

“(B) consistent with section 188 and Executive Order No. 13217 (42 U.S.C. 12131 note), serve the employment and training needs of individuals with disabilities, with a focus on employment that fosters independence and integration into the workplace; and

“(C) consistent with sections 504 and 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794, 794d), include the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility for individuals with disabilities to programs and services under this subtitle;

“(8) a description of the local levels of performance negotiated with the Governor and chief elected official pursuant to section 136(c), to be—

“(A) used to measure the performance of the local area; and

“(B) used by the local board for measuring performance of the local fiscal agent (where appropriate), eligible providers, and the one-stop delivery system, in the local area;

“(9) a description of the process used by the local board, consistent with subsection (c), to provide an opportunity for public comment prior to submission of the plan;

“(10) a description of how the local area will serve the employment and training needs of dislocated workers (including displaced homemakers), low-income individuals (including recipients of public assistance such as supplemental nutrition assistance program benefits pursuant to the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.)), long-term unemployed individuals (including individuals who have exhausted entitlement to Federal and State unemployment compensation), English learners, homeless individuals, individuals training for nontraditional employment, youth (including out-of-school youth and at-risk youth), older workers, ex-offenders, migrant and seasonal farmworkers, refugees and entrants, veterans (including disabled veterans and homeless veterans), and Native Americans;

“(11) an identification of the entity responsible for the disbursement of grant funds described in section 117(d)(4)(B)(iii), as determined by the chief elected official or the Governor under such section;

“(12) a description of the strategies and services that will be used in the local area to assist at-risk youth and out-of-school youth in acquiring the education and skills, credentials (including recognized postsecondary credentials, such as industry-recognized credentials), and employment experience to succeed in the labor market, including—

“(A) training and internships in in-demand industries or occupations important to the local economy;

“(B) dropout recovery activities that are designed to lead to the attainment of a regular secondary school diploma or its recognized equivalent, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities); and

“(C) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education and training and career-ladder employment;

“(13) a description of—

“(A) how the local area will furnish employment, training, including training in advanced manufacturing, supportive, and placement services to veterans, including disabled and homeless veterans;

“(B) the strategies and services that will be used in the local area to assist in and expedite reintegration of homeless veterans into the labor force; and

“(C) the veteran population to be served in the local area;

“(14) a description of—

“(A) the duties assigned to the veteran employment specialist consistent with the requirements of section 134(f);

“(B) the manner in which the veteran employment specialist is integrated into the one-stop career system described in section 121;

“(C) the date on which the veteran employment specialist was assigned; and

“(D) whether the veteran employment specialist has satisfactorily completed related training by the National Veterans’ Employment and Training Services Institute; and

“(15) such other information as the Governor may require.”; and

(3) in subsection (c)—

(A) in paragraph (1), by striking “such means” and inserting “electronic means and such means”; and

(B) in paragraph (2), by striking “, including representatives of business and representatives of labor organizations.”.

#### SEC. 17. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEM.

Section 121 (29 U.S.C. 2841) is amended—

(1) in subsection (b)—

(A) by striking subparagraph (A) of paragraph (1) and inserting the following:

“(A) ROLES AND RESPONSIBILITIES OF ONE-STOP PARTNERS.—Each entity that carries out a program or activities described in subparagraph (B) shall—

“(i) provide access through a one-stop delivery system to the program or activities carried out by the entity, including making the work ready services described in section 134(c)(2) that are applicable to the program or activities of the entity available at one-stop centers (in addition to any other appropriate locations);

“(ii) use a portion of the funds available to the program or activities of the entity to maintain the one-stop delivery system, including payment of the costs of infrastructure of one-stop centers in accordance with subsection (h);

“(iii) enter into a local memorandum of understanding with the local board, relating to the operation of the one-stop delivery system, that meets the requirements of subsection (c); and

“(iv) participate in the operation of the one-stop delivery system consistent with the terms of the memorandum of understanding, the requirements of this title, and the requirements of the Federal laws authorizing the program or activities carried out by the entity.”;

(B) in paragraph (1)(B)—

(i) by striking clauses (ii), (v), and (vi);

(ii) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively;

(iii) by redesignating clauses (vii) through (xii) as clauses (iv) through (ix), respectively;

(iv) in clause (ii), as so redesignated, by striking “adult education and literacy activities” and inserting “adult education and family literacy education activities”

(v) in clause (viii), as so redesignated, by striking “and” at the end;

(vi) in clause (ix), as so redesignated, by striking the period and inserting “; and”;

(vii) by adding at the end the following:

“(x) subject to subparagraph (C), programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)”;

(C) by inserting after paragraph (1)(B) the following:

“(C) DETERMINATION BY THE GOVERNOR.—Each entity carrying out a program described in subparagraph (B)(x) shall be considered to be a one-stop partner under this

title and carry out the required partner activities described in subparagraph (A) unless the Governor of the State in which the local area is located provides the Secretary and Secretary of Health and Human Services written notice of a determination by the Governor that such an entity shall not be considered to be such a partner and shall not carry out such required partner activities.”;

(D) in paragraph (2)—  
 (i) in subparagraph (A)(i), by striking “section 134(d)(2)” and inserting “section 134(c)(2)”;

(ii) in subparagraph (B)—  
 (I) by striking clauses (i), (ii), and (v);  
 (II) in clause (iv), by striking “and” at the end;

(III) by redesignating clauses (iii) and (iv) as clauses (i) and (ii), respectively; and

(IV) by adding at the end the following:  
 “(iii) employment and training programs administered by the Commissioner of the Social Security Administration;

“(iv) employment and training programs carried out by the Administrator of the Small Business Administration;

“(v) employment, training, and literacy services carried out by public libraries; and

“(vi) other appropriate Federal, State, or local programs, including programs in the private sector.”;

(2) in subsection (c)(2), by amending subparagraph (A) to read as follows:

“(A) provisions describing—  
 “(i) the services to be provided through the one-stop delivery system consistent with the requirements of this section, including the manner in which the services will be coordinated through such system;

“(ii) how the costs of such services and the operating costs of such system will be funded, through cash and in-kind contributions, to provide a stable and equitable funding stream for ongoing one-stop system operations, including the funding of the costs of infrastructure of one-stop centers in accordance with subsection (h);

“(iii) methods of referral of individuals between the one-stop operator and the one-stop partners for appropriate services and activities, including referrals for training for non-traditional employment; and

“(iv) the duration of the memorandum of understanding and the procedures for amending the memorandum during the term of the memorandum, and assurances that such memorandum shall be reviewed not less than once every 3-year period to ensure appropriate funding and delivery of services under the memorandum; and”;

(3) in subsection (d)—

(A) in the heading for paragraph (1), by striking “DESIGNATION AND CERTIFICATION” and inserting “LOCAL DESIGNATION AND CERTIFICATION”;

(B) in paragraph (2)—  
 (i) by striking “section 134(c)” and inserting “subsection (e)”;

(ii) by amending subparagraph (A) to read as follows:

“(A) shall be designated or certified as a one-stop operator through a competitive process; and”;

(iii) in subparagraph (B), by striking clause (ii) and redesignating clauses (iii) through (vi) as clauses (i) through (v), respectively; and

(C) in paragraph (3), by striking “vocational” and inserting “career and technical”;

(4) by amending subsection (e) to read as follows:

“(e) ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEM.—  
 “(1) IN GENERAL.—There shall be established in a State that receives an allotment under section 132(b) a one-stop delivery system, which shall—

“(A) provide the work ready services described in section 134(c)(2);

“(B) provide access to training services as described in paragraph (4) of section 134(c), including serving as the point of access to career enhancement accounts for training services to participants in accordance with paragraph (4)(F) of such section;

“(C) provide access to the activities carried out under section 134(d), if any;

“(D) provide access to programs and activities carried out by one-stop partners that are described in subsection (b); and

“(E) provide access to the data and information described in subparagraphs (A) and (B) of section 15(a)(1) of the Wagner-Peyser Act (29 U.S.C. 491-2(a)(1)).

“(2) ONE-STOP DELIVERY.—At a minimum, the one-stop delivery system—

“(A) shall make each of the programs, services, and activities described in paragraph (1) accessible at not less than one physical center in each local area of the State; and

“(B) may also make programs, services, and activities described in paragraph (1) available—

“(i) through a network of affiliated sites that can provide one or more of the programs, services, and activities to individuals; and

“(ii) through a network of eligible one-stop partners—

“(I) in which each partner provides one or more of the programs, services, and activities to such individuals and is accessible at an affiliated site that consists of a physical location or an electronically- or technologically-linked access point; and

“(II) that assures individuals that information on the availability of the work ready services will be available regardless of where the individuals initially enter the statewide workforce investment system, including information made available through an access point described in subclause (I).

“(3) SPECIALIZED CENTERS.—The centers and sites described in paragraph (2) may have a specialization in addressing special needs.”; and

(5) by adding at the end the following:

“(g) CERTIFICATION OF ONE-STOP CENTERS.—

“(1) IN GENERAL.—

“(A) IN GENERAL.—The State board shall establish objective procedures and criteria for certifying, at least once every 3 years, one-stop centers for the purpose of awarding the one-stop infrastructure funding described in subsection (h).

“(B) CRITERIA.—The criteria for certification of a one-stop center under this subsection shall include—

“(i) meeting the expected levels of performance for each of the corresponding core indicators of performance as outlined in the State plan under section 112;

“(ii) meeting minimum standards relating to the scope and degree of service integration achieved by the center, involving the programs provided by the one-stop partners; and

“(iii) meeting minimum standards relating to how the center ensures that eligible providers meet the employment needs of local employers and participants.

“(C) EFFECT OF CERTIFICATION.—One-stop centers certified under this subsection shall be eligible to receive the infrastructure funding authorized under subsection (h).

“(2) LOCAL BOARDS.—Consistent with the criteria developed by the State, the local board may develop, for certification referred to in paragraph (1)(A), additional criteria or higher standards on the criteria referred to in paragraph (1)(B) to respond to local labor market and demographic conditions and trends.

“(h) ONE-STOP INFRASTRUCTURE FUNDING.—  
 “(1) PARTNER CONTRIBUTIONS.—

“(A) PROVISION OF FUNDS.—Notwithstanding any other provision of law, as determined under subparagraph (B), a portion of the Federal funds provided to the State and areas within the State under the Federal laws authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating additional partner programs described in subsection (b)(2)(B), for a fiscal year shall be provided to the Governor by such partners to carry out this subsection.

“(B) DETERMINATION OF GOVERNOR.—

“(i) IN GENERAL.—Subject to subparagraph (C), the Governor, in consultation with the State board, shall determine the portion of funds to be provided under subparagraph (A) by each one-stop partner and in making such determination shall consider the proportionate use of the one-stop centers in the State by each such partner, the costs of administration for purposes not related to one-stop centers for each such partner, and other relevant factors described in paragraph (3).

“(ii) SPECIAL RULE.—In those States where the State constitution places policy-making authority that is independent of the authority of the Governor in an entity or official with respect to the funds provided for adult education and family literacy education activities authorized under title II and for postsecondary career and technical education activities authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), the determination described in clause (i) with respect to the corresponding 2 programs shall be made by the Governor with the appropriate entity or official with such independent policy-making authority.

“(iii) APPEAL BY ONE-STOP PARTNERS.—The Governor shall establish a procedure for the one-stop partner administering a program described in subsection (b) and subparagraph (A) to appeal a determination regarding the portion of funds to be provided under this paragraph on the basis that such determination is inconsistent with the requirements described in the State plan for the program or with the requirements of this paragraph. Such procedure shall ensure prompt resolution of the appeal.

“(C) LIMITATIONS.—

“(i) PROVISION FROM ADMINISTRATIVE FUNDS.—The funds provided under this paragraph by a one-stop partner shall be provided only from funds available for the costs of administration under the program administered by such partner, and shall be subject to the limitations with respect to the portion of funds under such program that may be used for administration.

“(ii) FEDERAL DIRECT SPENDING PROGRAMS.—

“(I) IN GENERAL.—A program that provides Federal direct spending under section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(8)) shall not, for purposes of this paragraph, be required to provide more than the maximum amount determined under subclause (II).

“(II) MAXIMUM AMOUNT.—The maximum amount for the program is the amount that bears the same relationship to the costs referred to in paragraph (2) for the State as the use of the one-stop centers by such program bears to the use of such centers by all one-stop partner programs in the State.

“(2) ALLOCATION BY GOVERNOR.—From the funds provided under paragraph (1), the Governor shall allocate funds to local areas in accordance with the formula established under paragraph (3) for the purposes of assisting in paying the costs of infrastructure of one-stop centers certified under subsection (g).

“(3) ALLOCATION FORMULA.—The State board shall develop a formula to be used by the Governor to allocate the funds provided under paragraph (1) to local areas. The formula shall include such factors as the State board determines are appropriate, which may include factors such as the number of centers in a local area that have been certified, the population served by such centers, and the performance of such centers.

“(4) COSTS OF INFRASTRUCTURE.—For purposes of this subsection, the term ‘costs of infrastructure’ means the nonpersonnel costs that are necessary for the general operation of a one-stop center, including the rental costs of the facilities involved, and the costs of utilities and maintenance, and equipment (including assistive technology for individuals with disabilities).

“(i) OTHER FUNDS.—

“(1) IN GENERAL.—In addition to the funds provided under subsection (h), a portion of funds made available under Federal law authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating additional partner programs described in subsection (b)(2)(B), or the noncash resources available under such 2 types of programs, shall be used to pay the costs relating to the operation of the one-stop delivery system that are not paid for from the funds provided under subsection (h), to the extent not inconsistent with the Federal law involved. Such portion shall be used to pay for costs including—

“(A) costs of infrastructure (as defined in subsection (h)) that are in excess of the funds provided under subsection (h);

“(B) common costs that are in addition to the costs of infrastructure (as so defined); and

“(C) the costs of the provision of work ready services applicable to each program.

“(2) DETERMINATION AND STANDARDS.—The method for determining the appropriate portion of funds and noncash resources to be provided by each program under paragraph (1) shall be determined as part of the memorandum of understanding under subsection (c). The State board shall provide standards to facilitate the determination of appropriate allocation of the funds and noncash resources to local areas.”.

**SEC. 18. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.**

Section 122 (29 U.S.C. 2842) is amended to read as follows:

**“SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.**

“(a) ELIGIBILITY.—

“(1) IN GENERAL.—The Governor, after consultation with the State board, shall establish criteria and procedures regarding the eligibility of providers of training services described in section 134(c)(4) to receive funds provided under section 133(b) for the provision of such training services and be included on the list of eligible providers of training services described in subsection (d).

“(2) PROVIDERS.—Subject to the provisions of this section, to be eligible to receive the funds and be included on the list, the provider shall be—

“(A) a postsecondary educational institution that—

“(i) is eligible to receive Federal funds under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

“(ii) provides a program that leads to a recognized postsecondary credential;

“(B) an entity that carries out programs under the Act of August 16, 1937 (commonly known as the ‘National Apprenticeship Act’; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.); or

“(C) another public or private provider of a program of training services.

“(3) INCLUSION IN LIST OF ELIGIBLE PROVIDERS.—A provider described in subparagraph (A) or (C) of paragraph (2) shall comply with the criteria and procedures established under this subsection to be eligible to receive the funds and be included on the list. A provider described in paragraph (2)(B) shall be eligible to receive the funds and be included on the list with respect to programs described in paragraph (2)(B) for so long as the provider remains certified by the Secretary of Labor to carry out the programs.

“(b) CRITERIA.—

“(1) IN GENERAL.—The criteria established by the Governor pursuant to subsection (a) shall take into account—

“(A) the performance of providers of training services with respect to the performance measures described in section 136, measures for other matters for which information is required under paragraph (2), and other appropriate measures of performance outcomes for those participants receiving training services under this subtitle;

“(B) whether the training programs of such providers relate to in-demand industries or occupations important to the local economy;

“(C) the need to ensure access to training services throughout the State, including in rural areas;

“(D) the ability of the providers to offer programs that lead to a recognized postsecondary credential, and the quality of such programs;

“(E) the performance of the providers as reflected in the information such providers are required to report to State agencies with respect to other Federal and State programs (other than the program carried out under this subtitle), including one-stop partner programs; and

“(F) such other factors as the Governor determines are appropriate.

“(2) INFORMATION.—The criteria established by the Governor shall require that a provider of training services submit appropriate, accurate, and timely information to the State for purposes of carrying out subsection (d), with respect to participants receiving training services under this subtitle in the applicable program, including—

“(A) information on recognized postsecondary credentials received by such participants;

“(B) information on costs of attendance for such participants;

“(C) information on the program completion rate for such participants; and

“(D) information on the performance of the provider with respect to the performance measures described in section 136 for such participants.

“(3) RENEWAL.—The criteria established by the Governor shall also provide for a review on the criteria every 3 years and renewal of eligibility under this section for providers of training services.

“(4) LOCAL CRITERIA.—A local board in the State may establish criteria in addition to the criteria established by the Governor, or may require higher levels of performance than required on the criteria established by the Governor, for purposes of determining the eligibility of providers of training services under this section in the local area involved.

“(5) LIMITATION.—In carrying out the requirements of this subsection, no entity may disclose personally identifiable information regarding a student, including a Social Security number, student identification number, or other identifier, without the prior written consent of the parent or student in compliance with section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

“(c) PROCEDURES.—The procedures established under subsection (a) shall—

“(1) identify—

“(A) the application process for a provider of training services to become eligible under this section; and

“(B) the respective roles of the State and local areas in receiving and reviewing applications and in making determinations of eligibility based on the criteria established under this section; and

“(2) establish a process, for a provider of training services to appeal a denial or termination of eligibility under this section, that includes an opportunity for a hearing and prescribes appropriate time limits to ensure prompt resolution of the appeal.

“(d) INFORMATION TO ASSIST PARTICIPANTS IN CHOOSING PROVIDERS.—In order to facilitate and assist participants under chapter 5 in choosing providers of training services, the Governor shall ensure that an appropriate list of providers determined eligible under this section in the State, including information provided under subsection (b)(2) with respect to such providers, is provided to the local boards in the State and is made available to such participants and to members of the public through the one-stop delivery system in the State.

“(e) ENFORCEMENT.—

“(1) IN GENERAL.—The procedures established under this section shall provide the following:

“(A) INTENTIONALLY SUPPLYING INACCURATE INFORMATION.—Upon a determination, by an individual or entity specified in the procedures, that a provider of training services, or individual providing information on behalf of the provider, intentionally supplied inaccurate information under this section, the eligibility of such provider under this section shall be terminated for a period of time that is not less than 2 years.

“(B) SUBSTANTIAL VIOLATIONS.—Upon a determination, by an individual or entity specified in the procedures, that a provider of training services substantially violated any requirement under this title, the eligibility of such provider under this section shall be terminated for a period of time that is not less than 10 years.

“(C) REPAYMENT.—A provider of training services whose eligibility is terminated under subparagraph (A) or (B) shall be liable for the repayment of funds received under chapter 5 during a period of noncompliance described in such subparagraph. For purposes of subparagraph (A), that period shall be considered to be the period beginning on the date on which the inaccurate information described in subparagraph (A) was supplied, and ending on the date of the termination described in subparagraph (A).

“(2) CONSTRUCTION.—Paragraph (1) shall be construed to provide remedies and penalties that supplement, but do not supplant, other civil and criminal remedies and penalties.

“(f) AGREEMENTS WITH OTHER STATES.—A State may enter into an agreement with another State, on a reciprocal basis, to permit eligible providers of training services to accept career enhancement accounts provided in the other State.

“(g) RECOMMENDATIONS.—In developing the criteria (including requirements for related information) and procedures required under this section, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

“(h) OPPORTUNITY TO SUBMIT COMMENTS.—During the development of the criteria and procedures, and the list of eligible providers required under this section, the Governor shall provide an opportunity for interested members of the public to submit comments regarding such criteria, procedures, and list.

“(i) ON-THE-JOB TRAINING OR CUSTOMIZED TRAINING EXCEPTION.—

“(1) IN GENERAL.—Providers of on-the-job training or customized training shall not be



subject to the requirements of subsections (a) through (d).

“(2) COLLECTION AND DISSEMINATION OF INFORMATION.—A one-stop operator in a local area shall collect such performance information from on-the-job training and customized training providers as the Governor may require, determine whether the providers meet such performance criteria as the Governor may require, and disseminate information identifying providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria shall be considered to be identified as eligible under this section, to be providers of the training services involved.”

**SEC. 19. GENERAL AUTHORIZATION.**

Chapter 5 of subtitle B of title I is amended—

(1) by striking the heading for chapter 5 and inserting the following: “**EMPLOYMENT AND TRAINING ACTIVITIES**”; and

(2) in section 131 (29 U.S.C. 2861)—  
(A) by striking “paragraphs (1)(B) and (2)(B) of”; and

(B) by striking “adults, and dislocated workers,” and inserting “individuals”.

**SEC. 20. STATE ALLOTMENTS.**

Section 132 (29 U.S.C. 2862) is amended—

(1) by amending subsection (a) to read as follows:

“(a) IN GENERAL.—The Secretary shall—  
“(1) reserve ½ of 1 percent of the total amount appropriated under section 137 for a fiscal year, of which—  
“(A) 50 percent shall be used to provide technical assistance under section 170; and  
“(B) 50 percent shall be used for evaluations under section 172;

“(2) reserve 1 percent of the total amount appropriated under section 137 for a fiscal year to make grants to, and enter into contracts or cooperative agreements with Indian tribes, tribal organizations, Alaska Native entities, Indian-controlled organizations serving Indians, or Native Hawaiian organizations to carry out employment and training activities;

“(3) reserve not more than 25 percent of the total amount appropriated under section 137 for a fiscal year to carry out the Jobs Corps program under subtitle C;

“(4) reserve not more than 3.5 percent of the total amount appropriated under section 137 for a fiscal year to—

“(A) make grants to State boards or local boards to provide employment and training assistance to workers affected by major economic dislocations, such as plant closures, mass layoffs, or closures and realignments of military installations; and  
“(B) provide assistance to Governors of States with an area that has suffered an emergency or a major disaster (as such terms are defined in paragraphs (1) and (2), respectively, of section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) to provide disaster relief employment in the area; and

“(5) from the remaining amount appropriated under section 137 for a fiscal year (after reserving funds under paragraphs (1) through (4)), make allotments in accordance with subsection (b) of this section.”; and

(2) by amending subsection (b) to read as follows:

“(b) WORKFORCE INVESTMENT FUND.—

“(1) RESERVATION FOR OUTLYING AREAS.—

“(A) IN GENERAL.—From the amount made available under subsection (a)(5) for a fiscal year, the Secretary shall reserve not more than ¼ of 1 percent to provide assistance to the outlying areas.

“(B) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this paragraph upon entering into an

agreement for extension of United States educational assistance under the Compact of Free Association (approved by the Compact of Free Association Amendments Act of 2003 (Public Law 108-188) after the date of enactment of the SKILLS Act.

“(2) STATES.—

“(A) IN GENERAL.—After determining the amount to be reserved under paragraph (1), the Secretary shall allot the remainder of the amount referred to in subsection (a)(5) for a fiscal year to the States pursuant to subparagraph (B) for employment and training activities and statewide workforce investment activities.

“(B) FORMULA.—Subject to subparagraphs (C) and (D), of the remainder—

“(i) 25 percent shall be allotted on the basis of the relative number of unemployed individuals in areas of substantial unemployment in each State, compared to the total number of unemployed individuals in areas of substantial unemployment in all States;

“(ii) 25 percent shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of such individuals in all States;

“(iii) 25 percent shall be allotted on the basis of the relative number of individuals in each State who have been unemployed for 15 weeks or more, compared to the total number of individuals in all States who have been unemployed for 15 weeks or more; and

“(iv) 25 percent shall be allotted on the basis of the relative number of disadvantaged youth in each State, compared to the total number of disadvantaged youth in all States.

“(C) MINIMUM AND MAXIMUM PERCENTAGES.—

“(i) MINIMUM PERCENTAGE.—The Secretary shall ensure that no State shall receive an allotment under this paragraph for—

“(I) each of fiscal years 2015 through 2017, that is less than 100 percent of the allotment percentage of the State for fiscal year 2013; and

“(II) fiscal year 2018 and each succeeding fiscal year, that is less than 90 percent of the allotment percentage of the State for the fiscal year preceding the fiscal year involved.

“(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the Secretary shall ensure that no State shall receive an allotment under this paragraph for—

“(I) each of fiscal years 2015 through 2017, that is more than 130 percent of the allotment percentage of the State for fiscal year 2013; and

“(II) fiscal year 2018 and each succeeding fiscal year, that is more than 130 percent of the allotment percentage of the State for the fiscal year preceding the fiscal year involved.

“(D) SMALL STATE MINIMUM ALLOTMENT.—Subject to subparagraph (C), the Secretary shall ensure that no State shall receive an allotment under this paragraph for a fiscal year that is less than ½ of 1 percent of the remainder described in subparagraph (A) for the fiscal year.

“(E) DEFINITIONS.—For the purpose of the formula specified in this paragraph:

“(i) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’—

“(I) used with respect to fiscal year 2013, means the percentage of the amounts allotted to States under title I of this Act, title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.), the Women in Apprenticeship and Nontraditional Occupations Act (29 U.S.C. 2501 et seq.), sections 4103A and 4104 of title 38, United States Code, and sections 1 through 14 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.), as such provisions were in effect for fiscal year 2013, that is received

under such provisions by the State involved for fiscal year 2013; and

“(II) used with respect to fiscal year 2017 or a succeeding fiscal year, means the percentage of the amounts allotted to States under this paragraph for the fiscal year, that is received under this paragraph by the State involved for the fiscal year.

“(ii) AREA OF SUBSTANTIAL UNEMPLOYMENT.—The term ‘area of substantial unemployment’ means any area that is of sufficient size and scope to sustain a program of workforce investment activities carried out under this subtitle and that has an average rate of unemployment of at least 7 percent for the most recent 12 months, as determined by the Secretary. For purposes of this clause, determinations of areas of substantial unemployment shall be made once each fiscal year.

“(iii) DISADVANTAGED YOUTH.—The term ‘disadvantaged youth’ means an individual who is not less than age 16 and not more than age 24 who receives an income, or is a member of a family that receives 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.

“(iv) INDIVIDUAL.—The term ‘individual’ means an individual who is age 16 or older.”

**SEC. 21. WITHIN STATE ALLOCATIONS.**

Section 133 (29 U.S.C. 2863) is amended—

(1) by amending subsection (a) to read as follows:

“(a) RESERVATIONS FOR STATEWIDE WORKFORCE INVESTMENT ACTIVITIES.—

“(1) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—The Governor of a State shall reserve not more than 15 percent of the total amount allotted to the State under section 132(b)(2) for a fiscal year to carry out the statewide activities described in section 134(a).

“(2) STATEWIDE RAPID RESPONSE ACTIVITIES AND ADDITIONAL ASSISTANCE.—Of the amount reserved under paragraph (1) for a fiscal year, the Governor of the State shall reserve not more than 25 percent for statewide rapid response activities and additional assistance described in section 134(a)(4).

“(3) STATEWIDE GRANTS FOR INDIVIDUALS WITH BARRIERS TO EMPLOYMENT.—Of the amount reserved under paragraph (1) for a fiscal year, the Governor of the State shall reserve 15 percent to carry out statewide activities described in section 134(a)(5).

“(4) STATE ADMINISTRATIVE COST LIMIT.—Not more than 5 percent of the funds reserved under paragraph (1) may be used by the Governor of the State for administrative costs of carrying out the statewide activities described in section 134(a).”;

(2) by amending subsection (b) to read as follows:

“(b) WITHIN STATE ALLOCATION.—

“(1) METHODS.—The Governor, acting in accordance with the State plan, and after consulting with chief elected officials in the local areas in the State, shall—

“(A) allocate the funds that are allotted to the State under section 132(b)(2) and not reserved under subsection (a), in accordance with paragraph (2)(A); and

“(B) award the funds that are reserved by the State under subsection (a)(3) through competitive grants to eligible entities, in accordance with section 134(a)(1)(C).

“(2) FORMULA ALLOCATIONS FOR THE WORKFORCE INVESTMENT FUND.—

“(A) ALLOCATION.—In allocating the funds described in paragraph (1)(A) to local areas, a State shall allocate—

“(i) 25 percent on the basis described in section 132(b)(2)(B)(i);

“(ii) 25 percent on the basis described in section 132(b)(2)(B)(ii);

“(iii) 25 percent on the basis described in section 132(b)(2)(B)(iii); and

“(iv) 25 percent on the basis described in section 132(b)(2)(B)(iv),

except that a reference in a section specified in any of clauses (i) through (iv) to ‘each State’ shall be considered to refer to each local area, and to ‘all States’ shall be considered to refer to all local areas.

“(B) MINIMUM AND MAXIMUM PERCENTAGES.—

“(i) MINIMUM PERCENTAGE.—The State shall ensure that no local area shall receive an allocation under this paragraph for—

“(I) each of fiscal years 2015 through 2017, that is less than 100 percent of the allocation percentage of the local area for fiscal year 2013; and

“(II) fiscal year 2018 and each succeeding fiscal year, that is less than 90 percent of the allocation percentage of the local area for the fiscal year preceding the fiscal year involved.

“(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the State shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph for—

“(I) each of fiscal years 2015 through 2017, that is more than 130 percent of the allocation percentage of the local area for fiscal year 2013; and

“(II) fiscal year 2018 and each succeeding fiscal year, that is more than 130 percent of the allocation percentage of the local area for the fiscal year preceding the fiscal year involved.

“(C) DEFINITIONS.—For the purpose of the formula specified in this paragraph, the term ‘allocation percentage’—

“(i) used with respect to fiscal year 2013, means the percentage of the amounts allocated to local areas under title I of this Act, title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.), the Women in Apprenticeship and Nontraditional Occupations Act (29 U.S.C. 2501 et seq.), sections 4103A and 4104 of title 38, United States Code, and sections 1 through 14 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.), as such provisions were in effect for fiscal year 2013, that is received under such provisions by the local area involved for fiscal year 2013; and

“(ii) used with respect to fiscal year 2017 or a succeeding fiscal year, means the percentage of the amounts allocated to local areas under this paragraph for the fiscal year, that is received under this paragraph by the local area involved for the fiscal year.”;

(3) in subsection (c)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—The Governor may, in accordance with this subsection, reallocate to eligible local areas within the State amounts that are allocated under subsection (b) for employment and training activities and that are available for reallocation.”;

(B) in paragraph (2), by striking “paragraph (2)(A) or (3) of subsection (b) for such activities” and inserting “subsection (b) for such activities”;

(C) by amending paragraph (3) to read as follows:

“(3) REALLOCATIONS.—In making reallocations to eligible local areas of amounts available pursuant to paragraph (2) for a program year, the Governor shall allocate to each eligible local area within the State an amount based on the relative amount allocated to such local area under subsection (b)(2) for such activities for such prior program year, as compared to the total amount allocated to all eligible local areas in the State under subsection (b)(2) for such activities for such prior program year.”;

(D) in paragraph (4), by striking “paragraph (2)(A) or (3) of”;

(4) by adding at the end the following new subsection:

“(d) LOCAL ADMINISTRATIVE COST LIMIT.—Of the amount allocated to a local area under this section for a fiscal year, not more than 10 percent of the amount may be used by the local board involved for the administrative costs of carrying out local workforce investment activities in the local area under this chapter.”;

**SEC. 22. USE OF FUNDS FOR EMPLOYMENT AND TRAINING ACTIVITIES.**

Section 134 (29 U.S.C. 2864) is amended—

(1) by amending subsection (a) to read as follows:

“(a) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

“(1) IN GENERAL.—

“(A) DISTRIBUTION OF STATEWIDE ACTIVITIES.—Funds reserved by a Governor for a State as described in section 133(a)(1) and not reserved under paragraph (2) or (3) of section 133(a)—

“(i) shall be used to carry out the statewide employment and training activities described in paragraph (2); and

“(ii) may be used to carry out any of the statewide employment and training activities described in paragraph (3).

“(B) STATEWIDE RAPID RESPONSE ACTIVITIES AND ADDITIONAL ASSISTANCE.—Funds reserved by a Governor for a State as described in section 133(a)(2) shall be used to provide the statewide rapid response activities and additional assistance described in paragraph (4).

“(C) STATEWIDE GRANTS FOR INDIVIDUALS WITH BARRIERS TO EMPLOYMENT.—Funds reserved by a Governor for a State as described in section 133(a)(3) shall be used to award statewide grants for individuals with barriers to employment on a competitive basis, and carry out other activities, as described in paragraph (5).

“(2) REQUIRED STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—A State shall use funds referred to in paragraph (1)(A) to carry out statewide employment and training activities, which shall include—

“(A) disseminating the State list of eligible providers of training services described in section 122(d), information identifying eligible providers of on-the-job training and customized training described in section 122(i), and performance information and program cost information described in section 122(b)(2);

“(B) supporting the provision of work ready services described in subsection (c)(2) in the one-stop delivery system;

“(C) implementing strategies and services that will be used in the State to assist at-risk youth and out-of-school youth in acquiring the education and skills, recognized post-secondary credentials, and employment experience to succeed in the labor market;

“(D) conducting evaluations under section 136(e) of activities authorized under this chapter in coordination with evaluations carried out by the Secretary under section 172;

“(E) providing technical assistance to local areas that fail to meet local performance measures;

“(F) operating a fiscal and management accountability system under section 136(f); and

“(G) carrying out monitoring and oversight of activities carried out under this chapter.

“(3) ALLOWABLE STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—A State may use funds referred to in paragraph (1)(A) to carry out statewide employment and training activities which may include—

“(A) implementing innovative programs and strategies designed to meet the needs of all employers in the State, including small employers, which may include incumbent

worker training programs, sectoral and industry cluster strategies and partnership initiatives, career ladder programs, micro-enterprise and entrepreneurial training and support programs, utilization of effective business intermediaries, activities to improve linkages between the one-stop delivery system in the State and all employers (including small employers) in the State, and other business services and strategies that better engage employers in workforce investment activities and make the workforce investment system more relevant to the needs of State and local businesses, consistent with the objectives of this title;

“(B) providing incentive grants to local areas—

“(i) for regional cooperation among local boards (including local boards in a designated region as described in section 116(c));

“(ii) for local coordination of activities carried out under this Act; and

“(iii) for exemplary performance by local areas on the local performance measures;

“(C) developing strategies for effectively integrating programs and services among one-stop partners;

“(D) carrying out activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology;

“(E) incorporating pay-for-performance contract strategies as an element in funding activities under this section and providing technical support to local areas and eligible providers in order to carry out such a strategy, which may involve providing assistance with data collection and data entry requirements;

“(F) carrying out the State option under subsection (f)(8); and

“(G) carrying out other activities authorized under this section that the State determines to be necessary to assist local areas in carrying out activities described in subsection (c) or (d) through the statewide workforce investment system.

“(4) STATEWIDE RAPID RESPONSE ACTIVITIES AND ADDITIONAL ASSISTANCE.—A State shall use funds reserved as described in section 133(a)(2)—

“(A) to carry out statewide rapid response activities, which shall include provision of rapid response activities, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas; and

“(B) to provide additional assistance to local areas that experience disasters, mass layoffs, or plant closings, or other events that precipitate substantial increases in the number of unemployed individuals, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas.

“(5) STATEWIDE GRANTS FOR INDIVIDUALS WITH BARRIERS TO EMPLOYMENT.—

“(A) IN GENERAL.—Of the funds reserved as described in section 133(a)(3), the Governor of a State—

“(i) may reserve up to 5 percent to provide technical assistance for, and conduct evaluations as described in section 136(e) of, the programs carried out under this paragraph; and

“(ii) using the remainder, shall award grants on a competitive basis to eligible entities (that meet specific performance outcomes and criteria established by the Governor) described in subparagraph (B) to carry out employment and training programs authorized under this paragraph for individuals with barriers to employment.

“(B) ELIGIBLE ENTITY DEFINED.—For purposes of this paragraph, the term ‘eligible entity’ means an entity that—

“(i) is a—  
 “(I) local board or a consortium of local boards;  
 “(II) nonprofit entity, for-profit entity, or a consortium of nonprofit or for-profit entities; or  
 “(III) consortium of the entities described in subclauses (I) and (II);  
 “(ii) has a demonstrated record of placing individuals into unsubsidized employment and serving hard-to-serve individuals; and  
 “(iii) agrees to be reimbursed primarily on the basis of meeting specified performance outcomes and criteria established by the Governor.  
 “(C) GRANT PERIOD.—  
 “(i) IN GENERAL.—A grant under this paragraph shall be awarded for a period of 1 year.  
 “(ii) GRANT RENEWAL.—A Governor of a State may renew, for up to 4 additional 1-year periods, a grant awarded under this paragraph.  
 “(D) ELIGIBLE PARTICIPANTS.—To be eligible to participate in activities under this paragraph, an individual shall be a low-income individual age 16 or older.  
 “(E) USE OF FUNDS.—An eligible entity receiving a grant under this paragraph shall use the grant funds for programs of activities that are designed to assist eligible participants in obtaining employment and acquiring the education and skills necessary to succeed in the labor market. To be eligible to receive a grant under this paragraph for an employment and training program, an eligible entity shall submit an application to a State at such time, in such manner, and containing such information as the State may require, including—  
 “(i) a description of how the strategies and activities of the program will be aligned with the State plan submitted under section 112 and the local plan submitted under section 118, with respect to the area of the State that will be the focus of the program under this paragraph;  
 “(ii) a description of the educational and skills training programs and activities the eligible entity will provide to eligible participants under this paragraph;  
 “(iii) how the eligible entity will collaborate with State and local workforce investment systems established under this title in the provision of such programs and activities;  
 “(iv) a description of the programs of demonstrated effectiveness on which the provision of such educational and skills training programs and activities are based, and a description of how such programs and activities will improve education and skills training for eligible participants;  
 “(v) a description of the populations to be served and the skill needs of those populations, and the manner in which eligible participants will be recruited and selected as participants;  
 “(vi) a description of the private, public, local, and State resources that will be leveraged, with the grant funds provided, for the program under this paragraph, and how the entity will ensure the sustainability of such program after grant funds are no longer available;  
 “(vii) a description of the extent of the involvement of employers in such program;  
 “(viii) a description of the levels of performance the eligible entity expects to achieve with respect to the indicators of performance for all individuals specified in section 136(b)(2);  
 “(ix) a detailed budget and a description of the system of fiscal controls, and auditing and accountability procedures, that will be used to ensure fiscal soundness for the program provided under this paragraph; and  
 “(x) any other criteria the Governor may require.”;

(2) by amending subsection (b) to read as follows:  
 “(b) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Funds allocated to a local area under section 133(b)—  
 “(1) shall be used to carry out employment and training activities described in subsection (c); and  
 “(2) may be used to carry out employment and training activities described in subsection (d).”;  
 (3) by striking subsection (c);  
 (4) by redesignating subsections (d) and (e), as subsections (c) and (d), respectively;  
 (5) in subsection (c) (as so redesignated)—  
 (A) by amending paragraph (1) to read as follows:  
 “(1) IN GENERAL.—Funds allocated to a local area under section 133(b) shall be used—  
 “(A) to establish a one-stop delivery system as described in section 121(e);  
 “(B) to provide the work ready services described in paragraph (2) through the one-stop delivery system in accordance with such paragraph; and  
 “(C) to provide training services described in paragraph (4) in accordance with such paragraph.”;  
 (B) in paragraph (2)—  
 (i) in the heading, by striking “CORE SERVICES” and inserting “WORK READY SERVICES”;  
 (ii) in the matter preceding subparagraph (A)—  
 (I) by striking “(1)(A)” and inserting “(1)”;  
 (II) by striking “core services” and inserting “work ready services”; and  
 (III) by striking “who are adults or displaced workers”;  
 (iii) by redesignating subparagraph (K) as subparagraph (V);  
 (iv) by redesignating subparagraphs (B) through (J) as subparagraphs (C) through (K), respectively;  
 (v) by inserting after subparagraph (A) the following:  
 “(B) assistance in obtaining eligibility determinations under the other one-stop partner programs through activities, where appropriate and consistent with the authorizing statute of the one-stop partner program involved, such as assisting in—  
 “(i) the submission of applications;  
 “(ii) the provision of information on the results of such applications; and  
 “(iii) the provision of intake services and information.”;  
 (vi) by amending subparagraph (E), as so redesignated, to read as follows:  
 “(E) labor exchange services, including—  
 “(i) job search and placement assistance, and where appropriate, career counseling;  
 “(ii) appropriate recruitment services for employers, including small employers, in the local area, which may include services described in this subsection, including provision of information and referral to specialized business services not traditionally offered through the one-stop delivery system; and  
 “(iii) reemployment services provided to unemployment claimants, including claimants identified as in need of such services under the worker profiling system established under section 303(j) of the Social Security Act (42 U.S.C. 503(j));”;  
 (vii) in subparagraph (F), as so redesignated, by striking “employment statistics” and inserting “workforce and labor market”;  
 (viii) in subparagraph (G), as so redesignated, by striking “and eligible providers of youth activities described in section 123.”;  
 (ix) in subparagraph (H), as so redesignated, by inserting “under section 136” after “local performance measures”;  
 (x) in subparagraph (J), as so redesignated, by inserting “and information regarding the administration of the work test for the un-

employment compensation system” after “compensation”;  
 (xi) by amending subparagraph (K), as so redesignated, to read as follows:  
 “(K) assistance in establishing eligibility for programs of financial aid assistance for education and training programs that are not funded under this Act and are available in the local area.”; and  
 (xii) by inserting the following new subparagraphs after subparagraph (K), as so redesignated:  
 “(L) the provision of information from official publications of the Internal Revenue Service regarding Federal tax credits, available to participants in employment and training activities, and relating to education, job training, and employment;  
 “(M) comprehensive and specialized assessments of the skill levels and service needs of workers, which may include—  
 “(i) diagnostic testing and use of other assessment tools; and  
 “(ii) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals;  
 “(N) development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant;  
 “(O) group counseling;  
 “(P) individual counseling and career planning;  
 “(Q) case management;  
 “(R) short-term pre-career services, including development of learning skills, communications skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct, to prepare individuals for unsubsidized employment or training;  
 “(S) internships and work experience;  
 “(T) literacy activities relating to basic work readiness, information and communication technology literacy activities, and financial literacy activities, if the activities involved are not available to participants in the local area under programs administered under the Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.);  
 “(U) out-of-area job search assistance and relocation assistance; and”;  
 (C) by amending paragraph (3) to read as follows:  
 “(3) DELIVERY OF SERVICES.—The work ready services described in paragraph (2) shall be provided through the one-stop delivery system and may be provided through contracts with public, private for-profit, and private nonprofit service providers, approved by the local board.”; and  
 (D) in paragraph (4)—  
 (i) by amending subparagraph (A) to read as follows:  
 “(A) IN GENERAL.—Funds described in paragraph (1)(C) shall be used to provide training services to individuals who—  
 “(i) after an interview, evaluation, or assessment, and case management, have been determined by a one-stop operator or one-stop partner, as appropriate, to—  
 “(I) be in need of training services to obtain or retain employment; and  
 “(II) have the skills and qualifications to successfully participate in the selected program of training services;  
 “(ii) select programs of training services that are directly linked to the employment opportunities in the local area involved or in another area in which the individual receiving such services are willing to commute or relocate; and  
 “(iii) who meet the requirements of subparagraph (B).”;  
 (ii) in subparagraph (B)(i), by striking “Except” and inserting “Notwithstanding section 479B of the Higher Education Act of 1965 (20 U.S.C. 1087uu) and except”;

(iii) by amending subparagraph (D) to read as follows:

“(D) TRAINING SERVICES.—Training services authorized under this paragraph may include—

- “(i) occupational skills training;
- “(ii) on-the-job training;
- “(iii) skill upgrading and retraining;
- “(iv) entrepreneurial training;
- “(v) education activities leading to a regular secondary school diploma or its recognized equivalent in combination with, concurrently or subsequently, occupational skills training;
- “(vi) adult education and family literacy education activities provided in conjunction with other training services authorized under this subparagraph;
- “(vii) workplace training combined with related instruction;
- “(viii) occupational skills training that incorporates English language acquisition;
- “(ix) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training; and
- “(x) training programs operated by the private sector.”;

(iv) by striking subparagraph (E) and redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively;

(v) in subparagraph (E) (as so redesignated)—

(I) in clause (ii)—

(aa) in the matter preceding subclause (I), by striking “subsection (c)” and inserting “section 121”;

(bb) in subclause (I), by striking “section 122(e)” and inserting “section 122(d)” and by striking “section 122(h)” and inserting “section 122(i)”;

(cc) in subclause (II), by striking “subsections (e) and (h)” and inserting “subsections (d) and (i)”;

(II) by striking clause (iii) and inserting the following:

“(iii) CAREER ENHANCEMENT ACCOUNTS.—An individual who seeks training services and who is eligible pursuant to subparagraph (A), may, in consultation with a case manager, select an eligible provider of training services from the list or identifying information for providers described in clause (ii)(I). Upon such selection, the one-stop operator involved shall, to the extent practicable, refer such individual to the eligible provider of training services, and arrange for payment for such services through a career enhancement account.

“(iv) COORDINATION.—Each local board may, through one-stop centers, coordinate career enhancement accounts with other Federal, State, local, or private job training programs or sources to assist the individual in obtaining training services from (notwithstanding any provision of this title) eligible providers for those programs and sources.

“(v) ASSISTANCE.—Each local board may, through one-stop centers, assist individuals receiving career enhancement accounts in obtaining funds (in addition to the funds provided under this section) from other programs and sources that will assist the individual in obtaining training services.”;

(vi) in subparagraph (F) (as so redesignated)—

(I) in the subparagraph heading, by striking “INDIVIDUAL TRAINING ACCOUNTS” and inserting “CAREER ENHANCEMENT ACCOUNTS”;

(II) in clause (i), by striking “individual training accounts” and inserting “career enhancement accounts”;

(III) in clause (ii)—

(aa) by striking “an individual training account” and inserting “a career enhancement account”;

(bb) by striking “subparagraph (F)” and inserting “subparagraph (E)”;

(cc) in subclause (II), by striking “individual training accounts” and inserting “career enhancement accounts”;

(dd) in subclause (II), by striking “or” after the semicolon;

(ee) in subclause (III), by striking the period and inserting “; or”;

(ff) by adding at the end the following:

“(IV) the local board determines that it would be most appropriate to award a contract to a postsecondary educational institution that has been identified as a priority eligible provider under section 117(d)(5)(B) in order to facilitate the training of multiple individuals in in-demand industries or occupations important to the State or local economy, that such contract may be used to enable the expansion of programs provided by a priority eligible provider, and that such contract does not limit customer choice.”;

(IV) in clause (iii), by striking “adult or dislocated worker” and inserting “individual”;

(V) in clause (iv)—

(aa) by redesignating subclause (IV) as subclause (V); and

(bb) by inserting after subclause (III) the following:

“(IV) Individuals with disabilities.”;

(6) in subsection (d) (as so redesignated)—

(A) by amending paragraph (1) to read as follows:

“(1) DISCRETIONARY ONE-STOP DELIVERY ACTIVITIES.—

“(A) IN GENERAL.—Funds allocated to a local area under section 133(b)(2) may be used to provide, through the one-stop delivery system—

“(i) customized screening and referral of qualified participants in training services to employers;

“(ii) customized employment-related services to employers on a fee-for-service basis;

“(iii) customer supports, including transportation and child care, to navigate among multiple services and activities for special participant populations that face multiple barriers to employment, including individuals with disabilities;

“(iv) employment and training assistance provided in coordination with child support enforcement activities of the State agency carrying out subtitle D of title IV of the Social Security Act (42 U.S.C. 651 et seq.);

“(v) incorporation of pay-for-performance contract strategies as an element in funding activities under this section;

“(vi) activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology; and

“(vii) activities to carry out business services and strategies that meet the workforce investment needs of local area employers, as determined by the local board, consistent with the local plan under section 118.”;

(B) by striking paragraphs (2) and (3); and

(C) by adding at the end the following:

“(2) INCUMBENT WORKER TRAINING PROGRAMS.—

“(A) IN GENERAL.—The local board may use funds allocated to a local area under section 133(b)(2) to carry out incumbent worker training programs in accordance with this paragraph.

“(B) TRAINING ACTIVITIES.—The training programs for incumbent workers under this paragraph shall be carried out by the local area in conjunction with the employers of such workers for the purpose of assisting such workers in obtaining the skills necessary to retain employment and avert layoffs.

“(C) EMPLOYER MATCH REQUIRED.—

“(i) IN GENERAL.—Employers participating in programs under this paragraph shall be required to pay a proportion of the costs of providing the training to the incumbent

workers of the employers. The local board shall establish the required payment toward such costs, which may include in-kind contributions.

“(ii) CALCULATION OF MATCH.—The wages paid by an employer to a worker while they are attending training may be included as part of the required payment of the employer.”;

(7) by adding at the end the following:

“(e) PRIORITY FOR PLACEMENT IN PRIVATE SECTOR JOBS.—In providing employment and training activities authorized under this section, the State board and local board shall give priority to placing participants in jobs in the private sector.

“(f) VETERAN EMPLOYMENT SPECIALIST.—

“(1) IN GENERAL.—Subject to paragraph (8), a local board shall hire and employ one or more veteran employment specialists to carry out employment, training, supportive, and placement services under this subsection in the local area served by the local board.

“(2) PRINCIPAL DUTIES.—A veteran employment specialist in a local area shall—

“(A) conduct outreach to employers in the local area to assist veterans, including disabled veterans, in gaining employment, including—

“(i) conducting seminars for employers; and

“(ii) in conjunction with employers, conducting job search workshops, and establishing job search groups; and

“(B) facilitate the furnishing of employment, training, supportive, and placement services to veterans, including disabled and homeless veterans, in the local area.

“(3) HIRING PREFERENCE FOR VETERANS AND INDIVIDUALS WITH EXPERTISE IN SERVING VETERANS.—Subject to paragraph (8), a local board shall, to the maximum extent practicable, employ veterans or individuals with expertise in serving veterans to carry out the services described in paragraph (2) in the local area served by the local board. In hiring an individual to serve as a veteran employment specialist, a local board shall give preference to veterans and other individuals in the following order:

“(A) To service-connected disabled veterans.

“(B) If no veteran described in subparagraph (A) is available, to veterans.

“(C) If no veteran described in subparagraph (A) or (B) is available, to any member of the Armed Forces transitioning out of military service.

“(D) If no veteran or member described in subparagraph (A), (B), or (C) is available, to any spouse of a veteran or a spouse of a member of the Armed Forces transitioning out of military service.

“(E) If no veteran or member described in subparagraph (A), (B), or (C) is available and no spouse described in paragraph (D) is available, to any other individuals with expertise in serving veterans.

“(4) ADMINISTRATION AND REPORTING.—

“(A) IN GENERAL.—Each veteran employment specialist shall be administratively responsible to the one-stop operator of the one-stop center in the local area and shall provide, at a minimum, quarterly reports to the one-stop operator of such center and to the Assistant Secretary for Veterans' Employment and Training for the State on the specialist's performance, and compliance by the specialist with Federal law (including regulations), with respect to the—

“(i) principal duties (including facilitating the furnishing of services) for veterans described in paragraph (2); and

“(ii) hiring preferences described in paragraph (3) for veterans and other individuals.

“(B) REPORT TO SECRETARY.—Each State shall submit to the Secretary an annual report on the qualifications used by each local

board in the State in making hiring determinations for a veteran employment specialist and the salary structure under which such specialist is compensated.

“(C) REPORT TO CONGRESS.—The Secretary shall submit to the Committee on Education and the Workforce and the Committee on Veterans’ Affairs of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Veterans’ Affairs of the Senate an annual report summarizing the reports submitted under subparagraph (B), and including summaries of outcomes achieved by participating veterans, disaggregated by local areas.

“(5) PART-TIME EMPLOYEES.—A part-time veteran employment specialist shall perform the functions of a veteran employment specialist under this subsection on a halftime basis.

“(6) TRAINING REQUIREMENTS.—Each veteran employment specialist described in paragraph (2) shall satisfactorily complete training provided by the National Veterans’ Employment and Training Institute during the 3-year period that begins on the date on which the employee is so assigned.

“(7) SPECIALIST’S DUTIES.—A full-time veteran employment specialist shall perform only duties related to employment, training, supportive, and placement services under this subsection, and shall not perform other non-veteran-related duties if such duties detract from the specialist’s ability to perform the specialist’s duties related to employment, training, supportive, and placement services under this subsection.

“(8) STATE OPTION.—At the request of a local board, a State may opt to assume the duties assigned to the local board under paragraphs (1) and (3), including the hiring and employment of one or more veteran employment specialists for placement in the local area served by the local board.”.

**SEC. 23. PERFORMANCE ACCOUNTABILITY SYSTEM.**

Section 136 (29 U.S.C. 2871) is amended—

(1) in subsection (b)—

(A) by amending paragraphs (1) and (2) to read as follows:

“(1) IN GENERAL.—For each State, the State performance measures shall consist of—

“(A)(i) the core indicators of performance described in paragraph (2)(A); and

“(ii) additional indicators of performance (if any) identified by the State under paragraph (2)(B); and

“(B) a State adjusted level of performance for each indicator described in subparagraph (A).

“(2) INDICATORS OF PERFORMANCE.—

“(A) CORE INDICATORS OF PERFORMANCE.—

“(i) IN GENERAL.—The core indicators of performance for the program of employment and training activities authorized under sections 132(a)(2) and 134, the program of adult education and family literacy education activities authorized under title II, and the program authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741), shall consist of the following indicators of performance (with performance determined in the aggregate and as disaggregated by the populations identified in the State and local plan in each case):

“(I) The percentage and number of program participants who are in unsubsidized employment during the second full calendar quarter after exit from the program.

“(II) The percentage and number of program participants who are in unsubsidized employment during the fourth full calendar quarter after exit from the program.

“(III) The difference in the median earnings of program participants who are in un-

subsidized employment during the second full calendar quarter after exit from the program, compared to the median earnings of such participants prior to participation in such program.

“(IV) The percentage and number of program participants who obtain a recognized postsecondary credential (such as an industry-recognized credential or a certificate from a registered apprenticeship program), or a regular secondary school diploma or its recognized equivalent (subject to clause (ii)), during participation in or within 1 year after exit from the program.

“(V) The percentage and number of program participants who, during a program year—

“(aa) are in an education or training program that leads to a recognized postsecondary credential (such as an industry-recognized credential or a certificate from a registered apprenticeship program), a certificate from an on-the-job training program, a regular secondary school diploma or its recognized equivalent, or unsubsidized employment; and

“(bb) are achieving measurable basic skill gains toward such a credential, certificate, diploma, or employment.

“(VI) The percentage and number of program participants who obtain unsubsidized employment in the field relating to the training services described in section 134(c)(4) that such participants received.

“(i) INDICATOR RELATING TO CREDENTIAL.—For purposes of clause (i)(IV), program participants who obtain a regular secondary school diploma or its recognized equivalent shall be included in the percentage counted as meeting the criterion under such clause only if such participants (in addition to obtaining such diploma or its recognized equivalent), within 1 year after exit from the program, have obtained or retained employment, have been removed from public assistance, or have begun an education or training program leading to a recognized postsecondary credential.

“(B) ADDITIONAL INDICATORS.—A State may identify in the State plan additional indicators for workforce investment activities authorized under this subtitle.”; and

(B) in paragraph (3)—

(i) in subparagraph (A)—

(I) in the heading, by striking “AND CUSTOMER SATISFACTION INDICATOR”;

(II) in clause (i), by striking “and the customer satisfaction indicator described in paragraph (2)(B)”;

(III) in clause (ii), by striking “and the customer satisfaction indicator of performance, for the first 3” and inserting “, for all 3”;

(IV) in clause (iii)—

(aa) in the heading, by striking “FOR FIRST 3 YEARS”;

(bb) by striking “and the customer satisfaction indicator of performance, for the first 3 program years” and inserting “for all 3 program years”;

(V) in clause (iv)—

(aa) by striking “or (v)”;

(bb) by striking subclause (I) and redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively; and

(cc) in subclause (I) (as so redesignated)—

(AA) by inserting “, such as unemployment rates and job losses or gains in particular industries” after “economic conditions”;

(BB) by inserting “, such as indicators of poor work experience, dislocation from high-wage employment, low levels of literacy or English proficiency, disability status (including disability status among veterans), and welfare dependency,” after “program”;

(VI) by striking clause (v) and redesignating clause (vi) as clause (v); and

(VII) in clause (v) (as so redesignated)—

(aa) by striking “described in clause (iv)(II)” and inserting “described in clause (iv)(I)”;

(bb) by striking “or (v)”;

(i) in subparagraph (B), by striking “paragraph (2)(C)” and inserting “paragraph (2)(B)”;

(2) in subsection (c)—

(A) by amending clause (i) of paragraph (1)(A) to read as follows:

“(i) the core indicators of performance described in subsection (b)(2)(A) for activities described in such subsection, other than statewide workforce investment activities; and”;

(B) in clause (ii) of paragraph (1)(A), by striking “(b)(2)(C)” and inserting “(b)(2)(B)”;

(C) by amending paragraph (3) to read as follows:

“(3) DETERMINATIONS.—In determining such local levels of performance, the local board, the chief elected official, and the Governor shall ensure such levels are adjusted based on the specific economic conditions (such as unemployment rates and job losses or gains in particular industries), or demographic characteristics or other characteristics of the population to be served, in the local area.”;

(3) in subsection (d)—

(A) in paragraph (1)—

(i) by striking “127 or”;

(ii) by striking “and the customer satisfaction indicator” each place it appears; and

(iii) in the last sentence, by inserting before the period the following: “, and on the amount and percentage of the State’s annual allotment under section 132 the State spends on administrative costs and on the amount and percentage of its annual allocation under section 133 each local area in the State spends on administrative costs”;

(B) in paragraph (2)—

(i) by striking subparagraphs (A), (B), and (D);

(ii) by redesignating subparagraph (C) as subparagraph (A);

(iii) by redesignating subparagraph (E) as subparagraph (B);

(iv) in subparagraph (B), as so redesignated—

(I) by striking “(excluding participants who received only self-service and informational activities)”;

(II) by striking “and” at the end;

(v) by striking subparagraph (F); and

(vi) by adding at the end the following:

“(C) with respect to each local area in the State—

“(i) the number of individuals who received work ready services described in section 134(c)(2) and the number of individuals who received training services described in section 134(c)(4), during the most recent program year and fiscal year, and the preceding 5 program years, disaggregated (for individuals who received work ready services) by the type of entity that provided the work ready services and disaggregated (for individuals who received training services) by the type of entity that provided the training services, and the amount of funds spent on each of the 2 types of services during the most recent program year and fiscal year, and the preceding 5 fiscal years;

“(ii) the number of individuals who successfully exited out of work ready services described in section 134(c)(2) and the number of individuals who exited out of training services described in section 134(c)(4), during the most recent program year and fiscal year, and the preceding 5 program years, disaggregated (for individuals who received work ready services) by the type of entity that provided the work ready services and disaggregated (for individuals who received

training services) by the type of entity that provided the training services; and

“(iii) the average cost per participant of those individuals who received work ready services described in section 134(c)(2) and the average cost per participant of those individuals who received training services described in section 134(c)(4), during the most recent program year and fiscal year, and the preceding 5 program years, disaggregated (for individuals who received work ready services) by the type of entity that provided the work ready services and disaggregated (for individuals who received training services) by the type of entity that provided the training services; and

“(D) the amount of funds spent on training services and discretionary activities described in section 134(d), disaggregated by the populations identified under section 112(b)(16)(A)(iv) and section 118(b)(10).”;

(C) in paragraph (3)(A), by striking “through publication” and inserting “through electronic means”; and

(D) by adding at the end the following:

“(4) DATA VALIDATION.—In preparing the reports described in this subsection, each State shall establish procedures, consistent with guidelines issued by the Secretary, to ensure the information contained in the reports is valid and reliable.

“(5) STATE AND LOCAL POLICIES.—

“(A) STATE POLICIES.—Each State that receives an allotment under section 132 shall maintain a central repository of policies related to access, eligibility, availability of services, and other matters, and plans approved by the State board and make such repository available to the public, including by electronic means.

“(B) LOCAL POLICIES.—Each local area that receives an allotment under section 133 shall maintain a central repository of policies related to access, eligibility, availability of services, and other matters, and plans approved by the local board and make such repository available to the public, including by electronic means.”;

(4) in subsection (g)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking “or (B)”; and

(ii) in subparagraph (B), by striking “may reduce by not more than 5 percent,” and inserting “shall reduce”; and

(B) by striking paragraph (2) and inserting the following:

“(2) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Secretary shall return to the Treasury the amount retained, as a result of a reduction in an allotment to a State made under paragraph (1)(B).”;

(5) in subsection (h)—

(A) in paragraph (1), by striking “or (B)”; and

(B) in paragraph (2)—

(i) in subparagraph (A), by amending the matter preceding clause (i) to read as follows:

“(A) IN GENERAL.—If such failure continues for a second consecutive year, the Governor shall take corrective actions, including the development of a reorganization plan. Such plan shall—”;

(ii) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;

(iii) by inserting after subparagraph (A), the following:

“(B) REDUCTION IN THE AMOUNT OF GRANT.—If such failure continues for a third consecutive year, the Governor shall reduce the amount of the grant that would (in the absence of this subparagraph) be payable to the local area under such program for the program year after such third consecutive year. Such penalty shall be based on the degree of failure to meet local levels of performance.”;

(iv) in subparagraph (C)(i) (as so redesignated), by striking “a reorganization plan under subparagraph (A) may, not later than 30 days after receiving notice of the reorganization plan, appeal to the Governor to rescind or revise such plan” and inserting “corrective action under subparagraph (A) or (B) may, not later than 30 days after receiving notice of the action, appeal to the Governor to rescind or revise such action”; and

(v) in subparagraph (D) (as so redesignated), by striking “subparagraph (B)” each place it appears and inserting “subparagraph (C)”;;

(6) in subsection (i)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking “subsection (b)(2)(C)” and inserting “subsection (b)(2)(B)”; and

(ii) in subparagraph (C), by striking “(b)(3)(A)(vi)” and inserting “(b)(3)(A)(v)”;;

(B) in paragraph (2), by striking “the activities described in section 502 concerning”; and

(C) in paragraph (3), by striking “described in paragraph (1) and in the activities described in section 502” and inserting “and activities described in this subsection”; and

(7) by adding at the end the following new subsections:

“(j) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—Consistent with the requirements of the applicable authorizing laws, the Secretary shall use the core indicators of performance described in subsection (b)(2)(A) to assess the effectiveness of the programs described in section 121(b)(1)(B) (in addition to the programs carried out under chapter 5) that are carried out by the Secretary.

“(k) ESTABLISHING PAY-FOR-PERFORMANCE INCENTIVES.—

“(1) IN GENERAL.—At the discretion of the Governor of a State, a State may establish an incentive system for local boards to implement pay-for-performance contract strategies for the delivery of employment and training activities in the local areas served by the local boards.

“(2) IMPLEMENTATION.—A State that establishes a pay-for-performance incentive system shall reserve not more than 10 percent of the total amount allotted to the State under section 132(b)(2) for a fiscal year to provide funds to local areas in the State whose local boards have implemented a pay-for-performance contract strategy.

“(3) EVALUATIONS.—A State described in paragraph (2) shall use funds reserved by the State under section 133(a)(1) to evaluate the return on investment of pay-for-performance contract strategies implemented by local boards in the State.”.

#### SEC. 24. AUTHORIZATION OF APPROPRIATIONS.

Section 137 (29 U.S.C. 2872) is amended to read as follows:

#### “SEC. 137. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out the activities described in section 132, \$5,945,639,000 for fiscal year 2015 and each of the 6 succeeding fiscal years.”.

### CHAPTER 3—JOB CORPS

#### SEC. 26. JOB CORPS PURPOSES.

Paragraph (1) of section 141 (29 U.S.C. 2881(1)) is amended to read as follows:

“(1) to maintain a national Job Corps program for at-risk youth, carried out in partnership with States and communities, to assist eligible youth to connect to the workforce by providing them with intensive academic, career and technical education, and service-learning opportunities, in residential and nonresidential centers, in order for such youth to obtain regular secondary school diplomas and recognized postsecondary credentials leading to successful careers in in-demand industries that will result in opportunities for advancement.”.

#### SEC. 27. JOB CORPS DEFINITIONS.

Section 142 (29 U.S.C. 2882) is amended—

(1) in paragraph (2)—

(A) in the paragraph heading, by striking “APPLICABLE ONE-STOP” and inserting “ONE-STOP”;

(B) by striking “applicable”;

(C) by striking “customer service”; and

(D) by striking “intake” and inserting “assessment”;

(2) in paragraph (4), by striking “before completing the requirements” and all that follows and inserting “prior to becoming a graduate.”; and

(3) in paragraph (5), by striking “has completed the requirements” and all that follows and inserting the following: “who, as a result of participation in the Job Corps program, has received a regular secondary school diploma, completed the requirements of a career and technical education and training program, or received, or is making satisfactory progress (as defined under section 484(c) of the Higher Education Act of 1965 (20 U.S.C. 1091(c))) toward receiving, a recognized postsecondary credential (including an industry-recognized credential) that prepares individuals for employment leading to economic self-sufficiency.”.

#### SEC. 28. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.

Section 144 (29 U.S.C. 2884) is amended—

(1) by amending paragraph (1) to read as follows:

“(1) not less than age 16 and not more than age 24 on the date of enrollment.”;

(2) in paragraph (3)(B), by inserting “secondary” before “school”; and

(3) in paragraph (3)(E), by striking “vocational” and inserting “career and technical education and”.

#### SEC. 29. RECRUITMENT, SCREENING, SELECTION, AND ASSIGNMENT OF ENROLLEES.

Section 145 (29 U.S.C. 2885) is amended—

(1) in subsection (a)—

(A) in paragraph (2)(C)(i) by striking “vocational” and inserting “career and technical education and training”; and

(B) in paragraph (3)—

(i) by striking “To the extent practicable, the” and inserting “The”;

(ii) in subparagraph (A)—

(I) by striking “applicable”; and

(II) by inserting “and” after the semicolon;

(iii) by striking subparagraphs (B) and (C); and

(iv) by adding at the end the following:

“(B) organizations that have a demonstrated record of effectiveness in placing at-risk youth into employment.”;

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B), by inserting “and agrees to such rules” after “failure to observe the rules”; and

(ii) by amending subparagraph (C) to read as follows:

“(C) the individual has passed a background check conducted in accordance with procedures established by the Secretary, which shall include—

“(i) a search of the State criminal registry or repository in the State where the individual resides and each State where the individual previously resided;

“(ii) a search of State-based child abuse and neglect registries and databases in the State where the individual resides and each State where the individual previously resided;

“(iii) a search of the National Crime Information Center;

“(iv) a Federal Bureau of Investigation fingerprint check using the Integrated Automated Fingerprint Identification System; and

“(v) a search of the National Sex Offender Registry established under the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16901 et seq.)”; and

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

“(3) INDIVIDUALS CONVICTED OF A CRIME.—An individual shall be ineligible for enrollment if the individual—

“(A) makes a false statement in connection with the criminal background check described in paragraph (1)(C);

“(B) is registered or is required to be registered on a State sex offender registry or the National Sex Offender Registry established under the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16901 et seq.); or

“(C) has been convicted of a felony consisting of—

- “(i) homicide;
- “(ii) child abuse or neglect;
- “(iii) a crime against children, including child pornography;
- “(iv) a crime involving rape or sexual assault; or

“(v) physical assault, battery, or a drug-related offense, committed within the past 5 years.”;

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by striking “2 years” and inserting “year”; and

(ii) by striking “an assignment” and inserting “a”; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking “, every 2 years.”;

(ii) in subparagraph (B), by striking “and” at the end;

(iii) in subparagraph (C)—

(I) by inserting “the education and training” after “including”; and

(II) by striking the period at the end and inserting “; and”; and

(iv) by adding at the end the following:

“(D) the performance of the Job Corps center relating to the indicators described in paragraphs (1) and (2) in section 159(c), and whether any actions have been taken with respect to such center pursuant to section 159(f).”; and

(4) in subsection (d)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “is closest to the home of the enrollee, except that the” and inserting “offers the type of career and technical education and training selected by the individual and, among the centers that offer such education and training, is closest to the home of the individual. The”;

(ii) by striking subparagraph (A); and

(iii) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) in paragraph (2), by inserting “that offers the career and technical education and training desired by” after “home of the enrollee”.

**SEC. 30. JOB CORPS CENTERS.**

Section 147 (29 U.S.C. 2887) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(A), by striking “vocational” both places it appears and inserting “career and technical”; and

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking “subsections (c) and (d) of section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253)” and inserting “subsections (a) and (b) of section 3304 of title 41, United States Code”; and

(II) by striking “industry council” and inserting “workforce council”;

(ii) in subparagraph (B)(i)—

(I) by amending subclause (II) to read as follows:

“(II) the ability of the entity to offer career and technical education and training that the workforce council proposes under section 154(c).”; and

(II) in subclause (III), by striking “is familiar with the surrounding communities, applicable” and inserting “demonstrates relationships with the surrounding communities, employers, workforce boards,” and by striking “and” at the end;

(III) by amending subclause (IV) to read as follows:

“(IV) the performance of the entity, if any, relating to operating or providing activities described in this subtitle to a Job Corps center, including the entity’s demonstrated effectiveness in assisting individuals in achieving the primary and secondary indicators of performance described in paragraphs (1) and (2) of section 159(c); and”;

(IV) by adding at the end the following new subclause:

“(V) the ability of the entity to demonstrate a record of successfully assisting at-risk youth to connect to the workforce, including by providing them with intensive academic, and career and technical education and training.”;

(iii) in subparagraph (B)(ii)—

(I) by striking “, as appropriate”; and

(II) by striking “through (IV)” and inserting “through (V)”; and

(2) in subsection (b), by striking “In any year, no more than 20 percent of the individuals enrolled in the Job Corps may be non-residential participants in the Job Corps.”;

(3) by amending subsection (c) to read as follows:

“(c) CIVILIAN CONSERVATION CENTERS.—

“(1) IN GENERAL.—The Job Corps centers may include Civilian Conservation Centers, operated under an agreement between the Secretary of Labor and the Secretary of Agriculture, that are located primarily in rural areas. Such centers shall adhere to all the provisions of this subtitle, and shall provide, in addition to education, career and technical education and training, and workforce preparation skills training described in section 148, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest.

“(2) SELECTION PROCESS.—The Secretary shall select an entity that submits an application under subsection (d) to operate a Civilian Conservation Center on a competitive basis, as provided in subsection (a).”; and

(4) by striking subsection (d) and inserting the following:

“(d) APPLICATION.—To be eligible to operate a Job Corps center under this subtitle, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

“(1) a description of the program activities that will be offered at the center, including how the career and technical education and training reflect State and local employment opportunities, including in in-demand industries;

“(2) a description of the counseling, placement, and support activities that will be offered at the center, including a description of the strategies and procedures the entity will use to place graduates into unsubsidized employment upon completion of the program;

“(3) a description of the demonstrated record of effectiveness that the entity has in placing at-risk youth into employment, including past performance of operating a Job Corps center under this subtitle;

“(4) a description of the relationships that the entity has developed with State and

local workforce boards, employers, State and local educational agencies, and the surrounding communities in an effort to promote a comprehensive statewide workforce investment system;

“(5) a description of the strong fiscal controls the entity has in place to ensure proper accounting of Federal funds, and a description of how the entity will meet the requirements of section 159(a);

“(6) a description of the strategies and policies the entity will utilize to reduce participant costs;

“(7) a description of the steps taken to control costs in accordance with section 159(a)(3);

“(8) a detailed budget of the activities that will be supported using funds under this subtitle;

“(9) a detailed budget of the activities that will be supported using funds from non-Federal resources;

“(10) an assurance the entity will comply with the administrative cost limitation included in section 151(c);

“(11) an assurance the entity is licensed to operate in the State in which the center is located; and

“(12) an assurance the entity will comply with and meet basic health and safety codes, including those measures described in section 152(b).

“(e) LENGTH OF AGREEMENT.—The agreement described in subsection (a)(1)(A) shall be for not longer than a 2-year period. The Secretary may renew the agreement for 3 1-year periods if the entity meets the requirements of subsection (f).

“(f) RENEWAL.—

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary may renew the terms of an agreement described in subsection (a)(1)(A) for an entity to operate a Job Corps center if the center meets or exceeds each of the indicators of performance described in section 159(c)(1).

“(2) RECOMPETITION.—

“(A) IN GENERAL.—Notwithstanding paragraph (1), the Secretary shall not renew the terms of the agreement for an entity to operate a Job Corps center if such center is ranked in the bottom quintile of centers described in section 159(f)(2) for any program year. Such entity may submit a new application under subsection (d) only if such center has shown significant improvement on the indicators of performance described in section 159(c)(1) over the last program year.

“(B) VIOLATIONS.—The Secretary shall not select an entity to operate a Job Corps center if such entity or such center has been found to have a systemic or substantial material failure that involves—

“(i) a threat to the health, safety, or civil rights of program participants or staff;

“(ii) the misuse of funds received under this subtitle;

“(iii) loss of legal status or financial viability, loss of permits, debarment from receiving Federal grants or contracts, or the improper use of Federal funds;

“(iv) failure to meet any other Federal or State requirement that the entity has shown an unwillingness or inability to correct, after notice from the Secretary, within the period specified; or

“(v) an unresolved area of noncompliance.

“(g) CURRENT GRANTEEES.—Not later than 60 days after the date of enactment of the SKILLS Act and notwithstanding any previous grant award or renewals of such award under this subtitle, the Secretary shall require all entities operating a Job Corps center under this subtitle to submit an application under subsection (d) to carry out the requirements of this section.”.

**SEC. 31. PROGRAM ACTIVITIES.**

Section 148 (29 U.S.C. 2888) is amended—

(1) by amending subsection (a) to read as follows:

“(a) **ACTIVITIES PROVIDED THROUGH JOB CORPS CENTERS.**—

“(1) **IN GENERAL.**—Each Job Corps center shall provide enrollees with an intensive, well-organized, and supervised program of education, career and technical education and training, work experience, recreational activities, physical rehabilitation and development, and counseling. Each Job Corps center shall provide enrollees assigned to the center with access to work ready services described in section 134(c)(2).

“(2) **RELATIONSHIP TO OPPORTUNITIES.**—

“(A) **IN GENERAL.**—The activities provided under this subsection shall be targeted to helping enrollees, on completion of their enrollment—

“(i) secure and maintain meaningful unsubsidized employment;

“(ii) complete secondary education and obtain a regular secondary school diploma;

“(iii) enroll in and complete postsecondary education or training programs, including obtaining recognized postsecondary credentials (such as industry-recognized credentials and certificates from registered apprenticeship programs); or

“(iv) satisfy Armed Forces requirements.

“(B) **LINK TO EMPLOYMENT OPPORTUNITIES.**—The career and technical education and training provided shall be linked to the employment opportunities in in-demand industries in the State in which the Job Corps center is located.”;

(2) in subsection (b)—

(A) in the subsection heading, by striking “**EDUCATION AND VOCATIONAL**” and inserting “**ACADEMIC AND CAREER AND TECHNICAL EDUCATION AND**”;

(B) by striking “may” after “The Secretary” and inserting “shall”; and

(C) by striking “vocational” each place it appears and inserting “career and technical”; and

(3) by amending paragraph (3) of subsection (c) to read as follows:

“(3) **DEMONSTRATION.**—Each year, any operator seeking to enroll additional enrollees in an advanced career training program shall demonstrate, before the operator may carry out such additional enrollment, that—

“(A) participants in such program have achieved a satisfactory rate of completion and placement in training-related jobs; and

“(B) such operator has met or exceeded the indicators of performance described in paragraphs (1) and (2) of section 159(c) for the previous year.”.

**SEC. 32. COUNSELING AND JOB PLACEMENT.**

Section 149 (29 U.S.C. 2889) is amended—

(1) in subsection (a), by striking “vocational” and inserting “career and technical education and”;

(2) in subsection (b)—

(A) by striking “make every effort to arrange for”; and

(B) by striking “to assist” and inserting “assist”; and

(3) by striking subsection (d).

**SEC. 33. SUPPORT.**

Subsection (b) of section 150 (29 U.S.C. 2890) is amended to read as follows:

“(b) **TRANSITION ALLOWANCES AND SUPPORT FOR GRADUATES.**—The Secretary shall arrange for a transition allowance to be paid to graduates. The transition allowance shall be incentive-based to reflect a graduate’s completion of academic, career and technical education or training, and attainment of a recognized postsecondary credential, including an industry-recognized credential.”.

**SEC. 34. OPERATIONS.**

Section 151 (29 U.S.C. 2891) is amended—

(1) in the header, by striking “**OPERATING PLAN**.” and inserting “**OPERATIONS**.”;

(2) in subsection (a), by striking “**IN GENERAL.**—” and inserting “**OPERATING PLAN.**—”;

(3) by striking subsection (b) and redesignating subsection (c) as subsection (b);

(4) by amending subsection (b) (as so redesignated)—

(A) in the heading by inserting “**OF OPERATING PLAN**” after “**AVAILABILITY**”; and

(B) by striking “subsections (a) and (b)” and inserting “subsection (a)”; and

(5) by adding at the end the following new subsection:

“(c) **ADMINISTRATIVE COSTS.**—Not more than 10 percent of the funds allotted under section 147 to an entity selected to operate a Job Corps center may be used by the entity for administrative costs under this subtitle.”.

**SEC. 35. COMMUNITY PARTICIPATION.**

Section 153 (29 U.S.C. 2893) is amended to read as follows:

**“SEC. 153. COMMUNITY PARTICIPATION.**

“The director of each Job Corps center shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers in the State and nearby communities. Such activities may include the use of any local workforce development boards established under section 117 to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest.”.

**SEC. 36. WORKFORCE COUNCILS.**

Section 154 (29 U.S.C. 2894) is amended to read as follows:

**“SEC. 154. WORKFORCE COUNCILS.**

“(a) **IN GENERAL.**—Each Job Corps center shall have a workforce council appointed by the Governor of the State in which the Job Corps center is located.

“(b) **WORKFORCE COUNCIL COMPOSITION.**—

“(1) **IN GENERAL.**—A workforce council shall be comprised of—

“(A) business members of the State board described in section 111(b)(1)(B)(i);

“(B) business members of the local boards described in section 117(b)(2)(A) located in the State;

“(C) a representative of the State board described in section 111(f); and

“(D) such other representatives and State agency officials as the Governor may designate.

“(2) **MAJORITY.**—A ¾ majority of the members of the workforce council shall be representatives described in paragraph (1)(A).

“(c) **RESPONSIBILITIES.**—The responsibilities of the workforce council shall be—

“(1) to review all the relevant labor market information, including related information in the State plan described in section 112, to—

“(A) determine the in-demand industries in the State in which enrollees intend to seek employment after graduation;

“(B) determine the skills and education that are necessary to obtain the employment opportunities described in subparagraph (A); and

“(C) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(2) to meet at least once a year to re-evaluate the labor market information, and other relevant information, to determine any necessary changes in the career and technical education and training provided at the center.”.

**SEC. 37. TECHNICAL ASSISTANCE.**

Section 156 (29 U.S.C. 2896) is amended to read as follows:

**“SEC. 156. TECHNICAL ASSISTANCE TO CENTERS.**

“(a) **IN GENERAL.**—From the funds reserved under section 132(a)(3), the Secretary shall

provide, directly or through grants, contracts, or other agreements or arrangements as the Secretary considers appropriate, technical assistance and training for the Job Corps program for the purposes of improving program quality.

“(b) **ACTIVITIES.**—In providing training and technical assistance and for allocating resources for such assistance, the Secretary shall—

“(1) assist entities, including those entities not currently operating a Job Corps center, in developing the application described in section 147(d);

“(2) assist Job Corps centers and programs in correcting deficiencies and violations under this subtitle;

“(3) assist Job Corps centers and programs in meeting or exceeding the indicators of performance described in paragraphs (1) and (2) of section 159(c); and

“(4) assist Job Corps centers and programs in the development of sound management practices, including financial management procedures.”.

**SEC. 38. SPECIAL PROVISIONS.**

Section 158(c)(1) (29 U.S.C. 2899(c)(1)) is amended by striking “title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.)” and inserting “chapter 5 of title 40, United States Code.”.

**SEC. 39. PERFORMANCE ACCOUNTABILITY MANAGEMENT.**

Section 159 (29 U.S.C. 2899) is amended—

(1) in the section heading, by striking “**MANAGEMENT INFORMATION**” and inserting “**PERFORMANCE ACCOUNTABILITY AND MANAGEMENT**”;

(2) in subsection (a)(3), by inserting before the period at the end the following: “, or operating costs for such centers result in a budgetary shortfall”;

(3) by striking subsections (c) through (g); and

(4) by inserting after subsection (b) the following:

“(c) **INDICATORS OF PERFORMANCE.**—

“(1) **PRIMARY INDICATORS.**—The annual primary indicators of performance for Job Corps centers shall include—

“(A) the percentage and number of enrollees who graduate from the Job Corps center;

“(B) the percentage and number of graduates who entered unsubsidized employment related to the career and technical education and training received through the Job Corps center, except that such calculation shall not include enrollment in education, the military, or volunteer service;

“(C) the percentage and number of graduates who obtained a recognized postsecondary credential, including an industry-recognized credential or a certificate from a registered apprenticeship program; and

“(D) the cost per successful performance outcome, which is calculated by comparing the number of graduates who were placed in unsubsidized employment or obtained a recognized postsecondary credential, including an industry-recognized credential, to total program costs, including all operations, construction, and administration costs at each Job Corps center.

“(2) **SECONDARY INDICATORS.**—The annual secondary indicators of performance for Job Corps centers shall include—

“(A) the percentage and number of graduates who entered unsubsidized employment not related to the career and technical education and training received through the Job Corps center;

“(B) the percentage and number of graduates who entered into postsecondary education;

“(C) the percentage and number of graduates who entered into the military;

“(D) the average wage of graduates who are in unsubsidized employment—



“(i) on the first day of employment; and  
 “(ii) 6 months after the first day;  
 “(E) the number and percentage of graduates who entered unsubsidized employment and were retained in the unsubsidized employment—  
 “(i) 6 months after the first day of employment; and  
 “(ii) 12 months after the first day of employment;  
 “(F) the percentage and number of enrollees compared to the percentage and number of enrollees the Secretary has established as targets in section 145(c)(1);  
 “(G) the cost per training slot, which is calculated by comparing the program’s maximum number of enrollees that can be enrolled in a Job Corps center at any given time during the program year to the number of enrollees in the same program year; and  
 “(H) the number and percentage of former enrollees, including the number dismissed under the zero tolerance policy described in section 152(b).  
 “(3) INDICATORS OF PERFORMANCE FOR RECRUITERS.—The annual indicators of performance for recruiters shall include the measurements described in subparagraph (A) of paragraph (1) and subparagraphs (F), (G), and (H) of paragraph (2).  
 “(4) INDICATORS OF PERFORMANCE OF CAREER TRANSITION SERVICE PROVIDERS.—The annual indicators of performance of career transition service providers shall include the measurements described in subparagraphs (B) and (C) of paragraph (1) and subparagraphs, (B), (C), (D), and (E) of paragraph (2).  
 “(d) ADDITIONAL INFORMATION.—The Secretary shall collect, and submit in the report described in subsection (f), information on the performance of each Job Corps center, and the Job Corps program, regarding—  
 “(1) the number and percentage of former enrollees who obtained a regular secondary school diploma;  
 “(2) the number and percentage of former enrollees who entered unsubsidized employment;  
 “(3) the number and percentage of former enrollees who obtained a recognized postsecondary credential, including an industry-recognized credential;  
 “(4) the number and percentage of former enrollees who entered into military service; and  
 “(5) any additional information required by the Secretary.  
 “(e) METHODS.—The Secretary shall collect the information described in subsections (c) and (d), using methods described in section 136(f)(2) and consistent with State law, by entering into agreements with the States to access such data for Job Corps enrollees, former enrollees, and graduates.  
 “(f) TRANSPARENCY AND ACCOUNTABILITY.—  
 “(1) REPORT.—The Secretary shall collect and annually submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate, and make available to the public by electronic means, a report containing—  
 “(A) information on the performance of each Job Corps center, and the Job Corps program, on the performance indicators described in paragraphs (1) and (2) of subsection (c);  
 “(B) a comparison of each Job Corps center, by rank, on the performance indicators described in paragraphs (1) and (2) of subsection (c);  
 “(C) a comparison of each Job Corps center, by rank, on the average performance of all primary indicators described in paragraph (1) of subsection (c);  
 “(D) information on the performance of the service providers described in paragraphs (3) and (4) of subsection (c) on the performance

indicators established under such paragraphs; and  
 “(E) a comparison of each service provider, by rank, on the performance of all service providers described in paragraphs (3) and (4) of subsection (c) on the performance indicators established under such paragraphs.  
 “(2) ASSESSMENT.—The Secretary shall conduct an annual assessment of the performance of each Job Corps center which shall include information on the Job Corps centers that—  
 “(A) are ranked in the bottom 10 percent on the performance indicator described in paragraph (1)(C); or  
 “(B) have failed a safety and health code review described in subsection (g).  
 “(3) PERFORMANCE IMPROVEMENT.—With respect to a Job Corps center that is identified under paragraph (2) or reports less than 50 percent on the performance indicators described in subparagraph (A), (B), or (C) of subsection (c)(1), the Secretary shall develop and implement a 1 year performance improvement plan. Such a plan shall require action including—  
 “(A) providing technical assistance to the center;  
 “(B) changing the management staff of the center;  
 “(C) replacing the operator of the center;  
 “(D) reducing the capacity of the center; or  
 “(E) closing the center.  
 “(4) CLOSURE OF JOB CORPS CENTERS.—Job Corps centers that have been identified under paragraph (2) for more than 4 consecutive years shall be closed. The Secretary shall ensure—  
 “(A) that the proposed decision to close the center is announced in advance to the general public through publication in the Federal Register and other appropriate means; and  
 “(B) the establishment of a reasonable comment period, not to exceed 30 days, for interested individuals to submit written comments to the Secretary.  
 “(g) PARTICIPANT HEALTH AND SAFETY.—The Secretary shall enter into an agreement with the General Services Administration or the appropriate State agency responsible for inspecting public buildings and safeguarding the health of disadvantaged students, to conduct an in-person review of the physical condition and health-related activities of each Job Corps center annually. Such review shall include a passing rate of occupancy under Federal and State ordinances.”

**CHAPTER 4—NATIONAL PROGRAMS**  
**SEC. 41. TECHNICAL ASSISTANCE.**  
 Section 170 (29 U.S.C. 2915) is amended—  
 (1) by striking subsection (b);  
 (2) by striking:  
 “(a) GENERAL TECHNICAL ASSISTANCE.—”;  
 (3) by redesignating paragraphs (1), (2), and (3) as subsections (a), (b), and (c) respectively, and moving such subsections 2 ems to the left, and conforming the casing style of the headings of such subsections to the casing style of the heading of subsection (d), as added by paragraph (7) of this section;  
 (4) in subsection (a) (as so redesignated)—  
 (A) by inserting “the training of staff providing rapid response services and additional assistance, the training of other staff of recipients of funds under this title, assistance regarding accounting and program operation practices (when such assistance would not be duplicative to assistance provided by the State), technical assistance to States that do not meet State performance measures described in section 136,” after “localities,”; and  
 (B) by striking “from carrying out activities” and all that follows up to the period and inserting “to implement the amendments made by the SKILLS Act”;

(5) in subsection (b) (as so redesignated)—  
 (A) by striking “paragraph (1)” and inserting “subsection (a)”;  
 (B) by striking “, or recipient of financial assistance under any of sections 166 through 169,”; and  
 (C) by striking “or grant recipient”;  
 (6) in subsection (c) (as so redesignated), by striking “paragraph (1)” and inserting “subsection (a)”;  
 (7) by inserting, after subsection (c) (as so redesignated), the following:  
 “(d) BEST PRACTICES COORDINATION.—The Secretary shall—  
 “(1) establish a system through which States may share information regarding best practices with regard to the operation of workforce investment activities under this Act; and  
 “(2) evaluate and disseminate information regarding best practices and identify knowledge gaps.”

**SEC. 42. EVALUATIONS.**  
 Section 172 (29 U.S.C. 2917) is amended—  
 (1) in subsection (a), by striking “the Secretary shall provide for the continuing evaluation of the programs and activities, including those programs and activities carried out under section 171” and inserting “the Secretary, through grants, contracts, or cooperative agreements, shall conduct, at least once every 5 years, an independent evaluation of the programs and activities funded under this Act”;  
 (2) by amending subsection (a)(4) to read as follows:  
 “(4) the impact of receiving services and not receiving services under such programs and activities on the community, businesses, and individuals.”;  
 (3) by amending subsection (c) to read as follows:  
 “(c) TECHNIQUES.—Evaluations conducted under this section shall utilize appropriate and rigorous methodology and research designs, including the use of control groups chosen by scientific random assignment methodologies, quasi-experimental methods, impact analysis and the use of administrative data. The Secretary shall conduct an impact analysis, as described in subsection (a)(4), of the formula grant program under subtitle B not later than 2016, and thereafter shall conduct such an analysis not less than once every 4 years.”;  
 (4) in subsection (e), by striking “the Committee on Labor and Human Resources of the Senate” and inserting “the Committee on Health, Education, Labor, and Pensions of the Senate”;  
 (5) by redesignating subsection (f) as subsection (g) and inserting after subsection (e) the following:  
 “(f) REDUCTION OF AMOUNTS AUTHORIZED TO BE APPROPRIATED FOR LATE REPORTING.—If a report required to be transmitted to Congress under this section is not transmitted on or before the time period specified for that report, amounts authorized to be appropriated under this title shall be reduced by 10 percent for the fiscal year that begins after the date on which the final report required under this section is required to be transmitted and reduced by an additional 10 percent each subsequent fiscal year until each such report is transmitted to Congress.”; and  
 (6) by adding at the end, the following:  
 “(h) PUBLIC AVAILABILITY.—The results of the evaluations conducted under this section shall be made publicly available, including by posting such results on the Department’s website.”

**CHAPTER 5—ADMINISTRATION**  
**SEC. 46. REQUIREMENTS AND RESTRICTIONS.**  
 Section 181 (29 U.S.C. 2931) is amended—  
 (1) in subsection (b)(6), by striking “, including representatives of businesses and of labor organizations,”;

(2) in subsection (c)(2)(A), in the matter preceding clause (i), by striking “shall” and inserting “may”;

(3) in subsection (e)—

(A) by striking “training for” and inserting “the entry into employment, retention in employment, or increases in earnings of”; and

(B) by striking “subtitle B” and inserting “this Act”;

(4) in subsection (f)(4), by striking “134(a)(3)(B)” and inserting “133(a)(4)”; and

(5) by adding at the end the following:

“(g) SALARY AND BONUS LIMITATION.—

“(1) IN GENERAL.—No funds provided under this title shall be used by a recipient or sub-recipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of the rate prescribed in level II of the Executive Schedule under section 5315 of title 5, United States Code.

“(2) VENDORS.—The limitation described in paragraph (1) shall not apply to vendors providing goods and services as defined in OMB Circular A-133.

“(3) LOWER LIMIT.—In a case in which a State is a recipient of such funds, the State may establish a lower limit than is provided in paragraph (1) for salaries and bonuses of those receiving salaries and bonuses from a subrecipient of such funds, taking into account factors including the relative cost of living in the State, the compensation levels for comparable State or local government employees, and the size of the organizations that administer the Federal programs involved.

“(h) GENERAL AUTHORITY.—

“(1) IN GENERAL.—The Employment and Training Administration of the Department of Labor (referred to in this Act as the ‘Administration’) shall administer all programs authorized under title I and the Wagner-Peyser Act (29 U.S.C. 49 et seq.). The Administration shall be headed by an Assistant Secretary appointed by the President by and with the advice and consent of the Senate. Except for title II and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the Administration shall be the principal agency, and the Assistant Secretary shall be the principal officer, of such Department for carrying out this Act.

“(2) QUALIFICATIONS.—The Assistant Secretary shall be an individual with substantial experience in workforce development and in workforce development management. The Assistant Secretary shall also, to the maximum extent possible, possess knowledge and have worked in or with the State or local workforce investment system or have been a member of the business community.

“(3) FUNCTIONS.—In the performance of the functions of the office, the Assistant Secretary shall be directly responsible to the Secretary or the Deputy Secretary of Labor, as determined by the Secretary. The functions of the Assistant Secretary shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Assistant Secretary. Any reference in this Act to duties to be carried out by the Assistant Secretary shall be considered to be a reference to duties to be carried out by the Secretary acting through the Assistant Secretary.”

#### SEC. 47. PROMPT ALLOCATION OF FUNDS.

Section 182 (29 U.S.C. 2932) is amended—

(1) in subsection (c)—

(A) by striking “127 or”; and

(B) by striking “, except that” and all that follows and inserting a period; and

(2) in subsection (e)—

(A) by striking “sections 128 and 133” and inserting “section 133”; and

(B) by striking “127 or”.

#### SEC. 48. FISCAL CONTROLS; SANCTIONS.

Section 184(a)(2) (29 U.S.C. 2934(a)(2)) is amended—

(1) by striking “(A)” and all that follows through “Each” and inserting “Each”; and

(2) by striking subparagraph (B).

#### SEC. 49. REPORTS TO CONGRESS.

Section 185 (29 U.S.C. 2935) is amended—

(1) in subsection (c)—

(A) in paragraph (2), by striking “and” after the semicolon;

(B) in paragraph (3), by striking the period and inserting “; and”; and

(C) by adding at the end the following:

“(4) shall have the option to submit or disseminate electronically any reports, records, plans, or other data that are required to be collected or disseminated under this title.”; and

(2) in subsection (e)(2), by inserting “and the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate,” after “Secretary.”

#### SEC. 50. ADMINISTRATIVE PROVISIONS.

Section 189 (29 U.S.C. 2939) is amended—

(1) in subsection (g)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities carried out under this title shall be available for obligation only on the basis of a program year. The program year shall begin on October 1 in the fiscal year for which the appropriation is made.”; and

(B) in paragraph (2)—

(i) in the first sentence, by striking “each State” and inserting “each recipient (except as otherwise provided in this paragraph)”; and

(ii) in the second sentence, by striking “171 or”;

(2) in subsection (i)—

(A) by striking paragraphs (2) and (3);

(B) by redesignating paragraph (4) as paragraph (2);

(C) by amending paragraph (2)(A), as so redesignated—

(i) in clause (i), by striking “; and” and inserting a period at the end;

(ii) by striking “requirements of subparagraph (B)” and all that follows through “any of the statutory or regulatory requirements of subtitle B” and inserting “requirements of subparagraph (B) or (D), any of the statutory or regulatory requirements of subtitle B”; and

(iii) by striking clause (ii); and

(D) by adding at the end the following:

“(D) EXPEDITED PROCESS FOR EXTENDING APPROVED WAIVERS TO ADDITIONAL STATES.—The Secretary may establish an expedited procedure for the purpose of extending to additional States the waiver of statutory or regulatory requirements that have been approved for a State pursuant to a request under subparagraph (B), in lieu of requiring the additional States to meet the requirements of subparagraphs (B) and (C). Such procedure shall ensure that the extension of such a waiver to additional States is accompanied by appropriate conditions relating to the implementation of such waiver.

“(E) EXTERNAL CONDITIONS.—The Secretary shall not require or impose new or additional requirements, that are not specified under this Act, on a State in exchange for providing a waiver to the State or a local area in the State under this paragraph.”

#### SEC. 51. STATE LEGISLATIVE AUTHORITY.

Section 191(a) (29 U.S.C. 2941(a)) is amended—

(1) by striking “consistent with the provisions of this title” and inserting “consistent with State law and the provisions of this title”; and

(2) by striking “consistent with the terms and conditions required under this title” and inserting “consistent with State law and the terms and conditions required under this title”.

#### SEC. 52. GENERAL PROGRAM REQUIREMENTS.

Section 195 (29 U.S.C. 2945) is amended—

(1) in paragraph (7), by inserting at the end the following:

“(D) Funds received under a program by a public or private nonprofit entity that are not described in subparagraph (B), such as funds privately raised from philanthropic foundations, businesses, or other private entities, shall not be considered to be income under this title and shall not be subject to the requirements of this paragraph.”;

(2) by striking paragraph (9);

(3) by redesignating paragraphs (10) through (13) as paragraphs (9) through (12), respectively; and

(4) by adding at the end the following new paragraphs:

“(13) Funds provided under this title shall not be used to establish or operate stand-alone fee-for-service enterprises that compete with private sector employment agencies within the meaning of section 701(c) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(c)), except that for purposes of this paragraph, such an enterprise does not include a one-stop center.

“(14) Any report required to be submitted to Congress, or to a Committee of Congress, under this title shall be submitted to both the chairmen and ranking minority members of the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.”

#### SEC. 53. FEDERAL AGENCY STAFF AND RESTRICTIONS ON POLITICAL AND LOBBYING ACTIVITIES.

Subtitle E of title I (29 U.S.C. 2931 et seq.) is amended by adding at the end the following new sections:

##### “SEC. 196. FEDERAL AGENCY STAFF.

“The Director of the Office of Management and Budget shall—

“(1) not later than 60 days after the date of the enactment of the SKILLS Act—

“(A) identify the number of Federal government employees who, on the day before the date of enactment of the SKILLS Act, worked on or administered each of the programs and activities that were authorized under this Act or were authorized under a provision listed in section 71 of the SKILLS Act; and

“(B) identify the number of full-time equivalent employees who on the day before that date of enactment, worked on or administered each of the programs and activities described in subparagraph (A), on functions for which the authorizing provision has been repealed, or for which an amount has been consolidated (if such employee is in a duplicate position), on or after such date of enactment;

“(2) not later than 90 after such date of enactment, publish the information described in paragraph (1) on the Office of Management and Budget website; and

“(3) not later than 1 year after such date of enactment—

“(A) reduce the workforce of the Federal Government by the number of full-time equivalent employees identified under paragraph (1)(B); and

“(B) submit to Congress a report on how the Director carried out the requirements of subparagraph (A).

##### “SEC. 197. RESTRICTIONS ON LOBBYING AND POLITICAL ACTIVITIES.

“(a) LOBBYING RESTRICTIONS.—

“(1) PUBLICITY RESTRICTIONS.—

“(A) IN GENERAL.—Subject to subparagraph (B), no funds provided under this Act shall be used or proposed for use, for—

“(i) publicity or propaganda purposes; or  
 “(ii) the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to—

“(i) normal and recognized executive-legislative relationships;

“(ii) the preparation, distribution, or use of the materials described in subparagraph (A)(i) in presentation to the Congress or any State or local legislature or legislative body (except that this subparagraph does not apply with respect to such preparation, distribution, or use in presentation to the executive branch of any State or local government); or

“(iii) such preparation, distribution, or use of such materials, that are designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government.

“(2) SALARY PAYMENT RESTRICTION.—No funds provided under this Act shall be used, or proposed for use, to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment or issuance of legislation, appropriations, regulations, administrative action, or an Executive order proposed or pending before the Congress or any State government, or a State or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local, or tribal government in policymaking and administrative processes within the executive branch of that government.

“(b) POLITICAL RESTRICTIONS.—

“(1) IN GENERAL.—No funds received by a participant of a program or activity under this Act shall be used for—

“(A) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office; or

“(B) any activity to provide voters with transportation to the polls or similar assistance in connection with any such election.

“(2) RESTRICTION ON VOTER REGISTRATION ACTIVITIES.—No funds under this Act shall be used to conduct voter registration activities.

“(3) DEFINITION.—For the purposes of this subsection, the term ‘participant’ includes any State, local area, or government, non-profit, or for-profit entity receiving funds under this Act.”

**CHAPTER 6—STATE UNIFIED PLAN**

**SEC. 56. STATE UNIFIED PLAN.**

Section 501 (20 U.S.C. 9271) is amended—

(1) by amending subsection (a) to read as follows:

“(a) GENERAL AUTHORITY.—The Secretary shall receive and approve State unified plans developed and submitted in accordance with this section.”;

(2) by amending subsection (b) to read as follows:

“(b) STATE UNIFIED PLAN.—

“(1) IN GENERAL.—A State may develop and submit to the Secretary a State unified plan for 2 or more of the activities or programs set forth in paragraph (2). The State unified plan shall cover one or more of the activities or programs set forth in subparagraphs (A) and (B) of paragraph (2) and shall cover one or more of the activities or programs set

forth in subparagraphs (C) through (N) of paragraph (2).

“(2) ACTIVITIES AND PROGRAMS.—For purposes of paragraph (1), the term ‘activity or program’ means any 1 of the following 14 activities or programs:

“(A) Activities and programs authorized under title I.

“(B) Activities and programs authorized under title II.

“(C) Programs authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 710 et seq.).

“(D) Secondary career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.).

“(E) Postsecondary career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006.

“(F) Activities and programs authorized under title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.).

“(G) Programs and activities authorized under the Act of August 16, 1937 (commonly known as the ‘National Apprenticeship Act’; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.).

“(H) Programs authorized under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.).

“(I) Programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

“(J) Programs authorized under State unemployment compensation laws (in accordance with applicable Federal law).

“(K) Work programs authorized under section 6(o) of the Food and Nutrition Act of 1977 (7 U.S.C. 2015(o)).

“(L) Activities and programs authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

“(M) Activities and programs authorized under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.).

“(N) Activities authorized under chapter 41 of title 38, United States Code.”;

(3) by amending subsection (d) to read as follows:

“(d) APPROVAL.—

“(1) JURISDICTION.—In approving a State unified plan under this section, the Secretary shall—

“(A) submit the portion of the State unified plan covering an activity or program described in subsection (b)(2) to the head of the Federal agency who exercises administrative authority over the activity or program for the approval of such portion by such Federal agency head; or

“(B) coordinate approval of the portion of the State unified plan covering an activity or program described in subsection (b)(2) with the head of the Federal agency who exercises administrative authority over the activity or program.

“(2) TIMELINE.—A State unified plan shall be considered to be approved by the Secretary at the end of the 90-day period beginning on the day the Secretary receives the plan, unless the Secretary makes a written determination, during the 90-day period, that details how the plan is not consistent with the requirements of the Federal statute authorizing an activity or program described in subsection (b)(2) and covered under the plan or how the plan is not consistent with the requirements of subsection (c)(3).

“(3) SCOPE OF PORTION.—For purposes of paragraph (1), the portion of the State unified plan covering an activity or program shall be considered to include the plan described in subsection (c)(3) and any proposal described in subsection (e)(2), as that part and proposal relate to the activity or program.”; and

(4) by adding at the end the following:

“(e) ADDITIONAL EMPLOYMENT AND TRAINING FUNDS.—

“(1) PURPOSE.—It is the purpose of this subsection to reduce inefficiencies in the administration of federally funded State and local employment and training programs.

“(2) IN GENERAL.—In developing a State unified plan for the activities or programs described in subsection (b)(2), and subject to paragraph (4) and to the State plan approval process under subsection (d), a State may propose to consolidate the amount, in whole or part, provided for the activities or programs covered by the plan into the Workforce Investment Fund under section 132(b) to improve the administration of State and local employment and training programs.

“(3) REQUIREMENTS.—A State that has a State unified plan approved under subsection (d) with a proposal for consolidation under paragraph (2), and that is carrying out such consolidation, shall—

“(A) in providing an activity or program for which an amount is consolidated into the Workforce Investment Fund—

“(i) continue to meet the program requirements, limitations, and prohibitions of any Federal statute authorizing the activity or program; and

“(ii) meet the intent and purpose for the activity or program; and

“(B) continue to make reservations and allotments under subsections (a) and (b) of section 133.

“(4) EXCEPTIONS.—A State may not consolidate an amount under paragraph (2) that is allocated to the State under—

“(A) the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.); or

“(B) title I of the Rehabilitation Act of 1973 (29 U.S.C. 710 et seq.).”

**Subtitle B—Adult Education and Family Literacy Education**

**SEC. 61. AMENDMENT.**

Title II (20 U.S.C. 9201 et seq.) is amended to read as follows:

**“TITLE II—ADULT EDUCATION AND FAMILY LITERACY EDUCATION**

**“SEC. 201. SHORT TITLE.**

“This title may be cited as the ‘Adult Education and Family Literacy Education Act’.

**“SEC. 202. PURPOSE.**

“It is the purpose of this title to provide instructional opportunities for adults seeking to improve their literacy skills, including their basic reading, writing, speaking, and mathematics skills, and support States and local communities in providing, on a voluntary basis, adult education and family literacy education programs, in order to—

“(1) increase the literacy of adults, including the basic reading, writing, speaking, and mathematics skills, to a level of proficiency necessary for adults to obtain employment and self-sufficiency and to successfully advance in the workforce;

“(2) assist adults in the completion of a secondary school education (or its equivalent) and the transition to a postsecondary educational institution;

“(3) assist adults who are parents to enable them to support the educational development of their children and make informed choices regarding their children’s education including, through instruction in basic reading, writing, speaking, and mathematics skills; and

“(4) assist adults who are not proficient in English in improving their reading, writing, speaking, listening, comprehension, and mathematics skills.

**“SEC. 203. DEFINITIONS.**

“In this title:

“(1) ADULT EDUCATION AND FAMILY LITERACY EDUCATION PROGRAMS.—The term

'adult education and family literacy education programs' means a sequence of academic instruction and educational services below the postsecondary level that increase an individual's ability to read, write, and speak English and perform mathematical computations leading to a level of proficiency equivalent to at least a secondary school completion that is provided for individuals—

“(A) who are at least 16 years of age;

“(B) who are not enrolled or required to be enrolled in secondary school under State law; and

“(C) who—

“(i) lack sufficient mastery of basic reading, writing, speaking, and mathematics skills to enable the individuals to function effectively in society;

“(ii) do not have a secondary school diploma or its equivalent and have not achieved an equivalent level of education; or

“(iii) are English learners.

“(2) ELIGIBLE AGENCY.—The term ‘eligible agency’—

“(A) means the primary entity or agency in a State or an outlying area responsible for administering or supervising policy for adult education and family literacy education programs in the State or outlying area, respectively, consistent with the law of the State or outlying area, respectively; and

“(B) may be the State educational agency, the State agency responsible for administering workforce investment activities, or the State agency responsible for administering community or technical colleges.

“(3) ELIGIBLE PROVIDER.—The term ‘eligible provider’ means an organization of demonstrated effectiveness that is—

“(A) a local educational agency;

“(B) a community-based or faith-based organization;

“(C) a volunteer literacy organization;

“(D) an institution of higher education;

“(E) a public or private educational agency;

“(F) a library;

“(G) a public housing authority;

“(H) an institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult education, basic skills, and family literacy education programs to adults and families; or

“(I) a consortium of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H).

“(4) ENGLISH LANGUAGE ACQUISITION PROGRAM.—The term ‘English language acquisition program’ means a program of instruction—

“(A) designed to help English learners achieve competence in reading, writing, speaking, and comprehension of the English language; and

“(B) that may lead to—

“(i) attainment of a secondary school diploma or its recognized equivalent;

“(ii) transition to success in postsecondary education and training; and

“(iii) employment or career advancement.

“(5) FAMILY LITERACY EDUCATION PROGRAM.—The term ‘family literacy education program’ means an educational program that—

“(A) assists parents and students, on a voluntary basis, in achieving the purpose of this title as described in section 202; and

“(B) is of sufficient intensity in terms of hours and of sufficient quality to make sustainable changes in a family, is evidence-based, and, for the purpose of substantially increasing the ability of parents and children to read, write, and speak English, integrates—

“(i) interactive literacy activities between parents and their children;

“(ii) training for parents regarding how to be the primary teacher for their children and full partners in the education of their children;

“(iii) parent literacy training that leads to economic self-sufficiency; and

“(iv) an age-appropriate education to prepare children for success in school and life experiences.

“(6) GOVERNOR.—The term ‘Governor’ means the chief executive officer of a State or outlying area.

“(7) INDIVIDUAL WITH A DISABILITY.—

“(A) IN GENERAL.—The term ‘individual with a disability’ means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990).

“(B) INDIVIDUALS WITH DISABILITIES.—The term ‘individuals with disabilities’ means more than one individual with a disability.

“(8) ENGLISH LEARNER.—The term ‘English learner’ means an adult or out-of-school youth who has limited ability in reading, writing, speaking, or understanding the English language, and—

“(A) whose native language is a language other than English; or

“(B) who lives in a family or community environment where a language other than English is the dominant language.

“(9) INTEGRATED EDUCATION AND TRAINING.—The term ‘integrated education and training’ means services that provide adult education and literacy activities contextually and concurrently with workforce preparation activities and workforce training for a specific occupation or occupational cluster. Such services may include offering adult education services concurrent with postsecondary education and training, including through co-instruction.

“(10) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given the term in section 101 of the Higher Education Act of 1965.

“(11) LITERACY.—The term ‘literacy’ means an individual's ability to read, write, and speak in English, compute, and solve problems at a level of proficiency necessary to obtain employment and to successfully make the transition to postsecondary education.

“(12) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

“(13) OUTLYING AREA.—The term ‘outlying area’ has the meaning given the term in section 101 of this Act.

“(14) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term ‘postsecondary educational institution’ means—

“(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor's degree;

“(B) a tribally controlled community college; or

“(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

“(15) SECRETARY.—The term ‘Secretary’ means the Secretary of Education.

“(16) STATE.—The term ‘State’ means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(17) STATE EDUCATIONAL AGENCY.—The term ‘State educational agency’ has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

“(18) WORKPLACE LITERACY PROGRAM.—The term ‘workplace literacy program’ means an educational program that is offered in collaboration between eligible providers and employers or employee organizations for the purpose of improving the productivity of the

workforce through the improvement of reading, writing, speaking, and mathematics skills.

“SEC. 204. HOME SCHOOLS.

“Nothing in this title shall be construed to affect home schools, whether or not a home school is treated as a home school or a private school under State law, or to compel a parent engaged in home schooling to participate in adult education and family literacy education activities under this title.

“SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this title, \$606,294,933 for fiscal year 2015 and for each of the 6 succeeding fiscal years.

“Subtitle A—Federal Provisions

“SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

“(a) RESERVATION OF FUNDS.—From the sums appropriated under section 205 for a fiscal year, the Secretary shall reserve 2.0 percent to carry out section 242.

“(b) GRANTS TO ELIGIBLE AGENCIES.—

“(1) IN GENERAL.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a State plan approved under section 224 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible agency for the fiscal year, subject to subsections (f) and (g).

“(2) PURPOSE OF GRANTS.—The Secretary may award a grant under paragraph (1) only if the eligible agency involved agrees to expend the grant in accordance with the provisions of this title.

“(c) ALLOTMENTS.—

“(1) INITIAL ALLOTMENTS.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a State plan approved under section 224—

“(A) \$100,000, in the case of an eligible agency serving an outlying area; and

“(B) \$250,000, in the case of any other eligible agency.

“(2) ADDITIONAL ALLOTMENTS.—From the sums appropriated under section 205, not reserved under subsection (a), and not allotted under paragraph (1), for a fiscal year, the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sums as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the number of such adults in all States and outlying areas.

“(d) QUALIFYING ADULT.—For the purpose of subsection (c)(2), the term ‘qualifying adult’ means an adult who—

“(1) is at least 16 years of age;

“(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;

“(3) does not have a secondary school diploma or its recognized equivalent; and

“(4) is not enrolled in secondary school.

“(e) SPECIAL RULE.—

“(1) IN GENERAL.—From amounts made available under subsection (c) for the Republic of Palau, the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or the Republic of Palau to carry out activities described in this title in accordance with the provisions of this title as determined by the Secretary.

“(2) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of Palau shall be eligible to receive a grant under this title until an agreement for

the extension of United States education assistance under the Compact of Free Association for the Republic of Palau becomes effective.

**“(f) HOLD-HARMLESS PROVISIONS.—**

**“(1) IN GENERAL.—**Notwithstanding subsection (c) and subject to paragraph (2), for—

**“(A) fiscal year 2015,** no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for fiscal year 2012 under this title; and

**“(B) fiscal year 2016 and each succeeding fiscal year,** no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this title.

**“(2) RATABLE REDUCTION.—**If, for any fiscal year the amount available for allotment under this title is insufficient to satisfy the provisions of paragraph (1), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

**“(g) REALLOTMENT.—**The portion of any eligible agency’s allotment under this title for a fiscal year that the Secretary determines will not be required for the period such allotment is available for carrying out activities under this title, shall be available for reallocation from time to time, on such dates during such period as the Secretary shall fix, to other eligible agencies in proportion to the original allotments to such agencies under this title for such year.

**“SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.**

“Programs and activities authorized under this title are subject to the performance accountability provisions described in paragraphs (2)(A) and (3) of section 136(b) and may, at a State’s discretion, include additional indicators identified in the State plan approved under section 224.

**“Subtitle B—State Provisions**

**“SEC. 221. STATE ADMINISTRATION.**

“Each eligible agency shall be responsible for the following activities under this title:

**“(1) The development, submission, implementation, and monitoring of the State plan.**

**“(2) Consultation with other appropriate agencies, groups, and individuals that are involved in, or interested in, the development and implementation of activities assisted under this title.**

**“(3) Coordination and avoidance of duplication with other Federal and State education, training, corrections, public housing, and social service programs.**

**“SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.**

**“(a) STATE DISTRIBUTION OF FUNDS.—**Each eligible agency receiving a grant under this title for a fiscal year—

**“(1) shall use not less than 82.5 percent of the grant funds to award grants and contracts under section 231 and to carry out section 225, of which not more than 10 percent of such amount shall be available to carry out section 225;**

**“(2) shall use not more than 12.5 percent of the grant funds to carry out State leadership activities under section 223; and**

**“(3) shall use not more than 5 percent of the grant funds, or \$65,000, whichever is greater, for the administrative expenses of the eligible agency.**

**“(b) MATCHING REQUIREMENT.—**

**“(1) IN GENERAL.—**In order to receive a grant from the Secretary under section 211(b), each eligible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult education and family literacy education programs for which the grant is awarded, a non-Federal contribution in an amount that is not less than—

**“(A) in the case of an eligible agency serving an outlying area,** 12 percent of the total amount of funds expended for adult education and family literacy education programs in the outlying area, except that the Secretary may decrease the amount of funds required under this subparagraph for an eligible agency; and

**“(B) in the case of an eligible agency serving a State,** 25 percent of the total amount of funds expended for adult education and family literacy education programs in the State.

**“(2) NON-FEDERAL CONTRIBUTION.—**An eligible agency’s non-Federal contribution required under paragraph (1) may be provided in cash or in kind, fairly evaluated, and shall include only non-Federal funds that are used for adult education and family literacy education programs in a manner that is consistent with the purpose of this title.

**“SEC. 223. STATE LEADERSHIP ACTIVITIES.**

**“(a) IN GENERAL.—**Each eligible agency may use funds made available under section 222(a)(2) for any of the following adult education and family literacy education programs:

**“(1) The establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under section 231(b).**

**“(2) The provision of technical assistance to eligible providers of adult education and family literacy education programs, including for the development and dissemination of evidence based research instructional practices in reading, writing, speaking, mathematics, and English language acquisition programs.**

**“(3) The provision of assistance to eligible providers in developing, implementing, and reporting measurable progress in achieving the objectives of this title.**

**“(4) The monitoring and evaluation of the quality of, and the improvement in, adult education and literacy activities.**

**“(5) The provision of technology assistance, including staff training, to eligible providers of adult education and family literacy education programs, including distance education activities, to enable the eligible providers to improve the quality of such activities.**

**“(6) The development and implementation of technology applications or distance education, including professional development to support the use of instructional technology.**

**“(7) Coordination with other public programs, including programs under title I of this Act, and other welfare-to-work, workforce development, and job training programs.**

**“(8) Coordination with existing support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult education and family literacy education programs, for adults enrolled in such activities.**

**“(9) The development and implementation of a system to assist in the transition from adult basic education to postsecondary education.**

**“(10) Activities to promote workplace literacy programs.**

**“(11) Other activities of statewide significance, including assisting eligible providers in achieving progress in improving the skill levels of adults who participate in programs under this title.**

**“(12) Integration of literacy, instructional, and occupational skill training and promotion of linkages with employees.**

**“(b) COORDINATION.—**In carrying out this section, eligible agencies shall coordinate where possible, and avoid duplicating efforts,

in order to maximize the impact of the activities described in subsection (a).

**“(c) STATE-IMPOSED REQUIREMENTS.—**Whenever a State or outlying area implements any rule or policy relating to the administration or operation of a program authorized under this title that has the effect of imposing a requirement that is not imposed under Federal law (including any rule or policy based on a State or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being imposed by the State or outlying area.

**“SEC. 224. STATE PLAN.**

**“(a) 3-YEAR PLANS.—**

**“(1) IN GENERAL.—**Each eligible agency desiring a grant under this title for any fiscal year shall submit to, or have on file with, the Secretary a 3-year State plan.

**“(2) STATE UNIFIED PLAN.—**The eligible agency may submit the State plan as part of a State unified plan described in section 501.

**“(b) PLAN CONTENTS.—**The eligible agency shall include in the State plan or any revisions to the State plan—

**“(1) an objective assessment of the needs of individuals in the State or outlying area for adult education and family literacy education programs, including individuals most in need or hardest to serve;**

**“(2) a description of the adult education and family literacy education programs that will be carried out with funds received under this title;**

**“(3) an assurance that the funds received under this title will not be expended for any purpose other than for activities under this title;**

**“(4) a description of how the eligible agency will annually evaluate and measure the effectiveness and improvement of the adult education and family literacy education programs funded under this title using the indicators of performance described in section 136, including how the eligible agency will conduct such annual evaluations and measures for each grant received under this title;**

**“(5) a description of how the eligible agency will fund local activities in accordance with the measurable goals described in section 231(d);**

**“(6) an assurance that the eligible agency will expend the funds under this title only in a manner consistent with fiscal requirements in section 241;**

**“(7) a description of the process that will be used for public participation and comment with respect to the State plan, which—**

**“(A) shall include consultation with the State workforce investment board, the State board responsible for administering community or technical colleges, the Governor, the State educational agency, the State board or agency responsible for administering block grants for temporary assistance to needy families under title IV of the Social Security Act, the State council on disabilities, the State vocational rehabilitation agency, and other State agencies that promote the improvement of adult education and family literacy education programs, and direct providers of such programs; and**

**“(B) may include consultation with the State agency on higher education, institutions responsible for professional development of adult education and family literacy education programs instructors, representatives of business and industry, refugee assistance programs, and faith-based organizations;**

**“(8) a description of the eligible agency’s strategies for serving populations that include, at a minimum—**

**“(A) low-income individuals;**

**“(B) individuals with disabilities;**

“(C) the unemployed;

“(D) the underemployed; and

“(E) individuals with multiple barriers to educational enhancement, including English learners;

“(9) a description of how the adult education and family literacy education programs that will be carried out with any funds received under this title will be integrated with other adult education, career development, and employment and training activities in the State or outlying area served by the eligible agency;

“(10) a description of the steps the eligible agency will take to ensure direct and equitable access, as required in section 231(c)(1), including—

“(A) how the State will build the capacity of community-based and faith-based organizations to provide adult education and family literacy education programs; and

“(B) how the State will increase the participation of business and industry in adult education and family literacy education programs;

“(11) an assessment of the adequacy of the system of the State or outlying area to ensure teacher quality and a description of how the State or outlying area will use funds received under this subtitle to improve teacher quality, including evidence-based professional development to improve instruction; and

“(12) a description of how the eligible agency will consult with any State agency responsible for postsecondary education to develop adult education that prepares students to enter postsecondary education without the need for remediation upon completion of secondary school equivalency programs.

“(c) PLAN REVISIONS.—When changes in conditions or other factors require substantial revisions to an approved State plan, the eligible agency shall submit the revisions of the State plan to the Secretary.

“(d) CONSULTATION.—The eligible agency shall—

“(1) submit the State plan, and any revisions to the State plan, to the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, or outlying area for review and comment; and

“(2) ensure that any comments regarding the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

“(e) PLAN APPROVAL.—The Secretary shall—

“(1) approve a State plan within 90 days after receiving the plan unless the Secretary makes a written determination within 30 days after receiving the plan that the plan does not meet the requirements of this section or is inconsistent with specific provisions of this subtitle; and

“(2) not finally disapprove of a State plan before offering the eligible agency the opportunity, prior to the expiration of the 30-day period beginning on the date on which the eligible agency received the written determination described in paragraph (1), to review the plan and providing technical assistance in order to assist the eligible agency in meeting the requirements of this subtitle.

**“SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND OTHER INSTITUTIONALIZED INDIVIDUALS.**

“(a) PROGRAM AUTHORIZED.—From funds made available under section 222(a)(1) for a fiscal year, each eligible agency shall carry out corrections education and education for other institutionalized individuals.

“(b) USES OF FUNDS.—The funds described in subsection (a) shall be used for the cost of educational programs for criminal offenders

in correctional institutions and for other institutionalized individuals, including academic programs for—

“(1) basic skills education;

“(2) special education programs as determined by the eligible agency;

“(3) reading, writing, speaking, and mathematics programs;

“(4) secondary school credit or diploma programs or their recognized equivalent; and

“(5) integrated education and training.

“(c) PRIORITY.—Each eligible agency that is using assistance provided under this section to carry out a program for criminal offenders within a correctional institution shall give priority to serving individuals who are likely to leave the correctional institution within 5 years of participation in the program.

“(d) DEFINITIONS.—In this section:

“(1) CORRECTIONAL INSTITUTION.—The term ‘correctional institution’ means any—

“(A) prison;

“(B) jail;

“(C) reformatory;

“(D) work farm;

“(E) detention center; or

“(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.

“(2) CRIMINAL OFFENDER.—The term ‘criminal offender’ means any individual who is charged with, or convicted of, any criminal offense.

**“Subtitle C—Local Provisions**

**“SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PROVIDERS.**

“(a) GRANTS AND CONTRACTS.—From grant funds made available under section 222(a)(1), each eligible agency shall award multi-year grants or contracts, on a competitive basis, to eligible providers within the State or outlying area that meet the conditions and requirements of this title to enable the eligible providers to develop, implement, and improve adult education and family literacy education programs within the State.

“(b) LOCAL ACTIVITIES.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to establish or operate—

“(1) programs that provide adult education and literacy activities;

“(2) programs that provide integrated education and training activities; or

“(3) credit-bearing postsecondary coursework.

“(c) DIRECT AND EQUITABLE ACCESS; SAME PROCESS.—Each eligible agency receiving funds under this title shall ensure that—

“(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and

“(2) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.

“(d) MEASURABLE GOALS.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to demonstrate—

“(1) the eligible provider’s measurable goals for participant outcomes to be achieved annually on the core indicators of performance described in section 136(b)(2)(A);

“(2) the past effectiveness of the eligible provider in improving the basic academic skills of adults and, for eligible providers receiving grants in the prior year, the success of the eligible provider receiving funding under this title in exceeding its performance goals in the prior year;

“(3) the commitment of the eligible provider to serve individuals in the community who are the most in need of basic academic skills instruction services, including individ-

uals with disabilities and individuals who are low-income or have minimal reading, writing, speaking, and mathematics skills, or are English learners;

“(4) the program is of sufficient intensity and quality for participants to achieve substantial learning gains;

“(5) educational practices are evidence-based;

“(6) the activities of the eligible provider effectively employ advances in technology, and delivery systems including distance education;

“(7) the activities provide instruction in real-life contexts, including integrated education and training when appropriate, to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship;

“(8) the activities are staffed by well-trained instructors, counselors, and administrators who meet minimum qualifications established by the State;

“(9) the activities are coordinated with other available resources in the community, such as through strong links with elementary schools and secondary schools, postsecondary educational institutions, local workforce investment boards, one-stop centers, job training programs, community-based and faith-based organizations, and social service agencies;

“(10) the activities offer flexible schedules and support services (such as child care and transportation) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs;

“(11) the activities include a high-quality information management system that has the capacity to report measurable participant outcomes (consistent with section 136) and to monitor program performance;

“(12) the local communities have a demonstrated need for additional English language acquisition programs, and integrated education and training programs;

“(13) the capacity of the eligible provider to produce valid information on performance results, including enrollments and measurable participant outcomes;

“(14) adult education and family literacy education programs offer rigorous reading, writing, speaking, and mathematics content that are evidence based; and

“(15) applications of technology, and services to be provided by the eligible providers, are of sufficient intensity and duration to increase the amount and quality of learning and lead to measurable learning gains within specified time periods.

“(e) SPECIAL RULE.—Eligible providers may use grant funds under this title to serve children participating in family literacy programs assisted under this part, provided that other sources of funds available to provide similar services for such children are used first.

**“SEC. 232. LOCAL APPLICATION.**

“Each eligible provider desiring a grant or contract under this title shall submit an application to the eligible agency containing such information and assurances as the eligible agency may require, including—

“(1) a description of how funds awarded under this title will be spent consistent with the requirements of this title;

“(2) a description of any cooperative arrangements the eligible provider has with other agencies, institutions, or organizations for the delivery of adult education and family literacy education programs; and

“(3) each of the demonstrations required by section 231(d).

**“SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.**

“(a) IN GENERAL.—Subject to subsection (b), of the amount that is made available under this title to an eligible provider—

“(1) at least 95 percent shall be expended for carrying out adult education and family literacy education programs; and

“(2) the remaining amount shall be used for planning, administration, personnel and professional developmental, development of measurable goals in reading, writing, speaking, and mathematics, and interagency coordination.

“(b) SPECIAL RULE.—In cases where the cost limits described in subsection (a) are too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination, the eligible provider may negotiate with the eligible agency in order to determine an adequate level of funds to be used for noninstructional purposes.

“**Subtitle D—General Provisions**

“**SEC. 241. ADMINISTRATIVE PROVISIONS.**

“Funds made available for adult education and family literacy education programs under this title shall supplement and not supplant other State or local public funds expended for adult education and family literacy education programs.

“**SEC. 242. NATIONAL ACTIVITIES.**

“The Secretary shall establish and carry out a program of national activities that may include the following:

“(1) Providing technical assistance to eligible entities, on request, to—

“(A) improve their fiscal management, research-based instruction, and reporting requirements to carry out the requirements of this title;

“(B) improve its performance on the core indicators of performance described in section 136;

“(C) provide adult education professional development; and

“(D) use distance education and improve the application of technology in the classroom, including instruction in English language acquisition for English learners.

“(2) Providing for the conduct of research on national literacy basic skill acquisition levels among adults, including the number of adult English learners functioning at different levels of reading proficiency.

“(3) Improving the coordination, efficiency, and effectiveness of adult education and workforce development services at the national, State, and local levels.

“(4) Determining how participation in adult education, English language acquisition, and family literacy education programs prepares individuals for entry into and success in postsecondary education and employment, and in the case of prison-based services, the effect on recidivism.

“(5) Evaluating how different types of providers, including community and faith-based organizations or private for-profit agencies measurably improve the skills of participants in adult education, English language acquisition, and family literacy education programs.

“(6) Identifying model integrated basic and workplace skills education programs, including programs for English learners coordinated literacy and employment services, and effective strategies for serving adults with disabilities.

“(7) Initiating other activities designed to improve the measurable quality and effectiveness of adult education, English language acquisition, and family literacy education programs nationwide.”

“**Subtitle C—Amendments to the Wagner-Peyser Act**

“**SEC. 66. AMENDMENTS TO THE WAGNER-PEYSER ACT.**

Section 15 of the Wagner-Peyser Act (29 U.S.C. 491-2) is amended to read as follows:

“**SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.**

“(a) SYSTEM CONTENT.—

“(1) IN GENERAL.—The Secretary of Labor (referred to in this section as the ‘Secretary’), in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide workforce and labor market information system that includes—

“(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—

“(i) employment and unemployment status of national, State, and local populations, including self-employed, part-time, and seasonal workers;

“(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions;

“(iii) the incidence of, industrial and geographical location of, and number of workers displaced by, permanent layoffs and plant closings; and

“(iv) employment and earnings information maintained in a longitudinal manner to be used for research and program evaluation;

“(B) information on State and local employment opportunities, and other appropriate statistical data related to labor market dynamics, which—

“(i) shall be current and comprehensive;

“(ii) shall meet the needs identified through the consultations described in subparagraphs (C) and (D) of subsection (e)(1); and

“(iii) shall meet the needs for the information identified in section 121(e)(1)(E) of the Workforce Investment Act of 1998 (29 U.S.C. 2841(e)(1)(E));

“(C) technical standards (which the Secretary shall publish annually) for data and information described in subparagraphs (A) and (B) that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

“(D) procedures to ensure compatibility and additivity of the data and information described in subparagraphs (A) and (B) from national, State, and local levels;

“(E) procedures to support standardization and aggregation of data from administrative reporting systems described in subparagraph (A) of employment-related programs;

“(F) analysis of data and information described in subparagraphs (A) and (B) for uses such as—

“(i) national, State, and local policymaking;

“(ii) implementation of Federal policies (including allocation formulas);

“(iii) program planning and evaluation; and

“(iv) researching labor market dynamics;

“(G) wide dissemination of such data, information, and analysis in a user-friendly manner and voluntary technical standards for dissemination mechanisms; and

“(H) programs of—

“(i) training for effective data dissemination;

“(ii) research and demonstration; and

“(iii) programs and technical assistance.

“(2) INFORMATION TO BE CONFIDENTIAL.—

“(A) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may—

“(i) use any submission that is furnished for exclusively statistical purposes under the provisions of this section for any purpose other than the statistical purposes for which the submission is furnished;

“(ii) disclose to the public any publication or media transmittal of the data contained in the submission described in clause (i) that permits information concerning an individual subject to be reasonably inferred by either direct or indirect means; or

“(iii) permit anyone other than a sworn officer, employee, or agent of any Federal department or agency, or a contractor (including an employee of a contractor) of such department or agency, to examine an individual submission described in clause (i),

without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission.

“(B) IMMUNITY FROM LEGAL PROCESS.—Any submission (including any data derived from the submission) that is collected and retained by a Federal department or agency, or an officer, employee, agent, or contractor of such a department or agency, for exclusively statistical purposes under this section shall be immune from the legal process and shall not, without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

“(C) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide immunity from the legal process for such submission (including any data derived from the submission) if the submission is in the possession of any person, agency, or entity other than the Federal Government or an officer, employee, agent, or contractor of the Federal Government, or if the submission is independently collected, retained, or produced for purposes other than the purposes of this Act.

“(b) SYSTEM RESPONSIBILITIES.—

“(1) IN GENERAL.—The workforce and labor market information system described in subsection (a) shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and States.

“(2) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of workforce and labor market information for the system, shall carry out the following duties:

“(A) Assign responsibilities within the Department of Labor for elements of the workforce and labor market information system described in subsection (a) to ensure that all statistical and administrative data collected is consistent with appropriate Bureau of Labor Statistics standards and definitions.

“(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

“(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

“(D) In collaboration with the Bureau of Labor Statistics and States, develop and maintain the elements of the workforce and labor market information system described in subsection (a), including the development of consistent procedures and definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1).

“(E) Establish procedures for the system to ensure that—

“(i) such data and information are timely;

“(ii) paperwork and reporting for the system are reduced to a minimum; and

“(iii) States and localities are fully involved in the development and continuous improvement of the system at all levels.

“(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE SERVICES.—The Secretary is authorized to assist in the development of national electronic tools that may be used to facilitate the delivery of work ready services described in section 134(c)(2) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(c)(2)) and to provide workforce and labor market information to individuals through the one-stop delivery systems described in section 121 and through other appropriate delivery systems.

“(d) COORDINATION WITH THE STATES.—

“(1) IN GENERAL.—The Secretary, working through the Bureau of Labor Statistics and the Employment and Training Administration, shall regularly consult with representatives of State agencies carrying out workforce information activities regarding strategies for improving the workforce and labor market information system.

“(2) FORMAL CONSULTATIONS.—At least twice each year, the Secretary, working through the Bureau of Labor Statistics, shall conduct formal consultations regarding programs carried out by the Bureau of Labor Statistics with representatives of each of the Federal regions of the Bureau of Labor Statistics, elected (pursuant to a process established by the Secretary) from the State directors affiliated with State agencies that perform the duties described in subsection (e)(1).

“(e) STATE RESPONSIBILITIES.—

“(1) IN GENERAL.—In order to receive Federal financial assistance under this section, the Governor of a State shall—

“(A) be responsible for the management of the portions of the workforce and labor market information system described in subsection (a) that comprise a statewide workforce and labor market information system;

“(B) establish a process for the oversight of such system;

“(C) consult with State and local employers, participants, and local workforce investment boards about the labor market relevance of the data to be collected and disseminated through the statewide workforce and labor market information system;

“(D) consult with State educational agencies and local educational agencies concerning the provision of workforce and labor market information in order to meet the needs of secondary school and postsecondary school students who seek such information;

“(E) collect and disseminate for the system, on behalf of the State and localities in the State, the information and data described in subparagraphs (A) and (B) of subsection (a)(1);

“(F) maintain and continuously improve the statewide workforce and labor market information system in accordance with this section;

“(G) perform contract and grant responsibilities for data collection, analysis, and dissemination for such system;

“(H) conduct such other data collection, analysis, and dissemination activities as will ensure an effective statewide workforce and labor market information system;

“(I) actively seek the participation of other State and local agencies in data collection, analysis, and dissemination activities in order to ensure complementarity, compatibility, and usefulness of data;

“(J) participate in the development of, and submit to the Secretary, an annual plan to carry out the requirements and authorities of this subsection; and

“(K) utilize the quarterly records described in section 136(f)(2) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(f)(2)) to assist the State and other States in measuring State progress on State performance measures.

“(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting

the ability of a Governor to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

“(f) NONDUPLICATION REQUIREMENT.—None of the functions and activities carried out pursuant to this section shall duplicate the functions and activities carried out under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.).

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$60,153,000 for fiscal year 2015 and each of the 6 succeeding fiscal years.”

#### Subtitle D—Repeals and Conforming Amendments

##### SEC. 71. REPEALS.

The following provisions are repealed:

(1) Chapter 4 of subtitle B of title I, and sections 123, 155, 166, 167, 168, 169, 171, 173, 173A, 174, 192, 194, 502, 503, and 506 of the Workforce Investment Act of 1998, as in effect on the day before the date of enactment of the SKILLS Act.

(2) Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(3) Sections 1 through 14 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(4) The Twenty-First Century Workforce Commission Act (29 U.S.C. 2701 note).

(5) Public Law 91-378, 16 U.S.C. 1701 et seq. (popularly known as the “Youth Conservation Corps Act of 1970”).

(6) Section 821 of the Higher Education Amendments of 1998 (20 U.S.C. 1151).

(7) The Women in Apprenticeship and Non-traditional Occupations Act (29 U.S.C. 2501 et seq.).

(8) Sections 4103A and 4104 of title 38, United States Code.

##### SEC. 72. AMENDMENTS TO OTHER LAWS.

(A) AMENDMENTS TO THE FOOD AND NUTRITION ACT OF 2008.—

(1) DEFINITION.—Section 3(t) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(t)) is amended—

(A) by striking “means (1) the agency” and inserting the following: “means—  
“(A) the agency”;

(B) by striking “programs, and (2) the tribal” and inserting the following: “programs;  
“(B) the tribal”;

(C) by striking “this Act.” and inserting the following: “this Act; and

“(C) in the context of employment and training activities under section 6(d)(4), a State board as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801).”

(2) ELIGIBLE HOUSEHOLDS.—Section 5 of the Food and Nutrition Act of 2008 (7 U.S.C. 2014) is amended—

(A) in subsection (d)(14) by striking “section 6(d)(4)(I)” and inserting “section 6(d)(4)(C)”, and

(B) in subsection (g)(3), in the first sentence, by striking “constitutes adequate participation in an employment and training program under section 6(d)” and inserting “allows the individual to participate in employment and training activities under section 6(d)(4)”.

(3) ELIGIBILITY DISQUALIFICATIONS.—Section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)) is amended to read as follows:

“(D) EMPLOYMENT AND TRAINING.—

“(i) IMPLEMENTATION.—Each State agency shall provide employment and training services authorized under section 134 of the Workforce Investment Act of 1998 (29 U.S.C. 2864) to eligible members of households participating in the supplemental nutrition assistance program in gaining skills, training, work, or experience that will increase their ability to obtain regular employment.

“(ii) STATEWIDE WORKFORCE DEVELOPMENT SYSTEM.—Consistent with subparagraph (A), employment and training services shall be provided through the statewide workforce development system, including the one-stop delivery system authorized by the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.).

“(iii) REIMBURSEMENTS.—

“(I) ACTUAL COSTS.—The State agency shall provide payments or reimbursement to participants served under this paragraph for—

“(aa) the actual costs of transportation and other actual costs (other than dependent care costs) that are reasonably necessary and directly related to the individual participating in employment and training activities; and

“(bb) the actual costs of such dependent care expenses as are determined by the State agency to be necessary for the individual to participate in employment and training activities (other than an individual who is the caretaker relative of a dependent in a family receiving benefits under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in a local area where an employment, training, or education program under title IV of that Act is in operation), except that no such payment or reimbursement shall exceed the applicable local market rate.

“(II) SERVICE CONTRACTS AND VOUCHERS.—In lieu of providing reimbursements or payments for dependent care expenses under clause (i), a State agency may, at the option of the State agency, arrange for dependent care through providers by the use of purchase of service contracts or vouchers or by providing vouchers to the household.

“(III) VALUE OF REIMBURSEMENTS.—The value of any dependent care services provided for or arranged under clause (ii), or any amount received as a payment or reimbursement under clause (i), shall—

“(aa) not be treated as income for the purposes of any other Federal or federally assisted program that bases eligibility for, or the amount of benefits on, need; and

“(bb) not be claimed as an employment-related expense for the purposes of the credit provided under section 21 of the Internal Revenue Code of 1986 (26 U.S.C. 21).”

(4) ADMINISTRATION.—Section 11(e)(19) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(e)(19)) is amended to read as follows:

“(S) the plans of the State agency for providing employment and training services under section 6(d)(4);”

(5) ADMINISTRATIVE COST-SHARING AND QUALITY CONTROL.—Section 16(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(h)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking “carry out employment and training programs” and inserting “provide employment and training services to eligible households under section 6(d)(4);” and

(ii) in subparagraph (D), by striking “operating an employment and training program” and inserting “providing employment and training services consistent with section 6(d)(4);”

(B) in paragraph (3)—

(i) by striking “participation in an employment and training program” and inserting “the individual participating in employment and training activities”; and

(ii) by striking “section 6(d)(4)(I)(ii)(II)” and inserting “section 6(d)(4)(C)(i)(II)”;

(C) in paragraph (4), by striking “for operating an employment and training program” and inserting “to provide employment and training services”; and

(D) by striking paragraph (5) and inserting the following:

“(E) MONITORING.—



“(i) IN GENERAL.—The Secretary, in conjunction with the Secretary of Labor, shall monitor each State agency responsible for administering employment and training services under section 6(d)(4) to ensure funds are being spent effectively and efficiently.

“(ii) ACCOUNTABILITY.—Each program of employment and training receiving funds under section 6(d)(4) shall be subject to the requirements of the performance accountability system, including having to meet the State performance measures described in section 136 of the Workforce Investment Act (29 U.S.C. 2871).”

(6) RESEARCH, DEMONSTRATION, AND EVALUATIONS.—Section 17 of the Food and Nutrition Act of 2008 (7 U.S.C. 2026) is amended—

(A) in subsection (b)—

(i) in paragraph (1)(B)(iv)(III)(dd), by striking “, (4)(F)(i), or (4)(K)” and inserting “or (4)”; and

(ii) by striking paragraph (3); and

(B) in subsection (g), in the first sentence in the matter preceding paragraph (1)—

(i) by striking “programs established” and inserting “activities provided to eligible households”; and

(ii) by inserting “, in conjunction with the Secretary of Labor,” after “Secretary”.

(7) MINNESOTA FAMILY INVESTMENT PROJECT.—Section 22(b)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2031(b)(4)) is amended by striking “equivalent to those offered under the employment and training program”.

(b) AMENDMENTS TO SECTION 412 OF THE IMMIGRATION AND NATIONALITY ACT.—

(1) CONDITIONS AND CONSIDERATIONS.—Section 412(a) of the Immigration and Nationality Act (8 U.S.C. 1522(a)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A)(i), by striking “make available sufficient resources for employment training and placement” and inserting “provide refugees with the opportunity to access employment and training services, including job placement.”; and

(ii) in subparagraph (B)(ii), by striking “services.” and inserting “services provided through the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.)”;

(B) in paragraph (2)(C)(iii)(II), by inserting “and training” after “employment”;

(C) in paragraph (6)(A)(ii)—

(i) by striking “insure” and inserting “ensure”;

(ii) by inserting “and training” after “employment”; and

(iii) by inserting after “available” the following: “through the one-stop delivery system under section 121 of the Workforce Investment Act of 1998 (29 U.S.C. 2841)”;

(D) in paragraph (9), by inserting “the Secretary of Labor,” after “Education.”.

(2) PROGRAM OF INITIAL RESETTLEMENT.—Section 412(b)(2) of such Act (8 U.S.C. 1522(b)(2)) is amended—

(A) by striking “orientation, instruction” and inserting “orientation and instruction”; and

(B) by striking “, and job training for refugees, and such other education and training of refugees, as facilitates” and inserting “for refugees to facilitate”.

(3) PROJECT GRANTS AND CONTRACTS FOR SERVICES FOR REFUGEES.—Section 412(c) of such Act (8 U.S.C. 1522(c)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A)(i), by inserting “and training” after “employment”; and

(ii) by striking subparagraph (C);

(B) in paragraph (2)(B), by striking “paragraph—” and all that follows through “in a manner” and inserting “paragraph in a manner”; and

(C) by adding at the end the following:

“(C) In carrying out this section, the Director shall ensure that employment and

training services are provided through the statewide workforce development system, as appropriate, authorized by the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.). Such action may include—

“(i) making employment and training activities described in section 134 of such Act (29 U.S.C. 2864) available to refugees; and

“(ii) providing refugees with access to a one-stop delivery system established under section 121 of such Act (29 U.S.C. 2841).”.

(4) CASH ASSISTANCE AND MEDICAL ASSISTANCE TO REFUGEES.—Section 412(e) of such Act (8 U.S.C. 1522(e)) is amended—

(A) in paragraph (2)(A)(i), by inserting “and training” after “providing employment”; and

(B) in paragraph (3), by striking “The” and inserting “Consistent with subsection (c)(3), the”.

(c) AMENDMENTS RELATING TO THE SECOND CHANCE ACT OF 2007.—

(1) FEDERAL PRISONER REENTRY INITIATIVE.—Section 231 of the Second Chance Act of 2007 (42 U.S.C. 17541) is amended—

(A) in subsection (a)(1)(E)—

(i) by inserting “the Department of Labor and” before “other Federal agencies”; and

(ii) by inserting “State and local workforce investment boards,” after “community-based organizations.”;

(B) in subsection (c)—

(i) in paragraph (2), by striking at the end “and”;

(ii) in paragraph (3), by striking at the end the period and inserting “; and”; and

(iii) by adding at the end the following new paragraph:

“(D) to coordinate reentry programs with the employment and training services provided through the statewide workforce investment system under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.)”; and

(C) in subsection (d), by adding at the end the following new paragraph:

“(F) INTERACTION WITH THE WORKFORCE INVESTMENT SYSTEM.—

“(i) IN GENERAL.—In carrying out this section, the Director shall ensure that employment and training services, including such employment and services offered through reentry programs, are provided, as appropriate, through the statewide workforce investment system under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), which may include—

“(I) making employment and training services available to prisoners prior to and immediately following the release of such prisoners; or

“(II) providing prisoners with access by remote means to a one-stop delivery system under section 121 of the Workforce Investment Act of 1998 (29 U.S.C. 2841) in the State in which the prison involved is located.

“(ii) SERVICE DEFINED.—In this paragraph, the term ‘employment and training services’ means those services described in section 134 of the Workforce Investment Act of 1998 (29 U.S.C. 2864) offered by the Bureau of Prisons, including—

“(I) the skills assessment described in subsection (a)(1)(A);

“(II) the skills development plan described in subsection (a)(1)(B); and

“(III) the enhancement, development, and implementation of reentry and skills development programs.”.

(2) DUTIES OF THE BUREAU OF PRISONS.—Section 4042(a) of title 18, United States Code, is amended—

(A) by redesignating subparagraphs (D) and (E), as added by section 231(d)(1)(C) of the Second Chance Act of 2007 (Public Law 110-199; 122 Stat. 685), as paragraphs (6) and (7), respectively, and adjusting the margin accordingly;

(B) in paragraph (6), as so redesignated, by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and adjusting the margin accordingly;

(C) in paragraph (7), as so redesignated—

(i) in clause (ii), by striking “Employment” and inserting “Employment and training services (as defined in paragraph (6) of section 231(d) of the Second Chance Act of 2007), including basic skills attainment, consistent with such paragraph”; and

(ii) by striking clause (iii); and

(D) by redesignating clauses (i), (ii), (iv), (v), (vi), and (vii) as subparagraphs (A), (B), (C), (D), (E), and (F), respectively, and adjusting the margin accordingly.

(d) AMENDMENTS TO THE OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968.—Section 2976 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797w) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking “vocational” and inserting “career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302)) and training”;

(B) by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (5), (6), (7), and (8), respectively; and

(C) by inserting after paragraph (3) the following new paragraph:

“(D) coordinating employment and training services provided through the statewide workforce investment system under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), including a one-stop delivery system under section 121 of such Act (29 U.S.C. 2841), for offenders upon release from prison, jail, or a juvenile facility, as appropriate.”;

(2) in subsection (d)(2), by inserting “, including local workforce investment boards established under section 117 of the Workforce Investment Act of 1998 (29 U.S.C. 2832),” after “nonprofit organizations”;

(3) in subsection (e)—

(A) in paragraph (3), by striking “victims services, and employment services” and inserting “and victim services”;

(B) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(C) by inserting after paragraph (3) the following new paragraph:

“(D) provides employment and training services through the statewide workforce investment system under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), including a one-stop delivery system under section 121 of such Act (29 U.S.C. 2841)”;

(4) in subsection (k)—

(A) in paragraph (1)(A), by inserting “, in accordance with paragraph (2)” after “under this section”;

(B) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(C) by inserting after paragraph (1) the following new paragraph:

“(B) EMPLOYMENT AND TRAINING.—The Attorney General shall require each grantee under this section to measure the core indicators of performance as described in section 136(b)(2)(A) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(b)(2)(A)) with respect to the program of such grantee funded with a grant under this section.”.

(e) CONFORMING AMENDMENTS TO TITLE 38, UNITED STATES CODE.—Title 38, United States Code, is amended—

(1) in section 3672(d)(1), by striking “disabled veterans’ outreach program specialists under section 4103A” and inserting “veteran employment specialists appointed under section 134(f) of the Workforce Investment Act of 1998”;



**SEC. 77. REHABILITATION SERVICES ADMINISTRATION.**

(a) REHABILITATION SERVICES ADMINISTRATION.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) in section 3(a) (29 U.S.C. 702(a))—  
 (A) by striking “Office of the Secretary” and inserting “Department of Education”;  
 (B) by striking “President by and with the advice and consent of the Senate” and inserting “Secretary”; and  
 (C) by striking “, and the Commissioner shall be the principal officer.”;

(2) by striking “Commissioner” each place it appears (except in section 21) and inserting “Director”;

(3) in section 12(c) (29 U.S.C. 709(c)), by striking “Commissioner’s” and inserting “Director’s”;

(4) in section 21 (29 U.S.C. 718)—  
 (A) in subsection (b)(1)—

(i) by striking “Commissioner” the first place it appears and inserting “Director of the Rehabilitation Services Administration”;

(ii) by striking “(referred to in this subsection as the ‘Director’)”; and

(iii) by striking “The Commissioner and the Director” and inserting “Both such Directors”; and

(B) by striking “the Commissioner and the Director” each place it appears and inserting “both such Directors”;

(5) in the heading for subparagraph (B) of section 100(d)(2) (29 U.S.C. 720(d)(2)), by striking “COMMISSIONER” and inserting “DIRECTOR”;

(6) in section 401(a)(1) (29 U.S.C. 781(a)(1)), by inserting “of the National Institute on Disability and Rehabilitation Research” after “Director”;

(7) in the heading for section 706 (29 U.S.C. 796d-1), by striking “COMMISSIONER” and inserting “DIRECTOR”; and

(8) in the heading for paragraph (3) of section 723(a) (29 U.S.C. 796f-2(a)), by striking “COMMISSIONER” and inserting “DIRECTOR”.

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by subsection (a) shall—

(1) take effect on the date of the enactment of this Act; and

(2) apply with respect to the appointments of Directors of the Rehabilitation Services Administration made on or after the date of enactment of this Act, and the Directors so appointed.

**SEC. 78. DEFINITIONS.**

Section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 705) is amended—

(1) by redesignating paragraphs (35) through (39) as paragraphs (36) through (40), respectively;

(2) in subparagraph (A)(ii) of paragraph (36) (as redesignated by paragraph (1)), by striking “paragraph (36)(C)” and inserting “paragraph (37)(C)”;

(3) by inserting after paragraph (34) the following:

“(35)(A) The term ‘student with a disability’ means an individual with a disability who—

“(i) is not younger than 16 and not older than 21;

“(ii) has been determined to be eligible under section 102(a) for assistance under this title; and

“(iii)(I) is eligible for, and is receiving, special education under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); or

“(II) is an individual with a disability, for purposes of section 504.

“(B) The term ‘students with disabilities’ means more than 1 student with a disability.”.

**SEC. 79. CARRYOVER.**

Section 19(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 716(a)(1)) is amended by striking “part B of title VI.”.

**SEC. 80. TRADITIONALLY UNDERSERVED POPULATIONS.**

Section 21 of the Rehabilitation Act of 1973 (29 U.S.C. 718) is amended, in paragraphs (1) and (2)(A) of subsection (b), and in subsection (c), by striking “VI.”.

**SEC. 81. STATE PLAN.**

Section 101(a) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is amended—

(1) in paragraph (10)—

(A) in subparagraph (B), by striking “on the eligible individuals” and all that follows and inserting “of information necessary to assess the State’s performance on the core indicators of performance described in section 136(b)(2)(A) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(b)(2)(A)).”; and  
 (B) in subparagraph (E)(ii), by striking “, to the extent the measures are applicable to individuals with disabilities”;

(2) in paragraph (11)—

(A) in subparagraph (D)(i), by inserting before the semicolon the following: “, which may be provided using alternative means of meeting participation (such as participation through video conferences and conference calls)”;

(B) by adding at the end the following:

“(G) COORDINATION WITH ASSISTIVE TECHNOLOGY PROGRAMS.—The State plan shall include an assurance that the designated State unit and the lead agency or implementing entity responsible for carrying out duties under the Assistive Technology Act of 1998 (29 U.S.C. 3001 et seq.) have developed working relationships and coordinate their activities.”;

(3) in paragraph (15)—

(A) in subparagraph (A)—

(i) in clause (i)—

(I) in subclause (II), by striking “and” at the end;

(II) in subclause (III), by adding “and” at the end; and

(III) by adding at the end the following:

“(IV) students with disabilities, including their need for transition services;”;

(ii) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(iii) by inserting after clause (i) the following:

“(ii) include an assessment of the transition services provided under this Act, and coordinated with transition services provided under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), about the extent to which those 2 types of services meet the needs of individuals with disabilities;”;

(B) in subparagraph (B)(ii), by striking “and under part B of title VI”; and

(C) in subparagraph (D)—

(i) by redesignating clauses (iii), (iv), and (v) as clauses (iv), (v), and (vi), respectively;

(ii) by inserting after clause (ii) the following:

“(iii) the methods to be used to improve and expand vocational rehabilitation services for students with disabilities, including the coordination of services designed to facilitate the transition of such students from the receipt of educational services in school to the receipt of vocational rehabilitation services under this title or to postsecondary education or employment;”;

(iii) in clause (v), as redesignated by clause (i) of this subparagraph, by striking “evaluation standards” and inserting “performance standards”;

(4) in paragraph (22)—

(A) in the paragraph heading, by striking “STATE PLAN SUPPLEMENT”;

(B) by striking “carrying out part B of title VI, including”; and

(C) by striking “that part to supplement funds made available under part B of”;

(5) in paragraph (24)—

(A) in the paragraph heading, by striking “CONTRACTS” and inserting “GRANTS”; and

(B) in subparagraph (A)—

(i) in the subparagraph heading, by striking “CONTRACTS” and inserting “GRANTS”; and

(ii) by striking “part A of title VI” and inserting “section 109A”; and

(6) by adding at the end the following:

“(25) COLLABORATION WITH INDUSTRY.—The State plan shall describe how the designated State agency will carry out the provisions of section 109A, including—

“(A) the criteria such agency will use to award grants under such section; and

“(B) how the activities carried out under such grants will be coordinated with other services provided under this title.

“(26) SERVICES FOR STUDENTS WITH DISABILITIES.—The State plan shall provide an assurance satisfactory to the Secretary that the State—

“(A) has developed and implemented strategies to address the needs identified in the assessments described in paragraph (15), and achieve the goals and priorities identified by the State in that paragraph, to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis in accordance with paragraph (15); and

“(B) from funds reserved under section 110A, shall carry out programs or activities designed to improve and expand vocational rehabilitation services for students with disabilities that—

“(i) facilitate the transition of students with disabilities from the receipt of educational services in school, to the receipt of vocational rehabilitation services under this title, including, at a minimum, those services specified in the interagency agreement required in paragraph (11)(D);

“(ii) improve the achievement of post-school goals of students with disabilities, including improving the achievement through participation (as appropriate when career goals are discussed) in meetings regarding individualized education programs developed under section 614 of the Individuals with Disabilities Education Act (20 U.S.C. 1414);

“(iii) provide career guidance, career exploration services, job search skills and strategies, and technical assistance to students with disabilities;

“(iv) support the provision of training and technical assistance to State and local educational agencies and designated State agency personnel responsible for the planning and provision of services to students with disabilities; and

“(v) support outreach activities to students with disabilities who are eligible for, and need, services under this title.”.

**SEC. 82. SCOPE OF SERVICES.**

Section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723) is amended—

(1) in subsection (a), by striking paragraph (15) and inserting the following:

“(15) transition services for students with disabilities, that facilitate the achievement of the employment outcome identified in the individualized plan for employment involved, including services described in clauses (i) through (iii) of section 101(a)(26)(B);”;

(2) in subsection (b), by striking paragraph (6) and inserting the following:

“(6)(A)(i) Consultation and technical assistance services to assist State and local educational agencies in planning for the transition of students with disabilities from school to post-school activities, including employment.

“(ii) Training and technical assistance described in section 101(a)(26)(B)(iv).

“(B) Services for groups of individuals with disabilities who meet the requirements of clauses (i) and (iii) of section 7(35)(A), including services described in clauses (i), (ii), (iii), and (v) of section 101(a)(26)(B), to assist in the transition from school to post-school activities.”; and

(3) in subsection (b), by inserting at the end the following:

“(7) The establishment, development, or improvement of assistive technology demonstration, loan, reutilization, or financing programs in coordination with activities authorized under the Assistive Technology Act of 1998 (29 U.S.C. 3001 et seq.) to promote access to assistive technology for individuals with disabilities and employers.”.

**SEC. 83. STANDARDS AND INDICATORS.**

(a) IN GENERAL.—Section 106 of the Rehabilitation Act of 1973 (29 U.S.C. 726) is amended—

(1) in the section heading, by striking “EVALUATION STANDARDS” and inserting “PERFORMANCE STANDARDS”;

(2) by striking subsection (a) and inserting the following:

“(a) STANDARDS AND INDICATORS.—The performance standards and indicators for the vocational rehabilitation program carried out under this title—

“(1) shall be subject to paragraphs (2)(A) and (3) of section 136(b) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(b)); and

“(2) may, at a State’s discretion, include additional indicators identified in the State plan submitted under section 101.”; and

(3) in subsection (b)(2)(B), by striking clause (i) and inserting the following:

“(i) on a biannual basis, review the program improvement efforts of the State and, if the State has not improved its performance to acceptable levels, as determined by the Director, direct the State to make revisions to the plan to improve performance; and”.

(b) CONFORMING AMENDMENTS.—Section 107 of the Rehabilitation Act of 1973 (29 U.S.C. 727) is amended—

(1) in subsections (a)(1)(B) and (b)(2), by striking “evaluation standards” and inserting “performance standards”; and

(2) in subsection (c)(1)(B), by striking “an evaluation standard” and inserting “a performance standard”.

**SEC. 84. EXPENDITURE OF CERTAIN AMOUNTS.**

Section 108(a) of the Rehabilitation Act of 1973 (29 U.S.C. 728(a)) is amended by striking “under part B of title VI, or”.

**SEC. 85. COLLABORATION WITH INDUSTRY.**

The Rehabilitation Act of 1973 is amended by inserting after section 109 (29 U.S.C. 728a) the following:

**“SEC. 109A. COLLABORATION WITH INDUSTRY.**

“(a) ELIGIBLE ENTITY DEFINED.—For the purposes of this section, the term ‘eligible entity’ means a for-profit business, alone or in partnership with one or more of the following:

“(1) Community rehabilitation program providers.

“(2) Indian tribes.

“(3) Tribal organizations.

“(b) AUTHORITY.—A State shall use not less than one-half of one percent of the payment the State receives under section 111 for a fiscal year to award grants to eligible entities to pay for the Federal share of the cost of carrying out collaborative programs, to create practical job and career readiness and training programs, and to provide job placements and career advancement.

“(c) AWARDS.—Grants under this section shall—

“(1) be awarded for a period not to exceed 5 years; and

“(2) be awarded competitively.

“(d) APPLICATION.—To receive a grant under this section, an eligible entity shall submit an application to a designated State agency at such time, in such manner, and containing such information as such agency shall require. Such application shall include, at a minimum—

“(1) a plan for evaluating the effectiveness of the collaborative program;

“(2) a plan for collecting and reporting the data and information described under subparagraphs (A) through (C) of section 101(a)(10), as determined appropriate by the designated State agency; and

“(3) a plan for providing for the non-Federal share of the costs of the program.

“(e) ACTIVITIES.—An eligible entity receiving a grant under this section shall use the grant funds to carry out a program that provides one or more of the following:

“(1) Job development, job placement, and career advancement services for individuals with disabilities.

“(2) Training in realistic work settings in order to prepare individuals with disabilities for employment and career advancement in the competitive market.

“(3) Providing individuals with disabilities with such support services as may be required in order to maintain the employment and career advancement for which the individuals have received training.

“(f) ELIGIBILITY FOR SERVICES.—An individual shall be eligible for services provided under a program under this section if the individual is determined under section 102(a)(1) to be eligible for assistance under this title.

“(g) FEDERAL SHARE.—The Federal share for a program under this section shall not exceed 80 percent of the costs of the program.”.

**SEC. 86. RESERVATION FOR EXPANDED TRANSITION SERVICES.**

The Rehabilitation Act of 1973 is amended by inserting after section 110 (29 U.S.C. 730) the following:

**“SEC. 110A. RESERVATION FOR EXPANDED TRANSITION SERVICES.**

“Each State shall reserve not less than 10 percent of the funds allotted to the State under section 110(a) to carry out programs or activities under sections 101(a)(26)(B) and 103(b)(6).”.

**SEC. 87. CLIENT ASSISTANCE PROGRAM.**

Section 112(e)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 732(e)(1)) is amended by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

“(D) The Secretary shall make grants to the protection and advocacy system serving the American Indian Consortium under the Developmental Disabilities and Bill of Rights Act of 2000 (42 U.S.C. 15001 et seq.) to provide services in accordance with this section, as determined by the Secretary. The amount of such grants shall be the same as the amount provided to territories under this subsection.”.

**SEC. 88. RESEARCH.**

Section 204(a)(2)(A) of the Rehabilitation Act of 1973 (29 U.S.C. 764(a)(2)(A)) is amended by striking “VI.”.

**SEC. 89. TITLE III AMENDMENTS.**

Title III of the Rehabilitation Act of 1973 (29 U.S.C. 771 et seq.) is amended—

(1) in section 301(a) (21 U.S.C. 771(a))—

(A) in paragraph (2), by inserting “and” at the end;

(B) by striking paragraphs (3) and (4); and

(C) by redesignating paragraph (5) as paragraph (3);

(2) in section 302 (29 U.S.C. 772)—

(A) in subsection (g)—

(i) in the heading, by striking “AND IN-SERVICE TRAINING”; and

(ii) by striking paragraph (3); and

(B) in subsection (h), by striking “section 306” and inserting “section 304”;

(3) in section 303 (29 U.S.C. 773)—

(A) in subsection (b)(1), by striking “section 306” and inserting “section 304”; and

(B) in subsection (c)—

(i) in paragraph (4)—

(I) by amending subparagraph (A)(ii) to read as follows:

“(ii) to coordinate activities and work closely with the parent training and information centers established pursuant to section 671 of the Individuals with Disabilities Education Act (20 U.S.C. 1471), the community parent resource centers established pursuant to section 672 of such Act (29 U.S.C. 1472), and the eligible entities receiving awards under section 673 of such Act (20 U.S.C. 1473); and”;

(II) in subparagraph (C), by inserting “, and demonstrate the capacity for serving,” after “serve”; and

(ii) by adding at the end the following:

“(8) RESERVATION.—From the amount appropriated to carry out this subsection for a fiscal year, 20 percent of such amount or \$500,000, whichever is less, shall be reserved to carry out paragraph (6).”;

(4) by striking sections 304 and 305 (29 U.S.C. 774, 775); and

(5) by redesignating section 306 (29 U.S.C. 776) as section 304.

**SEC. 90. REPEAL OF TITLE VI.**

Title VI of the Rehabilitation Act of 1973 (29 U.S.C. 795 et seq.) is repealed.

**SEC. 91. TITLE VII GENERAL PROVISIONS.**

(a) PURPOSE.—Section 701(3) of the Rehabilitation Act of 1973 (29 U.S.C. 796(3)) is amended by striking “State programs of supported employment services receiving assistance under part B of title VI.”.

(b) CHAIRPERSON.—Section 705(b)(5) of the Rehabilitation Act of 1973 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

“(5) CHAIRPERSON.—The Council shall select a chairperson from among the voting membership of the Council.”.

**SEC. 92. AUTHORIZATIONS OF APPROPRIATIONS.**

The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is further amended—

(1) in section 100 (29 U.S.C. 720)—

(A) in subsection (b)(1), by striking “such sums as may be necessary for fiscal years 1999 through 2003” and inserting “\$3,066,192,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”; and

(B) in subsection (d)(1)(B), by striking “2003” and inserting “2021”;

(2) in section 110(c) (29 U.S.C. 730(c)), by amending paragraph (2) to read as follows:

“(2) The sum referred to in paragraph (1) shall be, as determined by the Secretary, not less than 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1) for each of fiscal years 2015 through 2020.”;

(3) in section 112(h) (29 U.S.C. 732(h)), by striking “such sums as may be necessary for fiscal years 1999 through 2003” and inserting “\$11,600,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(4) by amending subsection (a) of section 201 (29 U.S.C. 761(a)) to read as follows: “(a) There are authorized to be appropriated \$103,125,000 for fiscal year 2015 and each of the 6 succeeding fiscal years to carry out this title.”;

(5) in section 302(i) (29 U.S.C. 772(i)), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$33,657,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(6) in section 303(e) (29 U.S.C. 773(e)), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$5,046,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(7) in section 405 (29 U.S.C. 785), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$3,081,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(8) in section 502(j) (29 U.S.C. 792(j)), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$7,013,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(9) in section 509(1) (29 U.S.C. 794e(1)), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$17,088,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(10) in section 714 (29 U.S.C. 796e-3), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$22,137,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(11) in section 727 (29 U.S.C. 796f-6), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$75,772,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(12) in section 753 (29 U.S.C. 796l), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$32,239,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”.

**SEC. 93. CONFORMING AMENDMENTS.**

Section 1(b) of the Rehabilitation Act of 1973 is amended—

(1) by inserting after the item relating to section 109 the following:

“Sec. 109A. Collaboration with industry.”;

(2) by inserting after the item relating to section 110 the following:

“Sec. 110A. Reservation for expanded transition services.”;

(3) by striking the item related to section 304 and inserting the following:

“Sec. 304. Measuring of project outcomes and performance.”;

(4) by striking the items related to sections 305 and 306;

(5) by striking the items related to title VI; and

(6) by striking the item related to section 706 and inserting the following:

“Sec. 706. Responsibilities of the Director.”.

**Subtitle F—Studies by the Comptroller General**

**SEC. 96. STUDY BY THE COMPTROLLER GENERAL ON EXHAUSTING FEDERAL PELL GRANTS BEFORE ACCESSING WIA FUNDS.**

Not later than 12 months after the date of enactment of this Act, the Comptroller General of the United States shall complete and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that—

(1) evaluates the effectiveness of subparagraph (B) of section 134(d)(4) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(d)(4)(B)) (as such subparagraph was in effect on the day before the date of enactment of this Act), including—

(A) a review of the regulations and guidance issued by the Secretary of Labor to State and local areas on how to comply with such subparagraph;

(B) a review of State policies to determine how local areas are required to comply with such subparagraph;

(C) a review of local area policies to determine how one-stop operators are required to comply with such subparagraph; and

(D) a review of a sampling of individuals receiving training services under section 134(d)(4) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(d)(4)) to determine if, be-

fore receiving such training services, such individuals have exhausted funds received through the Federal Pell Grant program under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

(2) makes appropriate recommendations with respect to the matters evaluated under paragraph (1).

**SEC. 97. STUDY BY THE COMPTROLLER GENERAL ON ADMINISTRATIVE COST SAVINGS.**

(a) STUDY.—Not later than 12 months after the date of the enactment of this Act, the Comptroller General of the United States shall complete and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that—

(1) determines the amount of administrative costs at the Federal and State levels for the most recent fiscal year for which satisfactory data are available for—

(A) each of the programs authorized under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.) or repealed under section 71, as such programs were in effect for such fiscal year; and

(B) each of the programs described in subparagraph (A) that have been repealed or consolidated on or after the date of enactment of this Act;

(2) determines the amount of administrative cost savings at the Federal and State levels as a result of repealing and consolidating programs by calculating the differences in the amount of administrative costs between subparagraph (A) and subparagraph (B) of paragraph (1); and

(3) estimates the administrative cost savings at the Federal and State levels for a fiscal year as a result of States consolidating amounts under section 501(e) of the Workforce Investment Act of 1998 (20 U.S.C. 9271(e)) to reduce inefficiencies in the administration of federally-funded State and local employment and training programs.

(b) DEFINITION.—For purposes of this section, the term “administrative costs” has the meaning given the term in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801).

**SA 2890.** Mr. INHOFE (for himself, Mr. MCCONNELL, Mr. CORNYN, Mr. THUNE, Mr. BARRASSO, Mr. BLUNT, Mr. VITTER, Mr. HOEVEN, Mr. CRAPO, Mr. CHAMBLISS, Mr. COATS, Mr. COBURN, Mr. CRUZ, Mr. FLAKE, Mr. ISAKSON, Mr. JOHNSON of Wisconsin, Mr. MORAN, Mr. RISCH, Mr. SCOTT, Mr. SHELBY, Mr. ENZI, Mr. COCHRAN, Mr. LEE, Mr. JOHANNES, Mr. ROBERTS, Mr. WICKER, Mr. BOOZMAN, Mr. BURR, and Mr. GRAHAM) submitted an amendment intended to be proposed by him to the bill S. 2149, to provide for the extension of certain unemployment benefits, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ANALYSIS OF EMPLOYMENT EFFECTS UNDER THE CLEAN AIR ACT.**

(a) FINDINGS.—Congress finds that—

(1) the Environmental Protection Agency has systematically distorted the true impact of regulations promulgated by the Environmental Protection Agency under the Clean Air Act (42 U.S.C. 7401 et seq.) on job creation by using incomplete analyses to assess effects on employment, primarily as a result of the Environmental Protection Agency failing to take into account the cascading effects of a regulatory change across interconnected industries and markets nationwide;

(2) despite the Environmental Protection Agency finding that the impact of certain air

pollution regulations will result in net job creation, implementation of the air pollution regulations will actually require billions of dollars in compliance costs, resulting in reduced business profits and millions of actual job losses;

(3)(A) the analysis of the Environmental Protection Agency of the final rule of the Agency entitled “National Emission Standards for Hazardous Air Pollutants From Coal- and Oil-Fired Electric Utility Steam Generating Units and Standards of Performance for Fossil-Fuel-Fired Electric Utility, Industrial-Commercial-Institutional, and Small Industrial-Commercial-Institutional Steam Generating Units” (77 Fed. Reg. 9304 (Feb. 16, 2012)) estimated that implementation of the final rule would result in the creation of 46,000 temporary construction jobs and 8,000 net new permanent jobs; but

(B) a private study conducted by NERA Economic Consulting, using a “whole economy” model, estimated that implementation of the final rule described in subparagraph (A) would result in a negative impact on the income of workers in an amount equivalent to 180,000 to 215,000 lost jobs in 2015 and 50,000 to 85,000 lost jobs each year thereafter;

(4)(A) the analysis of the Environmental Protection Agency of the final rule of the Agency entitled “Federal Implementation Plans: Interstate Transport of Fine Particulate Matter and Ozone and Correction of SIP Approvals” (76 Fed. Reg. 48208 (Aug. 8, 2011)) estimated that implementation of the final rule would result in the creation of 700 jobs per year; but

(B) a private study conducted by NERA Economic Consulting estimated that implementation of the final rule described in subparagraph (A) would result in the elimination of a total of 34,000 jobs during the period beginning in calendar year 2013 and ending in calendar year 2037;

(5)(A) the analysis of the Environmental Protection Agency of the final rules of the Agency entitled “National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters” (76 Fed. Reg. 15608 (March 21, 2011)) and “National Emission Standards for Hazardous Air Pollutants for Area Sources: Industrial, Commercial, and Institutional Boilers” (76 Fed. Reg. 15554 (March 21, 2011)) estimated that implementation of the final rules would result in the creation of 2,200 jobs per year; but

(B) a private study conducted by NERA Economic Consulting estimated that implementation of the final rules described in subparagraph (A) would result in the elimination of 28,000 jobs per year during the period beginning in calendar year 2013 and ending in calendar year 2037;

(6) implementation of certain air pollution rules of the Environmental Protection Agency that have not been reviewed, updated, or finalized as of the date of enactment of this Act, such as regulations on greenhouse gas emissions and the update or review of national ambient air quality standards, are predicted to result in significant and negative employment impacts, but the Agency has not yet fully studied or disclosed the full impacts of existing Agency regulations;

(7) in reviewing, developing, or updating any regulations promulgated under the Clean Air Act (42 U.S.C. 7401 et seq.) after the date of enactment of this Act, the Environmental Protection Agency must be required to accurately disclose the adverse impact the existing regulations of the Agency will have on jobs and employment levels across

the economy in the United States and disclose those impacts to the American people before issuing a final rule; and

(8) although since 1977, section 321(a) of the Clean Air Act (42 U.S.C. 7621(a)) has required the Administrator of the Environmental Protection Agency to “conduct continuing evaluations of potential loss or shifts of employment which may result from the administration or enforcement of the provision of [the Clean Air Act] and applicable implementation plans, including where appropriate, investigating threatened plant closures or reductions in employment allegedly resulting from such administration or enforcement”, the Environmental Protection Agency has failed to undertake that analysis or conduct a comprehensive study that considers the impact of programs carried out under the Clean Air Act (42 U.S.C. 7401 et seq.) on jobs and changes in employment.

(b) PROHIBITION.—The Administrator of the Environmental Protection Agency shall not propose or finalize any major rule (as defined in section 804 of title 5, United States Code) under the Clean Air Act (42 U.S.C. 7401 et seq.) until after the date on which the Administrator—

(1) completes an economy-wide analysis capturing the costs and cascading effects across industry sectors and markets in the United States of the implementation of major rules promulgated under the Clean Air Act (42 U.S.C. 7401 et seq.); and

(2) establishes a process to update that analysis not less frequently than semiannually, so as to provide for the continuing evaluation of potential loss or shifts in employment, pursuant to section 321(a) of the Clean Air Act (42 U.S.C. 7621(a)), that may result from the implementation of major rules under the Clean Air Act (42 U.S.C. 7401 et seq.).

**SA 2891.** Mr. HOEVEN (for himself, Mr. BARRASSO, Ms. MURKOWSKI, Mr. INHOFE, Mr. VITTER, and Mr. CORNYN) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

**SEC. 13. KEYSTONE XL PERMIT APPROVAL.**

(a) IN GENERAL.—In accordance with clause 3 of section 8 of article I of the Constitution (delegating to Congress the power to regulate commerce with foreign nations), Trans-Canada Keystone Pipeline, L.P. is authorized to construct, connect, operate, and maintain pipeline facilities for the import of crude oil and other hydrocarbons at the United States-Canada Border at Phillips County, Montana, in accordance with the application filed with the Department of State on May 4, 2012.

(b) PRESIDENTIAL PERMIT NOT REQUIRED.—Notwithstanding Executive Order No. 13337 (3 U.S.C. 301 note), Executive Order No. 11423 (3 U.S.C. 301 note), section 301 of title 3, United States Code, and any other Executive order or provision of law, no presidential permit shall be required for the facilities described in subsection (a).

(c) ENVIRONMENTAL IMPACT STATEMENT.—The final environmental impact statement issued by the Secretary of State on August 26, 2011, the Final Evaluation Report issued by the Nebraska Department of Environmental Quality on January 3, 2013, and the

Final Supplemental Environmental Impact Statement for the Keystone XL Project issued in January 2014, regarding the crude oil pipeline and appurtenant facilities associated with the facilities described in subsection (a), shall be considered to satisfy—

(1) all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(2) any other provision of law that requires Federal agency consultation or review with respect to the facilities described in subsection (a) and the related facilities in the United States.

(d) PERMITS.—Any Federal permit or authorization issued before the date of enactment of this Act for the facilities described in subsection (a), and the related facilities in the United States shall remain in effect.

(e) FEDERAL JUDICIAL REVIEW.—The facilities described in subsection (a), and the related facilities in the United States, that are approved by this section, and any permit, right-of-way, or other action taken to construct or complete the project pursuant to Federal law, shall only be subject to judicial review on direct appeal to the United States Court of Appeals for the District of Columbia Circuit.

**SEC. 14. EXPEDITED APPROVAL OF EXPORTATION OF NATURAL GAS TO UKRAINE AND NORTH ATLANTIC TREATY ORGANIZATION MEMBER COUNTRIES AND JAPAN.**

(a) IN GENERAL.—In accordance with clause 3 of section 8 of article I of the Constitution of the United States (delegating to Congress the power to regulate commerce with foreign nations), Congress finds that exports of natural gas produced in the United States to Ukraine, member countries of the North Atlantic Treaty Organization, and Japan is—

(1) necessary for the protection of the essential security interests of the United States; and

(2) in the public interest pursuant to section 3 of the Natural Gas Act (15 U.S.C. 717b).

(b) EXPEDITED APPROVAL.—Section 3(c) of the Natural Gas Act (15 U.S.C. 717b(c)) is amended by inserting “, to Ukraine, to a member country of the North Atlantic Treaty Organization, or to Japan” after “trade in natural gas”.

(c) EFFECTIVE DATE.—The amendment made by subsection (b) shall apply to applications for the authorization to export natural gas under section 3 of the Natural Gas Act (15 U.S.C. 717b) that are pending on, or filed on or after, the date of the enactment of this Act.

**SA 2892.** Mr. HOEVEN submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

**SEC. \_\_\_\_ . REGULATION OF OIL OR NATURAL GAS DEVELOPMENT ON FEDERAL LAND IN STATES.**

The Mineral Leasing Act is amended—

(1) by redesignating section 44 (30 U.S.C. 181 note) as section 45; and

(2) by inserting after section 43 (30 U.S.C. 226-3) the following:

**“SEC. 44. REGULATION OF OIL OR NATURAL GAS DEVELOPMENT ON FEDERAL LAND IN STATES.**

“(a) IN GENERAL.—Subject to subsection (b), the Secretary of the Interior shall not

issue or promulgate any guideline or regulation relating to oil or gas exploration or production on Federal land in a State if the State has otherwise met the requirements under this Act or any other applicable Federal law.

“(b) EXCEPTION.—The Secretary may issue or promulgate guidelines and regulations relating to oil or gas exploration or production on Federal land in a State if the Secretary of the Interior determines that as a result of the oil or gas exploration or production there is an imminent and substantial danger to the public health or environment.”.

**SEC. \_\_\_\_ . REGULATIONS.**

Part E of the Safe Drinking Water Act (42 U.S.C. 300j et seq.) is amended by adding at the end the following:

**“SEC. 1459. REGULATIONS.**

“(a) COMMENTS RELATING TO OIL AND GAS EXPLORATION AND PRODUCTION.—Before issuing or promulgating any guideline or regulation relating to oil and gas exploration and production on Federal, State, tribal, or fee land pursuant to this Act, the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), the Act entitled ‘An Act to regulate the leasing of certain Indian lands for mining purposes’, approved May 11, 1938 (commonly known as the ‘Indian Mineral Leasing Act of 1938’) (25 U.S.C. 396a et seq.), the Mineral Leasing Act (30 U.S.C. 181 et seq.), or any other provision of law or Executive order, the head of a Federal department or agency shall seek comments from and consult with the head of each affected State, State agency, and Indian tribe at a location within the jurisdiction of the State or Indian tribe, as applicable.

“(b) STATEMENT OF ENERGY AND ECONOMIC IMPACT.—Each Federal department or agency described in subsection (a) shall develop a Statement of Energy and Economic Impact, which shall consist of a detailed statement and analysis supported by credible objective evidence relating to—

“(1) any adverse effects on energy supply, distribution, or use, including a shortfall in supply, price increases, and increased use of foreign supplies; and

“(2) any impact on the domestic economy if the action is taken, including the loss of jobs and decrease of revenue to each of the general and educational funds of the State or affected Indian tribe.

“(c) REGULATIONS.—

“(1) IN GENERAL.—A Federal department or agency shall not impose any new or modified regulation unless the head of the applicable Federal department or agency determines—

“(A) that the rule is necessary to prevent imminent substantial danger to the public health or the environment; and

“(B) by clear and convincing evidence, that the State or Indian tribe does not have an existing reasonable alternative to the proposed regulation.

“(2) DISCLOSURE.—Any Federal regulation promulgated on or after the date of enactment of this paragraph that requires disclosure of hydraulic fracturing chemicals shall refer to the database managed by the Ground Water Protection Council and the Interstate Oil and Gas Compact Commission (as in effect on the date of enactment of this Act).

“(d) JUDICIAL REVIEW.—

“(1) IN GENERAL.—With respect to any regulation described in this section, a State or Indian tribe adversely affected by an action carried out under the regulation shall be entitled to review by a United States district court located in the State or the District of Columbia of compliance by the applicable Federal department or agency with the requirements of this section.

“(2) ACTION BY COURT.—

“(A) IN GENERAL.—A district court providing review under this subsection may enjoin or mandate any action by a relevant Federal department or agency until the district court determines that the department or agency has complied with the requirements of this section.

“(B) DAMAGES.—The court shall not order money damages.

“(3) SCOPE AND STANDARD OF REVIEW.—In reviewing a regulation under this subsection—

“(A) the court shall not consider any evidence outside of the record that was before the agency; and

“(B) the standard of review shall be de novo.”.

**SA 2893.** Mr. CRAPO submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. —. PROHIBITION ON CERTAIN TAXES, FEES, AND PENALTIES ENACTED UNDER THE AFFORDABLE CARE ACT.**

No tax, fee, or penalty imposed or enacted under the Patient Protection and Affordable Care Act shall be implemented, administered, or enforced unless there has been a certification by the Joint Committee on Taxation that such provision would not have a direct or indirect economic impact on individuals with an annual income of less than \$200,000 or families with an annual income of less than \$250,000.

**SA 2894.** Mr. HOEVEN submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

**DIVISION B—DOMESTIC ENERGY AND JOBS**

**SEC. 2001. SHORT TITLE.**

This division may be cited as the “Domestic Energy and Jobs Act”.

**TITLE I—IMPACTS OF EPA RULES AND ACTIONS ON ENERGY PRICES**

**SEC. 2101. SHORT TITLE.**

This title may be cited as the “Gasoline Regulations Act of 2013”.

**SEC. 2102. TRANSPORTATION FUELS REGULATORY COMMITTEE.**

(a) ESTABLISHMENT.—The President shall establish a committee, to be known as the Transportation Fuels Regulatory Committee (referred to in this title as the “Committee”), to analyze and report on the cumulative impacts of certain rules and actions of the Environmental Protection Agency on gasoline, diesel fuel, and natural gas prices, in accordance with sections 2103 and 2104.

(b) MEMBERS.—The Committee shall be composed of the following officials (or their designees):

(1) The Secretary of Energy, who shall serve as the Chair of the Committee.

(2) The Secretary of Transportation, acting through the Administrator of the National Highway Traffic Safety Administration.

(3) The Secretary of Commerce, acting through the Chief Economist and the Under Secretary for International Trade.

(4) The Secretary of Labor, acting through the Commissioner of the Bureau of Labor Statistics.

(5) The Secretary of the Treasury, acting through the Deputy Assistant Secretary for Environment and Energy of the Department of the Treasury.

(6) The Secretary of Agriculture, acting through the Chief Economist.

(7) The Administrator of the Environmental Protection Agency.

(8) The Chairman of the United States International Trade Commission, acting through the Director of the Office of Economics.

(9) The Administrator of the Energy Information Administration.

(c) CONSULTATION BY CHAIR.—In carrying out the functions of the Chair of the Committee, the Chair shall consult with the other members of the Committee.

(d) CONSULTATION BY COMMITTEE.—In carrying out this title, the Committee shall consult with the National Energy Technology Laboratory.

(e) TERMINATION.—The Committee shall terminate on the date that is 60 days after the date of submission of the final report of the Committee pursuant to section 2104(c).

**SEC. 2103. ANALYSES.**

(a) DEFINITIONS.—In this section:

(1) COVERED ACTION.—The term “covered action” means any action, to the extent that the action affects facilities involved in the production, transportation, or distribution of gasoline, diesel fuel, or natural gas, taken on or after January 1, 2009, by the Administrator of the Environmental Protection Agency, a State, a local government, or a permitting agency as a result of the application of part C of title I (relating to prevention of significant deterioration of air quality), or title V (relating to permitting), of the Clean Air Act (42 U.S.C. 7401 et seq.), to an air pollutant that is identified as a greenhouse gas in the rule entitled “Endangerment and Cause or Contribute Findings for Greenhouse Gases Under Section 202(a) of the Clean Air Act” (74 Fed. Reg. 66496 (December 15, 2009)).

(2) COVERED RULE.—The term “covered rule” means the following rules (and includes any successor or substantially similar rules):

(A) “Control of Air Pollution From New Motor Vehicles: Tier 3 Motor Vehicle Emission and Fuel Standards”, as described in the Unified Agenda of Federal Regulatory and Deregulatory Actions under Regulatory Identification Number 2060-AQ86.

(B) “National Ambient Air Quality Standards for Ozone” (73 Fed. Reg. 16436 (March 27, 2008)).

(C) “Reconsideration of the 2008 Ozone Primary and Secondary National Ambient Air Quality Standards”, as described in the Unified Agenda of Federal Regulatory and Deregulatory Actions under Regulatory Identification Number 2060-AP98.

(D) Any rule proposed after March 15, 2012, establishing or revising a standard of performance or emission standard under section 111 or 112 of the Clean Air Act (42 U.S.C. 7411, 7412) applicable to petroleum refineries.

(E) Any rule proposed after March 15, 2012, to implement any portion of the renewable fuel program under section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)).

(F) Any rule proposed after March 15, 2012, revising or supplementing the national ambient air quality standards for ozone under

section 109 of the Clean Air Act (42 U.S.C. 7409).

(b) SCOPE.—The Committee shall conduct analyses, for each of calendar years 2016 and 2020, of the prospective cumulative impact of all covered rules and covered actions.

(c) CONTENTS.—The Committee shall include in each analysis conducted under this section—

(1) estimates of the cumulative impacts of the covered rules and covered actions relating to—

(A) any resulting change in the national, State, or regional price of gasoline, diesel fuel, or natural gas;

(B) required capital investments and projected costs for operation and maintenance of new equipment required to be installed;

(C) global economic competitiveness of the United States and any loss of domestic refining capacity;

(D) other cumulative costs and cumulative benefits, including evaluation through a general equilibrium model approach;

(E) national, State, and regional employment, including impacts associated with changes in gasoline, diesel fuel, or natural gas prices and facility closures; and

(F) any other matters affecting the growth, stability, and sustainability of the oil and gas industries of the United States, particularly relative to that of other nations;

(2) an analysis of key uncertainties and assumptions associated with each estimate under paragraph (1);

(3) a sensitivity analysis reflecting alternative assumptions with respect to the aggregate demand for gasoline, diesel fuel, or natural gas; and

(4) an analysis and, if feasible, an assessment of—

(A) the cumulative impact of the covered rules and covered actions on—

- (i) consumers;
- (ii) small businesses;
- (iii) regional economies;
- (iv) State, local, and tribal governments;
- (v) low-income communities;
- (vi) public health; and
- (vii) local and industry-specific labor markets; and

(B) key uncertainties associated with each topic described in subparagraph (A).

(d) METHODS.—In conducting analyses under this section, the Committee shall use the best available methods, consistent with guidance from the Office of Information and Regulatory Affairs and the Office of Management and Budget Circular A-4.

(e) DATA.—In conducting analyses under this section, the Committee shall not be required to create data or to use data that is not readily accessible.

**SEC. 2104. REPORTS; PUBLIC COMMENT.**

(a) PRELIMINARY REPORT.—Not later than 90 days after the date of enactment of this Act, the Committee shall make public and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate a preliminary report containing the results of the analyses conducted under section 2103.

(b) PUBLIC COMMENT PERIOD.—The Committee shall accept public comments regarding the preliminary report submitted under subsection (a) for a period of 60 days after the date on which the preliminary report is submitted.

(c) FINAL REPORT.—Not later than 60 days after the expiration of the 60-day period described in subsection (b), the Committee shall submit to Congress a final report containing the analyses conducted under section 2103, including—

(1) any revisions to the analyses made as a result of public comments; and

(2) a response to the public comments.

#### SEC. 2105. NO FINAL ACTION ON CERTAIN RULES.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency shall not finalize any of the following rules until a date (to be determined by the Administrator) that is at least 180 days after the date on which the Committee submits the final report under section 2104(c):

(1) “Control of Air Pollution From New Motor Vehicles: Tier 3 Motor Vehicle Emission and Fuel Standards”, as described in the Unified Agenda of Federal Regulatory and Deregulatory Actions under Regulatory Identification Number 2060–AQ86, and any successor or substantially similar rule.

(2) Any rule proposed after March 15, 2012, establishing or revising a standard of performance or emission standard under section 111 or 112 of the Clean Air Act (42 U.S.C. 7411, 7412) that is applicable to petroleum refineries.

(3) Any rule revising or supplementing the national ambient air quality standards for ozone under section 109 of the Clean Air Act (42 U.S.C. 7409).

(b) OTHER RULES NOT AFFECTED.—Subsection (a) shall not affect the finalization of any rule other than the rules described in subsection (a).

#### SEC. 2106. CONSIDERATION OF FEASIBILITY AND COST IN REVISING OR SUPPLEMENTING NATIONAL AMBIENT AIR QUALITY STANDARDS FOR OZONE.

In revising or supplementing any national primary or secondary ambient air quality standards for ozone under section 109 of the Clean Air Act (42 U.S.C. 7409), the Administrator of the Environmental Protection Agency shall take into consideration feasibility and cost.

#### SEC. 2107. FUEL REQUIREMENTS WAIVER AND STUDY.

(a) WAIVER OF FUEL REQUIREMENTS.—Section 211(c)(4)(C) of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)) is amended—

(1) in clause (ii)(II), by inserting “a problem with distribution or delivery equipment that is necessary for the transportation or delivery of fuel or fuel additives,” after “equipment failure,”;

(2) in clause (iii)(II), by inserting before the semicolon at the end the following: “(except that the Administrator may extend the effectiveness of a waiver for more than 20 days if the Administrator determines that the conditions under clause (ii) supporting a waiver determination will exist for more than 20 days)”;

(3) by redesignating the second clause (v) (relating to the authority of the Administrator to approve certain State implementation plans) as clause (vi); and

(4) by adding at the end the following:

“(vii) PRESUMPTIVE APPROVAL.—Notwithstanding any other provision of this subparagraph, if the Administrator does not approve or deny a request for a waiver under this subparagraph within 3 days after receipt of the request, the request shall be deemed to be approved as received by the Administrator and the applicable fuel standards shall be waived for the period of time requested.”.

(b) FUEL SYSTEM REQUIREMENTS HARMONIZATION STUDY.—Section 1509 of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 1083) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(A), by inserting “biofuels,” after “oxygenated fuel,”; and

(B) in paragraph (2)(G), by striking “Tier II” and inserting “Tier III”; and

(2) in subsection (b)(1), by striking “2008” and inserting “2014”.

#### TITLE II—QUADRENNIAL STRATEGIC FEDERAL ONSHORE ENERGY PRODUCTION STRATEGY

##### SEC. 2201. SHORT TITLE.

This title may be cited as the “Planning for American Energy Act of 2013”.

##### SEC. 2202. ONSHORE DOMESTIC ENERGY PRODUCTION STRATEGIC PLAN.

The Mineral Leasing Act is amended—

(1) by redesignating section 44 (30 U.S.C. 181 note) as section 45; and

(2) by inserting after section 43 (30 U.S.C. 226–3) the following:

##### “SEC. 44. QUADRENNIAL STRATEGIC FEDERAL ONSHORE ENERGY PRODUCTION STRATEGY.

“(a) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Interior.

“(2) STRATEGIC AND CRITICAL ENERGY MINERALS.—The term ‘strategic and critical energy minerals’ means—

“(A) minerals that are necessary for the energy infrastructure of the United States, including pipelines, refining capacity, electrical power generation and transmission, and renewable energy production; and

“(B) minerals that are necessary to support domestic manufacturing, including materials used in energy generation, production, and transportation.

“(3) STRATEGY.—The term ‘Strategy’ means the Quadrennial Federal Onshore Energy Production Strategy required under this section.

“(b) STRATEGY.—

“(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Agriculture with regard to land administered by the Forest Service, shall develop and publish every 4 years a Quadrennial Federal Onshore Energy Production Strategy.

“(2) ENERGY SECURITY.—The Strategy shall direct Federal land energy development and department resource allocation to promote the energy security of the United States.

“(c) PURPOSES.—

“(1) IN GENERAL.—In developing a Strategy, the Secretary shall consult with the Administrator of the Energy Information Administration on—

“(A) the projected energy demands of the United States for the 30-year period beginning on the date of initiation of the Strategy; and

“(B) how energy derived from Federal onshore land can place the United States on a trajectory to meet that demand during the 4-year period beginning on the date of initiation of the Strategy.

“(2) ENERGY SECURITY.—The Secretary shall consider how Federal land will contribute to ensuring national energy security, with a goal of increasing energy independence and production, during the 4-year period beginning on the date of initiation of the Strategy.

“(d) OBJECTIVES.—The Secretary shall establish a domestic strategic production objective for the development of energy resources from Federal onshore land that is based on commercial and scientific data relating to the expected increase in—

“(1) domestic production of oil and natural gas from the Federal onshore mineral estate, with a focus on land held by the Bureau of Land Management and the Forest Service;

“(2) domestic coal production from Federal land;

“(3) domestic production of strategic and critical energy minerals from the Federal onshore mineral estate;

“(4) megawatts for electricity production from each of wind, solar, biomass, hydro-power, and geothermal energy produced on Federal land administered by the Bureau of Land Management and the Forest Service;

“(5) unconventional energy production, such as oil shale;

“(6) domestic production of oil, natural gas, coal, and other renewable sources from tribal land for any federally recognized Indian tribe that elects to participate in facilitating energy production on the land of the Indian tribe; and

“(7) domestic production of geothermal, solar, wind, or other renewable energy sources on land defined as available lands under section 203 of the Hawaiian Homes Commission Act, 1920 (42 Stat. 109, chapter 42), and any other land considered by the Territory or State of Hawaii, as the case may be, to be available lands.

“(e) METHODOLOGY.—The Secretary shall consult with the Administrator of the Energy Information Administration regarding the methodology used to arrive at the estimates made by the Secretary to carry out this section.

“(f) EXPANSION OF PLAN.—The Secretary may expand a Strategy to include other energy production technology sources or advancements in energy production on Federal land.

“(g) TRIBAL OBJECTIVES.—

“(1) IN GENERAL.—It is the sense of Congress that federally recognized Indian tribes may elect to set the production objectives of the Indian tribes as part of a Strategy under this section.

“(2) COOPERATION.—The Secretary shall work in cooperation with any federally recognized Indian tribe that elects to participate in achieving the strategic energy objectives of the Indian tribe under this subsection.

“(h) EXECUTION OF STRATEGY.—

“(1) DEFINITION OF SECRETARY CONCERNED.—In this subsection, the term ‘Secretary concerned’ means—

“(A) the Secretary of Agriculture (acting through the Chief of the Forest Service), with respect to National Forest System land; and

“(B) the Secretary of the Interior, with respect to land managed by the Bureau of Land Management (including land held for the benefit of an Indian tribe).

“(2) ADDITIONAL LAND.—The Secretary concerned may make determinations regarding which additional land under the jurisdiction of the Secretary concerned will be made available in order to meet the energy production objectives established by a Strategy.

“(3) ACTIONS.—The Secretary concerned shall take all necessary actions to achieve the energy production objectives established under this section unless the President determines that it is not in the national security and economic interests of the United States—

“(A) to increase Federal domestic energy production; and

“(B) to decrease dependence on foreign sources of energy.

“(4) LEASING.—In carrying out this subsection, the Secretary concerned shall only consider leasing Federal land available for leasing at the time the lease sale occurs.

“(i) STATE, FEDERALLY RECOGNIZED INDIAN TRIBES, LOCAL GOVERNMENT, AND PUBLIC INPUT.—In developing a Strategy, the Secretary shall solicit the input of affected States, federally recognized Indian tribes, local governments, and the public.

“(j) ANNUAL REPORTS.—

“(1) IN GENERAL.—The Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate an annual report describing the progress made in meeting the production goals of a Strategy.

“(2) CONTENTS.—In a report required under this subsection, the Secretary shall—



“(A) make projections for production and capacity installations;

“(B) describe any problems with leasing, permitting, siting, or production that will prevent meeting the production goals of a Strategy; and

“(C) make recommendations to help meet any shortfalls in meeting the production goals.

“(k) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, in accordance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)), the Secretary shall complete a programmatic environmental impact statement for carrying out this section.

“(2) COMPLIANCE.—The programmatic environmental impact statement shall be considered sufficient to comply with all requirements under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for all necessary resource management and land use plans associated with the implementation of a Strategy.

“(l) CONGRESSIONAL REVIEW.—

“(1) IN GENERAL.—Not later than 60 days before publishing a proposed Strategy under this section, the Secretary shall submit to Congress and the President the proposed Strategy, together with any comments received from States, federally recognized Indian tribes, and local governments.

“(2) RECOMMENDATIONS.—The submission shall indicate why any specific recommendation of a State, federally recognized Indian tribe, or local government was not accepted.

“(m) ADMINISTRATION.—Nothing in this section modifies or affects any multiuse plan.

“(n) FIRST STRATEGY.—Not later than 18 months after the date of enactment of this subsection, the Secretary shall submit to Congress the first Strategy.”

**TITLE III—ONSHORE OIL AND GAS LEASING CERTAINTY**

**SEC. 2301. SHORT TITLE.**

This title may be cited as the “Providing Leasing Certainty for American Energy Act of 2013”.

**SEC. 2302. MINIMUM ACREAGE REQUIREMENT FOR ONSHORE LEASE SALES.**

Section 17 of the Mineral Leasing Act (30 U.S.C. 226) is amended—

(1) by striking “Sec. 17. (a) All lands” and inserting the following:

**“SEC. 17. LEASE OF OIL AND GAS LAND.**

“(a) AUTHORITY.—

“(1) IN GENERAL.—All land”; and

(2) in subsection (a) (as amended by paragraph (1)), by adding at the end the following:

“(2) MINIMUM ACREAGE REQUIREMENT FOR ONSHORE LEASE SALES.—

“(A) IN GENERAL.—In conducting lease sales under this section, each year, the Secretary shall offer for sale not less than 25 percent of the annual nominated acreage not previously made available for lease.

“(B) REVIEW.—The offering of acreage offered for lease under this paragraph shall not be subject to review.

“(C) CATEGORICAL EXCLUSIONS.—Acreage offered for lease under this paragraph shall be eligible for categorical exclusions under section 390 of the Energy Policy Act of 2005 (42 U.S.C. 15942), except that extraordinary circumstances shall not be required for a categorical exclusion under this paragraph.

“(D) LEASING.—In carrying out this subsection, the Secretary shall only consider leasing of Federal land that is available for leasing at the time the lease sale occurs.”

**SEC. 2303. LEASING CERTAINTY AND CONSISTENCY.**

Section 17(a) of the Mineral Leasing Act (30 U.S.C. 226(a)) (as amended by section 2302)

is amended by adding at the end the following:

“(3) LEASING CERTAINTY.—

“(A) IN GENERAL.—The Secretary shall not withdraw approval of any covered energy project involving a lease under this Act without finding a violation of the terms of the lease by the lessee.

“(B) DELAY.—The Secretary shall not infringe on lease rights under leases issued under this Act by indefinitely delaying issuance of project approvals, drilling and seismic permits, and rights-of-way for activities under a lease.

“(C) AVAILABILITY OF NOMINATED AREAS.—Not later than 18 months after an area is designated as open under the applicable land use plan, the Secretary shall make available nominated areas for lease under paragraph (2).

“(D) ISSUANCE OF LEASES.—Notwithstanding any other provision of law, the Secretary shall issue all leases sold under this Act not later than 60 days after the last payment is made.

“(E) CANCELLATION OR WITHDRAWAL OF LEASE PARCELS.—The Secretary shall not cancel or withdraw any lease parcel after a competitive lease sale has occurred and a winning bidder has submitted the last payment for the parcel.

“(F) APPEALS.—

“(i) IN GENERAL.—The Secretary shall complete the review of any appeal of a lease sale under this Act not later than 60 days after the receipt of the appeal.

“(ii) CONSTRUCTIVE APPROVAL.—If the review of an appeal is not conducted in accordance with clause (i), the appeal shall be considered approved.

“(G) ADDITIONAL STIPULATIONS.—The Secretary may not add any additional lease stipulation for a parcel after the parcel is sold unless the Secretary—

“(i) consults with the lessee and obtains the approval of the lessee; or

“(ii) determines that the stipulation is an emergency action that is necessary to conserve the resources of the United States.

“(4) LEASING CONSISTENCY.—A Federal land manager shall comply with applicable resource management plans and continue to actively lease in areas designated as open when resource management plans are being amended or revised, until a new record of decision is signed.”

**SEC. 2304. REDUCTION OF REDUNDANT POLICIES.**

Bureau of Land Management Instruction Memorandum 2010-117 shall have no force or effect.

**TITLE IV—STREAMLINED ENERGY PERMITTING**

**SEC. 2401. SHORT TITLE.**

This title may be cited as the “Streamlining Permitting of American Energy Act of 2013”.

**Subtitle A—Application for Permits To Drill Process Reform**

**SEC. 2411. PERMIT TO DRILL APPLICATION TIMELINE.**

Section 17(p) of the Mineral Leasing Act (30 U.S.C. 226(p)) is amended by striking paragraph (2) and inserting the following:

“(2) APPLICATIONS FOR PERMITS TO DRILL REFORM AND PROCESS.—

“(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall decide whether to issue a permit to drill not later than 30 days after the date on which the application for the permit is received by the Secretary.

“(B) EXTENSIONS.—

“(i) IN GENERAL.—The Secretary may extend the period described in subparagraph (A) for up to 2 periods of 15 days each, if the Secretary gives written notice of the delay to the applicant.

“(ii) NOTICE.—The notice shall—

“(I) be in the form of a letter from the Secretary or a designee of the Secretary; and

“(II) include—

“(aa) the names and positions of the persons processing the application;

“(bb) the specific reasons for the delay; and

“(cc) a specific date on which a final decision on the application is expected.

“(C) NOTICE OF REASONS FOR DENIAL.—If the application is denied, the Secretary shall provide the applicant—

“(i) a written notice that provides—

“(I) clear and comprehensive reasons why the application was not accepted; and

“(II) detailed information concerning any deficiencies; and

“(ii) an opportunity to remedy any deficiencies.

“(D) APPLICATION CONSIDERED APPROVED.—

If the Secretary has not made a decision on the application by the end of the 60-day period beginning on the date the application for the permit is received by the Secretary, the application shall be considered approved unless applicable reviews under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) are incomplete.

“(E) DENIAL OF PERMIT.—If the Secretary decides not to issue a permit to drill under this paragraph, the Secretary shall—

“(i) provide to the applicant a description of the reasons for the denial of the permit;

“(ii) allow the applicant to resubmit an application for a permit to drill during the 10-day period beginning on the date the applicant receives the description of the denial from the Secretary; and

“(iii) issue or deny any resubmitted application not later than 10 days after the date the application is submitted to the Secretary.

“(F) FEE.—

“(i) IN GENERAL.—Subject to clauses (ii) and (iii) and notwithstanding any other provision of law, the Secretary shall collect a single \$6,500 permit processing fee per application from each applicant at the time the final decision is made whether to issue a permit under this paragraph.

“(ii) RESUBMITTED APPLICATIONS.—The fee described in clause (i) shall not apply to any resubmitted application.

“(iii) TREATMENT OF PERMIT PROCESSING FEE.—Subject to appropriation, of all fees collected under this paragraph, 50 percent shall be transferred to the field office where the fees are collected and used to process leases, permits, and appeals under this Act.”

**SEC. 2412. SOLAR AND WIND RIGHT-OF-WAY RENTAL REFORM.**

Notwithstanding any other provision of law, each fiscal year, of fees collected as annual wind energy and solar energy right-of-way authorization fees required under section 504(g) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764(g)), 50 percent shall be retained by the Secretary of the Interior to be used, subject to appropriation—

(1) by the Bureau of Land Management to process permits, right-of-way applications, and other activities necessary for renewable development; and

(2) at the option of the Secretary of the Interior, by the United States Fish and Wildlife Service or other Federal agencies involved in wind and solar permitting reviews to facilitate the processing of wind energy and solar energy permit applications on Bureau of Land Management land.

**Subtitle B—Administrative Appeal  
Documentation Reform**

**SEC. 2421. ADMINISTRATIVE APPEAL DOCUMENTATION REFORM.**

Section 17(p) of the Mineral Leasing Act (30 U.S.C. 226(p)) is amended by adding at the end the following:

“(4) APPEAL FEE.—

“(A) IN GENERAL.—The Secretary shall collect a \$5,000 documentation fee to accompany each appeal of an action on a lease, right-of-way, or application for permit to drill.

“(B) TREATMENT OF FEES.—Subject to appropriation, of all fees collected under this paragraph, 50 percent shall remain in the field office where the fees are collected and used to process appeals.”.

**Subtitle C—Permit Streamlining**

**SEC. 2431. FEDERAL ENERGY PERMIT COORDINATION.**

(a) DEFINITIONS.—In this section:

(1) ENERGY PROJECTS.—The term “energy projects” means oil, coal, natural gas, and renewable energy projects.

(2) PROJECT.—The term “Project” means the Federal Permit Streamlining Project established under subsection (b).

(3) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

(b) ESTABLISHMENT.—The Secretary shall establish a Federal Permit Streamlining Project in each Bureau of Land Management field office with responsibility for issuing permits for energy projects on Federal land.

(c) MEMORANDUM OF UNDERSTANDING.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall enter into a memorandum of understanding to carry out this section with—

- (A) the Secretary of Agriculture;
- (B) the Administrator of the Environmental Protection Agency; and
- (C) the Secretary of the Army, acting through the Chief of Engineers.

(2) STATE PARTICIPATION.—The Secretary may request the Governor of any State with energy projects on Federal land to be a signatory to the memorandum of understanding.

(d) DESIGNATION OF QUALIFIED STAFF.—

(1) IN GENERAL.—Not later than 30 days after the date of the signing of the memorandum of understanding under subsection (c), all Federal signatory parties shall, if appropriate, assign to each of the Bureau of Land Management field offices an employee who has expertise in the regulatory issues relating to the office in which the employee is employed, including, as applicable, particular expertise in—

(A) the consultations and the preparation of biological opinions under section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536);

(B) permits under section 404 of Federal Water Pollution Control Act (33 U.S.C. 1344);

(C) regulatory matters under the Clean Air Act (42 U.S.C. 7401 et seq.);

(D) planning under the National Forest Management Act of 1976 (16 U.S.C. 472a et seq.); and

(E) the preparation of analyses under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) DUTIES.—Each employee assigned under paragraph (1) shall—

(A) not later than 90 days after the date of assignment, report to the Bureau of Land Management Field Managers in the office to which the employee is assigned;

(B) be responsible for all issues relating to the energy projects that arise under the authorities of the home office of the employee; and

(C) participate as part of the team of personnel working on proposed energy projects,

planning, and environmental analyses on Federal land.

(e) ADDITIONAL PERSONNEL.—The Secretary shall assign to each Bureau of Land Management field office identified under subsection (b) any additional personnel that are necessary to ensure the effective approval and implementation of energy projects administered by the Bureau of Land Management field offices, including inspection and enforcement relating to energy development on Federal land, in accordance with the multiple-use requirements of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(f) FUNDING.—Funding for the additional personnel shall be derived from the Department of the Interior reforms made by sections 2411, 2412, and 2421 and the amendments made by those sections.

(g) SAVINGS PROVISION.—Nothing in this section affects—

(1) the operation of any Federal or State law; or

(2) any delegation of authority made by the head of a Federal agency whose employees are participating in the Project.

**SEC. 2432. ADMINISTRATION OF CURRENT LAW.**

Notwithstanding any other provision of law, the Secretary of the Interior shall not require a finding of extraordinary circumstances in administering section 390 of the Energy Policy Act of 2005 (42 U.S.C. 15942).

**Subtitle D—Judicial Review**

**SEC. 2441. DEFINITIONS.**

In this title:

(1) COVERED CIVIL ACTION.—The term “covered civil action” means a civil action containing a claim under section 702 of title 5, United States Code, regarding agency action (as defined for the purposes of that section) affecting a covered energy project on Federal land.

(2) COVERED ENERGY PROJECT.—

(A) IN GENERAL.—The term “covered energy project” means the leasing of Federal land of the United States for the exploration, development, production, processing, or transmission of oil, natural gas, wind, or any other source of energy, and any action under such a lease.

(B) EXCLUSION.—The term “covered energy project” does not include any disputes between the parties to a lease regarding the obligations under the lease, including regarding any alleged breach of the lease.

**SEC. 2442. EXCLUSIVE VENUE FOR CERTAIN CIVIL ACTIONS RELATING TO COVERED ENERGY PROJECTS.**

Venue for any covered civil action shall lie in the United States district court for the district in which the project or leases exist or are proposed.

**SEC. 2443. TIMELY FILING.**

To ensure timely redress by the courts, a covered civil action shall be filed not later than 90 days after the date of the final Federal agency action to which the covered civil action relates.

**SEC. 2444. EXPEDITION IN HEARING AND DETERMINING THE ACTION.**

A court shall endeavor to hear and determine any covered civil action as expeditiously as practicable.

**SEC. 2445. STANDARD OF REVIEW.**

In any judicial review of a covered civil action—

(1) administrative findings and conclusions relating to the challenged Federal action or decision shall be presumed to be correct; and

(2) the presumption may be rebutted only by the preponderance of the evidence contained in the administrative record.

**SEC. 2446. LIMITATION ON INJUNCTION AND PROSPECTIVE RELIEF.**

(a) IN GENERAL.—In a covered civil action, a court shall not grant or approve any pro-

spective relief unless the court finds that the relief—

(1) is narrowly drawn;

(2) extends no further than necessary to correct the violation of a legal requirement; and

(3) is the least intrusive means necessary to correct the violation.

(b) PRELIMINARY INJUNCTIONS.—

(1) IN GENERAL.—A court shall limit the duration of a preliminary injunction to halt a covered energy project to not more than 60 days, unless the court finds clear reasons to extend the injunction.

(2) EXTENSIONS.—Extensions under paragraph (1) shall—

(A) only be in 30-day increments; and

(B) require action by the court to renew the injunction.

**SEC. 2447. LIMITATION ON ATTORNEYS' FEES.**

(a) IN GENERAL.—Sections 504 of title 5 and 2412 of title 28, United States Code (commonly known as the “Equal Access to Justice Act”), shall not apply to a covered civil action.

(b) ATTORNEY'S FEES AND COURT COSTS.—A party in a covered civil action shall not receive payment from the Federal Government for attorney's fees, expenses, or other court costs.

**SEC. 2448. LEGAL STANDING.**

A challenger filing an appeal with the Interior Board of Land Appeals shall meet the same standing requirements as a challenger before a United States district court.

**TITLE V—EXPEDITIOUS OIL AND GAS LEASING PROGRAM IN NATIONAL PETROLEUM RESERVE IN ALASKA**

**SEC. 2501. SHORT TITLE.**

This title may be cited as the “National Petroleum Reserve Alaska Access Act”.

**SEC. 2502. SENSE OF CONGRESS REAFFIRMING NATIONAL POLICY REGARDING NATIONAL PETROLEUM RESERVE IN ALASKA.**

It is the sense of Congress that—

(1) the National Petroleum Reserve in the State of Alaska (referred to in this title as the “Reserve”) remains explicitly designated, both in name and legal status, for purposes of providing oil and natural gas resources to the United States; and

(2) accordingly, the national policy is to actively advance oil and gas development within the Reserve by facilitating the expeditious exploration, production, and transportation of oil and natural gas from and through the Reserve.

**SEC. 2503. COMPETITIVE LEASING OF OIL AND GAS.**

Section 107 of the Naval Petroleum Reserves Production Act of 1976 (42 U.S.C. 6506a) is amended by striking subsection (a) and inserting the following:

“(a) COMPETITIVE LEASING.—

“(1) IN GENERAL.—The Secretary shall conduct an expeditious program of competitive leasing of oil and gas in the Reserve in accordance with this Act.

“(2) INCLUSIONS.—The program under this subsection shall include at least 1 lease sale annually in each area of the Reserve that is most likely to produce commercial quantities of oil and natural gas for each of calendar years 2013 through 2023.”.

**SEC. 2504. PLANNING AND PERMITTING PIPELINE AND ROAD CONSTRUCTION.**

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Interior, in consultation with the Secretary of Transportation, shall facilitate and ensure permits, in an environmentally responsible manner, for all surface development activities, including for the construction of pipelines and roads, necessary—

(1) to develop and bring into production any areas within the Reserve that are subject to oil and gas leases; and

(2) to transport oil and gas from and through the Reserve to existing transportation or processing infrastructure on the North Slope of Alaska.

(b) **TIMELINES.**—The Secretary shall ensure that any Federal permitting agency shall issue permits in accordance with the following timelines:

(1) **EXISTING LEASES.**—Each permit for construction relating to the transportation of oil and natural gas produced under existing Federal oil and gas leases with respect to which the Secretary of the Interior has issued a permit to drill shall be approved by not later than 60 days after the date of enactment of this Act.

(2) **REQUESTED PERMITS.**—Each permit for construction for transportation of oil and natural gas produced under Federal oil and gas leases shall be approved by not later than 180 days after the date of submission to the Secretary of a request for a permit to drill.

(c) **PLAN.**—To ensure timely future development of the Reserve, not later than 270 days after the date of enactment of this Act, the Secretary of the Interior shall submit to Congress a plan for approved rights-of-way for a plan for pipeline, road, and any other surface infrastructure that may be necessary infrastructure to ensure that all leaseable tracts in the Reserve are located within 25 miles of an approved road and pipeline right-of-way that can serve future development of the Reserve.

**SEC. 2505. DEPARTMENTAL ACCOUNTABILITY FOR DEVELOPMENT.**

(a) **IN GENERAL.**—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall promulgate regulations to establish clear requirements to ensure that the Department of the Interior is supporting development of oil and gas leases in the Reserve.

(b) **DEADLINES.**—At a minimum, the regulations promulgated pursuant to this section shall—

(1) require the Secretary of the Interior to respond, acknowledging receipt of any permit application for development, by not later than 5 business days after the date of receipt of the application; and

(2) establish a timeline for the processing of each such application that—

(A) specifies deadlines for decisions and actions regarding permit applications; and

(B) provides that the period for issuing each permit after the date of submission of the application shall not exceed 60 days, absent the concurrence of the applicant.

(c) **ACTIONS REQUIRED FOR FAILURE TO COMPLY WITH DEADLINES.**—If the Secretary of the Interior fails to comply with any deadline described in subsection (b) with respect to a permit application, the Secretary shall notify the applicant not less frequently than once every 5 days with specific information regarding—

(1) the reasons for the permit delay;

(2) the name of each specific office of the Department of the Interior responsible for—

(A) issuing the permit; or

(B) monitoring the permit delay; and

(3) an estimate of the date on which the permit will be issued.

(d) **ADDITIONAL INFRASTRUCTURE.**—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior, after consultation with the State of Alaska and after providing notice and an opportunity for public comment, shall approve right-of-way corridors for the construction of 2 separate additional bridges and pipeline rights-of-way to help facilitate timely oil and gas development of the Reserve.

**SEC. 2506. UPDATED RESOURCE ASSESSMENT.**

(a) **IN GENERAL.**—The Secretary of the Interior shall complete a comprehensive as-

essment of all technically recoverable fossil fuel resources within the Reserve, including all conventional and unconventional oil and natural gas.

(b) **COOPERATION AND CONSULTATION.**—The resource assessment under subsection (a) shall be carried out by the United States Geological Survey in cooperation and consultation with the State of Alaska and the American Association of Petroleum Geologists.

(c) **TIMING.**—The resource assessment under subsection (a) shall be completed by not later than 2 years after the date of enactment of this Act.

(d) **FUNDING.**—In carrying out this section, the United States Geological Survey may cooperatively use resources and funds provided by the State of Alaska.

**SEC. 2507. COLVILLE RIVER DELTA DESIGNATION.**

The designation by the Environmental Protection Agency of the Colville River Delta as an aquatic resource of national importance shall have no force or effect on this title or an amendment made by this title.

**TITLE VI—INTERNET-BASED ONSHORE OIL AND GAS LEASE SALES**

**SEC. 2601. SHORT TITLE.**

This title may be cited as the “BLM Live Internet Auctions Act”.

**SEC. 2602. INTERNET-BASED ONSHORE OIL AND GAS LEASE SALES.**

(a) **AUTHORIZATION.**—Section 17(b)(1) of the Mineral Leasing Act (30 U.S.C. 226(b)(1)) is amended—

(1) in subparagraph (A), in the third sentence, by striking “Lease sales” and inserting “Except as provided in subparagraph (C), lease sales”; and

(2) by adding at the end the following:

“(C) In order to diversify and expand the United States onshore leasing program to ensure the best return to Federal taxpayers, to reduce fraud, and to secure the leasing process, the Secretary may conduct onshore lease sales through Internet-based bidding methods, each of which shall be completed by not later than 7 days after the date of initiation of the sale.”.

(b) **REPORT.**—Not later than 90 days after the tenth Internet-based lease sale conducted pursuant to subparagraph (C) of section 17(b)(1) of the Mineral Leasing Act (30 U.S.C. 226(b)(1)) (as added by subsection (a)), the Secretary of the Interior shall conduct, and submit to Congress a report describing the results of, an analysis of the first 10 such lease sales, including—

(1) estimates of increases or decreases in the lease sales, as compared to sales conducted by oral bidding, in—

(A) the number of bidders;

(B) the average amount of the bids;

(C) the highest amount of the bids; and

(D) the lowest amount of the bids;

(2) an estimate on the total cost or savings to the Department of the Interior as a result of the sales, as compared to sales conducted by oral bidding; and

(3) an evaluation of the demonstrated or expected effectiveness of different structures for lease sales, which may—

(A) provide an opportunity to better maximize bidder participation;

(B) ensure the highest return to Federal taxpayers;

(C) minimize opportunities for fraud or collusion; and

(D) ensure the security and integrity of the leasing process.

**TITLE VII—ADVANCING OFFSHORE WIND PRODUCTION**

**SEC. 2701. SHORT TITLE.**

This title may be cited as the “Advancing Offshore Wind Production Act”.

**SEC. 2702. OFFSHORE METEOROLOGICAL SITE TESTING AND MONITORING PROJECTS.**

(a) **DEFINITION OF OFFSHORE METEOROLOGICAL SITE TESTING AND MONITORING PROJECT.**—In this section, the term “offshore meteorological site testing and monitoring project” means a project carried out on or in the waters of the outer Continental Shelf (as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331)) and administered by the Department of the Interior to test or monitor weather (including energy provided by weather, such as wind, tidal, current, and solar energy) using towers, buoys, or other temporary ocean infrastructure, that—

(1) causes—

(A) less than 1 acre of surface or seafloor disruption at the location of each meteorological tower or other device; and

(B) not more than 5 acres of surface or seafloor disruption within the proposed area affected by the project (including hazards to navigation);

(2) is decommissioned not more than 5 years after the date of commencement of the project, including—

(A) removal of towers, buoys, or other temporary ocean infrastructure from the project site; and

(B) restoration of the project site to approximately the original condition of the site; and

(3) provides meteorological information obtained by the project to the Secretary of the Interior.

(b) **OFFSHORE METEOROLOGICAL PROJECT PERMITTING.**—

(1) **IN GENERAL.**—The Secretary of the Interior shall require, by regulation, that any applicant seeking to conduct an offshore meteorological site testing and monitoring project shall obtain a permit and right-of-way for the project in accordance with this subsection.

(2) **PERMIT AND RIGHT-OF-WAY TIMELINE AND CONDITIONS.**—

(A) **DEADLINE FOR APPROVAL.**—The Secretary shall decide whether to issue a permit and right-of-way for an offshore meteorological site testing and monitoring project by not later than 30 days after the date of receipt of a relevant application.

(B) **PUBLIC COMMENT AND CONSULTATION.**—During the 30-day period referred to in subparagraph (A) with respect to an application for a permit and right-of-way under this subsection, the Secretary shall—

(i) provide an opportunity for submission of comments regarding the application by the public; and

(ii) consult with the Secretary of Defense, the Commandant of the Coast Guard, and the heads of other Federal, State, and local agencies that would be affected by the issuance of the permit and right-of-way.

(C) **DENIAL OF PERMIT; OPPORTUNITY TO REMEDY DEFICIENCIES.**—If an application is denied under this subsection, the Secretary shall provide to the applicant—

(i) in writing—

(I) a list of clear and comprehensive reasons why the application was denied; and

(II) detailed information concerning any deficiencies in the application; and

(ii) an opportunity to remedy those deficiencies.

(c) **NEPA EXCLUSION.**—Section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) shall not apply with respect to an offshore meteorological site testing and monitoring project.

(d) **PROTECTION OF INFORMATION.**—Any information provided to the Secretary of the Interior under subsection (a)(3) shall be—

(1) treated by the Secretary as proprietary information; and

(2) protected against disclosure.

#### TITLE VIII—CRITICAL MINERALS

##### SEC. 2801. DEFINITIONS.

In this title:

(1) APPLICABLE COMMITTEES.—The term “applicable committees” means—

(A) the Committee on Energy and Natural Resources of the Senate;

(B) the Committee on Natural Resources of the House of Representatives;

(C) the Committee on Energy and Commerce of the House of Representatives; and

(D) the Committee on Science, Space, and Technology of the House of Representatives.

(2) CLEAN ENERGY TECHNOLOGY.—The term “clean energy technology” means a technology related to the production, use, transmission, storage, control, or conservation of energy that—

(A) reduces the need for additional energy supplies by using existing energy supplies with greater efficiency or by transmitting, distributing, storing, or transporting energy with greater effectiveness in or through the infrastructure of the United States;

(B) diversifies the sources of energy supply of the United States to strengthen energy security and to increase supplies with a favorable balance of environmental effects if the entire technology system is considered; or

(C) contributes to a stabilization of atmospheric greenhouse gas concentrations through reduction, avoidance, or sequestration of energy-related greenhouse gas emissions.

(3) CRITICAL MINERAL.—

(A) IN GENERAL.—The term “critical mineral” means any mineral designated as a critical mineral pursuant to section 2802.

(B) EXCLUSIONS.—The term “critical mineral” does not include coal, oil, natural gas, or any other fossil fuels.

(4) CRITICAL MINERAL MANUFACTURING.—The term “critical mineral manufacturing” means—

(A) the production, processing, refining, alloying, separation, concentration, magnetic sintering, melting, or beneficiation of critical minerals within the United States;

(B) the fabrication, assembly, or production, within the United States, of clean energy technologies (including technologies related to wind, solar, and geothermal energy, efficient lighting, electrical superconducting materials, permanent magnet motors, batteries, and other energy storage devices), military equipment, and consumer electronics, or components necessary for applications; or

(C) any other value-added, manufacturing-related use of critical minerals undertaken within the United States.

(5) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(6) MILITARY EQUIPMENT.—The term “military equipment” means equipment used directly by the Armed Forces to carry out military operations.

(7) RARE EARTH ELEMENT.—

(A) IN GENERAL.—The term “rare earth element” means the chemical elements in the periodic table from lanthanum (atomic number 57) up to and including lutetium (atomic number 71).

(B) INCLUSIONS.—The term “rare earth element” includes the similar chemical elements yttrium (atomic number 39) and scandium (atomic number 21).

(8) SECRETARY.—The term “Secretary” means the Secretary of the Interior—

(A) acting through the Director of the United States Geological Survey; and

(B) in consultation with (as appropriate)—

(i) the Secretary of Energy;

(ii) the Secretary of Defense;

(iii) the Secretary of Commerce;

(iv) the Secretary of State;

(v) the Secretary of Agriculture;

(vi) the United States Trade Representative; and

(vii) the heads of other applicable Federal agencies.

(9) STATE.—The term “State” means—

(A) a State;

(B) the Commonwealth of Puerto Rico; and

(C) any other territory or possession of the United States.

(10) VALUE-ADDED.—The term “value-added” means, with respect to an activity, an activity that changes the form, fit, or function of a product, service, raw material, or physical good so that the resultant market price is greater than the cost of making the changes.

(11) WORKING GROUP.—The term “Working Group” means the Critical Minerals Working Group established under section 2805(a).

##### SEC. 2802. DESIGNATIONS.

(a) DRAFT METHODOLOGY.—Not later than 30 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register for public comment a draft methodology for determining which minerals qualify as critical minerals based on an assessment of whether the minerals are—

(1) subject to potential supply restrictions (including restrictions associated with foreign political risk, abrupt demand growth, military conflict, and anti-competitive or protectionist behaviors); and

(2) important in use (including clean energy technology-, defense-, agriculture-, and health care-related applications).

(b) AVAILABILITY OF DATA.—If available data is insufficient to provide a quantitative basis for the methodology developed under this section, qualitative evidence may be used.

(c) FINAL METHODOLOGY.—After reviewing public comments on the draft methodology under subsection (a) and updating the draft methodology as appropriate, the Secretary shall enter into an arrangement with the National Academy of Sciences and the National Academy of Engineering to obtain, not later than 120 days after the date of enactment of this Act—

(1) a review of the methodology; and

(2) recommendations for improving the methodology.

(d) FINAL METHODOLOGY.—After reviewing the recommendations under subsection (c), not later than 150 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register a description of the final methodology for determining which minerals qualify as critical minerals.

(e) DESIGNATIONS.—Not later than 180 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register a list of minerals designated as critical, pursuant to the final methodology under subsection (d), for purposes of carrying out this title.

(f) SUBSEQUENT REVIEW.—The methodology and designations developed under subsections (d) and (e) shall be updated at least every 5 years, or in more regular intervals if considered appropriate by the Secretary.

(g) NOTICE.—On finalization of the methodology under subsection (d), the list under subsection (e), or any update to the list under subsection (f), the Secretary shall submit to the applicable committees written notice of the action.

##### SEC. 2803. POLICY.

(a) POLICY.—It is the policy of the United States to promote an adequate, reliable, domestic, and stable supply of critical minerals, produced in an environmentally responsible manner, in order to strengthen and sustain the economic security, and the man-

ufacturing, industrial, energy, technological, and competitive stature, of the United States.

(b) COORDINATION.—The President, acting through the Executive Office of the President, shall coordinate the actions of Federal agencies under this and other Acts—

(1) to encourage Federal agencies to facilitate the availability, development, and environmentally responsible production of domestic resources to meet national critical minerals needs;

(2) to minimize duplication, needless paperwork, and delays in the administration of applicable laws (including regulations) and the issuance of permits and authorizations necessary to explore for, develop, and produce critical minerals and to construct and operate critical mineral manufacturing facilities in an environmentally responsible manner;

(3) to promote the development of economically stable and environmentally responsible domestic critical mineral production and manufacturing;

(4) to establish an analytical and forecasting capability for identifying critical mineral demand, supply, and other market dynamics relevant to policy formulation so that informed actions may be taken to avoid supply shortages, mitigate price volatility, and prepare for demand growth and other market shifts;

(5) to strengthen educational and research capabilities and workforce training;

(6) to bolster international cooperation through technology transfer, information sharing, and other means;

(7) to promote the efficient production, use, and recycling of critical minerals;

(8) to develop alternatives to critical minerals; and

(9) to establish contingencies for the production of, or access to, critical minerals for which viable sources do not exist within the United States.

##### SEC. 2804. RESOURCE ASSESSMENT.

(a) IN GENERAL.—Not later than 4 years after the date of enactment of this Act, in consultation with applicable State (including geological surveys), local, academic, industry, and other entities, the Secretary shall complete a comprehensive national assessment of each critical mineral that—

(1) identifies and quantifies known critical mineral resources, using all available public and private information and datasets, including exploration histories;

(2) estimates the cost of production of the critical mineral resources identified and quantified under this section, using all available public and private information and datasets, including exploration histories;

(3) provides a quantitative and qualitative assessment of undiscovered critical mineral resources throughout the United States, including probability estimates of tonnage and grade, using all available public and private information and datasets, including exploration histories;

(4) provides qualitative information on the environmental attributes of the critical mineral resources identified under this section; and

(5) pays particular attention to the identification and quantification of critical mineral resources on Federal land that is open to location and entry for exploration, development, and other uses.

(b) FIELD WORK.—If existing information and datasets prove insufficient to complete the assessment under this section and there is no reasonable opportunity to obtain the information and datasets from nongovernmental entities, the Secretary may carry out

field work (including drilling, remote sensing, geophysical surveys, geological mapping, and geochemical sampling and analysis) to supplement existing information and datasets available for determining the existence of critical minerals on—

(1) Federal land that is open to location and entry for exploration, development, and other uses;

(2) tribal land, at the request and with the written permission of the Indian tribe with jurisdiction over the land; and

(3) State land, at the request and with the written permission of the Governor of the State.

(c) TECHNICAL ASSISTANCE.—At the request of the Governor of a State or an Indian tribe, the Secretary may provide technical assistance to State governments and Indian tribes conducting critical mineral resource assessments on non-Federal land.

(d) FINANCIAL ASSISTANCE.—The Secretary may make grants to State governments, or Indian tribes and economic development entities of Indian tribes, to cover the costs associated with assessments of critical mineral resources on State or tribal land, as applicable.

(e) REPORT.—Not later than 4 years after the date of enactment of this Act, the Secretary shall submit to the applicable committees a report describing the results of the assessment conducted under this section.

(f) PRIORITIZATION.—

(1) IN GENERAL.—The Secretary may sequence the completion of resource assessments for each critical mineral such that critical materials considered to be most critical under the methodology established pursuant to section 2802 are completed first.

(2) REPORTING.—If the Secretary sequences the completion of resource assessments for each critical material, the Secretary shall submit a report under subsection (e) on an iterative basis over the 4-year period beginning on the date of enactment of this Act.

(g) UPDATES.—The Secretary shall periodically update the assessment conducted under this section based on—

(1) the generation of new information or datasets by the Federal Government; or

(2) the receipt of new information or datasets from critical mineral producers, State geological surveys, academic institutions, trade associations, or other entities or individuals.

**SEC. 2805. PERMITTING.**

(a) CRITICAL MINERALS WORKING GROUP.—

(1) IN GENERAL.—There is established within the Department of the Interior a working group to be known as the “Critical Minerals Working Group”, which shall report to the President and the applicable committees through the Secretary.

(2) COMPOSITION.—The Working Group shall be composed of the following:

(A) The Secretary of the Interior (or a designee), who shall serve as chair of the Working Group.

(B) A Presidential designee from the Executive Office of the President, who shall serve as vice-chair of the Working Group.

(C) The Secretary of Energy (or a designee).

(D) The Secretary of Agriculture (or a designee).

(E) The Secretary of Defense (or a designee).

(F) The Secretary of Commerce (or a designee).

(G) The Secretary of State (or a designee).

(H) The United States Trade Representative (or a designee).

(I) The Administrator of the Environmental Protection Agency (or a designee).

(J) The Chief of Engineers of the Corps of Engineers (or a designee).

(b) CONSULTATION.—The Working Group shall operate in consultation with private sector, academic, and other applicable stakeholders with experience related to—

(1) critical minerals exploration;

(2) critical minerals permitting;

(3) critical minerals production; and

(4) critical minerals manufacturing.

(c) DUTIES.—The Working Group shall—

(1) facilitate Federal agency efforts to optimize efficiencies associated with the permitting of activities that will increase exploration and development of domestic critical minerals, while maintaining environmental standards;

(2) facilitate Federal agency review of laws (including regulations) and policies that discourage investment in exploration and development of domestic critical minerals;

(3) assess whether Federal policies adversely impact the global competitiveness of the domestic critical minerals exploration and development sector (including taxes, fees, regulatory burdens, and access restrictions);

(4) evaluate the sufficiency of existing mechanisms for the provision of tenure on Federal land and the role of the mechanisms in attracting capital investment for the exploration and development of domestic critical minerals; and

(5) generate such other information and take such other actions as the Working Group considers appropriate to achieve the policy described in section 2803(a).

(d) REPORT.—Not later than 300 days after the date of enactment of this Act, the Working Group shall submit to the applicable committees a report that—

(1) describes the results of actions taken under subsection (c);

(2) evaluates the amount of time typically required (including the range derived from minimum and maximum durations, mean, median, variance, and other statistical measures or representations) to complete each step (including those aspects outside the control of the executive branch of the Federal Government, such as judicial review, applicant decisions, or State and local government involvement) associated with the processing of applications, operating plans, leases, licenses, permits, and other use authorizations for critical mineral-related activities on Federal land, which shall serve as a baseline for the performance metric developed and finalized under subsections (e) and (f), respectively;

(3) identifies measures (including regulatory changes and legislative proposals) that would optimize efficiencies, while maintaining environmental standards, associated with the permitting of activities that will increase exploration and development of domestic critical minerals; and

(4) identifies options (including cost recovery paid by applicants) for ensuring adequate staffing of divisions, field offices, or other entities responsible for the consideration of applications, operating plans, leases, licenses, permits, and other use authorizations for critical mineral-related activities on Federal land.

(e) DRAFT PERFORMANCE METRIC.—Not later than 330 days after the date of enactment of this Act, and on completion of the report required under subsection (d), the Working Group shall publish in the Federal Register for public comment a draft description of a performance metric for evaluating the progress made by the executive branch of the Federal Government on matters within the control of that branch towards optimizing efficiencies, while maintaining environmental standards, associated with the permitting of activities that will increase exploration and development of domestic critical minerals.

(f) FINAL PERFORMANCE METRIC.—Not later than 1 year after the date of enactment of this Act, and after consideration of any public comments received under subsection (e), the Working Group shall publish in the Federal Register a description of the final performance metric.

(g) ANNUAL REPORT.—Not later than 2 years after the date of enactment of this Act and annually thereafter, using the final performance metric under subsection (f), the Working Group shall submit to the applicable committees, as part of the budget request of the Department of the Interior for each fiscal year, each report that—

(1) describes the progress made by the executive branch of the Federal Government on matters within the control of that branch towards optimizing efficiencies, while maintaining environmental standards, associated with the permitting of activities that will increase exploration and development of domestic critical minerals; and

(2) compares the United States to other countries in terms of permitting efficiency, environmental standards, and other criteria relevant to a globally competitive economic sector.

(h) REPORT OF SMALL BUSINESS ADMINISTRATION.—Not later than 300 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall submit to the applicable committees a report that assesses the performance of Federal agencies in—

(1) complying with chapter 6 of title 5, United States Code (commonly known as the “Regulatory Flexibility Act”), in promulgating regulations applicable to the critical minerals industry; and

(2) performing an analysis of regulations applicable to the critical minerals industry that may be outmoded, inefficient, duplicative, or excessively burdensome.

(i) JUDICIAL REVIEW.—

(1) IN GENERAL.—Nothing in this section affects any judicial review of an agency action under any other provision of law.

(2) CONSTRUCTION.—This section—

(A) is intended to improve the internal management of the Federal Government; and

(B) does not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States (including an agency, instrumentality, officer, or employee) or any other person.

**SEC. 2806. RECYCLING AND ALTERNATIVES.**

(a) ESTABLISHMENT.—The Secretary of Energy shall conduct a program of research and development to promote the efficient production, use, and recycling of, and alternatives to, critical minerals.

(b) COOPERATION.—In carrying out the program, the Secretary of Energy shall cooperate with appropriate—

(1) Federal agencies and National Laboratories;

(2) critical mineral producers;

(3) critical mineral manufacturers;

(4) trade associations;

(5) academic institutions;

(6) small businesses; and

(7) other relevant entities or individuals.

(c) ACTIVITIES.—Under the program, the Secretary of Energy shall carry out activities that include the identification and development of—

(1) advanced critical mineral production or processing technologies that decrease the environmental impact, and costs of production, of such activities;

(2) techniques and practices that minimize or lead to more efficient use of critical minerals;

(3) techniques and practices that facilitate the recycling of critical minerals, including

options for improving the rates of collection of post-consumer products containing critical minerals;

(4) commercial markets, advanced storage methods, energy applications, and other beneficial uses of critical minerals processing byproducts; and

(5) alternative minerals, metals, and materials, particularly those available in abundance within the United States and not subject to potential supply restrictions, that lessen the need for critical minerals.

(d) REPORT.—Not later than 2 years after the date of enactment of this Act and every 5 years thereafter, the Secretaries shall submit to the applicable committees a report summarizing the activities, findings, and progress of the program.

#### SEC. 2807. ANALYSIS AND FORECASTING.

(a) CAPABILITIES.—In order to evaluate existing critical mineral policies and inform future actions that may be taken to avoid supply shortages, mitigate price volatility, and prepare for demand growth and other market shifts, the Secretary, in consultation with academic institutions, the Energy Information Administration, and others in order to maximize the application of existing competencies related to developing and maintaining computer-models and similar analytical tools, shall conduct and publish the results of an annual report that includes—

(1) as part of the annually published Mineral Commodity Summaries from the United States Geological Survey, a comprehensive review of critical mineral production, consumption, and recycling patterns, including—

(A) the quantity of each critical mineral domestically produced during the preceding year;

(B) the quantity of each critical mineral domestically consumed during the preceding year;

(C) market price data for each critical mineral;

(D) an assessment of—

(i) critical mineral requirements to meet the national security, energy, economic, industrial, technological, and other needs of the United States during the preceding year;

(ii) the reliance of the United States on foreign sources to meet those needs during the preceding year; and

(iii) the implications of any supply shortages, restrictions, or disruptions during the preceding year;

(E) the quantity of each critical mineral domestically recycled during the preceding year;

(F) the market penetration during the preceding year of alternatives to each critical mineral;

(G) a discussion of applicable international trends associated with the discovery, production, consumption, use, costs of production, prices, and recycling of each critical mineral as well as the development of alternatives to critical minerals; and

(H) such other data, analyses, and evaluations as the Secretary finds are necessary to achieve the purposes of this section; and

(2) a comprehensive forecast, entitled the “Annual Critical Minerals Outlook”, of projected critical mineral production, consumption, and recycling patterns, including—

(A) the quantity of each critical mineral projected to be domestically produced over the subsequent 1-year, 5-year, and 10-year periods;

(B) the quantity of each critical mineral projected to be domestically consumed over the subsequent 1-year, 5-year, and 10-year periods;

(C) market price projections for each critical mineral, to the maximum extent prac-

ticable and based on the best available information;

(D) an assessment of—

(i) critical mineral requirements to meet projected national security, energy, economic, industrial, technological, and other needs of the United States;

(ii) the projected reliance of the United States on foreign sources to meet those needs; and

(iii) the projected implications of potential supply shortages, restrictions, or disruptions;

(E) the quantity of each critical mineral projected to be domestically recycled over the subsequent 1-year, 5-year, and 10-year periods;

(F) the market penetration of alternatives to each critical mineral projected to take place over the subsequent 1-year, 5-year, and 10-year periods;

(G) a discussion of reasonably foreseeable international trends associated with the discovery, production, consumption, use, costs of production, prices, and recycling of each critical mineral as well as the development of alternatives to critical minerals; and

(H) such other projections relating to each critical mineral as the Secretary determines to be necessary to achieve the purposes of this section.

(b) PROPRIETARY INFORMATION.—In preparing a report described in subsection (a), the Secretary shall ensure that—

(1) no person uses the information and data collected for the report for a purpose other than the development of or reporting of aggregate data in a manner such that the identity of the person who supplied the information is not discernible and is not material to the intended uses of the information;

(2) no person discloses any information or data collected for the report unless the information or data has been transformed into a statistical or aggregate form that does not allow the identification of the person who supplied particular information; and

(3) procedures are established to require the withholding of any information or data collected for the report if the Secretary determines that withholding is necessary to protect proprietary information, including any trade secrets or other confidential information.

#### SEC. 2808. EDUCATION AND WORKFORCE.

(a) WORKFORCE ASSESSMENT.—Not later than 300 days after the date of enactment of this Act, the Secretary of Labor (in consultation with the Secretary of the Interior, the Director of the National Science Foundation, and employers in the critical minerals sector) shall submit to Congress an assessment of the domestic availability of technically trained personnel necessary for critical mineral assessment, production, manufacturing, recycling, analysis, forecasting, education, and research, including an analysis of—

(1) skills that are in the shortest supply as of the date of the assessment;

(2) skills that are projected to be in short supply in the future;

(3) the demographics of the critical minerals industry and how the demographics will evolve under the influence of factors such as an aging workforce;

(4) the effectiveness of training and education programs in addressing skills shortages;

(5) opportunities to hire locally for new and existing critical mineral activities;

(6) the sufficiency of personnel within relevant areas of the Federal Government for achieving the policy described in section 2803(a); and

(7) the potential need for new training programs to have a measurable effect on the

supply of trained workers in the critical minerals industry.

(b) CURRICULUM STUDY.—

(1) IN GENERAL.—The Secretary and the Secretary of Labor shall jointly enter into an arrangement with the National Academy of Sciences and the National Academy of Engineering under which the Academies shall coordinate with the National Science Foundation on conducting a study—

(A) to design an interdisciplinary program on critical minerals that will support the critical mineral supply chain and improve the ability of the United States to increase domestic, critical mineral exploration, development, and manufacturing;

(B) to address undergraduate and graduate education, especially to assist in the development of graduate level programs of research and instruction that lead to advanced degrees with an emphasis on the critical mineral supply chain or other positions that will increase domestic, critical mineral exploration, development, and manufacturing;

(C) to develop guidelines for proposals from institutions of higher education with substantial capabilities in the required disciplines to improve the critical mineral supply chain and advance the capacity of the United States to increase domestic, critical mineral exploration, development, and manufacturing; and

(D) to outline criteria for evaluating performance and recommendations for the amount of funding that will be necessary to establish and carry out the grant program described in subsection (c).

(2) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a description of the results of the study required under paragraph (1).

(c) GRANT PROGRAM.—

(1) ESTABLISHMENT.—The Secretary and the National Science Foundation shall jointly conduct a competitive grant program under which institutions of higher education may apply for and receive 4-year grants for—

(A) startup costs for newly designated faculty positions in integrated critical mineral education, research, innovation, training, and workforce development programs consistent with subsection (b);

(B) internships, scholarships, and fellowships for students enrolled in critical mineral programs; and

(C) equipment necessary for integrated critical mineral innovation, training, and workforce development programs.

(2) RENEWAL.—A grant under this subsection shall be renewable for up to 2 additional 3-year terms based on performance criteria outlined under subsection (b)(1)(D).

#### SEC. 2809. INTERNATIONAL COOPERATION.

(a) ESTABLISHMENT.—The Secretary of State, in coordination with the Secretary, shall carry out a program to promote international cooperation on critical mineral supply chain issues with allies of the United States.

(b) ACTIVITIES.—Under the program, the Secretary of State may work with allies of the United States—

(1) to increase the global, responsible production of critical minerals, if a determination is made by the Secretary of State that there is no viable production capacity for the critical minerals within the United States;

(2) to improve the efficiency and environmental performance of extraction techniques;

(3) to increase the recycling of, and deployment of alternatives to, critical minerals;

(4) to assist in the development and transfer of critical mineral extraction, processing, and manufacturing technologies that would have a beneficial impact on world commodity markets and the environment;

(5) to strengthen and maintain intellectual property protections; and

(6) to facilitate the collection of information necessary for analyses and forecasts conducted pursuant to section 2807.

**SEC. 2810. REPEAL, AUTHORIZATION, AND OFFSET.**

(a) REPEAL.—

(1) IN GENERAL.—The National Critical Materials Act of 1984 (30 U.S.C. 1801 et seq.) is repealed.

(2) CONFORMING AMENDMENT.—Section 3(d) of the National Superconductivity and Competitiveness Act of 1988 (15 U.S.C. 5202(d)) is amended in the first sentence by striking “, with the assistance of the National Critical Materials Council as specified in the National Critical Materials Act of 1984 (30 U.S.C. 1801 et seq.),”.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this title and the amendments made by this title \$30,000,000.

(c) AUTHORIZATION OFFSET.—Section 207(c) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17022(c)) is amended by inserting before the period at the end the following: “, except that the amount authorized to be appropriated to carry out this section not appropriated as of the date of enactment of the Domestic Energy and Jobs Act shall be reduced by \$30,000,000”.

**TITLE IX—MISCELLANEOUS**

**SEC. 2901. LIMITATION ON TRANSFER OF FUNCTIONS UNDER THE SOLID MINERALS LEASING PROGRAM.**

The Secretary of the Interior may not transfer to the Office of Surface Mining Reclamation and Enforcement any responsibility or authority to perform any function performed on the day before the date of enactment of this Act under the solid minerals leasing program of the Department of the Interior, including—

(1) any function under—

(A) sections 2318 through 2352 of the Revised Statutes (commonly known as the “Mining Law of 1872”) (30 U.S.C. 21 et seq.);

(B) the Act of July 31, 1947 (commonly known as the “Materials Act of 1947”) (30 U.S.C. 601 et seq.);

(C) the Mineral Leasing Act (30 U.S.C. 181 et seq.); or

(D) the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.);

(2) any function relating to management of mineral development on Federal land and acquired land under section 302 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732); and

(3) any function performed under the mining law administration program of the Bureau of Land Management.

**SEC. 2902. AMOUNT OF DISTRIBUTED QUALIFIED OUTER CONTINENTAL SHELF REVENUES.**

Section 105(f)(1) of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109-432) is amended by striking “2055” and inserting “2025, and shall not exceed \$750,000,000 for each of fiscal years 2026 through 2055”.

**SEC. 2903. LEASE SALE 220 AND OTHER LEASE SALES OFF THE COAST OF VIRGINIA.**

(a) INCLUSION IN LEASING PROGRAMS.—The Secretary of the Interior shall—

(1) as soon as practicable after, but not later than 10 days after, the date of enactment of this Act, revise the proposed outer Continental Shelf oil and gas leasing program for the 2012–2017 period to include in the program Lease Sale 220 off the coast of Virginia; and

(2) include the outer Continental Shelf off the coast of Virginia in the leasing program for each 5-year period after the 2012–2017 period.

(b) CONDUCT OF LEASE SALE.—As soon as practicable, but not later than 1 year, after the date of enactment of this Act, the Secretary of the Interior shall carry out under section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) Lease Sale 220.

(c) BALANCING MILITARY AND ENERGY PRODUCTION GOALS.—

(1) JOINT GOALS.—In recognition that the outer Continental Shelf oil and gas leasing program and the domestic energy resources produced under that program are integral to national security, the Secretary of the Interior and the Secretary of Defense shall work jointly in implementing this section—

(A) to preserve the ability of the Armed Forces to maintain an optimum state of readiness through their continued use of energy resources of the outer Continental Shelf; and

(B) to allow effective exploration, development, and production of the oil, gas, and renewable energy resources of the United States.

(2) PROHIBITION ON CONFLICTS WITH MILITARY OPERATIONS.—No person may engage in any exploration, development, or production of oil or natural gas off the coast of Virginia that would conflict with any military operation, as determined in accordance with—

(A) the agreement entitled “Memorandum of Agreement between the Department of Defense and the Department of the Interior on Mutual Concerns on the Outer Continental Shelf” signed July 20, 1983; and

(B) any revision to, or replacement of, the agreement described in subparagraph (A) that is agreed to by the Secretary of Defense and the Secretary of the Interior after July 20, 1983, but before the date of issuance of the lease under which the exploration, development, or production is conducted.

(3) NATIONAL DEFENSE AREAS.—The United States reserves the right to designate by and through the Secretary of Defense, with the approval of the President, national defense areas on the outer Continental Shelf under section 12(d) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(d)).

**SEC. 2904. LIMITATION ON AUTHORITY TO ISSUE REGULATIONS MODIFYING THE STREAM ZONE BUFFER RULE.**

The Secretary of the Interior may not, before December 31, 2013, issue a regulation modifying the final rule entitled “Excess Spoil, Coal Mine Waste, and Buffers for Perennial and Intermittent Streams” (73 Fed. Reg. 75814 (December 12, 2008)).

**SA 2895.** Mr. THUNE submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

**SEC. \_\_\_\_ . CONGRESSIONAL APPROVAL OF EPA REGULATIONS WITH HIGH COMPLIANCE COSTS.**

Notwithstanding any other provision of law, if the cost of compliance with a regulation of the Administrator of the Environmental Protection Agency exceeds \$50,000,000 per year, the regulation shall not take effect unless Congress enacts a law that approves the regulation.

**SA 2896.** Mr. THUNE submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the

Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . STUDY OF REGULATIONS THAT LIMIT GREENHOUSE GAS EMISSIONS FROM NEW AND EXISTING POWER PLANTS.**

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study on the effect that regulations limiting greenhouse gas emissions from new and existing power plants would have on jobs and energy prices.

(b) DETERMINATION.—If, based on the study conducted under subsection (a), the Secretary of Energy determines that the regulations described in that subsection would directly or indirectly destroy jobs or raise energy prices, the Administrator of the Environmental Protection Agency shall not finalize the regulations.

**SA 2897.** Mr. THUNE submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

On page 2 of the amendment, strike line 1 and all that follows through page 3, line 2, and insert the following:

**SEC. 2. EXTENSION OF EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM.**

(a) EXTENSION.—Section 4007(a)(2) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by striking “January 1, 2014” and inserting “September 1, 2014”.

(b) FUNDING.—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (I), by striking “and” at the end;

(2) in subparagraph (J), by inserting “and” at the end; and

(3) by inserting after subparagraph (J) the following:

“(K) the amendment made by section 2(a) of the Emergency Unemployment Compensation Extension Act of 2014;”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

**SA 2898.** Mr. THUNE submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ PERMISSIBLE USES OF UNEMPLOYMENT FUND MONIES FOR PROGRAM INTEGRITY PURPOSES.**

(a) WITHDRAWAL STANDARD IN THE INTERNAL REVENUE CODE.—Section 3304(a)(4) of the Internal Revenue Code of 1986 is amended—

(1) in subparagraph (F), by striking “and” at the end; and

(2) by inserting after subparagraph (G) the following new subparagraphs:

“(H) of those payments of benefits from a State’s unemployment fund that are determined to have been made in error and are subsequently recovered by the State, the State may, immediately following receipt of such recovered amount, deposit a percent of such recovered amount, as specified in State law (but not to exceed 5 percent), in a fund from which moneys may be withdrawn for—

“(i) the payment of costs of deterring, detecting, and collecting erroneous payments to individuals;

“(ii) purposes relating to the misclassification of employees as independent contractors, implementation of provisions of State law implementing section 303(k) of the Social Security Act, or other provisions of State law relating to employer fraud or evasion of contributions; or

“(iii) payment to the Secretary of the Treasury to the credit of the State’s account in the Unemployment Trust Fund; and

“(I) of those payments of contributions (or payments in lieu of contributions) that are collected as a result of an investigation and assessment by the State agency, the State may, immediately following receipt of such payments, deposit a percentage of such payments, as specified in State law (but not to exceed 5 percent), in a fund (which may be the same fund described in subparagraph (H)) from which moneys may be withdrawn for the purposes described in clauses (i) through (iii) of subparagraph (H);”.

(b) DEFINITION OF UNEMPLOYMENT FUND.—Section 3306(f) of the Internal Revenue Code of 1986 is amended by striking all that follows “(exclusive of expenses of administration)” and inserting “, except as otherwise provided in section 3304(a)(4) of the Social Security Act or any other provision of Federal law.”.

(c) WITHDRAWAL STANDARD IN SOCIAL SECURITY ACT.—Section 303(a)(5) of the Social Security Act (42 U.S.C. 503(a)(5)) is amended by striking all that follows “payment of unemployment compensation, exclusive of expenses of administration,” and inserting “except as otherwise provided in this section, section 3304(a)(4) of the Internal Revenue Code of 1986, or any other provision of Federal law; and”.

(d) IMMEDIATE DEPOSIT REQUIREMENTS.—

(1) INTERNAL REVENUE CODE REQUIREMENT.—Paragraph (3) of section 3304(a) of the Internal Revenue Code of 1986 is amended to read as follows:

“(3) all money received in the unemployment fund of the State shall immediately upon such receipt be paid over to the Secretary of the Treasury to the credit of the Unemployment Trust Fund established by section 904 of the Social Security Act (42 U.S.C. 1104), except for—

“(A) refunds of sums erroneously paid into the unemployment fund of the State;

“(B) refunds paid in accordance with the provisions of section 3305(b); and

“(C) amounts deposited in a State fund pursuant to subparagraph (H) or (I) of paragraph (4);”.

(2) SOCIAL SECURITY ACT REQUIREMENT.—Section 303(a)(4) of the Social Security Act (42 U.S.C. 503(a)(4)) is amended by striking “(except for refunds)” and all that follows through “Federal Unemployment Tax Act” and inserting “(except as otherwise provided

in this section, section 3304(a)(3) of the Internal Revenue Code of 1986, or any other provision of Federal law)”.

(e) APPLICATION TO FEDERAL PAYMENTS.—

(1) IN GENERAL.—As a condition for administering any unemployment compensation program of the United States (as defined in paragraph (2)) as an agent of the United States, a State shall, with respect to erroneous payments made under such programs by the State, use the authority provided under subparagraph (H) of section 3304(a)(4) of the Internal Revenue Code of 1986, as added by subsection (a), in the same manner as such authority is used with respect to erroneous payments made under the State unemployment compensation law. With respect to erroneous Federal payments recovered consistent with the authority under such subparagraph (H), the State shall immediately deposit the same percentage of the recovered payments into the same State fund as provided in the State law implementing such section 3304(a)(4).

(2) DEFINITION.—For purposes of this subsection, the term “unemployment compensation program of the United States” means—

(A) unemployment compensation for Federal civilian employees under subchapter I of chapter 85 of title 5, United States Code;

(B) unemployment compensation for servicemembers under subchapter II of chapter 85 of title 5, United States Code;

(C) trade readjustment allowances under sections 231 through 234 of the Trade Act of 1974 (19 U.S.C. 2291-2294);

(D) disaster unemployment assistance under section 410(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5177(a));

(E) any Federal temporary extension of unemployment compensation;

(F) any Federal program which increases the weekly amount of unemployment compensation payable to individuals; and

(G) any other Federal program providing for the payment of unemployment compensation.

**SEC. \_\_\_\_ DELAY IN APPLICATION OF INDIVIDUAL HEALTH INSURANCE MANDATE.**

(a) IN GENERAL.—Section 5000A(a) of the Internal Revenue Code of 1986 is amended by striking “2013” and inserting “2014”.

(b) CONFORMING AMENDMENTS.—

(1) Section 5000A(c)(2)(B) of the Internal Revenue Code of 1986 is amended—

(A) by striking “2014” in clause (i) and inserting “2015”, and

(B) by striking “2015” in clauses (ii) and (iii) and inserting “2016”.

(2) Section 5000A(c)(3)(B) of such Code is amended—

(A) by striking “2014” and inserting “2015”, and

(B) by striking “2015.” (prior to amendment by subparagraph (A)) and inserting “2016.”.

(3) Section 5000A(c)(3)(D) of such Code is amended—

(A) by striking “2016” and inserting “2017”, and

(B) by striking “2015” and inserting “2016”.

(4) Section 5000A(e)(1)(D) of such Code is amended—

(A) by striking “2014” and inserting “2015”, and

(B) by striking “2013” and inserting “2014”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 1501 of the Patient Protection and Affordable Care Act.

**SA 2899.** Mr. THUNE submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure

that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ LONG-TERM UNEMPLOYED INDIVIDUALS NOT TAKEN INTO ACCOUNT FOR EMPLOYER HEALTH CARE COVERAGE MANDATE.**

(a) IN GENERAL.—Paragraph (4) of section 4980H(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(C) EXCEPTION FOR LONG-TERM UNEMPLOYED INDIVIDUALS.—

“(i) IN GENERAL.—The term ‘full-time employee’ shall not include any individual who is a long-term unemployed individual with respect to such employer.

“(ii) LONG-TERM UNEMPLOYED INDIVIDUAL.—For purposes of this subparagraph, the term ‘long-term unemployed individual’ means, with respect to any employer, an individual who—

“(I) begins employment with such employer after the date of the enactment of this subparagraph, and

“(II) has been unemployed for 27 weeks or longer, as determined by the Secretary of Labor, immediately before the date such employment begins.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months beginning after December 31, 2013.

**SA 2900.** Mr. COATS (for himself, Ms. AYOTTE, Mr. TOOMEY, and Mr. CORKER) submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

On page 9 of the amendment, strike line 21 and all that follows through page 10, line 20, and insert the following:

**SEC. 8. REQUIREMENT THAT INDIVIDUALS RECEIVING EMERGENCY UNEMPLOYMENT COMPENSATION BE ACTIVELY ENGAGED IN A SYSTEMATIC AND SUSTAINED EFFORT TO OBTAIN SUITABLE WORK.**

(a) IN GENERAL.—Subsection (h) of section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended to read as follows:

“(h) ACTIVELY SEEKING WORK.—

“(1) IN GENERAL.—For purposes of subsection (b)(4), payment of emergency unemployment compensation shall not be made to any individual for any week of unemployment—

“(A) during which the individual fails to accept any offer of suitable work (as defined in paragraph (3)) or fails to apply for any suitable work to which the individual was referred by the State agency; or

“(B) during which the individual fails to actively engage in seeking work, unless such individual is not actively engaged in seeking work because such individual is, as determined in accordance with State law—

“(i) before any court of the United States or any State pursuant to a lawfully issued



summons to appear for jury duty (as such term may be defined by the Secretary); or

“(ii) hospitalized for treatment of an emergency or a life-threatening condition (as such term may be defined by the Secretary), if such exemptions in clauses (i) and (ii) apply to recipients of regular benefits, and the State chooses to apply such exemptions for recipients of emergency unemployment benefits.

“(2) PERIOD OF INELIGIBILITY.—If any individual is ineligible for emergency unemployment compensation for any week by reason of a failure described in subparagraph (A) or (B) of paragraph (1), the individual shall be ineligible to receive emergency unemployment compensation for any week which begins during a period which—

“(A) begins with the week following the week in which such failure occurs; and

“(B) does not end until such individual has been employed during at least 4 weeks which begin after such failure and the total of the remuneration earned by the individual for being so employed is not less than the product of 4 multiplied by the individual’s average weekly benefit amount for the individual’s benefit year.

“(3) SUITABLE WORK.—For purposes of this subsection, the term ‘suitable work’ means, with respect to any individual, any work which is within such individual’s capabilities, except that, if the individual furnishes evidence satisfactory to the State agency that such individual’s prospects for obtaining work in his customary occupation within a reasonably short period are good, the determination of whether any work is suitable work with respect to such individual shall be made in accordance with the applicable State law.

“(4) EXCEPTION.—Extended compensation shall not be denied under subparagraph (A) of paragraph (1) to any individual for any week by reason of a failure to accept an offer of, or apply for, suitable work—

“(A) if the gross average weekly remuneration payable to such individual for the position does not exceed the sum of—

“(i) the individual’s average weekly benefit amount for his benefit year, plus

“(ii) the amount (if any) of supplemental unemployment compensation benefits (as defined in section 501(c)(17)(D) of the Internal Revenue Code of 1986) payable to such individual for such week;

“(B) if the position was not offered to such individual in writing and was not listed with the State employment service;

“(C) if such failure would not result in a denial of compensation under the provisions of the applicable State law to the extent that such provisions are not inconsistent with the provisions of paragraphs (3) and (5); or

“(D) if the position pays wages less than the higher of—

“(i) the minimum wage provided by section 6(a)(1) of the Fair Labor Standards Act of 1938, without regard to any exemption; or

“(ii) any applicable State or local minimum wage.

“(5) ACTIVELY ENGAGED IN SEEKING WORK.—For purposes of this subsection, an individual shall be treated as actively engaged in seeking work during any week if—

“(A) the individual has engaged in a systematic and sustained effort to obtain work during such week, and

“(B) the individual provides tangible evidence to the State agency that he has engaged in such an effort during such week.

“(6) REFERRAL.—The State agency shall provide for referring applicants for emergency unemployment benefits to any suitable work to which paragraph (4) would not apply.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SA 2901.** Mr. INHOFE (for himself, Mr. MCCONNELL, Mr. CORNYN, Mr. THUNE, Mr. BARRASSO, Mr. BLUNT, Mr. VITTER, Mr. CRAPO, Mr. CHAMBLISS, Mr. COATS, Mr. COBURN, Mr. CRUZ, Mr. FLAKE, Mr. ISAKSON, Mr. JOHNSON of Wisconsin, Mr. MORAN, Mr. RISCH, Mr. SCOTT, Mr. SHELBY, Mr. ENZI, Mr. COCHRAN, Mr. LEE, Mr. JOHANNES, Mr. ROBERTS, Mr. WICKER, Mr. BOOZMAN, Mr. BURR, Mr. GRAHAM, and Mr. HOEVEN) submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

**SEC. \_\_\_\_ . ANALYSIS OF EMPLOYMENT EFFECTS UNDER THE CLEAN AIR ACT.**

(a) FINDINGS.—Congress finds that—

(1) the Environmental Protection Agency has systematically distorted the true impact of regulations promulgated by the Environmental Protection Agency under the Clean Air Act (42 U.S.C. 7401 et seq.) on job creation by using incomplete analyses to assess effects on employment, primarily as a result of the Environmental Protection Agency failing to take into account the cascading effects of a regulatory change across interconnected industries and markets nationwide;

(2) despite the Environmental Protection Agency finding that the impact of certain air pollution regulations will result in net job creation, implementation of the air pollution regulations will actually require billions of dollars in compliance costs, resulting in reduced business profits and millions of actual job losses;

(3)(A) the analysis of the Environmental Protection Agency of the final rule of the Agency entitled ‘National Emission Standards for Hazardous Air Pollutants From Coal- and Oil-Fired Electric Utility Steam Generating Units and Standards of Performance for Fossil-Fuel-Fired Electric Utility, Industrial-Commercial-Institutional, and Small Industrial-Commercial-Institutional Steam Generating Units’ (77 Fed. Reg. 9304 (Feb. 16, 2012)) estimated that implementation of the final rule would result in the creation of 46,000 temporary construction jobs and 8,000 net new permanent jobs; but

(B) a private study conducted by NERA Economic Consulting, using a ‘whole economy’ model, estimated that implementation of the final rule described in subparagraph (A) would result in a negative impact on the income of workers in an amount equivalent to 180,000 to 215,000 lost jobs in 2015 and 50,000 to 85,000 lost jobs each year thereafter;

(4)(A) the analysis of the Environmental Protection Agency of the final rule of the Agency entitled ‘Federal Implementation Plans: Interstate Transport of Fine Particulate Matter and Ozone and Correction of SIP Approvals’ (76 Fed. Reg. 48208 (Aug. 8, 2011)) estimated that implementation of the final

rule would result in the creation of 700 jobs per year; but

(B) a private study conducted by NERA Economic Consulting estimated that implementation of the final rule described in subparagraph (A) would result in the elimination of a total of 34,000 jobs during the period beginning in calendar year 2013 and ending in calendar year 2037;

(5)(A) the analysis of the Environmental Protection Agency of the final rules of the Agency entitled ‘National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters’ (76 Fed. Reg. 15608 (March 21, 2011)) and ‘National Emission Standards for Hazardous Air Pollutants for Area Sources: Industrial, Commercial, and Institutional Boilers’ (76 Fed. Reg. 15554 (March 21, 2011)) estimated that implementation of the final rules would result in the creation of 2,200 jobs per year; but

(B) a private study conducted by NERA Economic Consulting estimated that implementation of the final rules described in subparagraph (A) would result in the elimination of 28,000 jobs per year during the period beginning in calendar year 2013 and ending in calendar year 2037;

(6) implementation of certain air pollution rules of the Environmental Protection Agency that have not been reviewed, updated, or finalized as of the date of enactment of this Act, such as regulations on greenhouse gas emissions and the update or review of national ambient air quality standards, are predicted to result in significant and negative employment impacts, but the Agency has not yet fully studied or disclosed the full impacts of existing Agency regulations;

(7) in reviewing, developing, or updating any regulations promulgated under the Clean Air Act (42 U.S.C. 7401 et seq.) after the date of enactment of this Act, the Environmental Protection Agency must be required to accurately disclose the adverse impact the existing regulations of the Agency will have on jobs and employment levels across the economy in the United States and disclose those impacts to the American people before issuing a final rule; and

(8) although since 1977, section 321(a) of the Clean Air Act (42 U.S.C. 7621(a)) has required the Administrator of the Environmental Protection Agency to ‘conduct continuing evaluations of potential loss or shifts of employment which may result from the administration or enforcement of the provision of [the Clean Air Act] and applicable implementation plans, including where appropriate, investigating threatened plant closures or reductions in employment allegedly resulting from such administration or enforcement’, the Environmental Protection Agency has failed to undertake that analysis or conduct a comprehensive study that considers the impact of programs carried out under the Clean Air Act (42 U.S.C. 7401 et seq.) on jobs and changes in employment.

(b) PROHIBITION.—The Administrator of the Environmental Protection Agency shall not propose or finalize any major rule (as defined in section 804 of title 5, United States Code) under the Clean Air Act (42 U.S.C. 7401 et seq.) until after the date on which the Administrator—

(1) completes an economy-wide analysis capturing the costs and cascading effects across industry sectors and markets in the United States of the implementation of major rules promulgated under the Clean Air Act (42 U.S.C. 7401 et seq.); and

(2) establishes a process to update that analysis not less frequently than semiannually, so as to provide for the continuing evaluation of potential loss or shifts in employment, pursuant to section 321(a) of the Clean

Air Act (42 U.S.C. 7621(a)), that may result from the implementation of major rules under the Clean Air Act (42 U.S.C. 7401 et seq.).

**SA 2902.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . WORK ACTIVITY REQUIREMENT.**

(a) IN GENERAL.—Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(1) in subsection (b)—

(A) in paragraph (3), by striking “and” at the end;

(B) in paragraph (4), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following new paragraph:

“(5) have satisfied the requirements under subsection (k) with respect to such week.”; and

(2) by adding at the end the following new subsection:

“(k) WORK ACTIVITIES AND GENERAL EDUCATIONAL DEVELOPMENT CLASSES.—

“(1) IN GENERAL.—Subject to paragraph (3), as a condition of continuing eligibility for emergency unemployment compensation for any week, an individual shall—

“(A) in the case of an individual who certifies that they are the primary care giver for a child that has not attained 1 year of age, be exempt from any requirements under this subsection;

“(B) in the case of an individual who certifies that they are the primary care giver for a child that has attained 1 year of age but not attained 6 years of age, complete not less than 20 hours of any activities described in paragraph (2)(A);

“(C) in the case of a head of household (as defined in section 2(b) of the Internal Revenue Code of 1986) who is not described in subparagraphs (A) or (B), complete not less than 30 hours of any activities described in paragraph (2)(A); or

“(D) in the case of any individual not described in subparagraphs (A), (B), or (C), complete not less than 40 hours of any activities described in paragraph (2)(A).

“(2) WORK ACTIVITIES.—

“(A) IN GENERAL.—The activities described in this paragraph shall consist of the following:

“(i) Actively seeking work (as described in subsection (h)(1)).

“(ii) Reemployment services and in-person reemployment and eligibility assessment activities (as described in subsection (i)(2)).

“(iii) Work activities described in section 407(d) of the Social Security Act, as administered by the State agency responsible for administration and supervision of the program referred to in section 402(a)(1) of such Act.

“(iv) In the case of an individual described in subparagraph (B), attending classes described in such subparagraph.

“(B) GENERAL EDUCATIONAL DEVELOPMENT.—In the case of an individual who has not attained 30 years of age and has not obtained a secondary school diploma or its recognized equivalent, such individual, as a condition of continuing eligibility for emergency unemployment compensation for any week, shall enroll in a program of study that

leads to the recognized equivalent of a secondary school diploma, and, subsequent to enrollment, shall attend classes connected to such program.

“(3) EXCEPTION.—The requirements under this subsection shall not apply to an individual if the State agency responsible for the administration of State unemployment compensation law determines that there is justifiable cause for failure to participate or to complete participating in the activities described in paragraph (2)(A), as determined in accordance with guidance to be issued by the Secretary.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to benefits for weeks beginning after the date of the enactment of this Act.

**SA 2903.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . STATE CERTIFICATION REGARDING RETROACTIVE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.**

(a) IN GENERAL.—Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new subsection:

“(k) CERTIFICATION REGARDING RETROACTIVE PAYMENTS.—An agreement under this section shall not apply (or shall cease to apply) with respect to a State if, not later than 30 days after the date of the enactment of the Emergency Unemployment Compensation Extension Act of 2014, the State fails to certify to the Secretary that retroactive payment of emergency unemployment compensation pursuant to such Act will not result in increased levels of fraud or overpayment with respect to such State.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to benefits paid for weeks beginning after the date of the enactment of this Act.

**SA 2904.** Mr. HATCH submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

On page 2 of the amendment, strike line 20 and all that follows through page 3, line 2, and insert the following: “this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.”.

**SA 2905.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the

Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . PROTECT JOB CREATION.**

Sections 1513 and 1514 and subsections (e), (f), and (g) of section 10106 of the Patient Protection and Affordable Care Act (and the amendments made by such sections and subsections) are repealed and the Internal Revenue Code of 1986 shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 2906.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . REPEAL OF MEDICAL DEVICE EXCISE TAX.**

(a) IN GENERAL.—Chapter 32 of the Internal Revenue Code of 1986 is amended by striking subchapter E.

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 4221 of such Code is amended by striking the last sentence.

(2) Paragraph (2) of section 6416(b) of such Code is amended by striking the last sentence.

(c) CLERICAL AMENDMENT.—The table of subchapter for chapter 32 of such Code is amended by striking the item related to subchapter E.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after December 31, 2012.

**SA 2907.** Mr. BLUNT (for himself, Mr. MCCONNELL, and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . EMPLOYEES WITH HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION MAY BE EXEMPTED FROM EMPLOYER MANDATE UNDER PATIENT PROTECTION AND AFFORDABLE CARE ACT.**

(a) IN GENERAL.—Section 4980H(c)(2) of the Internal Revenue Code is amended by adding at the end the following:

“(F) EXEMPTION FOR HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION.—Solely for purposes of determining whether an employer is an applicable large employer under this paragraph for any month, an employer may elect not to take into account for a month as an employee any individual who, for such month, has medical coverage under—

“(i) chapter 55 of title 10, United States Code, including coverage under the TRICARE program, or

“(ii) under a health care program under chapter 17 or 18 of title 38, United States Code, as determined by the Secretary of Veterans Affairs, in coordination with the Secretary of Health and Human Services and the Secretary.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to months beginning after December 31, 2013.

**SA 2908.** Mr. COBURN (for himself, Mr. FLAKE, Mr. KING, and Mr. MANCHIN) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ PROHIBITION ON PAYMENT OF BENEFITS BASED ON RECEIPT OF UNEMPLOYMENT COMPENSATION.**

(a) IN GENERAL.—Title II of the Social Security Act (42 U.S.C. 401 et seq.) is amended by inserting after section 224 the following new section:

“PROHIBITION ON PAYMENT OF BENEFITS BASED ON RECEIPT OF UNEMPLOYMENT COMPENSATION

“SEC. 224A. (a) If for any month prior to the month in which an individual attains retirement age (as defined in section 216(1)(1))—

“(1) such individual is entitled to benefits under section 223, and

“(2) such individual is entitled for such month to unemployment compensation,

the total of the individual’s benefits under section 223 for such month and of any benefits under subsections (b) through (h) of section 202 for such month based on the individual’s wages and self-employment income shall be reduced to zero.

“(b)(1) Notwithstanding any other provision of law, the head of any Federal agency shall provide such information within its possession as the Commissioner may require for purposes of making a timely determination under this section for reduction of benefits payable under this title, or verifying other information necessary in carrying out the provisions of this section.

“(2) The Commissioner is authorized to enter into agreements with States, political subdivisions, and other organizations that administer unemployment compensation, in order to obtain such information as the Commissioner may require to carry out the provisions of this section.

“(3) Any determination by the Commissioner pursuant to this section shall be subject to the requirements described in section 205(b)(1), including provision of reasonable notice and opportunity for a hearing.

“(c) For purposes of this section, the term ‘unemployment compensation’ has the meaning given that term in section 85(b) of the Internal Revenue Code of 1986.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to benefits payable for months beginning after 180 days after the date of enactment of this Act.

**SA 2909.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient

Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ PROHIBITING FEDERAL PAYMENTS TO STATES FOR UNEMPLOYMENT COMPENSATION ADMINISTRATION WITH RESPECT TO COSTS FOR OFFICE FURNISHINGS AND MURALS, PORTRAITS, AND OTHER ARTWORK.**

(a) IN GENERAL.—Section 302 of the Social Security Act (42 U.S.C. 501) is amended by adding at the end the following new subsection:

“(d) No portion of the cost of office furnishings or murals, portraits, or other artwork shall be treated as being a cost for the proper and efficient administration of the State unemployment compensation law.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to costs incurred on or after the date of the enactment of this Act.

**SA 2910.** Mr. MCCONNELL (for himself and Mr. PAUL) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ NATIONAL RIGHT TO WORK.**

(a) AMENDMENTS TO THE NATIONAL LABOR RELATIONS ACT.—

(1) RIGHTS OF EMPLOYEES.—Section 7 of the National Labor Relations Act (29 U.S.C. 157) is amended by striking “except to” and all that follows through “authorized in section 8(a)(3)”.

(2) UNFAIR LABOR PRACTICES.—Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended—

(A) in subsection (a)(3), by striking “‘Provided, That” and all that follows through “retaining membership”;

(B) in subsection (b)—

(i) in paragraph (2), by striking “or to discriminate” and all that follows through “retaining membership”; and

(ii) in paragraph (5), by striking “covered by an agreement authorized under subsection (a)(3) of this section”; and

(C) in subsection (f), by striking clause (2) and redesignating clauses (3) and (4) as clauses (2) and (3), respectively.

(b) AMENDMENT TO THE RAILWAY LABOR ACT.—Section 2 of the Railway Labor Act (45 U.S.C. 152) is amended by striking paragraph Eleven.

(c) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on the date of enactment of this Act.

**SA 2911.** Mr. MORAN (for himself and Mr. WARNER) submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ SUPPORTING NEW BUSINESSES.**

(a) SHORT TITLE.—This section may be cited as the “Startup Act 3.0”.

(b) FINDINGS.—Congress makes the following findings:

(1) Achieving economic recovery will require the formation and growth of new companies.

(2) Between 1980 and 2005, companies less than 5 years old accounted for nearly all net job creation in the United States.

(3) New firms in the United States create an average of 3,000,000 jobs per year.

(4) To get Americans back to work, entrepreneurs must be free to innovate, create new companies, and hire employees.

(c) CONDITIONAL PERMANENT RESIDENT STATUS FOR IMMIGRANTS WITH AN ADVANCED DEGREE IN A STEM FIELD.—

(1) IN GENERAL.—Chapter 2 of title II of the Immigration and Nationality Act (8 U.S.C. 1181 et seq.) is amended by inserting after section 216A the following:

**“SEC. 216B. CONDITIONAL PERMANENT RESIDENT STATUS FOR ALIENS WITH AN ADVANCED DEGREE IN A STEM FIELD.**

“(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary of Homeland Security may adjust the status of not more than 50,000 aliens who have earned a master’s degree or a doctorate degree at an institution of higher education in a STEM field to that of an alien conditionally admitted for permanent residence and authorize each alien granted such adjustment of status to remain in the United States—

“(1) for up to 1 year after the expiration of the alien’s student visa under section 101(a)(15)(F)(i) if the alien is diligently searching for an opportunity to become actively engaged in a STEM field; and

“(2) indefinitely if the alien remains actively engaged in a STEM field.

“(b) APPLICATION FOR CONDITIONAL PERMANENT RESIDENT STATUS.—Every alien applying for a conditional permanent resident status under this section shall submit an application to the Secretary of Homeland Security before the expiration of the alien’s student visa in such form and manner as the Secretary shall prescribe by regulation.

“(c) INELIGIBILITY FOR FEDERAL GOVERNMENT ASSISTANCE.—An alien granted conditional permanent resident status under this section shall not be eligible, while in such status, for—

“(1) any unemployment compensation (as defined in section 85(b) of the Internal Revenue Code of 1986); or

“(2) any Federal means-tested public benefit (as that term is used in section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613)).

“(d) EFFECT ON NATURALIZATION RESIDENCY REQUIREMENT.—An alien granted conditional permanent resident status under this section shall be deemed to have been lawfully admitted for permanent residence for purposes of meeting the 5-year residency requirement set forth in section 316(a)(1).

“(e) REMOVAL OF CONDITION.—The Secretary of Homeland Security shall remove the conditional basis of an alien’s conditional permanent resident status under this section on the date that is 5 years after the date such status was granted if the alien maintained his or her eligibility for such status during the entire 5-year period.

“(f) DEFINITIONS.—In this section:

“(1) ACTIVELY ENGAGED IN A STEM FIELD.—The term ‘actively engaged in a STEM field’—

“(A) means—

“(i) gainfully employed in a for-profit business or nonprofit organization in the United States in a STEM field;

“(ii) teaching 1 or more STEM field courses at an institution of higher education; or

“(iii) employed by a Federal, State, or local government entity; and

“(B) includes any period of up to 6 months during which the alien does not meet the requirement under subparagraph (A) if such period was immediately preceded by a 1-year period during which the alien met the requirement under subparagraph (A).

“(2) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

“(3) STEM FIELD.—The term ‘STEM field’ means any field of study or occupation included on the most recent STEM-Designated Degree Program List published in the Federal Register by the Department of Homeland Security (as described in section 214.2(f)(1)(i)(C)(2) of title 8, Code of Federal Regulations).”.

(2) CLERICAL AMENDMENT.—The table of contents in the first section of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by inserting after the item relating to section 216A the following:

“Sec. 216B. Conditional permanent resident status for aliens with an advanced degree in a STEM field.”.

(d) GOVERNMENT ACCOUNTABILITY OFFICE STUDY.—

(1) IN GENERAL.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress on the alien college graduates granted immigrant status under section 216B of the Immigration and Nationality Act, as added by subsection (c).

(2) CONTENTS.—The report described in paragraph (1) shall include—

(A) the number of aliens described in paragraph (1) who have earned a master’s degree, broken down by the number of such degrees in science, technology, engineering, and mathematics;

(B) the number of aliens described in paragraph (1) who have earned a doctorate degree, broken down by the number of such degrees in science, technology, engineering, and mathematics;

(C) the number of aliens described in paragraph (1) who have founded a business in the United States in a STEM field;

(D) the number of aliens described in paragraph (1) who are employed in the United States in a STEM field, broken down by employment sector (for profit, nonprofit, or government); and

(E) the number of aliens described in paragraph (1) who are employed by an institution of higher education.

(3) DEFINITIONS.—In this subsection, the terms “institution of higher education” and “STEM field” have the meanings given such terms in section 216B(f) of the Immigration and Nationality Act, as added by subsection (c).

(e) IMMIGRANT ENTREPRENEURS.—

(1) QUALIFIED ALIEN ENTREPRENEURS.—

(A) ADMISSION AS IMMIGRANTS.—Chapter 1 of title II of the Immigration and Nationality Act (8 U.S.C. 1151 et seq.) is amended by adding at the end the following:

“SEC. 210A. QUALIFIED ALIEN ENTREPRENEURS.

“(a) ADMISSION AS IMMIGRANTS.—The Secretary of Homeland Security, in accordance with the provisions of this section and section 216A, may issue a conditional immigrant visa to not more than 75,000 qualified alien entrepreneurs.

“(b) APPLICATION FOR CONDITIONAL PERMANENT RESIDENT STATUS.—Every alien applying for a conditional immigrant visa under this section shall submit an application to the Secretary of Homeland Security in such form and manner as the Secretary shall prescribe by regulation.

“(c) REVOCATION.—If, during the 4-year period beginning on the date that an alien is granted a visa under this section, the Secretary of Homeland Security determines that such alien is no longer a qualified alien entrepreneur, the Secretary shall—

“(1) revoke such visa; and

“(2) notify the alien that the alien—

“(A) may voluntarily depart from the United States in accordance to section 240B; or

“(B) will be subject to removal proceedings under section 240 if the alien does not depart from the United States not later than 6 months after receiving such notification.

“(d) REMOVAL OF CONDITIONAL BASIS.—The Secretary of Homeland Security shall remove the conditional basis of the status of an alien issued an immigrant visa under this section on that date that is 4 years after the date on which such visa was issued if such visa was not revoked pursuant to subsection (c).

“(e) DEFINITIONS.—In this section:

“(1) FULL-TIME EMPLOYEE.—The term ‘full-time employee’ means a United States citizen or legal permanent resident who is paid by the new business entity registered by a qualified alien entrepreneur at a rate that is comparable to the median income of employees in the region.

“(2) QUALIFIED ALIEN ENTREPRENEUR.—The term ‘qualified alien entrepreneur’ means an alien who—

“(A) at the time the alien applies for an immigrant visa under this section—

“(i) is lawfully present in the United States; and

“(ii) holds a nonimmigrant visa pursuant to section 101(a)(15)(H)(i)(b); or

“(II) holds a nonimmigrant visa pursuant to section 101(a)(15)(F)(i);

“(B) during the 1-year period beginning on the date the alien is granted a visa under this section—

“(i) registers at least 1 new business entity in a State;

“(ii) employs, at such business entity in the United States, at least 2 full-time employees who are not relatives of the alien; and

“(iii) invests, or raises capital investment of, not less than \$100,000 in such business entity; and

“(C) during the 3-year period beginning on the last day of the 1-year period described in paragraph (2), employs, at such business entity in the United States, an average of at least 5 full-time employees who are not relatives of the alien.”.

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by adding after the item relating to section 210 the following:

“Sec. 210A. Qualified alien entrepreneurs.”.

(2) CONDITIONAL PERMANENT RESIDENT STATUS.—Section 216A of the Immigration and Nationality Act (8 U.S.C. 1186b) is amended—

(A) by striking “Attorney General” each place such term appears and inserting “Secretary of Homeland Security”;

(B) in subsection (b)(1)(C), by striking “203(b)(5),” and inserting “203(b)(5) or 210A, as appropriate.”;

(C) in subsection (c)(1), by striking “alien entrepreneur must” each place such term appears and inserting “alien entrepreneur shall”;

(D) in subsection (d)(1)(B), by striking the period at the end and inserting “or 210A, as appropriate.”; and

(E) in subsection (f)(1), by striking the period at the end and inserting “or 210A.”.

(f) GOVERNMENT ACCOUNTABILITY OFFICE STUDY.—

(1) IN GENERAL.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress on the qualified alien entrepreneurs granted immigrant status under section 210A of the Immigration and Nationality Act, as added by subsection (e)(1).

(2) CONTENTS.—The report described in paragraph (1) shall include information regarding—

(A) the number of qualified alien entrepreneurs who have received immigrant status under section 210A of the Immigration and Nationality Act, listed by country of origin;

(B) the localities in which such qualified alien entrepreneurs have initially settled;

(C) whether such qualified alien entrepreneurs generally remain in the localities in which they initially settle;

(D) the types of commercial enterprises that such qualified alien entrepreneurs have established; and

(E) the types and number of jobs created by such qualified alien entrepreneurs.

(g) ELIMINATION OF THE PER-COUNTRY NUMERICAL LIMITATION FOR EMPLOYMENT-BASED VISAS.—

(1) IN GENERAL.—Section 202(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1152(a)(2)) is amended—

(A) in the paragraph heading, by striking “AND EMPLOYMENT-BASED”;

(B) by striking “(3), (4), and (5),” and inserting “(3) and (4).”;

(C) by striking “subsections (a) and (b) of section 203” and inserting “section 203(a)”;

(D) by striking “7” and inserting “15”; and

(E) by striking “such subsections” and inserting “such section”.

(2) CONFORMING AMENDMENTS.—Section 202 of the Immigration and Nationality Act (8 U.S.C. 1152) is amended—

(A) in subsection (a)(3), by striking “both subsections (a) and (b) of section 203” and inserting “section 203(a)”;

(B) by striking subsection (a)(5); and

(C) by amending subsection (e) to read as follows:

“(e) SPECIAL RULES FOR COUNTRIES AT CEILING.—If it is determined that the total number of immigrant visas made available under section 203(a) to natives of any single foreign state or dependent area will exceed the numerical limitation specified in subsection (a)(2) in any fiscal year, in determining the allotment of immigrant visa numbers to natives under section 203(a), visa numbers with respect to natives of that state or area shall be allocated (to the extent practicable and otherwise consistent with this section and section 203) in a manner so that, except as provided in subsection (a)(4), the proportion of the visa numbers made available under each of paragraphs (1) through (4) of section 203(a) is equal to the ratio of the total number of visas made available under the respective paragraph to the total number of visas made available under section 203(a).”.

(3) COUNTRY-SPECIFIC OFFSET.—Section 2 of the Chinese Student Protection Act of 1992 (8 U.S.C. 1255 note) is amended—

(A) in subsection (a), by striking “subsection (e)” and inserting “subsection (d)”;

(B) by striking subsection (d) and redesignating subsection (e) as subsection (d).

(h) TRANSITION RULES FOR EMPLOYMENT-BASED IMMIGRANTS.—

(1) IN GENERAL.—Subject to the paragraphs (2) and (4) and notwithstanding title II of the Immigration and Nationality Act (8 U.S.C. 1151 et seq.), the following rules shall apply:

(A) For fiscal year 2014, 15 percent of the immigrant visas made available under each of paragraphs (2) and (3) of section 203(b) of such Act (8 U.S.C. 1153(b)) shall be allotted to immigrants who are natives of a foreign state or dependent area that was not one of the 2 states with the largest aggregate numbers of natives obtaining immigrant visas during fiscal year 2012 under such paragraphs.

(B) For fiscal year 2015, 10 percent of the immigrant visas made available under each of such paragraphs shall be allotted to immigrants who are natives of a foreign state or dependent area that was not one of the 2 states with the largest aggregate numbers of natives obtaining immigrant visas during fiscal year 2013 under such paragraphs.

(C) For fiscal year 2016, 10 percent of the immigrant visas made available under each of such paragraphs shall be allotted to immigrants who are natives of a foreign state or dependent area that was not one of the 2 states with the largest aggregate numbers of natives obtaining immigrant visas during fiscal year 2014 under such paragraphs.

(2) PER-COUNTRY LEVELS.—

(A) RESERVED VISAS.—With respect to the visas reserved under each of subparagraphs (A) through (C) of paragraph (1), the number of such visas made available to natives of any single foreign state or dependent area in the appropriate fiscal year may not exceed 25 percent (in the case of a single foreign state) or 2 percent (in the case of a dependent area) of the total number of such visas.

(B) UNRESERVED VISAS.—With respect to the immigrant visas made available under each of paragraphs (2) and (3) of section 203(b) of such Act (8 U.S.C. 1153(b)) and not reserved under paragraph (1), for each of fiscal years 2013, 2014, and 2015, not more than 85 percent shall be allotted to immigrants who are natives of any single foreign state.

(3) SPECIAL RULE TO PREVENT UNUSED VISAS.—If, with respect to fiscal year 2014, 2015, or 2016, the operation of paragraphs (1) and (2) would prevent the total number of immigrant visas made available under paragraph (2) or (3) of section 203(b) of such Act (8 U.S.C. 1153(b)) from being issued, such visas may be issued during the remainder of such fiscal year without regard to paragraphs (1) and (2).

(4) RULES FOR CHARGEABILITY.—Section 202(b) of the Immigration and Nationality Act (8 U.S.C. 1152(b)) shall apply in determining the foreign state to which an alien is chargeable for purposes of this subsection.

(I) CAPITAL GAINS TAX EXEMPTION FOR STARTUP COMPANIES.—

(1) PERMANENT FULL EXCLUSION.—

(A) IN GENERAL.—Subsection (a) of section 1202 of the Internal Revenue Code of 1986 is amended to read as follows:

“(a) EXCLUSION.—In the case of a taxpayer other than a corporation, gross income shall not include 100 percent of any gain from the sale or exchange of qualified small business stock held for more than 5 years.”.

(B) CONFORMING AMENDMENTS.—

(i) The heading for section 1202 of such Code is amended by striking “PARTIAL”.

(ii) The item relating to section 1202 in the table of sections for part I of subchapter P of chapter 1 of such Code is amended by striking “Partial exclusion” and inserting “Exclusion”.

(iii) Section 1223(13) of such Code is amended by striking “1202(a)(2)”.

(2) REPEAL OF MINIMUM TAX PREFERENCE.—

(A) IN GENERAL.—Subsection (a) of section 57 of the Internal Revenue Code of 1986 is amended by striking paragraph (7).

(B) TECHNICAL AMENDMENT.—Subclause (II) of section 53(d)(1)(B)(i) of such Code is amended by striking “, (5), and (7)” and inserting “and (5)”.

(3) REPEAL OF 28 PERCENT CAPITAL GAINS RATE ON QUALIFIED SMALL BUSINESS STOCK.—

(A) IN GENERAL.—Subparagraph (A) of section 1(h)(4) of the Internal Revenue Code of 1986 is amended to read as follows:

“(A) collectibles gain, over”.

(B) CONFORMING AMENDMENTS.—

(i) Section 1(h) of such Code is amended by striking paragraph (7).

(ii) Section 1(h) of such Code is amended by redesignating paragraphs (8), (9), (10), (11), (12), and (13) as paragraphs (7), (8), (9), (10), (11), and (12), respectively.

(II) Sections 163(d)(4)(B), 854(b)(5), 857(c)(2)(D) of such Code are each amended by striking “section 1(h)(11)(B)” and inserting “section 1(h)(10)(B)”.

(III) The following sections of such Code are each amended by striking “section 1(h)(11)” and inserting “section 1(h)(10)”:

(aa) Section 301(f)(4).

(bb) Section 306(a)(1)(D).

(cc) Section 584(c).

(dd) Section 702(a)(5).

(ee) Section 854(a).

(ff) Section 854(b)(2).

(IV) The heading of section 857(c)(2) is amended by striking “1(h)(11)” and inserting “1(h)(10)”.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to stock acquired after December 31, 2013.

(J) RESEARCH CREDIT FOR STARTUP COMPANIES.—

(1) IN GENERAL.—

(A) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(i) TREATMENT OF CREDIT TO QUALIFIED SMALL BUSINESSES.—

“(1) IN GENERAL.—At the election of a qualified small business, the payroll tax credit portion of the credit determined under subsection (a) shall be treated as a credit allowed under section 3111(f) (and not under this section).

“(2) PAYROLL TAX CREDIT PORTION.—For purposes of this subsection, the payroll tax credit portion of the credit determined under subsection (a) for any taxable year is so much of such credit as does not exceed \$250,000.

“(3) QUALIFIED SMALL BUSINESS.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified small business’ means, with respect to any taxable year—

“(i) a corporation, partnership, or S corporation if—

“(I) the gross receipts (as determined under subsection (c)(7)) of such entity for the taxable year is less than \$5,000,000, and

“(II) such entity did not have gross receipts (as so determined) for any period preceding the 5-taxable-year period ending with such taxable year, and

“(ii) any person not described in subparagraph (A) if clauses (i) and (ii) of subparagraph (A) applied to such person, determined—

“(I) by substituting ‘person’ for ‘entity’ each place it appears, and

“(II) in the case of an individual, by only taking into account the aggregate gross receipts received by such individual in carrying on trades or businesses of such individual.

“(B) LIMITATION.—Such term shall not include an organization which is exempt from taxation under section 501.

“(4) ELECTION.—

“(A) IN GENERAL.—In the case of a partnership or S corporation, an election under this subsection shall be made at the entity level.

“(B) REVOCATION.—An election under this subsection may not be revoked without the consent of the Secretary.

“(C) LIMITATION.—A taxpayer may not make an election under this subsection if such taxpayer has made an election under this subsection for 5 or more preceding taxable years.

“(5) AGGREGATION RULES.—For purposes of determining the \$250,000 limitation under paragraph (2) and determining gross receipts under paragraph (3), all members of the same controlled group of corporations (within the meaning of section 267(f) and all persons under common control (within the meaning of section 52(b) but determined by treating an interest of more than 50 percent as a controlling interest) shall be treated as 1 person.

“(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including—

“(A) regulations to prevent the avoidance of the purposes of paragraph (3) through the use of successor companies or other means,

“(B) regulations to minimize compliance and recordkeeping burdens under this subsection for start-up companies, and

“(C) regulations for recapturing the benefit of credits determined under section 3111(f) in cases where there is a subsequent adjustment to the payroll tax credit portion of the credit determined under subsection (a), including requiring amended returns in the cases where there is such an adjustment.”.

(B) CONFORMING AMENDMENT.—Section 280C(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(5) TREATMENT OF QUALIFIED SMALL BUSINESS CREDIT.—For purposes of determining the amount of any credit under section 41(a) under this subsection, any election under section 41(i) shall be disregarded.”.

(2) CREDIT ALLOWED AGAINST FICA TAXES.—

(A) IN GENERAL.—Section 3111 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) CREDIT FOR RESEARCH EXPENDITURES OF QUALIFIED SMALL BUSINESSES.—

“(1) IN GENERAL.—In the case of a qualified small business which has made an election under section 41(i), there shall be allowed as a credit against the tax imposed by subsection (a) on wages paid with respect to the employment of all employees of the qualified small business for days in an applicable calendar quarter an amount equal to the payroll tax credit portion of the research credit determined under section 41(a).

“(2) CARRYOVER OF UNUSED CREDIT.—In any case in which the payroll tax credit portion of the research credit determined under subsection (a) exceeds the tax imposed under subsection (a) for an applicable calendar quarter—

“(A) the succeeding calendar quarter shall be treated as an applicable calendar quarter, and

“(B) the amount of credit allowed under paragraph (1) shall be reduced by the amount of credit allowed under such paragraph for all preceding applicable calendar quarters.

“(3) ALLOCATION OF CREDIT FOR CONTROLLED GROUPS, ETC.—In determining the amount of the credit under this subsection—

“(A) all persons treated as a single taxpayer under section 41 shall be treated as a single taxpayer under this section, and

“(B) the credit (if any) allowable by this section to each such member shall be its proportionate share of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums, giving rise to the credit allowable under section 41.

“(4) DEFINITIONS.—For purposes of this subsection—

“(A) APPLICABLE CALENDAR QUARTER.—The term ‘applicable calendar quarter’ means—

“(i) the first calendar quarter following the date on which the qualified small business files a return under section 6012 for the taxable year for which the payroll tax credit portion of the research credit under section 41(a) is determined, and

“(ii) any succeeding calendar quarter treated as an applicable calendar quarter under paragraph (2)(A).

“For purposes of determining the date on which a return is filed, rules similar to the rules of section 6513 shall apply.

“(B) OTHER TERMS.—Any term used in this subsection which is also used in section 41 shall have the meaning given such term under section 41.”

(B) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND.—There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the reduction in revenues to the Treasury by reason of the amendments made by paragraph (1). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had such amendments not been enacted.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2012.

(k) ACCELERATED COMMERCIALIZATION OF TAXPAYER-FUNDED RESEARCH.—

(1) DEFINITIONS.—In this subsection:

(A) COUNCIL.—The term ‘‘Council’’ means the Advisory Council on Innovation and Entrepreneurship of the Department of Commerce established pursuant to section 25(c) of the Stevenson-Wylder Technology Innovation Act of 1980 (15 U.S.C. 3720(c)).

(B) EXTRAMURAL BUDGET.—The term ‘‘extramural budget’’ means the sum of the total obligations minus amounts obligated for such activities by employees of the agency in or through Government-owned, Government-operated facilities, except that for the Department of Energy it shall not include amounts obligated for atomic energy defense programs solely for weapons activities or for naval reactor programs, and except that for the Agency for International Development it shall not include amounts obligated solely for general institutional support of international research centers or for grants to foreign countries.

(C) INSTITUTION OF HIGHER EDUCATION.—The term ‘‘institution of higher education’’ has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(D) RESEARCH OR RESEARCH AND DEVELOPMENT.—The term ‘‘research’’ or ‘‘research and development’’ means any activity that is—

(i) a systematic, intensive study directed toward greater knowledge or understanding of the subject studied;

(ii) a systematic study directed specifically toward applying new knowledge to meet a recognized need; or

(iii) a systematic application of knowledge toward the production of useful materials, devices, and systems or methods, including design, development, and improvement of prototypes and new processes to meet specific requirements.

(E) SECRETARY.—The term ‘‘Secretary’’ means the Secretary of Commerce.

(2) GRANT PROGRAM AUTHORIZED.—

(A) IN GENERAL.—Each Federal agency that has an extramural budget for research or research and development that is in excess of

\$100,000,000 for each of fiscal years 2015 through 2019, shall transfer 0.15 percent of such extramural budget for each of such fiscal years to the Secretary to enable the Secretary to carry out a grant program in accordance with this paragraph.

(B) GRANTS.—

(1) AWARDING OF GRANTS.—

(I) IN GENERAL.—From funds transferred under subparagraph (A), the Secretary shall use the criteria developed by the Council to award grants to institutions of higher education, including consortia of institutions of higher education, for initiatives to improve commercialization and transfer of technology.

(II) REQUEST FOR PROPOSALS.—Not later than 30 days after the Council submits the recommendations for criteria to the Secretary under paragraph (3)(B)(i), and annually thereafter for each fiscal year for which the grant program is authorized, the Secretary shall release a request for proposals.

(III) APPLICATIONS.—Each institution of higher education that desires to receive a grant under this subsection shall submit an application to the Secretary not later than 90 days after the Secretary releases the request for proposals under subclause (II).

(IV) COUNCIL REVIEW.—

(aa) IN GENERAL.—The Secretary shall submit each application received under subclause (III) to the Council for Council review.

(bb) RECOMMENDATIONS.—The Council shall review each application received under item (aa) and submit recommendations for grant awards to the Secretary, including funding recommendations for each proposal.

(cc) PUBLIC RELEASE.—The Council shall publicly release any recommendations made under item (bb).

(dd) CONSIDERATION OF RECOMMENDATIONS.—In awarding grants under this subsection, the Secretary shall take into consideration the recommendations of the Council under item (bb).

(i) COMMERCIALIZATION CAPACITY BUILDING GRANTS.—

(I) IN GENERAL.—The Secretary shall award grants to support institutions of higher education pursuing specific innovative initiatives to improve an institution’s capacity to commercialize faculty research that can be widely adopted if the research yields measurable results.

(II) CONTENT OF PROPOSALS.—Grants shall be awarded under this clause to proposals demonstrating the capacity for accelerated commercialization, proof-of-concept proficiency, and translating scientific discoveries and cutting-edge inventions into technological innovations and new companies. In particular, grant funds shall seek to support innovative approaches to achieving these goals that can be replicated by other institutions of higher education if the innovative approaches are successful.

(iii) COMMERCIALIZATION ACCELERATOR GRANTS.—The Secretary shall award grants to support institutions of higher education pursuing initiatives that allow faculty to directly commercialize research in an effort to accelerate research breakthroughs. The Secretary shall prioritize those initiatives that have a management structure that encourages collaboration between other institutions of higher education or other entities with demonstrated proficiency in creating and growing new companies based on verifiable metrics.

(C) ASSESSMENT OF SUCCESS.—Grants awarded under this paragraph shall use criteria for assessing the success of programs through the establishment of benchmarks.

(D) TERMINATION.—The Secretary shall have the authority to terminate grant funding to an institution of higher education in

accordance with the process and performance metrics recommended by the Council.

(E) LIMITATIONS.—

(i) PROJECT MANAGEMENT COSTS.—A grant recipient may use not more than 10 percent of grant funds awarded under this paragraph for the purpose of funding project management costs of the grant program.

(ii) SUPPLEMENT, NOT SUPPLANT.—An institution of higher education that receives a grant under this paragraph shall use the grant funds to supplement, and not supplant, non-Federal funds that would, in the absence of such grant funds, be made available for activities described in this subsection.

(F) UNSPENT FUNDS.—Any funds transferred to the Secretary under subparagraph (A) for a fiscal year that are not expended by the end of such fiscal year may be expended in any subsequent fiscal year through fiscal year 2019. Any funds transferred under subparagraph (A) that are remaining at the end of the grant program’s authorization under this subsection shall be transferred to the Treasury for deficit reduction.

(3) COUNCIL.—

(A) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Council shall convene and develop recommendations for criteria in awarding grants to institutions of higher education under paragraph (2).

(B) SUBMISSION TO COMMERCE AND PUBLICLY RELEASED.—The Council shall—

(i) submit the recommendations described in subparagraph (A) to the Secretary; and

(ii) release the recommendations to the public.

(C) MAJORITY VOTE.—The recommendations submitted by the Council under subparagraph (A) shall be determined by a majority vote of Council members.

(D) PERFORMANCE METRICS.—The Council shall develop and provide to the Secretary recommendations on performance metrics to be used to evaluate grants awarded under paragraph (2).

(E) EVALUATION.—

(i) IN GENERAL.—Not later than 180 days before the date on which the grant program authorized under paragraph (2) expires, the Council shall conduct an evaluation of the effect that the grant program is having on accelerating the commercialization of faculty research.

(ii) INCLUSIONS.—The evaluation shall include—

(I) the recommendation of the Council as to whether the grant program should be continued or terminated;

(II) quantitative data related to the effect, if any, that the grant program has had on faculty research commercialization; and

(III) a description of lessons learned in administering the grant program, and how those lessons could be applied to future efforts to accelerate commercialization of faculty research.

(iii) AVAILABILITY.—Upon completion of the evaluation, the evaluation shall be made available on a public website and submitted to Congress. The Secretary shall notify all institutions of higher education when the evaluation is published and how it can be accessed.

(4) CONSTRUCTION.—Nothing in this subsection may be construed to alter, modify, or amend any provision of chapter 18 of title 35, United States Code (commonly known as the ‘‘Bayh-Dole Act’’).

(1) ECONOMIC IMPACT OF SIGNIFICANT FEDERAL AGENCY RULES.—Section 553 of title 5, United States Code, is amended by adding at the end the following:

“(f) REQUIRED REVIEW BEFORE ISSUANCE OF SIGNIFICANT RULES.—

“(1) IN GENERAL.—Before issuing a notice of proposed rulemaking in the Federal Register

regarding the issuance of a proposed significant rule, the head of the Federal agency or independent regulatory agency seeking to issue the rule shall complete a review, to the extent permitted by law, that—

“(A) analyzes the problem that the proposed rule intends to address, including—

“(i) the specific market failure, such as externalities, market power, or lack of information, that justifies such rule; or

“(ii) any other specific problem, such as the failures of public institutions, that justifies such rule;

“(B) analyzes the expected impact of the proposed rule on the ability of new businesses to form and expand;

“(C) identifies the expected impact of the proposed rule on State, local, and tribal governments, including the availability of resources—

“(i) to carry out the mandates imposed by the rule on such government entities; and

“(ii) to minimize the burdens that uniquely or significantly affect such governmental entities, consistent with achieving regulatory objectives;

“(D) identifies any conflicting or duplicative regulations;

“(E) determines—

“(i) if existing laws or regulations created, or contributed to, the problem that the new rule is intended to correct; and

“(ii) if the laws or regulations referred to in clause (i) should be modified to more effectively achieve the intended goal of the rule; and

“(F) includes the cost-benefit analysis described in paragraph (2).

“(2) COST-BENEFIT ANALYSIS.—A cost-benefit analysis described in this paragraph shall include—

“(A)(i) an assessment, including the underlying analysis, of benefits anticipated from the proposed rule, such as—

“(I) promoting the efficient functioning of the economy and private markets;

“(II) enhancing health and safety;

“(III) protecting the natural environment; and

“(IV) eliminating or reducing discrimination or bias; and

“(ii) the quantification of the benefits described in clause (i), to the extent feasible;

“(B)(i) an assessment, including the underlying analysis, of costs anticipated from the proposed rule, such as—

“(I) the direct costs to the Federal Government to administer the rule;

“(II) the direct costs to businesses and others to comply with the rule; and

“(III) any adverse effects on the efficient functioning of the economy, private markets (including productivity, employment, and competitiveness), health, safety, and the natural environment; and

“(ii) the quantification of the costs described in clause (i), to the extent feasible;

“(C)(i) an assessment, including the underlying analysis, of costs and benefits of potentially effective and reasonably feasible alternatives to the proposed rule, which have been identified by the agency or by the public, including taking reasonably viable non-regulatory actions; and

“(ii) an explanation of why the proposed rule is preferable to the alternatives identified under clause (i).

“(3) REPORT.—Before issuing a notice of proposed rulemaking in the Federal Register regarding the issuance of a proposed significant rule, the head of the Federal agency or independent regulatory agency seeking to issue the rule shall—

“(A) submit the results of the review conducted under paragraph (1) to the appropriate congressional committees; and

“(B) post the results of the review conducted under paragraph (1) on a publicly available website.

“(4) JUDICIAL REVIEW.—Any determinations made, or other actions taken, by an agency or independent regulatory agency under this subsection shall not be subject to judicial review.

“(5) DEFINED TERM.—In this subsection the term ‘significant rule’ means a rule that is likely to—

“(A) have an annual effect on the economy of \$100,000,000 or more;

“(B) adversely affect, in a material way, the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; or

“(C) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency.”

(m) BIENNIAL STATE STARTUP BUSINESS REPORT.—

(1) DATA COLLECTION.—The Secretary of Commerce shall regularly compile information from each of the 50 States and the District of Columbia on State laws that affect the formation and growth of new businesses within the State or District.

(2) REPORT.—Not later than 18 months after the date of the enactment of this Act, and every 2 years thereafter, the Secretary, using data compiled under paragraph (1), shall prepare a report that—

(A) analyzes the economic effect of State and District laws that either encourage or inhibit business formation and growth; and

(B) ranks the States and the District based on the effectiveness with which their laws foster new business creation and economic growth.

(3) DISTRIBUTION.—The Secretary shall—

(A) submit each report prepared under paragraph (1) to Congress; and

(B) make each report available to the public on the website of the Department of Commerce.

(4) INCLUSION OF LARGE METROPOLITAN AREAS.—Not later than 90 days after the submission of the first report under this subsection, the Secretary of Commerce shall submit a study to Congress on the feasibility and advisability of including, in future reports, information about the effect of local laws and ordinances on the formation and growth of new businesses in large metropolitan areas within the United States.

(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(n) NEW BUSINESS FORMATION REPORT.—

(1) IN GENERAL.—The Secretary of Commerce shall regularly compile quantitative and qualitative information on businesses in the United States that are not more than 1 year old.

(2) DATA COLLECTION.—The Secretary shall—

(A) regularly compile information from the Bureau of the Census’ business register on new business formation in the United States; and

(B) conduct quarterly surveys of business owners who start a business during the 1-year period ending on the date on which such survey is conducted to gather qualitative information about the factors that influenced their decision to start the business.

(3) RANDOM SAMPLING.—In conducting surveys under paragraph (2)(B), the Secretary may use random sampling to identify a group of business owners who are representative of all the business owners described in paragraph (2)(B).

(4) BENEFITS.—The Secretary shall inform business owners selected to participate in a survey conducted under this subsection of

the benefits they would receive from participating in the survey.

(5) VOLUNTARY PARTICIPATION.—Business owners selected to participate in a survey conducted under this subsection may decline to participate without penalty.

(6) REPORT.—Not later than 18 months after the date of the enactment of this Act, and every 3 months thereafter, the Secretary shall use the data compiled under paragraph (2) to prepare a report that—

(A) lists the aggregate number of new businesses formed in the United States;

(B) lists the aggregate number of persons employed by new businesses formed in the United States;

(C) analyzes the payroll of new businesses formed in the United States;

(D) summarizes the data collected under paragraph (2); and

(E) identifies the most effective means by which government officials can encourage the formation and growth of new businesses in the United States.

(7) DISTRIBUTION.—The Secretary shall—

(A) submit each report prepared under paragraph (6) to Congress; and

(B) make each report available to the public on the website of the Department of Commerce.

(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(o) RESCISSION OF UNSPENT FEDERAL FUNDS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, of all available unobligated funds for fiscal year 2014, the amount necessary to carry out this section and the amendments made by this section in appropriated discretionary funds are hereby rescinded.

(2) IMPLEMENTATION.—The Director of the Office of Management and Budget shall determine and identify from which appropriation accounts the rescission under paragraph (1) shall apply and the amount of such rescission that shall apply to each such account. Not later than 60 days after the date of the enactment of this Act, the Director of the Office of Management and Budget shall submit a report to the Secretary of the Treasury and Congress of the accounts and amounts determined and identified for rescission under the preceding sentence.

**SA 2912.** Mr. THUNE submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE XX—SOLUTIONS TO LONG-TERM UNEMPLOYMENT**

**SEC. 1. SHORT TITLE.**

This title may be cited as the “Solutions to Long-Term Unemployment Act”.

**Subtitle A—Exemption From Affordable Care Act Mandate for Long-term Unemployed**

**SEC. 11. LONG-TERM UNEMPLOYED INDIVIDUALS NOT TAKEN INTO ACCOUNT FOR EMPLOYER HEALTH CARE COVERAGE MANDATE.**

(a) IN GENERAL.—Paragraph (4) of section 4980H(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(C) EXCEPTION FOR LONG-TERM UNEMPLOYED INDIVIDUALS.—The term ‘full-time employee’ shall not include any individual who is a long-term unemployed individual (as defined in section 3111(d)(3)) with respect to such employer.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months beginning after December 31, 2013.

**Subtitle B—Employer Payroll Tax Holiday for Long-term Unemployed**

**SEC. 21. EMPLOYER PAYROLL TAX HOLIDAY FOR LONG-TERM UNEMPLOYED INDIVIDUALS.**

(a) IN GENERAL.—Subsection (d) of section 3111 of the Internal Revenue Code of 1986 is amended to read as follows:

“(d) SPECIAL RULE FOR LONG-TERM UNEMPLOYED INDIVIDUALS.—

“(1) IN GENERAL.—Subsection (a) shall not apply to wages paid by a qualified employer with respect to employment during the applicable period of any long-term unemployed individual for services performed—

“(A) in a trade or business of such employer, or

“(B) in the case of an employer exempt from taxation under section 501(a), in furtherance of activities related to the purpose or function constituting the basis of the employer’s exemption under section 501.

“(2) QUALIFIED EMPLOYER.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified employer’ means any employer other than the United States, any State, or any political subdivision thereof, or any instrumentality of the foregoing.

“(B) TREATMENT OF EMPLOYEES OF POST-SECONDARY EDUCATIONAL INSTITUTIONS.—Notwithstanding subparagraph (A), the term ‘qualified employer’ includes any employer which is a public institution of higher education (as defined in section 101(b) of the Higher Education Act of 1965).

“(3) LONG-TERM UNEMPLOYED INDIVIDUAL.—For purposes of this subsection, the term ‘long-term unemployed individual’ means, with respect to any employer, an individual who—

“(A) begins employment with such employer after the date of the enactment of the Solutions to Long-Term Unemployment Act, and

“(B) has been unemployed for 27 weeks or longer, as determined by the Secretary of Labor, immediately before the date such employment begins.

“(4) APPLICABLE PERIOD.—The term ‘applicable period’ means the period beginning on the date of the enactment of the Solutions to Long-Term Unemployment Act, and ending on the earliest of—

“(A) the date that is 2 years after such date of enactment,

“(B) the date that is 6-months after the date on which the long-term unemployed individual began employment with the employer, or

“(C) the first day of the first month after the date on which the Secretary of Labor certifies that the total number of individuals in the United States who have been unemployed for 27 weeks or longer is less than 2,000,000.

“(5) ELECTION.—An employer may elect to have this subsection not apply. Such election shall be made in such manner as the Secretary may require.”.

(b) COORDINATION WITH WORK OPPORTUNITY CREDIT.—Section 51(c)(5) of the Internal Revenue Code of 1986 is amended to read as follows:

“(5) COORDINATION WITH PAYROLL TAX FORGIVENESS.—The term ‘wages’ shall not include any amount paid or incurred to a long-term unemployed individual (as defined in

section 3111(d)(3)) during the 1-year period beginning on the hiring date of such individual by a qualified employer (as defined in section 3111(d)) unless such qualified employer makes an election not to have section 3111(d) apply.”.

(c) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND.—There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the reduction in revenues to the Treasury by reason of the amendments made by subsection (a). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had such amendments not been enacted.

(d) APPLICATION TO RAILROAD RETIREMENT TAXES.—

(1) IN GENERAL.—Subsection (c) of section 3221 of the Internal Revenue Code of 1986 is amended to read as follows:

“(c) SPECIAL RULE FOR LONG-TERM UNEMPLOYED INDIVIDUALS.—

“(1) IN GENERAL.—In the case of compensation paid by an employer during the applicable period, with respect to having a long-term unemployed individual in the employer’s employ for services rendered to such employer, the applicable percentage under subsection (a) shall be equal to the rate of tax in effect under section 3111(b) for the calendar year.

“(2) QUALIFIED EMPLOYER.—For purposes of this subsection, the term ‘qualified employer’ means any employer other than the United States, any State, or any political subdivision thereof, or any instrumentality of the foregoing.

“(3) LONG-TERM UNEMPLOYED INDIVIDUAL.—For purposes of this subsection, the term ‘long-term unemployed individual’ means, with respect to any employer, an individual who—

“(A) begins employment with such employer after the date of the enactment of the Solutions to Long-Term Unemployment Act, and

“(B) has been unemployed for 27 weeks or longer, as determined by the Secretary of Labor, immediately before the date such employment begins.

“(4) APPLICABLE PERIOD.—The term ‘applicable period’ means the period beginning on the date of the enactment of the Solutions to Long-Term Unemployment Act, and ending on the earlier of—

“(A) the date that is 2 years after such date of enactment,

“(B) the date that is 6-months after the date on which the long-term unemployed individual began employment with the employer, or

“(C) the first day of the first month after the date on which the Secretary of Labor certifies that the total number of individuals in the United States who have been unemployed for 27 weeks or longer is less than 2,000,000.

“(5) ELECTION.—An employer may elect to have this subsection not apply. Such election shall be made in such manner as the Secretary may require.”.

(2) TRANSFERS TO SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT.—There are hereby appropriated to the Social Security Equivalent Benefit Account established under section 15A(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n-1(a)) amounts equal to the reduction in revenues to the Treasury by reason of the amendments made by paragraph (1). Amounts appropriated by the preceding sentence shall be transferred from the

general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Account had such amendments not been enacted.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this subsection shall apply to wages paid after the date of the enactment of this Act.

(2) RAILROAD RETIREMENT TAXES.—The amendments made by subsection (d) shall apply to compensation paid after the date of the enactment of this Act.

**Subtitle C—Employment Relocation Loans**

**SEC. 31. EMPLOYMENT RELOCATION LOANS.**

(a) LOANS AUTHORIZED.—From amounts made available to carry out this section, the Secretary may issue loans, with the interest rates, terms, and conditions provided in this section, to long-term unemployed individuals selected from applications submitted under subsection (b)(1), in order to enable each selected individual to relocate to—

(1) a residence more than 50 miles away from the individual’s initial residence, to allow such individual to begin a new job for which the individual has received and accepted an offer of employment; or

(2) a residence in a State or metropolitan area that—

(A) is not the State or metropolitan area of the individual’s initial residence; and

(B) has an unemployment rate that is 2 or more percentage points less than the unemployment rate of the State or metropolitan area, respectively, of the individual’s initial residence.

(b) SELECTION PROCESS AND ELIGIBILITY.—

(1) APPLICATION.—A long-term unemployed individual who desires a loan under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) LIMITED ELIGIBILITY.—A long-term unemployed individual may receive only 1 loan under this section.

(c) LOAN TERMS.—A loan issued under this section to a long-term unemployed individual shall be—

(1) in an amount of \$10,000 or less; and

(2) evidenced by a note or other written agreement that—

(A) provides for repayment of the principal amount of the loan in installments over a 10-year period beginning on the date on which the loan is issued, except that no installments shall be required for the first year of the loan period;

(B) provides for interest to be calculated and accrue on the loan at the rate determined under subsection (d); and

(C) allows such individual to accelerate, without penalty, the repayment of the whole or any part of the loan.

(d) INTEREST RATE.—The interest rate for a loan issued under this section shall—

(1) be the rate equal to the high yield of the 10-year Treasury note auctioned at the final auction held prior to the date on which the loan is issued; and

(2) be a fixed interest rate for the period of the loan.

(e) LOAN FORGIVENESS.—Notwithstanding subsection (c)(2)(A), the Secretary may forgive the remaining amount of interest and principal due on a loan made under this section to a long-term unemployed individual for the purpose described in subsection (a)(1) in any case where the new job for which the individual relocates is eliminated within the first year of the individual’s employment through no fault of the individual.

(f) DEFINITIONS.—In this section:

(1) INITIAL RESIDENCE.—The term ‘initial residence’, when used with respect to a long-



term individual applying for a loan under this section, means the location where the individual resides as of the day before the loan is issued.

(2) LONG-TERM UNEMPLOYED INDIVIDUAL.—The term “long-term unemployed individual” means an individual who resides in a State and who has been unemployed for 27 consecutive weeks or more, as determined by the Secretary.

(3) SECRETARY.—The term “Secretary” means the Secretary of Labor.

(4) STATES.—The term “State” means each of the several States of the United States and the District of Columbia.

(g) LIMITED AUTHORITY.—The Secretary’s authority to issue loans under subsection (a) shall terminate on the earlier of—

(1) the date that is 2 years after the date of enactment of this Act; or

(2) the date that is 1 month after the date on which the Secretary determines that the total number of long-term unemployed individuals in the United States is less than 2,000,000.

**Subtitle D—Offset**

**SEC. 41. NONDEFENSE DISCRETIONARY SPENDING.**

Section 251(c)(2)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking “\$492,356,000,000” and inserting “\$482,356,000,000”.

**TITLE XX—SUPPORTING KNOWLEDGE AND INVESTING IN LIFELONG SKILLS**

**SEC. 01. SHORT TITLE.**

This title may be cited as the “Supporting Knowledge and Investing in Lifelong Skills Act” or the “SKILLS Act”.

**SEC. 02. REFERENCES.**

Except as otherwise expressly provided, wherever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.).

**SEC. 03. APPLICATION TO FISCAL YEARS.**

Except as otherwise provided, this title and the amendments made by this title shall apply with respect to fiscal year 2015 and succeeding fiscal years.

**Subtitle A—Amendments to the Workforce Investment Act of 1998**

**CHAPTER 1—WORKFORCE INVESTMENT DEFINITIONS**

**SEC. 06. DEFINITIONS.**

Section 101 (29 U.S.C. 2801) is amended—

(1) by striking paragraph (2) and inserting the following:

“(2) ADULT EDUCATION AND FAMILY LITERACY EDUCATION ACTIVITIES.—The term ‘adult education and family literacy education activities’ has the meaning given the term in section 203.”;

(2) by striking paragraphs (13) and (24);

(3) by redesignating paragraphs (1) through (12) as paragraphs (3) through (14), and paragraphs (14) through (23) as paragraphs (15) through (24), respectively;

(4) by striking paragraphs (52) and (53);

(5) by inserting after “In this title:” the following new paragraphs:

“(1) ACCRUED EXPENDITURES.—The term ‘accrued expenditures’ means—

“(A) charges incurred by recipients of funds under this title for a given period requiring the provision of funds for goods or other tangible property received;

“(B) charges incurred for services performed by employees, contractors, subgrantees, subcontractors, and other payees; and

“(C) other amounts becoming owed, under programs assisted under this title, for which

no current services or performance is required, such as amounts for annuities, insurance claims, and other benefit payments.

“(2) ADMINISTRATIVE COSTS.—The term ‘administrative costs’ means expenditures incurred by State boards and local boards, direct recipients (including State grant recipients under subtitle B and recipients of awards under subtitles C and D), local grant recipients, local fiscal agents or local grant subrecipients, and one-stop operators in the performance of administrative functions and in carrying out activities under this title that are not related to the direct provision of workforce investment activities (including services to participants and employers). Such costs include both personnel and non-personnel expenditures and both direct and indirect expenditures.”;

(6) in paragraph (3) (as so redesignated), by striking “Except in sections 127 and 132, the” and inserting “The”;

(7) by amending paragraph (5) (as so redesignated) to read as follows:

“(5) AREA CAREER AND TECHNICAL EDUCATION SCHOOL.—The term ‘area career and technical education school’ has the meaning given the term in section 3(3) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302(3)).”;

(8) in paragraph (6) (as so redesignated), by inserting “(or such other level as the Governor may establish)” after “8th grade level”;

(9) in paragraph (10)(C) (as so redesignated), by striking “not less than 50 percent of the cost of the training” and inserting “a significant portion of the cost of training, as determined by the local board involved (or, in the case of an employer in multiple local areas in the State, as determined by the Governor), taking into account the size of the employer and such other factors as the local board or Governor, respectively, determines to be appropriate”;

(10) in paragraph (11) (as so redesignated)—

(A) in subparagraph (A)(i)(II), by striking “section 134(c)” and inserting “section 121(e)”;

(B) in subparagraph (B)(iii)—

(i) by striking “134(d)(4)” and inserting “134(c)(4)”;

(ii) by striking “intensive services described in section 134(d)(3)” and inserting “work ready services described in section 134(c)(2)”;

(C) in subparagraph (C), by striking “or” after the semicolon;

(D) in subparagraph (D), by striking the period and inserting “; or”;

(E) by adding at the end the following:

“(E)(i) is the spouse of a member of the Armed Forces on active duty for a period of more than 30 days (as defined in section 101(d)(2) of title 10, United States Code) who has experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of such member; or

“(ii) is the spouse of a member of the Armed Forces on active duty (as defined in section 101(d)(1) of title 10, United States Code) who meets the criteria described in paragraph (12)(B).”;

(11) in paragraph (12)(A) (as redesignated)—

(A) by striking “and” after the semicolon and inserting “or”;

(B) by striking “(A)” and inserting “(A)(i)”;

(C) by adding at the end the following:

“(i) is the spouse of a member of the Armed Forces on active duty for a period of more than 30 days (as defined in section 101(d)(2) of title 10, United States Code) whose family income is significantly reduced because of a deployment (as defined in section 991(b) of title 10, United States Code, or pursuant to paragraph (4) of such section), a

call or order to active duty pursuant to a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, a permanent change of station, or the service-connected (as defined in section 101(16) of title 38, United States Code) death or disability of the member; and”;

(12) in paragraph (13) (as so redesignated), by inserting “or regional” after “local” each place it appears;

(13) in paragraph (14) (as so redesignated)—

(A) in subparagraph (A), by striking “section 122(e)(3)” and inserting “section 122”;

(B) by striking subparagraph (B), and inserting the following:

“(B) work ready services, means a provider who is identified or awarded a contract as described in section 117(d)(5)(C); or”;

(C) by striking subparagraph (C); and

(D) by redesignating subparagraph (D) as subparagraph (C);

(14) in paragraph (15) (as so redesignated), by striking “adult or dislocated worker” and inserting “individual”;

(15) in paragraph (20), by striking “The” and inserting “Subject to section 116(a)(1)(E), the”;

(16) in paragraph (25)—

(A) in subparagraph (B), by striking “higher of—” and all that follows through clause (ii) and inserting “poverty line for an equivalent period.”;

(B) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively; and

(C) by inserting after subparagraph (C) the following:

“(D) 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.);”;

(17) in paragraph (32), by striking “the Republic of the Marshall Islands, the Federated States of Micronesia.”;

(18) by amending paragraph (33) to read as follows:

“(33) OUT-OF-SCHOOL YOUTH.—The term ‘out-of-school youth’ means—

“(A) an at-risk youth who is a school dropout; or

“(B) an at-risk youth who has received a secondary school diploma or its recognized equivalent but is basic skills deficient, unemployed, or underemployed.”;

(19) in paragraph (38), by striking “134(a)(1)(A)” and inserting “134(a)(1)(B)”;

(20) in paragraph (41), by striking “, and the term means such Secretary for purposes of section 503”;

(21) in paragraph (43), by striking “clause (iii) or (v) of section 136(b)(3)(A)” and inserting “section 136(b)(3)(A)(iii)”;

(22) by amending paragraph (49) to read as follows:

“(49) VETERAN.—The term ‘veteran’ has the same meaning given the term in section 2108(1) of title 5, United States Code.”;

(23) by amending paragraph (50) to read as follows:

“(50) CAREER AND TECHNICAL EDUCATION.—The term ‘career and technical education’ has the meaning given the term in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).”;

(24) in paragraph (51), by striking “, and a youth activity”;

(25) by adding at the end the following:

“(52) AT-RISK YOUTH.—Except as provided in subtitle C, the term ‘at-risk youth’ means an individual who—

“(A) is not less than age 16 and not more than age 24;

“(B) is a low-income individual; and

“(C) is an individual who is one or more of the following:

“(i) A secondary school dropout.

“(ii) A youth in foster care (including youth aging out of foster care).

“(iii) A youth offender.

“(iv) A youth who is an individual with a disability.

“(v) A migrant youth.

“(53) INDUSTRY OR SECTOR PARTNERSHIP.—The term ‘industry or sector partnership’ means a partnership of—

“(A) a State board or local board; and

“(B) one or more industry or sector organizations, and other entities, that have the capability to help the State board or local board determine the immediate and long-term skilled workforce needs of in-demand industries or sectors and other occupations important to the State or local economy, respectively.

“(54) INDUSTRY-RECOGNIZED CREDENTIAL.—The term ‘industry-recognized credential’ means a credential that is sought or accepted by companies within the industry sector involved, across multiple States, as recognized, preferred, or required for recruitment, screening, or hiring and is awarded for completion of a program listed or identified under subsection (d) or (i) of section 122, for the local area involved.

“(55) PAY-FOR-PERFORMANCE CONTRACT STRATEGY.—The term ‘pay-for-performance contract strategy’ means a strategy in which a pay-for-performance contract to provide a program of employment and training activities incorporates provisions regarding—

“(A) the core indicators of performance described in subclauses (I) through (IV) and (VI) of section 136(b)(2)(A)(i);

“(B) a fixed amount that will be paid to an eligible provider of such employment and training activities for each program participant who, within a defined timetable, achieves the agreed-to levels of performance based upon the core indicators of performance described in subparagraph (A), and may include a bonus payment to such provider, which may be used to expand the capacity of such provider;

“(C) the ability for an eligible provider to recoup the costs of providing the activities for a program participant who has not achieved those levels, but for whom the provider is able to demonstrate that such participant gained specific competencies required for education and career advancement that are, where feasible, tied to industry-recognized credentials and related standards, or State licensing requirements; and

“(D) the ability for an eligible provider that does not meet the requirements under section 122(a)(2) to participate in such pay-for-performance contract and to not be required to report on the performance and cost information required under section 122(d).

“(56) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term ‘recognized postsecondary credential’ means a credential awarded by a provider of training services or postsecondary educational institution based on completion of all requirements for a program of study, including coursework or tests or other performance evaluations. The term means an industry-recognized credential, a certificate of completion of a registered apprenticeship program, or an associate or baccalaureate degree from an institution described in section 122(a)(2)(A)(i).

“(57) REGISTERED APPRENTICESHIP PROGRAM.—The term ‘registered apprenticeship program’ means a program described in section 122(a)(2)(B).”

## CHAPTER 2—STATEWIDE AND LOCAL WORKFORCE INVESTMENT SYSTEMS

### SEC. 11. PURPOSE.

Section 106 (29 U.S.C. 2811) is amended by adding at the end the following: “It is also the purpose of this subtitle to provide workforce investment activities in a manner that enhances employer engagement, promotes customer choices in the selection of training

services, and ensures accountability in the use of taxpayer funds.”

### SEC. 12. STATE WORKFORCE INVESTMENT BOARDS.

Section 111 (29 U.S.C. 2821) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by striking subparagraph (B);

(ii) by redesignating subparagraph (C) as subparagraph (B); and

(iii) in subparagraph (B) (as so redesignated)—

(I) by amending clause (i)(I), by striking “section 117(b)(2)(A)(i)” and inserting “section 117(b)(2)(A)”;

(II) by amending clause (i)(II) to read as follows:

“(II) represent businesses, including large and small businesses, each of which has immediate and long-term employment opportunities in an in-demand industry or other occupation important to the State economy; and”;

(III) by striking clause (iii) and inserting the following:

“(iii) a State agency official responsible for economic development; and”;

(IV) by striking clauses (iv) through (vi);

(V) by amending clause (vii) to read as follows:

“(vii) such other representatives and State agency officials as the Governor may designate, including—

“(I) members of the State legislature;

“(II) representatives of individuals and organizations that have experience with respect to youth activities;

“(III) representatives of individuals and organizations that have experience and expertise in the delivery of workforce investment activities, including chief executive officers of community colleges and community-based organizations within the State;

“(IV) representatives of the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by one-stop partners; or

“(V) representatives of veterans service organizations.”; and

(VI) by redesignating clause (vii) (as so amended) as clause (iv); and

(B) by amending paragraph (3) to read as follows:

“(3) MAJORITY.—A  $\frac{3}{5}$  majority of the members of the board shall be representatives described in paragraph (1)(B)(i).”;

(2) in subsection (c), by striking “(b)(1)(C)(i)” and inserting “(b)(1)(B)(i)”;

(3) by amending subsection (d) to read as follows:

“(d) FUNCTIONS.—The State board shall assist the Governor of the State as follows:

“(1) STATE PLAN.—Consistent with section 112, the State board shall develop a State plan.

“(2) STATEWIDE WORKFORCE DEVELOPMENT SYSTEM.—The State board shall review and develop statewide policies and programs in the State in a manner that supports a comprehensive statewide workforce development system that will result in meeting the workforce needs of the State and its local areas. Such review shall include determining whether the State should consolidate additional amounts for additional activities or programs into the Workforce Investment Fund in accordance with section 501(e).

“(3) WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.—The State board shall develop a statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491-2(e)), which may include using information collected under Federal law other than this Act by the State economic development entity or a related entity in developing such system.

“(4) EMPLOYER ENGAGEMENT.—The State board shall develop strategies, across local areas, that meet the needs of employers and support economic growth in the State by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers.

“(5) DESIGNATION OF LOCAL AREAS.—The State board shall designate local areas as required under section 116.

“(6) ONE-STOP DELIVERY SYSTEM.—The State board shall identify and disseminate information on best practices for effective operation of one-stop centers, including use of innovative business outreach, partnerships, and service delivery strategies.

“(7) PROGRAM OVERSIGHT.—The State board shall conduct the following program oversight:

“(A) Reviewing and approving local plans under section 118.

“(B) Ensuring the appropriate use and management of the funds provided for State employment and training activities authorized under section 134.

“(C) Preparing an annual report to the Secretary described in section 136(d).

“(8) DEVELOPMENT OF PERFORMANCE MEASURES.—The State board shall develop and ensure continuous improvement of comprehensive State performance measures, including State adjusted levels of performance, as described under section 136(b).”;

(4) by striking subsection (e) and redesignating subsection (f) as subsection (e);

(5) in subsection (e) (as so redesignated), by inserting “or participate in any action taken” after “vote”;

(6) by inserting after subsection (e) (as so redesignated), the following:

“(f) STAFF.—The State board may employ staff to assist in carrying out the functions described in subsection (d).”;

(7) in subsection (g), by inserting “electronic means and” after “on a regular basis through”.

### SEC. 13. STATE PLAN.

Section 112 (29 U.S.C. 2822)—

(1) in subsection (a)—

(A) by striking “127 or”; and

(B) by striking “5-year strategy” and inserting “3-year strategy”;

(2) in subsection (b)—

(A) by amending paragraph (4) to read as follows:

“(4) information describing—

“(A) the economic conditions in the State;

“(B) the immediate and long-term skilled workforce needs of in-demand industries, small businesses, and other occupations important to the State economy;

“(C) the knowledge and skills of the workforce in the State; and

“(D) workforce development activities (including education and training) in the State.”;

(B) by amending paragraph (7) to read as follows:

“(7) a description of the State criteria for determining the eligibility of training services providers in accordance with section 122, including how the State will take into account the performance of providers and whether the training services relate to in-demand industries and other occupations important to the State economy.”;

(C) by amending paragraph (8) to read as follows:

“(8)(A) a description of the procedures that will be taken by the State to assure coordination of, and avoid duplication among, the programs and activities identified under section 501(b)(2); and

“(B) a description of and an assurance regarding common data collection and reporting processes used for the programs and activities described in subparagraph (A), which

are carried out by one-stop partners, including—

“(i) an assurance that such processes use quarterly wage records for performance measures described in section 136(b)(2)(A) that are applicable to such programs or activities; or

“(ii) if such wage records are not being used for the performance measures, an identification of the barriers to using such wage records and a description of how the State will address such barriers within 1 year of the approval of the plan.”;

(D) in paragraph (9), by striking “, including comment by representatives of businesses and representatives of labor organizations.”;

(E) in paragraph (11), by striking “under sections 127 and 132” and inserting “under section 132”;

(F) by striking paragraph (12);

(G) by redesignating paragraphs (13) through (18) as paragraphs (12) through (17), respectively;

(H) in paragraph (12) (as so redesignated), by striking “111(f)” and inserting “111(e)”;

(I) in paragraph (13) (as so redesignated), by striking “134(c)” and inserting “121(e)”;

(J) in paragraph (14) (as so redesignated), by striking “116(a)(5)” and inserting “116(a)(3)”;

(K) in paragraph (16) (as so redesignated)—

(i) in subparagraph (A)—

(I) in clause (ii)—

(aa) by striking “to dislocated workers”;

and

(bb) by inserting “and additional assistance” after “rapid response activities”;

(II) in clause (iii), by striking “134(d)(4)” and inserting “134(c)(4)”;

(III) by striking “and” at the end of clause (iii);

(IV) by amending clause (iv) to read as follows:

“(iv) how the State will serve the employment and training needs of dislocated workers (including displaced homemakers), low-income individuals (including recipients of public assistance such as supplemental nutrition assistance program benefits pursuant to the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.)), long-term unemployed individuals (including individuals who have exhausted entitlement to Federal and State unemployment compensation), English learners, homeless individuals, individuals training for nontraditional employment, youth (including out-of-school youth and at-risk youth), older workers, ex-offenders, migrant and seasonal farmworkers, refugees and entrants, veterans (including disabled and homeless veterans), and Native Americans; and”;

(V) by adding at the end the following new clause:

“(v) how the State will—

“(I) consistent with section 188 and Executive Order No. 13217 (42 U.S.C. 12131 note), serve the employment and training needs of individuals with disabilities; and

“(II) consistent with sections 504 and 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794, 794d), include the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility for individuals with disabilities to programs and services under this subtitle”;

and

(ii) in subparagraph (B), by striking “to the extent practicable” and inserting “in accordance with the requirements of the Jobs for Veterans Act (Public Law 107-288) and the amendments made by such Act”;

(L) by striking paragraph (17) (as so redesignated) and inserting the following:

“(17) a description of the strategies and services that will be used in the State—

“(A) to more fully engage employers, including small businesses and employers in in-demand industries and occupations important to the State economy;

“(B) to meet the needs of employers in the State; and

“(C) to better coordinate workforce development programs with economic development activities;

“(18) a description of how the State board will convene (or help to convene) industry or sector partnerships that lead to collaborative planning, resource alignment, and training efforts across a targeted cluster of multiple firms for a range of workers employed or potentially employed by the industry or sector—

“(A) to encourage industry growth and competitiveness and to improve worker training, retention, and advancement in the industry or sector;

“(B) to address the immediate and long-term skilled workforce needs of in-demand industries, small businesses, and other occupations important to the State economy; and

“(C) to address critical skill gaps within and across industries and sectors;

“(19) a description of how the State will utilize technology, to facilitate access to services in remote areas, which may be used throughout the State;

“(20) a description of the State strategy and assistance to be provided by the State for encouraging regional cooperation within the State and across State borders, as appropriate;

“(21) a description of the actions that will be taken by the State to foster communication, coordination, and partnerships with nonprofit organizations (including public libraries, community, faith-based, and philanthropic organizations) that provide employment-related, training, and complementary services, to enhance the quality and comprehensiveness of services available to participants under this title;

“(22) a description of the process and methodology for determining—

“(A) one-stop partner program contributions for the costs of infrastructure of one-stop centers under section 121(h)(1); and

“(B) the formula for allocating such infrastructure funds to local areas under section 121(h)(3);

“(23) a description of the strategies and services that will be used in the State to assist at-risk youth and out-of-school youth in acquiring the education and skills, credentials (including recognized postsecondary credentials, such as industry-recognized credentials), and employment experience to succeed in the labor market, including—

“(A) training and internships in in-demand industries or occupations important to the State and local economy;

“(B) dropout recovery activities that are designed to lead to the attainment of a regular secondary school diploma or its recognized equivalent, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities); and

“(C) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education and training and career-ladder employment; and

“(24) a description of—

“(A) how the State will furnish employment, training, including training in advanced manufacturing, supportive, and placement services to veterans, including disabled and homeless veterans;

“(B) the strategies and services that will be used in the State to assist in and expedite reintegration of homeless veterans into the labor force; and

“(C) the veterans population to be served in the State.”;

(3) in subsection (c), by striking “period, that—” and all that follows through paragraph (2) and inserting “period, that the plan is inconsistent with the provisions of this title.”; and

(4) in subsection (d), by striking “5-year” and inserting “3-year”.

**SEC. 14. LOCAL WORKFORCE INVESTMENT AREAS.**

Section 116 (29 U.S.C. 2831) is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—

“(A) PROCESS.—In order to receive an allotment under section 132, a State, through the State board, shall establish a process to designate local workforce investment areas within the State. Such process shall—

“(i) support the statewide workforce development system developed under section 111(d)(2), enabling the system to meet the workforce needs of the State and its local areas;

“(ii) include consultation, prior to the designation, with chief elected officials;

“(iii) include consideration of comments received on the designation through the public comment process as described in section 112(b)(9); and

“(iv) require the submission of an application for approval under subparagraph (B).

“(B) APPLICATION.—To obtain designation of a local area under this paragraph, a local or regional board (or consortia of local or regional boards) seeking to take responsibility for the area under this Act shall submit an application to a State board at such time, in such manner, and containing such information as the State board may require, including—

“(i) a description of the local area, including the population that will be served by the local area, and the education and training needs of its employers and workers;

“(ii) a description of how the local area is consistent or aligned with—

“(I) service delivery areas (as determined by the State);

“(II) labor market areas; and

“(III) economic development regions;

“(iii) a description of the eligible providers of education and training, including postsecondary educational institutions such as community colleges, located in the local area and available to meet the needs of the local workforce;

“(iv) a description of the distance that individuals will need to travel to receive services provided in such local area; and

“(v) any other criteria that the State board may require.

“(C) PRIORITY.—In designating local areas under this paragraph, a State board shall give priority consideration to an area proposed by an applicant demonstrating that a designation as a local area under this paragraph will result in the reduction of overlapping service delivery areas, local market areas, or economic development regions.

“(D) ALIGNMENT WITH LOCAL PLAN.—A State may designate an area proposed by an applicant as a local area under this paragraph for a period not to exceed 3 years.

“(E) REFERENCES.—For purposes of this Act, a reference to a local area—

“(i) used with respect to a geographic area, refers to an area designated under this paragraph; and

“(ii) used with respect to an entity, refers to the applicant.”;

(B) by amending paragraph (2) to read as follows:

“(2) TECHNICAL ASSISTANCE.—The Secretary shall, if requested by the Governor of a

State, provide the State with technical assistance in making the determinations required under paragraph (1). The Secretary shall not issue regulations governing determinations to be made under paragraph (1).";

(C) by striking paragraph (3);

(D) by striking paragraph (4);

(E) by redesignating paragraph (5) as paragraph (3); and

(F) in paragraph (3) (as so redesignated), by striking "(2) or (3)" both places it appears and inserting "(1)";

(2) by amending subsection (b) to read as follows:

"(b) SINGLE STATES.—Consistent with subsection (a), the State board of a State may designate the State as a single State local area for the purposes of this title."; and

(3) in subsection (c)—

(A) in paragraph (1), by adding at the end the following: "The State may require the local boards for the designated region to prepare a single regional plan that incorporates the elements of the local plan under section 118 and that is submitted and approved in lieu of separate local plans under such section."; and

(B) in paragraph (2), by striking "employment statistics" and inserting "workforce and labor market information".

#### SEC. 15. LOCAL WORKFORCE INVESTMENT BOARDS.

Section 117 (29 U.S.C. 2832) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking "include—" and all that follows through "representatives" and inserting "include representatives";

(II) by striking clauses (ii) through (vi);

(III) by redesignating subclauses (I) through (III) as clauses (i) through (iii), respectively (and by moving the margins of such clauses 2 ems to the left);

(IV) by striking clause (ii) (as so redesignated) and inserting the following:

"(ii) represent businesses, including large and small businesses, each of which has immediate and long-term employment opportunities in an in-demand industry or other occupation important to the local economy; and"; and

(V) by striking the semicolon at the end of clause (iii) (as so redesignated) and inserting "; and"; and

(ii) by amending subparagraph (B) to read as follows:

"(B) may include such other individuals or representatives of entities as the chief elected official in the local area may determine to be appropriate, including—

"(i) the superintendent or other employee of the local educational agency who has primary responsibility for secondary education, the presidents or chief executive officers of postsecondary educational institutions (including a community college, where such an entity exists), or administrators of local entities providing adult education and family literacy education activities;

"(ii) representatives of community-based organizations (including organizations representing individuals with disabilities and veterans, for a local area in which such organizations are present); or

"(iii) representatives of veterans service organizations.";

(B) in paragraph (4)—

(i) by striking "A majority" and inserting "A  $\frac{3}{4}$  majority"; and

(ii) by striking "(2)(A)(i)" and inserting "(2)(A)"; and

(C) in paragraph (5), by striking "(2)(A)(i)" and inserting "(2)(A)";

(2) in subsection (c)—

(A) in paragraph (1), by striking subparagraph (C); and

(B) in paragraph (3)(A)(ii), by striking "paragraphs (1) through (7)" and inserting "paragraphs (1) through (8)";

(3) by amending subsection (d) to read as follows:

"(d) FUNCTIONS OF LOCAL BOARD.—The functions of the local board shall include the following:

"(1) LOCAL PLAN.—Consistent with section 118, each local board, in partnership with the chief elected official for the local area involved, shall develop and submit a local plan to the Governor.

"(2) WORKFORCE RESEARCH AND REGIONAL LABOR MARKET ANALYSIS.—

"(A) IN GENERAL.—The local board shall—

"(i) conduct, and regularly update, an analysis of—

"(I) the economic conditions in the local area;

"(II) the immediate and long-term skilled workforce needs of in-demand industries and other occupations important to the local economy;

"(III) the knowledge and skills of the workforce in the local area; and

"(IV) workforce development activities (including education and training) in the local area; and

"(ii) assist the Governor in developing the statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491-2(e)).

"(B) EXISTING ANALYSIS.—In carrying out requirements of subparagraph (A)(i), a local board shall use an existing analysis, if any, by the local economic development entity or related entity.

"(3) EMPLOYER ENGAGEMENT.—The local board shall meet the needs of employers and support economic growth in the local area by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers.

"(4) BUDGET AND ADMINISTRATION.—

"(A) BUDGET.—

"(i) IN GENERAL.—The local board shall develop a budget for the activities of the local board in the local area, consistent with the requirements of this subsection.

"(ii) TRAINING RESERVATION.—In developing a budget under clause (i), the local board shall reserve a percentage of funds to carry out the activities specified in section 134(c)(4). The local board shall use the analysis conducted under paragraph (2)(A)(i) to determine the appropriate percentage of funds to reserve under this clause.

"(B) ADMINISTRATION.—

"(i) GRANT RECIPIENT.—The chief elected official in a local area shall serve as the local grant recipient for, and shall be liable for any misuse of, the grant funds allocated to the local area under section 133, unless the chief elected official reaches an agreement with the Governor for the Governor to act as the local grant recipient and bear such liability.

"(ii) DESIGNATION.—In order to assist in administration of the grant funds, the chief elected official or the Governor, where the Governor serves as the local grant recipient for a local area, may designate an entity to serve as a local grant subrecipient for such funds or as a local fiscal agent. Such designation shall not relieve the chief elected official or the Governor of the liability for any misuse of grant funds as described in clause (i).

"(iii) DISBURSAL.—The local grant recipient or an entity designated under clause (ii) shall disburse the grant funds for workforce investment activities at the direction of the local board, pursuant to the requirements of this title. The local grant recipient or entity designated under clause (ii) shall disburse

the funds immediately on receiving such direction from the local board.

"(C) STAFF.—The local board may employ staff to assist in carrying out the functions described in this subsection.

"(D) GRANTS AND DONATIONS.—The local board may solicit and accept grants and donations from sources other than Federal funds made available under this Act.

"(5) SELECTION OF OPERATORS AND PROVIDERS.—

"(A) SELECTION OF ONE-STOP OPERATORS.—Consistent with section 121(d), the local board, with the agreement of the chief elected official—

"(i) shall designate or certify one-stop operators as described in section 121(d)(2)(A); and

"(ii) may terminate for cause the eligibility of such operators.

"(B) IDENTIFICATION OF ELIGIBLE TRAINING SERVICE PROVIDERS.—Consistent with this subtitle, the local board shall identify eligible providers of training services described in section 134(c)(4) in the local area, annually review the outcomes of such eligible providers using the criteria under section 122(b)(2), and designate such eligible providers in the local area who have demonstrated the highest level of success with respect to such criteria as priority eligible providers for the program year following the review.

"(C) IDENTIFICATION OF ELIGIBLE PROVIDERS OF WORK READY SERVICES.—If the one-stop operator does not provide the services described in section 134(c)(2) in the local area, the local board shall identify eligible providers of such services in the local area by awarding contracts.

"(6) PROGRAM OVERSIGHT.—The local board, in partnership with the chief elected official, shall be responsible for—

"(A) ensuring the appropriate use and management of the funds provided for local employment and training activities authorized under section 134(b); and

"(B) conducting oversight of the one-stop delivery system, in the local area, authorized under section 121.

"(7) NEGOTIATION OF LOCAL PERFORMANCE MEASURES.—The local board, the chief elected official, and the Governor shall negotiate and reach agreement on local performance measures as described in section 136(c).

"(8) TECHNOLOGY IMPROVEMENTS.—The local board shall develop strategies for technology improvements to facilitate access to services authorized under this subtitle and carried out in the local area, including access in remote areas.";

(4) in subsection (e)—

(A) by inserting "electronic means and" after "regular basis through"; and

(B) by striking "and the award of grants or contracts to eligible providers of youth activities,";

(5) in subsection (f)—

(A) in paragraph (1)(A), by striking "section 134(d)(4)" and inserting "section 134(c)(4)"; and

(B) by striking paragraph (2) and inserting the following:

"(2) WORK READY SERVICES; DESIGNATION OR CERTIFICATION AS ONE-STOP OPERATORS.—A local board may provide work ready services described in section 134(c)(2) through a one-stop delivery system described in section 121 or be designated or certified as a one-stop operator only with the agreement of the chief elected official and the Governor.";

(6) in subsection (g)(1), by inserting "or participate in any action taken" after "vote"; and

(7) by striking subsections (h) and (i).

#### SEC. 16. LOCAL PLAN.

Section 118 (29 U.S.C. 2833) is amended—

(1) in subsection (a), by striking “5-year” and inserting “3-year”;

(2) by amending subsection (b) to read as follows:

“(b) CONTENTS.—The local plan shall include—

“(1) a description of the analysis of the local area’s economic and workforce conditions conducted under subclauses (I) through (IV) of section 117(d)(2)(A)(i), and an assurance that the local board will use such analysis to carry out the activities under this subtitle;

“(2) a description of the one-stop delivery system in the local area, including—

“(A) a description of how the local board will ensure—

“(i) the continuous improvement of eligible providers of services through the system; and

“(ii) that such providers meet the employment needs of local businesses and participants; and

“(B) a description of how the local board will facilitate access to services described in section 117(d)(8) and provided through the one-stop delivery system consistent with section 117(d)(8);

“(3) a description of the strategies and services that will be used in the local area—

“(A) to more fully engage employers, including small businesses and employers in in-demand industries and occupations important to the local economy;

“(B) to meet the needs of employers in the local area;

“(C) to better coordinate workforce development programs with economic development activities; and

“(D) to better coordinate workforce development programs with employment, training, and literacy services carried out by non-profit organizations, including public libraries, as appropriate;

“(4) a description of how the local board will convene (or help to convene) industry or sector partnerships that lead to collaborative planning, resource alignment, and training efforts across multiple firms for a range of workers employed or potentially employed by a targeted industry or sector—

“(A) to encourage industry growth and competitiveness and to improve worker training, retention, and advancement in the targeted industry or sector;

“(B) to address the immediate and long-term skilled workforce needs of in-demand industries, small businesses, and other occupations important to the local economy; and

“(C) to address critical skill gaps within and across industries and sectors;

“(5) a description of how the funds reserved under section 117(d)(4)(A)(ii) will be used to carry out activities described in section 134(c)(4);

“(6) a description of how the local board will coordinate workforce investment activities carried out in the local area with statewide workforce investment activities, as appropriate;

“(7) a description of how the local area will—

“(A) coordinate activities with the local area’s disability community, and with transition services (as defined under section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401)) provided under that Act by local educational agencies serving such local area, to make available comprehensive, high-quality services to individuals with disabilities;

“(B) consistent with section 188 and Executive Order No. 13217 (42 U.S.C. 12131 note), serve the employment and training needs of individuals with disabilities, with a focus on employment that fosters independence and integration into the workplace; and

“(C) consistent with sections 504 and 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794, 794d), include the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility for individuals with disabilities to programs and services under this subtitle;

“(8) a description of the local levels of performance negotiated with the Governor and chief elected official pursuant to section 136(c), to be—

“(A) used to measure the performance of the local area; and

“(B) used by the local board for measuring performance of the local fiscal agent (where appropriate), eligible providers, and the one-stop delivery system, in the local area;

“(9) a description of the process used by the local board, consistent with subsection (c), to provide an opportunity for public comment prior to submission of the plan;

“(10) a description of how the local area will serve the employment and training needs of dislocated workers (including displaced homemakers), low-income individuals (including recipients of public assistance such as supplemental nutrition assistance program benefits pursuant to the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.)), long-term unemployed individuals (including individuals who have exhausted entitlement to Federal and State unemployment compensation), English learners, homeless individuals, individuals training for nontraditional employment, youth (including out-of-school youth and at-risk youth), older workers, ex-offenders, migrant and seasonal farmworkers, refugees and entrants, veterans (including disabled veterans and homeless veterans), and Native Americans;

“(11) an identification of the entity responsible for the disbursement of grant funds described in section 117(d)(4)(B)(iii), as determined by the chief elected official or the Governor under such section;

“(12) a description of the strategies and services that will be used in the local area to assist at-risk youth and out-of-school youth in acquiring the education and skills, credentials (including recognized postsecondary credentials, such as industry-recognized credentials), and employment experience to succeed in the labor market, including—

“(A) training and internships in in-demand industries or occupations important to the local economy;

“(B) dropout recovery activities that are designed to lead to the attainment of a regular secondary school diploma or its recognized equivalent, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities); and

“(C) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education and training and career-ladder employment;

“(13) a description of—

“(A) how the local area will furnish employment, training, including training in advanced manufacturing, supportive, and placement services to veterans, including disabled and homeless veterans;

“(B) the strategies and services that will be used in the local area to assist in and expedite reintegration of homeless veterans into the labor force; and

“(C) the veteran population to be served in the local area;

“(14) a description of—

“(A) the duties assigned to the veteran employment specialist consistent with the requirements of section 134(f);

“(B) the manner in which the veteran employment specialist is integrated into the

one-stop career system described in section 121;

“(C) the date on which the veteran employment specialist was assigned; and

“(D) whether the veteran employment specialist has satisfactorily completed related training by the National Veterans’ Employment and Training Services Institute; and

“(15) such other information as the Governor may require.”; and

(3) in subsection (c)—

(A) in paragraph (1), by striking “such means” and inserting “electronic means and such means”; and

(B) in paragraph (2), by striking “, including representatives of business and representatives of labor organizations.”.

**SEC. 17. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEM.**

Section 121 (29 U.S.C. 2841) is amended—

(1) in subsection (b)—

(A) by striking subparagraph (A) of paragraph (1) and inserting the following:

“(A) ROLES AND RESPONSIBILITIES OF ONE-STOP PARTNERS.—Each entity that carries out a program or activities described in subparagraph (B) shall—

“(i) provide access through a one-stop delivery system to the program or activities carried out by the entity, including making the work ready services described in section 134(c)(2) that are applicable to the program or activities of the entity available at one-stop centers (in addition to any other appropriate locations);

“(ii) use a portion of the funds available to the program or activities of the entity to maintain the one-stop delivery system, including payment of the costs of infrastructure of one-stop centers in accordance with subsection (h);

“(iii) enter into a local memorandum of understanding with the local board, relating to the operation of the one-stop delivery system, that meets the requirements of subsection (c); and

“(iv) participate in the operation of the one-stop delivery system consistent with the terms of the memorandum of understanding, the requirements of this title, and the requirements of the Federal laws authorizing the program or activities carried out by the entity.”;

(B) in paragraph (1)(B)—

(i) by striking clauses (ii), (v), and (vi);

(ii) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively;

(iii) by redesignating clauses (vii) through (xii) as clauses (iv) through (ix), respectively;

(iv) in clause (ii), as so redesignated, by striking “adult education and literacy activities” and inserting “adult education and family literacy education activities”

(v) in clause (viii), as so redesignated, by striking “and” at the end;

(vi) in clause (ix), as so redesignated, by striking the period and inserting “; and”;

(vii) by adding at the end the following:

“(x) subject to subparagraph (C), programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);”;

(C) by inserting after paragraph (1)(B) the following:

“(C) DETERMINATION BY THE GOVERNOR.—Each entity carrying out a program described in subparagraph (B)(x) shall be considered to be a one-stop partner under this title and carry out the required partner activities described in subparagraph (A) unless the Governor of the State in which the local area is located provides the Secretary and Secretary of Health and Human Services written notice of a determination by the Governor that such an entity shall not be considered to be such a partner and shall not

carry out such required partner activities.”; and

(D) in paragraph (2)—

(i) in subparagraph (A)(i), by striking “section 134(d)(2)” and inserting “section 134(c)(2);” and

(ii) in subparagraph (B)—

(I) by striking clauses (i), (ii), and (v);

(II) in clause (iv), by striking “and” at the end;

(III) by redesignating clauses (iii) and (iv) as clauses (i) and (ii), respectively; and

(IV) by adding at the end the following:

“(iii) employment and training programs administered by the Commissioner of the Social Security Administration;

“(iv) employment and training programs carried out by the Administrator of the Small Business Administration;

“(v) employment, training, and literacy services carried out by public libraries; and

“(vi) other appropriate Federal, State, or local programs, including programs in the private sector.”;

(2) in subsection (c)(2), by amending subparagraph (A) to read as follows:

“(A) provisions describing—

“(i) the services to be provided through the one-stop delivery system consistent with the requirements of this section, including the manner in which the services will be coordinated through such system;

“(ii) how the costs of such services and the operating costs of such system will be funded, through cash and in-kind contributions, to provide a stable and equitable funding stream for ongoing one-stop system operations, including the funding of the costs of infrastructure of one-stop centers in accordance with subsection (h);

“(iii) methods of referral of individuals between the one-stop operator and the one-stop partners for appropriate services and activities, including referrals for training for non-traditional employment; and

“(iv) the duration of the memorandum of understanding and the procedures for amending the memorandum during the term of the memorandum, and assurances that such memorandum shall be reviewed not less than once every 3-year period to ensure appropriate funding and delivery of services under the memorandum; and”;

(3) in subsection (d)—

(A) in the heading for paragraph (1), by striking “DESIGNATION AND CERTIFICATION” and inserting “LOCAL DESIGNATION AND CERTIFICATION”;

(B) in paragraph (2)—

(i) by striking “section 134(c)” and inserting “subsection (e)”;

(ii) by amending subparagraph (A) to read as follows:

“(A) shall be designated or certified as a one-stop operator through a competitive process; and”;

(iii) in subparagraph (B), by striking clause (ii) and redesignating clauses (iii) through (vi) as clauses (ii) through (v), respectively; and

(C) in paragraph (3), by striking “vocational” and inserting “career and technical”;

(4) by amending subsection (e) to read as follows:

“(e) ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEM.—

“(1) IN GENERAL.—There shall be established in a State that receives an allotment under section 132(b) a one-stop delivery system, which shall—

“(A) provide the work ready services described in section 134(c)(2);

“(B) provide access to training services as described in paragraph (4) of section 134(c), including serving as the point of access to career enhancement accounts for training services to participants in accordance with paragraph (4)(F) of such section;

“(C) provide access to the activities carried out under section 134(d), if any;

“(D) provide access to programs and activities carried out by one-stop partners that are described in subsection (b); and

“(E) provide access to the data and information described in subparagraphs (A) and (B) of section 15(a)(1) of the Wagner-Peyser Act (29 U.S.C. 491–2(a)(1)).

“(2) ONE-STOP DELIVERY.—At a minimum, the one-stop delivery system—

“(A) shall make each of the programs, services, and activities described in paragraph (1) accessible at not less than one physical center in each local area of the State; and

“(B) may also make programs, services, and activities described in paragraph (1) available—

“(i) through a network of affiliated sites that can provide one or more of the programs, services, and activities to individuals; and

“(ii) through a network of eligible one-stop partners—

“(I) in which each partner provides one or more of the programs, services, and activities to such individuals and is accessible at an affiliated site that consists of a physical location or an electronically- or technologically-linked access point; and

“(II) that assures individuals that information on the availability of the work ready services will be available regardless of where the individuals initially enter the statewide workforce investment system, including information made available through an access point described in subclause (I).

“(3) SPECIALIZED CENTERS.—The centers and sites described in paragraph (2) may have a specialization in addressing special needs.”; and

(5) by adding at the end the following:

“(g) CERTIFICATION OF ONE-STOP CENTERS.—

“(1) IN GENERAL.—

“(A) IN GENERAL.—The State board shall establish objective procedures and criteria for certifying, at least once every 3 years, one-stop centers for the purpose of awarding the one-stop infrastructure funding described in subsection (h).

“(B) CRITERIA.—The criteria for certification of a one-stop center under this subsection shall include—

“(i) meeting the expected levels of performance for each of the corresponding core indicators of performance as outlined in the State plan under section 112;

“(ii) meeting minimum standards relating to the scope and degree of service integration achieved by the center, involving the programs provided by the one-stop partners; and

“(iii) meeting minimum standards relating to how the center ensures that eligible providers meet the employment needs of local employers and participants.

“(C) EFFECT OF CERTIFICATION.—One-stop centers certified under this subsection shall be eligible to receive the infrastructure funding authorized under subsection (h).

“(2) LOCAL BOARDS.—Consistent with the criteria developed by the State, the local board may develop, for certification referred to in paragraph (1)(A), additional criteria or higher standards on the criteria referred to in paragraph (1)(B) to respond to local labor market and demographic conditions and trends.

“(h) ONE-STOP INFRASTRUCTURE FUNDING.—

“(1) PARTNER CONTRIBUTIONS.—

“(A) PROVISION OF FUNDS.—Notwithstanding any other provision of law, as determined under subparagraph (B), a portion of the Federal funds provided to the State and areas within the State under the Federal laws authorizing the one-stop partner pro-

grams described in subsection (b)(1)(B) and participating additional partner programs described in subsection (b)(2)(B), for a fiscal year shall be provided to the Governor by such partners to carry out this subsection.

“(B) DETERMINATION OF GOVERNOR.—

“(i) IN GENERAL.—Subject to subparagraph (C), the Governor, in consultation with the State board, shall determine the portion of funds to be provided under subparagraph (A) by each one-stop partner and in making such determination shall consider the proportionate use of the one-stop centers in the State by each such partner, the costs of administration for purposes not related to one-stop centers for each such partner, and other relevant factors described in paragraph (3).

“(ii) SPECIAL RULE.—In those States where the State constitution places policy-making authority that is independent of the authority of the Governor in an entity or official with respect to the funds provided for adult education and family literacy education activities authorized under title II and for postsecondary career and technical education activities authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), the determination described in clause (i) with respect to the corresponding 2 programs shall be made by the Governor with the appropriate entity or official with such independent policy-making authority.

“(iii) APPEAL BY ONE-STOP PARTNERS.—The Governor shall establish a procedure for the one-stop partner administering a program described in subsection (b) and subparagraph (A) to appeal a determination regarding the portion of funds to be provided under this paragraph on the basis that such determination is inconsistent with the requirements described in the State plan for the program or with the requirements of this paragraph. Such procedure shall ensure prompt resolution of the appeal.

“(C) LIMITATIONS.—

“(i) PROVISION FROM ADMINISTRATIVE FUNDS.—The funds provided under this paragraph by a one-stop partner shall be provided only from funds available for the costs of administration under the program administered by such partner, and shall be subject to the limitations with respect to the portion of funds under such program that may be used for administration.

“(ii) FEDERAL DIRECT SPENDING PROGRAMS.—

“(1) IN GENERAL.—A program that provides Federal direct spending under section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(8)) shall not, for purposes of this paragraph, be required to provide more than the maximum amount determined under subclause (II).

“(II) MAXIMUM AMOUNT.—The maximum amount for the program is the amount that bears the same relationship to the costs referred to in paragraph (2) for the State as the use of the one-stop centers by such program bears to the use of such centers by all one-stop partner programs in the State.

“(2) ALLOCATION BY GOVERNOR.—From the funds provided under paragraph (1), the Governor shall allocate funds to local areas in accordance with the formula established under paragraph (3) for the purposes of assisting in paying the costs of infrastructure of one-stop centers certified under subsection (g).

“(3) ALLOCATION FORMULA.—The State board shall develop a formula to be used by the Governor to allocate the funds provided under paragraph (1) to local areas. The formula shall include such factors as the State board determines are appropriate, which may include factors such as the number of

centers in a local area that have been certified, the population served by such centers, and the performance of such centers.

“(4) COSTS OF INFRASTRUCTURE.—For purposes of this subsection, the term ‘costs of infrastructure’ means the nonpersonnel costs that are necessary for the general operation of a one-stop center, including the rental costs of the facilities involved, and the costs of utilities and maintenance, and equipment (including assistive technology for individuals with disabilities).

“(i) OTHER FUNDS.—

“(1) IN GENERAL.—In addition to the funds provided under subsection (h), a portion of funds made available under Federal law authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating additional partner programs described in subsection (b)(2)(B), or the noncash resources available under such 2 types of programs, shall be used to pay the costs relating to the operation of the one-stop delivery system that are not paid for from the funds provided under subsection (h), to the extent not inconsistent with the Federal law involved. Such portion shall be used to pay for costs including—

“(A) costs of infrastructure (as defined in subsection (h)) that are in excess of the funds provided under subsection (h);

“(B) common costs that are in addition to the costs of infrastructure (as so defined); and

“(C) the costs of the provision of work ready services applicable to each program.

“(2) DETERMINATION AND STANDARDS.—The method for determining the appropriate portion of funds and noncash resources to be provided by each program under paragraph (1) shall be determined as part of the memorandum of understanding under subsection (c). The State board shall provide standards to facilitate the determination of appropriate allocation of the funds and noncash resources to local areas.”.

**SEC. 18. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.**

Section 122 (29 U.S.C. 2842) is amended to read as follows:

**“SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.**

“(a) ELIGIBILITY.—

“(1) IN GENERAL.—The Governor, after consultation with the State board, shall establish criteria and procedures regarding the eligibility of providers of training services described in section 134(c)(4) to receive funds provided under section 133(b) for the provision of such training services and be included on the list of eligible providers of training services described in subsection (d).

“(2) PROVIDERS.—Subject to the provisions of this section, to be eligible to receive the funds and be included on the list, the provider shall be—

“(A) a postsecondary educational institution that—

“(i) is eligible to receive Federal funds under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

“(ii) provides a program that leads to a recognized postsecondary credential;

“(B) an entity that carries out programs under the Act of August 16, 1937 (commonly known as the ‘National Apprenticeship Act’; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.); or

“(C) another public or private provider of a program of training services.

“(3) INCLUSION IN LIST OF ELIGIBLE PROVIDERS.—A provider described in subparagraph (A) or (C) of paragraph (2) shall comply with the criteria and procedures established under this subsection to be eligible to receive the funds and be included on the list. A provider described in paragraph (2)(B) shall

be eligible to receive the funds and be included on the list with respect to programs described in paragraph (2)(B) for so long as the provider remains certified by the Secretary of Labor to carry out the programs.

“(b) CRITERIA.—

“(1) IN GENERAL.—The criteria established by the Governor pursuant to subsection (a) shall take into account—

“(A) the performance of providers of training services with respect to the performance measures described in section 136, measures for other matters for which information is required under paragraph (2), and other appropriate measures of performance outcomes for those participants receiving training services under this subtitle;

“(B) whether the training programs of such providers relate to in-demand industries or occupations important to the local economy;

“(C) the need to ensure access to training services throughout the State, including in rural areas;

“(D) the ability of the providers to offer programs that lead to a recognized postsecondary credential, and the quality of such programs;

“(E) the performance of the providers as reflected in the information such providers are required to report to State agencies with respect to other Federal and State programs (other than the program carried out under this subtitle), including one-stop partner programs; and

“(F) such other factors as the Governor determines are appropriate.

“(2) INFORMATION.—The criteria established by the Governor shall require that a provider of training services submit appropriate, accurate, and timely information to the State for purposes of carrying out subsection (d), with respect to participants receiving training services under this subtitle in the applicable program, including—

“(A) information on recognized postsecondary credentials received by such participants;

“(B) information on costs of attendance for such participants;

“(C) information on the program completion rate for such participants; and

“(D) information on the performance of the provider with respect to the performance measures described in section 136 for such participants.

“(3) RENEWAL.—The criteria established by the Governor shall also provide for a review on the criteria every 3 years and renewal of eligibility under this section for providers of training services.

“(4) LOCAL CRITERIA.—A local board in the State may establish criteria in addition to the criteria established by the Governor, or may require higher levels of performance than required on the criteria established by the Governor, for purposes of determining the eligibility of providers of training services under this section in the local area involved.

“(5) LIMITATION.—In carrying out the requirements of this subsection, no entity may disclose personally identifiable information regarding a student, including a Social Security number, student identification number, or other identifier, without the prior written consent of the parent or student in compliance with section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

“(c) PROCEDURES.—The procedures established under subsection (a) shall—

“(1) identify—

“(A) the application process for a provider of training services to become eligible under this section; and

“(B) the respective roles of the State and local areas in receiving and reviewing applications and in making determinations of eli-

gibility based on the criteria established under this section; and

“(2) establish a process, for a provider of training services to appeal a denial or termination of eligibility under this section, that includes an opportunity for a hearing and prescribes appropriate time limits to ensure prompt resolution of the appeal.

“(d) INFORMATION TO ASSIST PARTICIPANTS IN CHOOSING PROVIDERS.—In order to facilitate and assist participants under chapter 5 in choosing providers of training services, the Governor shall ensure that an appropriate list of providers determined eligible under this section in the State, including information provided under subsection (b)(2) with respect to such providers, is provided to the local boards in the State and is made available to such participants and to members of the public through the one-stop delivery system in the State.

“(e) ENFORCEMENT.—

“(1) IN GENERAL.—The procedures established under this section shall provide the following:

“(A) INTENTIONALLY SUPPLYING INACCURATE INFORMATION.—Upon a determination, by an individual or entity specified in the procedures, that a provider of training services, or individual providing information on behalf of the provider, intentionally supplied inaccurate information under this section, the eligibility of such provider under this section shall be terminated for a period of time that is not less than 2 years.

“(B) SUBSTANTIAL VIOLATIONS.—Upon a determination, by an individual or entity specified in the procedures, that a provider of training services substantially violated any requirement under this title, the eligibility of such provider under this section shall be terminated for a period of time that is not less than 10 years.

“(C) REPAYMENT.—A provider of training services whose eligibility is terminated under subparagraph (A) or (B) shall be liable for the repayment of funds received under chapter 5 during a period of noncompliance described in such subparagraph. For purposes of subparagraph (A), that period shall be considered to be the period beginning on the date on which the inaccurate information described in subparagraph (A) was supplied, and ending on the date of the termination described in subparagraph (A).

“(2) CONSTRUCTION.—Paragraph (1) shall be construed to provide remedies and penalties that supplement, but do not supplant, other civil and criminal remedies and penalties.

“(f) AGREEMENTS WITH OTHER STATES.—A State may enter into an agreement with another State, on a reciprocal basis, to permit eligible providers of training services to accept career enhancement accounts provided in the other State.

“(g) RECOMMENDATIONS.—In developing the criteria (including requirements for related information) and procedures required under this section, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

“(h) OPPORTUNITY TO SUBMIT COMMENTS.—During the development of the criteria and procedures, and the list of eligible providers required under this section, the Governor shall provide an opportunity for interested members of the public to submit comments regarding such criteria, procedures, and list.

“(i) ON-THE-JOB TRAINING OR CUSTOMIZED TRAINING EXCEPTION.—

“(1) IN GENERAL.—Providers of on-the-job training or customized training shall not be subject to the requirements of subsections (a) through (d).

“(2) COLLECTION AND DISSEMINATION OF INFORMATION.—A one-stop operator in a local area shall collect such performance information from on-the-job training and customized

training providers as the Governor may require, determine whether the providers meet such performance criteria as the Governor may require, and disseminate information identifying providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria shall be considered to be identified as eligible under this section, to be providers of the training services involved.”

**SEC. 19. GENERAL AUTHORIZATION.**

Chapter 5 of subtitle B of title I is amended—

(1) by striking the heading for chapter 5 and inserting the following: “**EMPLOYMENT AND TRAINING ACTIVITIES**”; and

(2) in section 131 (29 U.S.C. 2861)—

(A) by striking “paragraphs (1)(B) and (2)(B) of”; and

(B) by striking “adults, and dislocated workers,” and inserting “individuals”.

**SEC. 20. STATE ALLOTMENTS.**

Section 132 (29 U.S.C. 2862) is amended—

(1) by amending subsection (a) to read as follows:

“(a) IN GENERAL.—The Secretary shall—

“(1) reserve  $\frac{1}{2}$  of 1 percent of the total amount appropriated under section 137 for a fiscal year, of which—

“(A) 50 percent shall be used to provide technical assistance under section 170; and

“(B) 50 percent shall be used for evaluations under section 172;

“(2) reserve 1 percent of the total amount appropriated under section 137 for a fiscal year to make grants to, and enter into contracts or cooperative agreements with Indian tribes, tribal organizations, Alaska Native entities, Indian-controlled organizations serving Indians, or Native Hawaiian organizations to carry out employment and training activities;

“(3) reserve not more than 25 percent of the total amount appropriated under section 137 for a fiscal year to carry out the Jobs Corps program under subtitle C;

“(4) reserve not more than 3.5 percent of the total amount appropriated under section 137 for a fiscal year to—

“(A) make grants to State boards or local boards to provide employment and training assistance to workers affected by major economic dislocations, such as plant closures, mass layoffs, or closures and realignments of military installations; and

“(B) provide assistance to Governors of States with an area that has suffered an emergency or a major disaster (as such terms are defined in paragraphs (1) and (2), respectively, of section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) to provide disaster relief employment in the area; and

“(5) from the remaining amount appropriated under section 137 for a fiscal year (after reserving funds under paragraphs (1) through (4)), make allotments in accordance with subsection (b) of this section.”; and

(2) by amending subsection (b) to read as follows:

“(b) WORKFORCE INVESTMENT FUND.—

“(1) RESERVATION FOR OUTLYING AREAS.—

“(A) IN GENERAL.—From the amount made available under subsection (a)(5) for a fiscal year, the Secretary shall reserve not more than  $\frac{1}{4}$  of 1 percent to provide assistance to the outlying areas.

“(B) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this paragraph upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association (approved by the Compact of Free Association Amendments Act of 2003 (Public Law 108-188) after the date of enactment of the SKILLS Act.

“(2) STATES.—

“(A) IN GENERAL.—After determining the amount to be reserved under paragraph (1), the Secretary shall allot the remainder of the amount referred to in subsection (a)(5) for a fiscal year to the States pursuant to subparagraph (B) for employment and training activities and statewide workforce investment activities.

“(B) FORMULA.—Subject to subparagraphs (C) and (D), of the remainder—

“(i) 25 percent shall be allotted on the basis of the relative number of unemployed individuals in areas of substantial unemployment in each State, compared to the total number of unemployed individuals in areas of substantial unemployment in all States;

“(ii) 25 percent shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of such individuals in all States;

“(iii) 25 percent shall be allotted on the basis of the relative number of individuals in each State who have been unemployed for 15 weeks or more, compared to the total number of individuals in all States who have been unemployed for 15 weeks or more; and

“(iv) 25 percent shall be allotted on the basis of the relative number of disadvantaged youth in each State, compared to the total number of disadvantaged youth in all States.

“(C) MINIMUM AND MAXIMUM PERCENTAGES.—

“(i) MINIMUM PERCENTAGE.—The Secretary shall ensure that no State shall receive an allotment under this paragraph for—

“(I) each of fiscal years 2015 through 2017, that is less than 100 percent of the allotment percentage of the State for fiscal year 2013; and

“(II) fiscal year 2018 and each succeeding fiscal year, that is less than 90 percent of the allotment percentage of the State for the fiscal year preceding the fiscal year involved.

“(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the Secretary shall ensure that no State shall receive an allotment under this paragraph for—

“(I) each of fiscal years 2015 through 2017, that is more than 130 percent of the allotment percentage of the State for fiscal year 2013; and

“(II) fiscal year 2018 and each succeeding fiscal year, that is more than 130 percent of the allotment percentage of the State for the fiscal year preceding the fiscal year involved.

“(D) SMALL STATE MINIMUM ALLOTMENT.—Subject to subparagraph (C), the Secretary shall ensure that no State shall receive an allotment under this paragraph for a fiscal year that is less than  $\frac{1}{5}$  of 1 percent of the remainder described in subparagraph (A) for the fiscal year.

“(E) DEFINITIONS.—For the purpose of the formula specified in this paragraph:

“(i) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’—

“(I) used with respect to fiscal year 2013, means the percentage of the amounts allotted to States under title I of this Act, title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.), the Women in Apprenticeship and Nontraditional Occupations Act (29 U.S.C. 2501 et seq.), sections 4103A and 4104 of title 38, United States Code, and sections 1 through 14 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.), as such provisions were in effect for fiscal year 2013, that is received under such provisions by the State involved for fiscal year 2013; and

“(II) used with respect to fiscal year 2017 or a succeeding fiscal year, means the percentage of the amounts allotted to States under this paragraph for the fiscal year, that is re-

ceived under this paragraph by the State involved for the fiscal year.

“(ii) AREA OF SUBSTANTIAL UNEMPLOYMENT.—The term ‘area of substantial unemployment’ means any area that is of sufficient size and scope to sustain a program of workforce investment activities carried out under this subtitle and that has an average rate of unemployment of at least 7 percent for the most recent 12 months, as determined by the Secretary. For purposes of this clause, determinations of areas of substantial unemployment shall be made once each fiscal year.

“(iii) DISADVANTAGED YOUTH.—The term ‘disadvantaged youth’ means an individual who is not less than age 16 and not more than age 24 who receives an income, or is a member of a family that receives 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.

“(iv) INDIVIDUAL.—The term ‘individual’ means an individual who is age 16 or older.”

**SEC. 21. WITHIN STATE ALLOCATIONS.**

Section 133 (29 U.S.C. 2863) is amended—

(1) by amending subsection (a) to read as follows:

“(a) RESERVATIONS FOR STATEWIDE WORKFORCE INVESTMENT ACTIVITIES.—

“(1) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—The Governor of a State shall reserve not more than 15 percent of the total amount allotted to the State under section 132(b)(2) for a fiscal year to carry out the statewide activities described in section 134(a).

“(2) STATEWIDE RAPID RESPONSE ACTIVITIES AND ADDITIONAL ASSISTANCE.—Of the amount reserved under paragraph (1) for a fiscal year, the Governor of the State shall reserve not more than 25 percent for statewide rapid response activities and additional assistance described in section 134(a)(4).

“(3) STATEWIDE GRANTS FOR INDIVIDUALS WITH BARRIERS TO EMPLOYMENT.—Of the amount reserved under paragraph (1) for a fiscal year, the Governor of the State shall reserve 15 percent to carry out statewide activities described in section 134(a)(5).

“(4) STATE ADMINISTRATIVE COST LIMIT.—Not more than 5 percent of the funds reserved under paragraph (1) may be used by the Governor of the State for administrative costs of carrying out the statewide activities described in section 134(a).”;

(2) by amending subsection (b) to read as follows:

“(b) WITHIN STATE ALLOCATION.—

“(1) METHODS.—The Governor, acting in accordance with the State plan, and after consulting with chief elected officials in the local areas in the State, shall—

“(A) allocate the funds that are allotted to the State under section 132(b)(2) and not reserved under subsection (a), in accordance with paragraph (2)(A); and

“(B) award the funds that are reserved by the State under subsection (a)(3) through competitive grants to eligible entities, in accordance with section 134(a)(1)(C).

“(2) FORMULA ALLOCATIONS FOR THE WORKFORCE INVESTMENT FUND.—

“(A) ALLOCATION.—In allocating the funds described in paragraph (1)(A) to local areas, a State shall allocate—

“(i) 25 percent on the basis described in section 132(b)(2)(B)(i);

“(ii) 25 percent on the basis described in section 132(b)(2)(B)(ii);

“(iii) 25 percent on the basis described in section 132(b)(2)(B)(iii); and

“(iv) 25 percent on the basis described in section 132(b)(2)(B)(iv),

except that a reference in a section specified in any of clauses (i) through (iv) to ‘each



State' shall be considered to refer to each local area, and to 'all States' shall be considered to refer to all local areas.

“(B) MINIMUM AND MAXIMUM PERCENTAGES.—

“(i) MINIMUM PERCENTAGE.—The State shall ensure that no local area shall receive an allocation under this paragraph for—

“(I) each of fiscal years 2015 through 2017, that is less than 100 percent of the allocation percentage of the local area for fiscal year 2013; and

“(II) fiscal year 2018 and each succeeding fiscal year, that is less than 90 percent of the allocation percentage of the local area for the fiscal year preceding the fiscal year involved.

“(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the State shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph for—

“(I) each of fiscal years 2015 through 2017, that is more than 130 percent of the allocation percentage of the local area for fiscal year 2013; and

“(II) fiscal year 2018 and each succeeding fiscal year, that is more than 130 percent of the allocation percentage of the local area for the fiscal year preceding the fiscal year involved.

“(C) DEFINITIONS.—For the purpose of the formula specified in this paragraph, the term ‘allocation percentage’—

“(i) used with respect to fiscal year 2013, means the percentage of the amounts allocated to local areas under title I of this Act, title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.), the Women in Apprenticeship and Nontraditional Occupations Act (29 U.S.C. 2501 et seq.), sections 4103A and 4104 of title 38, United States Code, and sections 1 through 14 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.), as such provisions were in effect for fiscal year 2013, that is received under such provisions by the local area involved for fiscal year 2013; and

“(ii) used with respect to fiscal year 2017 or a succeeding fiscal year, means the percentage of the amounts allocated to local areas under this paragraph for the fiscal year, that is received under this paragraph by the local area involved for the fiscal year.”;

(3) in subsection (c)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—The Governor may, in accordance with this subsection, reallocate to eligible local areas within the State amounts that are allocated under subsection (b) for employment and training activities and that are available for reallocation.”;

(B) in paragraph (2), by striking “paragraph (2)(A) or (3) of subsection (b) for such activities” and inserting “subsection (b) for such activities”;

(C) by amending paragraph (3) to read as follows:

“(3) REALLOCATIONS.—In making reallocations to eligible local areas of amounts available pursuant to paragraph (2) for a program year, the Governor shall allocate to each eligible local area within the State an amount based on the relative amount allocated to such local area under subsection (b)(2) for such activities for such prior program year, as compared to the total amount allocated to all eligible local areas in the State under subsection (b)(2) for such activities for such prior program year.”;

(D) in paragraph (4), by striking “paragraph (2)(A) or (3) of”;

(4) by adding at the end the following new subsection:

“(d) LOCAL ADMINISTRATIVE COST LIMIT.—Of the amount allocated to a local area under this section for a fiscal year, not more than 10 percent of the amount may be used by the local board involved for the adminis-

trative costs of carrying out local workforce investment activities in the local area under this chapter.”;

**SEC. 22. USE OF FUNDS FOR EMPLOYMENT AND TRAINING ACTIVITIES.**

Section 134 (29 U.S.C. 2864) is amended—

(1) by amending subsection (a) to read as follows:

“(a) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

“(1) IN GENERAL.—

“(A) DISTRIBUTION OF STATEWIDE ACTIVITIES.—Funds reserved by a Governor for a State as described in section 133(a)(1) and not reserved under paragraph (2) or (3) of section 133(a)—

“(i) shall be used to carry out the statewide employment and training activities described in paragraph (2); and

“(ii) may be used to carry out any of the statewide employment and training activities described in paragraph (3).

“(B) STATEWIDE RAPID RESPONSE ACTIVITIES AND ADDITIONAL ASSISTANCE.—Funds reserved by a Governor for a State as described in section 133(a)(2) shall be used to provide the statewide rapid response activities and additional assistance described in paragraph (4).

“(C) STATEWIDE GRANTS FOR INDIVIDUALS WITH BARRIERS TO EMPLOYMENT.—Funds reserved by a Governor for a State as described in section 133(a)(3) shall be used to award statewide grants for individuals with barriers to employment on a competitive basis, and carry out other activities, as described in paragraph (5).

“(2) REQUIRED STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—A State shall use funds referred to in paragraph (1)(A) to carry out statewide employment and training activities, which shall include—

“(A) disseminating the State list of eligible providers of training services described in section 122(d), information identifying eligible providers of on-the-job training and customized training described in section 122(i), and performance information and program cost information described in section 122(b)(2);

“(B) supporting the provision of work ready services described in subsection (c)(2) in the one-stop delivery system;

“(C) implementing strategies and services that will be used in the State to assist at-risk youth and out-of-school youth in acquiring the education and skills, recognized post-secondary credentials, and employment experience to succeed in the labor market;

“(D) conducting evaluations under section 136(e) of activities authorized under this chapter in coordination with evaluations carried out by the Secretary under section 172;

“(E) providing technical assistance to local areas that fail to meet local performance measures;

“(F) operating a fiscal and management accountability system under section 136(f); and

“(G) carrying out monitoring and oversight of activities carried out under this chapter.

“(3) ALLOWABLE STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—A State may use funds referred to in paragraph (1)(A) to carry out statewide employment and training activities which may include—

“(A) implementing innovative programs and strategies designed to meet the needs of all employees in the State, including small employers, which may include incumbent worker training programs, sectoral and industry cluster strategies and partnership initiatives, career ladder programs, micro-enterprise and entrepreneurial training and support programs, utilization of effective business intermediaries, activities to improve linkages between the one-stop delivery

system in the State and all employers (including small employers) in the State, and other business services and strategies that better engage employers in workforce investment activities and make the workforce investment system more relevant to the needs of State and local businesses, consistent with the objectives of this title;

“(B) providing incentive grants to local areas—

“(i) for regional cooperation among local boards (including local boards in a designated region as described in section 116(c));

“(ii) for local coordination of activities carried out under this Act; and

“(iii) for exemplary performance by local areas on the local performance measures;

“(C) developing strategies for effectively integrating programs and services among one-stop partners;

“(D) carrying out activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology;

“(E) incorporating pay-for-performance contract strategies as an element in funding activities under this section and providing technical support to local areas and eligible providers in order to carry out such a strategy, which may involve providing assistance with data collection and data entry requirements;

“(F) carrying out the State option under subsection (f)(8); and

“(G) carrying out other activities authorized under this section that the State determines to be necessary to assist local areas in carrying out activities described in subsection (c) or (d) through the statewide workforce investment system.

“(4) STATEWIDE RAPID RESPONSE ACTIVITIES AND ADDITIONAL ASSISTANCE.—A State shall use funds reserved as described in section 133(a)(2)—

“(A) to carry out statewide rapid response activities, which shall include provision of rapid response activities, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas; and

“(B) to provide additional assistance to local areas that experience disasters, mass layoffs, or plant closings, or other events that precipitate substantial increases in the number of unemployed individuals, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas.

“(5) STATEWIDE GRANTS FOR INDIVIDUALS WITH BARRIERS TO EMPLOYMENT.—

“(A) IN GENERAL.—Of the funds reserved as described in section 133(a)(3), the Governor of a State—

“(i) may reserve up to 5 percent to provide technical assistance for, and conduct evaluations as described in section 136(e) of, the programs carried out under this paragraph; and

“(ii) using the remainder, shall award grants on a competitive basis to eligible entities (that meet specific performance outcomes and criteria established by the Governor) described in subparagraph (B) to carry out employment and training programs authorized under this paragraph for individuals with barriers to employment.

“(B) ELIGIBLE ENTITY DEFINED.—For purposes of this paragraph, the term ‘eligible entity’ means an entity that—

“(i) is a—

“(I) local board or a consortium of local boards;

“(II) nonprofit entity, for-profit entity, or a consortium of nonprofit or for-profit entities; or

“(III) consortium of the entities described in subclauses (I) and (II);

“(ii) has a demonstrated record of placing individuals into unsubsidized employment and serving hard-to-serve individuals; and

“(iii) agrees to be reimbursed primarily on the basis of meeting specified performance outcomes and criteria established by the Governor.

“(C) GRANT PERIOD.—

“(i) IN GENERAL.—A grant under this paragraph shall be awarded for a period of 1 year.

“(ii) GRANT RENEWAL.—A Governor of a State may renew, for up to 4 additional 1-year periods, a grant awarded under this paragraph.

“(D) ELIGIBLE PARTICIPANTS.—To be eligible to participate in activities under this paragraph, an individual shall be a low-income individual age 16 or older.

“(E) USE OF FUNDS.—An eligible entity receiving a grant under this paragraph shall use the grant funds for programs of activities that are designed to assist eligible participants in obtaining employment and acquiring the education and skills necessary to succeed in the labor market. To be eligible to receive a grant under this paragraph for an employment and training program, an eligible entity shall submit an application to a State at such time, in such manner, and containing such information as the State may require, including—

“(i) a description of how the strategies and activities of the program will be aligned with the State plan submitted under section 112 and the local plan submitted under section 118, with respect to the area of the State that will be the focus of the program under this paragraph;

“(ii) a description of the educational and skills training programs and activities the eligible entity will provide to eligible participants under this paragraph;

“(iii) how the eligible entity will collaborate with State and local workforce investment systems established under this title in the provision of such programs and activities;

“(iv) a description of the programs of demonstrated effectiveness on which the provision of such educational and skills training programs and activities are based, and a description of how such programs and activities will improve education and skills training for eligible participants;

“(v) a description of the populations to be served and the skill needs of those populations, and the manner in which eligible participants will be recruited and selected as participants;

“(vi) a description of the private, public, local, and State resources that will be leveraged, with the grant funds provided, for the program under this paragraph, and how the entity will ensure the sustainability of such program after grant funds are no longer available;

“(vii) a description of the extent of the involvement of employers in such program;

“(viii) a description of the levels of performance the eligible entity expects to achieve with respect to the indicators of performance for all individuals specified in section 136(b)(2);

“(ix) a detailed budget and a description of the system of fiscal controls, and auditing and accountability procedures, that will be used to ensure fiscal soundness for the program provided under this paragraph; and

“(x) any other criteria the Governor may require.”;

(2) by amending subsection (b) to read as follows:

“(b) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Funds allocated to a local area under section 133(b)—

“(1) shall be used to carry out employment and training activities described in subsection (c); and

“(2) may be used to carry out employment and training activities described in subsection (d).”;

(3) by striking subsection (c);

(4) by redesignating subsections (d) and (e), as subsections (c) and (d), respectively;

(5) in subsection (c) (as so redesignated)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—Funds allocated to a local area under section 133(b) shall be used—

“(A) to establish a one-stop delivery system as described in section 121(e);

“(B) to provide the work ready services described in paragraph (2) through the one-stop delivery system in accordance with such paragraph; and

“(C) to provide training services described in paragraph (4) in accordance with such paragraph.”;

(B) in paragraph (2)—

(i) in the heading, by striking “CORE SERVICES” and inserting “WORK READY SERVICES”;

(ii) in the matter preceding subparagraph (A)—

(I) by striking “(1)(A)” and inserting “(1)”; (II) by striking “core services” and inserting “work ready services”; and

(III) by striking “who are adults or dislocated workers”;

(iii) by redesignating subparagraph (K) as subparagraph (V);

(iv) by redesignating subparagraphs (B) through (J) as subparagraphs (C) through (K), respectively;

(v) by inserting after subparagraph (A) the following:

“(B) assistance in obtaining eligibility determinations under the other one-stop partner programs through activities, where appropriate and consistent with the authorizing statute of the one-stop partner program involved, such as assisting in—

“(i) the submission of applications;

“(ii) the provision of information on the results of such applications; and

“(iii) the provision of intake services and information.”;

(vi) by amending subparagraph (E), as so redesignated, to read as follows:

“(E) labor exchange services, including—

“(i) job search and placement assistance, and where appropriate, career counseling;

“(ii) appropriate recruitment services for employers, including small employers, in the local area, which may include services described in this subsection, including provision of information and referral to specialized business services not traditionally offered through the one-stop delivery system; and

“(iii) reemployment services provided to unemployment claimants, including claimants identified as in need of such services under the worker profiling system established under section 303(j) of the Social Security Act (42 U.S.C. 503(j));”;

(vii) in subparagraph (F), as so redesignated, by striking “employment statistics” and inserting “workforce and labor market”;

(viii) in subparagraph (G), as so redesignated, by striking “and eligible providers of youth activities described in section 123.”;

(ix) in subparagraph (H), as so redesignated, by inserting “under section 136” after “local performance measures”;

(x) in subparagraph (J), as so redesignated, by inserting “and information regarding the administration of the work test for the unemployment compensation system” after “compensation”;

(xi) by amending subparagraph (K), as so redesignated, to read as follows:

“(K) assistance in establishing eligibility for programs of financial aid assistance for

education and training programs that are not funded under this Act and are available in the local area.”; and

(xii) by inserting the following new subparagraphs after subparagraph (K), as so redesignated:

“(L) the provision of information from official publications of the Internal Revenue Service regarding Federal tax credits, available to participants in employment and training activities, and relating to education, job training, and employment;

“(M) comprehensive and specialized assessments of the skill levels and service needs of workers, which may include—

“(i) diagnostic testing and use of other assessment tools; and

“(ii) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals;

“(N) development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant;

“(O) group counseling;

“(P) individual counseling and career planning;

“(Q) case management;

“(R) short-term pre-career services, including development of learning skills, communications skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct, to prepare individuals for unsubsidized employment or training;

“(S) internships and work experience;

“(T) literacy activities relating to basic work readiness, information and communication technology literacy activities, and financial literacy activities, if the activities involved are not available to participants in the local area under programs administered under the Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.);

“(U) out-of-area job search assistance and relocation assistance; and”;

(C) by amending paragraph (3) to read as follows:

“(3) DELIVERY OF SERVICES.—The work ready services described in paragraph (2) shall be provided through the one-stop delivery system and may be provided through contracts with public, private for-profit, and private nonprofit service providers, approved by the local board.”; and

(D) in paragraph (4)—

(i) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—Funds described in paragraph (1)(C) shall be used to provide training services to individuals who—

“(i) after an interview, evaluation, or assessment, and case management, have been determined by a one-stop operator or one-stop partner, as appropriate, to—

“(I) be in need of training services to obtain or retain employment; and

“(II) have the skills and qualifications to successfully participate in the selected program of training services;

“(ii) select programs of training services that are directly linked to the employment opportunities in the local area involved or in another area in which the individual receiving such services are willing to commute or relocate; and

“(iii) who meet the requirements of subparagraph (B).”;

(ii) in subparagraph (B)(i), by striking “Except” and inserting “Notwithstanding section 479B of the Higher Education Act of 1965 (20 U.S.C. 1087uu) and except”;

(iii) by amending subparagraph (D) to read as follows:

“(D) TRAINING SERVICES.—Training services authorized under this paragraph may include—

“(i) occupational skills training;

“(ii) on-the-job training;  
 “(iii) skill upgrading and retraining;  
 “(iv) entrepreneurial training;  
 “(v) education activities leading to a regular secondary school diploma or its recognized equivalent in combination with, concurrently or subsequently, occupational skills training;  
 “(vi) adult education and family literacy education activities provided in conjunction with other training services authorized under this subparagraph;  
 “(vii) workplace training combined with related instruction;  
 “(viii) occupational skills training that incorporates English language acquisition;  
 “(ix) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training; and  
 “(x) training programs operated by the private sector.”;  
 (iv) by striking subparagraph (E) and redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively;  
 (v) in subparagraph (E) (as so redesignated)—  
 (I) in clause (ii)—  
 (aa) in the matter preceding subclause (I), by striking “subsection (c)” and inserting “section 121”;  
 (bb) in subclause (I), by striking “section 122(e)” and inserting “section 122(d)” and by striking “section 122(h)” and inserting “section 122(i)”;  
 (cc) in subclause (II), by striking “subsections (e) and (h)” and inserting “subsections (d) and (i)”;  
 (II) by striking clause (iii) and inserting the following:  
 “(iii) CAREER ENHANCEMENT ACCOUNTS.—An individual who seeks training services and who is eligible pursuant to subparagraph (A), may, in consultation with a case manager, select an eligible provider of training services from the list or identifying information for providers described in clause (ii)(I). Upon such selection, the one-stop operator involved shall, to the extent practicable, refer such individual to the eligible provider of training services, and arrange for payment for such services through a career enhancement account.  
 “(iv) COORDINATION.—Each local board may, through one-stop centers, coordinate career enhancement accounts with other Federal, State, local, or private job training programs or sources to assist the individual in obtaining training services from (notwithstanding any provision of this title) eligible providers for those programs and sources.  
 “(v) ASSISTANCE.—Each local board may, through one-stop centers, assist individuals receiving career enhancement accounts in obtaining funds (in addition to the funds provided under this section) from other programs and sources that will assist the individual in obtaining training services.”; and  
 (vi) in subparagraph (F) (as so redesignated)—  
 (I) in the subparagraph heading, by striking “INDIVIDUAL TRAINING ACCOUNTS” and inserting “CAREER ENHANCEMENT ACCOUNTS”;  
 (II) in clause (i), by striking “individual training accounts” and inserting “career enhancement accounts”;  
 (III) in clause (ii)—  
 (aa) by striking “an individual training account” and inserting “a career enhancement account”;  
 (bb) by striking “subparagraph (F)” and inserting “subparagraph (E)”;  
 (cc) in subclause (II), by striking “individual training accounts” and inserting “career enhancement accounts”;  
 (dd) in subclause (II), by striking “or” after the semicolon;

(ee) in subclause (III), by striking the period and inserting “; or”;  
 (ff) by adding at the end the following:  
 “(IV) the local board determines that it would be most appropriate to award a contract to a postsecondary educational institution that has been identified as a priority eligible provider under section 117(d)(5)(B) in order to facilitate the training of multiple individuals in in-demand industries or occupations important to the State or local economy, that such contract may be used to enable the expansion of programs provided by a priority eligible provider, and that such contract does not limit customer choice.”;  
 (IV) in clause (iii), by striking “adult or dislocated worker” and inserting “individual”;  
 (V) in clause (iv)—  
 (aa) by redesignating subclause (IV) as subclause (V); and  
 (bb) by inserting after subclause (III) the following:  
 “(IV) Individuals with disabilities.”;  
 (6) in subsection (d) (as so redesignated)—  
 (A) by amending paragraph (1) to read as follows:  
 “(1) DISCRETIONARY ONE-STOP DELIVERY ACTIVITIES.—  
 “(A) IN GENERAL.—Funds allocated to a local area under section 133(b)(2) may be used to provide, through the one-stop delivery system—  
 “(i) customized screening and referral of qualified participants in training services to employers;  
 “(ii) customized employment-related services to employers on a fee-for-service basis;  
 “(iii) customer supports, including transportation and child care, to navigate among multiple services and activities for special participant populations that face multiple barriers to employment, including individuals with disabilities;  
 “(iv) employment and training assistance provided in coordination with child support enforcement activities of the State agency carrying out subtitle D of title IV of the Social Security Act (42 U.S.C. 651 et seq.);  
 “(v) incorporation of pay-for-performance contract strategies as an element in funding activities under this section;  
 “(vi) activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology; and  
 “(vii) activities to carry out business services and strategies that meet the workforce investment needs of local area employers, as determined by the local board, consistent with the local plan under section 118.”;  
 (B) by striking paragraphs (2) and (3); and  
 (C) by adding at the end the following:  
 “(2) INCUMBENT WORKER TRAINING PROGRAMS.—  
 “(A) IN GENERAL.—The local board may use funds allocated to a local area under section 133(b)(2) to carry out incumbent worker training programs in accordance with this paragraph.  
 “(B) TRAINING ACTIVITIES.—The training programs for incumbent workers under this paragraph shall be carried out by the local area in conjunction with the employers of such workers for the purpose of assisting such workers in obtaining the skills necessary to retain employment and avert layoffs.  
 “(C) EMPLOYER MATCH REQUIRED.—  
 “(i) IN GENERAL.—Employers participating in programs under this paragraph shall be required to pay a proportion of the costs of providing the training to the incumbent workers of the employers. The local board shall establish the required payment toward such costs, which may include in-kind contributions.

“(ii) CALCULATION OF MATCH.—The wages paid by an employer to a worker while they are attending training may be included as part of the required payment of the employer.”; and  
 (7) by adding at the end the following:  
 “(e) PRIORITY FOR PLACEMENT IN PRIVATE SECTOR JOBS.—In providing employment and training activities authorized under this section, the State board and local board shall give priority to placing participants in jobs in the private sector.  
 “(f) VETERAN EMPLOYMENT SPECIALIST.—  
 “(1) IN GENERAL.—Subject to paragraph (8), a local board shall hire and employ one or more veteran employment specialists to carry out employment, training, supportive, and placement services under this subsection in the local area served by the local board.  
 “(2) PRINCIPAL DUTIES.—A veteran employment specialist in a local area shall—  
 “(A) conduct outreach to employers in the local area to assist veterans, including disabled veterans, in gaining employment, including—  
 “(i) conducting seminars for employers; and  
 “(ii) in conjunction with employers, conducting job search workshops, and establishing job search groups; and  
 “(B) facilitate the furnishing of employment, training, supportive, and placement services to veterans, including disabled and homeless veterans, in the local area.  
 “(3) HIRING PREFERENCE FOR VETERANS AND INDIVIDUALS WITH EXPERTISE IN SERVING VETERANS.—Subject to paragraph (8), a local board shall, to the maximum extent practicable, employ veterans or individuals with expertise in serving veterans to carry out the services described in paragraph (2) in the local area served by the local board. In hiring an individual to serve as a veteran employment specialist, a local board shall give preference to veterans and other individuals in the following order:  
 “(A) To service-connected disabled veterans.  
 “(B) If no veteran described in subparagraph (A) is available, to veterans.  
 “(C) If no veteran described in subparagraph (A) or (B) is available, to any member of the Armed Forces transitioning out of military service.  
 “(D) If no veteran or member described in subparagraph (A), (B), or (C) is available, to any spouse of a veteran or a spouse of a member of the Armed Forces transitioning out of military service.  
 “(E) If no veteran or member described in subparagraph (A), (B), or (C) is available and no spouse described in paragraph (D) is available, to any other individuals with expertise in serving veterans.  
 “(4) ADMINISTRATION AND REPORTING.—  
 “(A) IN GENERAL.—Each veteran employment specialist shall be administratively responsible to the one-stop operator of the one-stop center in the local area and shall provide, at a minimum, quarterly reports to the one-stop operator of such center and to the Assistant Secretary for Veterans’ Employment and Training for the State on the specialist’s performance, and compliance by the specialist with Federal law (including regulations), with respect to the—  
 “(i) principal duties (including facilitating the furnishing of services) for veterans described in paragraph (2); and  
 “(ii) hiring preferences described in paragraph (3) for veterans and other individuals.  
 “(B) REPORT TO SECRETARY.—Each State shall submit to the Secretary an annual report on the qualifications used by each local board in the State in making hiring determinations for a veteran employment specialist and the salary structure under which such specialist is compensated.

“(C) REPORT TO CONGRESS.—The Secretary shall submit to the Committee on Education and the Workforce and the Committee on Veterans’ Affairs of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Veterans’ Affairs of the Senate an annual report summarizing the reports submitted under subparagraph (B), and including summaries of outcomes achieved by participating veterans, disaggregated by local areas.

“(5) PART-TIME EMPLOYEES.—A part-time veteran employment specialist shall perform the functions of a veteran employment specialist under this subsection on a halftime basis.

“(6) TRAINING REQUIREMENTS.—Each veteran employment specialist described in paragraph (2) shall satisfactorily complete training provided by the National Veterans’ Employment and Training Institute during the 3-year period that begins on the date on which the employee is so assigned.

“(7) SPECIALIST’S DUTIES.—A full-time veteran employment specialist shall perform only duties related to employment, training, supportive, and placement services under this subsection, and shall not perform other non-veteran-related duties if such duties detract from the specialist’s ability to perform the specialist’s duties related to employment, training, supportive, and placement services under this subsection.

“(8) STATE OPTION.—At the request of a local board, a State may opt to assume the duties assigned to the local board under paragraphs (1) and (3), including the hiring and employment of one or more veteran employment specialists for placement in the local area served by the local board.”

#### SEC. 23. PERFORMANCE ACCOUNTABILITY SYSTEM.

Section 136 (29 U.S.C. 2871) is amended—

(1) in subsection (b)—

(A) by amending paragraphs (1) and (2) to read as follows:

“(1) IN GENERAL.—For each State, the State performance measures shall consist of—

“(A)(i) the core indicators of performance described in paragraph (2)(A); and

“(ii) additional indicators of performance (if any) identified by the State under paragraph (2)(B); and

“(B) a State adjusted level of performance for each indicator described in subparagraph (A).

“(2) INDICATORS OF PERFORMANCE.—

“(A) CORE INDICATORS OF PERFORMANCE.—

“(i) IN GENERAL.—The core indicators of performance for the program of employment and training activities authorized under sections 132(a)(2) and 134, the program of adult education and family literacy education activities authorized under title II, and the program authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741), shall consist of the following indicators of performance (with performance determined in the aggregate and as disaggregated by the populations identified in the State and local plan in each case):

“(I) The percentage and number of program participants who are in unsubsidized employment during the second full calendar quarter after exit from the program.

“(II) The percentage and number of program participants who are in unsubsidized employment during the fourth full calendar quarter after exit from the program.

“(III) The difference in the median earnings of program participants who are in unsubsidized employment during the second full calendar quarter after exit from the program, compared to the median earnings of

such participants prior to participation in such program.

“(IV) The percentage and number of program participants who obtain a recognized postsecondary credential (such as an industry-recognized credential or a certificate from a registered apprenticeship program), or a regular secondary school diploma or its recognized equivalent (subject to clause (ii)), during participation in or within 1 year after exit from the program.

“(V) The percentage and number of program participants who, during a program year—

“(aa) are in an education or training program that leads to a recognized postsecondary credential (such as an industry-recognized credential or a certificate from a registered apprenticeship program), a certificate from an on-the-job training program, a regular secondary school diploma or its recognized equivalent, or unsubsidized employment; and

“(bb) are achieving measurable basic skill gains toward such a credential, certificate, diploma, or employment.

“(VI) The percentage and number of program participants who obtain unsubsidized employment in the field relating to the training services described in section 134(c)(4) that such participants received.

“(ii) INDICATOR RELATING TO CREDENTIAL.—For purposes of clause (i)(IV), program participants who obtain a regular secondary school diploma or its recognized equivalent shall be included in the percentage counted as meeting the criterion under such clause only if such participants (in addition to obtaining such diploma or its recognized equivalent), within 1 year after exit from the program, have obtained or retained employment, have been removed from public assistance, or have begun an education or training program leading to a recognized postsecondary credential.

“(B) ADDITIONAL INDICATORS.—A State may identify in the State plan additional indicators for workforce investment activities authorized under this subtitle.”; and

(B) in paragraph (3)—

(i) in subparagraph (A)—

(I) in the heading, by striking “AND CUSTOMER SATISFACTION INDICATOR”;

(II) in clause (i), by striking “and the customer satisfaction indicator described in paragraph (2)(B)”;

(III) in clause (ii), by striking “and the customer satisfaction indicator of performance, for the first 3” and inserting “, for all 3”;

(IV) in clause (iii)—

(aa) in the heading, by striking “FOR FIRST 3 YEARS”;

(bb) by striking “and the customer satisfaction indicator of performance, for the first 3 program years” and inserting “for all 3 program years”;

(V) in clause (iv)—

(aa) by striking “or (v)”;

(bb) by striking subclause (I) and redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively; and

(cc) in subclause (I) (as so redesignated)—

(AA) by inserting “, such as unemployment rates and job losses or gains in particular industries” after “economic conditions”; and

(BB) by inserting “, such as indicators of poor work experience, dislocation from high-wage employment, low levels of literacy or English proficiency, disability status (including disability status among veterans), and welfare dependency,” after “program”;

(VI) by striking clause (v) and redesignating clause (vi) as clause (v); and

(VII) in clause (v) (as so redesignated)—

(aa) by striking “described in clause (iv)(II)” and inserting “described in clause (iv)(I)”;

(bb) by striking “or (v)”;

(i) in subparagraph (B), by striking “paragraph (2)(C)” and inserting “paragraph (2)(B)”;

(2) in subsection (c)—

(A) by amending clause (i) of paragraph (1)(A) to read as follows:

“(i) the core indicators of performance described in subsection (b)(2)(A) for activities described in such subsection, other than statewide workforce investment activities; and”;

(B) in clause (ii) of paragraph (1)(A), by striking “(b)(2)(C)” and inserting “(b)(2)(B)”;

(C) by amending paragraph (3) to read as follows:

“(3) DETERMINATIONS.—In determining such local levels of performance, the local board, the chief elected official, and the Governor shall ensure such levels are adjusted based on the specific economic conditions (such as unemployment rates and job losses or gains in particular industries), or demographic characteristics or other characteristics of the population to be served, in the local area.”;

(3) in subsection (d)—

(A) in paragraph (1)—

(i) by striking “127 or”;

(ii) by striking “and the customer satisfaction indicator” each place it appears; and

(iii) in the last sentence, by inserting before the period the following: “, and on the amount and percentage of the State’s annual allotment under section 132 the State spends on administrative costs and on the amount and percentage of its annual allocation under section 133 each local area in the State spends on administrative costs”;

(B) in paragraph (2)—

(i) by striking subparagraphs (A), (B), and (D);

(ii) by redesignating subparagraph (C) as subparagraph (A);

(iii) by redesignating subparagraph (E) as subparagraph (B);

(iv) in subparagraph (B), as so redesignated—

(I) by striking “(excluding participants who received only self-service and informational activities)”;

(II) by striking “and” at the end;

(v) by striking subparagraph (F); and

(vi) by adding at the end the following:

“(C) with respect to each local area in the State—

“(i) the number of individuals who received work ready services described in section 134(c)(2) and the number of individuals who received training services described in section 134(c)(4), during the most recent program year and fiscal year, and the preceding 5 program years, disaggregated (for individuals who received work ready services) by the type of entity that provided the work ready services and disaggregated (for individuals who received training services) by the type of entity that provided the training services, and the amount of funds spent on each of the 2 types of services during the most recent program year and fiscal year, and the preceding 5 fiscal years;

“(ii) the number of individuals who successfully exited out of work ready services described in section 134(c)(2) and the number of individuals who exited out of training services described in section 134(c)(4), during the most recent program year and fiscal year, and the preceding 5 program years, disaggregated (for individuals who received work ready services) by the type of entity that provided the work ready services and disaggregated (for individuals who received training services) by the type of entity that provided the training services; and

“(iii) the average cost per participant of those individuals who received work ready

services described in section 134(c)(2) and the average cost per participant of those individuals who received training services described in section 134(c)(4), during the most recent program year and fiscal year, and the preceding 5 program years, disaggregated (for individuals who received work ready services) by the type of entity that provided the work ready services and disaggregated (for individuals who received training services) by the type of entity that provided the training services; and

“(D) the amount of funds spent on training services and discretionary activities described in section 134(d), disaggregated by the populations identified under section 112(b)(16)(A)(iv) and section 118(b)(10).”;

(C) in paragraph (3)(A), by striking “through publication” and inserting “through electronic means”; and

(D) by adding at the end the following:

“(4) DATA VALIDATION.—In preparing the reports described in this subsection, each State shall establish procedures, consistent with guidelines issued by the Secretary, to ensure the information contained in the reports is valid and reliable.

“(5) STATE AND LOCAL POLICIES.—

“(A) STATE POLICIES.—Each State that receives an allotment under section 132 shall maintain a central repository of policies related to access, eligibility, availability of services, and other matters, and plans approved by the State board and make such repository available to the public, including by electronic means.

“(B) LOCAL POLICIES.—Each local area that receives an allotment under section 133 shall maintain a central repository of policies related to access, eligibility, availability of services, and other matters, and plans approved by the local board and make such repository available to the public, including by electronic means.”;

(4) in subsection (g)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking “or (B)”;

(ii) in subparagraph (B), by striking “may reduce by not more than 5 percent,” and inserting “shall reduce”; and

(B) by striking paragraph (2) and inserting the following:

“(2) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Secretary shall return to the Treasury the amount retained, as a result of a reduction in an allotment to a State made under paragraph (1)(B).”;

(5) in subsection (h)—

(A) in paragraph (1), by striking “or (B)”; and

(B) in paragraph (2)—

(i) in subparagraph (A), by amending the matter preceding clause (i) to read as follows:

“(A) IN GENERAL.—If such failure continues for a second consecutive year, the Governor shall take corrective actions, including the development of a reorganization plan. Such plan shall—”;

(ii) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;

(iii) by inserting after subparagraph (A), the following:

“(B) REDUCTION IN THE AMOUNT OF GRANT.—If such failure continues for a third consecutive year, the Governor shall reduce the amount of the grant that would (in the absence of this subparagraph) be payable to the local area under such program for the program year after such third consecutive year. Such penalty shall be based on the degree of failure to meet local levels of performance.”;

(iv) in subparagraph (C)(i) (as so redesignated), by striking “a reorganization plan under subparagraph (A) may, not later than 30 days after receiving notice of the reorga-

nization plan, appeal to the Governor to rescind or revise such plan” and inserting “corrective action under subparagraph (A) or (B) may, not later than 30 days after receiving notice of the action, appeal to the Governor to rescind or revise such action”; and

(v) in subparagraph (D) (as so redesignated), by striking “subparagraph (B)” each place it appears and inserting “subparagraph (C)”;

(6) in subsection (i)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking “subsection (b)(2)(C)” and inserting “subsection (b)(2)(B)”;

(ii) in subparagraph (C), by striking “(b)(3)(A)(vi)” and inserting “(b)(3)(A)(v)”;

(B) in paragraph (2), by striking “the activities described in section 502 concerning”;

(C) in paragraph (3), by striking “described in paragraph (1) and in the activities described in section 502” and inserting “and activities described in this subsection”; and

(7) by adding at the end the following new subsections:

“(j) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—Consistent with the requirements of the applicable authorizing laws, the Secretary shall use the core indicators of performance described in subsection (b)(2)(A) to assess the effectiveness of the programs described in section 121(b)(1)(B) (in addition to the programs carried out under chapter 5) that are carried out by the Secretary.

“(k) ESTABLISHING PAY-FOR-PERFORMANCE INCENTIVES.—

“(1) IN GENERAL.—At the discretion of the Governor of a State, a State may establish an incentive system for local boards to implement pay-for-performance contract strategies for the delivery of employment and training activities in the local areas served by the local boards.

“(2) IMPLEMENTATION.—A State that establishes a pay-for-performance incentive system shall reserve not more than 10 percent of the total amount allotted to the State under section 132(b)(2) for a fiscal year to provide funds to local areas in the State whose local boards have implemented a pay-for-performance contract strategy.

“(3) EVALUATIONS.—A State described in paragraph (2) shall use funds reserved by the State under section 133(a)(1) to evaluate the return on investment of pay-for-performance contract strategies implemented by local boards in the State.”.

**SEC. 24. AUTHORIZATION OF APPROPRIATIONS.**

Section 137 (29 U.S.C. 2872) is amended to read as follows:

**“SEC. 137. AUTHORIZATION OF APPROPRIATIONS.**

“There are authorized to be appropriated to carry out the activities described in section 132, \$6,245,318,000 for fiscal year 2015 and each of the 6 succeeding fiscal years.”.

**CHAPTER 3—JOB CORPS**

**SEC. 26. JOB CORPS PURPOSES.**

Paragraph (1) of section 141 (29 U.S.C. 2881(1)) is amended to read as follows:

“(1) to maintain a national Job Corps program for at-risk youth, carried out in partnership with States and communities, to assist eligible youth to connect to the workforce by providing them with intensive academic, career and technical education, and service-learning opportunities, in residential and nonresidential centers, in order for such youth to obtain regular secondary school diplomas and recognized postsecondary credentials leading to successful careers in in-demand industries that will result in opportunities for advancement.”.

**SEC. 27. JOB CORPS DEFINITIONS.**

Section 142 (29 U.S.C. 2882) is amended—

(1) in paragraph (2)—

(A) in the paragraph heading, by striking “APPLICABLE ONE-STOP” and inserting “ONE-STOP”;

(B) by striking “applicable”;

(C) by striking “customer service”; and

(D) by striking “intake” and inserting “assessment”;

(2) in paragraph (4), by striking “before completing the requirements” and all that follows and inserting “prior to becoming a graduate.”; and

(3) in paragraph (5), by striking “has completed the requirements” and all that follows and inserting the following: “who, as a result of participation in the Job Corps program, has received a regular secondary school diploma, completed the requirements of a career and technical education and training program, or received, or is making satisfactory progress (as defined under section 484(c) of the Higher Education Act of 1965 (20 U.S.C. 1091(c))) toward receiving, a recognized postsecondary credential (including an industry-recognized credential) that prepares individuals for employment leading to economic self-sufficiency.”.

**SEC. 28. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.**

Section 144 (29 U.S.C. 2884) is amended—

(1) by amending paragraph (1) to read as follows:

“(1) not less than age 16 and not more than age 24 on the date of enrollment.”;

(2) in paragraph (3)(B), by inserting “secondary” before “school”; and

(3) in paragraph (3)(E), by striking “vocational” and inserting “career and technical education and”.

**SEC. 29. RECRUITMENT, SCREENING, SELECTION, AND ASSIGNMENT OF ENROLLEES.**

Section 145 (29 U.S.C. 2885) is amended—

(1) in subsection (a)—

(A) in paragraph (2)(C)(i) by striking “vocational” and inserting “career and technical education and training”; and

(B) in paragraph (3)—

(i) by striking “To the extent practicable, the” and inserting “The”;

(ii) in subparagraph (A)—

(I) by striking “applicable”; and

(II) by inserting “and” after the semicolon;

(iii) by striking subparagraphs (B) and (C); and

(iv) by adding at the end the following:

“(B) organizations that have a demonstrated record of effectiveness in placing at-risk youth into employment.”;

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B), by inserting “and agrees to such rules” after “failure to observe the rules”; and

(ii) by amending subparagraph (C) to read as follows:

“(C) the individual has passed a background check conducted in accordance with procedures established by the Secretary, which shall include—

“(i) a search of the State criminal registry or repository in the State where the individual resides and each State where the individual previously resided;

“(ii) a search of State-based child abuse and neglect registries and databases in the State where the individual resides and each State where the individual previously resided;

“(iii) a search of the National Crime Information Center;

“(iv) a Federal Bureau of Investigation fingerprint check using the Integrated Automated Fingerprint Identification System; and

“(v) a search of the National Sex Offender Registry established under the Adam Walsh

Child Protection and Safety Act of 2006 (42 U.S.C. 16901 et seq.)”;

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

“(3) INDIVIDUALS CONVICTED OF A CRIME.—An individual shall be ineligible for enrollment if the individual—

“(A) makes a false statement in connection with the criminal background check described in paragraph (1)(C);

“(B) is registered or is required to be registered on a State sex offender registry or the National Sex Offender Registry established under the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16901 et seq.); or

“(C) has been convicted of a felony consisting of—

“(i) homicide;

“(ii) child abuse or neglect;

“(iii) a crime against children, including child pornography;

“(iv) a crime involving rape or sexual assault; or

“(v) physical assault, battery, or a drug-related offense, committed within the past 5 years.”;

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by striking “2 years” and inserting “year”; and

(ii) by striking “an assignment” and inserting “a”; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking “, every 2 years,”;

(ii) in subparagraph (B), by striking “and” at the end;

(iii) in subparagraph (C)—

(I) by inserting “the education and training” after “including”; and

(II) by striking the period at the end and inserting “; and”; and

(iv) by adding at the end the following:

“(D) the performance of the Job Corps center relating to the indicators described in paragraphs (1) and (2) in section 159(c), and whether any actions have been taken with respect to such center pursuant to section 159(f).”;

(4) in subsection (d)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “is closest to the home of the enrollee, except that the” and inserting “offers the type of career and technical education and training selected by the individual and, among the centers that offer such education and training, is closest to the home of the individual. The”;

(ii) by striking subparagraph (A); and

(iii) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) in paragraph (2), by inserting “that offers the career and technical education and training desired by” after “home of the enrollee”.

### SEC. 30. JOB CORPS CENTERS.

Section 147 (29 U.S.C. 2887) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(A), by striking “vocational” both places it appears and inserting “career and technical”; and

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking “subsections (c) and (d) of section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253)” and inserting “subsections (a) and (b) of section 3304 of title 41, United States Code”; and

(II) by striking “industry council” and inserting “workforce council”;

(ii) in subparagraph (B)(i)—

(I) by amending subclause (II) to read as follows:

“(II) the ability of the entity to offer career and technical education and training that the workforce council proposes under section 154(c);”;

(II) in subclause (III), by striking “is familiar with the surrounding communities, applicable” and inserting “demonstrates relationships with the surrounding communities, employers, workforce boards,” and by striking “and” at the end;

(III) by amending subclause (IV) to read as follows:

“(IV) the performance of the entity, if any, relating to operating or providing activities described in this subtitle to a Job Corps center, including the entity’s demonstrated effectiveness in assisting individuals in achieving the primary and secondary indicators of performance described in paragraphs (1) and (2) of section 159(c); and”;

(IV) by adding at the end the following new subclause:

“(V) the ability of the entity to demonstrate a record of successfully assisting at-risk youth to connect to the workforce, including by providing them with intensive academic, and career and technical education and training.”;

(iii) in subparagraph (B)(ii)—

(I) by striking “, as appropriate”; and

(II) by striking “through (IV)” and inserting “through (V)”;

(2) in subsection (b), by striking “In any year, no more than 20 percent of the individuals enrolled in the Job Corps may be non-residential participants in the Job Corps.”;

(3) by amending subsection (c) to read as follows:

“(c) CIVILIAN CONSERVATION CENTERS.—

“(1) IN GENERAL.—The Job Corps centers may include Civilian Conservation Centers, operated under an agreement between the Secretary of Labor and the Secretary of Agriculture, that are located primarily in rural areas. Such centers shall adhere to all the provisions of this subtitle, and shall provide, in addition to education, career and technical education and training, and workforce preparation skills training described in section 148, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest.

“(2) SELECTION PROCESS.—The Secretary shall select an entity that submits an application under subsection (d) to operate a Civilian Conservation Center on a competitive basis, as provided in subsection (a).”;

(4) by striking subsection (d) and inserting the following:

“(d) APPLICATION.—To be eligible to operate a Job Corps center under this subtitle, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

“(1) a description of the program activities that will be offered at the center, including how the career and technical education and training reflect State and local employment opportunities, including in in-demand industries;

“(2) a description of the counseling, placement, and support activities that will be offered at the center, including a description of the strategies and procedures the entity will use to place graduates into unsubsidized employment upon completion of the program;

“(3) a description of the demonstrated record of effectiveness that the entity has in placing at-risk youth into employment, including past performance of operating a Job Corps center under this subtitle;

“(4) a description of the relationships that the entity has developed with State and local workforce boards, employers, State and local educational agencies, and the sur-

rounding communities in an effort to promote a comprehensive statewide workforce investment system;

“(5) a description of the strong fiscal controls the entity has in place to ensure proper accounting of Federal funds, and a description of how the entity will meet the requirements of section 159(a);

“(6) a description of the strategies and policies the entity will utilize to reduce participant costs;

“(7) a description of the steps taken to control costs in accordance with section 159(a)(3);

“(8) a detailed budget of the activities that will be supported using funds under this subtitle;

“(9) a detailed budget of the activities that will be supported using funds from non-Federal resources;

“(10) an assurance the entity will comply with the administrative cost limitation included in section 151(c);

“(11) an assurance the entity is licensed to operate in the State in which the center is located; and

“(12) an assurance the entity will comply with and meet basic health and safety codes, including those measures described in section 152(b).

“(e) LENGTH OF AGREEMENT.—The agreement described in subsection (a)(1)(A) shall be for not longer than a 2-year period. The Secretary may renew the agreement for 3 1-year periods if the entity meets the requirements of subsection (f).

“(f) RENEWAL.—

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary may renew the terms of an agreement described in subsection (a)(1)(A) for an entity to operate a Job Corps center if the center meets or exceeds each of the indicators of performance described in section 159(c)(1).

“(2) RECOMPETITION.—

“(A) IN GENERAL.—Notwithstanding paragraph (1), the Secretary shall not renew the terms of the agreement for an entity to operate a Job Corps center if such center is ranked in the bottom quintile of centers described in section 159(f)(2) for any program year. Such entity may submit a new application under subsection (d) only if such center has shown significant improvement on the indicators of performance described in section 159(c)(1) over the last program year.

“(B) VIOLATIONS.—The Secretary shall not select an entity to operate a Job Corps center if such entity or such center has been found to have a systemic or substantial material failure that involves—

“(i) a threat to the health, safety, or civil rights of program participants or staff;

“(ii) the misuse of funds received under this subtitle;

“(iii) loss of legal status or financial viability, loss of permits, debarment from receiving Federal grants or contracts, or the improper use of Federal funds;

“(iv) failure to meet any other Federal or State requirement that the entity has shown an unwillingness or inability to correct, after notice from the Secretary, within the period specified; or

“(v) an unresolved area of noncompliance.

“(g) CURRENT GRANTEEES.—Not later than 60 days after the date of enactment of the SKILLS Act and notwithstanding any previous grant award or renewals of such award under this subtitle, the Secretary shall require all entities operating a Job Corps center under this subtitle to submit an application under subsection (d) to carry out the requirements of this section.”

### SEC. 31. PROGRAM ACTIVITIES.

Section 148 (29 U.S.C. 2888) is amended—

(1) by amending subsection (a) to read as follows:

“(a) ACTIVITIES PROVIDED THROUGH JOB CORPS CENTERS.—

“(1) IN GENERAL.—Each Job Corps center shall provide enrollees with an intensive, well-organized, and supervised program of education, career and technical education and training, work experience, recreational activities, physical rehabilitation and development, and counseling. Each Job Corps center shall provide enrollees assigned to the center with access to work ready services described in section 134(c)(2).

“(2) RELATIONSHIP TO OPPORTUNITIES.—

“(A) IN GENERAL.—The activities provided under this subsection shall be targeted to helping enrollees, on completion of their enrollment—

- “(i) secure and maintain meaningful unsubsidized employment;
- “(ii) complete secondary education and obtain a regular secondary school diploma;
- “(iii) enroll in and complete postsecondary education or training programs, including obtaining recognized postsecondary credentials (such as industry-recognized credentials and certificates from registered apprenticeship programs); or
- “(iv) satisfy Armed Forces requirements.

“(B) LINK TO EMPLOYMENT OPPORTUNITIES.—The career and technical education and training provided shall be linked to the employment opportunities in in-demand industries in the State in which the Job Corps center is located.”;

(2) in subsection (b)—

(A) in the subsection heading, by striking “EDUCATION AND VOCATIONAL” and inserting “ACADEMIC AND CAREER AND TECHNICAL EDUCATION AND”;

(B) by striking “may” after “The Secretary” and inserting “shall”; and

(C) by striking “vocational” each place it appears and inserting “career and technical”; and

(3) by amending paragraph (3) of subsection (c) to read as follows:

“(3) DEMONSTRATION.—Each year, any operator seeking to enroll additional enrollees in an advanced career training program shall demonstrate, before the operator may carry out such additional enrollment, that—

“(A) participants in such program have achieved a satisfactory rate of completion and placement in training-related jobs; and

“(B) such operator has met or exceeded the indicators of performance described in paragraphs (1) and (2) of section 159(c) for the previous year.”.

**SEC. 32. COUNSELING AND JOB PLACEMENT.**

Section 149 (29 U.S.C. 2889) is amended—

(1) in subsection (a), by striking “vocational” and inserting “career and technical education and”;

(2) in subsection (b)—

(A) by striking “make every effort to arrange to”; and

(B) by striking “to assist” and inserting “assist”; and

(3) by striking subsection (d).

**SEC. 33. SUPPORT.**

Subsection (b) of section 150 (29 U.S.C. 2890) is amended to read as follows:

“(b) TRANSITION ALLOWANCES AND SUPPORT FOR GRADUATES.—The Secretary shall arrange for a transition allowance to be paid to graduates. The transition allowance shall be incentive-based to reflect a graduate’s completion of academic, career and technical education or training, and attainment of a recognized postsecondary credential, including an industry-recognized credential.”.

**SEC. 34. OPERATIONS.**

Section 151 (29 U.S.C. 2891) is amended—

(1) in the header, by striking “OPERATING PLAN.” and inserting “OPERATIONS.”;

(2) in subsection (a), by striking “IN GENERAL.—” and inserting “OPERATING PLAN.—”;

(3) by striking subsection (b) and redesignating subsection (c) as subsection (b);

(4) by amending subsection (b) (as so redesignated)—

(A) in the heading by inserting “OF OPERATING PLAN” after “AVAILABILITY”; and

(B) by striking “subsections (a) and (b)” and inserting “subsection (a)”;

(5) by adding at the end the following new subsection:

“(c) ADMINISTRATIVE COSTS.—Not more than 10 percent of the funds allotted under section 147 to an entity selected to operate a Job Corps center may be used by the entity for administrative costs under this subtitle.”.

**SEC. 35. COMMUNITY PARTICIPATION.**

Section 153 (29 U.S.C. 2893) is amended to read as follows:

**“SEC. 153. COMMUNITY PARTICIPATION.**

“The director of each Job Corps center shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers in the State and nearby communities. Such activities may include the use of any local workforce development boards established under section 117 to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest.”.

**SEC. 36. WORKFORCE COUNCILS.**

Section 154 (29 U.S.C. 2894) is amended to read as follows:

**“SEC. 154. WORKFORCE COUNCILS.**

“(a) IN GENERAL.—Each Job Corps center shall have a workforce council appointed by the Governor of the State in which the Job Corps center is located.

“(b) WORKFORCE COUNCIL COMPOSITION.—

“(1) IN GENERAL.—A workforce council shall be comprised of—

“(A) business members of the State board described in section 111(b)(1)(B)(i);

“(B) business members of the local boards described in section 117(b)(2)(A) located in the State;

“(C) a representative of the State board described in section 111(f); and

“(D) such other representatives and State agency officials as the Governor may designate.

“(2) MAJORITY.—A 3/5 majority of the members of the workforce council shall be representatives described in paragraph (1)(A).

“(c) RESPONSIBILITIES.—The responsibilities of the workforce council shall be—

“(1) to review all the relevant labor market information, including related information in the State plan described in section 112, to—

“(A) determine the in-demand industries in the State in which enrollees intend to seek employment after graduation;

“(B) determine the skills and education that are necessary to obtain the employment opportunities described in subparagraph (A); and

“(C) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(2) to meet at least once a year to re-evaluate the labor market information, and other relevant information, to determine any necessary changes in the career and technical education and training provided at the center.”.

“(D) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(E) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(F) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(G) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(H) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(I) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(J) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(K) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(L) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(M) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(N) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(O) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(P) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(Q) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

“(R) determine the type or types of career and technical education and training that will be implemented at the center to enable the enrollees to obtain the employment opportunities; and

as the Secretary considers appropriate, technical assistance and training for the Job Corps program for the purposes of improving program quality.

“(b) ACTIVITIES.—In providing training and technical assistance and for allocating resources for such assistance, the Secretary shall—

“(1) assist entities, including those entities not currently operating a Job Corps center, in developing the application described in section 147(d);

“(2) assist Job Corps centers and programs in correcting deficiencies and violations under this subtitle;

“(3) assist Job Corps centers and programs in meeting or exceeding the indicators of performance described in paragraphs (1) and (2) of section 159(c); and

“(4) assist Job Corps centers and programs in the development of sound management practices, including financial management procedures.”.

**SEC. 38. SPECIAL PROVISIONS.**

Section 158(c)(1) (29 U.S.C. 2989(c)(1)) is amended by striking “title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.)” and inserting “chapter 5 of title 40, United States Code.”.

**SEC. 39. PERFORMANCE ACCOUNTABILITY MANAGEMENT.**

Section 159 (29 U.S.C. 2899) is amended—

(1) in the section heading, by striking “MANAGEMENT INFORMATION” and inserting “PERFORMANCE ACCOUNTABILITY AND MANAGEMENT”;

(2) in subsection (a)(3), by inserting before the period at the end the following: “, or operating costs for such centers result in a budgetary shortfall”;

(3) by striking subsections (c) through (g); and

(4) by inserting after subsection (b) the following:

“(c) INDICATORS OF PERFORMANCE.—

“(1) PRIMARY INDICATORS.—The annual primary indicators of performance for Job Corps centers shall include—

“(A) the percentage and number of enrollees who graduate from the Job Corps center;

“(B) the percentage and number of graduates who entered unsubsidized employment related to the career and technical education and training received through the Job Corps center, except that such calculation shall not include enrollment in education, the military, or volunteer service;

“(C) the percentage and number of graduates who obtained a recognized postsecondary credential, including an industry-recognized credential or a certificate from a registered apprenticeship program; and

“(D) the cost per successful performance outcome, which is calculated by comparing the number of graduates who were placed in unsubsidized employment or obtained a recognized postsecondary credential, including an industry-recognized credential, to total program costs, including all operations, construction, and administration costs at each Job Corps center.

“(2) SECONDARY INDICATORS.—The annual secondary indicators of performance for Job Corps centers shall include—

“(A) the percentage and number of graduates who entered unsubsidized employment not related to the career and technical education and training received through the Job Corps center;

“(B) the percentage and number of graduates who entered into postsecondary education;

“(C) the percentage and number of graduates who entered into the military;

“(D) the average wage of graduates who are in unsubsidized employment—

“(i) on the first day of employment; and

“(ii) on the first day of employment; and

“(iii) on the first day of employment; and

“(iv) on the first day of employment; and

“(v) on the first day of employment; and

“(vi) on the first day of employment; and

“(vii) on the first day of employment; and

“(viii) on the first day of employment; and

“(ix) on the first day of employment; and

“(x) on the first day of employment; and

“(xi) on the first day of employment; and

“(xii) on the first day of employment; and

“(xiii) on the first day of employment; and

“(xiv) on the first day of employment; and

“(ii) 6 months after the first day;

“(E) the number and percentage of graduates who entered unsubsidized employment and were retained in the unsubsidized employment—

“(i) 6 months after the first day of employment; and

“(ii) 12 months after the first day of employment;

“(F) the percentage and number of enrollees compared to the percentage and number of enrollees the Secretary has established as targets in section 145(c)(1);

“(G) the cost per training slot, which is calculated by comparing the program’s maximum number of enrollees that can be enrolled in a Job Corps center at any given time during the program year to the number of enrollees in the same program year; and

“(H) the number and percentage of former enrollees, including the number dismissed under the zero tolerance policy described in section 152(b).

“(3) INDICATORS OF PERFORMANCE FOR RECRUITERS.—The annual indicators of performance for recruiters shall include the measurements described in subparagraph (A) of paragraph (1) and subparagraphs (F), (G), and (H) of paragraph (2).

“(4) INDICATORS OF PERFORMANCE OF CAREER TRANSITION SERVICE PROVIDERS.—The annual indicators of performance of career transition service providers shall include the measurements described in subparagraphs (B) and (C) of paragraph (1) and subparagraphs (B), (C), (D), and (E) of paragraph (2).

“(d) ADDITIONAL INFORMATION.—The Secretary shall collect, and submit in the report described in subsection (f), information on the performance of each Job Corps center, and the Job Corps program, regarding—

“(1) the number and percentage of former enrollees who obtained a regular secondary school diploma;

“(2) the number and percentage of former enrollees who entered unsubsidized employment;

“(3) the number and percentage of former enrollees who obtained a recognized postsecondary credential, including an industry-recognized credential;

“(4) the number and percentage of former enrollees who entered into military service; and

“(5) any additional information required by the Secretary.

“(e) METHODS.—The Secretary shall collect the information described in subsections (c) and (d), using methods described in section 136(f)(2) and consistent with State law, by entering into agreements with the States to access such data for Job Corps enrollees, former enrollees, and graduates.

“(f) TRANSPARENCY AND ACCOUNTABILITY.—

“(1) REPORT.—The Secretary shall collect and annually submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate, and make available to the public by electronic means, a report containing—

“(A) information on the performance of each Job Corps center, and the Job Corps program, on the performance indicators described in paragraphs (1) and (2) of subsection (c);

“(B) a comparison of each Job Corps center, by rank, on the performance indicators described in paragraphs (1) and (2) of subsection (c);

“(C) a comparison of each Job Corps center, by rank, on the average performance of all primary indicators described in paragraph (1) of subsection (c);

“(D) information on the performance of the service providers described in paragraphs (3) and (4) of subsection (c) on the performance

indicators established under such paragraphs; and

“(E) a comparison of each service provider, by rank, on the performance of all service providers described in paragraphs (3) and (4) of subsection (c) on the performance indicators established under such paragraphs.

“(2) ASSESSMENT.—The Secretary shall conduct an annual assessment of the performance of each Job Corps center which shall include information on the Job Corps centers that—

“(A) are ranked in the bottom 10 percent on the performance indicator described in paragraph (1)(C); or

“(B) have failed a safety and health code review described in subsection (g).

“(3) PERFORMANCE IMPROVEMENT.—With respect to a Job Corps center that is identified under paragraph (2) or reports less than 50 percent on the performance indicators described in subparagraph (A), (B), or (C) of subsection (c)(1), the Secretary shall develop and implement a 1 year performance improvement plan. Such a plan shall require action including—

“(A) providing technical assistance to the center;

“(B) changing the management staff of the center;

“(C) replacing the operator of the center;

“(D) reducing the capacity of the center; or

“(E) closing the center.

“(4) CLOSURE OF JOB CORPS CENTERS.—Job Corps centers that have been identified under paragraph (2) for more than 4 consecutive years shall be closed. The Secretary shall ensure—

“(A) that the proposed decision to close the center is announced in advance to the general public through publication in the Federal Register and other appropriate means; and

“(B) the establishment of a reasonable comment period, not to exceed 30 days, for interested individuals to submit written comments to the Secretary.

“(g) PARTICIPANT HEALTH AND SAFETY.—The Secretary shall enter into an agreement with the General Services Administration or the appropriate State agency responsible for inspecting public buildings and safeguarding the health of disadvantaged students, to conduct an in-person review of the physical condition and health-related activities of each Job Corps center annually. Such review shall include a passing rate of occupancy under Federal and State ordinances.”

#### CHAPTER 4—NATIONAL PROGRAMS

##### SEC. 41. TECHNICAL ASSISTANCE.

Section 170 (29 U.S.C. 2915) is amended—

(1) by striking subsection (b);

(2) by striking:

“(a) GENERAL TECHNICAL ASSISTANCE.—”;

(3) by redesignating paragraphs (1), (2), and (3) as subsections (a), (b), and (c) respectively, and moving such subsections 2 ems to the left, and conforming the casing style of the headings of such subsections to the casing style of the heading of subsection (d), as added by paragraph (7) of this section;

(4) in subsection (a) (as so redesignated)—

(A) by inserting “the training of staff providing rapid response services and additional assistance, the training of other staff of recipients of funds under this title, assistance regarding accounting and program operation practices (when such assistance would not be duplicative to assistance provided by the State), technical assistance to States that do not meet State performance measures described in section 136,” after “localities,”; and

(B) by striking “from carrying out activities” and all that follows up to the period and inserting “to implement the amendments made by the SKILLS Act”;

(5) in subsection (b) (as so redesignated)—

(A) by striking “paragraph (1)” and inserting “subsection (a)”;

(B) by striking “, or recipient of financial assistance under any of sections 166 through 169,”; and

(C) by striking “or grant recipient”;

(6) in subsection (c) (as so redesignated), by striking “paragraph (1)” and inserting “subsection (a)”;

(7) by inserting, after subsection (c) (as so redesignated), the following:

“(d) BEST PRACTICES COORDINATION.—The Secretary shall—

“(1) establish a system through which States may share information regarding best practices with regard to the operation of workforce investment activities under this Act; and

“(2) evaluate and disseminate information regarding best practices and identify knowledge gaps.”

##### SEC. 42. EVALUATIONS.

Section 172 (29 U.S.C. 2917) is amended—

(1) in subsection (a), by striking “the Secretary shall provide for the continuing evaluation of the programs and activities, including those programs and activities carried out under section 171” and inserting “the Secretary, through grants, contracts, or cooperative agreements, shall conduct, at least once every 5 years, an independent evaluation of the programs and activities funded under this Act”;

(2) by amending subsection (a)(4) to read as follows:

“(4) the impact of receiving services and not receiving services under such programs and activities on the community, businesses, and individuals;”;

(3) by amending subsection (c) to read as follows:

“(c) TECHNIQUES.—Evaluations conducted under this section shall utilize appropriate and rigorous methodology and research designs, including the use of control groups chosen by scientific random assignment methodologies, quasi-experimental methods, impact analysis and the use of administrative data. The Secretary shall conduct an impact analysis, as described in subsection (a)(4), of the formula grant program under subtitle B not later than 2016, and thereafter shall conduct such an analysis not less than once every 4 years.”;

(4) in subsection (e), by striking “the Committee on Labor and Human Resources of the Senate” and inserting “the Committee on Health, Education, Labor, and Pensions of the Senate”;

(5) by redesignating subsection (f) as subsection (g) and inserting after subsection (e) the following:

“(f) REDUCTION OF AMOUNTS AUTHORIZED TO BE APPROPRIATED FOR LATE REPORTING.—If a report required to be transmitted to Congress under this section is not transmitted on or before the time period specified for that report, amounts authorized to be appropriated under this title shall be reduced by 10 percent for the fiscal year that begins after the date on which the final report required under this section is required to be transmitted and reduced by an additional 10 percent each subsequent fiscal year until each such report is transmitted to Congress.”; and

(6) by adding at the end, the following:

“(h) PUBLIC AVAILABILITY.—The results of the evaluations conducted under this section shall be made publicly available, including by posting such results on the Department’s website.”

#### CHAPTER 5—ADMINISTRATION

##### SEC. 46. REQUIREMENTS AND RESTRICTIONS.

Section 181 (29 U.S.C. 2931) is amended—

(1) in subsection (b)(6), by striking “, including representatives of businesses and of labor organizations,”;



(2) in subsection (c)(2)(A), in the matter preceding clause (i), by striking “shall” and inserting “may”;

(3) in subsection (e)—

(A) by striking “training for” and inserting “the entry into employment, retention in employment, or increases in earnings of”; and

(B) by striking “subtitle B” and inserting “this Act”;

(4) in subsection (f)(4), by striking “134(a)(3)(B)” and inserting “133(a)(4)”; and

(5) by adding at the end the following:

“(g) SALARY AND BONUS LIMITATION.—

“(1) IN GENERAL.—No funds provided under this title shall be used by a recipient or sub-recipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of the rate prescribed in level II of the Executive Schedule under section 5315 of title 5, United States Code.

“(2) VENDORS.—The limitation described in paragraph (1) shall not apply to vendors providing goods and services as defined in OMB Circular A-133.

“(3) LOWER LIMIT.—In a case in which a State is a recipient of such funds, the State may establish a lower limit than is provided in paragraph (1) for salaries and bonuses of those receiving salaries and bonuses from a subrecipient of such funds, taking into account factors including the relative cost of living in the State, the compensation levels for comparable State or local government employees, and the size of the organizations that administer the Federal programs involved.

“(h) GENERAL AUTHORITY.—

“(1) IN GENERAL.—The Employment and Training Administration of the Department of Labor (referred to in this Act as the ‘Administration’) shall administer all programs authorized under title I and the Wagner-Peyser Act (29 U.S.C. 49 et seq.). The Administration shall be headed by an Assistant Secretary appointed by the President by and with the advice and consent of the Senate. Except for title II and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the Administration shall be the principal agency, and the Assistant Secretary shall be the principal officer, of such Department for carrying out this Act.

“(2) QUALIFICATIONS.—The Assistant Secretary shall be an individual with substantial experience in workforce development and in workforce development management. The Assistant Secretary shall also, to the maximum extent possible, possess knowledge and have worked in or with the State or local workforce investment system or have been a member of the business community.

“(3) FUNCTIONS.—In the performance of the functions of the office, the Assistant Secretary shall be directly responsible to the Secretary or the Deputy Secretary of Labor, as determined by the Secretary. The functions of the Assistant Secretary shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Assistant Secretary. Any reference in this Act to duties to be carried out by the Assistant Secretary shall be considered to be a reference to duties to be carried out by the Secretary acting through the Assistant Secretary.”

**SEC. 47. PROMPT ALLOCATION OF FUNDS.**

Section 182 (29 U.S.C. 2932) is amended—

(1) in subsection (c)—

(A) by striking “127 or”; and

(B) by striking “, except that” and all that follows and inserting a period; and

(2) in subsection (e)—

(A) by striking “sections 128 and 133” and inserting “section 133”; and

(B) by striking “127 or”.

**SEC. 48. FISCAL CONTROLS; SANCTIONS.**

Section 184(a)(2) (29 U.S.C. 2934(a)(2)) is amended—

(1) by striking “(A)” and all that follows through “Each” and inserting “Each”; and

(2) by striking subparagraph (B).

**SEC. 49. REPORTS TO CONGRESS.**

Section 185 (29 U.S.C. 2935) is amended—

(1) in subsection (c)—

(A) in paragraph (2), by striking “and” after the semicolon;

(B) in paragraph (3), by striking the period and inserting “; and”; and

(C) by adding at the end the following:

“(4) shall have the option to submit or disseminate electronically any reports, records, plans, or other data that are required to be collected or disseminated under this title.”; and

(2) in subsection (e)(2), by inserting “and the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate,” after “Secretary.”

**SEC. 50. ADMINISTRATIVE PROVISIONS.**

Section 189 (29 U.S.C. 2939) is amended—

(1) in subsection (g)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities carried out under this title shall be available for obligation only on the basis of a program year. The program year shall begin on October 1 in the fiscal year for which the appropriation is made.”; and

(B) in paragraph (2)—

(i) in the first sentence, by striking “each State” and inserting “each recipient (except as otherwise provided in this paragraph)”; and

(ii) in the second sentence, by striking “171 or”;

(2) in subsection (i)—

(A) by striking paragraphs (2) and (3);

(B) by redesignating paragraph (4) as paragraph (2);

(C) by amending paragraph (2)(A), as so redesignated—

(i) in clause (i), by striking “; and” and inserting a period at the end;

(ii) by striking “requirements of subparagraph (B)” and all that follows through “any of the statutory or regulatory requirements of subtitle B” and inserting “requirements of subparagraph (B) or (D), any of the statutory or regulatory requirements of subtitle B”; and

(iii) by striking clause (ii); and

(D) by adding at the end the following:

“(D) EXPEDITED PROCESS FOR EXTENDING APPROVED WAIVERS TO ADDITIONAL STATES.—The Secretary may establish an expedited procedure for the purpose of extending to additional States the waiver of statutory or regulatory requirements that have been approved for a State pursuant to a request under subparagraph (B), in lieu of requiring the additional States to meet the requirements of subparagraphs (B) and (C). Such procedure shall ensure that the extension of such a waiver to additional States is accompanied by appropriate conditions relating to the implementation of such waiver.

“(E) EXTERNAL CONDITIONS.—The Secretary shall not require or impose new or additional requirements, that are not specified under this Act, on a State in exchange for providing a waiver to the State or a local area in the State under this paragraph.”

**SEC. 51. STATE LEGISLATIVE AUTHORITY.**

Section 191(a) (29 U.S.C. 2941(a)) is amended—

(1) by striking “consistent with the provisions of this title” and inserting “consistent with State law and the provisions of this title”; and

(2) by striking “consistent with the terms and conditions required under this title” and inserting “consistent with State law and the terms and conditions required under this title”.

**SEC. 52. GENERAL PROGRAM REQUIREMENTS.**

Section 195 (29 U.S.C. 2945) is amended—

(1) in paragraph (7), by inserting at the end the following:

“(D) Funds received under a program by a public or private nonprofit entity that are not described in subparagraph (B), such as funds privately raised from philanthropic foundations, businesses, or other private entities, shall not be considered to be income under this title and shall not be subject to the requirements of this paragraph.”;

(2) by striking paragraph (9);

(3) by redesignating paragraphs (10) through (13) as paragraphs (9) through (12), respectively; and

(4) by adding at the end the following new paragraphs:

“(13) Funds provided under this title shall not be used to establish or operate stand-alone fee-for-service enterprises that compete with private sector employment agencies within the meaning of section 701(c) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(c)), except that for purposes of this paragraph, such an enterprise does not include a one-stop center.

“(14) Any report required to be submitted to Congress, or to a Committee of Congress, under this title shall be submitted to both the chairmen and ranking minority members of the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.”

**SEC. 53. FEDERAL AGENCY STAFF AND RESTRICTIONS ON POLITICAL AND LOBBYING ACTIVITIES.**

Subtitle E of title I (29 U.S.C. 2931 et seq.) is amended by adding at the end the following new sections:

**“SEC. 196. FEDERAL AGENCY STAFF.**

“The Director of the Office of Management and Budget shall—

“(1) not later than 60 days after the date of the enactment of the SKILLS Act—

“(A) identify the number of Federal government employees who, on the day before the date of enactment of the SKILLS Act, worked on or administered each of the programs and activities that were authorized under this Act or were authorized under a provision listed in section 71 of the SKILLS Act; and

“(B) identify the number of full-time equivalent employees who on the day before that date of enactment, worked on or administered each of the programs and activities described in subparagraph (A), on functions for which the authorizing provision has been repealed, or for which an amount has been consolidated (if such employee is in a duplicate position), on or after such date of enactment;

“(2) not later than 90 after such date of enactment, publish the information described in paragraph (1) on the Office of Management and Budget website; and

“(3) not later than 1 year after such date of enactment—

“(A) reduce the workforce of the Federal Government by the number of full-time equivalent employees identified under paragraph (1)(B); and

“(B) submit to Congress a report on how the Director carried out the requirements of subparagraph (A).

**“SEC. 197. RESTRICTIONS ON LOBBYING AND POLITICAL ACTIVITIES.**

“(a) LOBBYING RESTRICTIONS.—

“(1) PUBLICITY RESTRICTIONS.—

“(A) IN GENERAL.—Subject to subparagraph (B), no funds provided under this Act shall be used or proposed for use, for—

“(i) publicity or propaganda purposes; or  
“(ii) the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to—

“(i) normal and recognized executive-legislative relationships;

“(ii) the preparation, distribution, or use of the materials described in subparagraph (A)(ii) in presentation to the Congress or any State or local legislature or legislative body (except that this subparagraph does not apply with respect to such preparation, distribution, or use in presentation to the executive branch of any State or local government); or

“(iii) such preparation, distribution, or use of such materials, that are designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government.

“(2) SALARY PAYMENT RESTRICTION.—No funds provided under this Act shall be used, or proposed for use, to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment or issuance of legislation, appropriations, regulations, administrative action, or an Executive order proposed or pending before the Congress or any State government, or a State or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local, or tribal government in policymaking and administrative processes within the executive branch of that government.

“(b) POLITICAL RESTRICTIONS.—

“(1) IN GENERAL.—No funds received by a participant of a program or activity under this Act shall be used for—

“(A) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office; or

“(B) any activity to provide voters with transportation to the polls or similar assistance in connection with any such election.

“(2) RESTRICTION ON VOTER REGISTRATION ACTIVITIES.—No funds under this Act shall be used to conduct voter registration activities.

“(3) DEFINITION.—For the purposes of this subsection, the term ‘participant’ includes any State, local area, or government, non-profit, or for-profit entity receiving funds under this Act.”

#### CHAPTER 6—STATE UNIFIED PLAN

##### SEC. 56. STATE UNIFIED PLAN.

Section 501 (20 U.S.C. 9271) is amended—

(1) by amending subsection (a) to read as follows:

“(a) GENERAL AUTHORITY.—The Secretary shall receive and approve State unified plans developed and submitted in accordance with this section.”;

(2) by amending subsection (b) to read as follows:

“(b) STATE UNIFIED PLAN.—

“(1) IN GENERAL.—A State may develop and submit to the Secretary a State unified plan for 2 or more of the activities or programs set forth in paragraph (2). The State unified plan shall cover one or more of the activities or programs set forth in subparagraphs (A) and (B) of paragraph (2) and shall cover one or more of the activities or programs set

forth in subparagraphs (C) through (N) of paragraph (2).

“(2) ACTIVITIES AND PROGRAMS.—For purposes of paragraph (1), the term ‘activity or program’ means any 1 of the following 14 activities or programs:

“(A) Activities and programs authorized under title I.

“(B) Activities and programs authorized under title II.

“(C) Programs authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 710 et seq.).

“(D) Secondary career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.).

“(E) Postsecondary career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006.

“(F) Activities and programs authorized under title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.).

“(G) Programs and activities authorized under the Act of August 16, 1937 (commonly known as the ‘National Apprenticeship Act’; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.).

“(H) Programs authorized under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.).

“(I) Programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

“(J) Programs authorized under State unemployment compensation laws (in accordance with applicable Federal law).

“(K) Work programs authorized under section 6(o) of the Food and Nutrition Act of 1977 (7 U.S.C. 2015(o)).

“(L) Activities and programs authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

“(M) Activities and programs authorized under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.).

“(N) Activities authorized under chapter 41 of title 38, United States Code.”;

(3) by amending subsection (d) to read as follows:

“(d) APPROVAL.—

“(1) JURISDICTION.—In approving a State unified plan under this section, the Secretary shall—

“(A) submit the portion of the State unified plan covering an activity or program described in subsection (b)(2) to the head of the Federal agency who exercises administrative authority over the activity or program for the approval of such portion by such Federal agency head; or

“(B) coordinate approval of the portion of the State unified plan covering an activity or program described in subsection (b)(2) with the head of the Federal agency who exercises administrative authority over the activity or program.

“(2) TIMELINE.—A State unified plan shall be considered to be approved by the Secretary at the end of the 90-day period beginning on the day the Secretary receives the plan, unless the Secretary makes a written determination, during the 90-day period, that details how the plan is not consistent with the requirements of the Federal statute authorizing an activity or program described in subsection (b)(2) and covered under the plan or how the plan is not consistent with the requirements of subsection (c)(3).

“(3) SCOPE OF PORTION.—For purposes of paragraph (1), the portion of the State unified plan covering an activity or program shall be considered to include the plan described in subsection (c)(3) and any proposal described in subsection (e)(2), as that part and proposal relate to the activity or program.”; and

(4) by adding at the end the following:

“(e) ADDITIONAL EMPLOYMENT AND TRAINING FUNDS.—

“(1) PURPOSE.—It is the purpose of this subsection to reduce inefficiencies in the administration of federally funded State and local employment and training programs.

“(2) IN GENERAL.—In developing a State unified plan for the activities or programs described in subsection (b)(2), and subject to paragraph (4) and to the State plan approval process under subsection (d), a State may propose to consolidate the amount, in whole or part, provided for the activities or programs covered by the plan into the Workforce Investment Fund under section 132(b) to improve the administration of State and local employment and training programs.

“(3) REQUIREMENTS.—A State that has a State unified plan approved under subsection (d) with a proposal for consolidation under paragraph (2), and that is carrying out such consolidation, shall—

“(A) in providing an activity or program for which an amount is consolidated into the Workforce Investment Fund—

“(i) continue to meet the program requirements, limitations, and prohibitions of any Federal statute authorizing the activity or program; and

“(ii) meet the intent and purpose for the activity or program; and

“(B) continue to make reservations and allotments under subsections (a) and (b) of section 133.

“(4) EXCEPTIONS.—A State may not consolidate an amount under paragraph (2) that is allocated to the State under—

“(A) the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.); or

“(B) title I of the Rehabilitation Act of 1973 (29 U.S.C. 710 et seq.).”

#### Subtitle B—Adult Education and Family Literacy Education

##### SEC. 61. AMENDMENT.

Title II (20 U.S.C. 9201 et seq.) is amended to read as follows:

#### “TITLE II—ADULT EDUCATION AND FAMILY LITERACY EDUCATION

##### “SEC. 201. SHORT TITLE.

“This title may be cited as the ‘Adult Education and Family Literacy Education Act’.

##### “SEC. 202. PURPOSE.

“It is the purpose of this title to provide instructional opportunities for adults seeking to improve their literacy skills, including their basic reading, writing, speaking, and mathematics skills, and support States and local communities in providing, on a voluntary basis, adult education and family literacy education programs, in order to—

“(1) increase the literacy of adults, including the basic reading, writing, speaking, and mathematics skills, to a level of proficiency necessary for adults to obtain employment and self-sufficiency and to successfully advance in the workforce;

“(2) assist adults in the completion of a secondary school education (or its equivalent) and the transition to a postsecondary educational institution;

“(3) assist adults who are parents to enable them to support the educational development of their children and make informed choices regarding their children’s education including, through instruction in basic reading, writing, speaking, and mathematics skills; and

“(4) assist adults who are not proficient in English in improving their reading, writing, speaking, listening, comprehension, and mathematics skills.

##### “SEC. 203. DEFINITIONS.

“In this title:

“(1) ADULT EDUCATION AND FAMILY LITERACY EDUCATION PROGRAMS.—The term

‘adult education and family literacy education programs’ means a sequence of academic instruction and educational services below the postsecondary level that increase an individual’s ability to read, write, and speak English and perform mathematical computations leading to a level of proficiency equivalent to at least a secondary school completion that is provided for individuals—

“(A) who are at least 16 years of age;  
“(B) who are not enrolled or required to be enrolled in secondary school under State law; and

“(C) who—  
“(i) lack sufficient mastery of basic reading, writing, speaking, and mathematics skills to enable the individuals to function effectively in society;

“(ii) do not have a secondary school diploma or its equivalent and have not achieved an equivalent level of education; or  
“(iii) are English learners.

“(2) ELIGIBLE AGENCY.—The term ‘eligible agency’—

“(A) means the primary entity or agency in a State or an outlying area responsible for administering or supervising policy for adult education and family literacy education programs in the State or outlying area, respectively, consistent with the law of the State or outlying area, respectively; and  
“(B) may be the State educational agency, the State agency responsible for administering workforce investment activities, or the State agency responsible for administering community or technical colleges.

“(3) ELIGIBLE PROVIDER.—The term ‘eligible provider’ means an organization of demonstrated effectiveness that is—  
“(A) a local educational agency;  
“(B) a community-based or faith-based organization;

“(C) a volunteer literacy organization;  
“(D) an institution of higher education;  
“(E) a public or private educational agency;

“(F) a library;  
“(G) a public housing authority;  
“(H) an institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult education, basic skills, and family literacy education programs to adults and families; or

“(I) a consortium of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H).

“(4) ENGLISH LANGUAGE ACQUISITION PROGRAM.—The term ‘English language acquisition program’ means a program of instruction—  
“(A) designed to help English learners achieve competence in reading, writing, speaking, and comprehension of the English language; and  
“(B) that may lead to—  
“(i) attainment of a secondary school diploma or its recognized equivalent;

“(ii) transition to success in postsecondary education and training; and  
“(iii) employment or career advancement.

“(5) FAMILY LITERACY EDUCATION PROGRAM.—The term ‘family literacy education program’ means an educational program that—  
“(A) assists parents and students, on a voluntary basis, in achieving the purpose of this title as described in section 202; and  
“(B) is of sufficient intensity in terms of hours and of sufficient quality to make sustainable changes in a family, is evidence-based, and, for the purpose of substantially increasing the ability of parents and children to read, write, and speak English, integrates—  
“(i) interactive literacy activities between parents and their children;

“(ii) training for parents regarding how to be the primary teacher for their children and full partners in the education of their children;

“(iii) parent literacy training that leads to economic self-sufficiency; and  
“(iv) an age-appropriate education to prepare children for success in school and life experiences.

“(6) GOVERNOR.—The term ‘Governor’ means the chief executive officer of a State or outlying area.  
“(7) INDIVIDUAL WITH A DISABILITY.—  
“(A) IN GENERAL.—The term ‘individual with a disability’ means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990).

“(B) INDIVIDUALS WITH DISABILITIES.—The term ‘individuals with disabilities’ means more than one individual with a disability.  
“(8) ENGLISH LEARNER.—The term ‘English learner’ means an adult or out-of-school youth who has limited ability in reading, writing, speaking, or understanding the English language, and—  
“(A) whose native language is a language other than English; or  
“(B) who lives in a family or community environment where a language other than English is the dominant language.

“(9) INTEGRATED EDUCATION AND TRAINING.—The term ‘integrated education and training’ means services that provide adult education and literacy activities contextually and concurrently with workforce preparation activities and workforce training for a specific occupation or occupational cluster. Such services may include offering adult education services concurrent with postsecondary education and training, including through co-instruction.  
“(10) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given the term in section 101 of the Higher Education Act of 1965.

“(11) LITERACY.—The term ‘literacy’ means an individual’s ability to read, write, and speak in English, compute, and solve problems at a level of proficiency necessary to obtain employment and to successfully make the transition to postsecondary education.  
“(12) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

“(13) OUTLYING AREA.—The term ‘outlying area’ has the meaning given the term in section 101 of this Act.  
“(14) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term ‘postsecondary educational institution’ means—  
“(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor’s degree;  
“(B) a tribally controlled community college; or  
“(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

“(15) SECRETARY.—The term ‘Secretary’ means the Secretary of Education.  
“(16) STATE.—The term ‘State’ means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.  
“(17) STATE EDUCATIONAL AGENCY.—The term ‘State educational agency’ has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

“(18) WORKPLACE LITERACY PROGRAM.—The term ‘workplace literacy program’ means an educational program that is offered in collaboration between eligible providers and employers or employee organizations for the purpose of improving the productivity of the

workforce through the improvement of reading, writing, speaking, and mathematics skills.

“SEC. 204. HOME SCHOOLS.  
“Nothing in this title shall be construed to affect home schools, whether or not a home school is treated as a home school or a private school under State law, or to compel a parent engaged in home schooling to participate in adult education and family literacy education activities under this title.

“SEC. 205. AUTHORIZATION OF APPROPRIATIONS.  
“There are authorized to be appropriated to carry out this title, \$606,294,933 for fiscal year 2015 and for each of the 6 succeeding fiscal years.

“Subtitle A—Federal Provisions  
“SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

“(a) RESERVATION OF FUNDS.—From the sums appropriated under section 205 for a fiscal year, the Secretary shall reserve 2.0 percent to carry out section 242.

“(b) GRANTS TO ELIGIBLE AGENCIES.—  
“(1) IN GENERAL.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a State plan approved under section 224 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible agency for the fiscal year, subject to subsections (f) and (g).

“(2) PURPOSE OF GRANTS.—The Secretary may award a grant under paragraph (1) only if the eligible agency involved agrees to expend the grant in accordance with the provisions of this title.  
“(c) ALLOTMENTS.—  
“(1) INITIAL ALLOTMENTS.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a State plan approved under section 224—  
“(A) \$100,000, in the case of an eligible agency serving an outlying area; and  
“(B) \$250,000, in the case of any other eligible agency.

“(2) ADDITIONAL ALLOTMENTS.—From the sums appropriated under section 205, not reserved under subsection (a), and not allotted under paragraph (1), for a fiscal year, the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sums as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the number of such adults in all States and outlying areas.

“(d) QUALIFYING ADULT.—For the purpose of subsection (c)(2), the term ‘qualifying adult’ means an adult who—  
“(1) is at least 16 years of age;  
“(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;  
“(3) does not have a secondary school diploma or its recognized equivalent; and  
“(4) is not enrolled in secondary school.

“(e) SPECIAL RULE.—  
“(1) IN GENERAL.—From amounts made available under subsection (c) for the Republic of Palau, the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or the Republic of Palau to carry out activities described in this title in accordance with the provisions of this title as determined by the Secretary.

“(2) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of Palau shall be eligible to receive a grant under this title until an agreement for

workforce through the improvement of reading, writing, speaking, and mathematics skills.

“SEC. 204. HOME SCHOOLS.  
“Nothing in this title shall be construed to affect home schools, whether or not a home school is treated as a home school or a private school under State law, or to compel a parent engaged in home schooling to participate in adult education and family literacy education activities under this title.

“SEC. 205. AUTHORIZATION OF APPROPRIATIONS.  
“There are authorized to be appropriated to carry out this title, \$606,294,933 for fiscal year 2015 and for each of the 6 succeeding fiscal years.

“Subtitle A—Federal Provisions  
“SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

“(a) RESERVATION OF FUNDS.—From the sums appropriated under section 205 for a fiscal year, the Secretary shall reserve 2.0 percent to carry out section 242.

“(b) GRANTS TO ELIGIBLE AGENCIES.—  
“(1) IN GENERAL.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a State plan approved under section 224 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible agency for the fiscal year, subject to subsections (f) and (g).

“(2) PURPOSE OF GRANTS.—The Secretary may award a grant under paragraph (1) only if the eligible agency involved agrees to expend the grant in accordance with the provisions of this title.  
“(c) ALLOTMENTS.—  
“(1) INITIAL ALLOTMENTS.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a State plan approved under section 224—  
“(A) \$100,000, in the case of an eligible agency serving an outlying area; and  
“(B) \$250,000, in the case of any other eligible agency.

“(2) ADDITIONAL ALLOTMENTS.—From the sums appropriated under section 205, not reserved under subsection (a), and not allotted under paragraph (1), for a fiscal year, the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sums as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the number of such adults in all States and outlying areas.

“(d) QUALIFYING ADULT.—For the purpose of subsection (c)(2), the term ‘qualifying adult’ means an adult who—  
“(1) is at least 16 years of age;  
“(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;  
“(3) does not have a secondary school diploma or its recognized equivalent; and  
“(4) is not enrolled in secondary school.

the extension of United States education assistance under the Compact of Free Association for the Republic of Palau becomes effective.

**“(f) HOLD-HARMLESS PROVISIONS.—**

**“(1) IN GENERAL.—**Notwithstanding subsection (c) and subject to paragraph (2), for—

“(A) fiscal year 2015, no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for fiscal year 2012 under this title; and

“(B) fiscal year 2016 and each succeeding fiscal year, no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this title.

**“(2) RATABLE REDUCTION.—**If, for any fiscal year the amount available for allotment under this title is insufficient to satisfy the provisions of paragraph (1), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

**“(g) REALLOTMENT.—**The portion of any eligible agency’s allotment under this title for a fiscal year that the Secretary determines will not be required for the period such allotment is available for carrying out activities under this title, shall be available for reallocation from time to time, on such dates during such period as the Secretary shall fix, to other eligible agencies in proportion to the original allotments to such agencies under this title for such year.

**“SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.**

“Programs and activities authorized under this title are subject to the performance accountability provisions described in paragraphs (2)(A) and (3) of section 136(b) and may, at a State’s discretion, include additional indicators identified in the State plan approved under section 224.

**“Subtitle B—State Provisions**

**“SEC. 221. STATE ADMINISTRATION.**

“Each eligible agency shall be responsible for the following activities under this title:

“(1) The development, submission, implementation, and monitoring of the State plan.

“(2) Consultation with other appropriate agencies, groups, and individuals that are involved in, or interested in, the development and implementation of activities assisted under this title.

“(3) Coordination and avoidance of duplication with other Federal and State education, training, corrections, public housing, and social service programs.

**“SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.**

**“(a) STATE DISTRIBUTION OF FUNDS.—**Each eligible agency receiving a grant under this title for a fiscal year—

“(1) shall use not less than 82.5 percent of the grant funds to award grants and contracts under section 231 and to carry out section 225, of which not more than 10 percent of such amount shall be available to carry out section 225;

“(2) shall use not more than 12.5 percent of the grant funds to carry out State leadership activities under section 223; and

“(3) shall use not more than 5 percent of the grant funds, or \$65,000, whichever is greater, for the administrative expenses of the eligible agency.

**“(b) MATCHING REQUIREMENT.—**

**“(1) IN GENERAL.—**In order to receive a grant from the Secretary under section 211(b), each eligible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult education and family literacy education programs for which the grant is awarded, a non-Federal contribution in an amount that is not less than—

“(A) in the case of an eligible agency serving an outlying area, 12 percent of the total amount of funds expended for adult education and family literacy education programs in the outlying area, except that the Secretary may decrease the amount of funds required under this subparagraph for an eligible agency; and

“(B) in the case of an eligible agency serving a State, 25 percent of the total amount of funds expended for adult education and family literacy education programs in the State.

**“(2) NON-FEDERAL CONTRIBUTION.—**An eligible agency’s non-Federal contribution required under paragraph (1) may be provided in cash or in kind, fairly evaluated, and shall include only non-Federal funds that are used for adult education and family literacy education programs in a manner that is consistent with the purpose of this title.

**“SEC. 223. STATE LEADERSHIP ACTIVITIES.**

**“(a) IN GENERAL.—**Each eligible agency may use funds made available under section 222(a)(2) for any of the following adult education and family literacy education programs:

“(1) The establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under section 231(b).

“(2) The provision of technical assistance to eligible providers of adult education and family literacy education programs, including for the development and dissemination of evidence based research instructional practices in reading, writing, speaking, mathematics, and English language acquisition programs.

“(3) The provision of assistance to eligible providers in developing, implementing, and reporting measurable progress in achieving the objectives of this title.

“(4) The monitoring and evaluation of the quality of, and the improvement in, adult education and literacy activities.

“(5) The provision of technology assistance, including staff training, to eligible providers of adult education and family literacy education programs, including distance education activities, to enable the eligible providers to improve the quality of such activities.

“(6) The development and implementation of technology applications or distance education, including professional development to support the use of instructional technology.

“(7) Coordination with other public programs, including programs under title I of this Act, and other welfare-to-work, workforce development, and job training programs.

“(8) Coordination with existing support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult education and family literacy education programs, for adults enrolled in such activities.

“(9) The development and implementation of a system to assist in the transition from adult basic education to postsecondary education.

“(10) Activities to promote workplace literacy programs.

“(11) Other activities of statewide significance, including assisting eligible providers in achieving progress in improving the skill levels of adults who participate in programs under this title.

“(12) Integration of literacy, instructional, and occupational skill training and promotion of linkages with employees.

**“(b) COORDINATION.—**In carrying out this section, eligible agencies shall coordinate where possible, and avoid duplicating efforts,

in order to maximize the impact of the activities described in subsection (a).

**“(c) STATE-IMPOSED REQUIREMENTS.—**Whenever a State or outlying area implements any rule or policy relating to the administration or operation of a program authorized under this title that has the effect of imposing a requirement that is not imposed under Federal law (including any rule or policy based on a State or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being imposed by the State or outlying area.

**“SEC. 224. STATE PLAN.**

**“(a) 3-YEAR PLANS.—**

**“(1) IN GENERAL.—**Each eligible agency desiring a grant under this title for any fiscal year shall submit to, or have on file with, the Secretary a 3-year State plan.

**“(2) STATE UNIFIED PLAN.—**The eligible agency may submit the State plan as part of a State unified plan described in section 501.

**“(b) PLAN CONTENTS.—**The eligible agency shall include in the State plan or any revisions to the State plan—

“(1) an objective assessment of the needs of individuals in the State or outlying area for adult education and family literacy education programs, including individuals most in need or hardest to serve;

“(2) a description of the adult education and family literacy education programs that will be carried out with funds received under this title;

“(3) an assurance that the funds received under this title will not be expended for any purpose other than for activities under this title;

“(4) a description of how the eligible agency will annually evaluate and measure the effectiveness and improvement of the adult education and family literacy education programs funded under this title using the indicators of performance described in section 136, including how the eligible agency will conduct such annual evaluations and measures for each grant received under this title;

“(5) a description of how the eligible agency will fund local activities in accordance with the measurable goals described in section 231(d);

“(6) an assurance that the eligible agency will expend the funds under this title only in a manner consistent with fiscal requirements in section 241;

“(7) a description of the process that will be used for public participation and comment with respect to the State plan, which—

“(A) shall include consultation with the State workforce investment board, the State board responsible for administering community or technical colleges, the Governor, the State educational agency, the State board or agency responsible for administering block grants for temporary assistance to needy families under title IV of the Social Security Act, the State council on disabilities, the State vocational rehabilitation agency, and other State agencies that promote the improvement of adult education and family literacy education programs, and direct providers of such programs; and

“(B) may include consultation with the State agency on higher education, institutions responsible for professional development of adult education and family literacy education programs instructors, representatives of business and industry, refugee assistance programs, and faith-based organizations;

“(8) a description of the eligible agency’s strategies for serving populations that include, at a minimum—

“(A) low-income individuals;

“(B) individuals with disabilities;

“(C) the unemployed;  
 “(D) the underemployed; and  
 “(E) individuals with multiple barriers to educational enhancement, including English learners;  
 “(9) a description of how the adult education and family literacy education programs that will be carried out with any funds received under this title will be integrated with other adult education, career development, and employment and training activities in the State or outlying area served by the eligible agency;  
 “(10) a description of the steps the eligible agency will take to ensure direct and equitable access, as required in section 231(c)(1), including—

“(A) how the State will build the capacity of community-based and faith-based organizations to provide adult education and family literacy education programs; and  
 “(B) how the State will increase the participation of business and industry in adult education and family literacy education programs;  
 “(11) an assessment of the adequacy of the system of the State or outlying area to ensure teacher quality and a description of how the State or outlying area will use funds received under this subtitle to improve teacher quality, including evidence-based professional development to improve instruction; and  
 “(12) a description of how the eligible agency will consult with any State agency responsible for postsecondary education to develop adult education that prepares students to enter postsecondary education without the need for remediation upon completion of secondary school equivalency programs.

“(c) PLAN REVISIONS.—When changes in conditions or other factors require substantial revisions to an approved State plan, the eligible agency shall submit the revisions of the State plan to the Secretary.  
 “(d) CONSULTATION.—The eligible agency shall—  
 “(1) submit the State plan, and any revisions to the State plan, to the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, or outlying area for review and comment; and  
 “(2) ensure that any comments regarding the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

“(e) PLAN APPROVAL.—The Secretary shall—  
 “(1) approve a State plan within 90 days after receiving the plan unless the Secretary makes a written determination within 30 days after receiving the plan that the plan does not meet the requirements of this section or is inconsistent with specific provisions of this subtitle; and  
 “(2) not finally disapprove of a State plan before offering the eligible agency the opportunity, prior to the expiration of the 30-day period beginning on the date on which the eligible agency received the written determination described in paragraph (1), to review the plan and providing technical assistance in order to assist the eligible agency in meeting the requirements of this subtitle.  
**“SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND OTHER INSTITUTIONALIZED INDIVIDUALS.**

“(a) PROGRAM AUTHORIZED.—From funds made available under section 222(a)(1) for a fiscal year, each eligible agency shall carry out corrections education and education for other institutionalized individuals.  
 “(b) USES OF FUNDS.—The funds described in subsection (a) shall be used for the cost of educational programs for criminal offenders

in correctional institutions and for other institutionalized individuals, including academic programs for—  
 “(1) basic skills education;  
 “(2) special education programs as determined by the eligible agency;  
 “(3) reading, writing, speaking, and mathematics programs;  
 “(4) secondary school credit or diploma programs or their recognized equivalent; and  
 “(5) integrated education and training.

“(c) PRIORITY.—Each eligible agency that is using assistance provided under this section to carry out a program for criminal offenders within a correctional institution shall give priority to serving individuals who are likely to leave the correctional institution within 5 years of participation in the program.  
 “(d) DEFINITIONS.—In this section:  
 “(1) CORRECTIONAL INSTITUTION.—The term ‘correctional institution’ means any—  
 “(A) prison;  
 “(B) jail;  
 “(C) reformatory;  
 “(D) work farm;  
 “(E) detention center; or  
 “(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.  
 “(2) CRIMINAL OFFENDER.—The term ‘criminal offender’ means any individual who is charged with, or convicted of, any criminal offense.

**“Subtitle C—Local Provisions**  
**“SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PROVIDERS.**

“(a) GRANTS AND CONTRACTS.—From grant funds made available under section 222(a)(1), each eligible agency shall award multi-year grants or contracts, on a competitive basis, to eligible providers within the State or outlying area that meet the conditions and requirements of this title to enable the eligible providers to develop, implement, and improve adult education and family literacy education programs within the State.  
 “(b) LOCAL ACTIVITIES.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to establish or operate—  
 “(1) programs that provide adult education and literacy activities;  
 “(2) programs that provide integrated education and training activities; or  
 “(3) credit-bearing postsecondary coursework.

“(c) DIRECT AND EQUITABLE ACCESS; SAME PROCESS.—Each eligible agency receiving funds under this title shall ensure that—  
 “(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and  
 “(2) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.  
 “(d) MEASURABLE GOALS.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to demonstrate—  
 “(1) the eligible provider’s measurable goals for participant outcomes to be achieved annually on the core indicators of performance described in section 136(b)(2)(A);  
 “(2) the past effectiveness of the eligible provider in improving the basic academic skills of adults and, for eligible providers receiving grants in the prior year, the success of the eligible provider receiving funding under this title in exceeding its performance goals in the prior year;  
 “(3) the commitment of the eligible provider to serve individuals in the community who are the most in need of basic academic skills instruction services, including individ-

uals with disabilities and individuals who are low-income or have minimal reading, writing, speaking, and mathematics skills, or are English learners;  
 “(4) the program is of sufficient intensity and quality for participants to achieve substantial learning gains;  
 “(5) educational practices are evidence-based;  
 “(6) the activities of the eligible provider effectively employ advances in technology, and delivery systems including distance education;  
 “(7) the activities provide instruction in real-life contexts, including integrated education and training when appropriate, to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship;  
 “(8) the activities are staffed by well-trained instructors, counselors, and administrators who meet minimum qualifications established by the State;  
 “(9) the activities are coordinated with other available resources in the community, such as through strong links with elementary schools and secondary schools, postsecondary educational institutions, local workforce investment boards, one-stop centers, job training programs, community-based and faith-based organizations, and social service agencies;  
 “(10) the activities offer flexible schedules and support services (such as child care and transportation) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs;  
 “(11) the activities include a high-quality information management system that has the capacity to report measurable participant outcomes (consistent with section 136) and to monitor program performance;  
 “(12) the local communities have a demonstrated need for additional English language acquisition programs, and integrated education and training programs;  
 “(13) the capacity of the eligible provider to produce valid information on performance results, including enrollments and measurable participant outcomes;  
 “(14) adult education and family literacy education programs offer rigorous reading, writing, speaking, and mathematics content that are evidence based; and  
 “(15) applications of technology, and services to be provided by the eligible providers, are of sufficient intensity and duration to increase the amount and quality of learning and lead to measurable learning gains within specified time periods.

“(e) SPECIAL RULE.—Eligible providers may use grant funds under this title to serve children participating in family literacy programs assisted under this part, provided that other sources of funds available to provide similar services for such children are used first.  
**“SEC. 232. LOCAL APPLICATION.**  
 “Each eligible provider desiring a grant or contract under this title shall submit an application to the eligible agency containing such information and assurances as the eligible agency may require, including—  
 “(1) a description of how funds awarded under this title will be spent consistent with the requirements of this title;  
 “(2) a description of any cooperative arrangements the eligible provider has with other agencies, institutions, or organizations for the delivery of adult education and family literacy education programs; and  
 “(3) each of the demonstrations required by section 231(d).  
**“SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.**  
 “(a) IN GENERAL.—Subject to subsection (b), of the amount that is made available under this title to an eligible provider—

“(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and  
 “(2) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.  
 “(d) MEASURABLE GOALS.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to demonstrate—  
 “(1) the eligible provider’s measurable goals for participant outcomes to be achieved annually on the core indicators of performance described in section 136(b)(2)(A);  
 “(2) the past effectiveness of the eligible provider in improving the basic academic skills of adults and, for eligible providers receiving grants in the prior year, the success of the eligible provider receiving funding under this title in exceeding its performance goals in the prior year;  
 “(3) the commitment of the eligible provider to serve individuals in the community who are the most in need of basic academic skills instruction services, including individ-

“(1) at least 95 percent shall be expended for carrying out adult education and family literacy education programs; and

“(2) the remaining amount shall be used for planning, administration, personnel and professional developmental, development of measurable goals in reading, writing, speaking, and mathematics, and interagency coordination.

“(b) SPECIAL RULE.—In cases where the cost limits described in subsection (a) are too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination, the eligible provider may negotiate with the eligible agency in order to determine an adequate level of funds to be used for noninstructional purposes.

#### “Subtitle D—General Provisions

##### “SEC. 241. ADMINISTRATIVE PROVISIONS.

“Funds made available for adult education and family literacy education programs under this title shall supplement and not supplant other State or local public funds expended for adult education and family literacy education programs.

##### “SEC. 242. NATIONAL ACTIVITIES.

“The Secretary shall establish and carry out a program of national activities that may include the following:

“(1) Providing technical assistance to eligible entities, on request, to—

“(A) improve their fiscal management, research-based instruction, and reporting requirements to carry out the requirements of this title;

“(B) improve its performance on the core indicators of performance described in section 136;

“(C) provide adult education professional development; and

“(D) use distance education and improve the application of technology in the classroom, including instruction in English language acquisition for English learners.

“(2) Providing for the conduct of research on national literacy basic skill acquisition levels among adults, including the number of adult English learners functioning at different levels of reading proficiency.

“(3) Improving the coordination, efficiency, and effectiveness of adult education and workforce development services at the national, State, and local levels.

“(4) Determining how participation in adult education, English language acquisition, and family literacy education programs prepares individuals for entry into and success in postsecondary education and employment, and in the case of prison-based services, the effect on recidivism.

“(5) Evaluating how different types of providers, including community and faith-based organizations or private for-profit agencies measurably improve the skills of participants in adult education, English language acquisition, and family literacy education programs.

“(6) Identifying model integrated basic and workplace skills education programs, including programs for English learners coordinated literacy and employment services, and effective strategies for serving adults with disabilities.

“(7) Initiating other activities designed to improve the measurable quality and effectiveness of adult education, English language acquisition, and family literacy education programs nationwide.”

#### “Subtitle C—Amendments to the Wagner-Peyser Act

##### SEC. 66. AMENDMENTS TO THE WAGNER-PEYSER ACT.

Section 15 of the Wagner-Peyser Act (29 U.S.C. 491-2) is amended to read as follows:

##### “SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.

“(a) SYSTEM CONTENT.—

“(1) IN GENERAL.—The Secretary of Labor (referred to in this section as the ‘Secretary’), in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide workforce and labor market information system that includes—

“(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—

“(i) employment and unemployment status of national, State, and local populations, including self-employed, part-time, and seasonal workers;

“(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions;

“(iii) the incidence of, industrial and geographical location of, and number of workers displaced by, permanent layoffs and plant closings; and

“(iv) employment and earnings information maintained in a longitudinal manner to be used for research and program evaluation;

“(B) information on State and local employment opportunities, and other appropriate statistical data related to labor market dynamics, which—

“(i) shall be current and comprehensive;

“(ii) shall meet the needs identified through the consultations described in subparagraphs (C) and (D) of subsection (e)(1); and

“(iii) shall meet the needs for the information identified in section 121(e)(1)(E) of the Workforce Investment Act of 1998 (29 U.S.C. 2841(e)(1)(E));

“(C) technical standards (which the Secretary shall publish annually) for data and information described in subparagraphs (A) and (B) that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

“(D) procedures to ensure compatibility and additivity of the data and information described in subparagraphs (A) and (B) from national, State, and local levels;

“(E) procedures to support standardization and aggregation of data from administrative reporting systems described in subparagraph (A) of employment-related programs;

“(F) analysis of data and information described in subparagraphs (A) and (B) for uses such as—

“(i) national, State, and local policymaking;

“(ii) implementation of Federal policies (including allocation formulas);

“(iii) program planning and evaluation; and

“(iv) researching labor market dynamics;

“(G) wide dissemination of such data, information, and analysis in a user-friendly manner and voluntary technical standards for dissemination mechanisms; and

“(H) programs of—

“(i) training for effective data dissemination;

“(ii) research and demonstration; and

“(iii) programs and technical assistance.

“(2) INFORMATION TO BE CONFIDENTIAL.—

“(A) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may—

“(i) use any submission that is furnished for exclusively statistical purposes under the provisions of this section for any purpose other than the statistical purposes for which the submission is furnished;

“(ii) disclose to the public any publication or media transmittal of the data contained in the submission described in clause (i) that permits information concerning an individual subject to be reasonably inferred by either direct or indirect means; or

“(iii) permit anyone other than a sworn officer, employee, or agent of any Federal department or agency, or a contractor (including an employee of a contractor) of such department or agency, to examine an individual submission described in clause (i),

without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission.

“(B) IMMUNITY FROM LEGAL PROCESS.—Any submission (including any data derived from the submission) that is collected and retained by a Federal department or agency, or an officer, employee, agent, or contractor of such a department or agency, for exclusively statistical purposes under this section shall be immune from the legal process and shall not, without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

“(C) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide immunity from the legal process for such submission (including any data derived from the submission) if the submission is in the possession of any person, agency, or entity other than the Federal Government or an officer, employee, agent, or contractor of the Federal Government, or if the submission is independently collected, retained, or produced for purposes other than the purposes of this Act.

“(b) SYSTEM RESPONSIBILITIES.—

“(1) IN GENERAL.—The workforce and labor market information system described in subsection (a) shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and States.

“(2) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of workforce and labor market information for the system, shall carry out the following duties:

“(A) Assign responsibilities within the Department of Labor for elements of the workforce and labor market information system described in subsection (a) to ensure that all statistical and administrative data collected is consistent with appropriate Bureau of Labor Statistics standards and definitions.

“(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

“(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

“(D) In collaboration with the Bureau of Labor Statistics and States, develop and maintain the elements of the workforce and labor market information system described in subsection (a), including the development of consistent procedures and definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1).

“(E) Establish procedures for the system to ensure that—

“(i) such data and information are timely;

“(ii) paperwork and reporting for the system are reduced to a minimum; and

“(iii) States and localities are fully involved in the development and continuous improvement of the system at all levels.

“(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE SERVICES.—The Secretary is authorized to assist in the development of national electronic tools that may be used to facilitate the delivery of work ready services described in section 134(c)(2) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(c)(2)) and to provide workforce and labor market information to individuals through the one-stop delivery systems described in section 121 and through other appropriate delivery systems.

“(d) COORDINATION WITH THE STATES.—

“(1) IN GENERAL.—The Secretary, working through the Bureau of Labor Statistics and the Employment and Training Administration, shall regularly consult with representatives of State agencies carrying out workforce information activities regarding strategies for improving the workforce and labor market information system.

“(2) FORMAL CONSULTATIONS.—At least twice each year, the Secretary, working through the Bureau of Labor Statistics, shall conduct formal consultations regarding programs carried out by the Bureau of Labor Statistics with representatives of each of the Federal regions of the Bureau of Labor Statistics, elected (pursuant to a process established by the Secretary) from the State directors affiliated with State agencies that perform the duties described in subsection (e)(1).

“(e) STATE RESPONSIBILITIES.—

“(1) IN GENERAL.—In order to receive Federal financial assistance under this section, the Governor of a State shall—

“(A) be responsible for the management of the portions of the workforce and labor market information system described in subsection (a) that comprise a statewide workforce and labor market information system;

“(B) establish a process for the oversight of such system;

“(C) consult with State and local employers, participants, and local workforce investment boards about the labor market relevance of the data to be collected and disseminated through the statewide workforce and labor market information system;

“(D) consult with State educational agencies and local educational agencies concerning the provision of workforce and labor market information in order to meet the needs of secondary school and postsecondary school students who seek such information;

“(E) collect and disseminate for the system, on behalf of the State and localities in the State, the information and data described in subparagraphs (A) and (B) of subsection (a)(1);

“(F) maintain and continuously improve the statewide workforce and labor market information system in accordance with this section;

“(G) perform contract and grant responsibilities for data collection, analysis, and dissemination for such system;

“(H) conduct such other data collection, analysis, and dissemination activities as will ensure an effective statewide workforce and labor market information system;

“(I) actively seek the participation of other State and local agencies in data collection, analysis, and dissemination activities in order to ensure complementarity, compatibility, and usefulness of data;

“(J) participate in the development of, and submit to the Secretary, an annual plan to carry out the requirements and authorities of this subsection; and

“(K) utilize the quarterly records described in section 136(f)(2) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(f)(2)) to assist the State and other States in measuring State progress on State performance measures.

“(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting

the ability of a Governor to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

“(f) NONDUPLICATION REQUIREMENT.—None of the functions and activities carried out pursuant to this section shall duplicate the functions and activities carried out under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.).

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$63,473,000 for fiscal year 2015 and each of the 6 succeeding fiscal years.”

#### Subtitle D—Repeals and Conforming Amendments

##### SEC. 71. REPEALS.

The following provisions are repealed:

(1) Chapter 4 of subtitle B of title I, and sections 123, 155, 166, 167, 168, 169, 171, 173, 173A, 174, 192, 194, 502, 503, and 506 of the Workforce Investment Act of 1998, as in effect on the day before the date of enactment of the SKILLS Act.

(2) Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(3) Sections 1 through 14 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(4) The Twenty-First Century Workforce Commission Act (29 U.S.C. 2701 note).

(5) Public Law 91-378, 16 U.S.C. 1701 et seq. (popularly known as the “Youth Conservation Corps Act of 1970”).

(6) Section 821 of the Higher Education Amendments of 1998 (20 U.S.C. 1151).

(7) The Women in Apprenticeship and Non-traditional Occupations Act (29 U.S.C. 2501 et seq.).

(8) Sections 4103A and 4104 of title 38, United States Code.

##### SEC. 72. AMENDMENTS TO OTHER LAWS.

(a) AMENDMENTS TO THE FOOD AND NUTRITION ACT OF 2008.—

(1) DEFINITION.—Section 3(t) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(t)) is amended—

(A) by striking “means (1) the agency” and inserting the following: “means—  
“(A) the agency”;

(B) by striking “programs, and (2) the tribal” and inserting the following: “programs;  
“(B) the tribal”;

(C) by striking “this Act.” and inserting the following: “this Act; and

“(C) in the context of employment and training activities under section 6(d)(4), a State board as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801).”

(2) ELIGIBLE HOUSEHOLDS.—Section 5 of the Food and Nutrition Act of 2008 (7 U.S.C. 2014) is amended—

(A) in subsection (d)(14) by striking “section 6(d)(4)(I)” and inserting “section 6(d)(4)(C)”, and

(B) in subsection (g)(3), in the first sentence, by striking “constitutes adequate participation in an employment and training program under section 6(d)” and inserting “allows the individual to participate in employment and training activities under section 6(d)(4)”.

(3) ELIGIBILITY DISQUALIFICATIONS.—Section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)) is amended to read as follows:

“(D) EMPLOYMENT AND TRAINING.—

“(i) IMPLEMENTATION.—Each State agency shall provide employment and training services authorized under section 134 of the Workforce Investment Act of 1998 (29 U.S.C. 2864) to eligible members of households participating in the supplemental nutrition assistance program in gaining skills, training, work, or experience that will increase their ability to obtain regular employment.

“(ii) STATEWIDE WORKFORCE DEVELOPMENT SYSTEM.—Consistent with subparagraph (A), employment and training services shall be provided through the statewide workforce development system, including the one-stop delivery system authorized by the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.).

“(iii) REIMBURSEMENTS.—

“(I) ACTUAL COSTS.—The State agency shall provide payments or reimbursement to participants served under this paragraph for—

“(aa) the actual costs of transportation and other actual costs (other than dependent care costs) that are reasonably necessary and directly related to the individual participating in employment and training activities; and

“(bb) the actual costs of such dependent care expenses as are determined by the State agency to be necessary for the individual to participate in employment and training activities (other than an individual who is the caretaker relative of a dependent in a family receiving benefits under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in a local area where an employment, training, or education program under title IV of that Act is in operation), except that no such payment or reimbursement shall exceed the applicable local market rate.

“(II) SERVICE CONTRACTS AND VOUCHERS.—In lieu of providing reimbursements or payments for dependent care expenses under clause (i), a State agency may, at the option of the State agency, arrange for dependent care through providers by the use of purchase of service contracts or vouchers or by providing vouchers to the household.

“(III) VALUE OF REIMBURSEMENTS.—The value of any dependent care services provided for or arranged under clause (ii), or any amount received as a payment or reimbursement under clause (i), shall—

“(aa) not be treated as income for the purposes of any other Federal or federally assisted program that bases eligibility for, or the amount of benefits on, need; and

“(bb) not be claimed as an employment-related expense for the purposes of the credit provided under section 21 of the Internal Revenue Code of 1986 (26 U.S.C. 21).”

(4) ADMINISTRATION.—Section 11(e)(19) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(e)(19)) is amended to read as follows:

“(S) the plans of the State agency for providing employment and training services under section 6(d)(4);”

(5) ADMINISTRATIVE COST-SHARING AND QUALITY CONTROL.—Section 16(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(h)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking “carry out employment and training programs” and inserting “provide employment and training services to eligible households under section 6(d)(4);” and

(ii) in subparagraph (D), by striking “operating an employment and training program” and inserting “providing employment and training services consistent with section 6(d)(4);”

(B) in paragraph (3)—

(i) by striking “participation in an employment and training program” and inserting “the individual participating in employment and training activities”; and

(ii) by striking “section 6(d)(4)(I)(ii)(II)” and inserting “section 6(d)(4)(C)(i)(II)”;

(C) in paragraph (4), by striking “for operating an employment and training program” and inserting “to provide employment and training services”; and

(D) by striking paragraph (5) and inserting the following:

“(E) MONITORING.—

“(i) IN GENERAL.—The Secretary, in conjunction with the Secretary of Labor, shall monitor each State agency responsible for administering employment and training services under section 6(d)(4) to ensure funds are being spent effectively and efficiently.

“(ii) ACCOUNTABILITY.—Each program of employment and training receiving funds under section 6(d)(4) shall be subject to the requirements of the performance accountability system, including having to meet the State performance measures described in section 136 of the Workforce Investment Act (29 U.S.C. 2871).”

(6) RESEARCH, DEMONSTRATION, AND EVALUATIONS.—Section 17 of the Food and Nutrition Act of 2008 (7 U.S.C. 2026) is amended—

(A) in subsection (b)—

(i) in paragraph (1)(B)(iv)(III)(dd), by striking “, (4)(F)(i), or (4)(K)” and inserting “or (4)”; and

(ii) by striking paragraph (3); and

(B) in subsection (g), in the first sentence in the matter preceding paragraph (1)—

(i) by striking “programs established” and inserting “activities provided to eligible households”; and

(ii) by inserting “, in conjunction with the Secretary of Labor,” after “Secretary”.

(7) MINNESOTA FAMILY INVESTMENT PROJECT.—Section 22(b)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2031(b)(4)) is amended by striking “equivalent to those offered under the employment and training program”.

(b) AMENDMENTS TO SECTION 412 OF THE IMMIGRATION AND NATIONALITY ACT.—

(1) CONDITIONS AND CONSIDERATIONS.—Section 412(a) of the Immigration and Nationality Act (8 U.S.C. 1522(a)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A)(i), by striking “make available sufficient resources for employment training and placement” and inserting “provide refugees with the opportunity to access employment and training services, including job placement.”; and

(ii) in subparagraph (B)(ii), by striking “services.” and inserting “services provided through the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.)”;

(B) in paragraph (2)(C)(iii)(II), by inserting “and training” after “employment”;

(C) in paragraph (6)(A)(ii)—

(i) by striking “insure” and inserting “ensure”;

(ii) by inserting “and training” after “employment”; and

(iii) by inserting after “available” the following: “through the one-stop delivery system under section 121 of the Workforce Investment Act of 1998 (29 U.S.C. 2841)”;

(D) in paragraph (9), by inserting “the Secretary of Labor,” after “Education.”.

(2) PROGRAM OF INITIAL RESETTLEMENT.—Section 412(b)(2) of such Act (8 U.S.C. 1522(b)(2)) is amended—

(A) by striking “orientation, instruction” and inserting “orientation and instruction”; and

(B) by striking “, and job training for refugees, and such other education and training of refugees, as facilitates” and inserting “for refugees to facilitate”.

(3) PROJECT GRANTS AND CONTRACTS FOR SERVICES FOR REFUGEES.—Section 412(c) of such Act (8 U.S.C. 1522(c)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A)(i), by inserting “and training” after “employment”; and

(ii) by striking subparagraph (C);

(B) in paragraph (2)(B), by striking “paragraph—” and all that follows through “in a manner” and inserting “paragraph in a manner”; and

(C) by adding at the end the following:

“(C) In carrying out this section, the Director shall ensure that employment and

training services are provided through the statewide workforce development system, as appropriate, authorized by the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.). Such action may include—

“(i) making employment and training activities described in section 134 of such Act (29 U.S.C. 2864) available to refugees; and

“(ii) providing refugees with access to a one-stop delivery system established under section 121 of such Act (29 U.S.C. 2841).”

(4) CASH ASSISTANCE AND MEDICAL ASSISTANCE TO REFUGEES.—Section 412(e) of such Act (8 U.S.C. 1522(e)) is amended—

(A) in paragraph (2)(A)(i), by inserting “and training” after “providing employment”; and

(B) in paragraph (3), by striking “The” and inserting “Consistent with subsection (c)(3), the”.

(c) AMENDMENTS RELATING TO THE SECOND CHANCE ACT OF 2007.—

(1) FEDERAL PRISONER REENTRY INITIATIVE.—Section 231 of the Second Chance Act of 2007 (42 U.S.C. 17541) is amended—

(A) in subsection (a)(1)(E)—

(i) by inserting “the Department of Labor and” before “other Federal agencies”; and

(ii) by inserting “State and local workforce investment boards,” after “community-based organizations.”;

(B) in subsection (c)—

(i) in paragraph (2), by striking at the end “and”;

(ii) in paragraph (3), by striking at the end the period and inserting “; and”; and

(iii) by adding at the end the following new paragraph:

“(D) to coordinate reentry programs with the employment and training services provided through the statewide workforce investment system under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.)”; and

(C) in subsection (d), by adding at the end the following new paragraph:

“(F) INTERACTION WITH THE WORKFORCE INVESTMENT SYSTEM.—

“(i) IN GENERAL.—In carrying out this section, the Director shall ensure that employment and training services, including such employment and services offered through reentry programs, are provided, as appropriate, through the statewide workforce investment system under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), which may include—

“(I) making employment and training services available to prisoners prior to and immediately following the release of such prisoners; or

“(II) providing prisoners with access by remote means to a one-stop delivery system under section 121 of the Workforce Investment Act of 1998 (29 U.S.C. 2841) in the State in which the prison involved is located.

“(ii) SERVICE DEFINED.—In this paragraph, the term ‘employment and training services’ means those services described in section 134 of the Workforce Investment Act of 1998 (29 U.S.C. 2864) offered by the Bureau of Prisons, including—

“(I) the skills assessment described in subsection (a)(1)(A);

“(II) the skills development plan described in subsection (a)(1)(B); and

“(III) the enhancement, development, and implementation of reentry and skills development programs.”.

(2) DUTIES OF THE BUREAU OF PRISONS.—Section 4042(a) of title 18, United States Code, is amended—

(A) by redesignating subparagraphs (D) and (E), as added by section 231(d)(1)(C) of the Second Chance Act of 2007 (Public Law 110-199; 122 Stat. 685), as paragraphs (6) and (7), respectively, and adjusting the margin accordingly;

(B) in paragraph (6), as so redesignated, by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and adjusting the margin accordingly;

(C) in paragraph (7), as so redesignated—

(i) in clause (ii), by striking “Employment” and inserting “Employment and training services (as defined in paragraph (6) of section 231(d) of the Second Chance Act of 2007), including basic skills attainment, consistent with such paragraph”; and

(ii) by striking clause (iii); and

(D) by redesignating clauses (i), (ii), (iv), (v), (vi), and (vii) as subparagraphs (A), (B), (C), (D), (E), and (F), respectively, and adjusting the margin accordingly.

(d) AMENDMENTS TO THE OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968.—Section 2976 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797w) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking “vocational” and inserting “career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302)) and training”;

(B) by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (5), (6), (7), and (8), respectively; and

(C) by inserting after paragraph (3) the following new paragraph:

“(D) coordinating employment and training services provided through the statewide workforce investment system under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), including a one-stop delivery system under section 121 of such Act (29 U.S.C. 2841), for offenders upon release from prison, jail, or a juvenile facility, as appropriate.”;

(2) in subsection (d)(2), by inserting “, including local workforce investment boards established under section 117 of the Workforce Investment Act of 1998 (29 U.S.C. 2832),” after “nonprofit organizations”;

(3) in subsection (e)—

(A) in paragraph (3), by striking “victims services, and employment services” and inserting “and victim services”;

(B) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(C) by inserting after paragraph (3) the following new paragraph:

“(D) provides employment and training services through the statewide workforce investment system under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), including a one-stop delivery system under section 121 of such Act (29 U.S.C. 2841)”;

(4) in subsection (k)—

(A) in paragraph (1)(A), by inserting “, in accordance with paragraph (2)” after “under this section”;

(B) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(C) by inserting after paragraph (1) the following new paragraph:

“(B) EMPLOYMENT AND TRAINING.—The Attorney General shall require each grantee under this section to measure the core indicators of performance as described in section 136(b)(2)(A) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(b)(2)(A)) with respect to the program of such grantee funded with a grant under this section.”.

(e) CONFORMING AMENDMENTS TO TITLE 38, UNITED STATES CODE.—Title 38, United States Code, is amended—

(1) in section 3672(d)(1), by striking “disabled veterans’ outreach program specialists under section 4103A” and inserting “veteran employment specialists appointed under section 134(f) of the Workforce Investment Act of 1998”;



(2) in the table of sections at the beginning of chapter 41, by striking the items relating to sections 4103A and 4104;

(3) in section 4102A—  
(A) in subsection (b)—  
(i) by striking paragraphs (5), (6), and (7); and

(ii) by redesignating paragraph (8) as paragraph (5);

(B) by striking subsections (c) and (h);  
(C) by redesignating subsections (d), (e), (f), and (g) as subsections (c), (d), (e), and (f); and

(D) in subsection (e)(1) (as so redesignated)—

(i) by striking “, including disabled veterans’ outreach program specialists and local veterans’ employment representatives providing employment, training, and placement services under this chapter in a State”; and  
(ii) by striking “for purposes of subsection (c)”;

(4) in section 4104A—  
(A) in subsection (b)(1), by striking subparagraph (A) and inserting the following:

“(i) the appropriate veteran employment specialist (in carrying out the functions described in section 134(f) of the Workforce Investment Act of 1998);”;

(B) in subsection (c)(1), by striking subparagraph (A) and inserting the following:

“(i) collaborate with the appropriate veteran employment specialist (as described in section 134(f) and the appropriate State boards and local boards (as such terms are defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801));”;

(5) in section 4109—

(A) in subsection (a), by striking “disabled veterans’ outreach program specialists and local veterans’ employment representative” and inserting “veteran employment specialists appointed under section 134(f) of the Workforce Investment Act of 1998”; and

(B) in subsection (d)(1), by striking “disabled veterans’ outreach program specialists and local veterans’ employment representatives” and inserting “veteran employment specialists appointed under section 134(f) of the Workforce Investment Act of 1998”; and  
(6) in section 4112(d)—

(A) in paragraph (1), by striking “disabled veterans’ outreach program specialist” and inserting “veteran employment specialist appointed under section 134(f) of the Workforce Investment Act of 1998”; and

(B) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(f) COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF 1980.—Section 104(k)(6)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(k)(6)(A)) is amended by striking “training, research, and” and inserting “research and”.

**SEC. 73. CONFORMING AMENDMENT TO TABLE OF CONTENTS.**

The table of contents in section 1(b) is amended to read as follows:

“(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:  
“Sec. 1. Short title; table of contents.

“TITLE I—WORKFORCE INVESTMENT SYSTEMS

“Subtitle A—Workforce Investment Definitions

“Sec. 101. Definitions.

“Subtitle B—Statewide and Local Workforce Investment Systems

“Sec. 106. Purpose.

“CHAPTER 1—STATE PROVISIONS

“Sec. 111. State workforce investment boards.

“Sec. 112. State plan.

“CHAPTER 2—LOCAL PROVISIONS  
“Sec. 116. Local workforce investment areas.

“Sec. 117. Local workforce investment boards.

“Sec. 118. Local plan.

“CHAPTER 3—WORKFORCE INVESTMENT ACTIVITIES PROVIDERS

“Sec. 121. Establishment of one-stop delivery systems.

“Sec. 122. Identification of eligible providers of training services.

“CHAPTER 5—EMPLOYMENT AND TRAINING ACTIVITIES

“Sec. 131. General authorization.

“Sec. 132. State allotments.

“Sec. 133. Within State allocations.

“Sec. 134. Use of funds for employment and training activities.

“CHAPTER 6—GENERAL PROVISIONS

“Sec. 136. Performance accountability system.

“Sec. 137. Authorization of appropriations.  
“Subtitle C—Job Corps

“Sec. 141. Purposes.

“Sec. 142. Definitions.

“Sec. 143. Establishment.

“Sec. 144. Individuals eligible for the Job Corps.

“Sec. 145. Recruitment, screening, selection, and assignment of enrollees.

“Sec. 146. Enrollment.

“Sec. 147. Job Corps centers.

“Sec. 148. Program activities.

“Sec. 149. Counseling and job placement.

“Sec. 150. Support.

“Sec. 151. Operations.

“Sec. 152. Standards of conduct.

“Sec. 153. Community participation.

“Sec. 154. Workforce councils.

“Sec. 156. Technical assistance to centers.

“Sec. 157. Application of provisions of Federal law.

“Sec. 158. Special provisions.

“Sec. 159. Performance accountability and management.

“Sec. 160. General provisions.

“Sec. 161. Authorization of appropriations.  
“Subtitle D—National Programs

“Sec. 170. Technical assistance.

“Sec. 172. Evaluations.  
“Subtitle E—Administration

“Sec. 181. Requirements and restrictions.

“Sec. 182. Prompt allocation of funds.

“Sec. 183. Monitoring.

“Sec. 184. Fiscal controls; sanctions.

“Sec. 185. Reports; recordkeeping; investigations.

“Sec. 186. Administrative adjudication.

“Sec. 187. Judicial review.

“Sec. 188. Nondiscrimination.

“Sec. 189. Administrative provisions.

“Sec. 190. References.

“Sec. 191. State legislative authority.

“Sec. 193. Transfer of Federal equity in State employment security real property to the States.

“Sec. 195. General program requirements.

“Sec. 196. Federal agency staff.

“Sec. 197. Restrictions on lobbying and political activities.  
“Subtitle F—Repeals and Conforming Amendments

“Sec. 199. Repeals.

“Sec. 199A. Conforming amendments.

“TITLE II—ADULT EDUCATION AND FAMILY LITERACY EDUCATION

“Sec. 201. Short title.

“Sec. 202. Purpose.

“Sec. 203. Definitions.

“Sec. 204. Home schools.

“Sec. 205. Authorization of appropriations.  
“Subtitle A—Federal Provisions

“Sec. 211. Reservation of funds; grants to eligible agencies; allotments.

“Sec. 212. Performance accountability system.

“Subtitle B—State Provisions

“Sec. 221. State administration.

“Sec. 222. State distribution of funds; matching requirement.

“Sec. 223. State leadership activities.

“Sec. 224. State plan.

“Sec. 225. Programs for corrections education and other institutionalized individuals.

“Subtitle C—Local Provisions

“Sec. 231. Grants and contracts for eligible providers.

“Sec. 232. Local application.

“Sec. 233. Local administrative cost limits.  
“Subtitle D—General Provisions

“Sec. 241. Administrative provisions.

“Sec. 242. National activities.

“TITLE III—WORKFORCE INVESTMENT-RELATED ACTIVITIES

“Subtitle A—Wagner-Peyser Act

“Sec. 301. Definitions.

“Sec. 302. Functions.

“Sec. 303. Designation of State agencies.

“Sec. 304. Appropriations.

“Sec. 305. Disposition of allotted funds.

“Sec. 306. State plans.

“Sec. 307. Repeal of Federal advisory council.

“Sec. 308. Regulations.

“Sec. 309. Employment statistics.

“Sec. 310. Technical amendments.

“Sec. 311. Effective date.

“Subtitle B—Linkages With Other Programs

“Sec. 321. Trade Act of 1974.

“Sec. 322. Veterans’ employment programs.

“Sec. 323. Older Americans Act of 1965.

“Subtitle D—Application of Civil Rights and Labor-Management Laws to the Smithsonian Institution

“Sec. 341. Application of civil rights and labor-management laws to the Smithsonian Institution.  
“TITLE IV—REHABILITATION ACT AMENDMENTS OF 1998

“Sec. 401. Short title.

“Sec. 402. Title.

“Sec. 403. General provisions.

“Sec. 404. Vocational rehabilitation services.

“Sec. 405. Research and training.

“Sec. 406. Professional development and special projects and demonstrations.

“Sec. 407. National Council on Disability.

“Sec. 408. Rights and advocacy.

“Sec. 409. Employment opportunities for individuals with disabilities.

“Sec. 410. Independent living services and centers for independent living.

“Sec. 411. Repeal.

“Sec. 412. Helen Keller National Center Act.

“Sec. 413. President’s Committee on Employment of People With Disabilities.

“Sec. 414. Conforming amendments.  
“TITLE V—GENERAL PROVISIONS

“Sec. 501. State unified plan.

“Sec. 504. Privacy.

“Sec. 505. Buy-American requirements.

“Sec. 507. Effective date.”.

**Subtitle E—Amendments to the Rehabilitation Act of 1973**

**SEC. 76. FINDINGS.**

Section 2(a) of the Rehabilitation Act of 1973 (29 U.S.C. 701(a)) is amended—

(1) in paragraph (5), by striking “and” at the end;

(2) in paragraph (6), by striking the period and inserting “; and”; and

(3) by adding at the end the following:  
“(7) there is a substantial need to improve and expand services for students with disabilities under this Act.”.

**SEC. 77. REHABILITATION SERVICES ADMINISTRATION.**

(a) REHABILITATION SERVICES ADMINISTRATION.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) in section 3(a) (29 U.S.C. 702(a))—  
 (A) by striking “Office of the Secretary” and inserting “Department of Education”;  
 (B) by striking “President by and with the advice and consent of the Senate” and inserting “Secretary”; and  
 (C) by striking “, and the Commissioner shall be the principal officer.”;

(2) by striking “Commissioner” each place it appears (except in section 21) and inserting “Director”;

(3) in section 12(c) (29 U.S.C. 709(c)), by striking “Commissioner’s” and inserting “Director’s”;

(4) in section 21 (29 U.S.C. 718)—

(A) in subsection (b)(1)—

(i) by striking “Commissioner” the first place it appears and inserting “Director of the Rehabilitation Services Administration”;

(ii) by striking “(referred to in this subsection as the ‘Director’)”; and

(iii) by striking “The Commissioner and the Director” and inserting “Both such Directors”; and

(B) by striking “the Commissioner and the Director” each place it appears and inserting “both such Directors”;

(5) in the heading for subparagraph (B) of section 100(d)(2) (29 U.S.C. 720(d)(2)), by striking “COMMISSIONER” and inserting “DIRECTOR”;

(6) in section 401(a)(1) (29 U.S.C. 781(a)(1)), by inserting “of the National Institute on Disability and Rehabilitation Research” after “Director”;

(7) in the heading for section 706 (29 U.S.C. 796d-1), by striking “COMMISSIONER” and inserting “DIRECTOR”; and

(8) in the heading for paragraph (3) of section 723(a) (29 U.S.C. 796f-2(a)), by striking “COMMISSIONER” and inserting “DIRECTOR”.

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by subsection (a) shall—

(1) take effect on the date of the enactment of this Act; and

(2) apply with respect to the appointments of Directors of the Rehabilitation Services Administration made on or after the date of enactment of this Act, and the Directors so appointed.

**SEC. 78. DEFINITIONS.**

Section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 705) is amended—

(1) by redesignating paragraphs (35) through (39) as paragraphs (36) through (40), respectively;

(2) in subparagraph (A)(ii) of paragraph (36) (as redesignated by paragraph (1)), by striking “paragraph (36)(C)” and inserting “paragraph (37)(C)”;

(3) by inserting after paragraph (34) the following:

“(35)(A) The term ‘student with a disability’ means an individual with a disability who—

“(i) is not younger than 16 and not older than 21;

“(ii) has been determined to be eligible under section 102(a) for assistance under this title; and

“(iii)(I) is eligible for, and is receiving, special education under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); or

“(II) is an individual with a disability, for purposes of section 504.

“(B) The term ‘students with disabilities’ means more than 1 student with a disability.”.

**SEC. 79. CARRYOVER.**

Section 19(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 716(a)(1)) is amended by striking “part B of title VI.”.

**SEC. 80. TRADITIONALLY UNDERSERVED POPULATIONS.**

Section 21 of the Rehabilitation Act of 1973 (29 U.S.C. 718) is amended, in paragraphs (1) and (2)(A) of subsection (b), and in subsection (c), by striking “VI.”.

**SEC. 81. STATE PLAN.**

Section 101(a) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is amended—

(1) in paragraph (10)—

(A) in subparagraph (B), by striking “on the eligible individuals” and all that follows and inserting “of information necessary to assess the State’s performance on the core indicators of performance described in section 136(b)(2)(A) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(b)(2)(A)).”; and  
 (B) in subparagraph (E)(ii), by striking “, to the extent the measures are applicable to individuals with disabilities”;

(2) in paragraph (11)—

(A) in subparagraph (D)(i), by inserting before the semicolon the following: “, which may be provided using alternative means of meeting participation (such as participation through video conferences and conference calls)”;

(B) by adding at the end the following:

“(G) COORDINATION WITH ASSISTIVE TECHNOLOGY PROGRAMS.—The State plan shall include an assurance that the designated State unit and the lead agency or implementing entity responsible for carrying out duties under the Assistive Technology Act of 1998 (29 U.S.C. 3001 et seq.) have developed working relationships and coordinate their activities.”;

(3) in paragraph (15)—

(A) in subparagraph (A)—

(i) in clause (i)—

(I) in subclause (II), by striking “and” at the end;

(II) in subclause (III), by adding “and” at the end; and

(III) by adding at the end the following:

“(IV) students with disabilities, including their need for transition services;”;

(ii) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(iii) by inserting after clause (i) the following:

“(ii) include an assessment of the transition services provided under this Act, and coordinated with transition services provided under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), about the extent to which those 2 types of services meet the needs of individuals with disabilities;”;

(B) in subparagraph (B)(ii), by striking “and under part B of title VI”; and

(C) in subparagraph (D)—

(i) by redesignating clauses (iii), (iv), and (v) as clauses (iv), (v), and (vi), respectively;

(ii) by inserting after clause (ii) the following:

“(iii) the methods to be used to improve and expand vocational rehabilitation services for students with disabilities, including the coordination of services designed to facilitate the transition of such students from the receipt of educational services in school to the receipt of vocational rehabilitation services under this title or to postsecondary education or employment;”;

(iii) in clause (v), as redesignated by clause (i) of this subparagraph, by striking “evaluation standards” and inserting “performance standards”;

(4) in paragraph (22)—

(A) in the paragraph heading, by striking “STATE PLAN SUPPLEMENT”;

(B) by striking “carrying out part B of title VI, including”; and

(C) by striking “that part to supplement funds made available under part B of”;

(5) in paragraph (24)—

(A) in the paragraph heading, by striking “CONTRACTS” and inserting “GRANTS”; and

(B) in subparagraph (A)—

(i) in the subparagraph heading, by striking “CONTRACTS” and inserting “GRANTS”; and

(ii) by striking “part A of title VI” and inserting “section 109A”; and

(6) by adding at the end the following:

“(25) COLLABORATION WITH INDUSTRY.—The State plan shall describe how the designated State agency will carry out the provisions of section 109A, including—

“(A) the criteria such agency will use to award grants under such section; and

“(B) how the activities carried out under such grants will be coordinated with other services provided under this title.

“(26) SERVICES FOR STUDENTS WITH DISABILITIES.—The State plan shall provide an assurance satisfactory to the Secretary that the State—

“(A) has developed and implemented strategies to address the needs identified in the assessments described in paragraph (15), and achieve the goals and priorities identified by the State in that paragraph, to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis in accordance with paragraph (15); and

“(B) from funds reserved under section 110A, shall carry out programs or activities designed to improve and expand vocational rehabilitation services for students with disabilities that—

“(i) facilitate the transition of students with disabilities from the receipt of educational services in school, to the receipt of vocational rehabilitation services under this title, including, at a minimum, those services specified in the interagency agreement required in paragraph (11)(D);

“(ii) improve the achievement of post-school goals of students with disabilities, including improving the achievement through participation (as appropriate when career goals are discussed) in meetings regarding individualized education programs developed under section 614 of the Individuals with Disabilities Education Act (20 U.S.C. 1414);

“(iii) provide career guidance, career exploration services, job search skills and strategies, and technical assistance to students with disabilities;

“(iv) support the provision of training and technical assistance to State and local educational agencies and designated State agency personnel responsible for the planning and provision of services to students with disabilities; and

“(v) support outreach activities to students with disabilities who are eligible for, and need, services under this title.”.

**SEC. 82. SCOPE OF SERVICES.**

Section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723) is amended—

(1) in subsection (a), by striking paragraph (15) and inserting the following:

“(15) transition services for students with disabilities, that facilitate the achievement of the employment outcome identified in the individualized plan for employment involved, including services described in clauses (i) through (iii) of section 101(a)(26)(B);”;

(2) in subsection (b), by striking paragraph (6) and inserting the following:

“(6)(A)(i) Consultation and technical assistance services to assist State and local educational agencies in planning for the transition of students with disabilities from school to post-school activities, including employment.

“(ii) Training and technical assistance described in section 101(a)(26)(B)(iv).

“(B) Services for groups of individuals with disabilities who meet the requirements of clauses (i) and (iii) of section 7(35)(A), including services described in clauses (i), (ii), (iii), and (v) of section 101(a)(26)(B), to assist in the transition from school to post-school activities.”; and

(3) in subsection (b), by inserting at the end the following:

“(7) The establishment, development, or improvement of assistive technology demonstration, loan, reutilization, or financing programs in coordination with activities authorized under the Assistive Technology Act of 1998 (29 U.S.C. 3001 et seq.) to promote access to assistive technology for individuals with disabilities and employers.”.

**SEC. 83. STANDARDS AND INDICATORS.**

(a) IN GENERAL.—Section 106 of the Rehabilitation Act of 1973 (29 U.S.C. 726) is amended—

(1) in the section heading, by striking “EVALUATION STANDARDS” and inserting “PERFORMANCE STANDARDS”;

(2) by striking subsection (a) and inserting the following:

“(a) STANDARDS AND INDICATORS.—The performance standards and indicators for the vocational rehabilitation program carried out under this title—

“(1) shall be subject to paragraphs (2)(A) and (3) of section 136(b) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(b)); and

“(2) may, at a State’s discretion, include additional indicators identified in the State plan submitted under section 101.”; and

(3) in subsection (b)(2)(B), by striking clause (i) and inserting the following:

“(i) on a biannual basis, review the program improvement efforts of the State and, if the State has not improved its performance to acceptable levels, as determined by the Director, direct the State to make revisions to the plan to improve performance; and”.

(b) CONFORMING AMENDMENTS.—Section 107 of the Rehabilitation Act of 1973 (29 U.S.C. 727) is amended—

(1) in subsections (a)(1)(B) and (b)(2), by striking “evaluation standards” and inserting “performance standards”; and

(2) in subsection (c)(1)(B), by striking “an evaluation standard” and inserting “a performance standard”.

**SEC. 84. EXPENDITURE OF CERTAIN AMOUNTS.**

Section 108(a) of the Rehabilitation Act of 1973 (29 U.S.C. 728(a)) is amended by striking “under part B of title VI, or”.

**SEC. 85. COLLABORATION WITH INDUSTRY.**

The Rehabilitation Act of 1973 is amended by inserting after section 109 (29 U.S.C. 728a) the following:

**“SEC. 109A. COLLABORATION WITH INDUSTRY.**

“(a) ELIGIBLE ENTITY DEFINED.—For the purposes of this section, the term ‘eligible entity’ means a for-profit business, alone or in partnership with one or more of the following:

“(1) Community rehabilitation program providers.

“(2) Indian tribes.

“(3) Tribal organizations.

“(b) AUTHORITY.—A State shall use not less than one-half of one percent of the payment the State receives under section 111 for a fiscal year to award grants to eligible entities to pay for the Federal share of the cost of carrying out collaborative programs, to create practical job and career readiness and training programs, and to provide job placements and career advancement.

“(c) AWARDS.—Grants under this section shall—

“(1) be awarded for a period not to exceed 5 years; and

“(2) be awarded competitively.

“(d) APPLICATION.—To receive a grant under this section, an eligible entity shall submit an application to a designated State agency at such time, in such manner, and containing such information as such agency shall require. Such application shall include, at a minimum—

“(1) a plan for evaluating the effectiveness of the collaborative program;

“(2) a plan for collecting and reporting the data and information described under subparagraphs (A) through (C) of section 101(a)(10), as determined appropriate by the designated State agency; and

“(3) a plan for providing for the non-Federal share of the costs of the program.

“(e) ACTIVITIES.—An eligible entity receiving a grant under this section shall use the grant funds to carry out a program that provides one or more of the following:

“(1) Job development, job placement, and career advancement services for individuals with disabilities.

“(2) Training in realistic work settings in order to prepare individuals with disabilities for employment and career advancement in the competitive market.

“(3) Providing individuals with disabilities with such support services as may be required in order to maintain the employment and career advancement for which the individuals have received training.

“(f) ELIGIBILITY FOR SERVICES.—An individual shall be eligible for services provided under a program under this section if the individual is determined under section 102(a)(1) to be eligible for assistance under this title.

“(g) FEDERAL SHARE.—The Federal share for a program under this section shall not exceed 80 percent of the costs of the program.”.

**SEC. 86. RESERVATION FOR EXPANDED TRANSITION SERVICES.**

The Rehabilitation Act of 1973 is amended by inserting after section 110 (29 U.S.C. 730) the following:

**“SEC. 110A. RESERVATION FOR EXPANDED TRANSITION SERVICES.**

“Each State shall reserve not less than 10 percent of the funds allotted to the State under section 110(a) to carry out programs or activities under sections 101(a)(26)(B) and 103(b)(6).”.

**SEC. 87. CLIENT ASSISTANCE PROGRAM.**

Section 112(e)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 732(e)(1)) is amended by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

“(D) The Secretary shall make grants to the protection and advocacy system serving the American Indian Consortium under the Developmental Disabilities and Bill of Rights Act of 2000 (42 U.S.C. 15001 et seq.) to provide services in accordance with this section, as determined by the Secretary. The amount of such grants shall be the same as the amount provided to territories under this subsection.”.

**SEC. 88. RESEARCH.**

Section 204(a)(2)(A) of the Rehabilitation Act of 1973 (29 U.S.C. 764(a)(2)(A)) is amended by striking “VI.”.

**SEC. 89. TITLE III AMENDMENTS.**

Title III of the Rehabilitation Act of 1973 (29 U.S.C. 771 et seq.) is amended—

(1) in section 301(a) (21 U.S.C. 771(a))—

(A) in paragraph (2), by inserting “and” at the end;

(B) by striking paragraphs (3) and (4); and

(C) by redesignating paragraph (5) as paragraph (3);

(2) in section 302 (29 U.S.C. 772)—

(A) in subsection (g)—

(i) in the heading, by striking “AND IN-SERVICE TRAINING”; and

(ii) by striking paragraph (3); and

(B) in subsection (h), by striking “section 306” and inserting “section 304”;

(3) in section 303 (29 U.S.C. 773)—

(A) in subsection (b)(1), by striking “section 306” and inserting “section 304”; and

(B) in subsection (c)—

(i) in paragraph (4)—

(I) by amending subparagraph (A)(ii) to read as follows:

“(ii) to coordinate activities and work closely with the parent training and information centers established pursuant to section 671 of the Individuals with Disabilities Education Act (20 U.S.C. 1471), the community parent resource centers established pursuant to section 672 of such Act (29 U.S.C. 1472), and the eligible entities receiving awards under section 673 of such Act (20 U.S.C. 1473); and”;

(II) in subparagraph (C), by inserting “, and demonstrate the capacity for serving,” after “serve”; and

(ii) by adding at the end the following:

“(8) RESERVATION.—From the amount appropriated to carry out this subsection for a fiscal year, 20 percent of such amount or \$500,000, whichever is less, shall be reserved to carry out paragraph (6).”;

(4) by striking sections 304 and 305 (29 U.S.C. 774, 775); and

(5) by redesignating section 306 (29 U.S.C. 776) as section 304.

**SEC. 90. REPEAL OF TITLE VI.**

Title VI of the Rehabilitation Act of 1973 (29 U.S.C. 795 et seq.) is repealed.

**SEC. 91. TITLE VII GENERAL PROVISIONS.**

(a) PURPOSE.—Section 701(3) of the Rehabilitation Act of 1973 (29 U.S.C. 796(3)) is amended by striking “State programs of supported employment services receiving assistance under part B of title VI.”.

(b) CHAIRPERSON.—Section 705(b)(5) of the Rehabilitation Act of 1973 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

“(5) CHAIRPERSON.—The Council shall select a chairperson from among the voting membership of the Council.”.

**SEC. 92. AUTHORIZATIONS OF APPROPRIATIONS.**

The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is further amended—

(1) in section 100 (29 U.S.C. 720)—

(A) in subsection (b)(1), by striking “such sums as may be necessary for fiscal years 1999 through 2003” and inserting “\$3,121,712,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”; and

(B) in subsection (d)(1)(B), by striking “2003” and inserting “2021”;

(2) in section 110(c) (29 U.S.C. 730(c)), by amending paragraph (2) to read as follows:

“(2) The sum referred to in paragraph (1) shall be, as determined by the Secretary, not less than 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1) for each of fiscal years 2015 through 2020.”;

(3) in section 112(h) (29 U.S.C. 732(h)), by striking “such sums as may be necessary for fiscal years 1999 through 2003” and inserting “\$12,240,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(4) by amending subsection (a) of section 201 (29 U.S.C. 761(a)) to read as follows: “(a) There are authorized to be appropriated \$108,817,000 for fiscal year 2015 and each of the 6 succeeding fiscal years to carry out this title.”;

(5) in section 302(i) (29 U.S.C. 772(i)), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$35,515,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(6) in section 303(e) (29 U.S.C. 773(e)), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$5,325,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(7) in section 405 (29 U.S.C. 785), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$3,258,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(8) in section 502(j) (29 U.S.C. 792(j)), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$7,400,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(9) in section 509(l) (29 U.S.C. 794e(1)), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$18,031,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(10) in section 714 (29 U.S.C. 796e-3), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$23,359,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(11) in section 727 (29 U.S.C. 796f-6), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$79,953,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”;

(12) in section 753 (29 U.S.C. 796l), by striking “such sums as may be necessary for each of the fiscal years 1999 through 2003” and inserting “\$34,018,000 for fiscal year 2015 and each of the 6 succeeding fiscal years”.

#### SEC. 93. CONFORMING AMENDMENTS.

Section 1(b) of the Rehabilitation Act of 1973 is amended—

(1) by inserting after the item relating to section 109 the following:

“Sec. 109A. Collaboration with industry.”;

(2) by inserting after the item relating to section 110 the following:

“Sec. 110A. Reservation for expanded transition services.”;

(3) by striking the item related to section 304 and inserting the following:

“Sec. 304. Measuring of project outcomes and performance.”;

(4) by striking the items related to sections 305 and 306;

(5) by striking the items related to title VI; and

(6) by striking the item related to section 706 and inserting the following:

“Sec. 706. Responsibilities of the Director.”.

#### Subtitle F—Studies by the Comptroller General

#### SEC. 96. STUDY BY THE COMPTROLLER GENERAL ON EXHAUSTING FEDERAL PELL GRANTS BEFORE ACCESSING WIA FUNDS.

Not later than 12 months after the date of enactment of this Act, the Comptroller General of the United States shall complete and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that—

(1) evaluates the effectiveness of subparagraph (B) of section 134(d)(4) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(d)(4)(B)) (as such subparagraph was in effect on the day before the date of enactment of this Act), including—

(A) a review of the regulations and guidance issued by the Secretary of Labor to State and local areas on how to comply with such subparagraph;

(B) a review of State policies to determine how local areas are required to comply with such subparagraph;

(C) a review of local area policies to determine how one-stop operators are required to comply with such subparagraph; and

(D) a review of a sampling of individuals receiving training services under section 134(d)(4) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(d)(4)) to determine if, be-

fore receiving such training services, such individuals have exhausted funds received through the Federal Pell Grant program under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

(2) makes appropriate recommendations with respect to the matters evaluated under paragraph (1).

#### SEC. 97. STUDY BY THE COMPTROLLER GENERAL ON ADMINISTRATIVE COST SAVINGS.

(a) STUDY.—Not later than 12 months after the date of the enactment of this Act, the Comptroller General of the United States shall complete and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that—

(1) determines the amount of administrative costs at the Federal and State levels for the most recent fiscal year for which satisfactory data are available for—

(A) each of the programs authorized under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.) or repealed under section 71 of this title, as such programs were in effect for such fiscal year; and

(B) each of the programs described in subparagraph (A) that have been repealed or consolidated on or after the date of enactment of this Act;

(2) determines the amount of administrative cost savings at the Federal and State levels as a result of repealing and consolidating programs by calculating the differences in the amount of administrative costs between subparagraph (A) and subparagraph (B) of paragraph (1); and

(3) estimates the administrative cost savings at the Federal and State levels for a fiscal year as a result of States consolidating amounts under section 501(e) of the Workforce Investment Act of 1998 (20 U.S.C. 927i(e)) to reduce inefficiencies in the administration of federally-funded State and local employment and training programs.

(b) DEFINITION.—For purposes of this section, the term “administrative costs” has the meaning given the term in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801).

**SA 2913.** Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### SEC. \_\_\_\_ . DISQUALIFICATION ON RECEIPT OF DISABILITY INSURANCE BENEFITS IN A MONTH FOR WHICH EMERGENCY UNEMPLOYMENT COMPENSATION IS RECEIVED.

(a) IN GENERAL.—Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new subsection:

“(k) DISQUALIFICATION ON RECEIPT OF DISABILITY INSURANCE BENEFITS.—If for any month an individual is entitled to emergency unemployment compensation under this title, such individual shall be deemed to have engaged in substantial gainful activity for such month for purposes of sections 222 and 223 of the Social Security Act.”.

(b) DATA MATCHING.—The Commissioner of Social Security shall implement the amend-

ments made by this section using appropriate electronic data.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to months beginning after the date of the enactment of this Act.

**SA 2914.** Mr. RUBIO submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### SEC. 3. ALTERNATIVE QUALIFICATIONS FOR FEDERAL EMPLOYMENT.

(a) DEFINITIONS.—In this section—

(1) the term “agency” has the meaning given the term “Executive agency” in section 105 of title 5, United States Code;

(2) the term “Director” means the Director of the Office of Personnel Management; and

(3) the term “individual with alternative educational experience” means an individual who—

(A) does not have a degree from an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))); and

(B) has received training or education in 1 or more subject areas or occupational fields from an educational provider that does not meet the requirements of such section 101(a).

(b) ESTABLISHMENT OF PILOT PROGRAM; PILOT PROGRAM SPECIFICATIONS.—

(1) ESTABLISHMENT OF PILOT PROGRAM.—Not later than 6 months after the date of enactment of this Act, the Director shall establish a pilot program to appoint to positions in the civil service individuals with alternative educational experience, in accordance with paragraph (2).

(2) PILOT PROGRAM SPECIFICATIONS.—

(A) IN GENERAL.—In carrying out the pilot program established under paragraph (1), the Director shall select positions in the civil service for which the employing agency—

(i) is accepting applications for employment as of the date of establishment of the pilot program, or is likely to accept applications for employment within 1 year of such date;

(ii) may not require an individual to have a degree from an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))) in order to be appointed to such positions; and

(iii) shall consider an application for employment, if any, from an individual with alternative educational experience.

(B) SCOPE AND NUMBER OF POSITIONS SELECTED.—

(i) POSITIONS SELECTED.—The Director shall select not less than 25 positions under subparagraph (A) during each of fiscal years 2015 through 2019.

(ii) OCCUPATIONAL FIELDS COVERED.—The positions selected under clause (i) shall be from across not less than 10 diverse occupational fields.

(c) REPORT TO CONGRESS.—Not later than December 31, 2020, the Director shall submit to Congress a report on the pilot program established under subsection (b)(1), which shall include—

(1) the number and description of the positions selected under subsection (b)(2), including the geographic locations and occupational fields of such positions;

- (2) the number of individuals with alternative educational experience whose applications were considered for a position selected under subsection (b)(2);
- (3) the number of individuals with alternative educational experience who were appointed to a position selected under subsection (b)(2); and
- (4) the number of individuals described in paragraph (3) who, as of the end of fiscal year 2019, with respect to the position to which the individual was appointed under the pilot program—
  - (A) continued to occupy the position;
  - (B) were promoted; or
  - (C) were terminated.

**SA 2915.** Mr. RUBIO submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . NATIONAL REGULATORY BUDGET ACT.**

(a) **SHORT TITLE.**—This section may be cited as the “National Regulatory Budget Act of 2014”.

(b) **ESTABLISHMENT OF THE OFFICE OF REGULATORY ANALYSIS.**—

(1) **IN GENERAL.**—Part I of title 5, United States Code, is amended by inserting after chapter 6 the following:

**“CHAPTER 6A—NATIONAL REGULATORY BUDGET AND OFFICE OF REGULATORY ANALYSIS**

- “Sec.
- “613. Definitions.
- “614. Office of Regulatory Analysis; establishment; powers.
- “615. Functions of Office of Regulatory Analysis; Executive branch agency compliance.
- “616. Public disclosure of estimate methodology and data; privacy.
- “617. National Regulatory Budget; timeline.
- “618. Executive branch agency cooperation mandatory; information sharing.
- “619. Enforcement.
- “620. Regulatory Analysis Advisory Board.

**“§ 613. Definitions**

- “In this chapter—
- “(1) the term ‘aggregate costs’, with respect to a covered Federal rule, means the sum of—
  - “(A) the direct costs of the covered Federal rule; and
  - “(B) the regulatory costs of the covered Federal rule;
- “(2) the term ‘covered Federal rule’ means—
  - “(A) a rule (as defined in section 551);
  - “(B) an information collection requirement given a control number by the Office of Management and Budget; or
  - “(C) guidance or a directive that—
    - “(i) is not described in subparagraph (A) or (B);
    - “(ii) (I) is mandatory in its application to regulated entities; or
    - “(II) represents a statement of agency position that regulated entities would reasonably construe as reflecting the enforcement or litigation position of the agency; and
    - “(iii) imposes not less than \$25,000,000 in annual costs on regulated entities;
  - “(3) the term ‘direct costs’ means—
    - “(A) expenditures made by an Executive branch agency that relate to the promulga-

tion, administration, or enforcement of a covered Federal rule; or

“(B) costs incurred by an Executive branch agency, a Government corporation, the United States Postal Service, or any other instrumentality of the Federal Government because of a covered Federal rule;

“(4) the term ‘Director’ means the Director of the Office of Regulatory Analysis established under section 614(b);

“(5) the term ‘Executive branch agency’ means—

“(A) an Executive department (as defined in section 101); and

“(B) an independent establishment (as defined in section 104);

“(6) the term ‘regulated entity’ means—

“(A) a for-profit private sector entity (including an individual who is in business as a sole proprietor);

“(B) a not-for-profit private sector entity; or

“(C) a State or local government; and

“(7) the term ‘regulatory costs’ means all costs incurred by a regulated entity because of covered Federal rules.

**“§ 614. Office of Regulatory Analysis; establishment; powers**

“(a) **ESTABLISHMENT.**—There is established in the executive branch an independent establishment to be known as the ‘Office of Regulatory Analysis’.

“(b) **DIRECTOR.**—

“(1) **ESTABLISHMENT OF POSITION.**—There shall be at the head of the Office of Regulatory Analysis a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) **TERM.**—

“(A) **IN GENERAL.**—The term of office of the Director shall—

“(i) be 4 years; and

“(ii) expire on the last day of February following each Presidential election.

“(B) **APPOINTMENTS PRIOR TO EXPIRATION OF TERM.**—Subject to subparagraph (C), an individual appointed as Director to fill a vacancy prior to the expiration of a term shall serve only for the unexpired portion of the term.

“(C) **SERVICE UNTIL APPOINTMENT OF SUCCESSOR.**—An individual serving as Director at the expiration of a term may continue to serve until a successor is appointed.

“(3) **POWERS.**—

“(A) **APPOINTMENT OF DEPUTY DIRECTORS, OFFICERS, AND EMPLOYEES.**—

“(i) **IN GENERAL.**—The Director may appoint Deputy Directors, officers, and employees, including attorneys, in accordance with chapter 51 and subchapter III of chapter 53.

“(ii) **TERM OF DEPUTY DIRECTORS.**—A Deputy Director shall serve until the expiration of the term of office of the Director who appointed the Deputy Director (and until a successor to that Director is appointed), unless sooner removed by the Director.

“(B) **CONTRACTING.**—

“(i) **IN GENERAL.**—The Director may contract for financial and administrative services (including those related to budget and accounting, financial reporting, personnel, and procurement) with the General Services Administration, or such other Federal agency as the Director determines appropriate, for which payment shall be made in advance, or by reimbursement, from funds of the Office of Regulatory Analysis in such amounts as may be agreed upon by the Director and the head of the Federal agency providing the services.

“(ii) **SUBJECT TO APPROPRIATIONS.**—Contract authority under clause (i) shall be effective for any fiscal year only to the extent that appropriations are available for that purpose.

“(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to

the Office of Regulatory Analysis for each fiscal year such sums as may be necessary to enable the Office of Regulatory Analysis to carry out its duties and functions.

**“§ 615. Functions of Office of Regulatory Analysis; Executive branch agency compliance**

“(a) **ANNUAL REPORT REQUIRED.**—

“(1) **IN GENERAL.**—Not later than January 30 of each year, the Director shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Small Business and Entrepreneurship of the Senate, the Committee on Oversight and Government Reform of the House of Representatives, and the Committee on Small Business of the House of Representatives a Report on National Regulatory Costs (referred to in this section as the ‘Report’) that includes the information specified under paragraph (2).

“(2) **CONTENTS.**—Each Report shall include—

“(A) an estimate, for the fiscal year during which the Report is submitted and for the preceding fiscal year, of—

“(i) the regulatory costs imposed by each Executive branch agency on regulated entities;

“(ii) the aggregate costs imposed by each Executive branch agency;

“(iii) the aggregate costs imposed by all Executive branch agencies combined;

“(iv) the direct costs incurred by the Federal Government because of covered Federal rules issued by each Executive branch agency;

“(v) the sum of the costs described in clauses (iii) and (iv);

“(vi) the regulatory costs imposed by each Executive branch agency on small businesses, small organizations, and small governmental jurisdictions (as those terms are defined in section 601); and

“(vii) the sum of the costs described in clause (vi);

“(B) an analysis of any major changes in estimation methodology used by the Office of Regulatory Analysis since the previous annual report;

“(C) an analysis of any major estimate changes caused by improved or inadequate data since the previous annual report;

“(D) recommendations, both general and specific, regarding—

“(i) how regulations may be streamlined, simplified, and modernized;

“(ii) regulations that should be repealed; and

“(iii) how the Federal Government may reduce the costs of regulations without diminishing the effectiveness of regulations; and

“(E) any other information that the Director determines may be of assistance to Congress in determining the National Regulatory Budget required under section 617.

“(b) **REGULATORY ANALYSIS OF NEW RULES.**—

“(1) **REQUIREMENT.**—The Director shall publish in the Federal Register and on the website of the Office of Regulatory Analysis a regulatory analysis of each proposed covered Federal rule issued by an Executive branch agency, and each proposed withdrawal or modification of a covered Federal rule by an Executive branch agency, that—

“(A) imposes costs on a regulated entity; or

“(B) reduces costs imposed on a regulated entity.

“(2) **CONTENTS.**—Each regulatory analysis published under paragraph (1) shall include—

“(A) an estimate of the change in regulatory cost of each proposed covered Federal rule (or proposed withdrawal or modification of a covered Federal rule); and

“(B) any other information or recommendation that the Director may choose to provide.

**“(3) TIMING OF REGULATORY ANALYSIS.—**

“(A) INITIAL REGULATORY ANALYSIS.—Not later than 60 days after the date on which the Director receives a copy of a proposed covered Federal rule from the head of an Executive branch agency under paragraph (4), the Director shall publish an initial regulatory analysis.

“(B) REVISED REGULATORY ANALYSIS.—The Director may publish a revised regulatory analysis at any time.

“(4) NOTICE TO DIRECTOR OF PROPOSED COVERED FEDERAL RULE.—The head of an Executive branch agency shall provide a copy of each proposed covered Federal rule to the Director in a manner prescribed by the Director.

**“(c) EFFECTIVE DATES.—**

“(1) IN GENERAL.—Except as provided in paragraph (2), a covered Federal rule may not take effect earlier than 75 days after the date on which the head of the Executive branch agency proposing the covered Federal rule submits a copy of the proposed covered Federal rule to the Director in the manner prescribed by the Director under subsection (b)(4).

“(2) EXCEPTION.—If the head of the Executive branch agency proposing a covered Federal rule determines that the public health or safety or national security requires that the covered Federal rule be promulgated earlier than the date specified under paragraph (1), the head of the Executive branch agency may promulgate the covered Federal rule without regard to paragraph (1).

**“§ 616. Public disclosure of estimate methodology and data; privacy**

“(a) PRIVACY.—The Director shall comply with all relevant privacy laws, including—

“(1) the Confidential Information Protection and Statistical Efficiency Act of 2002 (44 U.S.C. 3501 note);

“(2) section 9 of title 13; and

“(3) section 6103 of the Internal Revenue Code of 1986.

**“(b) DISCLOSURE.—**

“(1) IN GENERAL.—To the maximum extent permitted by law, the Director shall disclose, by publication in the Federal Register and on the website of the Office of Regulatory Analysis, the methodology and data used to generate the estimates in the Report on National Regulatory Costs required under section 615.

“(2) GOAL OF DISCLOSURE.—In disclosing the methodology and data under paragraph (1), the Director shall seek to provide sufficient information so that outside researchers may replicate the results contained in the Report on National Regulatory Costs.

**“§ 617. National Regulatory Budget; timeline**

“(a) DEFINITION.—In this section—

“(1) the term ‘annual overall regulatory cost cap’ means the maximum amount of regulatory costs that all Executive branch agencies combined may impose in a fiscal year;

“(2) the term ‘annual agency regulatory cost cap’ means the maximum amount of regulatory costs that an Executive branch agency may impose in a fiscal year; and

“(3) the term ‘National Regulatory Budget’ means an Act of Congress that establishes, for a fiscal year—

“(A) the annual overall regulatory cost cap; and

“(B) an annual agency regulatory cost cap for each Executive branch agency.

**“(b) COMMITTEE DEADLINES.—**

“(1) REFERRAL.—Not later than March 31 of each year—

“(A) the Committee on Small Business and Entrepreneurship of the Senate shall refer to the Committee on Homeland Security and Governmental Affairs of the Senate a bill that sets forth a National Regulatory Budget

for the fiscal year beginning on October 1 of that year; and

“(B) the Committee on Small Business of the House of Representatives shall refer to the Committee on Oversight and Government Reform of the House of Representatives a bill that sets forth a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

“(2) REPORTING.—Not later than May 31 of each year—

“(A) the Committee on Homeland Security and Governmental Affairs of the Senate shall report a bill establishing a National Regulatory Budget for the fiscal year beginning on October 1 of that year; and

“(B) the Committee on Oversight and Government Reform of the House of Representatives shall report a bill establishing a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

“(c) PASSAGE.—Not later than July 31 of each year, the House of Representatives and the Senate shall each pass a bill establishing a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

“(d) PRESENTMENT.—Not later than September 15 of each year, Congress shall pass and present to the President a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

**“(e) DEFAULT BUDGET.—**

“(1) IN GENERAL.—If a National Regulatory Budget is not enacted with respect to a fiscal year, the most recently enacted National Regulatory Budget shall apply to that fiscal year.

**“(2) DEFAULT INITIAL BUDGET.—**

“(A) CALCULATION.—If a National Regulatory Budget is not enacted with respect to a fiscal year, and no National Regulatory Budget has previously been enacted—

“(i) the annual agency regulatory cost cap for an Executive branch agency for the fiscal year shall be equal to the amount of regulatory costs imposed by that Executive branch agency on regulated entities during the preceding fiscal year, as estimated by the Director in the annual report submitted to Congress under section 615(a); and

“(ii) the annual overall regulatory cost cap for the fiscal year shall be equal to the sum of the amounts described in clause (i).

“(B) EFFECT.—For purposes of section 619, an annual agency regulatory cost cap described in subparagraph (A) that applies to a fiscal year shall have the same effect as if the annual agency regulatory cost cap were part of a National Regulatory Budget applicable to that fiscal year.

“(f) INITIAL BUDGET.—The first National Regulatory Budget shall be with respect to fiscal year 2016.

**“§ 618. Executive branch agency cooperation mandatory; information sharing**

“(a) EXECUTIVE BRANCH AGENCY COOPERATION MANDATORY.—Not later than 45 days after the date on which the Director requests any information from an Executive branch agency, the Executive branch agency shall provide the Director with the information.

“(b) MEMORANDA OF UNDERSTANDING REGARDING CONFIDENTIALITY.—

“(1) IN GENERAL.—An Executive branch agency may require the Director to enter into a memorandum of understanding regarding the confidentiality of information provided by the Executive branch agency to the Director under subsection (a) as a condition precedent to providing any requested information.

“(2) DEGREE OF CONFIDENTIALITY OR DATA PROTECTION.—An Executive branch agency may not require a greater degree of confidentiality or data protection from the Director in a memorandum of understanding entered into under paragraph (1) than the Executive branch agency itself must adhere to.

“(3) SCOPE.—A memorandum of understanding entered into by the Director and an Executive branch agency under paragraph (1) shall—

“(A) be general in scope; and

“(B) govern all pending and future requests made to the Executive branch agency by the Director.

**“(c) SANCTIONS FOR NON-COOPERATION.—**

“(1) IN GENERAL.—The appropriations of an Executive branch agency for a fiscal year shall be reduced by one-half of 1 percent if, during that fiscal year, the Director finds that—

“(A) the Executive branch agency has failed to timely provide information that the Director requested under subsection (a);

“(B) the Director has provided notice of the failure described in subparagraph (A) to the Executive branch agency;

“(C) the Executive branch agency has failed to cure the failure described in subparagraph (A) within 30 days of being notified under subparagraph (B); and

“(D) the information that the Director requested under subsection (a)—

“(i) is in the possession of the Executive branch agency; or

“(ii) may reasonably be developed by the Executive branch agency.

“(2) SEQUESTRATION.—The Office of Management and Budget, in consultation with the Office of Federal Financial Management and Financial Management Service, shall enforce a reduction in appropriations under paragraph (1) by sequestering the appropriate amount of funds and returning the funds to the Treasury.

**“(3) APPEALS.—**

“(A) IN GENERAL.—The Director of the Office of Management and Budget may reduce the amount of, or except as provided in subparagraph (B), waive, a sanction imposed under paragraph (1) if the Director of the Office of Management and Budget finds that—

“(i) the sanction is unwarranted;

“(ii) the sanction is disproportionate to the gravity of the failure;

“(iii) the failure has been cured; or

“(iv) providing the requested information would adversely affect national security.

“(B) NO WAIVER FOR HISTORICALLY NON-COMPLIANT AGENCIES.—The Director of the Office of Management and Budget may not waive a sanction imposed on an Executive branch agency under paragraph (1) if the Executive branch agency has a history of non-compliance with requests for information by the Director of the Office of Regulatory Analysis under subsection (a).

“(d) NATIONAL SECURITY.—The Director may not require an Executive branch agency to provide information under subsection (a) that would adversely affect national security.

**“§ 619. Enforcement**

“(a) EXCEEDING ANNUAL AGENCY REGULATORY COST CAP.—An Executive branch agency that exceeds the annual agency regulatory cost cap imposed by the National Regulatory Budget for a fiscal year may not promulgate a new covered Federal rule that increases regulatory costs until the Executive branch agency no longer exceeds the annual agency regulatory cost cap imposed by the applicable National Regulatory Budget.

**“(b) DETERMINATION OF DIRECTOR.—**

“(1) IN GENERAL.—An Executive branch agency may not promulgate a covered Federal rule unless the Director determines, in conducting the regulatory analysis of the covered Federal rule under section 615(b)(3)(A) that, after the Executive branch agency promulgates the covered Federal rule, the Executive branch agency will not exceed the annual agency regulatory cost cap for that Executive branch agency.

“(2) TIMING.—The Director shall make a determination under paragraph (1) with respect to a proposed covered Federal rule not later than 60 days after the Director receives a copy of the proposed covered Federal rule under section 615(b)(4).

“(c) EFFECT OF VIOLATION OF THIS SECTION.—

“(1) NO FORCE OR EFFECT.—A covered Federal rule that is promulgated in violation of this section shall have no force or effect.

“(2) JUDICIAL ENFORCEMENT.—Any party may bring an action in a district court of the United States to declare that a covered Federal rule has no force or effect because the covered Federal rule was promulgated in violation of this section.

“§ 620. Regulatory Analysis Advisory Board

“(a) ESTABLISHMENT OF BOARD.—In accordance with the Federal Advisory Committee Act (5 U.S.C. App.), the Director shall—

“(1) establish a Regulatory Analysis Advisory Board; and

“(2) appoint not fewer than 9 and not more than 15 individuals as members of the Regulatory Analysis Advisory Board.

“(b) QUALIFICATIONS.—The Director shall appoint individuals with technical and practical expertise in economics, law, accounting, science, management, and other areas that will aid the Director in preparing the annual Report on National Regulatory Costs required under section 615.”

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) TABLE OF CHAPTERS.—The table of chapters for part I of title 5, United States Code, is amended by inserting after the item relating to chapter 6 the following:

“6A. National Regulatory Budget and Office of Regulatory Analysis 613”.

(B) INTERNAL REVENUE CODE OF 1986.—Section 6103(j) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(7) OFFICE OF REGULATORY ANALYSIS.—Upon written request by the Director of the Office of Regulatory Analysis established under section 614 of title 5, United States Code, the Secretary shall furnish to officers and employees of the Office of Regulatory Analysis return information for the purpose of, but only to the extent necessary for, an analysis of regulatory costs.”

(c) REPORT ON DUPLICATIVE PERSONNEL; REPORT ON REGULATORY ANALYSIS.—

(1) DEFINITIONS.—In this subsection—

(A) the term “Director” means the Director of the Office of Regulatory Analysis; and

(B) the term “Office of Regulatory Analysis” means the Office of Regulatory Analysis established under section 614(a) of title 5, United States Code (as added by subsection (b)).

(2) REPORT ON DUPLICATIVE PERSONNEL.—Not later than December 31, 2014, the Director shall submit to Congress a report determining positions in the Federal Government that are—

(A) duplicative of the work performed by the Office of Regulatory Analysis; or

(B) otherwise rendered cost ineffective by the work of the Office of Regulatory Analysis.

(3) REPORT ON REGULATORY ANALYSIS.—

(A) REPORT REQUIRED.—Not later than June 30, 2015, the Director shall provide to Congress a report analyzing the practice with respect to, and the effectiveness of—

(i) chapter 6 of title 5, United States Code (commonly known as the “Regulatory Flexibility Act”);

(ii) the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note);

(iii) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”);

(iv) each Executive Order that mandates economic analysis of Federal regulations; and

(v) Office of Management and Budget circulars, directives, and memoranda that mandate the economic analysis of Federal regulation.

(B) RECOMMENDATIONS.—The report under subparagraph (A) shall include recommendations about how Federal regulatory analysis may be improved.

(d) ADMINISTRATIVE PROCEDURE.—

(1) DEFINITION OF “RULE”.—Section 551(4) of title 5, United States Code, is amended by inserting after “requirements of an agency” the following: “, whether or not the agency statement amends the Code of Federal Regulations and including, without limitation, a statement described by the agency as a regulation, rule, directive, or guidance.”

(2) NOTICE OF PROPOSED RULEMAKING.—Section 553(b) of title 5, United States Code, is amended, following the flush text, in subparagraph (A) by striking “interpretative rules, general statements of policy, or”.

**SA 2916.** Mrs. FISCHER submitted an amendment intended to be proposed by her to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, insert the following:

**SEC. . ENTREPRENEURIAL TRAINING.**

(a) SHORT TITLE.—This section may be cited as the “Entrepreneurial Training Improvement Act of 2014”.

(b) FINDINGS.—Congress finds the following:

(1) Entrepreneurship represents an important part of the economic recovery. According to the 2012 Kauffman Index of Entrepreneurial Activity, adults in the United States created an average of 543,000 new businesses each month in 2011, among the highest levels of entrepreneurship in the last 16 years.

(2) Of the estimated 27,500,000 small businesses in the United States, 21,400,000 had no employees in 2008, according to the Office of Advocacy of the Small Business Administration.

(3) According to a January 2010 report entitled “Think Entrepreneurs: A Call to Action” prepared by the Consortium for Entrepreneurship Education for the Employment and Training Administration of the Department of Labor, “Entrepreneurship is not well established in Federal and statewide policy and execution strategies.” The report continues to state that Workforce Investment Board staff “lacks information and training about self-employment as a career option, including accessibility to resources, technical assistance, outreach efforts, available partnerships, assessment processes, and coordination of available funding options” and that the Boards report that “self-employment outcomes are hard to document for [Department of Labor] regulations; entrepreneurship does not fit into current methods for measuring performance.”

(4) In Training and Employment Guidance Letter No. 12-10, issued November 15, 2010, the Employment and Training Administration noted that “Certain types of employment, particularly self-employment, are generally not covered by state [unemployment insurance] wage records, and the system has

noted this as a challenge in providing entrepreneurship training. However, supplemental data options for some performance measures, combined with performance target negotiations, offer flexibility to accommodate entrepreneurship training within the workforce system.”

(5) There are many existing supplemental data sources and authorities that can be used to better measure the success of an entrepreneurial training program.

(6) All reasonable effort should be made by the Secretary of Labor to reduce regulatory barriers and disincentives that discourage local workforce investment boards from offering entrepreneurial training programs.

(c) RULEMAKING.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Labor shall establish alternate standards for measuring the progress of State and local performance for entrepreneurial training services, as authorized in section 134(d)(4)(D)(vi) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(d)(4)(D)(vi)), and provide the State and local workforce investment boards with specific guidance on successful approaches to collecting performance information on entrepreneurial training services.

(2) CONSIDERATIONS.—In determining the alternate standards, the Secretary shall consider using standards based, for participants in such services, on—

(A) obtaining a State license, or a Federal or State tax identification number, for a corresponding business;

(B) documenting income from a corresponding business; or

(C) filing a Federal or State tax return for a corresponding business.

(3) AUTHORITIES.—In determining the alternate standards, the Secretary shall consider utilizing authorities granted under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.), including a State’s waiver authority, as authorized in section 189(i)(4) of such Act (29 U.S.C. 2939(i)(4)).

(4) REPORT.—The Secretary shall prepare a report on the progress of State and local workforce investment boards in implementing new programs of entrepreneurial training services and any ongoing challenges to offering such programs, with recommendations on how best to address those challenges. Not later than 12 months after publication of the final regulations establishing the alternate standards, the Secretary shall submit the report to the Committee on Education and the Workforce and the Committee on Small Business of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Small Business and Entrepreneurship of the Senate.

**SA 2917.** Mr. SESSIONS (for himself, Mr. GRASSLEY, Mr. LEE, Mr. VITTER, Mr. ENZI, Mr. BOOZMAN, and Mr. HATCH) submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ ACCOUNTABILITY THROUGH ELECTRONIC VERIFICATION.**

(a) **SHORT TITLE.**—This section may be cited as the “Accountability Through Electronic Verification Act”.

(b) **PERMANENT REAUTHORIZATION.**—Section 401(b) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104-208; 8 U.S.C. 1324a note) is amended by striking “Unless the Congress otherwise provides, the Secretary of Homeland Security shall terminate a pilot program on September 30, 2015.”.

(c) **MANDATORY USE OF E-VERIFY.**—Section 402 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

(1) in subsection (e)—

(A) in paragraph (1)—

(i) by amending subparagraph (A) to read as follows:

“(A) **EXECUTIVE DEPARTMENTS AND AGENCIES.**—Each department and agency of the Federal Government shall participate in E-Verify by complying with the terms and conditions set forth in this section.”; and

(ii) in subparagraph (B), by striking “, that conducts hiring in a State” and all that follows and inserting “shall participate in E-Verify by complying with the terms and conditions set forth in this section.”;

(B) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively; and

(C) by inserting after paragraph (1) the following:

“(2) **UNITED STATES CONTRACTORS.**—Any person, employer, or other entity that enters into a contract with the Federal Government shall participate in E-Verify by complying with the terms and conditions set forth in this section.

“(3) **DESIGNATION OF CRITICAL EMPLOYERS.**—Not later than 7 days after the date of the enactment of the Accountability Through Electronic Verification Act, the Secretary of Homeland Security shall—

“(A) conduct an assessment of employers that are critical to the homeland security or national security needs of the United States;

“(B) designate and publish a list of employers and classes of employers that are deemed to be critical pursuant to the assessment conducted under subparagraph (A); and

“(C) require that critical employers designated pursuant to subparagraph (B) participate in E-Verify by complying with the terms and conditions set forth in this section not later than 30 days after the Secretary makes such designation.”;

(2) by redesignating subsection (f) as subsection (g); and

(3) by inserting after subsection (e) the following:

“(f) **MANDATORY PARTICIPATION IN E-VERIFY.**—

“(1) **IN GENERAL.**—Subject to paragraphs (2) and (3), all employers in the United States shall participate in E-Verify, with respect to all employees recruited, referred, or hired by such employer on or after the date that is 1 year after the date of the enactment of the Accountability Through Electronic Verification Act.

“(2) **USE OF CONTRACT LABOR.**—Any employer who uses a contract, subcontract, or exchange to obtain the labor of an individual in the United States shall certify in such contract, subcontract, or exchange that the employer uses E-Verify. If such certification is not included in a contract, subcontract, or exchange, the employer shall be deemed to have violated paragraph (1).

“(3) **INTERIM MANDATORY PARTICIPATION.**—

“(A) **IN GENERAL.**—Before the date set forth in paragraph (1), the Secretary of Homeland Security shall require any employer or class of employers to participate in E-Verify, with respect to all employees recruited, referred,

or hired by such employer if the Secretary has reasonable cause to believe that the employer is or has been engaged in a material violation of section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a).

“(B) **NOTIFICATION.**—Not later than 14 days before an employer or class of employers is required to begin participating in E-Verify pursuant to subparagraph (A), the Secretary shall provide such employer or class of employers with—

“(i) written notification of such requirement; and

“(ii) appropriate training materials to facilitate compliance with such requirement.”.

(d) **CONSEQUENCES OF FAILURE TO PARTICIPATE.**—

(1) **IN GENERAL.**—Section 402(e)(5) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note), as redesignated by subsection (c)(1)(B), is amended to read as follows:

“(5) **CONSEQUENCES OF FAILURE TO PARTICIPATE.**—If a person or other entity that is required to participate in E-Verify fails to comply with the requirements under this title with respect to an individual—

“(A) such failure shall be treated as a violation of section 274A(a)(1)(B) with respect to such individual; and

“(B) a rebuttable presumption is created that the person or entity has violated section 274A(a)(1)(A).”.

(2) **PENALTIES.**—Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is amended—

(A) in subsection (e)—

(i) in paragraph (4)—

(I) in subparagraph (A), in the matter preceding clause (i), by inserting “, subject to paragraph (10),” after “in an amount”;

(II) in subparagraph (A)(i), by striking “not less than \$250 and not more than \$2,000” and inserting “not less than \$2,500 and not more than \$5,000”;

(III) in subparagraph (A)(ii), by striking “not less than \$2,000 and not more than \$5,000” and inserting “not less than \$5,000 and not more than \$10,000”;

(IV) in subparagraph (A)(iii), by striking “not less than \$3,000 and not more than \$10,000” and inserting “not less than \$10,000 and not more than \$25,000”;

(V) by amending subparagraph (B) to read as follows:

“(B) may require the person or entity to take such other remedial action as is appropriate.”;

(ii) in paragraph (5)—

(I) by inserting “, subject to paragraphs (10) through (12),” after “in an amount”;

(II) by striking “\$100” and inserting “\$1,000”;

(III) by striking “\$1,000” and inserting “\$25,000”;

(IV) by striking “the size of the business of the employer being charged, the good faith of the employer” and inserting “the good faith of the employer being charged”; and

(V) by adding at the end the following:

“Failure by a person or entity to utilize the employment eligibility verification system as required by law, or providing information to the system that the person or entity knows or reasonably believes to be false, shall be treated as a violation of subsection (a)(1)(A).”; and

(iii) by adding at the end the following:

“(10) **EXEMPTION FROM PENALTY.**—In the case of imposition of a civil penalty under paragraph (4)(A) with respect to a violation of subsection (a)(1)(A) or (a)(2) for hiring or continuation of employment or recruitment or referral by person or entity and in the case of imposition of a civil penalty under paragraph (5) for a violation of subsection (a)(1)(B) for hiring or recruitment or referral by a person or entity, the penalty otherwise

imposed may be waived or reduced if the violator establishes that the violator acted in good faith.

“(11) **AUTHORITY TO DEBAR EMPLOYERS FOR CERTAIN VIOLATIONS.**—

“(A) **IN GENERAL.**—If a person or entity is determined by the Secretary of Homeland Security to be a repeat violator of paragraph (1)(A) or (2) of subsection (a), or is convicted of a crime under this section, such person or entity may be considered for debarment from the receipt of Federal contracts, grants, or cooperative agreements in accordance with the debarment standards and pursuant to the debarment procedures set forth in the Federal Acquisition Regulation.

“(B) **DOES NOT HAVE CONTRACT, GRANT, AGREEMENT.**—If the Secretary of Homeland Security or the Attorney General wishes to have a person or entity considered for debarment in accordance with this paragraph, and such a person or entity does not hold a Federal contract, grant or cooperative agreement, the Secretary or Attorney General shall refer the matter to the Administrator of General Services to determine whether to list the person or entity on the List of Parties Excluded from Federal Procurement, and if so, for what duration and under what scope.

“(C) **HAS CONTRACT, GRANT, AGREEMENT.**—If the Secretary of Homeland Security or the Attorney General wishes to have a person or entity considered for debarment in accordance with this paragraph, and such person or entity holds a Federal contract, grant or cooperative agreement, the Secretary or Attorney General shall advise all agencies or departments holding a contract, grant, or cooperative agreement with the person or entity of the Government’s interest in having the person or entity considered for debarment, and after soliciting and considering the views of all such agencies and departments, the Secretary or Attorney General may waive the operation of this paragraph or refer the matter to any appropriate lead agency to determine whether to list the person or entity on the List of Parties Excluded from Federal Procurement, and if so, for what duration and under what scope.

“(D) **REVIEW.**—Any decision to debar a person or entity under in accordance with this paragraph shall be reviewable pursuant to part 9.4 of the Federal Acquisition Regulation.”; and

(B) in subsection (f)—

(i) by amending paragraph (1) to read as follows:

“(1) **CRIMINAL PENALTY.**—Any person or entity which engages in a pattern or practice of violations of subsection (a)(1) or (2) shall be fined not more than \$15,000 for each unauthorized alien with respect to which such a violation occurs, imprisoned for not less than 1 year and not more than 10 years, or both, notwithstanding the provisions of any other Federal law relating to fine levels.”; and

(ii) in paragraph (2), by striking “Attorney General” each place it appears and inserting “Secretary of Homeland Security”.

(e) **PREEMPTION; LIABILITY.**—Section 402 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note), as amended by this section, is further amended by adding at the end the following:

“(h) **LIMITATION ON STATE AUTHORITY.**—

“(1) **PREEMPTION.**—A State or local government may not prohibit a person or other entity from verifying the employment authorization of new hires or current employees through E-Verify.

“(2) **LIABILITY.**—A person or other entity that participates in E-Verify may not be held liable under any Federal, State, or local law for any employment-related action



taken with respect to the wrongful termination of an individual in good faith reliance on information provided through E-Verify.”

(f) EXPANDED USE OF E-VERIFY.—Section 403(a)(3)(A) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended to read as follows:

“(A) IN GENERAL.—  
 “(i) BEFORE HIRING.—The person or other entity may verify the employment eligibility of an individual through E-Verify before the individual is hired, recruited, or referred if the individual consents to such verification. If an employer receives a tentative nonconfirmation for an individual, the employer shall comply with procedures prescribed by the Secretary, including—  
 “(I) providing the individual employees with private, written notification of the finding and written referral instructions;  
 “(II) allowing the individual to contest the finding; and  
 “(III) not taking adverse action against the individual if the individual chooses to contest the finding.

“(ii) AFTER EMPLOYMENT OFFER.—The person or other entity shall verify the employment eligibility of an individual through E-Verify not later than 3 days after the date of the hiring, recruitment, or referral, as the case may be.

“(iii) EXISTING EMPLOYEES.—Not later than 3 years after the date of the enactment of the Accountability Through Electronic Verification Act, the Secretary shall require all employers to use E-Verify to verify the identity and employment eligibility of any individual who has not been previously verified by the employer through E-Verify.”

(g) REVERIFICATION.—Section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following:

“(5) REVERIFICATION.—Each person or other entity participating in E-Verify shall use the E-Verify confirmation system to reverify the work authorization of any individual not later than 3 days after the date on which such individual’s employment authorization is scheduled to expire (as indicated by the Secretary or the documents provided to the employer pursuant to section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b))), in accordance with the procedures set forth in this subsection and section 402.”

(h) HOLDING EMPLOYERS ACCOUNTABLE.—  
 (1) CONSEQUENCES OF NONCONFIRMATION.—Section 403(a)(4)(C) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended to read as follows:

“(C) CONSEQUENCES OF NONCONFIRMATION.—  
 “(i) TERMINATION AND NOTIFICATION.—If the person or other entity receives a final nonconfirmation regarding an individual, the employer shall immediately—  
 “(I) terminate the employment, recruit, or referral of the individual; and  
 “(II) submit to the Secretary any information relating to the individual that the Secretary determines would assist the Secretary in enforcing or administering United States immigration laws.

“(ii) CONSEQUENCE OF CONTINUED EMPLOYMENT.—If the person or other entity continues to employ, recruit, or refer the individual after receiving final nonconfirmation, a rebuttable presumption is created that the employer has violated section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a).”

(2) INTERAGENCY NONCONFIRMATION REPORT.—Section 405 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following:

“(c) INTERAGENCY NONCONFIRMATION REPORT.—

“(1) IN GENERAL.—The Director of U.S. Citizenship and Immigration Services shall submit a weekly report to the Assistant Secretary of Immigration and Customs Enforcement that includes, for each individual who receives final nonconfirmation through E-Verify—

“(A) the name of such individual;  
 “(B) his or her Social Security number or alien file number;  
 “(C) the name and contact information for his or her current employer; and  
 “(D) any other critical information that the Assistant Secretary determines to be appropriate.

“(2) USE OF WEEKLY REPORT.—The Secretary of Homeland Security shall use information provided under paragraph (1) to enforce compliance of the United States immigration laws.”

(i) INFORMATION SHARING.—The Commissioner of Social Security, the Secretary of Homeland Security, and the Secretary of the Treasury shall jointly establish a program to share information among such agencies that may or could lead to the identification of unauthorized aliens (as defined in section 274A(h)(3) of the Immigration and Nationality Act), including any no-match letter and any information in the earnings suspense file.

(j) FORM I-9 PROCESS.—Not later than 9 months after date of the enactment of this Act, the Secretary of Homeland Security shall submit a report to Congress that contains recommendations for—

(1) modifying and simplifying the process by which employers are required to complete and retain a Form I-9 for each employee pursuant to section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a); and  
 (2) eliminating the process described in paragraph (1).

(k) ALGORITHM.—Section 404(d) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended to read as follows:

“(d) DESIGN AND OPERATION OF SYSTEM.—E-Verify shall be designed and operated—

“(1) to maximize its reliability and ease of use by employers;  
 “(2) to insulate and protect the privacy and security of the underlying information;  
 “(3) to maintain appropriate administrative, technical, and physical safeguards to prevent unauthorized disclosure of personal information;

“(4) to respond accurately to all inquiries made by employers on whether individuals are authorized to be employed;

“(5) to register any times when E-Verify is unable to receive inquiries;

“(6) to allow for auditing use of the system to detect fraud and identify theft;

“(7) to preserve the security of the information in all of the system by—

“(A) developing and using algorithms to detect potential identity theft, such as multiple uses of the same identifying information or documents;

“(B) developing and using algorithms to detect misuse of the system by employers and employees;

“(C) developing capabilities to detect anomalies in the use of the system that may indicate potential fraud or misuse of the system; and

“(D) auditing documents and information submitted by potential employees to employers, including authority to conduct interviews with employers and employees;

“(8) to confirm identity and work authorization through verification of records maintained by the Secretary, other Federal departments, States, the Commonwealth of the Northern Mariana Islands, or an outlying

possession of the United States, as determined necessary by the Secretary, including—

“(A) records maintained by the Social Security Administration;

“(B) birth and death records maintained by vital statistics agencies of any State or other jurisdiction in the United States;

“(C) passport and visa records (including photographs) maintained by the Department of State; and

“(D) State driver’s license or identity card information (including photographs) maintained by State department of motor vehicles;

“(9) to electronically confirm the issuance of the employment authorization or identity document; and

“(10) to display the digital photograph that the issuer placed on the document so that the employer can compare the photograph displayed to the photograph on the document presented by the employee or, in exceptional cases, if a photograph is not available from the issuer, to provide for a temporary alternative procedure, specified by the Secretary, for confirming the authenticity of the document.”

(l) IDENTITY THEFT.—Section 1028 of title 18, United States Code, is amended—

(1) in subsection (a)(7), by striking “of another person” and inserting “that is not his or her own”; and

(2) in subsection (b)(3)—  
 (A) in subparagraph (B), by striking “or” at the end;

(B) in subparagraph (C), by adding “or” at the end; and

(C) by adding at the end the following:

“(D) to facilitate or assist in harboring or hiring unauthorized workers in violation of section 274, 274A, or 274C of the Immigration and Nationality Act (8 U.S.C. 1324, 1324a, and 1324c).”

(m) SMALL BUSINESS DEMONSTRATION PROGRAM.—Section 403 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

“(d) SMALL BUSINESS DEMONSTRATION PROGRAM.—Not later than 9 months after the date of the enactment of the Accountability Through Electronic Verification Act, the Director of U.S. Citizenship and Immigration Services shall establish a demonstration program that assists small businesses in rural areas or areas without internet capabilities to verify the employment eligibility of newly hired employees solely through the use of publicly accessible internet terminals.”

**SA 2918.** Mr. REID submitted an amendment intended to be proposed to amendment SA 2922 submitted by Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK) and intended to be proposed to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:  
 This Act shall become effective 1 day after enactment.

**SA 2919.** Mr. REID submitted an amendment intended to be proposed to

amendment SA 2922 submitted by Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK) and intended to be proposed to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

In the amendment, strike “1 day” and insert “2 days”.

**SA 2920.** Mr. REID submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

This Act shall become effective 4 days after enactment.

**SA 2921.** Mr. REID submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

In the amendment, strike “4 days” and insert “5 days”.

**SA 2922.** Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Emergency Unemployment Compensation Extension Act of 2014”.

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Extension of emergency unemployment compensation program.
- Sec. 3. Temporary extension of extended benefit provisions.
- Sec. 4. Extension of funding for reemployment services and reemployment and eligibility assessment activities.
- Sec. 5. Additional extended unemployment benefits under the Railroad Unemployment Insurance Act.

Sec. 6. Flexibility for unemployment program agreements.

Sec. 7. Ending unemployment payments to jobless millionaires and billionaires.

Sec. 8. GAO study on the use of work suitability requirements in unemployment insurance programs.

Sec. 9. Funding stabilization.

Sec. 10. Prepayment of certain PBGC premiums.

Sec. 11. Extension of customs user fees.

Sec. 12. Emergency services, government, and certain nonprofit volunteers.

**SEC. 2. EXTENSION OF EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM.**

(a) **EXTENSION.**—Section 4007(a)(2) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by striking “January 1, 2014” and inserting “June 1, 2014”.

(b) **FUNDING.**—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (I), by striking “and” at the end;

(2) in subparagraph (J), by inserting “and” at the end; and

(3) by inserting after subparagraph (J) the following:

“(K) the amendment made by section 2(a) of the Emergency Unemployment Compensation Extension Act of 2014;”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall take effect as if included in the enactment of the American Taxpayer Relief Act of 2012 (Public Law 112-240).

**SEC. 3. TEMPORARY EXTENSION OF EXTENDED BENEFIT PROVISIONS.**

(a) **IN GENERAL.**—Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note), is amended—

(1) by striking “December 31, 2013” each place it appears and inserting “May 31, 2014”; and

(2) in subsection (c), by striking “June 30, 2014” and inserting “November 30, 2014”.

(b) **EXTENSION OF MATCHING FOR STATES WITH NO WAITING WEEK.**—Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110-449; 26 U.S.C. 3304 note) is amended by striking “June 30, 2014” and inserting “November 30, 2014”.

(c) **EXTENSION OF MODIFICATION OF INDICATORS UNDER THE EXTENDED BENEFIT PROGRAM.**—Section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended—

(1) in subsection (d), by striking “December 31, 2013” and inserting “May 31, 2014”; and

(2) in subsection (f)(2), by striking “December 31, 2013” and inserting “May 31, 2014”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall take effect as if included in the enactment of the American Taxpayer Relief Act of 2012 (Public Law 112-240).

**SEC. 4. EXTENSION OF FUNDING FOR REEMPLOYMENT SERVICES AND REEMPLOYMENT AND ELIGIBILITY ASSESSMENT ACTIVITIES.**

(a) **EXTENSION.**—

(1) **IN GENERAL.**—Section 4004(c)(2)(A) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by striking “through fiscal year 2014” and inserting “through the first five months of fiscal year 2015”.

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall take effect as if included in the enactment of the American Taxpayer Relief Act of 2012 (Public Law 112-240).

(b) **TIMING FOR SERVICES AND ACTIVITIES.**—

(1) **IN GENERAL.**—Section 4001(i)(1)(A) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new sentence:

“At a minimum, such reemployment services and reemployment and eligibility assessment activities shall be provided to an individual within a time period (determined appropriate by the Secretary) after the date the individual begins to receive amounts under section 4002(b) (first tier benefits) and, if applicable, again within a time period (determined appropriate by the Secretary) after the date the individual begins to receive amounts under section 4002(d) (third tier benefits).”.

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall apply on and after the date of the enactment of this Act.

(c) **PURPOSES OF SERVICES AND ACTIVITIES.**—The purposes of the reemployment services and reemployment and eligibility assessment activities under section 4001(i) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) are—

(1) to better link the unemployed with the overall workforce system by bringing individuals receiving unemployment insurance benefits in for personalized assessments and referrals to reemployment services; and

(2) to provide individuals receiving unemployment insurance benefits with early access to specific strategies that can help get them back into the workforce faster, including through—

(A) the development of a reemployment plan;

(B) the provision of access to relevant labor market information;

(C) the provision of access to information about industry-recognized credentials that are regionally relevant or nationally portable;

(D) the provision of referrals to reemployment services and training; and

(E) an assessment of the individual’s ongoing eligibility for unemployment insurance benefits.

**SEC. 5. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.**

(a) **EXTENSION.**—Section 2(c)(2)(D)(iii) of the Railroad Unemployment Insurance Act (45 U.S.C. 352(c)(2)(D)(iii)) is amended—

(1) by striking “June 30, 2013” and inserting “November 30, 2013”; and

(2) by striking “December 31, 2013” and inserting “May 31, 2014”.

(b) **CLARIFICATION ON AUTHORITY TO USE FUNDS.**—Funds appropriated under either the first or second sentence of clause (iv) of section 2(c)(2)(D) of the Railroad Unemployment Insurance Act shall be available to cover the cost of additional extended unemployment benefits provided under such section 2(c)(2)(D) by reason of the amendments made by subsection (a) as well as to cover the cost of such benefits provided under such section 2(c)(2)(D), as in effect on the day before the date of enactment of this Act.

(c) **FUNDING FOR ADMINISTRATION.**—Out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Railroad Retirement Board \$105,000 for administrative expenses associated with the payment of additional extended unemployment benefits provided under section 2(c)(2)(D) of the Railroad Unemployment Insurance Act by reason of the amendments made by subsection (a), to remain available until expended.

**SEC. 6. FLEXIBILITY FOR UNEMPLOYMENT PROGRAM AGREEMENTS.**

(a) **FLEXIBILITY.**—

(1) **IN GENERAL.**—Subsection (g) of section 4001 of the Supplemental Appropriations Act,

2008 (Public Law 110-252; 26 U.S.C. 3304 note) shall not apply with respect to a State that has enacted a law before December 1, 2013, that, upon taking effect, would violate such subsection.

(2) EFFECTIVE DATE.—Paragraph (1) is effective with respect to weeks of unemployment beginning on or after December 29, 2013.

(b) PERMITTING A SUBSEQUENT AGREEMENT.—Nothing in title IV of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) shall preclude a State whose agreement under such title was terminated from entering into a subsequent agreement under such title on or after the date of the enactment of this Act if the State, taking into account the application of subsection (a), would otherwise meet the requirements for an agreement under such title.

**SEC. 7. ENDING UNEMPLOYMENT PAYMENTS TO JOBLESS MILLIONAIRES AND BILLIONAIRES.**

(a) PROHIBITION.—Notwithstanding any other provision of law, no Federal funds may be used for payments of unemployment compensation under the emergency unemployment compensation program under title IV of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) to an

individual whose adjusted gross income in the preceding year was equal to or greater than \$1,000,000.

(b) COMPLIANCE.—Unemployment Insurance applications shall include a form or procedure for an individual applicant to certify the individual's adjusted gross income was not equal to or greater than \$1,000,000 in the preceding year.

(c) AUDITS.—The certifications required by subsection (b) shall be auditable by the U.S. Department of Labor or the U.S. Government Accountability Office.

(d) STATUS OF APPLICANTS.—It is the duty of the States to verify the residency, employment, legal, and income status of applicants for Unemployment Insurance and no Federal funds may be expended for purposes of determining whether or not the prohibition under subsection (a) applies with respect to an individual.

(e) EFFECTIVE DATE.—The prohibition under subsection (a) shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

**SEC. 8. GAO STUDY ON THE USE OF WORK SUITABILITY REQUIREMENTS IN UNEMPLOYMENT INSURANCE PROGRAMS.**

(a) STUDY.—The Comptroller General of the United States shall conduct a study on the use of work suitability requirements to

strengthen requirements to ensure that unemployment insurance benefits are being provided to individuals who are actively looking for work and who truly want to return to the labor force. Such study shall include an analysis of—

(1) how work suitability requirements work under both State and Federal unemployment insurance programs; and

(2) how to incorporate and improve such requirements under Federal unemployment insurance programs; and

(3) other items determined appropriate by the Comptroller General.

(b) BRIEFING.—Not later than 90 days after the date of the enactment of this Act, the Comptroller General of the United States shall brief Congress on the ongoing study required under subsection (a). Such briefing shall include preliminary recommendations for such legislation and administrative action as the Comptroller General determines appropriate.

**SEC. 9. FUNDING STABILIZATION.**

(a) FUNDING STABILIZATION UNDER THE INTERNAL REVENUE CODE.—The table in subclause (II) of section 430(h)(2)(C)(iv) of the Internal Revenue Code of 1986 is amended to read as follows:

"If the calendar year is:	The applicable minimum percentage is:	The applicable maximum percentage is:
2012, 2013, 2014, 2015, 2016, or 2017 .....	90% .....	110%
2018 .....	85% .....	115%
2019 .....	80% .....	120%
2020 .....	75% .....	125%
After 2020 .....	70% .....	130%".

(b) FUNDING STABILIZATION UNDER ERISA.—(1) IN GENERAL.—The table in subclause (II) of section 303(h)(2)(C)(iv) of the Employee Retirement Income Security Act of 1974 is amended to read as follows:

"If the calendar year is:	The applicable minimum percentage is:	The applicable maximum percentage is:
2012, 2013, 2014, 2015, 2016, or 2017 .....	90% .....	110%
2018 .....	85% .....	115%
2019 .....	80% .....	120%
2020 .....	75% .....	125%
After 2020 .....	70% .....	130%".

(2) CONFORMING AMENDMENT.—

(A) IN GENERAL.—Clause (ii) of section 101(f)(2)(D) of such Act is amended by striking "2015" and inserting "2020".

(B) STATEMENTS.—The Secretary of Labor shall modify the statements required under subclauses (I) and (II) of section 101(f)(2)(D)(i) of such Act to conform to the amendments made by this section.

(c) STABILIZATION NOT TO APPLY FOR PURPOSES OF CERTAIN ACCELERATED BENEFIT DISTRIBUTION RULES.—

(1) INTERNAL REVENUE CODE OF 1986.—The second sentence of paragraph (2) of section 436(d) of the Internal Revenue Code of 1986 is amended by striking "of such plan" and inserting "of such plan (determined by not taking into account any adjustment of segment rates under section 430(h)(2)(C)(iv))".

(2) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—The second sentence of subparagraph (B) of section 206(g)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(g)(3)(B)) is amended by striking "of such plan" and inserting "of such plan (determined by not taking into account any adjustment of segment rates under section 303(h)(2)(C)(iv))".

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to plan years beginning after December 31, 2014.

(B) COLLECTIVELY BARGAINED PLANS.—In the case of a plan maintained pursuant to 1

or more collective bargaining agreements, the amendments made by this subsection shall apply to plan years beginning after December 31, 2015.

(4) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(A) IN GENERAL.—If this paragraph applies to any amendment to any plan or annuity contract, such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subparagraph (B)(ii).

(B) AMENDMENTS TO WHICH PARAGRAPH APPLIES.—

(i) IN GENERAL.—This paragraph shall apply to any amendment to any plan or annuity contract which is made—

(I) pursuant to the amendments made by this subsection, or pursuant to any regulation issued by the Secretary of the Treasury or the Secretary of Labor under any provision as so amended, and

(II) on or before the last day of the first plan year beginning on or after January 1, 2016, or such later date as the Secretary of the Treasury may prescribe.

(ii) CONDITIONS.—This subsection shall not apply to any amendment unless, during the period—

(I) beginning on the date that the amendments made by this subsection or the regulation described in clause (i)(I) takes effect (or in the case of a plan or contract amendment not required by such amend

(II) ending on the date described in clause (i)(II) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect, and such plan or contract amendment applies retroactively for such period.

(C) ANTI-CUTBACK RELIEF.—A plan shall not be treated as failing to meet the requirements of section 204(g) of the Employee Retirement Income Security Act of 1974 and section 411(d)(6) of the Internal Revenue Code of 1986 solely by reason of a plan amendment to which this paragraph applies.

(d) MODIFICATION OF FUNDING TARGET DETERMINATION PERIODS.—

(1) INTERNAL REVENUE CODE OF 1986.—Clause (i) of section 430(h)(2)(B) of the Internal Revenue Code of 1986 is amended by striking "the first day of the plan year" and inserting "the valuation date for the plan year".

(2) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Clause (i) of section 303(h)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(h)(2)(B)(i)) is amended by striking "the first day of the plan year" and inserting "the valuation date for the plan year".

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (d) shall apply with respect to plan years beginning after December 31, 2012.

(2) ELECTIONS.—A plan sponsor may elect not to have the amendments made by subsections (a), (b), and (d) apply to any plan year beginning before January 1, 2014, either (as specified in the election)—

(A) for all purposes for which such amendments apply, or

(B) solely for purposes of determining the adjusted funding target attainment percentage under sections 436 of the Internal Revenue Code of 1986 and 206(g) of the Employee Retirement Income Security Act of 1974 for such plan year.

A plan shall not be treated as failing to meet the requirements of section 204(g) of such Act and section 411(d)(6) of such Code solely by reason of an election under this paragraph.

#### SEC. 10. PREPAYMENT OF CERTAIN PBGC PREMIUMS.

(a) IN GENERAL.—Section 4007 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1307) is amended by adding at the end the following new subsection:

“(f) ELECTION TO PREPAY FLAT DOLLAR PREMIUMS.—

“(1) IN GENERAL.—The designated payor may elect to prepay during any plan year the premiums due under clause (i) or (v), whichever is applicable, of section 4006(a)(3)(A) for the number of consecutive subsequent plan years (not greater than 5) specified in the election.

“(2) AMOUNT OF PREPAYMENT.—

“(A) IN GENERAL.—The amount of the prepayment for any subsequent plan year under paragraph (1) shall be equal to the amount of the premium determined under clause (i) or (v), whichever is applicable, of section 4006(a)(3)(A) for the plan year in which the prepayment is made.

“(B) ADDITIONAL PARTICIPANTS.—If there is an increase in the number of participants in the plan during any plan year with respect to which a prepayment has been made, the designated payor shall pay a premium for such additional participants at the premium rate in effect under clause (i) or (v), whichever is applicable, of section 4006(a)(3)(A) for such plan year. No credit or other refund shall be granted in the case of a plan that has a decrease in number of participants during a plan year with respect to which a prepayment has been made.

“(C) COORDINATION WITH PREMIUM FOR UNFUNDED VESTED BENEFITS.—The amount of the premium determined under section 4006(a)(3)(A)(i) for the purpose of determining the prepayment amount for any plan year shall be determined without regard to the increase in such premium under section 4006(a)(3)(E). Such increase shall be paid in the same amount and at the same time as it would otherwise be paid without regard to this subsection.

“(3) ELECTION.—The election under this subsection shall be made at such time and in such manner as the corporation may prescribe.”

(b) CONFORMING AMENDMENT.—The second sentence of subsection (a) of section 4007 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1307) is amended by striking “Premiums” and inserting “Except as provided in subsection (f), premiums”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after the date of the enactment of this Act.

#### SEC. 11. EXTENSION OF CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended—

(1) in subparagraph (A), by striking “September 30, 2023” and inserting “September 30, 2024”;

(2) in subparagraph (B)(i), by striking “September 30, 2023” and inserting “September 30, 2024”.

#### SEC. 12. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

“(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms ‘qualified services’, ‘bona fide volunteer’, and ‘eligible employer’ shall have the respective meanings given such terms under section 457(e).

“(B) CERTAIN OTHER GOVERNMENT AND NONPROFIT VOLUNTEERS.—

“(i) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

“(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term ‘bona fide volunteer’ means an employee of a specified employer whose only compensation from such employer is in the form of—

“(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

“(II) reasonable benefits (including length of service awards, and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

“(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term ‘specified employer’ means—

“(I) any government entity, and

“(II) any organization described in section 501(c) and exempt from tax under section 501(a).

“(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to apply with respect to services merely because such services are qualified services (as defined in section 457(e)(1)(C)).”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 30, 2013.

**SA 2923.** Mr. LEE submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### SEC. \_\_\_\_\_ . AMENDMENTS TO THE HIGHER EDUCATION ACT.

(a) DEFINITION OF INSTITUTION OF HIGHER EDUCATION.—Section 102(a) of the Higher Education Act of 1965 (20 U.S.C. 1002(a)) is amended—

(1) by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively;

(2) in paragraph (1), in the matter preceding subparagraph (A), by striking “Subject to paragraphs (2) through (4)” and inserting “Subject to paragraphs (2) through (5)”;

(3) in paragraph (1)—

(A) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(B) by inserting after subparagraph (A) the following:

“(B) if accredited by an authorized accreditation authority in a State that has an alternative accreditation agreement with the Secretary, as described in paragraph (5)—

“(i) an institution that provides postsecondary education;

“(ii) a postsecondary apprenticeship program; or

“(iii) a postsecondary education course or program provided by an institution of postsecondary education, a nonprofit organization, or a for-profit organization or business;”;

(4) by inserting after paragraph (4), the following:

“(5) STATE ALTERNATIVE ACCREDITATION.—

“(A) IN GENERAL.—Notwithstanding any other provision of law, a State may establish an alternative accreditation system for the purpose of establishing institutions that provide postsecondary education and postsecondary education courses or programs as eligible for funding under title IV if the State enters into an agreement with the Secretary for the establishment of the alternative accreditation system. Such institutions, courses, or programs may include—

“(i) institutions that provide postsecondary education;

“(ii) postsecondary apprenticeship programs;

“(iii) any other postsecondary education course or program offered at an institution of postsecondary education, a nonprofit organization, or a for-profit organization or business; and

“(iv) any of the entities described in clauses (i) through (iii) that do not award a postsecondary certification, credential, or degree, provided that such entity provides credit that will apply toward a postsecondary certification, credential, or degree.

“(B) ALTERNATIVE ACCREDITATION AGREEMENT.—The alternative accreditation agreement described in subparagraph (A) shall include the following:

“(i) The designation of 1 or more authorized accrediting entities within the State, such as the State Department of Education, another State agency, an industry-specific accrediting agency, or another entity, and an explanation of the process through which the State will select such authorized accrediting entities.

“(ii) The standards or criteria that an institution that provides postsecondary education and a postsecondary education course or program must meet in order to—

“(I) receive an initial accreditation as part of the alternative accreditation system; and

“(II) maintain such accreditation.

“(iii) A description of the appeals process through which an institution that provides postsecondary education and a postsecondary education course or program may appeal to an authorized accrediting entity if such institution, course, or program is denied accreditation under the State alternative accreditation system.

“(iv) Each authorized accrediting entity’s policy regarding the transfer of credits between institutions that provide postsecondary education and postsecondary education courses or programs within the State that are accredited as part of the alternative accreditation system.

“(v) The Secretary’s reporting requirements for the State regarding the State alternative accreditation system, including—

“(I) the contents of reports that must be submitted to the Secretary, which may include information such as—

“(aa) in the case of a postsecondary education course or program that is accredited through the State alternative accreditation system—

“(AA) the number and percentage of students who successfully complete each such postsecondary education course or program; and

“(BB) the number and percentage of students who successfully obtain a postsecondary certification, credential, or degree using credit obtained from each such postsecondary education course or program; and

“(bb) in the case of an institution that provides postsecondary education that is accredited through the State alternative accreditation system—

“(AA) the number and percentage of students who successfully obtain a postsecondary certification, credential, or degree from such institution; and

“(BB) the number and percentage of students who do not successfully obtain a postsecondary certification, credential, or degree from such institution but do obtain credit from such institution toward a postsecondary degree, credential, or certification;

“(II) the frequency with which such reports must be submitted to the Secretary; and

“(III) any requirements for third party verification of information contained in such reports.

“(vi) The State policy regarding public accessibility to certain information relating to institutions that provide postsecondary education and postsecondary education courses and programs accredited under the State alternative accreditation system, including—

“(I) the information described in subclause (I) of clause (v); and

“(II) information about the rates of job placement for individuals that have graduated from an institution or completed a course or program that is accredited under the State alternative accreditation system.

“(vii) An assurance by the State that under the State alternative accreditation system, only institutions that provide postsecondary education and postsecondary education courses or programs that provide credits toward a postsecondary certification, credential, or degree (as defined by the State in accordance with clause (viii)) will be accredited.

“(viii) The State’s definition of a postsecondary certification, credential, or degree, as such term applies to the requirement described in clause (vii).

“(ix) A description of the agreements that the State will enter into with institutions that provide postsecondary education and postsecondary education courses or programs that are accredited under the alternative accreditation system to enable such institutions, courses, or programs to be eligible under a program authorized under title IV, for participation in the direct student loan program, and for the origination of loans under part D of title IV, and how such agreements will operate in lieu of the agreements described in sections 487 and 454.

“(x) A description of how the State will select institutions that provide postsecondary education and postsecondary education courses or programs that are accredited under the alternative accreditation system, in lieu of the selection process described in section 453, for—

“(I) participation in the direct student loan program under part D of title IV; and

“(II) approval allowing such institution, program, or course to originate direct loans under part D of title IV.

“(xi) A description of how the State will administer title IV funds for institutions that provide postsecondary education, postsecondary apprenticeship programs, and postsecondary education courses or pro-

grams provided by an institution of postsecondary education, a nonprofit organization, or a for-profit organization or business that are accredited through the alternative accreditation system.

“(C) ADMINISTRATIVE COSTS FOR PELL GRANT STUDENTS.—

“(i) PELL GRANTS ADMINISTERED BY ENTITIES.—In the case of an institution that provides postsecondary education, a postsecondary apprenticeship program, or an entity that provides a postsecondary education course or program that is accredited through the alternative accreditation system and that will administer the Federal Pell Grant, Federal Perkins Loan, Federal Work-Study, and Federal Supplemental Educational Opportunity Grants in accordance with the agreement described in subparagraph (B)(xi), the Secretary shall, in lieu of carrying out section 690.10 of title 34, Code of Federal Regulations, and subject to available appropriations, pay \$5.00 to the institution, apprenticeship program, or entity, as the case may be, for each student who receives a Federal Pell Grant at that institution, apprenticeship program, or entity for an award year.

“(ii) PELL GRANTS ADMINISTERED BY STATES.—In the case of an institution that provides postsecondary education, a postsecondary apprenticeship program, or an entity that provides a postsecondary education course or program that is accredited through the alternative accreditation system and will not administer the Federal Pell Grant, Federal Perkins Loan, Federal Work-Study, and Federal Supplemental Educational Opportunity Grants, but will have such programs administered by the State in accordance with the agreement described in subparagraph (B)(xi), the Secretary shall, in lieu of carrying out section 690.10 of title 34, Code of Federal Regulations, and subject to available appropriations, pay \$5.00 to the State for each student who receives a Federal Pell Grant at that institution, apprenticeship program, or entity, as the case may be, for an award year.

“(iii) USE OF FUNDS.—All funds that an institution, apprenticeship program, entity, or the State receives under this subparagraph shall be used solely to pay the cost of—

“(I) administering the Federal Pell Grant, Federal Perkins Loan, Federal Work-Study, and Federal Supplemental Educational Opportunity Grants; and

“(II) carrying out the reporting requirements described under subparagraph (B)(v).

“(iv) FINANCIAL AID SERVICES.—If an institution, apprenticeship program, or entity described in this subparagraph enrolls a significant number of students who are attending less-than-full-time or are independent students, such institution, apprenticeship program, entity, or the State, as the case may be, shall use a reasonable proportion of the funds provided under this subparagraph to make financial aid services available during times and in places that will most effectively accommodate the needs of those students.”

(b) TITLE IV ELIGIBILITY REQUIREMENTS.—Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.) is amended by adding at the end the following:

“SEC. 493E. STATE ACCREDITED INSTITUTIONS, PROGRAMS, OR COURSES.

“Notwithstanding any other provision of law, an institution, program, or course that is eligible for funds under this title in accordance with section 102(a)(1)(B) and meets the requirements of section 102(a)(5) shall not be required to meet any other requirements of this title. For purposes of this title, such an institution, program, or course shall be deemed to be an eligible institution that meets the requirements of section 487.”

**SA 2924.** Mr. LEE (for himself and Mr. RUBIO) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . . . COMPENSATORY TIME.**

(a) IN GENERAL.—Section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding at the end the following:

“(s) COMPENSATORY TIME OFF FOR PRIVATE EMPLOYEES.—

“(1) GENERAL RULE.—An employee may receive, in accordance with this subsection and in lieu of monetary overtime compensation, compensatory time off at a rate not less than one and one-half hours for each hour of employment for which overtime compensation is required by this section.

“(2) CONDITIONS.—An employer may provide compensatory time to employees under paragraph (1)(A) only if such time is provided in accordance with—

“(A) applicable provisions of a collective bargaining agreement between the employer and the labor organization that has been certified or recognized as the representative of the employees under applicable law; or

“(B) in the case of employees who are not represented by a labor organization that has been certified or recognized as the representative of such employees under applicable law, an agreement arrived at between the employer and employee before the performance of the work and affirmed by a written or otherwise verifiable record maintained in accordance with section 11(c)—

“(i) in which the employer has offered and the employee has chosen to receive compensatory time in lieu of monetary overtime compensation; and

“(ii) entered into knowingly and voluntarily by such employees and not as a condition of employment.

No employee may receive or agree to receive compensatory time off under this subsection unless the employee has worked at least 1,000 hours for the employee’s employer during a period of continuous employment with the employer in the 12-month period before the date of agreement or receipt of compensatory time off.

“(3) HOUR LIMIT.—

“(A) MAXIMUM HOURS.—An employee may accrue not more than 160 hours of compensatory time.

“(B) COMPENSATION DATE.—Not later than January 31 of each calendar year, the employer’s employer shall provide monetary compensation for any unused compensatory time off accrued during the preceding calendar year that was not used prior to December 31 of the preceding year at the rate prescribed by paragraph (6). An employer may designate and communicate to the employer’s employees a 12-month period other than the calendar year, in which case such compensation shall be provided not later than 31 days after the end of such 12-month period.

“(C) EXCESS OF 80 HOURS.—The employer may provide monetary compensation for an employee’s unused compensatory time in excess of 80 hours at any time after giving the employee at least 30 days notice. Such compensation shall be provided at the rate prescribed by paragraph (6).

“(D) POLICY.—Except where a collective bargaining agreement provides otherwise, an employer that has adopted a policy offering

compensatory time to employees may discontinue such policy upon giving employees 30 days notice.

“(E) WRITTEN REQUEST.—An employee may withdraw an agreement described in paragraph (2)(B) at any time. An employee may also request in writing that monetary compensation be provided, at any time, for all compensatory time accrued that has not yet been used. Within 30 days of receiving the written request, the employer shall provide the employee the monetary compensation due in accordance with paragraph (6).

“(4) PRIVATE EMPLOYER ACTIONS.—An employer that provides compensatory time under paragraph (1) to employees shall not directly or indirectly intimidate, threaten, or coerce or attempt to intimidate, threaten, or coerce any employee for the purpose of—

“(A) interfering with such employee’s rights under this subsection to request or not request compensatory time off in lieu of payment of monetary overtime compensation for overtime hours; or

“(B) requiring any employee to use such compensatory time.

“(5) TERMINATION OF EMPLOYMENT.—An employee who has accrued compensatory time off authorized to be provided under paragraph (1) shall, upon the voluntary or involuntary termination of employment, be paid for the unused compensatory time in accordance with paragraph (6).

“(6) RATE OF COMPENSATION.—

“(A) GENERAL RULE.—If compensation is to be paid to an employee for accrued compensatory time off, such compensation shall be paid at a rate of compensation not less than—

“(i) the regular rate received by such employee when the compensatory time was earned; or

“(ii) the final regular rate received by such employee, whichever is higher.

“(B) CONSIDERATION OF PAYMENT.—Any payment owed to an employee under this subsection for unused compensatory time shall be considered unpaid overtime compensation.

“(7) USE OF TIME.—An employee—

“(A) who has accrued compensatory time off authorized to be provided under paragraph (1); and

“(B) who has requested the use of such compensatory time,

shall be permitted by the employee’s employer to use such time within a reasonable period after making the request if the use of the compensatory time does not unduly disrupt the operations of the employer.

“(8) DEFINITIONS.—For purposes of this subsection—

“(A) the term ‘employee’ does not include an employee of a public agency; and

“(B) the terms ‘overtime compensation’ and ‘compensatory time’ shall have the meanings given such terms by subsection (o)(7).”

(b) REMEDIES.—Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended—

(1) in subsection (b), by striking “(b) Any employer” and inserting “(b) Except as provided in subsection (f), any employer”; and

(2) by adding at the end the following:

“(f) An employer that violates section 7(s)(4) shall be liable to the employee affected in the amount of the rate of compensation (determined in accordance with section 7(s)(6)(A)) for each hour of compensatory time accrued by the employee and in an additional equal amount as liquidated damages reduced by the amount of such rate of compensation for each hour of compensatory time used by such employee.”

(c) NOTICE TO EMPLOYEES.—Not later than 30 days after the date of enactment of this

Act, the Secretary of Labor shall revise the materials the Secretary provides, under regulations published in section 516.4 of title 29, Code of Federal Regulations, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 to employees so that such notice reflects the amendments made to such Act by this section.

(d) GAO REPORT.—Beginning 2 years after the date of enactment of this Act and each of the 3 years thereafter, the Comptroller General shall submit a report to Congress providing, with respect to the reporting period immediately prior to each such report—

(1) data concerning the extent to which employers provide compensatory time pursuant to section 7(s) of the Fair Labor Standards Act of 1938, as added by this section, and the extent to which employees opt to receive compensatory time;

(2) the number of complaints alleging a violation of such section filed by any employee with the Secretary of Labor;

(3) the number of enforcement actions commenced by the Secretary or commenced by the Secretary on behalf of any employee for alleged violations of such section;

(4) the disposition or status of such complaints and actions described in paragraphs (2) and (3); and

(5) an account of any unpaid wages, damages, penalties, injunctive relief, or other remedies obtained or sought by the Secretary in connection with such actions described in paragraph (3).

(e) SUNSET.—This section and the amendments made by this Act shall expire 5 years after the date of enactment of this Act.

**SA 2925.** Mr. LEE (for himself and Mr. RUBIO) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### **TITLE —TRANSPORTATION EMPOWERMENT**

##### **SEC. 01. SHORT TITLE.**

This title may be cited as the “Transportation Empowerment Act”.

##### **SEC. 02. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds that—

(1) the objective of the Federal highway program has been to facilitate the construction of a modern freeway system that promotes efficient interstate commerce by connecting all States;

(2) the objective described in paragraph (1) has been attained, and the Interstate System connecting all States is near completion;

(3) each State has the responsibility of providing an efficient transportation network for the residents of the State;

(4) each State has the means to build and operate a network of transportation systems, including highways, that best serves the needs of the State;

(5) each State is best capable of determining the needs of the State and acting on those needs;

(6) the Federal role in highway transportation has, over time, usurped the role of the States by taxing motor fuels used in the States and then distributing the proceeds to the States based on the perceptions of the Federal Government on what is best for the States;

(7) the Federal Government has used the Federal motor fuels tax revenues to force all

States to take actions that are not necessarily appropriate for individual States;

(8) the Federal distribution, review, and enforcement process wastes billions of dollars on unproductive activities;

(9) Federal mandates that apply uniformly to all 50 States, regardless of the different circumstances of the States, cause the States to waste billions of hard-earned tax dollars on projects, programs, and activities that the States would not otherwise undertake; and

(10) Congress has expressed a strong interest in reducing the role of the Federal Government by allowing each State to manage its own affairs.

(b) PURPOSES.—The purposes of this title are—

(1) to return to the individual States maximum discretionary authority and fiscal responsibility for all elements of the national surface transportation systems that are not within the direct purview of the Federal Government;

(2) to preserve Federal responsibility for the Dwight D. Eisenhower National System of Interstate and Defense Highways;

(3) to preserve the responsibility of the Department of Transportation for—

(A) design, construction, and preservation of transportation facilities on Federal public land;

(B) national programs of transportation research and development and transportation safety; and

(C) emergency assistance to the States in response to natural disasters;

(4) to eliminate to the maximum extent practicable Federal obstacles to the ability of each State to apply innovative solutions to the financing, design, construction, operation, and preservation of Federal and State transportation facilities; and

(5) with respect to transportation activities carried out by States, local governments, and the private sector, to encourage—

(A) competition among States, local governments, and the private sector; and

(B) innovation, energy efficiency, private sector participation, and productivity.

##### **SEC. 03. FUNDING LIMITATION.**

Notwithstanding any other provision of law, if the Secretary of Transportation determines for any of fiscal years 2015 through 2019 that the aggregate amount required to carry out transportation programs and projects under this title and amendments made by this title exceeds the estimated aggregate amount in the Highway Trust Fund available for those programs and projects for the fiscal year, each amount made available for that program or project shall be reduced by the pro rata percentage required to reduce the aggregate amount required to carry out those programs and projects to an amount equal to that available for those programs and projects in the Highway Trust Fund for the fiscal year.

##### **SEC. 04. FUNDING FOR CORE HIGHWAY PROGRAMS.**

(a) IN GENERAL.—

(1) AUTHORIZATION OF APPROPRIATIONS.—The following sums are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):

(A) FEDERAL-AID HIGHWAY PROGRAM.—For the national highway performance program under section 119 of title 23, United States Code, the surface transportation program under section 133 of that title, the metropolitan transportation planning program under section 134 of that title, the highway safety improvement program under section 148 of that title, and the congestion mitigation and air quality improvement program under section 149 of that title—

- (i) \$37,592,576,000 for fiscal year 2015;
- (ii) \$19,720,696,000 for fiscal year 2016;
- (iii) \$13,147,130,000 for fiscal year 2017;
- (iv) \$10,271,196,000 for fiscal year 2018; and
- (v) \$7,600,685,000 for fiscal year 2019.

(B) EMERGENCY RELIEF.—For emergency relief under section 125 of title 23, United States Code, \$100,000,000 for each of fiscal years 2015 through 2019.

(C) FEDERAL LANDS PROGRAMS.—

(i) FEDERAL LANDS TRANSPORTATION PROGRAM.—For the Federal lands transportation program under section 203 of title 23, United States Code, \$300,000,000 for each of fiscal years 2015 through 2019, of which \$240,000,000 of the amount made available for each fiscal year shall be the amount for the National Park Service and \$30,000,000 of the amount made available for each fiscal year shall be the amount for the United States Fish and Wildlife Service.

(ii) FEDERAL LANDS ACCESS PROGRAM.—For the Federal lands access program under section 204 of title 23, United States Code, \$250,000,000 for each of fiscal years 2015 through 2019.

(D) ADMINISTRATIVE EXPENSES.—Section 104(a) of title 23, United States Code, is amended by striking paragraph (1) and inserting the following:

“(1) IN GENERAL.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to be made available to the Secretary for administrative expenses of the Federal Highway Administration—

- “(A) \$437,600,000 for fiscal year 2015;
- “(B) \$229,565,000 for fiscal year 2016;
- “(C) \$153,043,000 for fiscal year 2017;
- “(D) \$119,565,000 for fiscal year 2018; and
- “(E) \$88,478,000 for fiscal year 2019.”

(2) TRANSFERABILITY OF FUNDS.—Section 104 of title 23, United States Code, is amended by striking subsection (f) and inserting the following:

“(f) TRANSFERABILITY OF FUNDS.—

“(1) IN GENERAL.—To the extent that a State determines that funds made available under this title to the State for a purpose are in excess of the needs of the State for that purpose, the State may transfer the excess funds to, and use the excess funds for, any surface transportation (including mass transit and rail) purpose in the State.

“(2) ENFORCEMENT.—If the Secretary determines that a State has transferred funds under paragraph (1) to a purpose that is not a surface transportation purpose as described in paragraph (1), the amount of the improperly transferred funds shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund for the fiscal year that begins after the date of the determination.”

(3) FEDERAL-AID SYSTEM.—

(A) IN GENERAL.—Section 103(a) of title 23, United States Code, is amended by striking “the National Highway System, which includes”.

(B) CONFORMING AMENDMENTS.—Chapter 1 of title 23, United States Code, is amended—

(i) in section 103 by striking the section designation and heading and inserting the following:

“§ 103. Federal-aid system”;

and

(ii) in the analysis by striking the item relating to section 103 and inserting the following:

“103. Federal-aid system.”

(4) CALCULATION OF STATE AMOUNTS.—Section 104(c)(2) of title 23, United States Code, is amended—

(A) in the paragraph heading by striking “FOR FISCAL YEAR 2014” and inserting “SUBSEQUENT FISCAL YEARS”; and

(B) in subparagraph (A) by striking “fiscal year 2014” and inserting “fiscal year 2014 and each subsequent fiscal year”.

(5) NATIONAL BRIDGE AND TUNNEL INVENTORY AND INSPECTION STANDARDS.—

(A) IN GENERAL.—Section 144 of title 23, United States Code, is amended—

(i) in subsection (e)(1) by inserting “on the Federal-aid system” after “any bridge”; and

(ii) in subsection (f)(1) by inserting “on the Federal-aid system” after “construct any bridge”.

(B) REPEAL OF HISTORIC BRIDGES PROVISIONS.—Section 144(g) of title 23, United States Code, is repealed.

(6) REPEAL OF TRANSPORTATION ALTERNATIVES PROGRAM.—The following provisions are repealed:

(A) Section 213 of title 23, United States Code.

(B) The item relating to section 213 in the analysis for chapter 1 of title 23, United States Code.

(7) NATIONAL DEFENSE HIGHWAYS.—Section 311 of title 23, United States Code, is amended—

(A) in the first sentence, by striking “under subsection (a) of section 104 of this title” and inserting “to carry out this section”; and

(B) by striking the second sentence.

(8) FEDERALIZATION AND DEFEDERALIZATION OF PROJECTS.—Notwithstanding any other provision of law, beginning on October 1, 2014—

(A) a highway construction or improvement project shall not be considered to be a Federal highway construction or improvement project unless and until a State expends Federal funds for the construction portion of the project;

(B) a highway construction or improvement project shall not be considered to be a Federal highway construction or improvement project solely by reason of the expenditure of Federal funds by a State before the construction phase of the project to pay expenses relating to the project, including for any environmental document or design work required for the project; and

(C)(i) a State may, after having used Federal funds to pay all or a portion of the costs of a highway construction or improvement project, reimburse the Federal Government in an amount equal to the amount of Federal funds so expended; and

(ii) after completion of a reimbursement described in clause (i), a highway construction or improvement project described in that clause shall no longer be considered to be a Federal highway construction or improvement project.

(9) REPORTING REQUIREMENTS.—No reporting requirement, other than a reporting requirement in effect as of the date of enactment of this Act, shall apply on or after October 1, 2014, to the use of Federal funds for highway projects by a public-private partnership.

(b) EXPENDITURES FROM HIGHWAY TRUST FUND.—

(1) EXPENDITURES FOR CORE PROGRAMS.—Section 9503(c) of the Internal Revenue Code of 1986 is amended—

(A) in paragraph (1)—

(i) by striking “October 1, 2014” and inserting “October 1, 2020”; and

(ii) by striking “MAP-21” and inserting “Transportation Empowerment Act”;

(B) in paragraphs (3)(A)(i), (4)(A), and (5), by striking “October 1, 2016” each place it appears and inserting “October 1, 2022”; and

(C) in paragraph (2), by striking “July 1, 2017” and inserting “July 1, 2023”.

(2) AMOUNTS AVAILABLE FOR CORE PROGRAM EXPENDITURES.—Section 9503 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(g) CORE PROGRAMS FINANCING RATE.—For purposes of this section—

“(1) IN GENERAL.—Except as provided in paragraph (2)—

“(A) in the case of gasoline and special motor fuels the tax rate of which is the rate specified in section 4081(a)(2)(A)(i), the core programs financing rate is—

“(i) after September 30, 2014, and before October 1, 2015, 18.3 cents per gallon,

“(ii) after September 30, 2015, and before October 1, 2016, 9.6 cents per gallon,

“(iii) after September 30, 2016, and before October 1, 2017, 6.4 cents per gallon,

“(iv) after September 30, 2017, and before October 1, 2018, 5.0 cents per gallon, and

“(v) after September 30, 2018, 3.7 cents per gallon, and

“(B) in the case of kerosene, diesel fuel, and special motor fuels the tax rate of which is the rate specified in section 4081(a)(2)(A)(iii), the core programs financing rate is—

“(i) after September 30, 2014, and before October 1, 2015, 24.3 cents per gallon,

“(ii) after September 30, 2015, and before October 1, 2016, 12.7 cents per gallon,

“(iii) after September 30, 2016, and before October 1, 2017, 8.5 cents per gallon,

“(iv) after September 30, 2017, and before October 1, 2018, 6.6 cents per gallon, and

“(v) after September 30, 2018, 5.0 cents per gallon.

“(2) APPLICATION OF RATE.—In the case of fuels used as described in paragraphs (3)(C), (4)(B), and (5) of subsection (c), the core programs financing rate is zero.”

(c) TERMINATION OF MASS TRANSIT ACCOUNT.—Section 9503(e)(2) of the Internal Revenue Code of 1986 is amended—

(1) in the first sentence, by inserting “, and before October 1, 2014” after “March 31, 1983”; and

(2) by adding at the end the following:

“(6) TRANSFER TO HIGHWAY ACCOUNT.—On October 1, 2014, the Secretary shall transfer all amounts in the Mass Transit Account to the Highway Account.”

(d) EFFECTIVE DATE.—The amendments and repeals made by this section take effect on October 1, 2014.

**SEC. 05. FUNDING FOR HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM.**

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) to carry out section 503(b) of title 23, United States Code, \$115,000,000 for each of fiscal years 2015 through 2019.

(b) APPLICABILITY OF TITLE 23, UNITED STATES CODE.—Funds authorized to be appropriated by subsection (a) shall—

(1) be available for obligation in the same manner as if those funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project or activity carried out using those funds shall be 80 percent, unless otherwise expressly provided by this title (including the amendments by this title) or otherwise determined by the Secretary; and

(2) remain available until expended and not be transferable.

**SEC. 06. RETURN OF EXCESS TAX RECEIPTS TO STATES.**

(a) IN GENERAL.—Section 9503(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(6) RETURN OF EXCESS TAX RECEIPTS TO STATES FOR SURFACE TRANSPORTATION PURPOSES.—

“(A) IN GENERAL.—On the first day of each of fiscal years 2016, 2017, 2018, and 2019, the Secretary, in consultation with the Secretary of Transportation, shall—

“(i) determine the excess (if any) of—

“(I) the amounts appropriated in such fiscal year to the Highway Trust Fund under subsection (b) which are attributable to the taxes described in paragraphs (1) and (2) thereof (after the application of paragraph (4) thereof) over the sum of—

“(II) the amounts so appropriated which are equivalent to—

“(aa) such amounts attributable to the core programs financing rate for such year, plus

“(bb) the taxes described in paragraphs (3)(C), (4)(B), and (5) of subsection (c), and

“(ii) allocate the amount determined under clause (i) among the States (as defined in section 101(a) of title 23, United States Code) for surface transportation (including mass transit and rail) purposes so that—

“(I) the percentage of that amount allocated to each State, is equal to

“(II) the percentage of the amount determined under clause (i)(I) paid into the Highway Trust Fund in the latest fiscal year for which such data are available which is attributable to highway users in the State.

“(B) ENFORCEMENT.—If the Secretary determines that a State has used amounts under subparagraph (A) for a purpose which is not a surface transportation purpose as described in subparagraph (A), the improperly used amounts shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund for the fiscal year which begins after the date of the determination.”

(b) EFFECTIVE DATE.—The amendment made by this section takes effect on October 1, 2014.

**SEC. 07. REDUCTION IN TAXES ON GASOLINE, DIESEL FUEL, KEROSENE, AND SPECIAL FUELS FUNDING HIGHWAY TRUST FUND.**

(a) REDUCTION IN TAX RATE.—

(1) IN GENERAL.—Section 4081(a)(2)(A) of the Internal Revenue Code of 1986 is amended—

(A) in clause (i), by striking “18.3 cents” and inserting “3.7 cents”; and

(B) in clause (iii), by striking “24.3 cents” and inserting “5.0 cents”.

(2) CONFORMING AMENDMENTS.—

(A) Section 4081(a)(2)(D) of such Code is amended—

(i) by striking “19.7 cents” and inserting “4.1 cents”, and

(ii) by striking “24.3 cents” and inserting “5.0 cents”.

(B) Section 6427(b)(2)(A) of such Code is amended by striking “7.4 cents” and inserting “1.5 cents”.

(b) ADDITIONAL CONFORMING AMENDMENTS.—

(1) Section 4041(a)(1)(C)(iii)(I) of the Internal Revenue Code of 1986 is amended by striking “7.3 cents per gallon (4.3 cents per gallon after September 30, 2016)” and inserting “1.4 cents per gallon (zero after September 30, 2021)”.

(2) Section 4041(a)(2)(B)(ii) of such Code is amended by striking “24.3 cents” and inserting “5.0 cents”.

(3) Section 4041(a)(3)(A) of such Code is amended by striking “18.3 cents” and inserting “3.7 cents”.

(4) Section 4041(m)(1) of such Code is amended—

(A) in subparagraph (A), by striking “2016” and inserting “2021.”;

(B) in subparagraph (A)(i), by striking “9.15 cents” and inserting “1.8 cents”;

(C) in subparagraph (A)(ii), by striking “11.3 cents” and inserting “2.3 cents”;

(D) by striking subparagraph (B) and inserting the following:

“(B) zero after September 30, 2021.”.

(5) Section 4081(d)(1) of such Code is amended by striking “4.3 cents per gallon after

September 30, 2016” and inserting “zero after September 30, 2021”.

(6) Section 9503(b) of such Code is amended—

(A) in paragraphs (1) and (2), by striking “October 1, 2016” both places it appears and inserting “October 1, 2021”;

(B) in the heading of paragraph (2), by striking “OCTOBER 1, 2016” and inserting “OCTOBER 1, 2021”;

(C) in paragraph (2), by striking “after September 30, 2016, and before July 1, 2017” and inserting “after September 30, 2021, and before July 1, 2022”; and

(D) in paragraph (6)(B), by striking “October 1, 2014” and inserting “October 1, 2019”.

(c) FLOOR STOCK REFUNDS.—

(1) IN GENERAL.—If—

(A) before October 1, 2019, tax has been imposed under section 4081 of the Internal Revenue Code of 1986 on any liquid; and

(B) on such date such liquid is held by a dealer and has not been used and is intended for sale;

there shall be credited or refunded (without interest) to the person who paid such tax (in this subsection referred to as the “taxpayer”) an amount equal to the excess of the tax paid by the taxpayer over the amount of such tax which would be imposed on such liquid had the taxable event occurred on such date.

(2) TIME FOR FILING CLAIMS.—No credit or refund shall be allowed or made under this subsection unless—

(A) claim therefor is filed with the Secretary of the Treasury before April 1, 2020; and

(B) in any case where liquid is held by a dealer (other than the taxpayer) on October 1, 2019—

(i) the dealer submits a request for refund or credit to the taxpayer before January 1, 2020; and

(ii) the taxpayer has repaid or agreed to repay the amount so claimed to such dealer or has obtained the written consent of such dealer to the allowance of the credit or the making of the refund.

(3) EXCEPTION FOR FUEL HELD IN RETAIL STOCKS.—No credit or refund shall be allowed under this subsection with respect to any liquid in retail stocks held at the place where intended to be sold at retail.

(4) DEFINITIONS.—For purposes of this subsection, the terms “dealer” and “held by a dealer” have the respective meanings given to such terms by section 6412 of such Code; except that the term “dealer” includes a producer.

(5) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (b) and (c) of section 6412 and sections 6206 and 6675 of such Code shall apply for purposes of this subsection.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to fuel removed after September 30, 2019.

(2) CERTAIN CONFORMING AMENDMENTS.—The amendments made by subsections (b)(4) and (b)(6) shall apply to fuel removed after September 30, 2016.

**SEC. 08. REPORT TO CONGRESS.**

Not later than 180 days after the date of enactment of this Act, after consultation with the appropriate committees of Congress, the Secretary of Transportation shall submit a report to Congress describing such technical and conforming amendments to titles 23 and 49, United States Code, and such technical and conforming amendments to other laws, as are necessary to bring those titles and other laws into conformity with the policy embodied in this title and the amendments made by this title.

**SEC. 09. EFFECTIVE DATE CONTINGENT ON CERTIFICATION OF DEFICIT NEUTRALITY.**

(a) PURPOSE.—The purpose of this section is to ensure that—

(1) this title will become effective only if the Director of the Office of Management and Budget certifies that this title is deficit neutral;

(2) discretionary spending limits are reduced to capture the savings realized in devolving transportation functions to the State level pursuant to this title; and

(3) the tax reduction made by this title is not scored under pay-as-you-go and does not inadvertently trigger a sequestration.

(b) EFFECTIVE DATE CONTINGENCY.—Notwithstanding any other provision of this title, this title and the amendments made by this title shall take effect only if—

(1) the Director of the Office of Management and Budget (referred to in this section as the “Director”) submits the report as required in subsection (c); and

(2) the report contains a certification by the Director that, based on the required estimates, the reduction in discretionary outlays resulting from the reduction in contract authority is at least as great as the reduction in revenues for each fiscal year through fiscal year 2019.

(c) OMB ESTIMATES AND REPORT.—

(1) REQUIREMENTS.—Not later than 5 calendar days after the date of enactment of this Act, the Director shall—

(A) estimate the net change in revenues resulting from this title for each fiscal year through fiscal year 2019;

(B) estimate the net change in discretionary outlays resulting from the reduction in contract authority under this title for each fiscal year through fiscal year 2019;

(C) determine, based on those estimates, whether the reduction in discretionary outlays is at least as great as the reduction in revenues for each fiscal year through fiscal year 2019; and

(D) submit to Congress a report setting forth the estimates and determination.

(2) APPLICABLE ASSUMPTIONS AND GUIDELINES.—

(A) REVENUE ESTIMATES.—The revenue estimates required under paragraph (1)(A) shall be predicated on the same economic and technical assumptions and score keeping guidelines that would be used for estimates made pursuant to section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)).

(B) OUTLAY ESTIMATES.—The outlay estimates required under paragraph (1)(B) shall be determined by comparing the level of discretionary outlays resulting from this title with the corresponding level of discretionary outlays projected in the baseline under section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 907).

(d) CONFORMING ADJUSTMENT TO DISCRETIONARY SPENDING LIMITS.—On compliance with the requirements specified in subsection (b), the Director shall adjust the adjusted discretionary spending limits for each fiscal year through fiscal year 2019 under section 601(a)(2) of the Congressional Budget Act of 1974 (2 U.S.C. 665(a)(2)) by the estimated reductions in discretionary outlays under subsection (c)(1)(B).

(e) PAYGO INTERACTION.—On compliance with the requirements specified in subsection (b), no changes in revenues estimated to result from the enactment of this Act shall be counted for the purposes of section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)).

**SA 2926.** Mr. COATS submitted an amendment intended to be proposed to



amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

On page 16 of the amendment, strike line 15 and all that follows through page 18, line 19, and insert the following:

**SEC. 10. REDUCTION IN BENEFITS BASED ON RECEIPT OF UNEMPLOYMENT COMPENSATION.**

(a) IN GENERAL.—Title II of the Social Security Act (42 U.S.C. 401 et seq.) is amended by inserting after section 224 the following new section:

**“REDUCTION IN BENEFITS BASED ON RECEIPT OF UNEMPLOYMENT COMPENSATION**

“SEC. 224A (a)(1) If for any month prior to the month in which an individual attains retirement age (as defined in section 216(l)(1))—

“(A) such individual is entitled to benefits under section 223, and

“(B) such individual is entitled for such month to unemployment compensation, the total of the individual’s benefits under section 223 for such month and of any benefits under section 202 for such month based on the individual’s wages and self-employment income shall be reduced (but not below zero) by the total amount of unemployment compensation received by such individual for such month.

“(2) The reduction of benefits under paragraph (1) shall also apply to any past-due benefits under section 223 for any month in which the individual was entitled to—

“(A) benefits under such section, and

“(B) unemployment compensation.

“(3) The reduction of benefits under paragraph (1) shall not apply to any benefits under section 223 for any month, or any benefits under section 202 for such month based on the individual’s wages and self-employment income for such month, if the individual is entitled for such month to unemployment compensation following a period of trial work (as described in section 222(c)(1), participation in the Ticket to Work and Self-Sufficiency Program established under section 1148, or participation in any other program that is designed to encourage an individual entitled to benefits under section 223 or 202 to work.

“(b) If any unemployment compensation is payable to an individual on other than a monthly basis (including a benefit payable as a lump sum to the extent that it is a commutation of, or a substitute for, such periodic compensation), the reduction under this section shall be made at such time or times and in such amounts as the Commissioner of Social Security (referred to in this section as the ‘Commissioner’) determines will approximate as nearly as practicable the reduction prescribed by subsection (a).

“(c) Reduction of benefits under this section shall be made after any applicable reductions under section 203(a) and section 224, but before any other applicable deductions under section 203.

“(d)(1) Subject to paragraph (2), if the Commissioner determines that an individual may be eligible for unemployment compensation which would give rise to a reduction of benefits under this section, the Com-

missioner may require, as a condition of certification for payment of any benefits under section 223 to any individual for any month and of any benefits under section 202 for such month based on such individual’s wages and self-employment income, that such individual certify—

“(A) whether the individual has filed or intends to file any claim for unemployment compensation, and

“(B) if the individual has filed a claim, whether there has been a decision on such claim.

“(2) For purposes of paragraph (1), the Commissioner may, in the absence of evidence to the contrary, rely upon a certification by the individual that the individual has not filed and does not intend to file such a claim, or that the individual has so filed and no final decision thereon has been made, in certifying benefits for payment pursuant to section 205(i).

“(e) Whenever a reduction in total benefits based on an individual’s wages and self-employment income is made under this section for any month, each benefit, except the disability insurance benefit, shall first be proportionately decreased, and any excess of such reduction over the sum of all such benefits other than the disability insurance benefit shall then be applied to such disability insurance benefit.

“(f)(1) Notwithstanding any other provision of law, the head of any Federal agency shall provide such information within its possession as the Commissioner may require for purposes of making a timely determination of the amount of the reduction, if any, required by this section in benefits payable under this title, or verifying other information necessary in carrying out the provisions of this section.

“(2) The Commissioner is authorized to enter into agreements with States, political subdivisions, and other organizations that administer unemployment compensation, in order to obtain such information as the Commissioner may require to carry out the provisions of this section.

“(g) For purposes of this section, the term ‘unemployment compensation’ has the meaning given that term in section 85(b) of the Internal Revenue Code of 1986, and the total amount of unemployment compensation to which an individual is entitled shall be determined prior to any applicable reduction under State law based on the receipt of benefits under section 202 or 223.”

(b) CONFORMING AMENDMENT.—Section 224(a) of the Social Security Act (42 U.S.C. 424a(a)) is amended, in the matter preceding paragraph (1), by striking “the age of 65” and inserting “retirement age (as defined in section 216(l)(1))”.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to benefits payable for months beginning on or after the date that is 12 months after the date of enactment of this section.

**SA 2927.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE II—REINS ACT**

**SECTION 201. SHORT TITLE.**

This Act may be cited as the “Regulations From the Executive in Need of Scrutiny Act of 2014” or the “REINS Act”.

**SEC. 202. FINDINGS AND PURPOSE.**

(a) FINDINGS.—Congress finds the following:

(1) Section 1 of article I of the United States Constitution grants all legislative powers to Congress.

(2) Over time, Congress has excessively delegated its constitutional charge while failing to conduct appropriate oversight and retain accountability for the content of the laws it passes.

(3) By requiring a vote in Congress, the REINS Act will result in more carefully drafted and detailed legislation, an improved regulatory process, and a legislative branch that is truly accountable to the people of the United States for the laws imposed upon them.

(b) PURPOSE.—The purpose of this title is to increase accountability for and transparency in the Federal regulatory process.

**SEC. 203. CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**

Chapter 8 of title 5, United States Code, is amended to read as follows:

**“CHAPTER 8—CONGRESSIONAL REVIEW OF AGENCY RULEMAKING**

“Sec.

“801. Congressional review.

“802. Congressional approval procedure for major rules.

“803. Congressional disapproval procedure for nonmajor rules.

“804. Definitions.

“805. Judicial review.

“806. Exemption for monetary policy.

“807. Effective date of certain rules.

**“§ 801. Congressional review**

“(a)(1)(A) Before a rule may take effect, the Federal agency promulgating such rule shall submit to each House of Congress and to the Comptroller General a report containing—

“(i) a copy of the rule;

“(ii) a concise general statement relating to the rule;

“(iii) a classification of the rule as a major or nonmajor rule, including an explanation of the classification specifically addressing each criteria for a major rule contained within sections 804(2)(A), 804(2)(B), and 804(2)(C);

“(iv) a list of any other related regulatory actions intended to implement the same statutory provision or regulatory objective as well as the individual and aggregate economic effects of those actions; and

“(v) the proposed effective date of the rule.

“(B) On the date of the submission of the report under subparagraph (A), the Federal agency promulgating the rule shall submit to the Comptroller General and make available to each House of Congress—

“(i) a complete copy of the cost-benefit analysis of the rule, if any;

“(ii) the actions of the agency pursuant to sections 603, 604, 605, 607, and 609 of title 5, United States Code;

“(iii) the actions of the agency pursuant to sections 1532, 1533, 1534, and 1535 of title 2, United States Code; and

“(iv) any other relevant information or requirements under any other Act and any relevant Executive orders.

“(C) Upon receipt of a report submitted under subparagraph (A), each House shall provide copies of the report to the chairman and ranking member of each standing committee with jurisdiction under the rules of the House of Representatives or the Senate to report a bill to amend the provision of law under which the rule is issued.

“(2)(A) The Comptroller General shall provide a report on each major rule to the committees of jurisdiction by the end of 15 calendar days after the submission or publication date as provided in section 802(b)(2). The

report of the Comptroller General shall include an assessment of compliance by the agency with procedural steps required by paragraph (1)(B).

“(B) Federal agencies shall cooperate with the Comptroller General by providing information relevant to the Comptroller General’s report under subparagraph (A).

“(3) A major rule relating to a report submitted under paragraph (1) shall take effect upon enactment of a joint resolution of approval described in section 802 or as provided for in the rule following enactment of a joint resolution of approval described in section 802, whichever is later.

“(4) A nonmajor rule shall take effect as provided by section 803 after submission to Congress under paragraph (1).

“(5) If a joint resolution of approval relating to a major rule is not enacted within the period provided in subsection (b)(2), then a joint resolution of approval relating to the same rule may not be considered under this chapter in the same Congress by either the House of Representatives or the Senate.

“(b)(1) A major rule shall not take effect unless the Congress enacts a joint resolution of approval described under section 802.

“(2) If a joint resolution described in subsection (a) is not enacted into law by the end of 70 session days or legislative days, as applicable, beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), then the rule described in that resolution shall be deemed not to be approved and such rule shall not take effect.

“(c)(1) Notwithstanding any other provision of this section (except subject to paragraph (3)), a major rule may take effect for one 90-calendar-day period if the President makes a determination under paragraph (2) and submits written notice of such determination to the Congress.

“(2) Paragraph (1) applies to a determination made by the President by Executive order that the major rule should take effect because such rule is—

“(A) necessary because of an imminent threat to health or safety or other emergency;

“(B) necessary for the enforcement of criminal laws;

“(C) necessary for national security; or

“(D) issued pursuant to any statute implementing an international trade agreement.

“(3) An exercise by the President of the authority under this subsection shall have no effect on the procedures under section 802.

“(d)(1) In addition to the opportunity for review otherwise provided under this chapter, sections 802 and 803 shall apply, in the succeeding session of Congress, to any rule for which a report was submitted in accordance with subsection (a)(1)(A) during the period beginning on the date occurring—

“(A) in the case of the Senate, 60 session days before the date the Congress is scheduled to adjourn a session of Congress through the date on which the same or succeeding Congress first convenes its next session; or

“(B) in the case of the House of Representatives, 60 legislative days before the date the Congress is scheduled to adjourn a session of Congress through the date on which the same or succeeding Congress first convenes its next session.

“(2)(A) In applying sections 802 and 803 for purposes of such additional review, a rule described under paragraph (1) shall be treated as though—

“(i) such rule were published in the Federal Register on—

“(I) in the case of the Senate, the 15th session day after the succeeding session of Congress first convenes; or

“(II) in the case of the House of Representatives, the 15th legislative day after the succeeding session of Congress first convenes; and

“(ii) a report on such rule were submitted to Congress under subsection (a)(1) on such date.

“(B) Nothing in this paragraph shall be construed to affect the requirement under subsection (a)(1) that a report shall be submitted to Congress before a rule can take effect.

“(3) A rule described under paragraph (1) shall take effect as otherwise provided by law (including other subsections of this section).

#### “§ 802. Congressional approval procedure for major rules

“(a)(1) For purposes of this section, the term ‘joint resolution’ means only a joint resolution addressing a report classifying a rule as major pursuant to section 801(a)(1)(A)(iii) that—

“(A) bears no preamble;

“(B) bears the following title: ‘Approving the rule submitted by \_\_\_\_\_ relating to \_\_\_\_\_.’ (The blank spaces being appropriately filled in);

“(C) includes after its resolving clause only the following: ‘That Congress approves the rule submitted by \_\_\_\_\_ relating to \_\_\_\_\_.’ (The blank spaces being appropriately filled in); and

“(D) is introduced pursuant to paragraph (2).

“(2) After a House of Congress receives a report classifying a rule as major pursuant to section 801(a)(1)(A)(iii), the majority leader of that House (or the designee of the majority leader) shall introduce (by request, if appropriate) a joint resolution described in paragraph (1)—

“(A) in the case of the House of Representatives, within 3 legislative days; and

“(B) in the case of the Senate, within 3 session days.

“(3) A joint resolution described in paragraph (1) shall not be subject to amendment at any stage of proceeding.

“(b) A joint resolution described in subsection (a) shall be referred in each House of Congress to the committees having jurisdiction over the provision of law under which the rule is issued.

“(c) In the Senate, if the committee or committees to which a joint resolution described in subsection (a) has been referred have not reported it at the end of 15 session days after its introduction, such committee or committees shall be automatically discharged from further consideration of the resolution and it shall be placed on the calendar. A vote on final passage of the resolution shall be taken on or before the close of the 15th session day after the resolution is reported by the committee or committees to which it was referred, or after such committee or committees have been discharged from further consideration of the resolution.

“(d)(1) In the Senate, when the committee or committees to which a joint resolution is referred have reported, or when a committee or committees are discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in

order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

“(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

“(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

“(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

“(e) In the House of Representatives, if the committee or committees to which a joint resolution described in subsection (a) has been referred has not reported it to the House at the end of 15 legislative days after its introduction, such committee or committees shall be discharged from further consideration of the joint resolution, and it shall be placed on the appropriate calendar. On the second and fourth Thursdays of each month it shall be in order at any time for the Speaker to recognize a Member who favors passage of a joint resolution that has appeared on the calendar for not fewer than 5 legislative days to call up the joint resolution for immediate consideration in the House without intervention of any point of order. When so called up, a joint resolution shall be considered as read and shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent, and the previous question shall be considered as ordered to its passage without intervening motion. It shall not be in order to reconsider the vote on passage. If a vote on final passage of the joint resolution has not been taken by the third Thursday on which the Speaker may recognize a Member under this subsection, such vote shall be taken on that day.

“(f)(1) For purposes of this subsection, the term ‘identical joint resolution’ means a joint resolution of the first House that proposes to approve the same major rule as a joint resolution of the second House.

“(2) If the second House receives from the first House a joint resolution, the Chair shall determine whether the joint resolution is an identical joint resolution.

“(3) If the second House receives an identical joint resolution—

“(A) the identical joint resolution shall not be referred to a committee; and

“(B) the procedure in the second House shall be the same as if no joint resolution had been received from the first house, except that the vote on final passage shall be on the identical joint resolution.

“(4) This subsection shall not apply to the House of Representatives if the joint resolution received from the Senate is a revenue measure.

“(g) If either House has not taken a vote on final passage of the joint resolution by the last day of the period described in section 801(b)(2), then such vote shall be taken on that day.

“(h) This section and section 803 are enacted by Congress—

“(1) as an exercise of the rulemaking power of the Senate and House of Representatives,

respectively, and as such is deemed to be part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution described in subsection (a) and superseding other rules only where explicitly so; and

“(2) with full recognition of the constitutional right of either House to change the rules (so far as they relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

**“§ 803. Congressional disapproval procedure for nonmajor rules**

“(a) For purposes of this section, the term ‘joint resolution’ means only a joint resolution introduced in the period beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress and ending 60 days thereafter (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), the matter after the resolving clause of which is as follows: ‘That Congress disapproves the nonmajor rule submitted by the \_\_\_\_\_ relating to \_\_\_\_\_, and such rule shall have no force or effect.’ (The blank spaces being appropriately filled in).

“(b)(1) A joint resolution described in subsection (a) shall be referred to the committees in each House of Congress with jurisdiction.

“(2) For purposes of this section, the term ‘submission or publication date’ means the later of the date on which—

“(A) the Congress receives the report submitted under section 801(a)(1); or

“(B) the nonmajor rule is published in the Federal Register, if so published.

“(c) In the Senate, if the committee to which is referred a joint resolution described in subsection (a) has not reported such joint resolution (or an identical joint resolution) at the end of 15 session days after the date of introduction of the joint resolution, such committee may be discharged from further consideration of such joint resolution upon a petition supported in writing by 30 Members of the Senate, and such joint resolution shall be placed on the calendar.

“(d)(1) In the Senate, when the committee to which a joint resolution is referred has reported, or when a committee is discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

“(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

“(3) In the Senate, immediately following the conclusion of the debate on a joint reso-

lution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

“(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

“(e) In the Senate the procedure specified in subsection (c) or (d) shall not apply to the consideration of a joint resolution respecting a nonmajor rule—

“(1) after the expiration of the 60 session days beginning with the applicable submission or publication date, or

“(2) if the report under section 801(a)(1)(A) was submitted during the period referred to in section 801(d)(1), after the expiration of the 60 session days beginning on the 15th session day after the succeeding session of Congress first convenes.

“(f) If, before the passage by one House of a joint resolution of that House described in subsection (a), that House receives from the other House a joint resolution described in subsection (a), then the following procedures shall apply:

“(1) The joint resolution of the other House shall not be referred to a committee.

“(2) With respect to a joint resolution described in subsection (a) of the House receiving the joint resolution—

“(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

“(B) the vote on final passage shall be on the joint resolution of the other House.

**“§ 804. Definitions**

“For purposes of this chapter—

“(1) the term ‘Federal agency’ means any agency as that term is defined in section 551(1);

“(2) the term ‘major rule’ means any rule, including an interim final rule, that the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget finds has resulted in or is likely to result in—

“(A) an annual effect on the economy of \$100,000,000 or more;

“(B) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or

“(C) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets;

“(3) the term ‘nonmajor rule’ means any rule that is not a major rule; and

“(4) the term ‘rule’ has the meaning given such term in section 551, except that such term does not include—

“(A) any rule of particular applicability, including a rule that approves or prescribes for the future rates, wages, prices, services, or allowances therefore, corporate or financial structures, reorganizations, mergers, or acquisitions thereof, or accounting practices or disclosures bearing on any of the foregoing;

“(B) any rule relating to agency management or personnel; or

“(C) any rule of agency organization, procedure, or practice that does not substantially affect the rights or obligations of non-agency parties.

**“§ 805. Judicial review**

“(a) No determination, finding, action, or omission under this chapter shall be subject to judicial review.

“(b) Notwithstanding subsection (a), a court may determine whether a Federal

agency has completed the necessary requirements under this chapter for a rule to take effect.

“(c) The enactment of a joint resolution of approval under section 802 shall not—

“(1) be interpreted to serve as a grant or modification of statutory authority by Congress for the promulgation of a rule;

“(2) extinguish or affect any claim, whether substantive or procedural, against any alleged defect in a rule; and

“(3) form part of the record before the court in any judicial proceeding concerning a rule except for purposes of determining whether or not the rule is in effect.

**“§ 806. Exemption for monetary policy**

“Nothing in this chapter shall apply to rules that concern monetary policy proposed or implemented by the Board of Governors of the Federal Reserve System or the Federal Open Market Committee.

**“§ 807. Effective date of certain rules**

“Notwithstanding section 801—

“(1) any rule that establishes, modifies, opens, closes, or conducts a regulatory program for a commercial, recreational, or subsistence activity related to hunting, fishing, or camping; or

“(2) any rule other than a major rule which an agency for good cause finds (and incorporates the finding and a brief statement of reasons therefore in the rule issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest, shall take effect at such time as the Federal agency promulgating the rule determines.”.

**SEC. 204. BUDGETARY EFFECTS OF RULES SUBJECT TO SECTION 802 OF TITLE 5, UNITED STATES CODE.**

Section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 907(b)(2)) is amended by adding at the end the following:

“(E) Any rules subject to the congressional approval procedure set forth in section 802 of chapter 8 of title 5, United States Code, affecting budget authority, outlays, or receipts shall be assumed to be effective unless it is not approved in accordance with such section.”.

**SA 2928.** Mr. BURR (for himself and Mr. COBURN) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_\_ . ADDITIONAL REQUIREMENTS FOR RECEIPT OF EXTENDED UNEMPLOYMENT BENEFITS.**

(a) **SHORT TITLE.**—This section may be cited as the “Extended Unemployment Benefits Reform Act of 2014”.

(b) **FINDINGS.**—Congress makes the following findings:

(1) The Founding Fathers of this Nation held the value and virtue of work to be an integral part of the American spirit of freedom and unity.

(2) Honest work of an individual’s choice, whether paid or unpaid, benefits both the individual and society as a whole.

(3) The betterment of communities through public service should be encouraged by the Federal Government.

(4) After the first months of eligibility for unemployment benefits, involvement by an

individual in public service will not infringe on such individual's readiness to work or their ability to search for employment.

(c) ADDITIONAL REQUIREMENTS FOR RECEIPT OF EXTENDED UNEMPLOYMENT BENEFITS.—

(1) IN GENERAL.—Section 3304 of the Internal Revenue Code of 1986 is amended—

(A) in subsection (a)—

(i) in paragraph (18), by striking “and” at the end;

(ii) by redesignating paragraph (19) as paragraph (20); and

(iii) by inserting after paragraph (18) the following new paragraph:

“(19) extended compensation, including any such compensation under a temporary program, shall not be payable to an individual for any week in which such individual does not—

“(A) perform at least 20 hours of public service (as described in subsection (g)); and

“(B) engage in at least 20 hours of active job searching (as described in subsection (h)); and”;

(2) by adding at the end the following new subsections:

“(g) PUBLIC SERVICE.—

“(1) IN GENERAL.—For purposes of subsection (a)(19)(A), the term ‘public service’ means unpaid service by an individual to an organization described in section 501(c)(3), or a Federal, State, or local agency (as permitted in accordance with applicable Federal, State, and local law), with tangible evidence to be provided to the State agency by the individual on a weekly basis demonstrating that the individual has performed such service during the previous week.

“(2) EXCEPTIONS.—For purposes of the public service requirement under subsection (a)(19)(A), an individual shall be deemed to have satisfied such requirement for that week if the individual—

“(A) provides tangible evidence to the State agency demonstrating that such individual was unable to perform the required public service for that week due to an illness or family emergency;

“(B) is a parent of a qualifying child (as defined in section 152(c)) and provides tangible evidence to the State agency demonstrating an inability to perform the required number of hours of public service due to responsibility for child care;

“(C) provides tangible evidence to the State agency demonstrating an inability to perform the required number of hours of public service due to a lack of available transportation, telephone, or internet services; or

“(D) provides tangible evidence of a bona fide attempt to perform public service and, pursuant to such criteria as is determined appropriate by the State agency, is determined to be unable to perform such service due to a lack of available public service opportunities in the area in which the individual resides.

“(3) PERFORMANCE OF WORK ACTIVITIES.—

“(A) IN GENERAL.—Subject to subparagraph (B), the total number of hours of public service required under subsection (a)(19)(A) shall be reduced by 1 hour for each hour during that week that an individual performs work activities.

“(B) MINIMUM PUBLIC SERVICE REQUIREMENT.—For purposes of subparagraph (A), any reduction in the total number of hours of public service required under subsection (a)(19)(A) based upon performance of work activities shall not be greater than 15 hours for each week.

“(C) DEFINITION OF WORK ACTIVITIES.—For purposes of this paragraph, the term ‘work activities’ has the same meaning as provided under subsection (d) of section 407 of the Social Security Act (42 U.S.C. 607), except that such activities shall not include job search-

ing, as described in paragraph (6) of such subsection.

“(h) ACTIVE SEARCH FOR EMPLOYMENT.—

“(1) IN GENERAL.—For purposes of subsection (a)(19)(B), the term ‘active job searching’ means an active and ongoing search for employment by an individual, with tangible evidence of such search to be provided to the State agency by the individual on a weekly basis, which shall include a record of potential employers contacted by the individual (including relevant contact information for such employers) and such other information as determined appropriate by the State agency.

“(2) ALTERNATIVE JOB SEARCH REQUIREMENTS.—The State agency may reduce the total number of hours of active job searching required under subparagraph (A) of subsection (a)(19) and provide alternative job search requirements for an individual who has met the requirements under subparagraphs (A) and (B) of such subsection for a period of not less than 12 weeks.”

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this section shall take effect on July 1, 2014.

(B) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—In the case of a State which the Secretary of Labor determines requires State legislation (other than legislation appropriating funds) in order for the State law to meet the additional requirements imposed by the amendments made by this section, the State law shall not be regarded as failing to comply with the requirements of such section 3304(a)(19) of the Internal Revenue Code of 1986, as added by such amendments, solely on the basis of the failure of the State law to meet such additional requirements before the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

**SA 2929.** Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

**SEC. \_\_\_\_ . COMMERCIAL DRIVERS LICENSE SKILLS TESTING REPORT.**

(a) STUDY.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study to determine—

(A) the Commercial Drivers License (referred to in this section as “CDL”) skills testing procedures used by each State;

(B) whether States using the procedures described in paragraph (2)(A) have reduced testing wait times, on average, compared to the procedures described in subparagraphs (B) and (C) of paragraph (2);

(C) for each of the 3 CDL skills testing procedures described in paragraph (2)—

(i) the average time between a CDL applicant's request for a CDL skills test and such test in States using such procedure;

(ii) the failure rate of CDL applicants in States using such procedure; and

(iii) the average time between a CDL applicant's request to retake a CDL skills test and such test; and

(D) the total economic impact of CDL skills testing delays.

(2) SKILLS TESTING PROCEDURES.—The procedures described in this paragraph are—

(A) third party testing, using nongovernmental contractors to proctor CDL skills tests on behalf of the State;

(B) modified third party testing, administering CDL skills tests at State testing facilities, community colleges, or a limited number of third parties; and

(C) State testing, administering CDL skills tests only at State-owned facilities.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit a report to Congress that contains the results of the study conducted pursuant to subsection (a).

**SEC. \_\_\_\_ . WAIVER OF NONCONFLICTING REGULATIONS FOR INFRASTRUCTURE PROJECTS.**

(a) DEFINITIONS.—In this section:

(1) INFRASTRUCTURE PROJECT.—

(A) IN GENERAL.—The term “infrastructure project” means any physical systems project carried out in the United States, such as a project relating to transportation, communications, sewage, or water.

(B) INCLUSION.—The term “infrastructure project” includes a project for energy infrastructure.

(2) NONCONFLICTING REGULATION.—The term “nonconflicting regulation” means a Federal regulation applicable to an infrastructure project, the waiver of which would not conflict with any provision of Federal or State law, as determined by the Secretary concerned.

(3) SECRETARY CONCERNED.—

(A) IN GENERAL.—The term “Secretary concerned” means the head of a Federal department or agency with jurisdiction over a nonconflicting regulation.

(B) INCLUSIONS.—The term “Secretary concerned” includes—

(i) the Administrator of the Environmental Protection Agency, with respect to nonconflicting regulations of the Environmental Protection Agency; and

(ii) the Secretary of the Army, acting through the Chief of Engineers, with respect to nonconflicting regulations of the Corps of Engineers.

(b) ACTION BY SECRETARY CONCERNED.—

(1) IN GENERAL.—Subject to paragraph (3), on receipt of a request of the Governor of a State in which an infrastructure project is conducted, the Secretary concerned shall waive any nonconflicting regulation applicable to the infrastructure project that, as determined by the Secretary concerned, in consultation with the Governor, impedes or could impede the progress of the infrastructure project.

(2) DEADLINE FOR WAIVER.—The Secretary concerned shall waive a nonconflicting regulation by not later than 90 days after the date of receipt of a request under paragraph (1).

(3) EXCEPTION.—The Secretary concerned shall provide a waiver under this subsection with respect to a nonconflicting regulation unless the Secretary concerned provides to the applicable Governor, by not later than the date described in paragraph (2), a written notice that the nonconflicting regulation is necessary due to a specific, direct, and quantifiable concern for safety or the environment.

**SEC. \_\_\_\_ . STATE CONTROL OF ENERGY DEVELOPMENT AND PRODUCTION ON ALL AVAILABLE FEDERAL LAND.**

(a) DEFINITIONS.—In this section:

(1) AVAILABLE FEDERAL LAND.—The term “available Federal land” means any Federal land that, as of May 31, 2013—

(A) is located within the boundaries of a State;

(B) is not held by the United States in trust for the benefit of a federally recognized Indian tribe;

(C) is not a unit of the National Park System;

(D) is not a unit of the National Wildlife Refuge System; and

(E) is not a Congressionally designated wilderness area.

(2) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

(3) STATE.—The term “State” means—

(A) a State; and

(B) the District of Columbia.

(4) STATE PROGRAMS.—

(1) IN GENERAL.—A State—

(A) may establish a program covering the leasing and permitting processes, regulatory requirements, and any other provisions by which the State would exercise its rights to develop all forms of energy resources on available Federal land in the State; and

(B) as a condition of certification under subsection (c)(2) shall submit a declaration to the Departments of the Interior, Agriculture, and Energy that a program under subparagraph (A) has been established or amended.

(2) AMENDMENT OF PROGRAMS.—A State may amend a program developed and certified under this section at any time.

(3) CERTIFICATION OF AMENDED PROGRAMS.—Any program amended under paragraph (2) shall be certified under subsection (c)(2).

(c) LEASING, PERMITTING, AND REGULATORY PROGRAMS.—

(1) SATISFACTION OF FEDERAL REQUIREMENTS.—Each program certified under this section shall be considered to satisfy all applicable requirements of Federal law (including regulations), including—

(A) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(B) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(C) the National Historic Preservation Act (16 U.S.C. 470 et seq.).

(2) FEDERAL CERTIFICATION AND TRANSFER OF DEVELOPMENT RIGHTS.—Upon submission of a declaration by a State under subsection (b)(1)(B)(i)—

(A) the program under subsection (b)(1)(A) shall be certified; and

(B) the State shall receive all rights from the Federal Government to develop all forms of energy resources covered by the program.

(3) ISSUANCE OF PERMITS AND LEASES.—If a State elects to issue a permit or lease for the development of any form of energy resource on any available Federal land within the borders of the State in accordance with a program certified under paragraph (2), the permit or lease shall be considered to meet all applicable requirements of Federal law (including regulations).

(d) JUDICIAL REVIEW.—Activities carried out in accordance with this Act shall not be subject to judicial review.

(e) ADMINISTRATIVE PROCEDURE ACT.—Activities carried out in accordance with this Act shall not be subject to subchapter II of chapter 5, and chapter 7, of title 5, United States Code (commonly known as the “Administrative Procedure Act”).

**SEC. \_\_\_\_ . FRACTURING REGULATIONS ARE EFFECTIVE IN STATE HANDS.**

(a) FINDINGS.—Congress finds that—

(1) hydraulic fracturing is a commercially viable practice that has been used in the United States for more than 60 years in more than 1,000,000 wells;

(2) the Ground Water Protection Council, a national association of State water regu-

lators that is considered to be a leading groundwater protection organization in the United States, released a report entitled “State Oil and Natural Gas Regulations Designed to Protect Water Resources” and dated May 2009 finding that the “current State regulation of oil and gas activities is environmentally proactive and preventive”;

(3) that report also concluded that “[a]ll oil and gas producing States have regulations which are designed to provide protection for water resources”;

(4) a 2004 study by the Environmental Protection Agency, entitled “Evaluation of Impacts to Underground Sources of Drinking Water by Hydraulic Fracturing of Coalbed Methane Reservoirs”, found no evidence of drinking water wells contaminated by fracture fluid from the fracked formation;

(5) a 2009 report by the Ground Water Protection Council, entitled “State Oil and Natural Gas Regulations Designed to Protect Water Resources”, found a “lack of evidence” that hydraulic fracturing conducted in both deep and shallow formations presents a risk of endangerment to ground water;

(6) a January 2009 resolution by the Interstate Oil and Gas Compact Commission stated “The states, who regulate production, have comprehensive laws and regulations to ensure operations are safe and to protect drinking water. States have found no verified cases of groundwater contamination associated with hydraulic fracturing.”;

(7) on May 24, 2011, before the Oversight and Government Reform Committee of the House of Representatives, Lisa Jackson, the Administrator of the Environmental Protection Agency, testified that she was “not aware of any proven case where the fracking process itself has affected water”;

(8) in 2011, Bureau of Land Management Director Bob Abbey stated, “We have not seen evidence of any adverse effect as a result of the use of the chemicals that are part of that fracking technology.”;

(9)(A) activities relating to hydraulic fracturing (such as surface discharges, wastewater disposal, and air emissions) are already regulated at the Federal level under a variety of environmental statutes, including portions of—

(i) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

(ii) the Safe Drinking Water Act (42 U.S.C. 300f et seq.); and

(iii) the Clean Air Act (42 U.S.C. 7401 et seq.); but

(B) Congress has continually elected not to include the hydraulic fracturing process in the underground injection control program under the Safe Drinking Water Act (42 U.S.C. 300f et seq.);

(10) in 2011, the Secretary of the Interior announced the intention to promulgate new Federal regulations governing hydraulic fracturing on Federal land; and

(11) a February 2012 study by the Energy Institute at the University of Texas at Austin, entitled “Fact-Based Regulation for Environmental Protection in Shale Gas Development”, found that “[n]o evidence of chemicals from hydraulic fracturing fluid has been found in aquifers as a result of fracturing operations”.

(b) DEFINITION OF FEDERAL LAND.—In this section, the term “Federal land” means—

(1) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702));

(2) National Forest System land;

(3) land under the jurisdiction of the Bureau of Reclamation; and

(4) land under the jurisdiction of the Corps of Engineers.

(c) STATE AUTHORITY.—

(1) IN GENERAL.—A State shall have the sole authority to promulgate or enforce any

regulation, guidance, or permit requirement regarding the treatment of a well by the application of fluids under pressure to which propping agents may be added for the expressly designed purpose of initiating or propagating fractures in a target geologic formation in order to enhance production of oil, natural gas, or geothermal production activities on or under any land within the boundaries of the State.

(2) FEDERAL LAND.—The treatment of a well by the application of fluids under pressure to which propping agents may be added for the expressly designed purpose of initiating or propagating fractures in a target geologic formation in order to enhance production of oil, natural gas, or geothermal production activities on Federal land shall be subject to the law of the State in which the land is located.

**SEC. \_\_\_\_ . ALTERNATIVE FUEL VEHICLE DEVELOPMENT.**

(a) ALTERNATIVE FUEL VEHICLES.—

(1) MAXIMUM FUEL ECONOMY INCREASE FOR ALTERNATIVE FUEL AUTOMOBILES.—Section 32906(a) of title 49, United States Code, is amended by striking “(except an electric automobile)” and inserting “(except an electric automobile or, beginning with model year 2016, an alternative fueled automobile that does not use a fuel described in subparagraph (A), (B), (C), or (D) of section 32901(a)(1))”.

(2) MINIMUM DRIVING RANGES FOR DUAL FUELED PASSENGER AUTOMOBILES.—Section 32901(c)(2) of title 49, United States Code, is amended—

(A) in subparagraph (B), by inserting “, except that beginning with model year 2016, alternative fueled automobiles that do not use a fuel described in subparagraph (A), (B), (C), or (D) of subsection (a)(1) shall have a minimum driving range of 150 miles” after “at least 200 miles”; and

(B) in subparagraph (C), by adding at the end the following: “Beginning with model year 2016, if the Secretary prescribes a minimum driving range of 150 miles for alternative fueled automobiles that do not use a fuel described in subparagraph (A), (B), (C), or (D) of subsection (a)(1), subparagraph (A) shall not apply to dual fueled automobiles (except electric automobiles).”.

(3) MANUFACTURING PROVISION FOR ALTERNATIVE FUEL AUTOMOBILES.—Section 32905(d) of title 49, United States Code, is amended—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(B) by striking “For any model” and inserting the following:

“(1) MODEL YEARS 1993 THROUGH 2015.—For any model”;

(C) in paragraph (1), as redesignated, by striking “2019” and inserting “2015”; and

(D) by adding at the end the following:

“(2) MODEL YEARS AFTER 2015.—For any model of gaseous fuel dual fueled automobile manufactured by a manufacturer after model year 2015, the Administrator shall calculate fuel economy as a weighted harmonic average of the fuel economy on gaseous fuel as measured under subsection (c) and the fuel economy on gasoline or diesel fuel as measured under section 32904(c). The Administrator shall apply the utility factors set forth in the table under section 600.510-12(c)(2)(vii)(A) of title 40, Code of Federal Regulations.

“(3) MODEL YEARS AFTER 2016.—Beginning with model year 2017, the manufacturer may elect to utilize the utility factors set forth under subsection (e)(1) for the purposes of calculating fuel economy under paragraph (2).”.

(4) ELECTRIC DUAL FUELED AUTOMOBILES.—Section 32905 of title 49, United States Code, is amended—

(A) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(B) by inserting after subsection (d) the following:

“(e) ELECTRIC DUAL FUELED AUTOMOBILES.—

“(1) IN GENERAL.—At the request of the manufacturer, the Administrator may measure the fuel economy for any model of dual fueled automobile manufactured after model year 2015 that is capable of operating on electricity in addition to gasoline or diesel fuel, obtains its electricity from a source external to the vehicle, and meets the minimum driving range requirements established by the Secretary for dual fueled electric automobiles, by dividing 1.0 by the sum of—

“(A) the percentage utilization of the model on gasoline or diesel fuel, as determined by a formula based on the model’s alternative fuel range, divided by the fuel economy measured under section 32904(c); and

“(B) the percentage utilization of the model on electricity, as determined by a formula based on the model’s alternative fuel range, divided by the fuel economy measured under section 32904(a)(2).

“(2) ALTERNATIVE UTILIZATION.—The Administrator may adapt the utility factor established under paragraph (1) for alternative fueled automobiles that do not use a fuel described in subparagraph (A), (B), (C), or (D) of section 32901(a)(1).

“(3) ALTERNATIVE CALCULATION.—If the manufacturer does not request that the Administrator calculate the manufacturing incentive for its electric dual fueled automobiles in accordance with paragraph (1), the Administrator shall calculate such incentive for such automobiles manufactured by such manufacturer after model year 2015 in accordance with subsection (b).”.

(5) CONFORMING AMENDMENT.—Section 32906(b) of title 49, United States Code, is amended by striking “section 32905(e)” and inserting “section 32905(f)”.

(b) HIGH OCCUPANCY VEHICLE FACILITIES.—Section 166 of title 23, United States Code, is amended—

(1) in subparagraph (b)(5), by striking subparagraph (A) and inserting the following:

“(A) INHERENTLY LOW-EMISSION VEHICLES.—If a State agency establishes procedures for enforcing the restrictions on the use of a HOV facility by vehicles listed in clauses (i) and (ii), the State agency may allow the use of the HOV facility by—

“(i) alternative fuel vehicles; and

“(ii) new qualified plug-in electric drive motor vehicles (as defined in section 30D(d)(1) of the Internal Revenue Code of 1986).”;

(2) in subparagraph (f)(1), by inserting “solely” before “operating”.

(c) STUDY.—Not later than 180 days after the date of enactment of this Act, the Secretary of Energy, after consultation with the Secretary of Transportation, shall submit a report to Congress that—

(1) describes options to incentivize the development of public compressed natural gas fueling stations; and

(2) analyzes a variety of possible financing tools, which could include—

- (A) Federal grants and credit assistance;
- (B) public-private partnerships; and
- (C) membership-based cooperatives.

**SEC. \_\_\_\_ . CATEGORICAL EXCLUSIONS IN EMERGENCIES.**

Section 1315 of the Moving Ahead for Progress in the 21st Century Act (23 U.S.C. 109 note; 126 Stat. 549) is amended by striking “activity is—” and all that follows through “(2) commenced” and inserting “activity is commenced”.

**SEC. \_\_\_\_ . CATEGORICAL EXCLUSIONS FOR PROJECTS WITHIN RIGHT-OF-WAY.**

Section 1316 of the Moving Ahead for Progress in the 21st Century Act (23 U.S.C. 109 note; 126 Stat. 549) is amended—

(1) in the heading of subsection (b), by striking “AN OPERATIONAL”;

(2) in subsection (a)(1) and subsection (b), by striking “operational” each place it appears.

**SEC. \_\_\_\_ . LIMITATIONS ON CERTAIN FEDERAL ASSISTANCE.**

Section 176 of the Clean Air Act (42 U.S.C. 7506) is amended—

(1) by striking “(c)(1) No” and all that follows through “(d) Each” and inserting the following:

“(a) IN GENERAL.—Each”;

(2) in the first sentence, by striking “prepared under this section”;

(3) by striking the second sentence and inserting the following:

“(b) APPLICABILITY.—This section applies to—

“(1) title 23, United States Code;

“(2) chapter 53 of title 49, United States Code; and

“(3) the Housing and Urban Development Act of 1968 (12 U.S.C. 1701t et seq.).”.

**SEC. \_\_\_\_ . TERMINATION OF EFFECTIVENESS.**

(a) IN GENERAL.—The amendments made by this Act shall terminate on the day that is 30 days after the date of enactment of this Act if the Secretary of Labor, acting through the Bureau of Labor Statistics, in coordination with the heads of other Federal agencies, including the Administrator of the Environmental Protection Agency and the Secretary of Health and Human Services, fails to publish in the Federal Register a report that models the impact of major Federal regulations on job creation across the whole economy of the United States.

(b) UPDATES.—

(1) IN GENERAL.—The Secretary of Labor, acting through the Bureau of Labor Statistics, shall update the report described in subsection (a) not less frequently than once every 30 days.

(2) TERMINATION.—The amendments made by this Act shall terminate on the date that is 30 days after the date on which the most recent report described in paragraph (1) is required if the Secretary of Labor, acting through the Bureau of Labor Statistics, fails to update the report in accordance with paragraph (1).

**SA 2930.** Mr. HOEVEN submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

**SEC. \_\_\_\_ . LIMITATION ON AUTHORITY TO ISSUE REGULATIONS MODIFYING THE STREAM ZONE BUFFER RULE.**

The Secretary of the Interior may not, before December 31, 2014, issue a regulation modifying the final rule entitled “Excess Spoil, Coal Mine Waste, and Buffers for Perennial and Intermittent Streams” (73 Fed. Reg. 75814 (December 12, 2008)).

**SA 2931.** Mr. VITTER submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS,

Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . DISQUALIFICATION ON RECEIPT OF DISABILITY INSURANCE BENEFITS IN A MONTH FOR WHICH EMERGENCY UNEMPLOYMENT COMPENSATION IS RECEIVED.**

(a) IN GENERAL.—Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new subsection:

“(k) DISQUALIFICATION ON RECEIPT OF DISABILITY INSURANCE BENEFITS.—If for any month an individual is entitled to emergency unemployment compensation under this title, such individual shall be deemed to have engaged in substantial gainful activity for such month for purposes of sections 222 and 223 of the Social Security Act.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to months beginning after the date of the enactment of this Act.

**SA 2932.** Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . DISQUALIFICATION ON RECEIPT OF DISABILITY INSURANCE BENEFITS IN A MONTH FOR WHICH EMERGENCY UNEMPLOYMENT COMPENSATION IS RECEIVED.**

(a) IN GENERAL.—Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new subsection:

“(k) DISQUALIFICATION ON RECEIPT OF DISABILITY INSURANCE BENEFITS.—If for any month an individual is entitled to emergency unemployment compensation under this title, such individual shall be deemed to have engaged in substantial gainful activity for such month for purposes of sections 222 and 223 of the Social Security Act.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to months beginning after the date of the enactment of this Act.

**SA 2933.** Mr. FLAKE (for himself, Mr. INHOFE, and Mr. RISCH) submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . EXPENSING CERTAIN DEPRECIABLE BUSINESS ASSETS FOR SMALL BUSINESS.**

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 is amended by striking “shall not exceed—” and all that follows and inserting “shall not exceed \$250,000.”.

(2) REDUCTION IN LIMITATION.—Paragraph (2) of section 179(b) of such Code is amended by striking “exceeds—” and all that follows and inserting “exceeds \$800,000.”.

(b) COMPUTER SOFTWARE.—Clause (ii) of section 179(d)(1)(A) of such Code is amended by striking “and before 2014”.

(c) ELECTION.—Paragraph (2) of section 179(c) of such Code is amended by striking “may not be revoked” and all that follows through “and before 2014”.

(d) QUALIFIED REAL PROPERTY.—Section 179(f) of such Code is amended—

(1) by striking “beginning in 2010, 2011, 2012, or 2013” in paragraph (1), and

(2) by striking paragraph (4).

(e) INFLATION ADJUSTMENT.—Subsection (b) of section 179 of such Code is amended by adding at the end the following new paragraph:

“(6) INFLATION ADJUSTMENT.—

“(A) IN GENERAL.—In the case of any taxable year beginning after 2014, the dollar amounts in paragraphs (1) and (2) shall each be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting ‘2013’ for ‘1992’ in subparagraph (B) thereof.

“(B) ROUNDING.—The amount of any increase under subparagraph (A) shall be rounded to the nearest multiple of \$10,000.”.

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

**SA 2934.** Mr. FLAKE (for himself, Mr. INHOFE, and Mr. RISCH) submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place in the amendment, insert the following:

**SEC. \_\_\_\_ . EXPENSING CERTAIN DEPRECIABLE BUSINESS ASSETS FOR SMALL BUSINESS.**

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 is amended by striking “shall not exceed—” and all that follows and inserting “shall not exceed \$250,000.”.

(2) REDUCTION IN LIMITATION.—Paragraph (2) of section 179(b) of such Code is amended by striking “exceeds—” and all that follows and inserting “exceeds \$800,000.”.

(b) COMPUTER SOFTWARE.—Clause (ii) of section 179(d)(1)(A) of such Code is amended by striking “and before 2014”.

(c) ELECTION.—Paragraph (2) of section 179(c) of such Code is amended by striking

“may not be revoked” and all that follows through “and before 2014”.

(d) QUALIFIED REAL PROPERTY.—Section 179(f) of such Code is amended—

(1) by striking “beginning in 2010, 2011, 2012, or 2013” in paragraph (1), and

(2) by striking paragraph (4).

(e) INFLATION ADJUSTMENT.—Subsection (b) of section 179 of such Code is amended by adding at the end the following new paragraph:

“(6) INFLATION ADJUSTMENT.—

“(A) IN GENERAL.—In the case of any taxable year beginning after 2014, the dollar amounts in paragraphs (1) and (2) shall each be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting ‘2013’ for ‘1992’ in subparagraph (B) thereof.

“(B) ROUNDING.—The amount of any increase under subparagraph (A) shall be rounded to the nearest multiple of \$10,000.”.

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

**SA 2935.** Mr. FLAKE submitted an amendment intended to be proposed to amendment SA 2874 proposed by Mr. REID (for Mr. REED (for himself, Mr. HELLER, Mr. MERKLEY, Ms. COLLINS, Mr. BOOKER, Mr. PORTMAN, Mr. BROWN, Ms. MURKOWSKI, Mr. DURBIN, and Mr. KIRK)) to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . AUTHORITY TO OFFER ADDITIONAL PLAN OPTIONS.**

(a) CATASTROPHIC PLANS.—Notwithstanding title I of the Patient Protection and Affordable Care Act (Public Law 111-148), a catastrophic plan as described in section 1302(e) of such Act shall be deemed to be a qualified health plan (including for purposes of receiving tax credits under section 36B of the Internal Revenue Code of 1986 and cost-sharing assistance under section 1402 of this Act), except that for purposes of enrollment in such plans, the provisions of paragraph (2) of such section 1302(e) shall not apply.

(b) INDIVIDUAL MANDATE.—Coverage under a catastrophic plan under subsection (a) shall be deemed to be minimum essential coverage for purposes of section 5000A of the Internal Revenue Code of 1986.

**SA 2936.** Mr. FLAKE submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . AUTHORITY TO OFFER ADDITIONAL PLAN OPTIONS.**

(a) CATASTROPHIC PLANS.—Notwithstanding title I of the Patient Protection

and Affordable Care Act (Public Law 111-148), a catastrophic plan as described in section 1302(e) of such Act shall be deemed to be a qualified health plan (including for purposes of receiving tax credits under section 36B of the Internal Revenue Code of 1986 and cost-sharing assistance under section 1402 of this Act), except that for purposes of enrollment in such plans, the provisions of paragraph (2) of such section 1302(e) shall not apply.

(b) INDIVIDUAL MANDATE.—Coverage under a catastrophic plan under subsection (a) shall be deemed to be minimum essential coverage for purposes of section 5000A of the Internal Revenue Code of 1986.

**SA 2937.** Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Protecting Volunteer Firefighters and Emergency Responders Act of 2014”.

**SEC. 2. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.**

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

“(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms ‘qualified services’, ‘bona fide volunteer’, and ‘eligible employer’ shall have the respective meanings given such terms under section 457(e).

“(B) CERTAIN OTHER GOVERNMENT AND NONPROFIT VOLUNTEERS.—

“(i) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

“(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term ‘bona fide volunteer’ means an employee of a specified employer whose only compensation from such employer is in the form of—

“(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

“(II) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

“(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term ‘specified employer’ means—

“(I) any government entity, and

“(II) any organization described in section 501(c) and exempt from tax under section 501(a).

“(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to apply with respect to services merely because such services are qualified services (as defined in section 457(e)(11)(C)).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

**SEC. 3. REPEAL OF THE INDIVIDUAL MANDATE.**

Section 1501 and subsections (a), (b), (c), and (d) of section 10106 of the Patient Protection and Affordable Care Act (and the amendments made by such sections and subsections) are repealed and the Internal Revenue Code of 1986 shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 2938.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Protecting Volunteer Firefighters and Emergency Responders Act of 2014”.

**SEC. 2. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.**

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

“(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms ‘qualified services’, ‘bona fide volunteer’, and ‘eligible employer’ shall have the respective meanings given such terms under section 457(e).

“(B) CERTAIN OTHER GOVERNMENT AND NONPROFIT VOLUNTEERS.—

“(i) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

“(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term ‘bona fide volunteer’ means an employee of a specified employer whose only compensation from such employer is in the form of—

“(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

“(II) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

“(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term ‘specified employer’ means—

“(I) any government entity, and

“(II) any organization described in section 501(c) and exempt from tax under section 501(a).

“(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to apply with respect to services merely because such services are qualified services (as defined in section 457(e)(11)(C)).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

**SEC. 3. DEFINITION OF APPLICABLE LARGE EMPLOYER.**

(a) IN GENERAL.—Paragraph (2) of section 4980H(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking “50 full-time employees” each place it appears in subparagraphs (A) and (B)(i) and inserting “500 full-time employees”, and

(2) by striking “in excess of 50” in subparagraph (B)(i)(II) and inserting “in excess of 500”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

**SA 2939.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Protecting Volunteer Firefighters and Emergency Responders Act of 2014”.

**SEC. 2. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.**

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

“(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms ‘qualified services’, ‘bona fide volunteer’, and ‘eligible employer’ shall have the respective meanings given such terms under section 457(e).

“(B) CERTAIN OTHER GOVERNMENT AND NONPROFIT VOLUNTEERS.—

“(i) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

“(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term ‘bona fide volunteer’ means an employee of a specified employer whose only compensation from such employer is in the form of—

“(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

“(II) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

“(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term ‘specified employer’ means—

“(I) any government entity, and

“(II) any organization described in section 501(c) and exempt from tax under section 501(a).

“(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to apply with respect to services merely because such services are qualified services (as defined in section 457(e)(11)(C)).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

**SEC. 3. DEFINITION OF APPLICABLE LARGE EMPLOYER.**

(a) IN GENERAL.—Paragraph (2) of section 4980H(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking “50 full-time employees” each place it appears in subparagraphs (A) and (B)(i) and inserting “100,000,000 full-time employees”, and

(2) by striking “in excess of 50” in subparagraph (B)(i)(II) and inserting “in excess of 100,000,000”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

**SA 2940.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Protecting Volunteer Firefighters and Emergency Responders Act of 2014”.

**SEC. 2. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.**

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

“(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms ‘qualified services’, ‘bona fide volunteer’, and ‘eligible employer’ shall have the respective meanings given such terms under section 457(e).

“(B) CERTAIN OTHER GOVERNMENT AND NONPROFIT VOLUNTEERS.—

“(i) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

“(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term ‘bona fide volunteer’ means an employee of a specified employer whose only compensation from such employer is in the form of—

“(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

“(II) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

“(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term ‘specified employer’ means—

“(I) any government entity, and

“(II) any organization described in section 501(c) and exempt from tax under section 501(a).

“(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to



apply with respect to services merely because such services are qualified services (as defined in section 457(e)(11)(C)).”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

### SEC. 3. REPEAL OF THE EMPLOYER MANDATE.

Sections 1513 and 1514 and subsections (e), (f), and (g) of section 10106 of the Patient Protection and Affordable Care Act (and the amendments made by such sections and subsections) are repealed and the Internal Revenue Code of 1986 shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 2941.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. LONG-TERM UNEMPLOYED INDIVIDUALS NOT TAKEN INTO ACCOUNT FOR EMPLOYER HEALTH CARE COVERAGE MANDATE.

(a) IN GENERAL.—Paragraph (4) of section 4980H(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(C) EXCEPTION FOR LONG-TERM UNEMPLOYED INDIVIDUALS.—

“(i) IN GENERAL.—The term ‘full-time employee’ shall not include any individual who is a long-term unemployed individual with respect to such employer.

“(ii) LONG-TERM UNEMPLOYED INDIVIDUAL.—For purposes of this subparagraph, the term ‘long-term unemployed individual’ means, with respect to any employer, an individual who—

“(I) begins employment with such employer after the date of the enactment of this subparagraph, and

“(II) has been unemployed for 27 weeks or longer, as determined by the Secretary of Labor, immediately before the date such employment begins.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months beginning after December 31, 2013.

**SA 2942.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Protecting Volunteer Firefighters and Emergency Responders Act of 2014”.

### SEC. 2. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

“(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms ‘qualified services’, ‘bona fide volunteer’, and ‘eligible employer’ shall have the respective meanings given such terms under section 457(e).

“(B) CERTAIN OTHER GOVERNMENT AND NONPROFIT VOLUNTEERS.—

“(i) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

“(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term ‘bona fide volunteer’ means an employee of a specified employer whose only compensation from such employer is in the form of—

“(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

“(II) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

“(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term ‘specified employer’ means—

“(I) any government entity, and

“(II) any organization described in section 501(c) and exempt from tax under section 501(a).

“(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to apply with respect to services merely because such services are qualified services (as defined in section 457(e)(11)(C)).”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

### SEC. 3. EMPLOYEES WITH HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION MAY BE EXEMPTED FROM EMPLOYER MANDATE UNDER PATIENT PROTECTION AND AFFORDABLE CARE ACT.

(a) IN GENERAL.—Section 4980H(c)(2) of the Internal Revenue Code is amended by adding at the end the following:

“(F) EXEMPTION FOR HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION.—Solely for purposes of determining whether an employer is an applicable large employer under this paragraph for any month, an employer may elect not to take into account for a month as an employee any individual who, for such month, has medical coverage under—

“(i) chapter 55 of title 10, United States Code, including coverage under the TRICARE program, or

“(ii) under a health care program under chapter 17 or 18 of title 38, United States Code, as determined by the Secretary of Veterans Affairs, in coordination with the Secretary of Health and Human Services and the Secretary.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to months beginning after December 31, 2013.

**SA 2943.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act;

which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Protecting Volunteer Firefighters and Emergency Responders Act of 2014”.

### SEC. 2. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

“(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms ‘qualified services’, ‘bona fide volunteer’, and ‘eligible employer’ shall have the respective meanings given such terms under section 457(e).

“(B) CERTAIN OTHER GOVERNMENT AND NONPROFIT VOLUNTEERS.—

“(i) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

“(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term ‘bona fide volunteer’ means an employee of a specified employer whose only compensation from such employer is in the form of—

“(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

“(II) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

“(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term ‘specified employer’ means—

“(I) any government entity, and

“(II) any organization described in section 501(c) and exempt from tax under section 501(a).

“(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to apply with respect to services merely because such services are qualified services (as defined in section 457(e)(11)(C)).”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

### SEC. 3. DEFINITION OF FULL-TIME EMPLOYEE.

Section 4980H(c) of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (2)(E), by striking “by 120” and inserting “by 174”; and

(2) in paragraph (4)(A) by striking “30 hours” and inserting “40 hours”.

**SA 2944.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Protecting Volunteer Firefighters and Emergency Responders Act of 2014”.

**SEC. 2. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.**

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

“(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms ‘qualified services’, ‘bona fide volunteer’, and ‘eligible employer’ shall have the respective meanings given such terms under section 457(e).

“(B) CERTAIN OTHER GOVERNMENT AND NONPROFIT VOLUNTEERS.—

“(i) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

“(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term ‘bona fide volunteer’ means an employee of a specified employer whose only compensation from such employer is in the form of—

“(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

“(II) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

“(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term ‘specified employer’ means—

“(I) any government entity, and

“(II) any organization described in section 501(c) and exempt from tax under section 501(a).

“(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to apply with respect to services merely because such services are qualified services (as defined in section 457(e)(11)(C)).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

**SEC. 3. DEFINITION OF FULL-TIME EMPLOYEE.**

Section 4980H(c) of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (2)(E), by striking “by 120” and inserting “by 174”; and

(2) in paragraph (4)(A) by striking “30 hours” and inserting “40 hours”.

**SEC. 4. EMPLOYEES WITH HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION MAY BE EXEMPTED FROM EMPLOYER MANDATE UNDER PATIENT PROTECTION AND AFFORDABLE CARE ACT.**

(a) IN GENERAL.—Section 4980H(c)(2) of the Internal Revenue Code is amended by adding at the end the following:

“(F) EXEMPTION FOR HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION.—Solely for purposes of determining whether an employer is an applicable large employer under this paragraph for any month, an employer may elect not to take into account for a month as an employee any individual who, for such month, has medical coverage under—

“(i) chapter 55 of title 10, United States Code, including coverage under the TRICARE program, or

“(ii) under a health care program under chapter 17 or 18 of title 38, United States Code, as determined by the Secretary of Veterans Affairs, in coordination with the Secretary of Health and Human Services and the Secretary.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to months beginning after December 31, 2013.

**SA 2945.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike Sections 1 through 11.

**SA 2946.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Protecting Volunteer Firefighters and Emergency Responders Act of 2014”.

**SEC. 2. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.**

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

“(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms ‘qualified services’, ‘bona fide volunteer’, and ‘eligible employer’ shall have the respective meanings given such terms under section 457(e).

“(B) CERTAIN OTHER GOVERNMENT AND NONPROFIT VOLUNTEERS.—

“(I) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

“(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term ‘bona fide volunteer’ means an employee of a specified employer whose only compensation from such employer is in the form of—

“(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

“(II) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

“(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term ‘specified employer’ means—

“(I) any government entity, and

“(II) any organization described in section 501(c) and exempt from tax under section 501(a).

“(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to apply with respect to services merely because such services are qualified services (as defined in section 457(e)(11)(C)).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 30, 2013.

**SA 2947.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . DEFINITION OF APPLICABLE LARGE EMPLOYER.**

(a) IN GENERAL.—Paragraph (2) of section 4980H(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking “50 full-time employees” each place it appears in subparagraphs (A) and (B)(i) and inserting “500 full-time employees”, and

(2) by striking “in excess of 50” in subparagraph (B)(i)(II) and inserting “in excess of 500”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

**SA 2948.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . REPEAL OF THE INDIVIDUAL MANDATE.**

Section 1501 and subsections (a), (b), (c), and (d) of section 10106 of the Patient Protection and Affordable Care Act (and the amendments made by such sections and subsections) are repealed and the Internal Revenue Code of 1986 shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 2949.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . REPEAL OF THE EMPLOYER MANDATE.**

Sections 1513 and 1514 and subsections (e), (f), and (g) of section 10106 of the Patient

Protection and Affordable Care Act (and the amendments made by such sections and subsections) are repealed and the Internal Revenue Code of 1986 shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 2950.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . DEFINITION OF APPLICABLE LARGE EMPLOYER.**

(a) IN GENERAL.—Paragraph (2) of section 4980H(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking “50 full-time employees” each place it appears in subparagraphs (A) and (B)(i) and inserting “100,000,000 full-time employees”, and

(2) by striking “in excess of 50” in subparagraph (B)(i)(II) and inserting “in excess of 100,000,000”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

**SA 2951.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . LONG-TERM UNEMPLOYED INDIVIDUALS NOT TAKEN INTO ACCOUNT FOR EMPLOYER HEALTH CARE COVERAGE MANDATE.**

(a) IN GENERAL.—Paragraph (4) of section 4980H(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(C) EXCEPTION FOR LONG-TERM UNEMPLOYED INDIVIDUALS.—

“(i) IN GENERAL.—The term ‘full-time employee’ shall not include any individual who is a long-term unemployed individual with respect to such employer.

“(ii) LONG-TERM UNEMPLOYED INDIVIDUAL.—For purposes of this subparagraph, the term ‘long-term unemployed individual’ means, with respect to any employer, an individual who—

“(I) begins employment with such employer after the date of the enactment of this subparagraph, and

“(II) has been unemployed for 27 weeks or longer, as determined by the Secretary of Labor, immediately before the date such employment begins.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months beginning after December 31, 2013.

**SA 2952.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as em-

ployees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . EMPLOYEES WITH HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION MAY BE EXEMPTED FROM EMPLOYER MANDATE UNDER PATIENT PROTECTION AND AFFORDABLE CARE ACT.**

(a) IN GENERAL.—Section 4980H(c)(2) of the Internal Revenue Code is amended by adding at the end the following:

“(F) EXEMPTION FOR HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION.—Solely for purposes of determining whether an employer is an applicable large employer under this paragraph for any month, an employer may elect not to take into account for a month as an employee any individual who, for such month, has medical coverage under—

“(i) chapter 55 of title 10, United States Code, including coverage under the TRICARE program, or

“(ii) under a health care program under chapter 17 or 18 of title 38, United States Code, as determined by the Secretary of Veterans Affairs, in coordination with the Secretary of Health and Human Services and the Secretary.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to months beginning after December 31, 2013.

**SA 2953.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . DEFINITION OF FULL-TIME EMPLOYEE.**

Section 4980H(c) of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (2)(E), by striking “by 120” and inserting “by 174”; and

(2) in paragraph (4)(A) by striking “30 hours” and inserting “40 hours”.

**SA 2954.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . DEFINITION OF FULL-TIME EMPLOYEE.**

Section 4980H(c) of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (2)(E), by striking “by 120” and inserting “by 174”; and

(2) in paragraph (4)(A) by striking “30 hours” and inserting “40 hours”.

**SEC. \_\_\_\_ . EMPLOYEES WITH HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION MAY BE EXEMPTED FROM EMPLOYER MANDATE UNDER PATIENT PROTECTION AND AFFORDABLE CARE ACT.**

(a) IN GENERAL.—Section 4980H(c)(2) of the Internal Revenue Code is amended by adding at the end the following:

“(F) EXEMPTION FOR HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION.—Solely for purposes of determining whether an employer is an applicable large employer under this paragraph for any month, an employer may elect not to take into account for a month as an employee any individual who, for such month, has medical coverage under—

“(i) chapter 55 of title 10, United States Code, including coverage under the TRICARE program, or

“(ii) under a health care program under chapter 17 or 18 of title 38, United States Code, as determined by the Secretary of Veterans Affairs, in coordination with the Secretary of Health and Human Services and the Secretary.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to months beginning after December 31, 2013.

**SA 2955.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 3979, to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

**DIVISION B—SAVING COAL JOBS**

**SEC. 2001. SHORT TITLE.**

This division may be cited as the “Saving Coal Jobs Act of 2013”.

**TITLE I—PROHIBITION ON ENERGY TAX**

**SEC. 2101. PROHIBITION ON ENERGY TAX.**

(a) FINDINGS; PURPOSES.—

(1) FINDINGS.—Congress finds that—

(A) on June 25, 2013, President Obama issued a Presidential memorandum directing the Administrator of the Environmental Protection Agency to issue regulations relating to power sector carbon pollution standards for existing coal fired power plants;

(B) the issuance of that memorandum circumvents Congress and the will of the people of the United States;

(C) any action to control emissions of greenhouse gases from existing coal fired power plants in the United States by mandating a national energy tax would devastate major sectors of the economy, cost thousands of jobs, and increase energy costs for low-income households, small businesses, and seniors on fixed income;

(D) joblessness increases the likelihood of hospital visits, illnesses, and premature deaths;

(E) according to testimony on June 15, 2011, before the Committee on Environment and Public Works of the Senate by Dr. Harvey Brenner of Johns Hopkins University, “The unemployment rate is well established as a risk factor for elevated illness and mortality rates in epidemiological studies performed since the early 1980s. In addition to influences on mental disorder, suicide and alcohol abuse and alcoholism, unemployment is also an important risk factor in cardiovascular disease and overall decreases in life expectancy.”;

(F) according to the National Center for Health Statistics, “children in poor families

were four times as likely to be in fair or poor health as children that were not poor”;

(G) any major decision that would cost the economy of the United States millions of dollars and lead to serious negative health effects for the people of the United States should be debated and explicitly authorized by Congress, not approved by a Presidential memorandum or regulations; and

(H) any policy adopted by Congress should make United States energy as clean as practicable, as quickly as practicable, without increasing the cost of energy for struggling families, seniors, low-income households, and small businesses.

(2) PURPOSES.—The purposes of this section are—

(A) to ensure that—

(i) a national energy tax is not imposed on the economy of the United States; and

(ii) struggling families, seniors, low-income households, and small businesses do not experience skyrocketing electricity bills and joblessness;

(B) to protect the people of the United States, particularly families, seniors, and children, from the serious negative health effects of joblessness;

(C) to allow sufficient time for Congress to develop and authorize an appropriate mechanism to address the energy needs of the United States and the potential challenges posed by severe weather; and

(D) to restore the legislative process and congressional authority over the energy policy of the United States.

(b) PRESIDENTIAL MEMORANDUM.—Notwithstanding any other provision of law, the head of a Federal agency shall not promulgate any regulation relating to power sector carbon pollution standards or any substantially similar regulation on or after June 25, 2013, unless that regulation is explicitly authorized by an Act of Congress.

## TITLE II—PERMITS

### SEC. 2201. NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM.

(a) APPLICABILITY OF GUIDANCE.—Section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342) is amended by adding at the end the following:

“(s) APPLICABILITY OF GUIDANCE.—

“(1) DEFINITIONS.—In this subsection:

“(A) GUIDANCE.—

“(i) IN GENERAL.—The term ‘guidance’ means draft, interim, or final guidance issued by the Administrator.

“(ii) INCLUSIONS.—The term ‘guidance’ includes—

“(I) the comprehensive guidance issued by the Administrator and dated April 1, 2010;

“(II) the proposed guidance entitled ‘Draft Guidance on Identifying Waters Protected by the Clean Water Act’ and dated April 28, 2011;

“(III) the final guidance proposed by the Administrator and dated July 21, 2011; and

“(IV) any other document or paper issued by the Administrator through any process other than the notice and comment rule-making process.

“(B) NEW PERMIT.—The term ‘new permit’ means a permit covering discharges from a structure—

“(i) that is issued under this section by a permitting authority; and

“(ii) for which an application is—

“(I) pending as of the date of enactment of this subsection; or

“(II) filed on or after the date of enactment of this subsection.

“(C) PERMITTING AUTHORITY.—The term ‘permitting authority’ means—

“(i) the Administrator; or

“(ii) a State, acting pursuant to a State program that is equivalent to the program under this section and approved by the Administrator.

“(2) PERMITS.—

“(A) IN GENERAL.—Notwithstanding any other provision of law, in making a determination whether to approve a new permit or a renewed permit, the permitting authority—

“(i) shall base the determination only on compliance with regulations issued by the Administrator or the permitting authority; and

“(ii) shall not base the determination on the extent of adherence of the applicant for the new permit or renewed permit to guidance.

“(B) NEW PERMITS.—If the permitting authority does not approve or deny an application for a new permit by the date that is 270 days after the date of receipt of the application for the new permit, the applicant may operate as if the application were approved in accordance with Federal law for the period of time for which a permit from the same industry would be approved.

“(C) SUBSTANTIAL COMPLETENESS.—In determining whether an application for a new permit or a renewed permit received under this paragraph is substantially complete, the permitting authority shall use standards for determining substantial completeness of similar permits for similar facilities submitted in fiscal year 2007.”.

(b) STATE PERMIT PROGRAMS.—

(1) IN GENERAL.—Section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342) is amended by striking subsection (b) and inserting the following:

“(b) STATE PERMIT PROGRAMS.—

“(1) IN GENERAL.—At any time after the promulgation of the guidelines required by section 304(a)(2), the Governor of each State desiring to administer a permit program for discharges into navigable waters within the jurisdiction of the State may submit to the Administrator—

“(A) a full and complete description of the program the State proposes to establish and administer under State law or under an interstate compact; and

“(B) a statement from the attorney general (or the attorney for those State water pollution control agencies that have independent legal counsel), or from the chief legal officer in the case of an interstate agency, that the laws of the State, or the interstate compact, as applicable, provide adequate authority to carry out the described program.

“(2) APPROVAL.—The Administrator shall approve each program for which a description is submitted under paragraph (1) unless the Administrator determines that adequate authority does not exist—

“(A) to issue permits that—

“(i) apply, and ensure compliance with, any applicable requirements of sections 301, 302, 306, 307, and 403;

“(ii) are for fixed terms not exceeding 5 years;

“(iii) can be terminated or modified for cause, including—

“(I) a violation of any condition of the permit;

“(II) obtaining a permit by misrepresentation or failure to disclose fully all relevant facts; and

“(III) a change in any condition that requires either a temporary or permanent reduction or elimination of the permitted discharge; and

“(iv) control the disposal of pollutants into wells;

“(B)(i) to issue permits that apply, and ensure compliance with, all applicable requirements of section 308; or

“(ii) to inspect, monitor, enter, and require reports to at least the same extent as required in section 308;

“(C) to ensure that the public, and any other State the waters of which may be affected, receives notice of each application for a permit and an opportunity for a public hearing before a ruling on each application;

“(D) to ensure that the Administrator receives notice and a copy of each application for a permit;

“(E) to ensure that any State (other than the permitting State), whose waters may be affected by the issuance of a permit may submit written recommendations to the permitting State and the Administrator with respect to any permit application and, if any part of the written recommendations are not accepted by the permitting State, that the permitting State will notify the affected State and the Administrator in writing of the failure of the State to accept the recommendations, including the reasons for not accepting the recommendations;

“(F) to ensure that no permit will be issued if, in the judgment of the Secretary of the Army (acting through the Chief of Engineers), after consultation with the Secretary of the department in which the Coast Guard is operating, anchorage and navigation of any of the navigable waters would be substantially impaired by the issuance of the permit;

“(G) to abate violations of the permit or the permit program, including civil and criminal penalties and other means of enforcement;

“(H) to ensure that any permit for a discharge from a publicly owned treatment works includes conditions to require the identification in terms of character and volume of pollutants of any significant source introducing pollutants subject to pretreatment standards under section 307(b) into the treatment works and a program to ensure compliance with those pretreatment standards by each source, in addition to adequate notice, which shall include information on the quality and quantity of effluent to be introduced into the treatment works and any anticipated impact of the change in the quantity or quality of effluent to be discharged from the publicly owned treatment works, to the permitting agency of—

“(i) new introductions into the treatment works of pollutants from any source that would be a new source (as defined in section 306(a)) if the source were discharging pollutants;

“(ii) new introductions of pollutants into the treatment works from a source that would be subject to section 301 if the source were discharging those pollutants; or

“(iii) a substantial change in volume or character of pollutants being introduced into the treatment works by a source introducing pollutants into the treatment works at the time of issuance of the permit; and

“(I) to ensure that any industrial user of any publicly owned treatment works will comply with sections 204(b), 307, and 308.

“(3) ADMINISTRATION.—Notwithstanding paragraph (2), the Administrator may not disapprove or withdraw approval of a program under this subsection on the basis of the following:

“(A) The failure of the program to incorporate or comply with guidance (as defined in subsection (s)(1)).

“(B) The implementation of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c).”.

(2) CONFORMING AMENDMENTS.—

(A) Section 309 of the Federal Water Pollution Control Act (33 U.S.C. 1319) is amended—

(i) in subsection (c)—

(I) in paragraph (1)(A), by striking “402(b)(8)” and inserting “402(b)(2)(H)”; and

(II) in paragraph (2)(A), by striking “402(b)(8)” and inserting “402(b)(2)(H)”; and  
 (ii) in subsection (d), in the first sentence, by striking “402(b)(8)” and inserting “402(b)(2)(H)”.

(B) Section 402(m) of the Federal Water Pollution Control Act (33 U.S.C. 1342(m)) is amended in the first sentence by striking “subsection (b)(8) of this section” and inserting “subsection (b)(2)(H)”.

(c) SUSPENSION OF FEDERAL PROGRAM.—Section 402(c) of the Federal Water Pollution Control Act (33 U.S.C. 1342(c)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following:

“(4) LIMITATION ON DISAPPROVAL.—Notwithstanding paragraphs (1) through (3), the Administrator may not disapprove or withdraw approval of a State program under subsection (b) on the basis of the failure of the following:

“(A) The failure of the program to incorporate or comply with guidance (as defined in subsection (s)(1)).

“(B) The implementation of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c).”.

(d) NOTIFICATION OF ADMINISTRATOR.—Section 402(d)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1342(d)(2)) is amended—

(1) by striking “(2)” and all that follows through the end of the first sentence and inserting the following:

“(2) OBJECTION BY ADMINISTRATOR.—

“(A) IN GENERAL.—Subject to subparagraph (C), no permit shall issue if—

“(i) not later than 90 days after the date on which the Administrator receives notification under subsection (b)(2)(E), the Administrator objects in writing to the issuance of the permit; or

“(ii) not later than 90 days after the date on which the proposed permit of the State is transmitted to the Administrator, the Administrator objects in writing to the issuance of the permit as being outside the guidelines and requirements of this Act.”;

(2) in the second sentence, by striking “Whenever the Administrator” and inserting the following:

“(B) REQUIREMENTS.—If the Administrator”;

“(3) by adding at the end the following:

“(C) EXCEPTION.—The Administrator shall not object to or deny the issuance of a permit by a State under subsection (b) or (s) based on the following:

“(i) Guidance, as that term is defined in subsection (s)(1).

“(ii) The interpretation of the Administrator of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c).”.

**SEC. 2202. PERMITS FOR DREDGED OR FILL MATERIAL.**

(a) IN GENERAL.—Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) is amended—

(1) by striking the section heading and all that follows through “SEC. 404. (a) The Secretary may issue” and inserting the following:

**“SEC. 404. PERMITS FOR DREDGED OR FILL MATERIAL.**

“(a) PERMITS.—

“(1) IN GENERAL.—The Secretary may issue”; and

(2) in subsection (a), by adding at the end the following:

“(2) DEADLINE FOR APPROVAL.—

“(A) PERMIT APPLICATIONS.—

“(i) IN GENERAL.—Except as provided in clause (ii), if an environmental assessment

or environmental impact statement, as appropriate, is required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Secretary shall—

“(I) begin the process not later than 90 days after the date on which the Secretary receives a permit application; and

“(II) approve or deny an application for a permit under this subsection not later than the latter of—

“(aa) if an agency carries out an environmental assessment that leads to a finding of no significant impact, the date on which the finding of no significant impact is issued; or

“(bb) if an agency carries out an environmental assessment that leads to a record of decision, 15 days after the date on which the record of decision on an environmental impact statement is issued.

“(ii) PROCESSES.—Notwithstanding clause (i), regardless of whether the Secretary has commenced an environmental assessment or environmental impact statement by the date described in clause (i)(I), the following deadlines shall apply:

“(I) An environmental assessment carried out under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be completed not later than 1 year after the deadline for commencing the permit process under clause (i)(I).

“(II) An environmental impact statement carried out under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be completed not later than 2 years after the deadline for commencing the permit process under clause (i)(I).

“(B) FAILURE TO ACT.—If the Secretary fails to act by the deadline specified in clause (i) or (ii) of subparagraph (A)—

“(i) the application, and the permit requested in the application, shall be considered to be approved;

“(ii) the Secretary shall issue a permit to the applicant; and

“(iii) the permit shall not be subject to judicial review.”.

(b) STATE PERMITTING PROGRAMS.—Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) is amended by striking subsection (c) and inserting the following:

“(c) AUTHORITY OF ADMINISTRATOR.—

“(1) IN GENERAL.—Subject to paragraphs (2) through (4), until the Secretary has issued a permit under this section, the Administrator is authorized to prohibit the specification (including the withdrawal of specification) of any defined area as a disposal site, and deny or restrict the use of any defined area for specification (including the withdrawal of specification) as a disposal site, if the Administrator determines, after notice and opportunity for public hearings, that the discharge of the materials into the area will have an unacceptable adverse effect on municipal water supplies, shellfish beds or fishery areas (including spawning and breeding areas), wildlife, or recreational areas.

“(2) CONSULTATION.—Before making a determination under paragraph (1), the Administrator shall consult with the Secretary.

“(3) FINDINGS.—The Administrator shall set forth in writing and make public the findings of the Administrator and the reasons of the Administrator for making any determination under this subsection.

“(4) AUTHORITY OF STATE PERMITTING PROGRAMS.—This subsection shall not apply to any permit if the State in which the discharge originates or will originate does not concur with the determination of the Administrator that the discharge will result in an unacceptable adverse effect as described in paragraph (1).”.

(c) STATE PROGRAMS.—Section 404(g)(1) of the Federal Water Pollution Control Act (33 U.S.C. 1344(g)(1)) is amended in the first sen-

tence by striking “for the discharge” and inserting “for all or part of the discharges”.

**SEC. 2203. IMPACTS OF ENVIRONMENTAL PROTECTION AGENCY REGULATORY ACTIVITY ON EMPLOYMENT AND ECONOMIC ACTIVITY.**

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) COVERED ACTION.—The term “covered action” means any of the following actions taken by the Administrator under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.):

(A) Issuing a regulation, policy statement, guidance, response to a petition, or other requirement.

(B) Implementing a new or substantially altered program.

(3) MORE THAN A DE MINIMIS NEGATIVE IMPACT.—The term “more than a de minimis negative impact” means the following:

(A) With respect to employment levels, a loss of more than 100 jobs, except that any offsetting job gains that result from the hypothetical creation of new jobs through new technologies or government employment may not be used in the job loss calculation.

(B) With respect to economic activity, a decrease in economic activity of more than \$1,000,000 over any calendar year, except that any offsetting economic activity that results from the hypothetical creation of new economic activity through new technologies or government employment may not be used in the economic activity calculation.

(b) ANALYSIS OF IMPACTS OF ACTIONS ON EMPLOYMENT AND ECONOMIC ACTIVITY.—

(1) ANALYSIS.—Before taking a covered action, the Administrator shall analyze the impact, disaggregated by State, of the covered action on employment levels and economic activity, including estimated job losses and decreased economic activity.

(2) ECONOMIC MODELS.—

(A) IN GENERAL.—In carrying out paragraph (1), the Administrator shall use the best available economic models.

(B) ANNUAL GAO REPORT.—Not later than December 31st of each year, the Comptroller General of the United States shall submit to Congress a report on the economic models used by the Administrator to carry out this subsection.

(3) AVAILABILITY OF INFORMATION.—With respect to any covered action, the Administrator shall—

(A) post the analysis under paragraph (1) as a link on the main page of the public Internet Web site of the Environmental Protection Agency; and

(B) request that the Governor of any State experiencing more than a de minimis negative impact post the analysis in the Capitol of the State.

(c) PUBLIC HEARINGS.—

(1) IN GENERAL.—If the Administrator concludes under subsection (b)(1) that a covered action will have more than a de minimis negative impact on employment levels or economic activity in a State, the Administrator shall hold a public hearing in each such State at least 30 days prior to the effective date of the covered action.

(2) TIME, LOCATION, AND SELECTION.—

(A) IN GENERAL.—A public hearing required under paragraph (1) shall be held at a convenient time and location for impacted residents.

(B) PRIORITY.—In selecting a location for such a public hearing, the Administrator shall give priority to locations in the State that will experience the greatest number of job losses.

(d) NOTIFICATION.—If the Administrator concludes under subsection (b)(1) that a covered action will have more than a de minimis negative impact on employment levels or economic activity in any State, the Administrator shall give notice of such impact to the congressional delegation, Governor, and legislature of the State at least 45 days before the effective date of the covered action.

**SEC. 2204. IDENTIFICATION OF WATERS PROTECTED BY THE CLEAN WATER ACT.**

(a) IN GENERAL.—The Secretary of the Army and the Administrator of the Environmental Protection Agency may not—

(1) finalize, adopt, implement, administer, or enforce the proposed guidance described in the notice of availability and request for comments entitled “EPA and Army Corps of Engineers Guidance Regarding Identification of Waters Protected by the Clean Water Act” (EPA-HQ-OW-2011-0409) (76 Fed. Reg. 24479 (May 2, 2011)); and

(2) use the guidance described in paragraph (1), any successor document, or any substantially similar guidance made publicly available on or after December 3, 2008, as the basis for any decision regarding the scope of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or any rulemaking.

(b) RULES.—The use of the guidance described in subsection (a)(1), or any successor document or substantially similar guidance made publicly available on or after December 3, 2008, as the basis for any rule shall be grounds for vacating the rule.

**SEC. 2205. LIMITATIONS ON AUTHORITY TO MODIFY STATE WATER QUALITY STANDARDS.**

(a) STATE WATER QUALITY STANDARDS.—Section 303(c)(4) of the Federal Water Pollution Control Act (33 U.S.C. 1313(c)(4)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;

(2) by striking “(4) The” and inserting the following:

“(4) PROMULGATION OF REVISED OR NEW STANDARDS.—

“(A) IN GENERAL.—The”;

(3) by striking “The Administrator shall promulgate” and inserting the following:

“(B) DEADLINE.—The Administrator shall promulgate;” and

(4) by adding at the end the following:

“(C) STATE WATER QUALITY STANDARDS.—Notwithstanding any other provision of this paragraph, the Administrator may not promulgate a revised or new standard for a pollutant in any case in which the State has submitted to the Administrator and the Administrator has approved a water quality standard for that pollutant, unless the State concurs with the determination of the Administrator that the revised or new standard is necessary to meet the requirements of this Act.”

(b) FEDERAL LICENSES AND PERMITS.—Section 401(a) of the Federal Water Pollution Control Act (33 U.S.C. 1341(a)) is amended by adding at the end the following:

“(7) STATE OR INTERSTATE AGENCY DETERMINATION.—With respect to any discharge, if a State or interstate agency having jurisdiction over the navigable waters at the point at which the discharge originates or will originate determines under paragraph (1) that the discharge will comply with the applicable provisions of sections 301, 302, 303, 306, and 307, the Administrator may not take any action to supersede the determination.”

**SEC. 2206. STATE AUTHORITY TO IDENTIFY WATERS WITHIN BOUNDARIES OF THE STATE.**

Section 303(d) of the Federal Water Pollution Control Act (33 U.S.C. 1313(d)) is amended by striking paragraph (2) and inserting the following:

“(2) STATE AUTHORITY TO IDENTIFY WATERS WITHIN BOUNDARIES OF THE STATE.—

“(A) IN GENERAL.—Each State shall submit to the Administrator from time to time, with the first such submission not later than 180 days after the date of publication of the first identification of pollutants under section 304(a)(2)(D), the waters identified and the loads established under subparagraphs (A), (B), (C), and (D) of paragraph (1).

“(B) APPROVAL OR DISAPPROVAL BY ADMINISTRATOR.—

“(i) IN GENERAL.—Not later than 30 days after the date of submission, the Administrator shall approve the State identification and load or announce the disagreement of the Administrator with the State identification and load.

“(ii) APPROVAL.—If the Administrator approves the identification and load submitted by the State under this subsection, the State shall incorporate the identification and load into the current plan of the State under subsection (e).

“(iii) DISAPPROVAL.—If the Administrator announces the disagreement of the Administrator with the identification and load submitted by the State under this subsection, the Administrator shall submit, not later than 30 days after the date that the Administrator announces the disagreement of the Administrator with the submission of the State, to the State the written recommendation of the Administrator of those additional waters that the Administrator identifies and such loads for such waters as the Administrator believes are necessary to implement the water quality standards applicable to the waters.

“(C) ACTION BY STATE.—Not later than 30 days after receipt of the recommendation of the Administrator, the State shall—

“(i) disregard the recommendation of the Administrator in full and incorporate its own identification and load into the current plan of the State under subsection (e);

“(ii) accept the recommendation of the Administrator in full and incorporate its identification and load as amended by the recommendation of the Administrator into the current plan of the State under subsection (e); or

“(iii) accept the recommendation of the Administrator in part, identifying certain additional waters and certain additional loads proposed by the Administrator to be added to the State’s identification and load and incorporate the State’s identification and load as amended into the current plan of the State under subsection (e).

“(D) NONCOMPLIANCE BY ADMINISTRATOR.—

“(i) IN GENERAL.—If the Administrator fails to approve the State identification and load or announce the disagreement of the Administrator with the State identification and load within the time specified in this subsection—

“(I) the identification and load of the State shall be considered approved; and

“(II) the State shall incorporate the identification and load that the State submitted into the current plan of the State under subsection (e).

“(ii) RECOMMENDATIONS NOT SUBMITTED.—If the Administrator announces the disagreement of the Administrator with the identification and load of the State but fails to submit the written recommendation of the Administrator to the State within 30 days as required by subparagraph (B)(iii)—

“(I) the identification and load of the State shall be considered approved; and

“(II) the State shall incorporate the identification and load that the State submitted into the current plan of the State under subsection (e).

“(E) APPLICATION.—This section shall apply to any decision made by the Adminis-

trator under this subsection issued on or after March 1, 2013.”

**SA 2956.** Mr. REID (for Mr. MENENDEZ) proposed an amendment to the resolution S. Res. 371, honoring the legacy and accomplishments of Jan Karski on the centennial of his birth; as follows:

Beginning on page 2, strike line 2 and all that follows through “(3) applauds” on page 3, line 3, and insert the following:

(1) recognizes the life and legacy of Dr. Jan Karski on the centennial of his birth, and expresses its gratitude for his efforts alerting the free world about the atrocities committed by Nazi and totalitarian forces in occupied Poland during World War II; and

(2) applauds

**SA 2957.** Mr. REID (for Mr. MENENDEZ) proposed an amendment to the resolution S. Res. 371, 0; as follows:

Amend the title so as to read: “Honoring the legacy and accomplishments of Jan Karski on the centennial of his birth.”

**NOTICE OF INTENT TO OBJECT TO PROCEEDING**

I, Senator CHARLES E. GRASSLEY, intend to object to the nomination of Katherine M. O’Regan, to be an Assistant Secretary of Housing and Urban Development, dated March 31, 2014.

**AUTHORITY FOR COMMITTEES TO MEET**

**COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION**

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on April 1, 2014, at 2:30 p.m. in room SR-253 of the Russell Senate Office Building, to conduct a hearing entitled, “Reauthorization of the Satellite Television Extension and Localism Act.”

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON FOREIGN RELATIONS**

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on April 1, 2014, at 2:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS**

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet during the session of the Senate on April 1, 2014, at 2:30 p.m. in room SD-430 of the Dirksen Senate Office Building, to conduct a hearing entitled, “Access to Justice: Ensuring Equal Pay with the Paycheck Fairness Act.”

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON THE JUDICIARY**

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized