

Union Calendar No. 70

104TH CONGRESS
1ST SESSION

H. R. 1617

[Report No. 104-152]

A BILL

To consolidate and reform workforce development and literacy programs, and for other purposes.

JUNE 22, 1995

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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IN THE HOUSE OF REPRESENTATIVES

MAY 11, 1995

Mr. MCKEON (for himself, Mr. GOODLING, Mr. CUNNINGHAM, Mr. GUNDERSON, Mr. RIGGS, Mr. DELAY, Mr. BOEHNER, Mr. KASICH, Mr. MCINTOSH, Mr. PETRI, Mrs. ROUKEMA, Mr. FUNDERBURK, Mr. SOUDER, Mr. FAWELL, Mr. BALLENGER, Mr. BARRETT of Nebraska, Mr. HOEKSTRA, Mr. CASTLE, Mrs. MEYERS of Kansas, Mr. SAM JOHNSON of Texas, Mr. TALENT, Mr. GREENWOOD, Mr. HUTCHINSON, Mr. KNOLLENBERG, Mr. GRAHAM, Mr. WELDON of Florida, Mr. NORWOOD, and Mr. DAVIS) introduced the following bill; which was referred to the Committee on Economic and Educational Opportunities

JUNE 22, 1995

Additional sponsors: Mr. WELLER, Mr. HERGER, Mrs. SEASTRAND, Mr. LINDER, Mrs. JOHNSON of Connecticut, Mr. ROGERS, Mr. GOODLATTE, Mr. HANCOCK, and Mr. SENSENBRENNER

JUNE 22, 1995

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on May 11, 1995]

A BILL

To consolidate and reform workforce development and literacy programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the—*

5 *(1) “Consolidated and Reformed Education, Em-*
 6 *ployment, and Rehabilitation Systems Act”; or*

7 *(2) “CAREERS Act”.*

8 **SEC. 2. TABLE OF CONTENTS.**

9 *The table of contents for this Act is as follows:*

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. Findings and purpose.

Sec. 4. Authorization of appropriations.

Sec. 5. Definitions.

Sec. 6. Transition.

TITLE I—WORKFORCE DEVELOPMENT INFRASTRUCTURE

Sec. 101. Purpose of title.

Subtitle A—State and Local Responsibilities

Sec. 102. State requirements.

Sec. 103. Collaborative process regarding State system.

Sec. 104. Consolidated State workforce development and literacy plan.

Sec. 105. Establishment of workforce development areas.

Sec. 106. Provisions regarding local workforce development boards.

Sec. 107. Establishment of one-stop career center systems.

Sec. 108. Certification of education, training, and vocational rehabilitation serv-
ice providers.

Sec. 109. Management information systems.

Sec. 110. Performance accountability system.

Subtitle B—Amendments to Wagner-Peyser Act

Sec. 131. General program requirements.

Sec. 132. Labor market information.

Subtitle C—Worker Rights

Sec. 141. Requirements.

*TITLE II—YOUTH DEVELOPMENT AND CAREER PREPARATION
CONSOLIDATION GRANT*

Sec. 201. Purposes.

Sec. 202. Definitions.

Subtitle A—State Funding

Sec. 211. National and State funding.

Sec. 212. Within State allocation.

Subtitle B—State Organizational, Planning, and Reporting Responsibilities

Sec. 221. State plan.

Sec. 222. State programs and State activities.

Sec. 223. Incentive awards.

Sec. 224. Core standards, performance goals, and measures.

Subtitle C—Subgrants for In-School and At-Risk Youth

Sec. 231. Partnership agreements.

Sec. 232. Distribution of funds.

CHAPTER 1—IN-SCHOOL YOUTH

Sec. 241. Uses of funds for in-school youth.

CHAPTER 2—AT-RISK YOUTH

Sec. 245. Uses of funds for at-risk youth.

Sec. 246. At-risk youth providers.

Subtitle D—National Programs

Sec. 251. Research activities.

Sec. 252. Assessment and data collection of youth development and career preparation programs.

Sec. 253. National center or centers for research.

*TITLE III—ADULT EMPLOYMENT AND TRAINING CONSOLIDATION
GRANT*

Subtitle A—Adult Employment and Training Consolidation Grant

Sec. 301. Purpose.

Sec. 302. Authorization.

Sec. 303. Allotment among States.

Sec. 304. Allocation within States.

Sec. 305. Additional State plan requirements.

Sec. 306. Use of amounts.

Sec. 307. Core standards, performance goals, and measures.

Subtitle B—Federal Programs

Sec. 311. National discretionary grants.

Sec. 312. Disaster relief employment assistance.

- Sec. 313. Research, demonstration, evaluation, and capacity building.*
- Sec. 314. Workforce skills and development loans.*
- Sec. 315. Employment, training, and education assistance for Native Americans.*
- Sec. 316. Employment, training, and education assistance for migrant and seasonal farmworkers.*

TITLE IV—ADULT EDUCATION AND FAMILY LITERACY CONSOLIDATION GRANT AND LIBRARY SERVICES AND TECHNOLOGY CONSOLIDATION GRANT

- Sec. 401. Findings.*
- Sec. 402. Definitions.*

Subtitle A—Adult Education and Family Literacy Consolidation Grant

- Sec. 411. Purposes.*

CHAPTER 1—FUNDING

- Sec. 421. Reservations from amounts appropriated.*
- Sec. 422. Allotment.*

CHAPTER 2—GRANTS TO STATES

- Sec. 431. Requirement to make grants.*
- Sec. 432. Uses of funds.*
- Sec. 433. Additional grant requirements.*
- Sec. 434. Performance measures.*

CHAPTER 3—NATIONAL PROGRAMS

- Sec. 441. National Institute for Literacy.*
- Sec. 442. National leadership activities.*

Subtitle B—Library Services and Technology Consolidation Grant

- Sec. 451. Purposes.*
- Sec. 452. Authorization of appropriations.*
- Sec. 453. Allotments.*
- Sec. 454. Grants to States.*
- Sec. 455. Uses of funds.*
- Sec. 456. Annual applications.*

TITLE V—AMENDMENTS TO REHABILITATION ACT OF 1973

Subtitle A—Vocational Rehabilitation Consolidation Grant

CHAPTER 1—TRANSITION PERIOD

- Sec. 501. Transition.*

CHAPTER 2—REVISION OF TITLE I OF REHABILITATION ACT OF 1973

- Sec. 511. Revision of title I.*

Subtitle B—Other Amendments to Rehabilitation Act of 1973

- Sec. 521. Training and demonstration projects.*
- Sec. 522. Employment opportunities for individuals with disabilities.*

TITLE VI—REPEALERS AND OTHER AMENDMENTS

- Sec. 601. Carl D. Perkins Vocational and Applied Technology Education Act.
Sec. 602. School-to-Work Opportunities Act.
Sec. 603. Adult Education Act.
Sec. 604. National Literacy Act.
Sec. 605. Library Services and Construction Act.
Sec. 606. Technology for Education Act of 1994.
Sec. 607. Job Training Partnership Act.
Sec. 608. Stewart B. McKinney Homeless Assistance Act.
Sec. 609. Effective date.

1 **SEC. 3. FINDINGS AND PURPOSE.**

2 (a) *FINDINGS.*—The Congress finds the following:

3 (1) *The knowledge and skills of the United States*
4 *workforce are fundamental to the economic competi-*
5 *tiveness of the Nation today and in the future, how-*
6 *ever, the United States does not currently possess a*
7 *comprehensive, effective, and efficient system of*
8 *workforce preparation and development.*

9 (2) *Due to global competition, emerging tech-*
10 *nologies in the workplace, the emergence of quality*
11 *managing, corporate realignments, and the loss of*
12 *many low-skilled jobs, United States workers will in-*
13 *creasingly need to enhance their skills on a continu-*
14 *ing, lifelong basis through such a workforce prepara-*
15 *tion and development system.*

16 (3) *Reports from the Comptroller General of the*
17 *United States have identified 163 different Federal*
18 *programs, totaling \$20,000,000,000, and administered*
19 *by 14 different Federal agencies, that offer some form*

1 *of education, job training, or employment assistance*
2 *to youth and adults.*

3 *(4) Such reports point to the many problems of*
4 *duplication and fragmentation that exist within the*
5 *varied Federal workforce preparation and develop-*
6 *ment programs, including—*

7 *(A) the additional costs of administering*
8 *overlapping workforce preparation and develop-*
9 *ment programs at the Federal, State, and local*
10 *levels which divert scarce resources that could be*
11 *better used to assist all individuals in preparing*
12 *for and entering the workforce; and*

13 *(B) conflicting eligibility requirements, an-*
14 *ual budgeting and operating cycles, planning*
15 *and reporting requirements, and performance*
16 *measurement systems which serve as barriers to*
17 *the integration of Federal workforce preparation*
18 *and development programs and result in an inef-*
19 *ficient use of resources.*

20 *(5) Major goals of any reform of the Federal*
21 *workforce preparation and development system must*
22 *be—*

23 *(A) to streamline and consolidate individ-*
24 *ual workforce preparation and development pro-*

1 *grams, eliminating unnecessary duplication and*
2 *fragmentation in such programs;*

3 *(B) to provide maximum authority and re-*
4 *sponsibility to States and local communities for*
5 *operation of State and local workforce prepara-*
6 *tion and development programs;*

7 *(C) to stress private sector partnerships, in-*
8 *cluding the use of private sector service providers*
9 *and encourage increased leadership and respon-*
10 *sibility on the part of the private sector through*
11 *the use of creative incentives for investment in*
12 *workforce training (which may include reduced*
13 *regulatory burdens, tax incentives, and employer*
14 *loans for the training of incumbent workers);*

15 *(D) to establish a system which is market-*
16 *driven, accountable, provides customer choice*
17 *and easy access to services, and reinforces indi-*
18 *vidual responsibility;*

19 *(E) to improve education, literacy, job*
20 *training, rehabilitation, and employment assist-*
21 *ance programs in the United States, encouraging*
22 *lifelong learning and skills upgrading through a*
23 *seamless system connecting elementary, second-*
24 *ary, postsecondary, rehabilitation, adult, and*
25 *work-based training and education; and*

1 (F) to establish a comprehensive, integrated
2 labor market information system to ensure that
3 workforce preparation and development pro-
4 grams are related to the demand for particular
5 skills in local labor markets, and to ensure that
6 information about the employment and earnings
7 of the local workforce, occupations in demand,
8 skill requirements for such occupations, and the
9 performance of education, rehabilitation, and
10 training providers are available to job seekers,
11 employers, teachers, students, and
12 decisionmakers.

13 (6) Early exposure to career opportunities, in-
14 cluding opportunities in the practical arts or trade,
15 can enrich the education experience and provide in-
16 centives for students to stay in school and achieve
17 higher levels of learning.

18 (7) Millions of families in the United States are
19 trapped in a cycle of poverty, dependency, and inad-
20 equate education that is linked to illiteracy and low
21 educational achievement, for which adult education
22 and family literacy programs have been shown to be
23 successful in improving the educational attainment
24 and job skills of parents and their children, contribut-
25 ing to reductions in crime, welfare dependency, and

1 *enhancing employment opportunities for such indi-*
2 *viduals.*

3 *(8) In recent years, a number of innovative*
4 *States and local communities have begun successful*
5 *efforts to integrate Federal workforce preparation and*
6 *development programs through one-stop service deliv-*
7 *ery systems, however, without exception, such States*
8 *and communities have experienced numerous Federal*
9 *barriers to such program integration.*

10 *(9) An extremely high percentage of Americans*
11 *with disabilities are unemployed, and need access to*
12 *high quality, specialized rehabilitation services that*
13 *lead to employment, independence, and full participa-*
14 *tion in the mainstream of life in America.*

15 *(b) PURPOSE.—The purpose of this Act is to transform*
16 *the vast array of Federal workforce development and lit-*
17 *eracy programs from a collection of fragmented and dupli-*
18 *cative categorical programs into a streamlined, comprehen-*
19 *sive, coherent, high-quality, cost-effective, market-based, and*
20 *accountable Federal workforce development and literacy*
21 *system that is designed to meet the education, employment,*
22 *and training needs of the workforce and the competitiveness*
23 *needs of employers of the United States, both today and in*
24 *the future.*

1 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) *IN GENERAL.*—There are authorized to be appro-
3 priated—

4 (1) for title II, \$2,308,200,000 for fiscal year
5 1997 and such sums as may be necessary for each of
6 the fiscal years 1998 through 2002 to carry out the
7 programs under such title;

8 (2) for title III, \$2,263,400,000 for fiscal year
9 1997 and such sums as may be necessary for each of
10 the fiscal years 1998 through 2002 to carry out the
11 programs under such title; and

12 (3) for subtitle A of title IV, \$280,000,000 for fis-
13 cal year 1997 and such sums as may be necessary for
14 each of the fiscal years 1998 through 2002 to carry
15 out the programs under such subtitle.

16 (b) *PROGRAM YEAR.*—

17 (1) *IN GENERAL.*—Beginning with fiscal year
18 1997, and thereafter, appropriations for any fiscal
19 year for programs and activities under this Act shall
20 be available for obligation only on the basis of a pro-
21 gram year. The program year shall begin on July 1
22 in the fiscal year for which the appropriation is
23 made.

24 (2) *OBLIGATION.*—Funds obligated for any pro-
25 gram year under titles II, III, and IV, may be ex-
26 pended by each recipient during that program year

1 *and the two succeeding program years, except that the*
2 *Secretary shall, in accordance with paragraph (3),*
3 *reallot to eligible States the funds allotted to States*
4 *from funds appropriated for reallotments.*

5 (3) *AMOUNTS AVAILABLE FOR REALLOTMENT.—*

6 *The amount available for reallotment is equal to—*

7 (A) *the amount by which the unobligated*
8 *balance of the State allotment at the end of the*
9 *program year prior to the program year for*
10 *which the determination under this section is*
11 *made exceeds 20 percent of such allotment for the*
12 *prior program year; plus*

13 (B) *the unexpended balance of the State al-*
14 *lotment from any program year prior to the pro-*
15 *gram year in which there is such excess.*

16 **SEC. 5. DEFINITIONS.**

17 *For purposes of this Act:*

18 (1) *ADULT.—The term “adult” means an indi-*
19 *vidual who is 16 years of age, or beyond the age of*
20 *compulsory school attendance under State law, and*
21 *who is not enrolled or required to be enrolled in sec-*
22 *ondary school.*

23 (2) *ADULT EDUCATION.—The term “adult edu-*
24 *cation” means services or instruction below the post-*
25 *secondary level for adults—*

1 (A) who are not enrolled in secondary
2 school;

3 (B) who lack sufficient mastery of basic
4 educational skills to enable them to function ef-
5 fectively in society or who do not have a certifi-
6 cate of graduation from a school providing sec-
7 ondary education and who have not achieved an
8 equivalent level of education;

9 (C) who are not currently required to be en-
10 rolled in school; and

11 (D) whose lack of mastery of basic skills re-
12 sults in an inability to speak, read, or write the
13 English language which constitutes a substantial
14 impairment of their ability to get or retain em-
15 ployment commensurate with their real ability,
16 and thus are in need of programs to help elimi-
17 nate such inability and raise the level of edu-
18 cation of such individuals with a view to making
19 them less likely to become dependent on others.

20 (3) AREA VOCATIONAL EDUCATION SCHOOL.—
21 The term “area vocational education school” means—

22 (A) a specialized high school used exclu-
23 sively or principally for the provision of voca-
24 tional education to individuals who are available

1 *for study in preparation for entering the labor*
2 *market;*

3 *(B) the department of a high school exclu-*
4 *sively or principally used for providing voca-*
5 *tional education in not less than 5 different oc-*
6 *cupational fields to individuals who are avail-*
7 *able for study in preparation for entering the*
8 *labor market;*

9 *(C) a technical institute or vocational school*
10 *used exclusively or principally for the provision*
11 *of vocational education to individuals who have*
12 *completed or left high school and who are avail-*
13 *able for study in preparation for entering the*
14 *labor market; or*

15 *(D) the department or division of a junior*
16 *college, community college or university operat-*
17 *ing under the policies of the State board and*
18 *which provides vocational education in not less*
19 *than 5 different occupational fields leading to*
20 *immediate employment but not necessarily lead-*
21 *ing to a baccalaureate degree, if, in the case of*
22 *a school, department, or division described in*
23 *subparagraph (C) or this subparagraph, it ad-*
24 *mits as regular students both individuals who*

1 *have completed high school and individuals who*
2 *have left high school.*

3 (4) *AT-RISK YOUTH.*—*The term “at-risk youth”*
4 *means—*

5 (A) *an out-of-school, at-risk youth who is an*
6 *individual age 24 or younger and who is not en-*
7 *rolled in a secondary or postsecondary education*
8 *program, has not received a high school diploma*
9 *or equivalent and must overcome barriers to em-*
10 *ployment such as economic disadvantages, dis-*
11 *ability, or limited English proficiency; or*

12 (B) *an in-school, at-risk youth who is an*
13 *individual age 24 or younger who is enrolled in*
14 *an accredited secondary or postsecondary edu-*
15 *cation program but is at risk of dropping out of*
16 *school or must overcome barriers to complete an*
17 *education program, such as economic disadvan-*
18 *tages, disability, or limited English proficiency.*

19 (5) *CAREER EXPLORATION AND GUIDANCE COUN-*
20 *SELING.*—*The term “career exploration and guidance*
21 *counseling” means a program—*

22 (A) *which pertains to the body of subject*
23 *matter and related techniques and methods orga-*
24 *nized for the development in individuals of ca-*
25 *reer awareness, career planning, career decision-*

1 *making, placement skills, and knowledge and un-*
2 *derstanding of local, State, and national occupa-*
3 *tional, educational, and labor market needs,*
4 *trends, and opportunities;*

5 *(B) which assists such individuals in mak-*
6 *ing and implementing informed educational and*
7 *occupational choices; and*

8 *(C) which is comprehensive in nature and*
9 *provided through an educational program begin-*
10 *ning in as early a grade as possible, including*
11 *late elementary and middle school grades.*

12 (6) *CASE MANAGEMENT.*—*The term “case man-*
13 *agement” means the provision of a client-centered ap-*
14 *proach in the delivery of services designed to—*

15 *(A) prepare and coordinate comprehensive*
16 *employment plans, such as service strategies for*
17 *participants, to ensure access to necessary train-*
18 *ing and supportive services, using, where fea-*
19 *sible, computer-based technologies; and*

20 *(B) provide job and career counseling dur-*
21 *ing program participation and after job place-*
22 *ment.*

23 (7) *CHIEF ELECTED OFFICIAL.*—*The term “chief*
24 *elected official” means the chief elected executive offi-*

1 *cer of a unit of general local government in a*
2 *workforce development area.*

3 (8) *COMMUNITY-BASED ORGANIZATION.*—*The*
4 *term “community-based organization” means a pri-*
5 *vate nonprofit organization that is representative of*
6 *a community or significant segments of a community*
7 *that provides education, vocational rehabilitation, job*
8 *training, supportive services, or internship services*
9 *and programs.*

10 (9) *DEMOGRAPHIC CHARACTERISTICS.*—*The term*
11 *“demographic characteristics” means information on*
12 *population, especially with reference to size, density,*
13 *distribution, and vital statistics including, age, race,*
14 *sex, ethnic origin, and income status.*

15 (10) *DISLOCATED WORKER.*—*The term “dis-*
16 *located worker” means an individual who—*

17 (A) *has been terminated or laid off or who*
18 *has received a notice of termination or layoff*
19 *from employment, is eligible for or has exhausted*
20 *entitlement to unemployment compensation, and*
21 *is unlikely to return to a previous industry or*
22 *occupation;*

23 (B) *has been terminated, or has received a*
24 *notice of termination of employment, as a result*

1 *of any permanent closure of, or any substantial*
2 *layoff at, a plant, facility, or enterprise;*

3 *(C) has been unemployed long-term and has*
4 *limited opportunities for employment or reem-*
5 *ployment in the same or a similar occupation in*
6 *the area in which such individual resides, in-*
7 *cluding an older individual who may have sub-*
8 *stantial barriers to employment by reason of age;*
9 *or*

10 *(D) was self-employed (including farmers*
11 *and ranchers) but is unemployed as a result of*
12 *general economic conditions in the community*
13 *in which they reside or because of natural disas-*
14 *ters.*

15 *(11) DISPLACED HOMEMAKER.—The term “dis-*
16 *placed homemaker” means an individual who—*

17 *(A) is an adult; and*

18 *(B)(i) has worked as an adult primarily*
19 *without remuneration to care for the home and*
20 *family, and for that reason has diminished mar-*
21 *ketable skills;*

22 *(ii) has been dependent on public assistance*
23 *or on the income of a relative but is no longer*
24 *supported by such income;*

1 (iii) is a parent whose youngest dependent
2 child will become ineligible to receive assistance
3 under the program for aid to families with de-
4 pendent children under part A of title IV of the
5 Social Security Act within 2 years of the par-
6 ent's application for assistance under title II of
7 this Act; or

8 (iv) is unemployed or underemployed and is
9 experiencing difficulty in obtaining any employ-
10 ment or suitable employment, as appropriate.

11 (12) *EARNINGS*.—The term “earnings” means
12 gross hourly wages before any deduction, plus the esti-
13 mated hourly value of bonuses, tips, gratuities, com-
14 missions, and overtime pay either expected or re-
15 ceived. In the case of individuals in subsidized em-
16 ployment, total hourly earnings include any wage
17 subsidy paid to the individual.

18 (13) *ECONOMIC DEVELOPMENT AGENCIES*.—The
19 term “economic development agencies” means State
20 and local planning and zoning commissions or
21 boards, community development agencies, and other
22 State and local agencies and institutions responsible
23 for regulating, promoting, or assisting in State and
24 local economic development.

1 (14) *ECONOMICALLY DISADVANTAGED*.—The term
2 “economically disadvantaged” means an individual
3 who—

4 (A) receives, or is a member of a family
5 which receives, cash welfare payments under a
6 Federal, State, or local welfare program;

7 (B) has, or is a member of a family which
8 has, received a total family income for the 6-
9 month period prior to application for the pro-
10 gram involved (exclusive of unemployment com-
11 pensation, child support payments, and welfare
12 payments) which, in relation to family size, was
13 not in excess of the higher of—

14 (i) the official poverty line (as defined
15 by the Office of Management and Budget,
16 and revised annually in accordance with
17 section 673(2) of the Omnibus Budget Rec-
18 onciliation Act of 1981 (42 U.S.C. 9902(2)),
19 or

20 (ii) 70 percent of the lower living
21 standard income level;

22 (C) is receiving (or has been determined
23 within the 6-month period prior to the applica-
24 tion for the program involved to be eligible to re-

1 *ceive) food stamps pursuant to the Food Stamp*
2 *Act of 1977;*

3 *(D) qualifies as a homeless individual*
4 *under subsections (a) and (c) of section 103 of*
5 *the Stewart B. McKinney Homeless Assistance*
6 *Act;*

7 *(E) is a foster child on behalf of whom*
8 *State or local government payments are made;*

9 *(F) in cases permitted by regulations of the*
10 *Secretary, is an individual with a disability*
11 *whose own income meets the requirements of sub-*
12 *paragraph (A) or (B), but who is a member of*
13 *a family whose income does not meet such re-*
14 *quirements; or*

15 *(G) is an individual meeting appropriate*
16 *criteria approved by a State.*

17 *(15) EDUCATIONAL SERVICE AGENCY.—The term*
18 *“educational service agency” means a regional public*
19 *multiservice agency authorized by State statute to de-*
20 *velop, manage, and provide services or programs to*
21 *local education agencies, and is recognized as an ad-*
22 *ministrative agency for such State’s vocational or*
23 *technical education schools or for vocational programs*
24 *within its public elementary or secondary schools.*
25 *Such term includes any other public institution or*

1 *agency having administrative control and direction*
2 *over a public elementary or secondary school.*

3 (16) *EMPLOYED.*—*The term “employed” means*
4 *an individual who is currently—*

5 (A) *a paid employee;*

6 (B) *works in his or her own business, pro-*
7 *fession, or farm;*

8 (C) *works 15 hours or more per week as an*
9 *unpaid worker in an enterprise operated by a*
10 *family member; or is one who is not working,*
11 *but has a job or business from which he or she*
12 *is temporarily absent due to illness, bad weather,*
13 *vacation, labor-management dispute, or personal*
14 *reasons; or*

15 (D) *on active military duty.*

16 (17) *ENGLISH LITERACY PROGRAM.*—*The term*
17 *“English literacy program” means a program of in-*
18 *struction designed to help limited English proficient*
19 *adults, out-of-school youths, or both, achieve full com-*
20 *petence in the English language.*

21 (18) *EXCESS NUMBER.*—*The term “excess num-*
22 *ber” means, with respect to the excess number of un-*
23 *employed individuals within a State, the number that*
24 *represents the number of unemployed individuals in*
25 *excess of 4.5 percent of the civilian labor force in the*

1 *State, or the number that represents the number of*
2 *unemployed individuals in excess of 4.5 percent of the*
3 *civilian labor force in areas of substantial unemploy-*
4 *ment in such State.*

5 (19) *GOVERNOR.*—*The term “Governor” means*
6 *the chief executive of State.*

7 (20) *INDIVIDUAL OF LIMITED ENGLISH PRO-*
8 *FICIENCY.*—*The term “individual of limited English*
9 *proficiency” means an adult or out-of-school youth*
10 *who has limited ability in speaking, reading, writing,*
11 *or understanding the English language and—*

12 (A) *whose native language is a language*
13 *other than English; or*

14 (B) *who lives in a family or community en-*
15 *vironment where a language other than English*
16 *is the dominant language.*

17 (21) *INDIVIDUALS WITH DISABILITIES.*—*The*
18 *term “individuals with disabilities” has the meaning*
19 *given such term in the Vocational Rehabilitation Act*
20 *of 1973.*

21 (22) *INSTITUTION OF HIGHER EDUCATION.*—*The*
22 *term “institution of higher education” has the mean-*
23 *ing given such term in section 481 of the Higher Edu-*
24 *cation Act of 1965.*

1 (23) *JOB SEARCH ASSISTANCE.*—The term “job
2 search assistance” means a service that helps a job-
3 ready individual seek, locate, apply for, and obtain
4 employment. Such services may include, but are not
5 limited to, job-finding skills, orientation to the labor
6 market, resume preparation assistance, job finding
7 clubs, job search workshops, vocational exploration,
8 and other employability services.

9 (24) *LABOR MARKET AREA.*—The term “labor
10 market area” means an economically integrated geo-
11 graphic area within which individuals can reside and
12 find employment within a reasonable distance or can
13 readily change employment without changing their
14 place of residence. Such areas shall be identified in
15 accordance with criteria used by the Bureau of Labor
16 Statistics of the Department of Labor in defining
17 such areas or similar criteria established by a Gov-
18 ernor.

19 (25) *LIBRARY.*—The term “library” includes—

20 (A) a public library;

21 (B) a public elementary or secondary school
22 library;

23 (C) an academic library;

24 (D) a research library; and

1 (E) a private library, but only if the State
2 in which such private library is located deter-
3 mines that the library should be considered a li-
4 brary for purposes of this Act.

5 (26) LITERACY.—The term “literacy” means an
6 individual’s ability to read, write, and speak in Eng-
7 lish, and compute and solve problems, at levels of pro-
8 ficiency necessary—

9 (A) to function on the job, in the individ-
10 ual’s family and in society;

11 (B) to achieve the individual’s goals; and

12 (C) to develop the individual’s knowledge
13 potential.

14 (27) LOCAL EDUCATIONAL AGENCY.—The term
15 “local educational agency” has the same meaning
16 given such term in section 14101 of the Elementary
17 and Secondary Education Act of 1965.

18 (28) NATIVE AMERICAN.—The term “native
19 American” means Indians, Alaskan natives, and Ha-
20 waiian natives.

21 (29) NONTRADITIONAL EMPLOYMENT.—The term
22 “nontraditional employment” as applied to women
23 refers to occupations or fields of work where women
24 comprise less than 25 percent of the individuals em-
25 ployed in such occupation or field of work.

1 (30) *ON-THE-JOB TRAINING.*—The term “on-the-
2 job training” means training in the public or private
3 sector that is provided to a paid employee while he
4 or she is engaged in productive work that—

5 (A) provides knowledge or skills essential to
6 the full and adequate performance of the job;

7 (B) provides reimbursement to employers,
8 up to 50 percent of the participant’s wage rate,
9 for the costs of providing training and addi-
10 tional supervision; and

11 (C) is based on the Occupational Employ-
12 ment Statistics Program Dictionary.

13 (31) *POSTSECONDARY EDUCATIONAL INSTITU-*
14 *TION.*—The term “postsecondary educational institu-
15 tion” means an institution of higher education (as
16 such term is defined in section 481 of the Higher
17 Education Act of 1965) which continues to meet the
18 eligibility and certification requirements under title
19 IV of such Act (20 U.S.C. 1070 et seq.).

20 (32) *PREEMPLOYMENT SKILLS TRAINING; JOB*
21 *READINESS SKILLS TRAINING.*—The terms
22 “preemployment skills training” and “job readiness
23 skills training” mean training that helps prepare in-
24 dividuals for work by assuring that they are familiar
25 with general workplace expectations and exhibit work

1 *behavior and attitudes necessary to compete success-*
2 *fully in the job market.*

3 (33) *PUBLIC ASSISTANCE.*—*The term “public as-*
4 *sistance” means Federal, State, or local government*
5 *cash payments for which eligibility is determined by*
6 *a needs or income test.*

7 (34) *RAPID RESPONSE.*—*The term “rapid re-*
8 *sponse” means assistance that is directly provided by*
9 *the State, or by local grantees with funds provided by*
10 *the State, in the case of mass layoffs or plant closures,*
11 *and that establishes on-site contact with employer and*
12 *employee representatives within a short period of time*
13 *(preferably 48 hours or less) after becoming aware of*
14 *a current or projected permanent closure or substan-*
15 *tial layoff in order to—*

16 (A) *provide information on, and facilitate*
17 *access to, available public programs and services*
18 *for workers losing jobs as a result of such layoff*
19 *or closure;*

20 (B) *provide emergency assistance adapted*
21 *to the particular closure or layoff;*

22 (C) *promote the formation of labor-manage-*
23 *ment committees, where appropriate;*

1 (D) collect information related to economic
2 dislocation and available resources within the
3 State for dislocated workers;

4 (E) provide or obtain appropriate financial
5 and technical advice and liaison with economic
6 development agencies and other organizations to
7 assist in efforts to avert worker dislocation; and

8 (F) assist the local community in develop-
9 ing its own coordinated response and in obtain-
10 ing access to State economic development assist-
11 ance.

12 (35) REGISTERED APPRENTICESHIP.—The term
13 “registered apprenticeship” means a program reg-
14 istered by the Bureau of Apprenticeship and Training
15 in the United States Department of Labor, or a State
16 Apprenticeship Agency recognized and approved by
17 the Bureau of Apprenticeship and Training as the
18 appropriate body for State registration or approval of
19 local apprenticeship programs and agreements.

20 (36) SCHOOL DROPOUT.—The term “school drop-
21 out” means a youth who is no longer attending any
22 school and who has not received a secondary school
23 diploma or a certificate from a program of equiva-
24 lency for such a diploma.

1 (37) *SKILL CERTIFICATE*.—The term “skill cer-
2 tificate” means a portable, industry-recognized cre-
3 dential issued by programs authorized under this Act,
4 that certifies that an individual has mastered skills at
5 levels that are at least as challenging as skill stand-
6 ards endorsed by the National Skill Standards Board,
7 except that until such skill standards are developed,
8 the term “skill certificate” means a credential issued
9 under a process determined by the State.

10 (38) *STATE*.—The term “State” means any of
11 the several States, the District of Columbia, the Com-
12 monwealth of Puerto Rico, the Virgin Islands, Amer-
13 ican Samoa, Guam, and the Commonwealth of the
14 Northern Mariana Islands.

15 (39) *STATE EDUCATIONAL AGENCY*.—The term
16 “State educational agency” has the meaning given
17 such term in section 14101 of the Elementary and
18 Secondary Education Act of 1965.

19 (40) *STATE LIBRARY ADMINISTRATIVE AGEN-*
20 *CY*.—The term “State library administrative agency”
21 means the official agency of a State charged by the
22 law of the State with the extension and development
23 of public library services throughout the State.

24 (41) *SUPPORTIVE SERVICES*.—The term “sup-
25 portive services” means services which are necessary

1 *to enable an individual eligible for training under*
2 *this Act, but who cannot afford to pay for such serv-*
3 *ices, to participate in a training or vocational reha-*
4 *bilitation program or job search activities funded*
5 *under this Act. Such supportive services may include*
6 *transportation, individual and family counseling,*
7 *child care and dependent care, meals, temporary shel-*
8 *ter, financial counseling, needs-based payments, and*
9 *other reasonable expenses required for participation*
10 *in a training, job preparation, or job placement pro-*
11 *gram. Such services may be provided in-kind or*
12 *through cash assistance, except that such services will*
13 *be provided with funds provided under this Act only*
14 *after alternative funding sources specifically des-*
15 *ignated for such services have been exhausted.*

16 (42) *UNEMPLOYED.*—*The term “unemployed” re-*
17 *fers to an individual who is not employed, who is*
18 *available for work, and who has made specific efforts*
19 *to find a job within the prior 4 weeks. Included as*
20 *unemployed are individuals who are not working, are*
21 *available for work, and are waiting to be called back*
22 *to a job from which they have been laid off.*

23 (43) *UNIT OF GENERAL LOCAL GOVERNMENT.*—
24 *The term “unit of general local government” means*
25 *any general purpose political subdivision of a State*

1 *which has the power to levy taxes and spend funds,*
2 *as well as general corporate and police powers.*

3 (44) *VETERAN.*—*The term “veteran” has the*
4 *meaning given such term in section 101(2) of title 38,*
5 *United States Code.*

6 (45) *WORK EXPERIENCE.*—*The term “work expe-*
7 *rience” means a time-limited work activity that pro-*
8 *vides an individual with the opportunity to acquire*
9 *the general skills and knowledge necessary to obtain*
10 *employment.*

11 (46) *WORKPLACE MENTOR.*—*The term “work-*
12 *place mentor” means an employee or other individ-*
13 *ual, approved by the employer at a workplace, who*
14 *possesses the skills and knowledge to be mastered by*
15 *a student or program participant, and who instructs,*
16 *critiques the performance, and challenges the student*
17 *or program participant to perform well, and works in*
18 *consultation with classroom teachers, training provid-*
19 *ers, and the employer of the student or program par-*
20 *ticipant.*

21 (47) *YOUTH.*—*The term “youth” means an indi-*
22 *vidual under the age of 24.*

23 **SEC. 6. TRANSITION.**

24 *The Secretary of Education and the Secretary of Labor*
25 *shall take such steps as they determine to be appropriate*

1 *to provide for the orderly transition from any authority*
2 *under provisions of statutes amended or repealed by this*
3 *Act or any related authority under provisions of this Act.*

4 ***TITLE I—WORKFORCE DEVELOP-***
5 ***MENT INFRASTRUCTURE***

6 ***SEC. 101. PURPOSE OF TITLE.***

7 *The purpose of this title is to provide for the establish-*
8 *ment of an infrastructure within States on which to build*
9 *a comprehensive system of workforce development and lit-*
10 *eracy.*

11 ***Subtitle A—State and Local***
12 ***Responsibilities***

13 ***SEC. 102. STATE REQUIREMENTS.***

14 *(a) IN GENERAL.—For fiscal year 1997 and subse-*
15 *quent fiscal years, a State that desires to receive a grant*
16 *under one or more of the programs specified in subsection*
17 *(b) shall—*

18 *(1) establish a collaborative process, pursuant to*
19 *section 103;*

20 *(2) develop a State workforce development and*
21 *literacy plan, pursuant to section 104; and*

22 *(3) otherwise comply with the requirements of*
23 *this Act.*

24 *(b) WORKFORCE DEVELOPMENT AND LITERACY PRO-*
25 *GRAMS.—*

1 (1) *IN GENERAL.*—*The programs referred to in*
2 *subsection (a) are the following:*

3 (A) *The program under title II, the Youth*
4 *Development and Career Preparation Consolida-*
5 *tion Grant.*

6 (B) *The program under title III, the Adult*
7 *Employment and Training Consolidation Grant.*

8 (C) *The program under subtitle A of title*
9 *IV, the Adult Education and Family Literacy*
10 *Consolidation Grant.*

11 (D) *The program amended by subtitle A of*
12 *title V (relating to title I of the Rehabilitation*
13 *Act of 1973).*

14 (2) *DEFINITION.*—*For purposes of this Act, the*
15 *term “Workforce Development and Literacy pro-*
16 *grams” means the programs specified in paragraph*
17 *(1).*

18 **SEC. 103. COLLABORATIVE PROCESS REGARDING STATE**
19 **SYSTEM.**

20 (a) *IN GENERAL.*—*The Governor of a State that de-*
21 *sires to receive a grant under one or more of the programs*
22 *specified in section 102(b) shall certify to the Secretary of*
23 *Education and the Secretary of Labor that a collaborative*
24 *process, as described in subsection (b) or (c), has been used*
25 *in complying with the applicable provisions of this Act.*

1 (b) *COLLABORATIVE PROCESS.*—*The collaborative*
2 *process referred to in subsection (a) is a process for making*
3 *decisions which includes as participants, at a minimum,*
4 *the Governor and—*

5 (1) *representatives of the following (which rep-*
6 *resentatives are appointed by the Governor)—*

7 (A) *business and industry;*

8 (B) *local chief elected officials (representing*
9 *both cities and counties);*

10 (C) *local educational agencies (including*
11 *vocational educators);*

12 (D) *postsecondary institutions (including*
13 *community and technical colleges);*

14 (E) *the State rehabilitation advisory coun-*
15 *cil;*

16 (F) *organizations representing individuals*
17 *served by programs established under this Act*
18 *(including community-based organizations); and*

19 (G) *employees.*

20 (2) *the lead State agency official or officials*
21 *for—*

22 (A) *the State educational agency (including*
23 *representatives of vocational education, adult*
24 *education and literacy, and libraries);*

1 (B) the State agency responsible for eco-
2 nomic development;

3 (C) the State agency responsible for employ-
4 ment; security (and the State agency responsible
5 for job training where different from such agen-
6 cy);

7 (D) the State agency responsible for post-
8 secondary education;

9 (E) the State agency responsible for voca-
10 tional rehabilitation, and where applicable, the
11 State agency providing vocational rehabilitation
12 services for the blind;

13 (F) the State agency responsible for welfare;
14 and

15 (G) the representative of the Veterans' Serv-
16 ice assigned to the State under section 4103 of
17 title 38, United States Code.

18 (c) *RULE OF CONSTRUCTION.*—With respect to compli-
19 ance with subsection (b)—

20 (1) a State may use any existing State process
21 (including any council or similar entity) that sub-
22 stantially meets the purposes of such subsection; or

23 (2) if prior to the date of enactment of this Act,
24 a State has developed a one-stop career center system
25 or a school-to-work system through a collaborative

1 *process substantially similar to the process described*
2 *in subsection (b), the State may use such process.*

3 **SEC. 104. CONSOLIDATED STATE WORKFORCE DEVELOP-**
4 **MENT AND LITERACY PLAN.**

5 (a) *IN GENERAL.*—*The Governor of a State that de-*
6 *sires to receive a grant under one or more of the programs*
7 *specified in section 102(b) shall submit a strategic State*
8 *workforce development and literacy plan to provide policy*
9 *guidance with respect to workforce development programs*
10 *operated in the State, and that meets the requirements of*
11 *this section to—*

12 (1) *the Secretary of Education; and*

13 (2) *the Secretary of Labor.*

14 (b) *CONTENTS.*—*A State workforce development and*
15 *literacy plan shall include the following:*

16 (1) *A description of the collaborative process*
17 *under section 103 used in developing the plan.*

18 (2) *A statement of the goals of the State*
19 *workforce development and literacy system, that in-*
20 *cludes—*

21 (A) *a description of how the State will*
22 *progress toward achieving the goals and purpose*
23 *of this Act as established in sections 3(a)(5) and*
24 *3(b);*

1 (B) an assessment of the needs of the State
2 with regard to current and projected demands
3 for workers by occupation, the skills and edu-
4 cation levels of the workforce, the vocational re-
5 habilitation needs of individuals with severe dis-
6 abilities residing in the State, the skill and eco-
7 nomic development needs of the State, and an as-
8 sessment of the type and availability of workforce
9 development, adult education, vocational reha-
10 bilitation, and literacy programs in the State;

11 (C) the identification of progress indicators,
12 based on the performance measures described in
13 titles II and III, subtitle A of title IV, and title
14 I of the Vocational Rehabilitation Act of 1973,
15 and a model of continuous improvement, that the
16 State will use to measure progress made by the
17 State, local workforce development boards, and
18 other applicable local entities who are recipients
19 of financial assistance under this Act in meeting
20 such goals; and

21 (D) a description of how performance meas-
22 ures are consistent across the 4 grant programs
23 established in titles II and III, subtitle A of title
24 IV, and title I of the Vocational Rehabilitation
25 Act of 1973.

1 (3) A description of how the State has complied,
2 or will comply, with the provisions of sections 105
3 through 108.

4 (4) A description of how a State will participate
5 in the National Labor Market Information system
6 pursuant to subtitle B.

7 (5) Any information required to be included in
8 the plan under any of titles II through IV, and title
9 I of the Vocational Rehabilitation Act of 1973, (in the
10 case of a State that desires to receive a grant under
11 any such title).

12 (6) A description of the measures that will be
13 taken by the State to ensure coordination and consist-
14 ency and avoid duplication among programs receiv-
15 ing assistance under this Act, including a description
16 of common data collection and reporting processes
17 (including the establishment of a common manage-
18 ment information system) across such programs.

19 (7) A description of the process used by the State
20 to provide an opportunity for public comment, and
21 input into the development of the plan, prior to sub-
22 mission of the plan.

23 (8) A description of the process used by the State
24 to consult with representatives of business and indus-

1 *try with respect to the requirements of subparagraphs*
2 *(A), (B), and (C) of paragraph (2) of this subsection.*

3 *(9) Assurances that the State will provide for fis-*
4 *cal control and fund accounting procedures that may*
5 *be necessary to ensure the proper disbursement of, and*
6 *accounting for, funds paid to the State under this*
7 *Act.*

8 *(10) A description of the sanctions which the*
9 *State may impose (including restrictions from future*
10 *participation or consideration for funding) in in-*
11 *stances where recipients of funds under this Act fail*
12 *to achieve agreed upon performance measures, fail to*
13 *adhere to State mandated fiscal control and funds ac-*
14 *counting procedures, or take or fail to take other ac-*
15 *tions required under the State plan, contracts, or*
16 *other agreements.*

17 *(c) AUTHORITY OF GOVERNOR.—*

18 *(1) FINAL AUTHORITY.—If, after a reasonable ef-*
19 *fort, a Governor is unable to obtain agreement*
20 *through the collaborative process described in sub-*
21 *section (b)(1), the Governor shall have final authority*
22 *to make decisions and submit a plan for the design*
23 *of a comprehensive system of workforce development*
24 *and literacy for the State under subsection (a).*

1 (2) *DISAGREEMENT.*—*The Governor shall accept*
2 *and include with the plan submitted under paragraph*
3 *(1) any disagreeing views submitted by a participant*
4 *of the collaborative process if such views represent dis-*
5 *agreement in the area in which such participant was*
6 *selected for representation.*

7 (3) *EXCEPTION.*—*Nothing in this Act shall be*
8 *construed to negate or supersede the legal authority,*
9 *under State law or other applicable law, of any State*
10 *agency, State entity, or State public official over pro-*
11 *grams that are under the jurisdiction of the agency,*
12 *entity, or official. Nothing in this Act shall be con-*
13 *strued to interfere with the authority of such agency,*
14 *entity, or official to enter into a contract under any*
15 *provision of law.*

16 (d) *MODIFICATIONS TO PLAN.*—*A plan submitted by*
17 *a State in accordance with this section remains in effect*
18 *until the State submits to the Secretary such modifications*
19 *as the State determines necessary. This section applies to*
20 *the modifications to the same extent and in the same man-*
21 *ner as this section applies to the original plan.*

22 (e) *ALLOCATION OF RESPONSIBILITIES OF SECRETAR-*
23 *IES.*—*The Secretary of Education and the Secretary of*
24 *Labor shall collaborate in establishing and using a common*

1 *procedure in making determinations regarding compliance*
2 *by the States with the requirements established in this title.*

3 **SEC. 105. ESTABLISHMENT OF WORKFORCE DEVELOPMENT**

4 **AREAS.**

5 *The Governor of a State that desires to receive a grant*
6 *under one or more of the programs specified in section*
7 *102(b) shall, through the collaborative process established*
8 *under section 103 and after consultation with local chief*
9 *elected officials, and after consideration of comments re-*
10 *ceived through the public participation process as described*
11 *in the State plan, designate local workforce development*
12 *areas within the State. Such areas shall be designated tak-*
13 *ing into consideration the following:*

14 *(1) Existing labor market areas.*

15 *(2) Units of general local government.*

16 *(3) Geographic areas served by local educational*
17 *agencies and intermediate educational agencies.*

18 *(4) Geographic areas served by postsecondary in-*
19 *stitutions and area vocational education schools.*

20 *(5) Service delivery areas established under sec-*
21 *tion 101 of the Job Training Partnership Act (29*
22 *U.S.C. 1511) (as such Act was in effect on the day*
23 *before the date of the enactment of this Act).*

24 *(6) The distance that individuals will need to*
25 *travel to receive services from one-stop career centers.*

1 **SEC. 106. PROVISIONS REGARDING LOCAL WORKFORCE DE-**
2 **VELOPMENT BOARDS.**

3 (a) *IN GENERAL.*—The Governor of a State that de-
4 sires to receive a grant under one or more of the programs
5 specified in section 102(b) shall ensure the establishment of
6 a local workforce development board in each local workforce
7 development area within the State.

8 (b) *STATE CRITERIA.*—The Governor, through the col-
9 laborative process described under section 103, shall estab-
10 lish criteria for use by local chief elected officials in the
11 workforce development area, in the selection of members of
12 local workforce development boards, in accordance with re-
13 quirements prescribed under subsections (c) and (d).

14 (c) *REPRESENTATION REQUIREMENT.*—Such criteria
15 shall require, at a minimum, that a local workforce develop-
16 ment board consist of—

17 (1) a majority of members who are representa-
18 tives of business and industry, including individuals
19 who are owners of businesses, chief executives or chief
20 operating officers of private business, and other busi-
21 ness executives with optimum policymaking authority
22 in local businesses, selected from among nominees sub-
23 mitted by local business organizations and trade asso-
24 ciations;

1 (2) *an individual or individuals with disabili-*
2 *ties, who have special knowledge or expertise in the*
3 *area of vocational rehabilitation;*

4 (3) *representatives of education, including local*
5 *educational agencies and postsecondary institutions,*
6 *selected from among individuals nominated by re-*
7 *gional or local educational agencies, vocational edu-*
8 *cation institutions, institutions of postsecondary in-*
9 *stitutions (including community colleges), or general*
10 *organizations of such institutions within the*
11 *workforce development area; and*

12 (4) *representatives of community-based organiza-*
13 *tions, employees, and veterans as nominated or rec-*
14 *ommended to the board through a process established*
15 *by the Governors through the collaborative process.*

16 (d) *ESTABLISHMENT OF BOARD.—*

17 (1) *SELECTION OF BOARD MEMBERS.—*

18 (A) *SINGLE UNIT OF LOCAL GOVERNMENT*
19 *IN AREA.—In the case of a workforce develop-*
20 *ment area that is comprised of only one unit of*
21 *general local government, the chief elected official*
22 *of such unit shall select the members of the local*
23 *workforce development board for such area, in*
24 *accordance with the State criteria developed pur-*
25 *suant to subsection (b).*

1 (B) *MULTIPLE UNITS IN AREA.*—*In the case*
2 *of a workforce development area that is com-*
3 *prised of more than one unit of general local gov-*
4 *ernment, the chief elected official of such units*
5 *shall select the members of the local workforce de-*
6 *velopment board from the individuals so nomi-*
7 *nated or recommended for such area in accord-*
8 *ance with an agreement entered into by such of-*
9 *icials and with the State criteria developed*
10 *under subsection (b). In the absence of such an*
11 *agreement, the appointments shall be made by*
12 *the Governor, through the collaborative process,*
13 *from the individuals so nominated or rec-*
14 *ommended.*

15 (2) *CERTIFICATION.*—*The Governor shall bienni-*
16 *ally certify one local workforce development board for*
17 *each workforce development area.*

18 (3) *EXCEPTION.*—*In any case in which a local*
19 *workforce development area is a State, the individuals*
20 *comprising the Governor's collaborative process as de-*
21 *scribed in section 103, may be reconstituted to meet*
22 *the requirements of this section.*

23 (e) *DUTIES OF LOCAL WORKFORCE DEVELOPMENT*
24 *BOARD.*—

1 (1) *LOCAL WORKFORCE DEVELOPMENT PLAN.*—
2 *Each local workforce development board shall develop*
3 *a biennial strategic plan and provide policy guidance*
4 *with respect to workforce development programs oper-*
5 *ated within their respective workforce development*
6 *areas. Such strategic plan shall be consistent with the*
7 *State’s collaborative workforce development and lit-*
8 *eracy plan, shall be approved by the appropriate chief*
9 *elected official or officials, and shall be submitted to*
10 *the Governor for approval. If after a reasonable effort,*
11 *a local workforce development board is unable to ob-*
12 *tain the approval of the chief elected official or offi-*
13 *cials, the Board has the authority to forward the*
14 *plan, with the comments of the chief elected official or*
15 *officials, to the Governor for final approval or dis-*
16 *approval. Such local plan shall include the following:*
17 (A) *Both short-term and long-term goals,*
18 *and related strategies, to ensure that workforce*
19 *preparation and development programs, includ-*
20 *ing programs established pursuant to this Act,*
21 *title I of the Rehabilitation Act of 1973, and the*
22 *Wagner-Peyser Act, contribute to a coherent*
23 *workforce development system in the workforce*
24 *development area.*

1 (B) A description of the performance meas-
2 ures to be used by the local workforce develop-
3 ment board for measuring the performance of
4 local service providers under chapter 2 of title II,
5 title III, and title I of the Rehabilitation Act of
6 1973, and the performance of one-stop career
7 center operators, with whom the Board contracts.

8 (C) A description of the local one-stop ca-
9 reer center system to be established in the
10 workforce development area, including—

11 (i) a description of the process the local
12 workforce development board will use to des-
13 ignate or establish career center system
14 which ensures that the most effective and ef-
15 ficient service providers are chosen;

16 (ii) an identification of the roles of in-
17 dividual workforce development programs,
18 including programs authorized by the Wag-
19 ner-Peyser Act; and

20 (iii) a description of the funding
21 sources to be used in the operation of the ca-
22 reer center system.

23 (D) A description of strategies the local
24 workforce development board will undertake to
25 fully involve local employers, local educational

1 *agencies, postsecondary education institutions,*
2 *adult education and literacy providers, local*
3 *service providers, and other consumers, including*
4 *individuals with disabilities, in the development*
5 *of the workforce development system.*

6 *(E) Such other information as requested by*
7 *the State.*

8 *(2) IDENTIFICATION OF OCCUPATIONS IN DE-*
9 *MAND AND TRAINING NEEDS.—The local workforce de-*
10 *velopment board shall use available labor market in-*
11 *formation and other appropriate methods in order to*
12 *identify and assess the needs of the workforce develop-*
13 *ment area with regard to—*

14 *(A) current and projected demand for work-*
15 *ers by occupation;*

16 *(B) skill levels, including literacy and basic*
17 *skills, of the local workforce and the needs of*
18 *business and industry for a skilled workforce;*

19 *(C) economic development needs of the area;*

20 *(D) the type and availability of workforce*
21 *preparation and development programs in the*
22 *area; and*

23 *(E) the needs for vocational rehabilitation*
24 *among individuals with disabilities.*

1 *Such information shall be used to develop the goals of,*
2 *and activities provided by the workforce development*
3 *programs in the local area.*

4 (3) *BUDGET AND PROGRAM OVERSIGHT.—*

5 (A) *BUDGETING.—*

6 (i) *The local workforce development*
7 *board, working through the State adminis-*
8 *trative agent, shall develop a budget for the*
9 *purpose of carrying out local programs es-*
10 *tablished under chapter 2 of title II, title*
11 *III, and title I of the Rehabilitation Act of*
12 *1973, and for one-stop career center systems*
13 *established or designated under section 107.*

14 (ii) *Such budget shall be subject to the*
15 *approval of the appropriate chief elected of-*
16 *ficial or officials in the workforce develop-*
17 *ment area.*

18 (B) *PROGRAM OVERSIGHT.—The local*
19 *workforce development board, in partnership*
20 *with the chief elected official or officials in the*
21 *workforce development area, shall conduct over-*
22 *sight of the workforce development programs list-*
23 *ed in subparagraph (A), and of one-stop career*
24 *centers established under this title.*

25 (4) *ADMINISTRATION.—*

1 (A) *FISCAL AGENT.*—

2 (i) *The local workforce development*
3 *board may receive and disburse funds made*
4 *available for carrying out programs author-*
5 *ized under chapter 2 of title II, title III,*
6 *and title I of the Rehabilitation Act of 1973*
7 *of this Act, or the local workforce develop-*
8 *ment board may designate a fiscal agent*
9 *(which may include the State through a*
10 *mutual agreement between the local board*
11 *and the State), for the purpose of disburse-*
12 *ment of funds to one-stop centers and other*
13 *service providers, as designated by the local*
14 *workforce development board.*

15 (ii) *The Board may employ its own*
16 *staff, independent of local programs and*
17 *service providers, and may solicit or accept*
18 *grants and contributions from sources other*
19 *than from this Act.*

20 (B) *LIMITATION.*—*The workforce develop-*
21 *ment board, or employees of such board, may not*
22 *operate programs established under this Act.*

23 (C) *CONFLICT OF INTEREST.*—*A member of*
24 *a workforce development board may not—*

1 (i) *discuss or participate in board con-*
2 *sideration; or*

3 (ii) *cast a vote;*
4 *regarding the provision of services by such mem-*
5 *ber (or by an organization that such member*
6 *represents) or regarding any matter that would*
7 *provide direct financial benefit to such member.*
8 *The Governor may enforce more rigorous conflict*
9 *of interest standards, as determined appropriate.*

10 (D) *INDEPENDENT AUTHORITY.—*

11 (i) *The Board shall elect its own chair-*
12 *person from among the members of the*
13 *board.*

14 (ii) *The board may adopt bylaws and*
15 *other operating procedures as consistent*
16 *with the purposes of this Act, and with the*
17 *policies established in the State workforce*
18 *development and literacy plan.*

19 (5) *OTHER.—Each local workforce development*
20 *board shall carry out such other duties as determined*
21 *to be appropriate by the Governor and the individ-*
22 *uals and entities described in section 103, through the*
23 *collaborative process described in the State plan.*

1 **SEC. 107. ESTABLISHMENT OF ONE-STOP CAREER CENTER**
2 **SYSTEMS.**

3 (a) *IN GENERAL.*—The Governor of a State that de-
4 sires to receive a grant under one or more of the programs
5 specified in section 102(b) shall ensure that each local
6 workforce development board shall establish or designate a
7 one-stop career center system in the workforce development
8 area of such board, consistent with criteria established
9 under subsection (b).

10 (b) *STATE CRITERIA.*—The Governor, through the col-
11 laborative process described under section 103, shall estab-
12 lish statewide criteria for use by local workforce develop-
13 ment boards in the designation or establishment of one-stop
14 career center systems to ensure that the most effective and
15 efficient service providers are chosen. Such criteria shall be
16 consistent with the requirements prescribed under sub-
17 section (c).

18 (c) *ONE-STOP CAREER CENTER SYSTEM REQUIRE-*
19 *MENTS.*—At a minimum, one-stop career center systems
20 shall include—

21 (1) *common intake;*

22 (2) *preliminary assessment;*

23 (3) *integrated job search assistance;*

24 (4) *to the extent practicable, as determined by*
25 *the Governor, unified and linked computer systems,*
26 *including the availability of labor market informa-*

1 *tion as described under subtitle B, and linkages*
2 *through uniform management information systems;*
3 *and*

4 *(5) to the extent practicable, as determined by*
5 *the Governor, at least one physical, co-located site*
6 *which provides comprehensive and fully integrated*
7 *workforce development services to any individual seek-*
8 *ing such services.*

9 *Local workforce development areas are encouraged to estab-*
10 *lish a network of comprehensive and fully-integrated co-lo-*
11 *cated one-stop career centers to provide the services de-*
12 *scribed in subsection (f), supplemented with multiple affili-*
13 *ated sites or satellites that provide one or more of such serv-*
14 *ices and are linked through electronic and technological ac-*
15 *cess points. Such affiliated sites may include entities des-*
16 *ignated as having a specialization in addressing special*
17 *needs, such as the needs of individuals with disabilities.*

18 *(d) COMMON ACCESS.—Information pertaining to the*
19 *labor market which is compiled pursuant to the Wagner-*
20 *Peyser Act, as described in subtitle B of this title, shall be*
21 *available, to the extent practicable, through integrated elec-*
22 *tronic networks, at all one-stop career centers and affiliated*
23 *sites.*

24 *(e) ELIGIBILITY FOR DESIGNATION.—Any entity or*
25 *consortium of entities located in the workforce development*

1 area may be designated by the local workforce development
2 board to operate a one-stop career center or to participate
3 in a one-stop career center system. Such entities may in-
4 clude the following:

5 (1) Institutions of higher education.

6 (2) Local educational agencies.

7 (3) Area vocational education schools.

8 (4) Local employment service offices, established
9 under the Wagner-Peyser Act.

10 (5) Private nonprofit organizations (including
11 community-based organizations).

12 (6) Private for-profit entities.

13 (7) Agencies of local governments.

14 (8) Other interested organizations and entities of
15 demonstrated effectiveness, including local chambers
16 of commerce and other business organizations, consist-
17 ent with State criteria established pursuant to sub-
18 section (b).

19 (f) DUTIES.—Each one-stop career center shall carry
20 out the following duties:

21 (1) PROVISION OF CORE SERVICES.—A center
22 shall make available the following information and
23 core services to individuals on a universal and non-
24 discriminatory basis, with reasonable accommoda-
25 tions to address the needs of individuals with disabil-

1 *ities, in the workforce development area in which such*
2 *center is located:*

3 *(A) Outreach and intake for services pro-*
4 *vided under chapter 2 of title II, title III, sub-*
5 *title A of title IV, and title I of the Rehabilita-*
6 *tion Act of 1973.*

7 *(B) A preliminary assessment of the skill*
8 *levels and the need for services of the individual*
9 *for programs under chapter 2 of title II, title III,*
10 *subtitle A of title IV, and title I of the Rehabili-*
11 *tation Act of 1973 of individuals, which may in-*
12 *clude such factors as basic skills, occupational*
13 *skills, career development skills, prior work expe-*
14 *rience, employability, interests, aptitudes, voca-*
15 *tional rehabilitation needs, and supportive serv-*
16 *ice needs.*

17 *(C) Information relating to local and State,*
18 *and if appropriate, to regional or national, occu-*
19 *pations in demand and skill requirements for*
20 *such occupations.*

21 *(D) Information relating to youth services,*
22 *including information on at-risk youth workforce*
23 *development programs authorized under title II,*
24 *on school-to-work opportunities, and on youth*
25 *apprenticeship opportunities.*

1 (E) Career counseling and career planning
2 based on a preliminary assessment of the indi-
3 vidual.

4 (F) Job search assistance.

5 (G) Information related to vocational reha-
6 bilitation services, as provided for in title I of
7 the Rehabilitation Act of 1973.

8 (H) Information relating to federally fund-
9 ed education and job training programs (includ-
10 ing registered apprenticeships), and student aid
11 programs, including the eligibility requirements
12 of and services provided by such programs.

13 (I) Information on, and assistance in
14 accessing referral to additional services through
15 programs providing adult education and literacy
16 services, vocational rehabilitation, workforce
17 preparation and development, and supportive
18 services, including those programs authorized in
19 titles II through IV, title I of the Vocational Re-
20 habilitation Act of 1973, available in the
21 workforce development area.

22 (J) Information on the extent to which the
23 services provided under titles II and III, subtitle
24 A of title IV, and title I of the Vocational Reha-
25 bilitation Act of 1973, meet or exceed the per-

1 *formance standards described in the State plan,*
2 *and the performance-based information provided*
3 *by the State to local workforce development*
4 *boards on certified providers of education and*
5 *training, as required under section 108(d)(3).*

6 *(K) Information on industry-recognized*
7 *skill standards and assessments.*

8 *(L) Job listings for local labor market op-*
9 *portunities.*

10 *(M) Acceptance of applications for unem-*
11 *ployment compensation.*

12 *(N) Other appropriate activities to assist*
13 *individuals into employment.*

14 *(2) DISTRIBUTION OF VOUCHERS AND SKILL*
15 *GRANTS.—A center shall serve as the point of dis-*
16 *tribution of vouchers for education, training, and vo-*
17 *ccational rehabilitation services to eligible individuals*
18 *in accordance with section 108.*

19 *(3) SPECIAL ARRANGEMENTS.—For the purpose*
20 *of providing core services to individuals with severe*
21 *disabilities in the most effective and efficient manner*
22 *possible, the one-stop career center may arrange to*
23 *have such core services provided to an individual by*
24 *a certified provider, either on a contract basis or*
25 *through the use of vouchers.*

1 (g) *ADDITIONAL SERVICES.*—*One-stop career centers*
2 *may provide customized workforce development services to*
3 *employers on a fee-for-service basis, as determined by the*
4 *local workforce development board.*

5 (h) *ALTERNATIVE STATE PROCEDURE.*—*Through the*
6 *collaborative process described in section 103, the Governor*
7 *has the authority to develop alternative procedures to the*
8 *one-stop career center system, which are designed to accom-*
9 *plish the full integration of workforce development pro-*
10 *grams. These alternative procedures shall be described in*
11 *a proposal to the Secretaries of Education and Labor for*
12 *joint review and approval or disapproval within 60 days.*

13 **SEC. 108. CERTIFICATION OF EDUCATION, TRAINING, AND**
14 **VOCATIONAL REHABILITATION SERVICE PRO-**
15 **VIDERS.**

16 (a) *ELIGIBILITY REQUIREMENTS.*—*A program offered*
17 *by a provider of education and training services shall be*
18 *eligible to receive funds under title III, and title I of the*
19 *Vocational Rehabilitation Act of 1973 through the receipt*
20 *of vouchers, skill grants, or through contract, if such pro-*
21 *gram and provider—*

22 (1) *are either—*

23 (A) *eligible to participate in title IV of the*
24 *Higher Education Act of 1965, or*

1 (B) determined to be eligible under the pro-
2 cedures described in subsection (b); and

3 (2) provides the performance-based information
4 required pursuant to subsection (c), except that pro-
5 viders eligible under subparagraph (A) only have to
6 provide information for programs other than pro-
7 grams leading to a degree.

8 (b) ALTERNATIVE ELIGIBILITY PROCEDURE.—(1) The
9 Governor shall establish an alternative eligibility procedure
10 for providers of education, training, and vocational reha-
11 bilitation services in any State desiring to receive funds
12 under title III of this Act and title I of the Vocational Reha-
13 bilitation Act of 1973, but that are not eligible to partici-
14 pate in title IV of the Higher Education Act of 1965. Such
15 procedure shall establish minimum acceptable levels of per-
16 formance for such providers, and shall be based on guide-
17 lines developed by the Secretaries of Labor and Education.
18 The Governor shall utilize the local workforce development
19 boards, for the identification and certification of qualified
20 providers of education, training, and vocational rehabilita-
21 tion services. During a transition period, not to exceed 2
22 years, certification of programs and providers under this
23 subsection shall be based on the performance of such pro-
24 grams and providers under the Job Training Partnership
25 Act, the Vocational Rehabilitation Act, or other objective

1 *measures of previous performance, such as employer evalua-*
2 *tions.*

3 *(2) Notwithstanding paragraph (1), if the participa-*
4 *tion of an institution of higher education in any of the pro-*
5 *grams under such title of such Act is terminated, such insti-*
6 *tution shall not be eligible to receive funds under this Act*
7 *for a period of two years.*

8 *(c) PERFORMANCE-BASED INFORMATION.—The State*
9 *shall identify performance-based information that is to be*
10 *submitted by providers of services for programs to be eligible*
11 *under this section. Such information may include informa-*
12 *tion, consistent with guidelines developed by the Secretaries*
13 *of Education and Labor, relating to—*

14 *(1) the percentage of students completing the pro-*
15 *grams conducted by the provider;*

16 *(2) the rates of licensure of graduates of the pro-*
17 *grams conducted by the provider;*

18 *(3) the percentage of graduates of the programs*
19 *meeting skill standards and certification requirements*
20 *endorsed by the National Skill Standards Board es-*
21 *tablished under the Goals 2000: Educate America Act;*

22 *(4) the rates of placement and retention in em-*
23 *ployment, and earnings of the graduates of the pro-*
24 *grams conducted by the provider;*

1 (5) *the percentage of students who obtained em-*
2 *ployment in an occupation related to the program*
3 *conducted by the provider;*

4 (6) *the warranties or guarantees provided by*
5 *such provider relating to the skill levels or employ-*
6 *ment to be attained by students; and*

7 (7) *other information for providers of services*
8 *under title I of the Rehabilitation Act of 1973 that re-*
9 *fects the priority of serving individuals with severe*
10 *disabilities.*

11 (d) *ADMINISTRATION.—*

12 (1) *STATE AGENCY.—The Governor shall des-*
13 *ignate a State agency to collect, verify, and dissemi-*
14 *nate the performance-based information submitted*
15 *pursuant to subsection (c).*

16 (2) *APPLICATION.—A provider of education and*
17 *training services that desires to be eligible to receive*
18 *funds under this title shall submit the information re-*
19 *quired under subsection (c) to the State agency des-*
20 *ignated under paragraph (1) at such time and in*
21 *such form as such State agency may require.*

22 (3) *LIST OF ELIGIBLE PROVIDERS.—The State*
23 *agency shall compile a list of eligible programs and*
24 *providers, accompanied by the performance-based in-*
25 *formation submitted, and disseminate such list and*

1 *information to the local workforce development boards*
2 *within the State.*

3 (4) *ACCURACY OF INFORMATION.—*

4 (A) *IN GENERAL.—If the State agency de-*
5 *termines that information concerning a provider*
6 *is inaccurate, such provider shall be disqualified*
7 *from receiving funds under this title for a period*
8 *of not less than two years, unless such provider*
9 *can demonstrate to the satisfaction of the Gov-*
10 *ernor or his or her designee, that the information*
11 *was provided in good faith.*

12 (B) *APPEAL.—The Governor shall establish*
13 *a procedure for a service provider to appeal a*
14 *determination by a State agency that results in*
15 *a disqualification under subparagraph (A). Such*
16 *procedure shall provide an opportunity for a*
17 *hearing and prescribe appropriate time limits to*
18 *ensure prompt resolution of the appeal.*

19 (5) *ASSISTANCE IN DEVELOPING INFORMATION.—*

20 *The State agency established pursuant to paragraph*
21 *(1) may provide technical assistance to education,*
22 *training, and vocational rehabilitation providers in*
23 *developing the information required under subsection*
24 *(b). Such assistance may include facilitating the uti-*
25 *lization of State administrative records, such as un-*

1 *employment compensation wage records, and other*
2 *appropriate coordination activities.*

3 *(e) ON-THE-JOB TRAINING EXCEPTION.—*

4 *(1) IN GENERAL.—Providers of on-the-job train-*
5 *ing shall not be subject to the requirements of sub-*
6 *sections (a), (b), (c), and (d).*

7 *(2) COLLECTION AND DISSEMINATION OF INFOR-*
8 *MATION.—The Workforce Development Board shall*
9 *collect such performance-based information from on-*
10 *the-job training providers as the Governor may re-*
11 *quire, and shall disseminate such information to the*
12 *one-stop career centers.*

13 ***SEC. 109. MANAGEMENT INFORMATION SYSTEMS.***

14 *(a) IN GENERAL.—Each State shall use a portion of*
15 *the funds it receives under this Act to design a unified man-*
16 *agement information system that is in accordance with*
17 *guidelines established jointly by the Secretaries in consulta-*
18 *tion with the Governors.*

19 *(b) REQUIREMENTS.—Each unified management in-*
20 *formation system shall, to the extent practicable as deter-*
21 *mined by the Governor—*

22 *(1) be utilized for federally required fiscal report-*
23 *ing and monitoring for each of the programs author-*
24 *ized under this Act;*

1 (2) be used by all agencies involved in workforce
2 development activities, including one-stop career cen-
3 ters which shall have the capability to track the over-
4 all public investments within the State and workforce
5 development areas, and to inform policymakers as to
6 the results being achieved and the demographic char-
7 acteristics of the individuals served through that in-
8 vestment;

9 (3) contain a common structure of financial re-
10 porting requirements, fiscal systems and monitoring
11 for all workforce development expenditures included
12 in the workforce development system that shall utilize
13 common data elements and the definitions included in
14 section 5;

15 (4) support local efforts to establish workforce de-
16 velopment systems, including intake and eligibility
17 determination for all services;

18 (5) contain data on the demographic characteris-
19 tics on the individual participants served by pro-
20 grams authorized under this Act, which shall be col-
21 lected, produced, and published by the Secretaries;
22 and

23 (6) be in accordance with guidelines established
24 jointly by the Secretaries in consultation with the
25 States.

1 **SEC. 110. PERFORMANCE ACCOUNTABILITY SYSTEM.**

2 (a) *IN GENERAL.*—*In order to promote high levels of*
3 *performance and to ensure an appropriate return on the*
4 *Nation's investment in the workforce development and lit-*
5 *eracy system, each State receiving funds under this Act*
6 *shall develop, or have developed, a statewide performance*
7 *accountability system in accordance with the provisions of*
8 *this section.*

9 (b) *INDICATORS OF PERFORMANCE.*—

10 (1) *IN GENERAL.*—*Each State receiving funds*
11 *under this Act shall identify indicators of perform-*
12 *ance for each of the programs established under titles*
13 *II through IV of this Act and title I of the Vocational*
14 *Rehabilitation Act of 1973, consistent with State*
15 *goals as described in the State plan in accordance*
16 *with section 104. Such indicators shall at a mini-*
17 *imum include core indicators described in such titles.*
18 *Such indicators may also take into account post-pro-*
19 *gram surveys measuring customer satisfaction of both*
20 *employers and program participants.*

21 (2) *TECHNICAL DEFINITIONS OF CORE INDICA-*
22 *TORS.*—*In order to ensure nationwide comparability*
23 *of performance data, the Secretary of Labor and the*
24 *Secretary of Education, in collaboration with the*
25 *States and with representatives of business and in-*
26 *dustry, employees, educational agencies, service pro-*

1 *viders, participants, and other interested parties,*
2 *shall promulgate technical definitions of each of the*
3 *core indicators described in titles II through IV of*
4 *this Act and in title I of the Vocational Rehabilita-*
5 *tion Act. Such definitions shall be used under this Act*
6 *in measuring performance.*

7 *(c) EXPECTED LEVELS OF PERFORMANCE.—*

8 *(1) IN GENERAL.—(A) Each State shall identify*
9 *the level of performance, consistent with State goals*
10 *described under section 104, that is expected for local*
11 *workforce development areas and other applicable*
12 *local administrative entities under this Act. In deter-*
13 *mining such levels, the State shall take into account*
14 *the world class levels identified under paragraph (2),*
15 *and shall initially develop baseline levels of perform-*
16 *ance upon which States will measure continuous im-*
17 *provement.*

18 *(B) The Governor, through the collaborative*
19 *process, may adjust the expected level of performance*
20 *with respect to each local area taking into account*
21 *specific economic, demographic, and geographic fac-*
22 *tors, and the characteristics of the population to be*
23 *served.*

24 *(2) WORLD CLASS LEVELS OF PERFORMANCE.—*

25 *In order to encourage high levels of performance and*

1 *advance the Nation's competitiveness in the global*
2 *economy, the Secretary of Labor and the Secretary of*
3 *Education, in collaboration with the States and with*
4 *representatives of business and industry, employees,*
5 *educational agencies, service providers, participants,*
6 *and other interested parties, shall identify world class*
7 *levels of performance with respect to appropriate core*
8 *indicators selected from among the core indicators de-*
9 *scribed in titles II through IV and in title I of the*
10 *Vocational Rehabilitation Act of 1973. Where applica-*
11 *ble, such world class standards shall reflect industry-*
12 *recognized skill standards and the National Edu-*
13 *cation Goals.*

14 *(d) REPORT ON PERFORMANCE.—*

15 *(1) IN GENERAL.—The State shall report to the*
16 *Secretary of Labor and the Secretary of Education,*
17 *the levels of performance achieved by local workforce*
18 *development areas and other applicable local admin-*
19 *istrative entities with respect to the indicators identi-*
20 *fied pursuant to subsection (b)(1) for each program*
21 *year. The Secretaries shall make such information*
22 *available to the general public through publication*
23 *and other appropriate methods, and shall disseminate*
24 *State-by-State comparisons, and comparisons with*
25 *other industrialized nations (where appropriate).*

1 (2) *REPORTING OPTIONS.*—*In the collection and*
2 *reporting of such data, States are encouraged to uti-*
3 *lize administrative reporting data on quarterly earn-*
4 *ings, establishment and industry affiliation, and geo-*
5 *graphic location of employment, such as unemploy-*
6 *ment insurance wage-data records.*

7 (e) *CONSEQUENCES FOR POOR PERFORMANCE.*—

8 (1) *CRITERIA.*—*The Governor, through the col-*
9 *laborative process, shall establish criteria for deter-*
10 *mining whether local workforce development areas*
11 *and other applicable local administrative entities*
12 *have failed to meet expected levels of performance with*
13 *respect to programs under this Act.*

14 (2) *CONSEQUENCES FOR POOR PERFORMANCE.*—

15 (A) *STATE CONSEQUENCES.*—*If a State*
16 *fails to meet expected levels of performance for a*
17 *program for any program year as established*
18 *pursuant to subsection (a), the Secretary of Edu-*
19 *cation or the Secretary of Labor, as appropriate*
20 *to the particular program, may provide tech-*
21 *nical assistance, including assistance in the de-*
22 *velopment of a performance improvement plan.*
23 *If such failure continues for a second consecutive*
24 *year, the appropriate Secretary may reduce by*
25 *not more than 5 percent, the amount of the grant*

1 that would (in the absence of this paragraph) be
2 payable to the State under such program for the
3 immediately succeeding program year. Such pen-
4 alty shall be based on the degree of failure to
5 meet expected levels of performance.

6 (B) LOCAL CONSEQUENCES.—(i) If a local
7 workforce development area, or other applicable
8 local administrative entity, fails to meet expected
9 levels of performance for a program for any pro-
10 gram year under the criteria established in
11 paragraph (1), the Governor, through the collabo-
12 rative process, may provide technical assistance,
13 including the development of a performance im-
14 provement plan.

15 (ii) If such failure continues for a second
16 consecutive year, the Governor may take correc-
17 tive actions, such as the withholding of funds, the
18 redesignation of a local administrative entity, or
19 such other actions as the Governor, through the
20 collaborative process, determines are appropriate,
21 consistent with State law, section 104(c)(3) of
22 this Act, and the requirements of this Act.

1 **Subtitle B—Amendments to**
2 **Wagner-Peyser Act**

3 **SEC. 131. GENERAL PROGRAM REQUIREMENTS.**

4 (a) *DEFINITIONS.*—Section 2 of the Act of June 6,
5 1933 (commonly known as the “Wagner-Peyser Act”) (29
6 U.S.C. 49a) is amended—

7 (1) in paragraph (1), by striking “Job Training
8 Partnership Act” and inserting “Consolidated and
9 Reformed Education, Employment, and Rehabilita-
10 tion Systems Act”;

11 (2) in paragraph (2) to read as follows:

12 “(2) the term ‘local workforce development board’
13 means a local workforce development board estab-
14 lished under title I of the Consolidated and Reformed
15 Education, Employment, and Rehabilitation Systems
16 Act;”;

17 (3) in paragraph (4) to read as follows:

18 “(4) the term ‘local workforce development area’
19 means a local workforce development area established
20 under title I of the Consolidated and Reformed Edu-
21 cation, Employment, and Rehabilitation Systems
22 Act;”;

23 (4) in paragraph (5), by striking the period at
24 the end and inserting a semicolon; and

1 (5) by adding at the end the following new para-
2 graphs:

3 “(6) the term ‘local public service office’ means
4 an office which provides employment services to the
5 general public under a one-stop career center system;
6 and

7 “(7) the term ‘one-stop career center system’
8 means a one-stop career center system established
9 under title I of the Consolidated and Reformed Edu-
10 cation, Employment, and Rehabilitation Systems
11 Act.”.

12 (b) DUTIES.—Section 3(a) of such Act (29 U.S.C.
13 49b(a)) is amended to read as follows:

14 “(a) The Secretary of Labor shall, pursuant to title
15 II of the Wagner-Peyser Act—

16 “(1) assist in the coordination and development
17 of a nationwide system of labor exchange services for
18 the general public, provided through the one-stop ca-
19 reer center system, in coordination with the public
20 employment services;

21 “(2) assist in the development of performance
22 standards, benchmarks, and continuous improvement
23 models for such nationwide system which ensures pri-
24 vate sector satisfaction and meets the demands of job-
25 seekers; and

1 “(3) ensure the continued services for individuals
2 receiving unemployment compensation.”.

3 (c) *REQUIREMENTS FOR RECEIPT OF FUNDS.*—Sec-
4 tion 4 of such Act (29 U.S.C. 49c) is amended by striking
5 “a State shall, through its legislature” and inserting “the
6 Governor of a State, through the collaborative process de-
7 scribed in title I of the Consolidated and Reformed Edu-
8 cation, Employment, and Rehabilitation Systems Act”.

9 (d) *AUTHORIZATION OF APPROPRIATIONS.*—Section 5
10 of such Act (29 U.S.C. 49d) is amended by inserting before
11 the period at the end the following: “, of which not less than
12 25 percent shall be for carrying out both section 14 and
13 title II of this Act”.

14 (e) *USE OF FUNDS UNDER THIS ACT.*—Section 7(c)(2)
15 of such Act (29 U.S.C. 49f(c)(2)) is amended by striking
16 “any of the following provisions of law” and all that follows
17 and inserting “the Consolidated and Reformed Education,
18 Employment, and Rehabilitation Systems Act.”.

19 (f) *STATE PLAN.*—Section 8 of such Act (29 U.S.C.
20 49g) is amended—

21 (1) in subsection (a) to read as follows:

22 “(a) Any State desiring to receive assistance under
23 this Act shall submit to the Secretary, as part of the State
24 workforce development and literacy plan authorized under
25 title I of the Consolidated and Reformed Education, Em-

1 *ployment, and Rehabilitation Systems Act, detailed plans*
2 *for carrying out the provisions of this Act within such*
3 *State.”;*

4 (2) *by striking subsections (b), (c), and (e); and*
5 (3) *by redesignating subsection (d) as subsection*
6 *(b).*

7 (g) *ELIMINATION OF FEDERAL ADVISORY COUNCIL.—*
8 *Section 11 of such Act (29 U.S.C. 49j) is hereby repealed.*

9 (h) *CONFORMING AMENDMENTS.—*

10 (1) *After section 2 of such Act insert the follow-*
11 *ing new heading:*

12 ***“TITLE I—GENERAL PROGRAM***
13 ***REQUIREMENTS”***

14 (2) *Section 4 of such Act is amended by striking*
15 *“United States Employment Service” and inserting*
16 *“Secretary of Labor”.*

17 (3) *Section 7(b)(2) of such Act is amended by*
18 *striking “private industry council” and inserting*
19 *“local workforce development board”.*

20 (4) *Section 7(d) of such Act is amended—*

21 (A) *by striking “United States Employment*
22 *Service” and inserting “Secretary of Labor”;*
23 *and*

24 (B) *by striking “Job Training Partnership*
25 *Act” and inserting “Consolidated and Reformed*

1 *Education, Employment, and Rehabilitation*
2 *Systems Act”.*

3 (5) *Section 12 of such Act is amended by strik-*
4 *ing “The Director, with the approval of the Secretary*
5 *of Labor,” and inserting “The Secretary of Labor”.*

6 **SEC. 132. LABOR MARKET INFORMATION.**

7 *The Act of June 6, 1933 (commonly known as the*
8 *“Wagner-Peyser Act”; 29 U.S.C. 49), as amended by section*
9 *131, is further amended by adding at the end the following*
10 *new title:*

11 **“TITLE II—LABOR MARKET**
12 **INFORMATION**

13 **“SEC. 21. PURPOSE.**

14 *“The purpose of this title is to ensure a comprehensive*
15 *and coordinated system of labor market information which*
16 *will provide locally based, accurate, up-to-date, easily acces-*
17 *sible, and user friendly labor market information through*
18 *a cooperative Federal, State, and local governance structure*
19 *which includes partnerships with the private sector at all*
20 *levels.*

21 **“SEC. 22. SYSTEM CONTENT.**

22 *“The Secretary of Labor, in accordance with the provi-*
23 *sions of this title, shall oversee the development, mainte-*
24 *nance, and continuous improvement of a nationwide system*

1 *of labor market information using data from all available*
2 *and appropriate sources, which shall include—*

3 *“(1) statistical data from survey and projection*
4 *programs and data from administrative reporting*
5 *systems, which, taken together, shall enumerate, esti-*
6 *mate, and project the supply and demand for labor*
7 *at national, State, and local levels in a timely man-*
8 *ner, including data on—*

9 *“(A) the demographic characteristics, as de-*
10 *fin ed in title I of the Careers Act, socioeconomic*
11 *characteristics, and current employment status*
12 *of the population, including self-employed, part-*
13 *time, and seasonal workers, and individuals*
14 *with severe disabilities;*

15 *“(B) job vacancies, education and training*
16 *requirements, skills, wages, benefits, working con-*
17 *ditions, and industrial distribution of occupa-*
18 *tions, as well as current and projected employ-*
19 *ment opportunities and trends by industry and*
20 *occupation;*

21 *“(C) the educational attainment, training,*
22 *skills, skill levels, and occupations of the popu-*
23 *lation by demographic characteristics such as*
24 *unemployment insurance wage data records;*

1 “(D) information maintained in a longitu-
2 dinal manner on the quarterly earnings, estab-
3 lishment and industry affiliation, and geo-
4 graphic location of employment for all individ-
5 uals for whom such information is collected by
6 the States; and

7 “(E) the incidence, industrial and geo-
8 graphical location, and number of workers dis-
9 placed by permanent layoffs and plant closings;

10 “(2) State and local employment and consumer
11 information on—

12 “(A) job openings, locations, hiring require-
13 ments, and application procedures, as well as
14 profiles of employers in the local labor market
15 describing the nature of work performed, employ-
16 ment requirements, wages, benefits, and hiring
17 patterns;

18 “(B) job seekers, including their education
19 and training, skills, skill levels, employment ex-
20 perience, and employment goals; and

21 “(C) education courses, training programs,
22 job placement programs, and vocational rehabili-
23 tation programs (where appropriate), includ-
24 ing—

1 “(i) performance information, such as
2 the ratio of program completion, acquisition
3 of industry-recognized skill standards, job
4 placement, earnings, and the level of satis-
5 faction of the participants and their em-
6 ployers; and

7 “(ii) descriptive information, such as
8 eligibility requirements, costs, financial
9 support, or other supportive services, and
10 other appropriate information which may
11 be available with these courses and pro-
12 grams;

13 “(3) technical standards for data and informa-
14 tion that will—

15 “(A) ensure compatibility and additivity of
16 data and information from local to State and
17 national levels;

18 “(B) support standardization and aggrega-
19 tion of data and information from the adminis-
20 trative reporting systems of employment-related
21 programs; and

22 “(C) include—

23 “(i) classification and coding systems
24 for industries, occupations, skills, programs,
25 and courses;

1 “(ii) nationally standardized defini-
2 tions of terms;

3 “(iii) a common system for designating
4 geographic areas;

5 “(iv) quality control mechanisms for
6 data collection and analysis; and

7 “(v) common schedules for data collec-
8 tion and dissemination;

9 “(4) analysis of data and information for uses
10 including—

11 “(A) national, State, and local economic
12 policymaking;

13 “(B) the implementation of Federal policies,
14 including the allocation of Federal funds to
15 States and localities and the facilitation of job
16 search and hiring in local labor markets;

17 “(C) national, State, and local program
18 planning and evaluation; and

19 “(D) research on labor market dynamics;

20 “(5) dissemination mechanisms for data and
21 analysis, including mechanisms which may be stand-
22 ardized among the States and technical standards in
23 the design of automated databases, and the design of
24 user interfaces and communications protocols;

1 “(6) *programs of technical assistance for States*
2 *and localities in the development, maintenance, and*
3 *utilization of data, analysis, and dissemination mech-*
4 *anisms, including assistance in adopting and utiliz-*
5 *ing automated systems and improving the access,*
6 *through electronic and other means, of youth, adults,*
7 *and employers to labor market information for local-*
8 *ities, States, and the Nation;*

9 “(7) *programs of research and demonstration,*
10 *which may be carried out by States and other public*
11 *or private entities, on ways to improve the products*
12 *and processes authorized in this title; and*

13 “(8) *objective performance measures, which will*
14 *allow for the continuous monitoring of the progress of*
15 *the labor market information system at national,*
16 *State, and local levels.*

17 **“SEC. 23. FEDERAL RESPONSIBILITIES.**

18 “(a) *IN GENERAL.—The Nation’s labor market infor-*
19 *mation system shall be planned, administered, overseen,*
20 *and evaluated by a cooperative governance structure involv-*
21 *ing the Federal Government and the States.*

22 “(b) *DUTIES.—The Secretary, with respect to data col-*
23 *lection, analysis, and dissemination of labor market infor-*
24 *mation, shall carry out the following duties:*

1 “(1) Ensure that all statistical and administra-
2 tive data collection activities within the Department
3 of Labor, including the Employment and Training
4 Administration, Veterans’ Employment and Training
5 Service, Employment Standards Administration, and
6 Occupational Health and Safety Administration, are
7 consistent with those of the Bureau of Labor Statis-
8 tics.

9 “(2) Assign responsibilities, as appropriate, to
10 agencies such as the Employment and Training Ad-
11 ministration to work with the Bureau of Labor Sta-
12 tistics in the collection, analysis and, particularly, in
13 the dissemination of labor market information, and
14 in the provision of training and technical assistance
15 to users of information, including the States, employ-
16 ers, youth, and adults.

17 “(3) In cooperation with other Federal agencies,
18 including but not limited to the Departments of Com-
19 merce, Defense, Treasury, Education, Health and
20 Human Services, Agriculture, Veterans’ Affairs, and
21 the Office of Management and Budget, establish and
22 maintain mechanisms for ensuring complementarity
23 and nonduplication in the development and operation
24 of statistical and administrative data collection ac-

1 *tivities, in order to ensure a comprehensive labor*
2 *market information system.*

3 *“(4) Actively seek the participation of other Fed-*
4 *eral agencies, particularly the National Center for*
5 *Education Statistics and the Division of Adult and*
6 *Vocational Education, and the Rehabilitation Serv-*
7 *ices Administration of the Department of Education,*
8 *the Veterans’ Employment and Training Service of*
9 *the Department of Labor and the Department of Vet-*
10 *erans’ Affairs with respect to vocational rehabilitation*
11 *programs in the design and provision of standardized*
12 *information to the States to support section 22(2),*
13 *and in the dissemination of labor market informa-*
14 *tion.*

15 *“(5) Establish confidentiality standards for the*
16 *labor market information system at national, State,*
17 *and local levels, including such provisions as may be*
18 *necessary, to be taken in coordination with the States,*
19 *to ensure that privacy and confidentiality protections*
20 *are guaranteed with respect to individuals and firm*
21 *data.*

22 *“(c) ADDITIONAL DUTIES.—The Secretary, in collabo-*
23 *ration with the Bureau of Labor Statistics, with the assist-*
24 *ance of other agencies of the Department where appropriate,*
25 *shall—*

1 “(1) establish and maintain, with the coopera-
2 tion of the States, elements of the system described in
3 sections 22(1) and 22(3);

4 “(2) develop and promulgate standards, defini-
5 tions, formats, collection methodologies, and other nec-
6 essary system elements for the use of the States in
7 their assembling and presentation of the employment
8 information specified in section 22(2);

9 “(3) eliminate gaps and duplication in statis-
10 tical undertakings, with the systemization of wage
11 surveys as an early priority;

12 “(4) recommend any needed improvements in
13 administrative reporting systems to support the devel-
14 opment of labor market information from their data;
15 and

16 “(5) ensure that—

17 “(A) data are sufficiently timely and locally
18 detailed for uses including those specified in sec-
19 tion 22(4);

20 “(B) administrative records are standard-
21 ized to facilitate the aggregation of data from
22 local to State and national levels and to support
23 the creation of new statistical series from pro-
24 gram records; and

1 “(C) paperwork and reporting requirements
2 on employers and individuals are reduced.

3 **“SEC. 24. ANNUAL PLAN.**

4 “(a) *IN GENERAL.*—The Secretary of Labor, working
5 through the Bureau of Labor Statistics, and in consultation
6 with other appropriate Federal agencies, shall prepare an
7 annual plan, which shall be the operational mechanism for
8 achieving a cooperative Federal/State governance structure
9 for labor market information. The annual plan shall pro-
10 vide the verbal justification for the Department of Labor’s
11 budget request to Congress by describing the activities of
12 the Bureau, other agencies of the Department of Labor, and
13 other Federal agencies with regard to data collection, analy-
14 sis, and dissemination of labor market information for fis-
15 cal years succeeding the fiscal year in which the plan is
16 developed and shall include—

17 “(1) the results of a periodic review of users’
18 needs, including the identification of new employment
19 issues and the attendant emergence of new needs, on
20 the part of Congress, the States, employers, youth,
21 and adults, for data, analysis, and dissemination;

22 “(2) an evaluation, including the results of objec-
23 tive measures, of the performance of the labor market
24 information system in meeting these needs and the
25 steps to be taken to overcome deficiencies;

1 “(3) a summary of ongoing data programs and
2 activities under section 22 and a description of the
3 development of new data programs, analytical tech-
4 niques, definitions and standards, dissemination
5 mechanisms, training and technical assistance, gov-
6 ernance mechanisms, and funding processes to meet
7 new needs; and

8 “(4) the results of an annual review of the costs
9 to the States of meeting contract requirements for
10 data production under this title, including a descrip-
11 tion of how the Secretary’s requested budget will cover
12 these costs.

13 “(b) COOPERATION WITH THE STATES.—The Sec-
14 retary shall involve the States with the Bureau of Labor
15 Statistics in a cooperative manner in the development of
16 the plan by—

17 “(1) establishing procedures and mechanisms for
18 holding formal and periodic consultations on products
19 and administration of the system, at least once each
20 quarter, with representatives of the States from each
21 of the 10 Federal regions of the Department of Labor,
22 elected by and from among the State directors of labor
23 market information, according to a process set forth
24 by the Secretary; and

1 “(2) incorporating in the annual plan, for its
2 submission to Congress, the results of these consulta-
3 tions, including any supplementary or dissenting
4 views from representatives of the States.

5 “(c) REPRESENTATIVES OF STATES DEEMED TO BE
6 FEDERAL EMPLOYEES.—For purposes of the development
7 of the annual plan and to meet the provisions of Office of
8 Management and Budget Circular A–11, the representatives
9 of the States, elected in accordance with subsection (b)(1),
10 shall be considered to be employees of the Department of
11 Labor.

12 **“SEC. 25. GOVERNOR’S RESPONSIBILITIES.**

13 “(a) DESIGNATION OF STATE AGENCY.—The Governor
14 of each State shall designate a single State agency to be
15 the agency responsible for the management and oversight
16 of a statewide comprehensive labor market information sys-
17 tem and for the State’s participation in the cooperative
18 Federal/State governance structure for the nationwide labor
19 market information system.

20 “(b) DUTIES.—In order to receive Federal financial
21 assistance under this Act, the State agency shall—

22 “(1) develop, maintain, and continuously im-
23 prove a comprehensive labor market information sys-
24 tem, which shall—

1 “(A) include all the elements specified in
2 section 22; and

3 “(B) be responsive to the needs of the State
4 and its localities for planning and evaluative
5 data, including employment and economic anal-
6 yses and projections, as required by this Act, the
7 Consolidated and Reformed Education, Employ-
8 ment, and Rehabilitation Systems Act, the So-
9 cial Security Act, and other provisions of law
10 under which Congress has required the use of
11 labor market information;

12 “(2) ensure the performance of contract and
13 grant responsibilities for data collection, analysis,
14 and dissemination;

15 “(3) conduct such other data collection, analysis,
16 and dissemination activities as will ensure com-
17 prehensive State and local labor market information;

18 “(4) actively seek the participation of other State
19 and local agencies, with particular attention to State
20 education, economic development, human services,
21 and welfare agencies, in data collection, analysis, and
22 dissemination activities in order to ensure
23 complementarity and compatibility among data; and

24 “(5) participate in the development of the na-
25 tional annual plan.

1 “(c) *RULE OF CONSTRUCTION.*—Nothing in this Act
2 shall be construed as limiting the State agency’s ability to
3 conduct additional data collection, analysis, and dissemi-
4 nation activities with State funds or with Federal funds
5 from sources other than this Act.”

6 ***Subtitle C—Worker Rights***

7 ***SEC. 141. REQUIREMENTS.***

8 *The following requirements shall apply to programs*
9 *under titles II and III of this Act:*

10 (1) *PROHIBITION ON DISPLACEMENT.*—A partici-
11 pant in a program under titles II or III shall not dis-
12 place any currently employed worker (including a
13 partial displacement, such as a reduction in the hours
14 of non-overtime work, wages, or employment benefits).

15 (2) *PROHIBITION ON IMPAIRMENT OF CON-*
16 *TRACTS.*—A program under title II or III shall not
17 impair existing contracts for services or collective bar-
18 gaining agreements, and no such program that would
19 be inconsistent with the terms of a collective bargain-
20 ing agreement shall be undertaken without the written
21 concurrence of the labor organization and employer
22 concerned.

23 (3) *PROHIBITION ON REPLACEMENT.*—A partici-
24 pant in a program under title II or III shall not be
25 employed—

1 (A) when any other individual is on tem-
2 porary layoff, with the clear possibility of recall,
3 from the same or any substantially equivalent
4 job with the participating employer; or

5 (B) when the employer has terminated the
6 employment of any regular employee or other-
7 wise reduced the workforce of the employer with
8 the intention of filling the vacancy so created
9 with the student.

10 (4) *WORKPLACES.*—A participant in a program
11 under title II or III shall be provided with adequate
12 and safe equipment and safe and healthful workplaces
13 in conformity with all health and safety requirements
14 of Federal, State, and local law.

15 (5) *EFFECT ON OTHER LAWS.*—Nothing in this
16 Act shall be construed to modify or affect any Federal
17 or State law prohibiting discrimination on the basis
18 of race, religion, color, ethnicity, national origin, gen-
19 der, age, or disability, or to modify or affect any
20 right to enforcement of this Act that may exist under
21 other Federal laws, except as expressly provided by
22 this Act.

1 **TITLE II—YOUTH DEVELOPMENT**
2 **AND CAREER PREPARATION**
3 **CONSOLIDATION GRANT**

4 **SEC. 201. PURPOSES.**

5 *It is the purpose of this title to provide States and*
6 *local communities maximum flexibility in designing*
7 *workforce preparation programs that—*

8 *(1) help individuals attain the academic skills,*
9 *as well as occupational skills, needed to be successful*
10 *in a global economy and for lifelong learning;*

11 *(2) best suit the needs of in-school and at-risk*
12 *youth in their communities, as well as the skill needs*
13 *of State and local employers;*

14 *(3) promote strong connections between in-school*
15 *and at-risk programs, to ensure that youth are pre-*
16 *pared for good jobs and further education opportuni-*
17 *ties, and promote youth development and career prep-*
18 *aration programs that provide opportunities for indi-*
19 *viduals to receive postsecondary education and occu-*
20 *pational training;*

21 *(4) promote the formation of business and edu-*
22 *cation partnerships that are dedicated to linking the*
23 *worlds of school and work; and*

24 *(5) promote high academic and occupational*
25 *standards and quality vocational-technical education,*

1 *including improved secondary and postsecondary pro-*
2 *grams, by focusing resources on program improve-*
3 *ment initiatives that help prepare students for further*
4 *education and training and high-wage jobs in high-*
5 *performance workplaces.*

6 **SEC. 202. DEFINITIONS.**

7 *For purposes of this title:*

8 (1) *The term “administration” means activities*
9 *of a State necessary for the proper and efficient per-*
10 *formance of its duties under this title, including su-*
11 *per vision, but does not include curriculum develop-*
12 *ment activities, personnel development, or research*
13 *activities.*

14 (2) *The term “all aspects of the industry” means*
15 *strong experience in, and understanding of, all as-*
16 *pects of the industry the students are preparing to*
17 *enter, including planning, management, finances,*
18 *technical and production skills, underlying principles*
19 *of technology, labor issues, and health and safety.*

20 (3) *The term “articulation agreement” means a*
21 *commitment to a program designed to provide stu-*
22 *dents with a nonduplicative sequence of progressive*
23 *coursework in secondary and postsecondary edu-*
24 *cation.*

1 (4) *The term “cooperative education” means a*
2 *method of instruction of vocational education for in-*
3 *dividuals who, through written cooperative arrange-*
4 *ments between the school and employers, receive in-*
5 *struction, including required academic courses and*
6 *related vocational instruction by alternation of study*
7 *in school with a job in any occupational field. Such*
8 *alternation shall be planned and supervised by the*
9 *school and employers so that each contributes to the*
10 *student’s education and employability. Work periods*
11 *and school attendance may be on alternate half days,*
12 *full days, weeks, or other periods of time in fulfilling*
13 *the cooperative program.*

14 (5) *The term “corrections vocational education”*
15 *means programs administered by the State to assist*
16 *juvenile and adult criminal offenders in correctional*
17 *institutions in the State, including correctional insti-*
18 *tutions operated by local authorities.*

19 (6) *The term “curricula” means instructional*
20 *and related or supportive material, including mate-*
21 *rials using advanced learning technology, in any oc-*
22 *cupational field which is designed to strengthen the*
23 *academic foundation and prepare individuals for em-*
24 *ployment at the entry level or to upgrade occupa-*
25 *tional competencies of those previously or presently*

1 employed in any occupational field, and appropriate
2 counseling and guidance material.

3 (7) Except as otherwise provided, the term “eli-
4 gible institution” means a local educational agency,
5 an area vocational education school, an intermediate
6 educational agency, an institution of higher education
7 (as such term is defined in section 1201(a) of the
8 Higher Education Act of 1965), a State corrections
9 educational agency, or consortia of such entities.

10 (8) The term “partnership” means a local entity
11 that is responsible for local youth development and
12 career preparation programs and may consist of em-
13 ployers, representatives of local educational agencies
14 and local postsecondary educational institutions (in-
15 cluding representatives of area vocational education
16 schools, where applicable), local educators (such as
17 teachers, counselors, or administrators), representative
18 employee organizations, and students; and include
19 other entities.

20 (9) The term “Secretary” means the Secretary of
21 Education.

22 (10) The term “sequential course of study”
23 means an integrated series of courses which are di-
24 rectly related to the educational and occupational

1 *skills preparation of individuals for jobs, or prepara-*
2 *tion for postsecondary education.*

3 (11) *The term “single parent” means an individ-*
4 *ual who—*

5 (A) *is unmarried or legally separated from*
6 *a spouse; and*

7 (B)(i) *has a minor child or children for*
8 *whom the parent has either custody or joint cus-*
9 *tody; or*

10 (ii) *is pregnant.*

11 (12) *The term “special populations” includes in-*
12 *dividuals with disabilities, economically disadvan-*
13 *tagged individuals, individuals of limited English pro-*
14 *ficiency, and individuals in nontraditional training*
15 *and employment.*

16 (13) *The term “tech-prep education program”*
17 *means a program of study which—*

18 (A) *combines at least 2 years of secondary*
19 *and 2 years of postsecondary education in a*
20 *nonduplicative sequence;*

21 (B) *integrates academic and vocational in-*
22 *struction;*

23 (C) *provides technical preparation in at*
24 *least 1 field of engineering technology, applied*
25 *science, mechanical, industrial, or practical art*

1 *or trade, or agriculture, health occupations, or*
2 *business;*

3 *(D) builds student competence in mathe-*
4 *matics, science, communications, and workplace*
5 *skills, through applied academics and integrated*
6 *instruction in a coherent sequence of courses;*

7 *(E) leads to an associate degree or certifi-*
8 *cate in a specific career field;*

9 *(F) leads to placement in appropriate em-*
10 *ployment or further education; and*

11 *(G) enables a student to fulfill a career*
12 *pathway plan relating to labor market needs.*

13 *(14) The term “vocational education” means or-*
14 *ganized educational programs offering a sequence of*
15 *courses which are directly related to the preparation*
16 *of individuals in paid or unpaid employment in cur-*
17 *rent or emerging occupations, including*
18 *nonbaccalaureate certificate and degree programs and*
19 *baccalaureate vocational degree programs. Such pro-*
20 *grams include competency-based applied learning*
21 *which contributes to an individual’s academic knowl-*
22 *edge, higher-order reasoning, and problem-solving*
23 *skills, work attitudes, general employability skills,*
24 *and the occupational-specific skills necessary for eco-*
25 *nommic independence as a productive and contributing*

1 *member of society. Such term also includes applied*
2 *technology education.*

3 (15) *The term “vocational student organiza-*
4 *tions” means those organizations for individuals en-*
5 *rolled in vocational education programs which engage*
6 *in activities as an integral part of the instructional*
7 *program. Such organizations may have State and na-*
8 *tional units which aggregate the work and purposes*
9 *of instruction in vocational education at the local*
10 *level.*

11 ***Subtitle A—State Funding***

12 ***SEC. 211. NATIONAL AND STATE FUNDING.***

13 (a) *NATIONAL PROGRAMS.*—*In each fiscal year, of the*
14 *amounts made available under section 4, the Secretary shall*
15 *reserve 20 percent or \$25,000,000, whichever is less, to carry*
16 *out the provisions of subtitle D.*

17 (b) *STATE ALLOTMENT.*—

18 (1) *IN GENERAL.*—*Of the funds remaining after*
19 *the reservation under subsection (a), the Secretary*
20 *shall allot to each State for each fiscal year an*
21 *amount based on that State’s allotment percentage.*

22 (2) *ALLOTMENT PERCENTAGE.*—(A) *Except as*
23 *provided in subparagraph (B), the allotment percent-*
24 *age of a State for a fiscal year shall be the same per-*

1 *centage of funds allotted to the State under this sec-*
2 *tion in the preceding fiscal year.*

3 *(B) The allotment percentage of a State for fiscal*
4 *year 1996 shall be the percentage of funds allotted to*
5 *the State in fiscal year 1995 under—*

6 *(i) section 101 or 101A of the Carl D. Per-*
7 *kins Vocational and Applied Technology Edu-*
8 *cation Act as such Act was in effect on the day*
9 *before the date of the enactment of this Act; and*

10 *(ii) the funding allotted in fiscal year 1995*
11 *under section 252 and 262 of the Job Training*
12 *Partnership Act as such Act was in effect on the*
13 *day before the date of the enactment of this Act.*

14 *(3) STATE MINIMUM.—Notwithstanding any*
15 *other provision of law and subject to paragraph (1),*
16 *any fiscal year for which the amounts appropriated*
17 *for programs authorized by this title exceed the*
18 *amounts available for fiscal year 1985, a State shall*
19 *not receive less than one-quarter of one percent of the*
20 *amount available for each such program for that fis-*
21 *cal year under this subsection. Amounts necessary for*
22 *increasing such payments to States to comply with*
23 *the preceding sentence shall be obtained by ratably re-*
24 *ducing the amounts to be paid to other States.*

1 (4) *DEFINITION.*—For the purposes of this sub-
2 section the term “State” means, in addition to the
3 several States, the District of Columbia, the Common-
4 wealth of Puerto Rico, the Virgin Islands, Guam,
5 American Samoa, and the Northern Mariana Islands.

6 (c) *FUNDING FOR STATE PROGRAMS.*—Of the funds al-
7 lotted to a State under subsection (b) for each fiscal year,
8 the Governor, through the collaborative process, shall—

9 (1) make available not less than 90 percent to
10 local providers;

11 (2) make available not more than 8 percent for
12 State programs described in section 222; and

13 (3) make available not more than 2 percent for
14 administrative purposes.

15 **SEC. 212. WITHIN STATE ALLOCATION.**

16 (a) *IN GENERAL.*—From the amounts made available
17 pursuant to section 211(c)(1), the Governor, through the col-
18 laborative process, shall—

19 (1) allocate to eligible institutions an amount
20 equal to not less than 40 percent of such amount for
21 in-school youth programs described in section 241;

22 (2) allocate to local workforce development
23 boards an amount equal to not less than 40 percent
24 of such amount for at-risk youth programs described
25 in section 245;

1 (3) provide an amount equal to 10 percent of the
2 remainder to eligible institutions or local workforce
3 development boards; and

4 (4) allocate the remainder of any amounts under
5 this subsection to carry out the purposes of paragraph
6 (1) or (2).

7 (b) WITHIN STATE FORMULA.—

8 (1) ESTABLISHMENT.—The Governor, through
9 the collaborative process, and after consultation with
10 local chief elected officials in the local workforce devel-
11 opment area and, where appropriate, local educators
12 in such area, shall develop a formula for the alloca-
13 tion of funds in accordance with paragraphs (1), (2),
14 and (4) of subsection (a). Such formula shall take
15 into account—

16 (A) poverty rates within each local commu-
17 nity, as determined by the State;

18 (B) the proportion of the State's youth pop-
19 ulation residing within each local community;
20 and

21 (C) such other factors as considered appro-
22 priate.

23 (2) ADDITIONAL FACTORS.—In establishing such
24 formula, the Governor shall ensure that funds are dis-
25 tributed equitably throughout the State, and that the

1 *factors described in paragraph (1) do not receive dis-*
2 *proportionate weighting.*

3 *(c) MINIMUM GRANT AMOUNTS.—*

4 *(1) LOCAL EDUCATIONAL AGENCIES.—A local*
5 *educational agency or consortium of such agencies*
6 *that receives a subgrant from a State under this sub-*
7 *title for any fiscal year shall receive not less than*
8 *\$15,000.*

9 *(2) POSTSECONDARY INSTITUTIONS.—A post-*
10 *secondary institution or consortium of such institu-*
11 *tions that receives a subgrant from a State under this*
12 *subtitle for any fiscal year shall receive not less than*
13 *\$50,000.*

14 *(3) LOCAL DEVELOPMENT BOARD.—A local devel-*
15 *opment board that receives a subgrant from a State*
16 *under this subtitle for any fiscal year shall receive not*
17 *less than \$15,000.*

18 *(4) SECONDARY-POSTSECONDARY CONSORTIA.—*
19 *One or more local educational agencies and one or*
20 *more eligible institutions may enter into a consor-*
21 *tium agreement. A consortium formed pursuant to*
22 *this paragraph that receives a subgrant from a State*
23 *under this subtitle shall receive not less than \$50,000*
24 *in any fiscal year.*

1 (d) *FUNDS TO CONSORTIUM.*—Funds allocated to a
2 consortium formed to meet the minimum grant require-
3 ments of this section shall be used only for purposes and
4 activities that are mutually beneficial to all members of the
5 consortium. Such funds may not be reallocated to individ-
6 ual members of the consortium for purposes or activities
7 benefiting only one member of the consortium.

8 (e) *WAIVER.*—The State may waive the application of
9 subsection (c) in any case in which a grant recipient—

10 (1) is located in a rural, sparsely-populated
11 area; and

12 (2) demonstrates an inability to enter into a
13 consortium for purposes of providing services under
14 this title.

15 ***Subtitle B—State Organizational,***
16 ***Planning, and Reporting Re-***
17 ***sponsibilities***

18 ***SEC. 221. STATE PLAN.***

19 *In addition to the requirements described in title I,*
20 *a State that desires to receive funds for any fiscal year*
21 *under this title shall, as part of the State Workforce Devel-*
22 *opment and Literacy Plan under title I, submit to the Sec-*
23 *retary of Education information that includes—*

24 (1) *a description of how the State will adopt, de-*
25 *velop, or assist local providers to adopt or develop*

1 *model curricula and innovative instructional meth-*
2 *odologies, to be used in the postsecondary, secondary,*
3 *and where possible, the elementary grades, and in*
4 *programs for at-risk youth that integrate academic,*
5 *vocational, and work-based learning, stressing applied*
6 *and contextual learning, and promote career aware-*
7 *ness;*

8 (2) *a description of how the State will expand*
9 *and improve career exploration and guidance counsel-*
10 *ing for students in the elementary and secondary*
11 *grades, which may include linkages to career explo-*
12 *ration, guidance counseling and labor market infor-*
13 *mation services outside of the school system and shall*
14 *describe how the State will effectively demonstrate the*
15 *system of career preparation for youth, which in-*
16 *cludes elements such as professional development, and*
17 *secondary-postsecondary collaborations;*

18 (3) *a description of the strategy of the State for*
19 *integrating academic, vocational, and work-based*
20 *learning, including a description of how the State*
21 *will promote collaboration between secondary and*
22 *postsecondary occupational and academic programs*
23 *and institutions;*

24 (4) *a description of the State's plan to develop*
25 *the academic and occupational skills of students and*

1 *provide the attainment of challenging vocational-tech-*
2 *nical education standards, including industry-ap-*
3 *proved skill standards and workplace competencies,*
4 *and a description of how the State will develop a*
5 *State process for issuing skill certificates that, to the*
6 *extent feasible, are consistent with the skill standards*
7 *certification systems endorsed by the National Skill*
8 *Standards Board;*

9 *(5) a description of how the State will promote*
10 *the active involvement of business (including small-*
11 *and medium-sized businesses) in the planning, devel-*
12 *opment, and implementation of youth development*
13 *and career preparation programs authorized under*
14 *this title; and*

15 *(6) a description of how the State will coordinate*
16 *the Goals 2000: Educate America Act, and Improving*
17 *America's Schools Act of 1994, and other State edu-*
18 *cation improvement plans.*

19 **SEC. 222. STATE PROGRAMS AND STATE ACTIVITIES.**

20 *(a) GENERAL AUTHORITY.—From amounts made*
21 *available to a State under section 211, each State shall con-*
22 *duct State programs and activities.*

23 *(b) REQUIRED USES OF FUNDS.—The programs and*
24 *activities described in subsection (a) shall include an assess-*

1 *ment of programs conducted with assistance under this*
2 *title, including the development of—*

3 *(1) performance standards and measures for*
4 *such programs; and*

5 *(2) program improvement and accountability*
6 *with respect to such programs.*

7 *(c) ADDITIONAL USES OF FUNDS.—The programs and*
8 *activities described in subsection (a) may include—*

9 *(1) the support for tech-prep education;*

10 *(2) support for workforce preparation programs*
11 *for single parents, displaced homemakers, and single*
12 *pregnant women;*

13 *(3) support for corrections vocational education;*

14 *(4) professional development activities for voca-*
15 *tional teachers, academic teachers, school administra-*
16 *tors, counselors, workplace mentors, and local provid-*
17 *ers regarding integration of vocational, academic, and*
18 *work-based curricula, including—*

19 *(A) inservice and preservice training of*
20 *teachers and faculty in state-of-the-art programs*
21 *and techniques and nontraditional training and*
22 *employment; and*

23 *(B) support of public teacher-education pro-*
24 *grams to ensure vocational teachers stay current*

1 with the needs, expectations, and methods of in-
2 dustry to meet employer standards;

3 (5) development, dissemination, and field testing
4 of curricula, especially—

5 (A) curricula that integrate vocational, aca-
6 demic, and work-based methodologies;

7 (B) curricula that provide a coherent se-
8 quence of courses through which academic and
9 occupational skills may be measured; and

10 (C) curricula for work-based learning;

11 (6) leadership and instructional programs in
12 technology education;

13 (7) data collection, including support for man-
14 agement information systems as defined in section
15 109;

16 (8) support for 1-stop career centers described in
17 section 107;

18 (9) support for cooperative education and family
19 and consumer science programs;

20 (10) creative use of technologies, including pro-
21 fessional development in the use of such technologies
22 for instructional purposes and to increase counselor's
23 and students' knowledge of, and use of, additional in-
24 formation resources to make career pathways and
25 coursework decisions;

1 (11) support for vocational student organiza-
2 tions; and

3 (12) improving career guidance and counseling.

4 **SEC. 223. INCENTIVE AWARDS.**

5 The State, may, from the amount made available
6 under section 211(c)(2) for any fiscal year make perform-
7 ance awards to 1 or more eligible institutions or local pro-
8 viders that have—

9 (1) exceeded in the performance goals described
10 in section 224;

11 (2) implemented exemplary youth development
12 and career preparation programs at the local level in
13 accordance with the purposes described in section 201;
14 or

15 (3) provided exemplary education services and
16 activities for at-risk youth.

17 **SEC. 224. CORE STANDARDS, PERFORMANCE GOALS, AND**
18 **MEASURES.**

19 (a) GENERAL AUTHORITY.—

20 (1) STANDARDS AND MEASURES.—In addition to
21 the State's goals described in section 104, each State
22 receiving funds under this title shall have developed
23 or shall develop and implement a statewide system of
24 core standards and measures of performance for youth

1 *development and career preparation programs in co-*
2 *ordination with other titles of this Act.*

3 (2) *STATEWIDE SYSTEM.*—*Each statewide sys-*
4 *tem, in accordance with the provisions of section 104,*
5 *shall—*

6 (A) *establish or have established perform-*
7 *ance goals to define the level of performance to*
8 *be achieved by youth served under this title and*
9 *to evaluate the quality and effectiveness of serv-*
10 *ices and activities under this title;*

11 (B) *express such goals in an objective, quan-*
12 *tifiable, and measurable form;*

13 (C) *establish progress indicators that the*
14 *State and local recipients will use in measuring*
15 *or assessing progress toward achieving such*
16 *goals; and*

17 (D) *provide biennial reports to the public*
18 *and to the Secretary on the State's progress in*
19 *achieving its goals.*

20 (b) *REQUIREMENTS.*—*Each system developed under*
21 *subsection (a) shall include—*

22 (1) *measures of academic and occupational com-*
23 *petency gains, including progress in the achievement*
24 *of the following:*

1 (A) *Academic and occupational competency*
2 *attainment which includes—*

3 (i) *attainment of challenging State*
4 *academic standards;*

5 (ii) *attainment of challenging voca-*
6 *tional-technical education standards; and*

7 (iii) *attainment of industry-recognized*
8 *occupational standards, including basic*
9 *workplace competencies and industry-recog-*
10 *nized skill standards (endorsed by the Na-*
11 *tional Skill Standards Board), which may*
12 *include the receipt of a skill certificate in*
13 *the occupation for which the student has*
14 *been prepared;*

15 (B) *retention in school or completion of sec-*
16 *ondary school or the equivalent;*

17 (C) *placement into additional training or*
18 *postsecondary education, military service, reg-*
19 *istered apprenticeship, or employment; and*

20 (D) *employment retention and earnings lev-*
21 *els;*

22 (2) *reduction of the drop-out rate; and*

23 (3) *success of special populations in meeting*
24 *these performance standards, including nontradi-*
25 *tional training and employment.*

1 (c) *PERFORMANCE GOALS AND MEASURES.*—The Gov-
2 ernor shall, acting through the collaborative process, work
3 to ensure that the performance goals are consistent with
4 challenging State academic standards, industry-recognized
5 skill standards once established by the National Skill
6 Standards Board and the State goals established under this
7 title.

8 ***Subtitle C—Subgrants for In-School***
9 ***and At-Risk Youth***

10 ***SEC. 231. PARTNERSHIP AGREEMENTS.***

11 (a) *PARTNERSHIP.*—A local workforce development
12 board and an eligible institution that desires to receive a
13 subgrant from a State under this subtitle in any fiscal year
14 shall form a partnership for the purposes of collaborative
15 planning, coordination of in-school and at-risk programs,
16 and effective public participation.

17 (b) *PLAN.*—The partnership referred to in subsection
18 (a) shall, in collaboration, develop and submit for approval
19 to the Governor through the State collaborative process a
20 comprehensive youth development and career preparation
21 plan for in-school and at-risk youth. Such plan shall de-
22 scribe how the youth development and career preparation
23 system meets the requirements of sections 241 and 245 and
24 shall address comments received through the collaborative
25 process. The partnership shall assure the involvement of

1 *parents, teachers, and the community in the collaborative*
2 *planning process which involves design of the standards,*
3 *strategies, articulation, and cooperative agreements, assess-*
4 *ments, and evaluation of program activities.*

5 **SEC. 232. DISTRIBUTION OF FUNDS.**

6 (a) *IN-SCHOOL PROGRAMS.*—Based upon an applica-
7 *tion submitted by the partnership to the Governor through*
8 *the State collaborative process, a State shall distribute*
9 *funds made available in a fiscal year as provided in section*
10 *212(a)(1) to eligible institutions to carry out in-school*
11 *youth programs described in section 241.*

12 (b) *AT-RISK YOUTH PROGRAMS.*—A State shall dis-
13 *tribute funds made available in any fiscal year as provided*
14 *in section 212(a)(2) to local workforce development boards*
15 *to carry out at-risk youth programs described in section*
16 *245.*

17 **CHAPTER 1—IN-SCHOOL YOUTH**

18 **SEC. 241. USES OF FUNDS FOR IN-SCHOOL YOUTH.**

19 (a) *GENERAL AUTHORITY.*—Each eligible institution
20 *that receives a subgrant under this chapter shall use funds*
21 *provided under such grant to improve youth development*
22 *and career preparation programs.*

23 (b) *REQUIREMENTS FOR USES OF FUNDS.*—Funds
24 *provided by a State pursuant to section 212(a)(1) shall be*

1 *used to provide in-school youth development and career*
2 *preparation programs that—*

3 *(1) are of such size, scope, and quality as to be*
4 *effective;*

5 *(2) integrate academic, vocational, and work-*
6 *based learning, stressing applied and contextual*
7 *learning, through a coherent sequence of courses so*
8 *that youth achieve both academic and occupational*
9 *competencies;*

10 *(3) involve employers in the design and imple-*
11 *mentation of programs, including the development of*
12 *curriculum;*

13 *(4) establish effective linkages between at-risk*
14 *youth programs, secondary and postsecondary edu-*
15 *cation;*

16 *(5) provide work-based learning experiences with*
17 *adult mentoring where appropriate; and, to the extent*
18 *possible, with strong experiences and understanding*
19 *of all aspects of an industry appropriately tied to the*
20 *student's career major; and*

21 *(6) provide career exploration, including explo-*
22 *ration in the practical arts or trade, career awareness*
23 *and career guidance opportunities, beginning in the*
24 *earliest grades possible.*

1 (c) *ADDITIONAL USES OF FUNDS.*—*In carrying out*
2 *the provisions of subsection (b), funds may be used by*
3 *schools for in-school youth activities such as—*

4 (1) *purchasing, leasing, or upgrading of equip-*
5 *ment, including instructional aides and material;*

6 (2) *inservice training of vocational instructors,*
7 *academic instructors, employers, and workplace men-*
8 *tors, to integrate academic and vocational education,*
9 *and provide high-quality work-based learning experi-*
10 *ences;*

11 (3) *tech-prep education programs;*

12 (4) *supplementary services designed to meet the*
13 *needs of special populations;*

14 (5) *adaptation of equipment;*

15 (6) *apprenticeship programs;*

16 (7) *comprehensive mentoring programs in insti-*
17 *tutions of higher education offering comprehensive*
18 *programs in teacher preparation which seek to fully*
19 *use the skills and work experience of individuals cur-*
20 *rently or formerly employed in business and industry*
21 *who are interested in becoming classroom instructors*
22 *and to meet the need of vocational educators who wish*
23 *to upgrade their teaching competencies;*

1 (8) *local education and business partnerships for*
2 *developing and implementing workforce preparation*
3 *systems;*

4 (9) *support for vocational student organizations;*
5 *and*

6 (10) *establishing effective activities and proce-*
7 *dures to enable program participants and their par-*
8 *ents to participate directly in decisions that influence*
9 *the character of programs, including providing infor-*
10 *mation and assistance needed for informed and effec-*
11 *tive participation.*

12 **CHAPTER 2—AT-RISK YOUTH**

13 **SEC. 245. USES OF FUNDS FOR AT-RISK YOUTH.**

14 (a) *GENERAL AUTHORITY.*—*Each local workforce de-*
15 *velopment board that receives a subgrant under this chapter*
16 *shall use funds provided under such grant to improve youth*
17 *development and career preparation programs.*

18 (b) *REQUIREMENTS FOR USES OF FUNDS.*—*Funds*
19 *provided by a State pursuant to section 212(a)(2) shall be*
20 *used to provide youth development and career preparation*
21 *programs for at-risk youth that—*

22 (1) *are of such size, scope, and quality as to be*
23 *effective;*

24 (2) *integrate academic, vocational, and work-*
25 *based learning, stressing applied and contextual*

1 *learning, through a coherent sequence of courses so*
2 *that students and at-risk youth achieve both academic*
3 *and occupational competencies;*

4 *(3) involve employers in the design and imple-*
5 *mentation of programs, including the development of*
6 *curriculum;*

7 *(4) establish effective linkages between at-risk*
8 *youth programs, and secondary and postsecondary*
9 *education;*

10 *(5) provide work-based learning experiences, in-*
11 *cluding experiences in the practical arts or trade, if*
12 *applicable;*

13 *(6) provide adult mentoring as a core component*
14 *of the program;*

15 *(7) provide an objective assessment of the aca-*
16 *demic and skill levels, and service needs of each par-*
17 *ticipant; and*

18 *(8) provide career exploration and counseling.*

19 *(c) ADDITIONAL USES OF FUNDS.—In carrying out*
20 *the provisions of subsection (b), providers of at-risk youth*
21 *programs, as selected by the local workforce development*
22 *board, may provide activities such as—*

23 *(1) tutoring, study skills training and instruc-*
24 *tion leading to completion of high school;*

25 *(2) alternative high school services;*

1 (3) *training or education that is combined with*
2 *community service, and service learning opportuni-*
3 *ties;*

4 (4) *paid work experience, including limited in-*
5 *ternships, entry-employment experience programs,*
6 *and summer employment opportunities that are inte-*
7 *grated with the year-round school-based or alternative*
8 *school-based program;*

9 (5) *drop-out prevention strategies and strategies*
10 *to encourage at-risk youth to reenter high school or al-*
11 *ternative high school programs and programs that en-*
12 *courage pregnant and parenting youth to stay in*
13 *school;*

14 (6) *preemployment and work maturity skills*
15 *training;*

16 (7) *peer-centered activities encouraging respon-*
17 *sibility and other positive social behaviors during*
18 *non-school hours; and*

19 (8) *training-related supportive services.*

20 (d) *LIMITATIONS ON USE OF FUNDS.—Not more than*
21 *10 percent of the funds provided under this chapter to a*
22 *local workforce development board may be used for adminis-*
23 *trative purposes.*

1 **SEC. 246. AT-RISK YOUTH PROVIDERS.**

2 (a) *ROLE OF WORKFORCE DEVELOPMENT BOARD.*—
3 A workforce development board that receives funds under
4 this chapter shall not operate programs, but shall contract
5 with eligible providers of demonstrated effectiveness, or with
6 eligible providers utilizing service methodologies with dem-
7 onstrated effectiveness in serving the workforce preparation
8 needs of at-risk youth, for the purpose of providing services
9 under this chapter.

10 (b) *ELIGIBLE PROVIDERS.*—For purposes of this chap-
11 ter, eligible providers may include—

12 (1) an “eligible institution” as defined under
13 section 202(7);

14 (2) a unit of local government;

15 (3) a private, nonprofit organization (including
16 community-based organizations);

17 (4) a private, for profit entity;

18 (5) a designated 1-stop career center; or

19 (6) other organizations or entities of dem-
20 onstrated effectiveness and approved by the local
21 Board.

22 **Subtitle D—National Programs**

23 **SEC. 251. RESEARCH ACTIVITIES.**

24 (a) *GENERAL AUTHORITY.*—

25 (1) *IN GENERAL.*—In order to carry out the pur-
26 pose of this title, the Secretary may, directly or

1 *through grants, contracts, or cooperative agreements,*
2 *carry out research, development, dissemination, rep-*
3 *lication of model programs, demonstration programs,*
4 *evaluation, capacity-building, and technical assist-*
5 *ance activities with regard to the services and activi-*
6 *ties carried out under this title.*

7 (2) *INFORMATION SYSTEMS.—Activities carried*
8 *out under this section may include support for occu-*
9 *pational and career information systems.*

10 (b) *DISSEMINATION.—The Secretary shall establish a*
11 *system for disseminating information resulting from re-*
12 *search and development activities carried out under this*
13 *title.*

14 **SEC. 252. ASSESSMENT AND DATA COLLECTION OF YOUTH**
15 **DEVELOPMENT AND CAREER PREPARATION**
16 **PROGRAMS.**

17 (a) *IN GENERAL.—The Secretary, through the Office*
18 *of Educational Research and Improvement, shall conduct*
19 *a biennial assessment of services and activities assisted*
20 *under this title, through studies and analyses conducted*
21 *independently through competitive awards.*

22 (b) *CONTENTS.—The assessment required under sub-*
23 *section (a) shall examine the extent to which services and*
24 *activities assisted under this title have achieved their in-*

1 tended purposes and results, including the extent to
2 which—

3 (1) State and local services and activities have
4 developed, implemented, or improved systems estab-
5 lished under this title;

6 (2) services and activities assisted under this
7 title succeed in preparing students, including students
8 who are members of special populations, for post-
9 secondary education, further learning, or entry into
10 high-skill, high-wage careers;

11 (3) students who participate in services and ac-
12 tivities supported under this title succeed in meeting
13 challenging State academic and industry-based skill
14 standards; and

15 (4) the system improvement, participation, local
16 and State assessment, and accountability provisions
17 of this title, including the performance goals and in-
18 dicators established under section 224, are effective.

19 **SEC. 253. NATIONAL CENTER OR CENTERS FOR RESEARCH.**

20 (a) GENERAL AUTHORITY.—

21 (1) NATIONAL CENTER.—The Secretary may,
22 through a grant or contract, establish one or more na-
23 tional centers for conducting applied research, devel-
24 opment, dissemination, and technical assistance ac-
25 tivities which would focus on improving the career

1 *preparation of individuals. The Secretary shall con-*
2 *sult with States prior to establishing one or more*
3 *such centers.*

4 (2) *ELIGIBILITY.—Entities eligible to receive*
5 *funds under this section are institutions of higher*
6 *education, other public or private nonprofit organiza-*
7 *tions or agencies, and consortia of such institutions,*
8 *organizations, or agencies.*

9 (3) *PREVIOUS CENTER.—The national center in*
10 *existence on the day before the date of the enactment*
11 *of the this Act shall continue to receive assistance*
12 *under this section in accordance with the terms of its*
13 *current award.*

14 (b) *ACTIVITIES.—*

15 (1) *IN GENERAL.—The applied research, develop-*
16 *ment, dissemination, and technical assistance activi-*
17 *ties carried out by the national center or centers shall*
18 *include—*

19 (A) *activities that assist recipients of funds*
20 *under this title to meet the requirements of sec-*
21 *tion 224;*

22 (B) *research and development of activities*
23 *that combine academic, vocational education,*
24 *and work-based learning;*

1 (C) developing new models for remediation
2 of basic academic skills which incorporate appro-
3 priate instructional methods;

4 (D) identifying ways to establish links
5 among educational and job training activities at
6 the State and local levels;

7 (E) new models for career guidance, career
8 information, and counseling services;

9 (F) studies providing longitudinal informa-
10 tion or formative evaluation on programs funded
11 under this title, including an analysis of the ef-
12 fectiveness of youth development and career prep-
13 aration programs in serving at-risk youth; and

14 (G) such other activities as the Secretary
15 determines to be appropriate to achieve the pur-
16 pose of this Act.

17 (2) DUTIES.—The center or centers shall—

18 (A) provide assistance to States and local
19 recipients in developing and using systems of
20 performance measures and standards for im-
21 provement of programs and services; and

22 (B) provide technical assistance and out-
23 reach.

24 (3) SUMMARY.—The center or centers conducting
25 the activities described in paragraph (1) shall annu-

1 ally prepare a summary of key research findings of
2 such center or centers and shall submit copies of the
3 summary to the Secretaries of Education and Labor.

4 The Secretary shall submit that summary to the Com-
5 mittee on Labor and Human Resources of the Senate,
6 and the Committee on Economic and Educational
7 Opportunities of the House of Representatives.

8 (c) *CLEARINGHOUSE*.—The center or centers shall
9 maintain a clearinghouse that will provide data and infor-
10 mation to Federal, State, and local organizations and agen-
11 cies about the condition of systems and programs funded
12 under this title.

13 ***TITLE III—ADULT EMPLOYMENT***
14 ***AND TRAINING CONSOLIDA-***
15 ***TION GRANT***

16 ***Subtitle A—Adult Employment and***
17 ***Training Consolidation Grant***

18 ***SEC. 301. PURPOSE.***

19 The purpose of this title is to establish an efficient,
20 high-quality, and equitable system of employment, job
21 training, and related assistance designed to facilitate the
22 transition of adults into productive, high skills, private sec-
23 tor employment.

1 **SEC. 302. AUTHORIZATION.**

2 (a) *IN GENERAL.*—*In the case of each State that in*
3 *accordance with the requirements of section 102 submits to*
4 *the Secretary of Labor (hereinafter in this title referred to*
5 *as the “Secretary”) a State workforce development and lit-*
6 *eracy plan under section 104, the Secretary shall provide*
7 *a grant to the State for the purpose of providing employ-*
8 *ment, job training, and related assistance for adults in the*
9 *State.*

10 (b) *AMOUNT.*—*The grant shall consist of the allotment*
11 *determined for the State under section 303.*

12 **SEC. 303. ALLOTMENT AMONG STATES.**

13 (a) *IN GENERAL.*—*Of the amount appropriated pursu-*
14 *ant to section 4(a)(2) to carry out this title for a fiscal*
15 *year, the Secretary shall—*

16 (1) *allot 85 percent of such amounts in accord-*
17 *ance with subsection (b); and*

18 (2) *reserve 15 percent for use under subtitle B.*

19 (b) *ALLOTMENT AMONG STATES.*—

20 (1) *RESERVATION FOR THE TERRITORIES.*—*Of*
21 *the amount allotted under subsection (a)(1), the Sec-*
22 *retary shall allot not more than one quarter of one*
23 *percent among the Commonwealth of the Northern*
24 *Mariana Islands, American Samoa, Guam, and the*
25 *Virgin Islands.*

1 (2) *STATES.*—After determining the amount to
2 be allotted under paragraph (1), the Secretary shall
3 allot the remaining amount to the remaining States
4 so that each State receives an amount that bears the
5 same proportion to such remaining amount as—

6 (A) the amount allotted to each such State
7 from allotments under sections 202 and 302 of
8 the Job Training Partnership Act (29 U.S.C.
9 1602 and 1652) (as in effect before the date of
10 the enactment of this Act) for fiscal year 1995;
11 bears to

12 (B) the aggregate of the amounts allotted to
13 all such States from allotments under such sec-
14 tions for such fiscal year.

15 Notwithstanding any other provision of law and sub-
16 ject to paragraph (1), in any fiscal year for which the
17 amounts appropriated for programs authorized by
18 title III exceed the amounts so available for fiscal
19 year 1985, no State shall receive less than one-quarter
20 of one percent of the amount available for each such
21 program for that fiscal year under this subsection.
22 Amounts necessary for increasing such payments to
23 States to comply with the preceding sentence shall be
24 obtained by ratably reducing the amounts to be paid
25 to other States.

1 **SEC. 304. ALLOCATION WITHIN STATES.**

2 (a) *RESERVATIONS FOR STATE ACTIVITIES.*—

3 (1) *IN GENERAL.*—*The Governor of the State*
4 *shall reserve not more than 20 percent of the amount*
5 *allotted to the State under section 303(b) for a fiscal*
6 *year for statewide activities for employment, job*
7 *training, and related assistance for adults.*

8 (2) *MANDATORY ACTIVITIES.*—*Such activities*
9 *shall include—*

10 (A) *rapid response activities; and*

11 (B) *additional assistance to areas that expe-*
12 *rience disasters, mass layoffs or plant closings,*
13 *or other events which precipitate substantial in-*
14 *creases in the number of unemployed workers, to*
15 *be expended in accordance with the local plan of*
16 *the relevant workforce development area.*

17 (3) *DISCRETIONARY ACTIVITIES.*—

18 (A) *IN GENERAL.*—*Such activities may in-*
19 *clude—*

20 (i) *subject to subparagraph (B), ad-*
21 *ministration by the State of programs*
22 *under this subtitle;*

23 (ii) *capacity building and technical*
24 *assistance to local workforce development*
25 *areas, one-stop career centers, and service*
26 *providers, including the development and*

1 *training of staff and the development of ex-*
2 *emplary program activities;*

3 *(iii) incentives for program coordina-*
4 *tion, performance awards, and research and*
5 *demonstrations;*

6 *(iv) implementation of innovative in-*
7 *cumbent worker training programs, which*
8 *may include the establishment and imple-*
9 *mentation of an employer loan program to*
10 *assist in skills upgrading for non-manage-*
11 *rial employees (in accordance with the re-*
12 *quirements of section 314);*

13 *(v) implementation of experimentation*
14 *model activities, pilot projects, and dem-*
15 *onstration projects which further the goals*
16 *and purposes of this Act;*

17 *(vi) additional assistance for the devel-*
18 *opment and implementation of the one-stop*
19 *delivery system of the State established in*
20 *accordance with title I of this Act; and*

21 *(vii) support for a common manage-*
22 *ment information system as described in*
23 *section 109.*

24 *(B) LIMITATION.—Not more than ¼ of the*
25 *amount reserved by the Governor under para-*

1 *graph (1) may be used for administration by the*
2 *State of programs under this subtitle.*

3 **(b) WITHIN STATE ALLOCATION.—**

4 **(1) IN GENERAL.—***The Governor of the State,*
5 *based upon an allocation formula established in ac-*
6 *cordance with paragraph (2), shall allocate the re-*
7 *mainder of the amount allotted to the State under sec-*
8 *tion 303(b) to workforce development areas designated*
9 *under title I of this Act for the purpose of providing*
10 *employment, job training, and related assistance for*
11 *adults in accordance with section 306.*

12 **(2) WITHIN STATE FORMULA.—**

13 **(A) ESTABLISHMENT.—***The Governor,*
14 *through the collaborative process, and after con-*
15 *sultation with local chief elected officials in the*
16 *local workforce development area, shall develop a*
17 *formula for the allocation of funds to workforce*
18 *development areas. Such formula shall take into*
19 *account—*

20 *(i) poverty rates within each local*
21 *workforce development area, as determined*
22 *by the State;*

23 *(ii) unemployment rates within each*
24 *local workforce development area;*

1 (iii) the proportion of the State's adult
2 population residing within each local
3 workforce development area; and

4 (iv) such other factors as considered
5 appropriate.

6 (B) *ADDITIONAL FACTORS.*—In establishing
7 such formula, the Governor shall ensure that
8 funds are distributed equitably throughout the
9 State, and that the factors described in subpara-
10 graph (A) do not receive disproportionate
11 weighting.

12 (3) *EXCEPTION.*—Notwithstanding the provisions
13 of paragraphs (1) and (2), the Governor shall provide
14 10 percent of the remainder described in paragraph
15 (1) to local workforce areas designated under title I
16 of this Act.

17 **SEC. 305. ADDITIONAL STATE PLAN REQUIREMENTS.**

18 The State shall, as part of the State workforce develop-
19 ment and literacy plan under title I of this Act, submit
20 to the Secretary the following additional information:

21 (1) A description of how the State will serve the
22 employment and training needs of dislocated workers,
23 economically disadvantaged individuals, older work-
24 ers, individuals with disabilities, displaced home-
25 makers, veterans, and individuals with multiple bar-

1 *riers to employment (as determined by the State), in-*
2 *cluding individuals who are basic skills deficient.*

3 *(2) A description of how the State will provide*
4 *rapid response assistance to workers experiencing dis-*
5 *location as a result of mass layoffs and plant closings,*
6 *either through the direct provision of services or*
7 *through the transfer of funds to local workforce devel-*
8 *opment areas for the provision of such services.*

9 **SEC. 306. USE OF AMOUNTS.**

10 *(a) CORE SERVICES.—Amounts allocated under sec-*
11 *tion 304(b) shall be used to provide core services to adults*
12 *through one-stop career centers in accordance with title I*
13 *of this Act.*

14 *(b) INTENSIVE SERVICES.—*

15 *(1) IN GENERAL.—Amounts allocated under sec-*
16 *tion 304(b) shall be used to provide intensive services*
17 *to adults—*

18 *(A) who are unable to obtain employment*
19 *through core services under subsection (a); and*

20 *(B) who have been determined to be in need*
21 *of more intensive services in order to gain em-*
22 *ployment.*

23 *(2) DELIVERY OF SERVICES.—Such intensive*
24 *services shall be provided—*

1 (A) directly through one-stop career centers
2 in accordance with title I of this Act; or

3 (B) through contracts through such centers
4 with service providers approved by the local
5 workforce development board, which may include
6 private, for-profit providers.

7 (3) *TYPES OF SERVICES.*—Such intensive serv-
8 ices may include the following:

9 (A) Comprehensive and specialized assess-
10 ments of the skill levels and service needs of
11 adults, which may include—

12 (i) diagnostic testing and other assess-
13 ment tools; and

14 (ii) in-depth interviewing and evalua-
15 tion to identify employment barriers and
16 appropriate employment goals.

17 (B) Development of an individual employ-
18 ment plan, to identify the employment goals, ap-
19 propriate achievement objectives, and the appro-
20 priate combination of services for the adult to
21 achieve the employment goal.

22 (C) Group counseling.

23 (D) Individual counseling and career plan-
24 ning.

1 (E) *Case management for adults receiving*
2 *education and training services under subsection*
3 *(c) or supportive services under subsection (d).*

4 (F) *Follow-up counseling for adults placed*
5 *in training or employment, for up to 1 year.*

6 (c) *EDUCATION AND TRAINING SERVICES.—*

7 (1) *IN GENERAL.—Amounts allocated under sec-*
8 *tion 304(b) shall be used to provide education and*
9 *training services to adults—*

10 (A) *who are unable to obtain employment*
11 *through core services under subsection (a);*

12 (B) *who are in need of education and train-*
13 *ing services in order to gain employment as a re-*
14 *sult of determinations made through—*

15 (i) *preliminary assessments under sec-*
16 *tion 107(f)(1)(B) of this Act; or*

17 (ii) *comprehensive and specialized as-*
18 *sessments under subsection (b)(3)(A); and*

19 (C) *who are unable to obtain other grant*
20 *assistance for such services, such as through Pell*
21 *Grants established under title IV of the Higher*
22 *Education Act.*

23 (2) *DELIVERY OF SERVICES.—Such education*
24 *and training services shall be provided through edu-*

1 *cation and training providers certified in accordance*
2 *with title I of this Act.*

3 (3) *TYPES OF SERVICES.—Such education and*
4 *training services may include the following:*

5 (A) *Basic skills training, including reme-*
6 *dial education, literacy training, and English*
7 *literacy program instruction.*

8 (B) *Occupational skills training, including*
9 *training for nontraditional employment.*

10 (C) *On-the-job training.*

11 (D) *Programs that combine workplace*
12 *training with related instruction.*

13 (E) *Training programs operated by the pri-*
14 *vate sector.*

15 (F) *Skill upgrading and retraining.*

16 (G) *Entrepreneurial training.*

17 (H) *Employability training to enhance*
18 *basic workplace competencies.*

19 (I) *Customized training conducted with a*
20 *commitment by an employer or group of employ-*
21 *ers to employ an individual upon successful com-*
22 *pletion of the training.*

23 (4) *ADDITIONAL REQUIREMENTS.—*

24 (A) *USE OF SKILL GRANTS.—*

1 (i) *IN GENERAL.*—*Except as provided*
2 *in clause (ii), education and training serv-*
3 *ices under this section shall be provided*
4 *through the use of skill grants in accordance*
5 *with this subsection, and in accordance*
6 *with section 108 regarding the certification*
7 *of education and training providers.*

8 (ii) *EXCEPTIONS.*—*Education and*
9 *training services authorized under this title*
10 *may be provided pursuant to a contract for*
11 *services in lieu of a skill grant if—*

12 (I) *such services are on-the-job*
13 *training provided by an employer;*

14 (II) *the local workforce develop-*
15 *ment board determines there are an in-*
16 *sufficient number of certified providers*
17 *of education and training services in*
18 *the workforce development area to ac-*
19 *complish the purposes of a skill grant*
20 *system;*

21 (III) *the local workforce develop-*
22 *ment board determines that the cer-*
23 *tified providers of education and train-*
24 *ing in the workforce development area*

1 are unable to provide effective services
2 to special participant populations; or
3 (IV) the local workforce develop-
4 ment board decides to enter into a di-
5 rect training contract with a commu-
6 nity based organization serving special
7 populations.

8 (B) *LINKAGE TO OCCUPATIONS IN DE-*
9 *MAND.—Education and training services under*
10 *this subsection shall be directly linked to occupa-*
11 *tions for which there is a demand in the local*
12 *workforce development area, or in another area*
13 *to which an adult receiving such services is will-*
14 *ing to relocate.*

15 (d) *ADDITIONAL SERVICES.—*

16 (1) *SUPPORTIVE SERVICES.—Supportive services*
17 *may be provided for individuals—*

18 (A) *who are receiving assistance under any*
19 *of subsections (a) through (c); and*

20 (B) *who are unable to receive such services*
21 *through other programs providing such services.*

22 (2) *NEEDS-RELATED PAYMENTS.—*

23 (A) *IN GENERAL.—Amounts allocated under*
24 *section 304(b) may be used to provide needs-re-*
25 *lated payments to adults who are unemployed*

1 *and do not qualify for (or have ceased to qualify*
2 *for) unemployment compensation for the purpose*
3 *of enabling such adults to participate in edu-*
4 *cation and training programs under subsection*
5 *(c).*

6 *(B) ADDITIONAL ELIGIBILITY REQUIRE-*
7 *MENTS.—In addition to the requirements con-*
8 *tained in subparagraph (A), a dislocated worker*
9 *who has exhausted unemployment insurance ben-*
10 *efits shall be eligible to receive needs-related pay-*
11 *ments under this paragraph only if such worker*
12 *was enrolled in education or training by the end*
13 *of the 8th week of the worker’s initial unemploy-*
14 *ment compensation benefit period, or, if later, by*
15 *the end of the 8th week after the worker is in-*
16 *formed that a short-term layoff will in fact ex-*
17 *ceed 6 months.*

18 *(e) PRIORITY.—Local workforce development boards*
19 *shall establish a process through which priority is given to*
20 *dislocated workers and economically disadvantaged indi-*
21 *viduals, for receipt of services provided under subsections*
22 *(b) and (c), in the event that funds are limited within the*
23 *workforce development area.*

24 *(f) PROHIBITION ON PRIVATE RIGHT OF ACTION.—*
25 *Nothing in this section shall be construed to establish a*

1 *right for a participant to bring an action to obtain services*
2 *under a program established under this section.*

3 (g) *LIMITATIONS ON USE OF FUNDS.—Not more than*
4 *10 percent of the funds provided under this title to a local*
5 *workforce development board may be used for administra-*
6 *tive purposes.*

7 **SEC. 307. CORE STANDARDS, PERFORMANCE GOALS, AND**
8 **MEASURES.**

9 (a) *GENERAL AUTHORITY.—*

10 (1) *STANDARDS AND MEASURES.—Each State re-*
11 *ceiving a grant under this title shall have developed*
12 *or shall develop and implement a statewide system of*
13 *core standards and measures of performance for pro-*
14 *grams established under this title, based upon per-*
15 *formance standards described in paragraph (2), and*
16 *consistent with the State's goals and objectives, and*
17 *benchmarking process described in the State plan re-*
18 *quired under section 104.*

19 (2) *STATEWIDE SYSTEM.—Each statewide system*
20 *shall—*

21 (A) *establish or have established perform-*
22 *ance goals to define the level of performance to*
23 *be achieved by adults served under this title and*
24 *to evaluate the quality and effectiveness of serv-*
25 *ices and activities under this title;*

1 (B) express such goals in an objective, quan-
2 tifiable, and measurable form;

3 (C) establish performance indicators or
4 benchmarks that the State and local recipients of
5 funds will use in measuring or assessing progress
6 toward achieving such goals; and

7 (D) provide biennial reports to the public
8 and to the Secretary on the State's progress in
9 achieving its goals.

10 (b) REQUIREMENTS.—Each system developed under
11 subsection (a) shall include measures of—

12 (1) placement, retention, and earnings of par-
13 ticipants in unsubsidized employment, including re-
14 tention and earnings at 6 months, and at one year
15 after program termination, respectively;

16 (2) the provision of services to dislocated work-
17 ers, economically disadvantaged individuals, older
18 workers, individuals with disabilities, displaced home-
19 makers, veterans, and individuals with multiple bar-
20 riers to employment (as determined by the State), in-
21 cluding individuals who are basic skills deficient; and

22 (3) acquisition of skills certificates pursuant to
23 a skill standards and skill certification system en-
24 dorsed by the National Skill Standards Board, once
25 such system is established.

1 **Subtitle B—Federal Programs**

2 **SEC. 311. NATIONAL DISCRETIONARY GRANTS.**

3 (a) *GRANTS FOR DISLOCATED WORKERS.*—

4 (1) *IN GENERAL.*—From amounts reserved under
5 section 303(a)(2) for any fiscal year, the Secretary is
6 authorized to award national discretionary grants to
7 address major economic dislocations that result from
8 plant closures, base closures, or mass layoffs.

9 (2) *APPLICATION.*—To receive a grant under this
10 section, an eligible entity shall submit an application
11 to the Secretary at such time, in such manner, and
12 accompanied by such information as the Secretary
13 determines is appropriate.

14 (3) *ELIGIBLE ENTITIES.*—Grants under this sec-
15 tion may be awarded to—

16 (A) *the State;*

17 (B) *a local workforce development board ad-*
18 *ministering assistance under this Act;*

19 (C) *employers and employer associations;*

20 (D) *worker-management transition assist-*
21 *ance committees and other employer-employee*
22 *entities;*

23 (E) *representatives of employees;*

24 (F) *community development corporations*
25 *and community-based organizations; and*

1 (G) *industry consortia.*

2 (b) *INCENTIVE GRANTS.*—From amounts reserved
3 under section 303(a)(2) for any fiscal year, the Secretary
4 may provide awards to States—

5 (1) *to assist in the implementation of exemplary*
6 *statewide workforce development system designs; and*

7 (2) *for the achievement of exceptional perform-*
8 *ance in the statewide workforce development system.*

9 **SEC. 312. DISASTER RELIEF EMPLOYMENT ASSISTANCE.**

10 (a) *IN GENERAL.*—From amounts reserved under sec-
11 tion 303(a)(2) for any fiscal year, the Secretary may pro-
12 vide assistance to the Governor of any State within which
13 is located an area that has suffered an emergency or a
14 major disaster as defined in paragraphs (1) and (2), respec-
15 tively, of section 102 of the Robert T. Stafford Disaster Re-
16 lief and Emergency Assistance Act (referred to in this sec-
17 tion as the “disaster area”).

18 (b) *USE OF FUNDS.*—

19 (1) *PROJECTS RESTRICTED TO DISASTER*
20 *AREAS.*—Funds made available under this section—

21 (A) *shall be used exclusively to provide em-*
22 *ployment on projects to provide food, clothing,*
23 *shelter, and other humanitarian assistance for*
24 *disaster victims and on projects regarding demo-*
25 *lition, cleanup, repair, renovation, and recon-*

1 *struction of damaged and destroyed structures,*
2 *facilities, and lands located within the disaster*
3 *area; and*

4 *(B) may be expended through public and*
5 *private agencies and organizations engaged in*
6 *such projects.*

7 (2) *ELIGIBILITY REQUIREMENTS.—An individ-*
8 *ual shall be eligible to be offered disaster employment*
9 *under this section if such individual is a dislocated*
10 *worker or is temporarily or permanently laid off as*
11 *a consequence of the disaster.*

12 (3) *LIMITATIONS ON DISASTER RELIEF EMPLOY-*
13 *MENT.—No individual shall be employed under this*
14 *part for more than 6 months for work related to re-*
15 *covery from a single natural disaster.*

16 **SEC. 313. RESEARCH, DEMONSTRATION, EVALUATION, AND**
17 **CAPACITY BUILDING.**

18 (a) *IN GENERAL.—From amounts reserved under sec-*
19 *tion 303(a)(2) for any fiscal year, the Secretary shall estab-*
20 *lish and carry out research, demonstration, and capacity*
21 *building activities in accordance with this section.*

22 (b) *ACTIVITIES.—The Secretary shall carry out the fol-*
23 *lowing activities under this section:*

24 (1) *RESEARCH.—The Secretary shall conduct*
25 *continuing research, which may include studies and*

1 *other methods and techniques, that will aid in the so-*
2 *lution of the employment and training problems of*
3 *the United States. Such studies may include the ex-*
4 *tent to which individuals who participate in pro-*
5 *grams established under this title achieve self-suffi-*
6 *ciency as a result of such participation, including the*
7 *identification by State and locality, to the extent*
8 *practicable, of indicators measuring such self-suffi-*
9 *ciency.*

10 (2) *DEMONSTRATIONS.*—*The Secretary shall con-*
11 *duct pilot and demonstration projects for the purpose*
12 *of developing and improving methods and techniques*
13 *for addressing employment and training needs which*
14 *may include projects conducted jointly with the De-*
15 *partment of Defense to develop training programs uti-*
16 *lizing computer-based and other innovative learning*
17 *technologies. The Secretary may award grants and*
18 *enter into contracts with appropriate entities to carry*
19 *out such projects.*

20 (3) *EVALUATION.*—

21 (A) *ACTIVITIES.*—

22 (i) *JOB TRAINING ACTIVITIES.*—*The*
23 *Secretary shall provide for the continuing*
24 *evaluation of activities conducted under this*
25 *Act, including the cost-effectiveness of such*

1 *activities in achieving the purposes of this*
2 *Act.*

3 *(ii) OTHER PROGRAMS.—The Sec-*
4 *retary may conduct evaluations of other fed-*
5 *erally funded employment-related activities*
6 *including programs administered under—*

7 *(I) the Wagner-Peyser Act (29*
8 *U.S.C. 49 et seq.);*

9 *(II) the National Apprenticeship*
10 *Act (29 U.S.C. 50 et seq.);*

11 *(III) the Older Americans Act of*
12 *1965 (42 U.S.C. 3001 et seq.); and*

13 *(IV) the Federal unemployment*
14 *insurance program under titles III, IX,*
15 *and XII of the Social Security Act (42*
16 *U.S.C. 501 et seq., 1101 et seq., and*
17 *1321 et seq.).*

18 *(B) EFFECTIVENESS.—The Secretary shall*
19 *evaluate the effectiveness of programs authorized*
20 *under this Act with respect to—*

21 *(i) the statutory goals;*

22 *(ii) the performance standards estab-*
23 *lished by the Secretary; and*

24 *(iii) the extent to which such programs*
25 *enhance the employment and earnings of*

1 *participants, reduce income support costs,*
2 *improve the employment competencies of*
3 *participants in comparison to comparable*
4 *persons who did not participate in such*
5 *programs, and to the extent feasible, in-*
6 *crease the level of total employment over the*
7 *level that would have existed in the absence*
8 *of such programs.*

9 (4) NATIONAL PARTNERSHIP AND SPECIAL
10 TRAINING.—*The Secretary may award special grants*
11 *to eligible entities to carry out activities that are most*
12 *appropriately administered at the national level.*
13 *Such activities may include—*

14 (A) *partnerships with national organiza-*
15 *tions with special expertise in developing, orga-*
16 *nizing, and administering employment and*
17 *training services at the national, State, and local*
18 *levels, such as industry and labor associations,*
19 *public interests groups, community-based organi-*
20 *zations representative of groups that encounter*
21 *special difficulties in the labor market, in edu-*
22 *cation and training; and*

23 (B) *activities that—*

24 (i) *address industry-wide skill short-*
25 *ages;*

1 (ii) meet training needs that are best
2 addressed on a multistate basis;

3 (iii) further the goals of increasing the
4 competitiveness of the United States labor
5 force; and

6 (iv) require technical expertise avail-
7 able at the national level to serve the needs
8 of particular client groups that encounter
9 significant barriers to employment and who
10 the Secretary determines require special as-
11 sistance; and

12 (v) promote and experiment with
13 model activities, pilot projects, and dem-
14 onstration projects which further the goals
15 and purposes of this Act.

16 (5) CAPACITY BUILDING AND TECHNICAL ASSIST-
17 ANCE.—

18 (A) IN GENERAL.—The Secretary shall pro-
19 vide, through grants, contracts, or other arrange-
20 ments, staff training and technical assistance to
21 States, local workforce development boards, ca-
22 reer centers, communities, business and labor or-
23 ganizations, service providers, industry consor-
24 tia, and other entities, to enhance their capacity

1 to develop and deliver effective employment and
2 training services.

3 (B) *ACTIVITIES.*—The staff training and
4 technical assistance authorized under subpara-
5 graph (A) may include—

6 (i) development of management infor-
7 mation systems;

8 (ii) development and maintenance of a
9 national capacity building, information
10 and dissemination network; and

11 (iii) grants for the replication of suc-
12 cessful employment and training models
13 and activities.

14 **SEC. 314. WORKFORCE SKILLS AND DEVELOPMENT LOANS.**

15 (a) *AUTHORIZATION.*—

16 (1) *IN GENERAL.*—From amounts reserved under
17 section 303(a)(2) for any fiscal year, the Secretary of
18 Labor may use a portion of such amounts to provide
19 grants to States to provide loans to eligible entities
20 described in paragraph (2) to assist such entities in
21 providing skills upgrading.

22 (2) *ELIGIBLE ENTITIES.*—An eligible entity de-
23 scribed in this paragraph is—

24 (A) an employer;

25 (B) a representative of employees;

1 (C) a business association;

2 (D) a trade organization; or

3 (E) a consortium consisting of—

4 (i) more than 1 of the entities described
5 in subparagraphs (A) through (D); or

6 (ii) an institution of higher education
7 (as such term is defined in section 481 of
8 the Higher Education Act of 1965 (20
9 U.S.C. 1088) which continues to meet the
10 eligibility and certification requirements
11 under section 498 of such Act) and 1 or
12 more of the entities described in subpara-
13 graphs (A) through (D).

14 (b) APPLICATION.—The Secretary may provide a
15 grant to a State under subsection (a) only if such State
16 submits to the Secretary an application which contains
17 such information as the Secretary may reasonably require.

18 (c) USE OF AMOUNTS.—A State shall use amounts re-
19 ceived from a grant under subsection (a) to establish a loan
20 guarantee program to assist eligible entities described in
21 paragraph (2) of such subsection to provide skills upgrading
22 for nonmanagerial employees. In carrying out such pro-
23 gram, the State shall meet the following requirements:

24 (1) ESTABLISHMENT OF RESERVE FUND FOR
25 LOAN GUARANTEES.—The State shall establish a re-

1 *serve fund from amounts received from such grant for*
2 *the purpose of making commitments to guarantee the*
3 *payment of principal and interest on loans made by*
4 *financial institutions to such eligible entities to pro-*
5 *vide skills upgrading for nonmanagerial employees.*

6 (2) *CRITERIA FOR LOAN GUARANTEES.—The*
7 *State, in conjunction with appropriate financial in-*
8 *stitutions, shall establish and publish criteria for pro-*
9 *viding loan guarantees to eligible entities under the*
10 *program, including criteria that provides for the fol-*
11 *lowing:*

12 (A) *A loan guarantee may be issued under*
13 *the program only if, at the time such guarantee*
14 *is issued the eligible entity agrees to pay as an*
15 *insurance premium an amount equal to 1 per-*
16 *cent of the principal received by such entity*
17 *under the loan to the State's reserve fund.*

18 (B)(i) *Subject to clause (ii), the eligible en-*
19 *tity will use amounts received from the loan to*
20 *provide skills upgrading for mid- and lower-level*
21 *employees, which may include—*

22 (I) *training in total quality manage-*
23 *ment, statistical process control, production*
24 *techniques, office automation, materials re-*
25 *source planning; and*

1 (ii) training to improve basic skills,
2 including reading, writing, and arithmetic.

3 (ii) In providing such skills upgrading, the
4 eligible entity shall give priority to
5 nonmanagerial employees who—

6 (I) directly produce or deliver goods or
7 services; or

8 (II) are in danger of being terminated
9 or laid off as a result of modernization in
10 the workplace, corporate downsizing, foreign
11 or domestic competition, or Federal policies
12 adversely affecting 1 or more industries.

13 (C) Amounts from a loan shall not be used
14 to pay the wages or other benefits of any em-
15 ployee receiving assistance under the program.

16 (3) PAYMENT BY STATE TO FINANCIAL INSTITU-
17 TIONS IN CASES OF DEFAULT.—

18 (A) IN GENERAL.—In accordance with cri-
19 teria developed by the Secretary, the State shall
20 make payments from the State's reserve fund to
21 financial institutions that have provided loans to
22 eligible entities that have defaulted on such loans
23 for the purpose of reimbursing such institutions
24 for the amount of principal and interest remain-

1 *ing unpaid to the institutions by reason of such*
2 *default.*

3 (B) *NO FULL FAITH AND CREDIT OF THE*
4 *UNITED STATES.—Loans provided by financial*
5 *institutions to eligible entities under loan guar-*
6 *antee programs under this section shall not be*
7 *obligations of, or guaranteed in any respect by,*
8 *the United States.*

9 (4) *INTEREST FROM AMOUNTS IN RESERVE*
10 *FUND.—Any interest earned from amounts in the*
11 *State's reserve fund shall be credited to such fund.*

12 (d) *FEDERAL AND STATE SHARE.—*

13 (1) *FEDERAL SHARE.—The Federal share under*
14 *this section may not exceed 50 percent of the total cost*
15 *of the program established under subsection (c) for*
16 *any fiscal year.*

17 (2) *STATE SHARE.—The State share shall be*
18 *provided from non-Federal sources and may be in*
19 *cash or in-kind, fairly evaluated.*

20 **SEC. 315. EMPLOYMENT, TRAINING, AND EDUCATION AS-**
21 **SISTANCE FOR NATIVE AMERICANS.**

22 (a) *AUTHORIZATION.—From amounts reserved under*
23 *section 303(a)(2) for any fiscal year, the Secretary of Labor*
24 *shall provide grants to, or enter into contracts or coopera-*
25 *tive agreements with, Indian tribes and tribal organiza-*

1 *tions, tribally-controlled colleges, tribally-controlled post-*
2 *secondary vocational institutions, Indian-controlled organi-*
3 *zations serving off-reservation areas, Alaska Native village*
4 *and regional entities serving areas as described in the Alas-*
5 *ka Native Claims Settlement Act and Hawaiian Native-*
6 *controlled organizations to provide employment, training,*
7 *vocational rehabilitation, library services, and education*
8 *assistance for Native Americans.*

9 (b) *TRANSFER OF AUTHORITY FOR VOCATIONAL EDU-*
10 *CATION ACTIVITIES.—In carrying out subsection (a), the*
11 *Secretary of Labor may enter into an agreement with the*
12 *Secretary of Education to carry out any portion of assist-*
13 *ance under such subsection devoted to vocational edu-*
14 *cational activities, including support for the United Tribes*
15 *Technical College and Crownpoint Institute of Technology.*

16 (c) *CONSOLIDATION OF FUNDS.—Entities receiving as-*
17 *sistance under subsection (a) may consolidate such assist-*
18 *ance with assistance received from related programs in ac-*
19 *cordance with the provisions of the Indian Employment,*
20 *Training and Related Services Demonstration Act (Public*
21 *Law 102–477).*

22 (d) *REGULATIONS.—The Secretary shall consult with*
23 *Indian, Alaska Native and Hawaiian Native groups in es-*
24 *tablishing regulations to carry out this section, including*
25 *performance standards for entities receiving assistance*

1 *under subsection (a), taking into account the economic cir-*
2 *cumstances of such groups.*

3 **SEC. 316. EMPLOYMENT, TRAINING, AND EDUCATION AS-**
4 **SISTANCE FOR MIGRANT AND SEASONAL**
5 **FARMWORKERS.**

6 (a) *AUTHORIZATION.*—

7 (1) *IN GENERAL.*—*From amounts reserved under*
8 *section 303(a)(2) for any fiscal year, the Secretary of*
9 *Labor shall provide grants to, or enter into contracts*
10 *or cooperative agreements with, entities described in*
11 *paragraph (2) to provide employment, training, and*
12 *education assistance for migrant and seasonal farm-*
13 *workers.*

14 (2) *ENTITIES DESCRIBED.*—*An entity described*
15 *in this paragraph is an entity the Secretary deter-*
16 *mines to have the capacity to administer effectively a*
17 *diversified development program for migrant and sea-*
18 *sonal farmworkers.*

19 (b) *USE OF AMOUNTS.*—*An entity shall use amounts*
20 *received under subsection (a) to provide employment, train-*
21 *ing, educational development, high school equivalency, post-*
22 *secondary education assistance, vocational rehabilitation,*
23 *literacy, English as a second language, work-based edu-*
24 *cation and development, worker safety training, employ-*
25 *ability enhancements, emergency or other disaster relief, in-*

1 *cluding housing, technical assistance, outreach, intake, as-*
2 *essment, follow-up, stipend support, supportive services,*
3 *other needs-based assistance, self-employment and related*
4 *business enterprise development education, and the manage-*
5 *ment of a database on participating migrant and seasonal*
6 *farmworkers.*

7 (c) *TRANSFER OF AUTHORITY FOR EDUCATION AC-*
8 *TIVITIES.—In carrying out subsection (b), the Secretary of*
9 *Labor may enter into an agreement with the Secretary of*
10 *Education to carry out assistance as described in—*

11 (1) *a secondary and postsecondary high school*
12 *equivalency program to serve migrants and seasonal*
13 *farmworkers; and*

14 (2) *a college assistance migrant program to pro-*
15 *vide outreach and recruitment services for migrants*
16 *and seasonal farmworkers.*

17 **TITLE IV—ADULT EDUCATION**
18 **AND FAMILY LITERACY CON-**
19 **SOLIDATION GRANT AND LI-**
20 **BRARY SERVICES AND TECH-**
21 **NOLOGY CONSOLIDATION**
22 **GRANT**

23 **SEC. 401. FINDINGS.**

24 *The Congress finds as follows:*

1 (1) According to the 1990 census, 21 percent of
2 our Nation's adults (more than 38 million persons)
3 lack a high school credential or are limited English
4 proficient.

5 (2) The National Adult Literacy Survey, con-
6 ducted under the Adult Education Act, found that 20
7 percent of all adults in the United States, or about
8 40 million people, have minimal levels of literacy
9 skills and that the lack of such skills is related to un-
10 employment, low wages, and fewer weeks worked.

11 (3) The success of State efforts to reform and im-
12 prove public education are dependent on the ability
13 of the United States to break intergenerational cycles
14 of illiteracy and inadequate education by ensuring
15 that parents possess a strong educational foundation
16 and, as the first and most continuous teachers of their
17 children, model for, and instill in, their children a
18 commitment to family literacy and life-long learning.

19 (4) Generations of immigrants have contributed
20 to our communities and our economy, but for them to
21 continue to do so given recent technologies and the
22 competitive global economy, they must master English
23 as rapidly as possible.

24 (5) Studies have found that incarcerated adults
25 are twice as likely as nonincarcerated adults to lack

1 *a good education and that such lack is a significant*
2 *statistical indicator of recidivism.*

3 *(6) Certain short-term and long-term goals of the*
4 *Nation may not be met unless the United States im-*
5 *proves its current system of adult education and life-*
6 *long learning through Federal leadership.*

7 **SEC. 402. DEFINITIONS.**

8 *As used in this title:*

9 *(1) CORRECTIONAL EDUCATION AGENCY.—The*
10 *term “correctional education agency” means an en-*
11 *tity that provides programs for criminal offenders in*
12 *corrections institutions and for other institutionalized*
13 *individuals which include academic programs for*
14 *basic education, special education, bilingual or Eng-*
15 *lish language instruction, vocational training, library*
16 *development, corrections education programs, guid-*
17 *ance and counseling, and other supportive services for*
18 *criminal offenders which may emphasize coordination*
19 *of educational services with educational institutions,*
20 *community-based organizations of demonstrative ef-*
21 *fectiveness, and the private sector, designed to provide*
22 *education and training.*

23 *(2) EDUCATIONALLY DISADVANTAGED ADULT.—*
24 *The term “educationally disadvantaged adult” means*
25 *an adult who—*

1 (A) *demonstrates basic skills equivalent to*
2 *or below that of students at the fifth grade level;*
3 *or*

4 (B) *has been placed in the lowest or begin-*
5 *ning level of an adult education program when*
6 *that program does not use grade level equiva-*
7 *lencies as a measure of students' basic skills.*

8 (3) *FAMILY LITERACY SERVICES.—The term*
9 *“family literacy services” means services that inte-*
10 *grate all of the following activities and are of suffi-*
11 *cient intensity in terms of hours, and of sufficient du-*
12 *ration, to make sustainable changes in a family:*

13 (A) *Interactive literacy activities between*
14 *parents and their children.*

15 (B) *Training for parents on how to be their*
16 *children's primary teacher and full partners in*
17 *the education of their children.*

18 (C) *Parent literacy training.*

19 (D) *Early childhood education.*

20 (4) *SECRETARY.—The term “Secretary” means*
21 *the Secretary of Education.*

1 **Subtitle A—Adult Education and**
2 **Family Literacy Consolidation**
3 **Grant**

4 **SEC. 411. PURPOSES.**

5 *The purposes of this subtitle are to assist States to pro-*
6 *vide—*

7 *(1) to adults, the basic educational skills nec-*
8 *essary for employment and self-sufficiency;*

9 *(2) to adults who are parents, the educational*
10 *skills necessary to be full partners in the educational*
11 *development of their children;*

12 *(3) to adults, the basic English language skills*
13 *necessary to participate in the civic, social, and eco-*
14 *nomi c life of the United States; and*

15 *(4) to adults, the opportunity to attain a high*
16 *school degree or its equivalent in order to permit them*
17 *to pursue further education and training or improve*
18 *their family and work situations.*

19 **CHAPTER 1—FUNDING**

20 **SEC. 421. RESERVATIONS FROM AMOUNTS APPROPRIATED.**

21 *(a) NATIONAL INSTITUTE FOR LITERACY.—For any*
22 *fiscal year, the Secretary shall reserve \$4,500,000 of the*
23 *amount appropriated under section 4(a)(3) to carry out the*
24 *activities of the National Institute for Literacy described*
25 *in section 441.*

1 (b) *NATIONAL LEADERSHIP ACTIVITIES.*—For any fis-
2 cal year, the Secretary shall reserve \$4,500,000 of the
3 amount appropriated under section 4(a)(3) to establish and
4 carry out the program of national leadership and evalua-
5 tion activities described in section 442.

6 **SEC. 422. ALLOTMENT.**

7 (a) *INITIAL ALLOTMENT.*—From the sums available
8 for the purpose of making grants under chapter 2 for any
9 fiscal year, the Secretary shall allot—

10 (1) \$100,000 each to Guam, American Samoa,
11 the Commonwealth of the Northern Mariana Islands,
12 and the Virgin Islands; and

13 (2) \$250,000 to each of the other States.

14 (b) *ADDITIONAL ALLOTMENT.*—

15 (1) *IN GENERAL.*—From the remainder of the
16 sums described in subsection (a) after the application
17 of the subsection, the Secretary shall allot to each
18 State an amount which bears the same ratio to such
19 remainder as the number of qualifying adults in the
20 State bears to the number of such adults in all States.

21 (2) *QUALIFYING ADULT.*—For purposes of this
22 subsection, the term “qualifying adult” means an
23 adult who—

24 (A) is at least 16 years of age, but less than
25 61 years of age;

1 (B) is beyond the age of compulsory school
2 attendance under State law;

3 (C) does not have a certificate of graduation
4 from a school providing secondary education (or
5 its equivalent); and

6 (D) is not currently enrolled in elementary
7 or secondary school.

8 **CHAPTER 2—GRANTS TO STATES**

9 **SEC. 431. REQUIREMENT TO MAKE GRANTS.**

10 For fiscal year 1997 and subsequent fiscal years, the
11 Secretary shall make a grant to a State in an amount equal
12 to the initial and additional allotments of the State for the
13 year if the State—

14 (1) has satisfied the requirements of title I and
15 section 433(a)(1);

16 (2) enters into a written agreement with the Sec-
17 retary that the State—

18 (A) will not expend the grant for any pur-
19 pose other than in accordance with section 432;

20 (B) will satisfy the grant requirements in
21 sections 433(a)(2) and 433(b); and

22 (C) will not expend the grant for the pur-
23 pose of supporting or providing programs, serv-
24 ices, or activities for individuals who are not

1 *adults, except if such programs, services, or ac-*
2 *tivities are related to family literacy services.*

3 **SEC. 432. USES OF FUNDS.**

4 *(a) STATE USES OF FUNDS.—*

5 *(1) GRANTS TO SERVE TARGET POPULATIONS.—*

6 *(A) IN GENERAL.—Of the funds paid to a*
7 *State under this title for fiscal year 1998 and*
8 *subsequent fiscal years, 3 percent shall be distrib-*
9 *uted as performance grants made by the State on*
10 *a competitive basis, and consistent with sub-*
11 *section (b) and section 433(b)(2), to local service*
12 *providers that have provided, during the imme-*
13 *diately preceding fiscal year, adult education or*
14 *family literacy services to the target populations*
15 *described in subparagraph (C).*

16 *(B) LOCAL SERVICE PROVIDERS.—The local*
17 *service providers referred to in subparagraph (A)*
18 *may include the following:*

19 *(i) Local educational agencies.*

20 *(ii) Correctional educational agencies.*

21 *(iii) Community-based organizations.*

22 *(iv) Public or private nonprofit agen-*
23 *cies.*

24 *(v) Institutions of higher education.*

25 *(vi) Libraries.*

1 (vii) *Other institutions that the State*
2 *determines to have the ability to provide lit-*
3 *eracy services to adults and families.*

4 (C) *TARGET POPULATIONS.*—*The target*
5 *populations referred to in subparagraph (A) are*
6 *the following:*

7 (i) *Adults with more than one barrier*
8 *to self-sufficiency, such as being unemployed*
9 *or an educationally disadvantaged adult.*

10 (ii) *Families on public assistance (as*
11 *determined by the State).*

12 (iii) *Parents who are educationally*
13 *disadvantaged adults and who have a child*
14 *who is less than 8 years of age.*

15 (iv) *Adults who are individuals with*
16 *disabilities or who have similar special*
17 *needs.*

18 (2) *GRANTS TO LOCAL SERVICE PROVIDERS.*—*Of*
19 *the funds paid to a State under this subtitle for any*
20 *fiscal year that remain after the application of para-*
21 *graph (1), at least 85 percent shall be distributed as*
22 *grants made by the State on a competitive basis, and*
23 *consistent with subsection (b) and section 433(b)(2),*
24 *to local service providers to establish, conduct, or ex-*
25 *pand programs, services, or activities to achieve a*

1 *purpose of this subtitle. Such local service providers*
2 *may include the local service providers described in*
3 *paragraph (1)(B).*

4 (3) *OTHER STATE ACTIVITIES.*—A State may use
5 *not more than 12 percent of the funds paid to the*
6 *State under this subtitle for any fiscal year that re-*
7 *main after the application of paragraph (1) for one*
8 *or more of the following purposes:*

9 (A) *The establishment or operation of pro-*
10 *fessional development programs to improve the*
11 *quality of instruction provided in local adult*
12 *education and literacy programs, including in-*
13 *struction provided by volunteers.*

14 (B) *The provision of technical assistance to*
15 *local service providers.*

16 (C) *The provision of technology assistance*
17 *to local service providers to enable them to im-*
18 *prove the quality of their programs, services, and*
19 *activities that achieve a purpose of this subtitle,*
20 *including—*

21 (i) *providing hardware and software;*

22 (ii) *paying for service connection fees*
23 *associated with gaining access to computer-*
24 *ized databases; and*

1 (iii) upgrading the technological capa-
2 bilities of local service providers to improve
3 the quality of their services and to assist
4 them in providing services on a flexible
5 schedule that meets the needs of diverse pop-
6 ulations.

7 (D) The support of State or regional net-
8 works of literacy resource centers that—

9 (i) enhance the coordination of literacy
10 services across public and private programs
11 and State agencies;

12 (ii) enhance the capacity of the State
13 and local service providers to provide lit-
14 eracy services through the diffusion and
15 adoption of state-of-the-art teaching methods
16 and technologies;

17 (iii) provide linkages between the Na-
18 tional Institute for Literacy established
19 under section 441 and local service provid-
20 ers for the sharing of literacy information,
21 research, and resources;

22 (iv) encourage government and indus-
23 try partnerships; and

24 (v) provide training and technical as-
25 sistance to literacy instructors in reading

1 *instruction, the use of state-of-the-art meth-*
2 *odologies, instructional materials, and tech-*
3 *nologies, and professional development.*

4 *(E) Monitoring and evaluating the quality*
5 *of, and the improvement in, services and activi-*
6 *ties conducted with Federal financial assistance*
7 *under this subtitle, including carrying out sec-*
8 *tion 433(a)(2).*

9 *(F) The support of a common management*
10 *information system as described in section 109.*

11 *(G) Carrying out other activities of state-*
12 *wide significance that promote the purposes of*
13 *this Act.*

14 *(4) ADMINISTRATIVE EXPENSES.—For any fiscal*
15 *year, a State may use not more than 3 percent of the*
16 *funds paid to the State under this subtitle that re-*
17 *main after the application of paragraph (1) or*
18 *\$50,000, whichever is greater, for—*

19 *(A) planning, administration, and inter-*
20 *agency coordination associated with a grant*
21 *under this subtitle; and*

22 *(B) support for one-stop career center sys-*
23 *tems described in section 107.*

24 *(b) LOCAL USES OF FUNDS.—A State shall require*
25 *that a local service provider that receives a grant from the*

1 *State under paragraph (1) or (2) of subsection (a) use the*
2 *grant to establish or operate one or more programs that*
3 *provide instruction or services within one or more of the*
4 *following categories:*

5 (1) *Adult basic education that is designed for an*
6 *adult who—*

7 (A) *has minimal competence in reading,*
8 *writing, or computation;*

9 (B) *is not sufficiently competent in reading,*
10 *writing, or computation to meet the requirements*
11 *of adult life in the United States; or*

12 (C) *is not sufficiently competent in speak-*
13 *ing, reading, or writing the English language to*
14 *obtain employment commensurate with the*
15 *adult's intellectual abilities.*

16 (2) *Adult secondary education that is designed*
17 *for an adult who is literate and can function in ev-*
18 *eryday life, but who—*

19 (A) *has not acquired basic educational*
20 *skills, including reading, writing, and computa-*
21 *tion; or*

22 (B) *does not have a certificate of graduation*
23 *from a school providing education to students in*
24 *grade 12, or its equivalent.*

1 (3) *English literacy instruction that is designed*
2 *for an adult—*

3 (A) *who—*

4 (i) *has limited ability in speaking,*
5 *reading, writing, or understanding the Eng-*
6 *lish language and whose native language is*
7 *a language other than English; or*

8 (ii) *lives in a family or community en-*
9 *vironment where a language other than*
10 *English is the dominant language; and*

11 (B) *who, by reason of a condition described*
12 *in subparagraph (A), has sufficient difficulty*
13 *reading, writing, or understanding the English*
14 *language that the adult is unable—*

15 (i) *to learn successfully in a classroom*
16 *where the language of instruction is Eng-*
17 *lish; or*

18 (ii) *to participate fully in the society*
19 *of the United States.*

20 (4) *Family literacy services.*

21 **SEC. 433. ADDITIONAL GRANT REQUIREMENTS.**

22 (a) *GOALS, PROGRESS INDICATORS, PERFORMANCE*
23 *MEASURES.—*

1 (1) *PLANNING REQUIREMENTS.*—A State that de-
2 sires to receive a grant under this subtitle shall ac-
3 complish the following:

4 (A) *Establish, through the collaborative*
5 *process described in section 103, measurable*
6 *goals for improving literacy levels, retention in*
7 *literacy programs, and long-term learning gains*
8 *of individuals in the State.*

9 (B) *Based on such goals and the perform-*
10 *ance measures described in section 434, establish,*
11 *through such collaborative process, progress indi-*
12 *cators to be used to evaluate the performance of*
13 *local service providers receiving a grant under*
14 *paragraph (1) or (2) of section 432(a).*

15 (C) *Describe such goals and progress indica-*
16 *tors in the State workforce development and lit-*
17 *eracy plan submitted to the Secretary under sec-*
18 *tion 104.*

19 (2) *IMPLEMENTATION REQUIREMENTS.*—A State
20 that receives a grant under this subtitle shall accom-
21 plish the following:

22 (A) *With respect to each local service pro-*
23 *vider receiving a grant under paragraph (1) or*
24 *(2) of section 432(a), based on the goals and*
25 *progress indicators established under paragraph*

1 (1), measure the performance measures described
2 in section 434 and use the data produced by such
3 measurement to improve the quality of services
4 provided to program participants or service re-
5 cipients.

6 (B) Beginning on the date that is 2 years
7 after the first date that a local service provider
8 receives a grant under paragraph (1) or (2) of
9 section 432(a), annually assess the degree to
10 which the provider is meeting or exceeding the
11 progress indicators applicable to the provider.

12 (C) Annually report to the Secretary on the
13 performance measures described in section 434
14 for each category described in such section.

15 (b) *OTHER REQUIREMENTS.*—A State that receives a
16 grant under this subtitle shall ensure the following:

17 (1) *EXPENDITURES OF NON-FEDERAL FUNDS.*—
18 For any fiscal year for which a grant is made to the
19 State under this subtitle, the State shall expend, on
20 programs and activities relating to adult education
21 and family literacy services, an amount, derived from
22 sources other than the Federal Government, equal to
23 25 percent of the State's initial and additional allot-
24 ments for the year.

1 (2) *PRIORITY FOR PLANNING WITH BOARDS AND*
2 *SYSTEMS.—In awarding grants to local service pro-*
3 *viders under paragraph (1) or (2) of section 432(a),*
4 *the State shall give priority to providers that dem-*
5 *onstrate joint planning with local workforce develop-*
6 *ment boards and one-stop career center systems.*

7 (3) *EQUITABLE ACCESS.—Local educational*
8 *agencies, public or private nonprofit agencies, com-*
9 *munity-based organizations, correctional education*
10 *agencies, institutions of higher education, libraries,*
11 *and institutions which serve educationally disadvan-*
12 *taged adults shall be provided direct and equitable ac-*
13 *cess to Federal funds provided under this subtitle in*
14 *accordance with this subtitle.*

15 (4) *PAYMENTS BY ONE-STOPS TO LOCAL SERVICE*
16 *PROVIDERS.—A one-stop career center system in a*
17 *State that refers an adult who is in need of adult edu-*
18 *cation or literacy services in order to achieve such*
19 *adult's career goals to a local service provider shall*
20 *pay to such provider, in accordance with the biennial*
21 *strategic plan of the local workforce development*
22 *board pursuant to which such center is established or*
23 *designated, an amount appropriate to pay for such*
24 *services if such provider renders such services and—*

- 1 (A) is receiving a grant from the State
2 under paragraph (1) or (2) of section 432(a); or
3 (B) is not receiving such a grant but has
4 been certified by the State as eligible to receive
5 such amounts.

6 **SEC. 434. PERFORMANCE MEASURES.**

7 A State that receives a grant under this subtitle for
8 a fiscal year shall measure the performance in the following
9 categories for such year of the programs, services, and ac-
10 tivities carried out by each local service provider receiving
11 a grant under paragraph (1) or (2) of section 432(a):

12 (1) The percentage of adults served who, based on
13 skills or abilities acquired through such a program,
14 service, or activity—

15 (A) demonstrate skills necessary to assist
16 their children to succeed in school, such as the
17 ability to—

18 (i) read to their children;

19 (ii) provide support to their children
20 in the completion of homework assignments;
21 or

22 (iii) participate on an ongoing basis
23 in activities that support their childrens'
24 schools;

1 (B) enrolled in institutions of higher edu-
2 cation or occupational training;

3 (C) obtained a job;

4 (D) advanced in their job; or

5 (E) performed new job requirements essen-
6 tial to retaining their job.

7 (2) The percentage of adults served who, based on
8 skills or abilities acquired through such a program,
9 service, or activity—

10 (A) obtained a high school diploma; or

11 (B) obtained a high school equivalency di-
12 ploma.

13 (3) The percentage of adults served who, based on
14 skills or abilities acquired through such a program,
15 service, or activity—

16 (A) register to vote;

17 (B) obtain United States citizenship; or

18 (C) seek preventive health services.

19 (4) The percentage of incarcerated adults served
20 who, based on skills or abilities acquired through such
21 a program, service, or activity, during their term of
22 incarceration or upon the termination of such term—

23 (A) enrolled in job training or education
24 programs; or

25 (B) obtained employment.

1 **CHAPTER 3—NATIONAL PROGRAMS**

2 **SEC. 441. NATIONAL INSTITUTE FOR LITERACY.**

3 (a) *ESTABLISHMENT.*—

4 (1) *IN GENERAL.*—*There shall be established a*
5 *National Institute for Literacy (in this section re-*
6 *ferred to as the “Institute”). The Institute shall be ad-*
7 *ministered under the terms of an interagency agree-*
8 *ment entered into by the Secretary of Education with*
9 *the Secretary of Labor and the Secretary of Health*
10 *and Human Services (in this section referred to as*
11 *the “Interagency Group”). The Secretary may include*
12 *in the Institute any research and development center,*
13 *institute, or clearinghouse established within the De-*
14 *partment of Education whose purpose is determined*
15 *by the Secretary to be related to the purpose of the*
16 *Institute.*

17 (2) *BOARD RECOMMENDATIONS.*—*The Inter-*
18 *agency Group shall consider the recommendations of*
19 *the National Institute for Literacy Advisory Board*
20 *(in this section referred to as the “Board”) established*
21 *under subsection (d) in planning the goals of the In-*
22 *stitute and in the implementation of any programs to*
23 *achieve such goals.*

1 (3) *DAILY OPERATIONS.*—*The daily operations of*
2 *the Institute shall be carried out by the Director of*
3 *the Institute appointed under subsection (g).*

4 (b) *DUTIES.*—

5 (1) *IN GENERAL.*—*The Institute shall—*

6 (A) *provide national leadership for the im-*
7 *provement and expansion of the system for deliv-*
8 *ery of literacy services;*

9 (B) *coordinate the delivery of such services;*

10 (C) *support the creation of new methods of*
11 *offering improved services;*

12 (D) *serve as a national resource for adult*
13 *education and family literacy services by provid-*
14 *ing to the public the best and most current infor-*
15 *mation available on the subjects; and*

16 (E) *assist States in developing levels of per-*
17 *formance.*

18 (2) *AUTHORIZED ACTIVITIES.*—*In order to carry*
19 *out the duties described in paragraph (1), the Insti-*
20 *tute may—*

21 (A) *establish a national electronic database*
22 *of information that includes—*

23 (i) *information on—*

1 (I) effective practices in the provi-
2 sion of literacy and basic skills in-
3 struction;

4 (II) public and private literacy
5 and basic skills programs and Federal,
6 State, and local policies affecting the
7 provision of literacy services at the na-
8 tional, State, and local levels; and

9 (III) technical assistance, meet-
10 ings, conferences, and other opportuni-
11 ties that lead to the improvement of lit-
12 eracy and basic skills services; and

13 (ii) a communication network for lit-
14 eracy programs, providers, and students;

15 (B) coordinate support for the provision of
16 literacy and basic skills services across Federal
17 agencies and at the State and local level;

18 (C) coordinate the support of research and
19 development on literacy and basic skills in fami-
20 lies and adults across Federal agencies and carry
21 out basic and applied research and development
22 on topics that are not being investigated by other
23 organizations or agencies;

1 (D) collect and disseminate information on
2 methods of advancing literacy that show promise
3 of success;

4 (E) work with the National Education
5 Goals Panel established under Goals 2000: Edu-
6 cate America Act to assist local, State, and na-
7 tional organizations and agencies in making and
8 measuring progress toward the National Edu-
9 cation Goals established under such Act; and

10 (F) assist in the development of policy with
11 respect to literacy and basic skills.

12 (3) GRANTS, CONTRACTS, AND AGREEMENTS.—
13 The Institute may enter into contracts or cooperative
14 agreements with, or make grants to, individuals, pub-
15 lic or private institutions, agencies, organizations, or
16 consortia of such institutions, agencies, or organiza-
17 tions to carry out the activities of the Institute. Such
18 grants, contracts, or agreements shall be subject to the
19 laws and regulations that generally apply to grants,
20 contracts, or agreements entered into by Federal agen-
21 cies.

22 (c) LITERACY LEADERSHIP.—

23 (1) FELLOWSHIPS.—The Institute, in consulta-
24 tion with the Board, may award fellowships, with
25 such stipends and allowances as the Director consid-

1 *ers necessary, to outstanding individuals pursuing ca-*
2 *reers in adult education or literacy in the areas of in-*
3 *struction, management, research, or innovation.*

4 (2) *USE OF FELLOWSHIPS.*—*Fellowships award-*
5 *ed under this subsection shall be used, under the aus-*
6 *pices of the Institute, to engage in research, education,*
7 *training, technical assistance, or other activities to*
8 *advance the field of adult education or literacy, in-*
9 *cluding the training of volunteer literacy providers at*
10 *the national, State, or local level.*

11 (3) *INTERNS AND VOLUNTEERS.*—*The Institute,*
12 *in consultation with the Board, may award paid and*
13 *unpaid internships to individuals seeking to assist the*
14 *Institute in carrying out its mission. Notwithstand-*
15 *ing section 1342 of title 31, United States Code, the*
16 *Institute may accept and use voluntary and uncom-*
17 *pensated services as the Institute determines nec-*
18 *essary.*

19 (d) *NATIONAL INSTITUTE FOR LITERACY ADVISORY*
20 *BOARD.*—

21 (1) *ESTABLISHMENT.*—

22 (A) *IN GENERAL.*—*There shall be a Na-*
23 *tional Institute for Literacy Advisory Board.*
24 *The Board shall consist of 10 individuals ap-*

1 *pointed by the President with the advice and*
2 *consent of the Senate from individuals who—*

3 *(i) are not otherwise officers or em-*
4 *ployees of the Federal Government; and*

5 *(ii) are representative of entities or*
6 *groups described in subparagraph (B).*

7 *(B) ENTITIES OR GROUPS DESCRIBED.—*
8 *The entities or groups referred to in subpara-*
9 *graph (A) are—*

10 *(i) literacy organizations and provid-*
11 *ers of literacy services, including—*

12 *(I) nonprofit providers of literacy*
13 *services;*

14 *(II) providers of programs and*
15 *services involving English language in-*
16 *struction; and*

17 *(III) providers of services receiv-*
18 *ing assistance under this subtitle;*

19 *(ii) businesses that have demonstrated*
20 *interest in literacy programs;*

21 *(iii) literacy students;*

22 *(iv) experts in the area of literacy re-*
23 *search;*

24 *(v) State and local governments; and*

25 *(vi) organized labor.*

1 (2) *DUTIES.*—*The Board shall—*

2 (A) *make recommendations concerning the*
3 *appointment of the Director and staff of the In-*
4 *stitute;*

5 (B) *provide independent advice on the oper-*
6 *ation of the Institute; and*

7 (C) *receive reports from the Interagency*
8 *Group and the Director.*

9 (3) *TERMS.*—

10 (A) *IN GENERAL.*—*Each member of the*
11 *Board shall be appointed for a term of 3 years,*
12 *except that the initial terms for members may be*
13 *1, 2, or 3 years in order to establish a rotation*
14 *in which 1/3 of the members are selected each*
15 *year.*

16 (B) *VACANCY APPOINTMENTS.*—*Any member*
17 *appointed to fill a vacancy occurring before the*
18 *expiration of the term for which the member's*
19 *predecessor was appointed shall be appointed*
20 *only for the remainder of that term. A member*
21 *may serve after the expiration of that members'*
22 *term until a successor has taken office. A va-*
23 *cancy in the Board shall be filled in the manner*
24 *in which the original appointment was made. A*

1 *vacancy in the Board shall not affect the powers*
2 *of the Board.*

3 (4) *QUORUM.*—*A majority of the members of the*
4 *Board shall constitute a quorum but a lesser number*
5 *may hold hearings. Any recommendation may be*
6 *passed only by a majority of its members present.*

7 (5) *CHAIRPERSON AND VICE CHAIRPERSON.*—*The*
8 *chairperson and vice chairperson of the Board shall*
9 *be elected by the members. The term of office of the*
10 *chairperson and vice chairperson shall be 1 year.*

11 (6) *MEETINGS.*—*The Board shall meet at the call*
12 *of the chairperson or a majority of its members.*

13 (e) *GIFTS, BEQUESTS, AND DEVISES.*—*The Institute*
14 *may accept, administer, and use gifts or donations of serv-*
15 *ices, money, or property, both real and personal.*

16 (f) *MAILS.*—*The Board and the Institute may use the*
17 *United States mails in the same manner and under the*
18 *same conditions as other departments and agencies of the*
19 *United States.*

20 (g) *STAFF.*—*The Interagency Group, after considering*
21 *recommendations made by the Board, shall appoint and fix*
22 *the pay of a Director.*

23 (h) *APPLICABILITY OF CERTAIN CIVIL SERVICE*
24 *LAWS.*—*The Director and staff of the Institute may be ap-*
25 *pointed without regard to the provisions of title 5, United*

1 *States Code, governing appointments in the competitive*
2 *service, and may be paid without regard to the provisions*
3 *of chapter 51 and subchapter III of chapter 53 of that title*
4 *relating to classification and General Schedule pay rates,*
5 *except that an individual so appointed may not receive pay*
6 *in excess of the maximum rate payable under section 5376*
7 *of title 5, United States Code.*

8 (i) *EXPERTS AND CONSULTANTS.*—*The Board and the*
9 *Institute may procure temporary and intermittent services*
10 *under section 3109(b) of title 5, United States Code.*

11 (j) *REPORT.*—*The Institute shall submit a biennial re-*
12 *port to the Interagency Group and the Congress.*

13 ***SEC. 442. NATIONAL LEADERSHIP ACTIVITIES.***

14 (a) *IN GENERAL.*—*The Secretary shall establish and*
15 *carry out a program of national leadership and evaluation*
16 *activities to enhance the quality of adult education and*
17 *family literacy programs nationwide.*

18 (b) *REQUIRED ACTIVITY.*—

19 (1) *IN GENERAL.*—*The program of national lead-*
20 *ership and evaluation activities under subsection (a)*
21 *shall include a national evaluation, conducted by the*
22 *Secretary, of the programs and activities carried out*
23 *by States and local service providers with Federal*
24 *funds received under this subtitle. Such evaluation*
25 *shall include information on the following:*

1 (A) *The manner in which States and local*
2 *service providers use Federal funds, including*
3 *the manner in which States allocate such funds*
4 *among such providers.*

5 (B) *The manner in which States establish*
6 *goals and performance standards and use such*
7 *goals and standards to manage and improve*
8 *programs.*

9 (C) *The effectiveness of the funds used under*
10 *subparagraphs (B) and (C) of section 432(a)(3).*

11 (D) *The manner in which economically dis-*
12 *advantaged individuals and educationally dis-*
13 *advantaged adults are being served by States*
14 *and local service providers.*

15 (E) *The coordination between programs and*
16 *activities carried out with Federal funds received*
17 *under titles II and III and programs and activi-*
18 *ties carried out with Federal funds received*
19 *under this subtitle.*

20 (F) *The percentage of individuals receiving*
21 *a service from a one-stop career center system*
22 *who are referred by such system to a local service*
23 *provider providing adult education or literacy*
24 *services.*

1 (2) *REPORT.*—Not later than September 30,
2 2001, the Secretary shall provide to the Congress and
3 publicly publish the results of the evaluation con-
4 ducted under paragraph (1).

5 (c) *AUTHORIZED ACTIVITIES.*—

6 (1) *IN GENERAL.*—The program of national lead-
7 ership and evaluation activities under subsection (a)
8 may include the following:

9 (A) *Assisting States in developing levels of*
10 *performance.*

11 (B) *Research and development.*

12 (C) *Demonstration of model and innovative*
13 *programs.*

14 (D) *Evaluations, including independent*
15 *evaluations of adult education and family lit-*
16 *eracy programs carried out with financial assist-*
17 *ance received pursuant to this subtitle.*

18 (E) *Data collection.*

19 (F) *Professional development.*

20 (G) *Technical assistance to States and local*
21 *service providers receiving Federal financial as-*
22 *sistance pursuant to this subtitle.*

23 (H) *Making grants to State or regional net-*
24 *works of literacy resource centers described in*
25 *section 432(a)(3)(D).*

1 (I) *Other activities to enhance the quality of*
2 *adult education and family literacy programs*
3 *nationwide.*

4 (2) *GRANTS, CONTRACTS, AND COOPERATIVE*
5 *AGREEMENTS.—The Secretary may carry out the ac-*
6 *tivities described in paragraph (1) directly or through*
7 *grants, contracts, and cooperative agreements.*

8 ***Subtitle B—Library Services and***
9 ***Technology Consolidation Grant***

10 ***SEC. 451. PURPOSES.***

11 *The purposes of this subtitle are—*

12 (1) *to consolidate Federal library service pro-*
13 *grams;*

14 (2) *to improve public access to information*
15 *through electronic networks; and*

16 (3) *to provide linkages among and between li-*
17 *braries and one-stop career center systems.*

18 ***SEC. 452. AUTHORIZATION OF APPROPRIATIONS.***

19 (a) *IN GENERAL.—There are authorized to be appro-*
20 *priated to carry out this subtitle \$110,000,000 for each of*
21 *the fiscal years 1997 through 2002.*

22 (b) *ADVANCE NOTICE OF FUNDING.—For the purpose*
23 *of affording adequate notice of funding available under this*
24 *subtitle, an appropriation to carry out this subtitle is au-*
25 *thorized to be included in an appropriation Act for the fis-*

1 *cal year preceding the fiscal year for which such appropria-*
2 *tion is first available for obligation.*

3 **SEC. 453. ALLOTMENTS.**

4 (a) *INITIAL ALLOTMENTS.—*

5 (1) *IN GENERAL.—From the sums appropriated*
6 *under section 452 for any fiscal year, the Secretary*
7 *shall allot—*

8 (A) *\$40,000 each to Guam, American*
9 *Samoa, the Commonwealth of the Northern Mar-*
10 *iana Islands, and the Virgin Islands; and*

11 (B) *\$200,000 to each of the other States.*

12 (2) *RATABLE REDUCTION.—If the sums appro-*
13 *priated under section 452 for any fiscal year are in-*
14 *sufficient to pay all of the allotments under para-*
15 *graph (1), each such allotment shall be ratably re-*
16 *duced.*

17 (b) *ADDITIONAL ALLOTMENTS.—*

18 (1) *IN GENERAL.—From the remainder of the*
19 *sums appropriated under section 452 for any fiscal*
20 *year after the application of subsection (a), the Sec-*
21 *retary shall allot to each State an amount which*
22 *bears the same ratio to such remainder as the popu-*
23 *lation of the State bears to the population of all*
24 *States.*

1 (2) *DETERMINATION OF POPULATION OF*
2 *STATES.*—*For the purpose of this subsection, the pop-*
3 *ulation of each State, and the total population of all*
4 *States, shall be determined by the Secretary on the*
5 *basis of the most recent census data available to the*
6 *Secretary, and the Secretary shall use for such pur-*
7 *pose, if available, the annual interim current census*
8 *data produced by the Secretary of Commerce pursu-*
9 *ant to section 181 of title 13, United States Code.*

10 **SEC. 454. GRANTS TO STATES.**

11 (a) *IN GENERAL.*—*The Secretary shall make a grant*
12 *for a fiscal year to a State if the State—*

13 (1) *has submitted to the Secretary for the year*
14 *an annual application that has been approved by the*
15 *Secretary under section 456; and*

16 (2) *has entered into a written agreement with*
17 *the Secretary that—*

18 (A) *the State will provide 100 percent of the*
19 *funds paid to the State under this subtitle for the*
20 *year to the State library administrative agency*
21 *for the State;*

22 (B) *such agency will be required to use such*
23 *funds to carry out activities that—*

24 (i) *are described in such annual appli-*
25 *cation;*

1 (ii) achieve the purposes of this sub-
2 title; and

3 (iii) satisfy the requirements of section
4 455;

5 (C) there will be available from State and
6 local sources for expenditure by such agency to
7 carry out such activities an amount that equals
8 or exceeds 25 percent of the total cost (as deter-
9 mined by the Secretary) of carrying out such ac-
10 tivities for the year; and

11 (D) such agency has the fiscal and legal au-
12 thority and capability to administer all aspects
13 of such activities.

14 (b) AMOUNT OF GRANTS.—The amount of a grant to
15 a State under subsection (a) for a fiscal year shall equal
16 the lesser of the following:

17 (1) The sum of the initial and additional allot-
18 ments of the State for the year.

19 (2) 75 percent of the total cost (as determined by
20 the Secretary) of carrying out the activities described
21 in subsection (a)(2)(B) for the year.

22 **SEC. 455. USES OF FUNDS.**

23 (a) IN GENERAL.—Of the funds provided to a State
24 library administrative agency under section 454(a)(2)(A),

1 *the agency shall expend at least 97 percent for one or more*
2 *of the following purposes:*

3 (1) *Electronically connecting libraries with one-*
4 *stop career center systems designated or established*
5 *under section 107 and local service providers receiv-*
6 *ing grants under paragraph (1) or (2) of section*
7 *432(a).*

8 (2) *Establishing or enhancing linkages among li-*
9 *braries.*

10 (3) *Assisting libraries in accessing information*
11 *through electronic networks.*

12 (4) *Encouraging libraries in different Federal,*
13 *State, and local jurisdictions, and different types of*
14 *libraries, to establish consortia and share resources.*

15 (5) *Paying costs for libraries to acquire or share*
16 *computer systems and telecommunications tech-*
17 *nologies.*

18 (6) *Improving library and information services*
19 *for individuals who have difficulty using a library or*
20 *who need special library materials or services, includ-*
21 *ing individuals under the age of 18.*

22 (b) *ADMINISTRATIVE EXPENSES.—In any fiscal year,*
23 *a State library administrative agency may use not more*
24 *than 3 percent of the funds provided to the agency under*
25 *section 454(a)(2)(A) for planning, administration, evalua-*

1 *tions, and interagency coordination associated with a grant*
2 *under this subtitle.*

3 **SEC. 456. ANNUAL APPLICATIONS.**

4 *(a) SUBMISSION.—A State that desires to receive a*
5 *grant under this subtitle for a fiscal year shall submit to*
6 *the Secretary, in such form and manner and before such*
7 *deadline as the Secretary shall specify in regulations, an*
8 *application for such year. Such application shall—*

9 *(1) establish goals, and specify priorities, for the*
10 *State consistent with the purposes of this subtitle;*

11 *(2) describe activities that are consistent with*
12 *such goals and priorities, the purposes of this subtitle,*
13 *and the requirements of section 455 that the State li-*
14 *brary administrative agency will carry out during*
15 *such year using such grant;*

16 *(3) describe the procedures that such agency will*
17 *use to carry out such activities;*

18 *(4) describe the methodology that such agency*
19 *will use to evaluate the success of such activities in*
20 *achieving such goals and meeting such priorities;*

21 *(5) describe procedures that such agency will use*
22 *to involve libraries and library users throughout the*
23 *State in policy decisions regarding implementation of*
24 *this subtitle; and*

1 (6) *provide assurances satisfactory to the Sec-*
2 *retary that such agency will make such reports, in*
3 *such form and containing such information, as the*
4 *Secretary may reasonably require to carry out this*
5 *subtitle and to determine the extent to which funds*
6 *provided under this subtitle have been effective in car-*
7 *rying out its purposes.*

8 **(b) APPROVAL.—**

9 **(1) IN GENERAL.—***The Secretary shall approve*
10 *each application submitted under subsection (a) that*
11 *satisfies the requirements of the subsection.*

12 **(2) RIGHTS OF STATES UPON DISAPPROVAL.—***If*
13 *the Secretary determines that an application submit-*
14 *ted by a State under subsection (a) does not satisfy*
15 *the requirements of such subsection, the Secretary*
16 *shall—*

17 **(A)** *immediately notify the State of such de-*
18 *termination and the reasons for such determina-*
19 *tion; and*

20 **(B)** *offer the State an opportunity to revise*
21 *its application to correct any deficiencies.*

1 **TITLE V—AMENDMENTS TO**
2 **REHABILITATION ACT OF 1973**
3 **Subtitle A—Vocational**
4 **Rehabilitation Consolidation Grant**
5 **CHAPTER 1—TRANSITION PERIOD**

6 **SEC. 501. TRANSITION.**

7 *With respect to the amendment made by section 511(4)*
8 *to title I of the Rehabilitation Act of 1973, the Secretary*
9 *of Education, acting through the Commissioner of the Reha-*
10 *bilitation Services Administration, shall administer the*
11 *amendment in accordance with the following:*

12 (1) *During fiscal year 1996, the Secretary shall*
13 *develop administrative policies for implementing the*
14 *amendment.*

15 (2) *During the fiscal years 1997 and 1998, the*
16 *Secretary shall begin implementing the amendment in*
17 *accordance with paragraph (4).*

18 (3) *The Secretary shall ensure that, by the first*
19 *day of fiscal year 1999, the amendment is fully im-*
20 *plemented.*

21 (4) *For purposes of paragraph (2), the Secretary*
22 *shall ensure that, before the first day of fiscal year*
23 *1999, the following requirements, administered as*
24 *conditions on the receipt of grants under such title,*
25 *have been met:*

1 (A) *The States have complied with section*
2 *103(b)(4) of such title (as amended by section*
3 *511) regarding the participation of certain pro-*
4 *viders.*

5 (B) *The States have established policies and*
6 *made arrangements for the operation of the sys-*
7 *tem of vouchers described in section 103(c) of*
8 *such title, including with respect to the reim-*
9 *bursement of providers.*

10 (C) *The States have established policies and*
11 *made arrangements under section 103(b)(12) of*
12 *such title regarding the training of the manage-*
13 *ment and staff of one-stop career centers with re-*
14 *spect to individuals with disabilities.*

15 (D) *The States have established policies and*
16 *made arrangements under section 104 of such*
17 *title regarding the establishment of such centers,*
18 *including providing for the significant partici-*
19 *pation of community-based providers in the pro-*
20 *gram carried out by the State pursuant to such*
21 *title.*

22 (E) *Such other requirements under the*
23 *amendment as the Secretary determines to be ap-*
24 *propriate.*

1 (5)(A) *Notwithstanding the amendment, during*
2 *the fiscal years 1996 through 1998, the provisions of*
3 *title I of the Rehabilitation Act of 1973 that were in*
4 *effect on the day before the date of the enactment of*
5 *this Act continue to be in effect, subject to paragraphs*
6 *(1) through (4). In implementing the amendment, the*
7 *Secretary shall seek to avoid unnecessarily disrupting*
8 *the provision of services under such title to individ-*
9 *uals who, as of the date of the enactment of this Act,*
10 *were receiving services pursuant to an individualized*
11 *plan under such title.*

12 (B) *On and after the first day of fiscal year*
13 *1999, the provisions referred to in the first sentence*
14 *of subparagraph (A) do not have any legal effect.*

15 **CHAPTER 2—REVISION OF TITLE I OF**
16 **REHABILITATION ACT OF 1973**

17 **SEC. 511. REVISION OF TITLE I.**

18 (a) *IN GENERAL.*—*Effective October 1, 1995, the Reha-*
19 *bilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—*

20 (1) *by transferring section 112 from the current*
21 *placement of the section;*

22 (2) *by redesignating such section as section 510;*

23 (3) *by adding such section at the end of title V;*

24 *and*

25 (4) *by amending title I to read as follows:*

1 **“TITLE I—VOCATIONAL**
2 **REHABILITATION SERVICES**

3 **“SEC. 100. PURPOSE.**

4 *“The purpose of this title is to assist States in making*
5 *available to individuals with disabilities a program of em-*
6 *ployment, training, and rehabilitation services that is con-*
7 *sistent with their strengths, resources, priorities, concerns,*
8 *abilities, and capabilities; that maximizes individuals’ con-*
9 *trol over their vocational and career choices; and that is*
10 *in accordance with the goal of assuring equality of oppor-*
11 *tunity, full participation, independent living, and economic*
12 *self-sufficiency for such individuals.*

13 **“SEC. 101. FORMULA GRANTS.**

14 *“(a) IN GENERAL.—*

15 *“(1) FORMULA GRANTS.—In the case of each*
16 *State that submits to the Secretary a workforce devel-*
17 *opment and literacy plan for fiscal year 1999 or any*
18 *subsequent fiscal year that meets the requirement of*
19 *section 104 of the Consolidated and Reformed Edu-*
20 *cation, Employment, and Rehabilitation Systems Act,*
21 *the Secretary shall make a grant for the year to the*
22 *State as the Federal share of carrying out the pur-*
23 *poses specified in this title. The grant shall consist of*
24 *the allotment determined for the State under section*
25 *107.*

1 “(2) *CONDITIONS FOR GRANT.*—A State may re-
2 ceive a grant under paragraph (1) for a fiscal year
3 only if the State meets the conditions described in this
4 title for the State for the fiscal year.

5 “(b) *ADMINISTRATOR OF FEDERAL PROGRAM.*—The
6 Secretary shall carry out this title acting through the Com-
7 missioner of the Rehabilitation Services Administration, ex-
8 cept as indicated otherwise.

9 “(c) *RULE OF CONSTRUCTION.*—The purpose specified
10 in section 100 shall be carried out only in accordance with
11 the other provisions of this title.

12 “(d) *FUNDING.*—

13 “(1) *AUTHORIZATION OF APPROPRIATIONS.*—For
14 the purpose of carrying out this title, there are au-
15 thorized to be appropriated such sums as may be nec-
16 essary for each of the fiscal years 1999 through 2002,
17 except that the amount to be appropriated for a fiscal
18 year shall not be less than the amount of the appro-
19 priation under this subsection for the immediately
20 preceding fiscal year, plus the amount of the
21 Consumer Price Index addition determined under
22 paragraph (2) for the immediately preceding fiscal
23 year.

24 “(2) *ADJUSTMENTS PURSUANT TO CONSUMER*
25 *PRICE INDEX.*—

1 “(A) Not later than November 15 of each
2 fiscal year, the Secretary of Labor shall publish
3 in the Federal Register the percentage change in
4 the Consumer Price Index published for October
5 of the preceding fiscal year and October of the
6 fiscal year in which such publication is made.

7 “(B) If in any fiscal year the percentage
8 change published under subparagraph (A) indi-
9 cates an increase in the Consumer Price Index,
10 then the amount to be appropriated under para-
11 graph (1) for the subsequent fiscal year shall be
12 at least the amount appropriated for the fiscal
13 year in which the publication is made under
14 subparagraph (A) increased by such percentage
15 change.

16 “(C) If in any fiscal year the percentage
17 change published under subparagraph (A) does
18 not indicate an increase in the Consumer Price
19 Index, then the amount to be appropriated under
20 paragraph (1) for the subsequent fiscal year shall
21 be at least the amount appropriated for the fiscal
22 year in which the publication is made under
23 subparagraph (A).

24 “(D) For purposes of this paragraph, the
25 term ‘Consumer Price Index’ means the

1 *Consumer Price Index for All Urban Consumers,*
2 *published monthly by the Bureau of Labor Sta-*
3 *tics.*

4 “(3) *AUTOMATIC EXTENSION OF AUTHORIZA-*
5 *TION.—*

6 “(A) *Unless, in the regular session that ends*
7 *prior to the beginning of the last fiscal year for*
8 *which an authorization of appropriations is pro-*
9 *vided in paragraph (1), legislation has been en-*
10 *acted that has the effect of extending such au-*
11 *thorization, such authorization is automatically*
12 *extended for one additional year.*

13 “(B) *The amount authorized to be appro-*
14 *priated for the additional fiscal year described*
15 *in subparagraph (A) shall be an amount equal*
16 *to the amount appropriated for such program for*
17 *fiscal year 2002, plus the amount of the*
18 *Consumer Price Index addition determined*
19 *under paragraph (2) for the immediately preced-*
20 *ing fiscal year.*

21 “(C) *In any case where the Commissioner is*
22 *required under an applicable statute to carry out*
23 *certain acts or make certain determinations that*
24 *are necessary for the continuation of the pro-*
25 *gram authorized by this title, and such acts or*

1 *determinations are required during the last fis-*
2 *cal year for which an authorization of appro-*
3 *priations is provided in paragraph (1), such acts*
4 *and determinations shall be required during any*
5 *fiscal year for which subparagraph (A) is in op-*
6 *eration.*

7 ***“SEC. 102. ALLOCATION WITHIN STATE OF ADMINISTRATIVE***
8 ***RESPONSIBILITIES.***

9 *“(a) IN GENERAL.—For purposes of section 101(a), a*
10 *State will—*

11 *“(1) subject to subsection (b), reserve not more*
12 *than 20 percent of the grant under such section for*
13 *the fiscal year involved for carrying out the respon-*
14 *sibilities of a State administrative agent under sec-*
15 *tion 103; and*

16 *“(2) reserve not less than 80 percent of the grant*
17 *for carrying out the responsibilities under section 104*
18 *of local workforce development boards and one-stop*
19 *career centers with respect to workforce development*
20 *areas.*

21 *“(b) ADDITIONAL STATE RESPONSIBILITIES.—*
22 *Amounts reserved by a State under subsection (a)(1) may*
23 *be expended by the State administrative agent to carry out*
24 *responsibilities that otherwise would be carried out under*
25 *section 104 by local workforce development boards or one-*

1 *stop career centers, if the State determines that such ex-*
2 *penditures are justified to make available goods and services*
3 *that could not otherwise be obtained within a local*
4 *workforce development area, to provide services to individ-*
5 *uals unable to utilize the one-stop career centers, or to other-*
6 *wise ensure the efficient and equitable provision in the*
7 *State of services under this title, including the provision*
8 *of services for individuals in rural areas.*

9 “(c) *CERTAIN DEFINITIONS.*—*For purposes of this Act,*
10 *the terms ‘State administrative agent’, ‘local workforce de-*
11 *velopment area’, ‘local workforce development board’, and*
12 *‘one-stop career center’ have the meanings given such terms*
13 *in sections 105 through 108, respectively, of the Consoli-*
14 *dated and Reformed Education, Employment, and Reha-*
15 *bilitation Systems Act.*

16 **“SEC. 103. RESPONSIBILITIES OF STATE ADMINISTRATIVE**
17 **AGENT.**

18 “(a) *STATE ADMINISTRATIVE AGENT.*—*In carrying*
19 *out the requirements of the Consolidated and Reformed*
20 *Education, Employment, and Rehabilitation Systems Act,*
21 *a Governor may designate—*

22 “(1) *one State administrative agent to be respon-*
23 *sible for carrying out this title for individuals who*
24 *are blind; and*

1 “(2) a different State administrative agent to
2 carry out the remaining responsibilities in this title.

3 “(b) RESPONSIBILITIES.—For purposes of section
4 101(a) and the operation in a State of the program under
5 this title:

6 “(1) This subsection, and the subsequent provi-
7 sions of this section, will be carried out by State ad-
8 ministrative agents designated by the Governor in ac-
9 cordance with subsection (a), through the collaborative
10 process established under section 103 of the Consoli-
11 dated and Reformed Education, Employment, and
12 Rehabilitation Systems Act.

13 “(2)(A) The State will provide to the public an
14 explanation of the methods by which the State will
15 provide vocational rehabilitation services (as defined
16 in section 104(b))—

17 “(i) to all eligible individuals (as defined in
18 section 105(d)); and

19 “(ii) within all local workforce delivery
20 areas in the State.

21 “(B) In the event that such services cannot be
22 provided to all eligible individuals who apply for the
23 services, the State will show and provide the justifica-
24 tion for the order to be followed in selecting individ-
25 uals to whom the services will be provided.

1 “(C) The order of selection under subparagraph
2 (B) will be determined on the basis of serving first
3 those individuals with the most severe disabilities, in
4 accordance with criteria established by the State.

5 “(3) The State will establish guidelines provid-
6 ing that, in the case of an individual to whom the
7 State will provide a service (in accordance with the
8 order of selection under paragraph (2) and the assess-
9 ment of needs under section 104(c)(1)), the individual
10 will have the option of receiving the service from a
11 provider designated by the center or from a provider
12 selected by the individual pursuant to vouchers under
13 subsection (c).

14 “(4) Pursuant to section 109 of the Consolidated
15 and Reformed Education, Employment, and Reha-
16 bilitation Systems Act, the State will make signifi-
17 cant efforts to encourage the participation in the
18 State program of community-based private providers,
19 with special consideration given to providers who
20 have received funds under this Act regarding projects
21 with industry or supported employment services, or
22 under the Act commonly known as the Javits-Wagner-
23 O’Day Act (41 U.S.C. 46 et seq.) for employment and
24 training services.

1 “(5) *The State will establish provisions to govern*
2 *determinations under section 105 (relating to the eli-*
3 *gibility of individuals).*

4 “(6) *The State will establish standards to govern*
5 *the conduct under section 104(c)(1) of assessments of*
6 *need, including the development of a methodology that*
7 *will be applied in a reasonably uniform manner to*
8 *all individuals for whom such assessments are con-*
9 *ducted, and that (subject to the order of selection*
10 *under paragraph (2)) will be designed to prevent sub-*
11 *stantial disparities, among individuals with com-*
12 *parable circumstances, in the monetary value of the*
13 *services to be provided pursuant to the assessments.*

14 “(7)(A) *The State will establish procedures*
15 *through which an individual may request and obtain*
16 *an impartial review, utilizing an impartial hearing*
17 *officer, of whether standards for determinations of eli-*
18 *gibility for services, assessments of vocational reha-*
19 *bilitation needs, and development of individualized*
20 *rehabilitation and employment plans under this title*
21 *were correctly applied to the individual by the one-*
22 *stop career center involved.*

23 “(B) *The State will designate a number of days*
24 *(applied uniformly to all individuals) within which*
25 *review under subparagraph (A) will be conducted*

1 *once a request for such review is made by an individ-*
2 *ual, subject to subparagraph (C).*

3 *“(C)(i) The State will provide that there may be*
4 *an informal hearing, mediation, or alternatives to*
5 *such review, if agreed upon by the individual and the*
6 *one-stop career center involved.*

7 *“(ii) The State will provide that if, in a process*
8 *utilized under clause (i) by an individual, there is*
9 *not a final disposition of the matter involved, review*
10 *under subparagraph (A) will remain available to the*
11 *individual.*

12 *“(8) The State will ensure that vocational reha-*
13 *bilitation services under this title, and related core*
14 *services, are provided by personnel who are qualified*
15 *to provide the services involved. For purposes of the*
16 *preceding sentence, the term ‘core services’ has the*
17 *meaning indicated for such term under title I of the*
18 *Consolidated and Reformed Education, Employment,*
19 *and Rehabilitation Systems Act.*

20 *“(9) The State will establish plans, policies, and*
21 *procedures to be followed in carrying out the program*
22 *under this title in the State (including entering into*
23 *a formal interagency cooperative agreement with edu-*
24 *cation officials responsible for the provision of a free*
25 *appropriate public education to students who are in-*

1 *dividuals with disabilities). The State will ensure*
2 *that such plans, policies, and procedures are designed*
3 *in accordance with the following:*

4 *“(A)(i) To facilitate the development and*
5 *accomplishment of the goals and objectives de-*
6 *scribed in clause (ii) (including the specification*
7 *of plans for coordination with the educational*
8 *agencies in the provision of transition services),*
9 *to the extent that the goals and objectives are in-*
10 *cluded in an individualized education program*
11 *of a student.*

12 *“(ii) The goals and objectives referred to in*
13 *clause (i) are long-term rehabilitation goals; in-*
14 *termediate rehabilitation objectives; and goals*
15 *and objectives related to enabling a student to*
16 *live independently before the student leaves a*
17 *school setting.*

18 *“(B) To facilitate the transition from the*
19 *provision of a free appropriate public education*
20 *under the responsibility of an educational agen-*
21 *cy to the provision of vocational rehabilitation*
22 *services under this title, including the specifica-*
23 *tion of plans for coordination with educational*
24 *agencies in the provision of transition services to*
25 *an individual.*

1 “(C) To provide for—

2 “(i) provisions for determining State
3 lead agencies and qualified personnel re-
4 sponsible for transition services;

5 “(ii) procedures for outreach to and
6 identification of youth in need of such serv-
7 ices; and

8 “(iii) a timeframe for evaluation and
9 follow-up of youth who have received such
10 services.

11 “(10) The State will provide for coordination
12 and working relationships with the Statewide Inde-
13 pendent Living Council established under section 705
14 and independent living centers within the State.

15 “(11) The State will provide for interagency co-
16 operation with, and the utilization of the services and
17 facilities of, the State agencies administering the
18 State’s public assistance programs, and other pro-
19 grams for individuals with disabilities.

20 “(12) With respect to the one-stop career centers
21 operated pursuant to section 104, the State will pro-
22 vide for the appropriate training of the management
23 and staff of the centers regarding the effective provi-
24 sion of services to individuals with disabilities.

1 “(13) *The State will provide technical assistance*
2 *to local boards, one-stop career centers, and providers*
3 *relating to the effective provision of vocational reha-*
4 *bilitation services under this title, including the effec-*
5 *tive development of individualized rehabilitation and*
6 *employment plans, and will ensure that such tech-*
7 *nical assistance is provided through appropriate*
8 *means.*

9 “(c) *AVAILABILITY OF VOUCHER SYSTEM REGARDING*
10 *SERVICES.—For purposes of section 101(a) and the oper-*
11 *ation in a State of the program under this title:*

12 “(1) *The State will provide for the establishment*
13 *of a system to carry out this subsection.*

14 “(2) *In the case of an eligible individual who (in*
15 *accordance with the order of selection under sub-*
16 *section (b)(2) and the assessment of needs under sec-*
17 *tion 105(b)(2)(A)) will receive vocational rehabilita-*
18 *tion services under this title, the one-stop career cen-*
19 *ter involved will, upon request of the individual, pro-*
20 *vide to the individual vouchers in accordance with*
21 *this subsection.*

22 “(3) *Vouchers under this subsection will enable*
23 *such individual to obtain the vocational rehabilita-*
24 *tion services involved from providers selected by the*
25 *individual from among a list of providers approved*

1 *by the State for such purpose in accordance with sec-*
2 *tion 109 of the Consolidated and Reformed Edu-*
3 *cation, Employment, and Rehabilitation Systems Act.*

4 “(4) *The monetary value of a voucher provided*
5 *to the individual for a particular type of service will*
6 *be calculated at a fair market value.*

7 “(5) *To the extent practicable, the list of provid-*
8 *ers under paragraph (3) will provide for the avail-*
9 *ability within each local workforce development area*
10 *of a broad range of services.*

11 “(d) *STATE OPTIONS.—With respect to compliance*
12 *with this section, a State may, in the discretion of the State,*
13 *expend a grant under section 101 for the following:*

14 “(1) *To disseminate findings from research re-*
15 *garding vocational rehabilitation services, after con-*
16 *sideration of requests from local workforce develop-*
17 *ment boards and one-stop career centers regarding the*
18 *types of information needed by such boards and cen-*
19 *ters.*

20 “(2) *To conduct demonstration projects regard-*
21 *ing improvements with respect to vocational rehabili-*
22 *tation services, subject to providing the results of such*
23 *projects to the Commissioner and as appropriate dis-*
24 *seminating the results within the State.*

1 “(e) *CORE STANDARDS, PERFORMANCE GOALS, AND*
2 *MEASURES.*—For purposes of section 101(a):

3 “(1) *The State involved will develop and imple-*
4 *ment a statewide system of core standards and meas-*
5 *ures of performance for programs established under*
6 *this title, based upon performance standards described*
7 *in paragraph (3), and consistent with the State’s*
8 *goals and objectives and the benchmarking process de-*
9 *scribed in the workforce development and literacy*
10 *plan submitted by the State under section 104 of the*
11 *Consolidated and Reformed Education, Employment,*
12 *and Rehabilitation Systems Act.*

13 “(2) *The statewide system will—*

14 “(A) *establish performance goals to define*
15 *the level of performance to be achieved by indi-*
16 *viduals served under this title and to evaluate*
17 *the quality and effectiveness of services and ac-*
18 *tivities under this title;*

19 “(B) *express such goals in an objective,*
20 *quantifiable, and measurable form;*

21 “(C) *establish performance indicators or*
22 *benchmarks that the State and local recipients of*
23 *funds will use in measuring or assessing progress*
24 *toward achieving such goals; and*

1 “(D) provide biennial reports to the public
2 and to the Secretary on the State’s progress in
3 achieving its goals.

4 “(3) The statewide system will include measures
5 of—

6 “(A) placement, retention, and earnings of
7 participants in integrated employment, includ-
8 ing retention and earnings at 6 months, and at
9 1 year after program termination, respectively;

10 “(B) the percentage of individuals served
11 who had severe disabilities, including those indi-
12 viduals determined to have a disability under
13 title II or title XVI of the Social Security Act;
14 and

15 “(C) other relevant measures of program
16 performance included in the standards and indi-
17 cators promulgated by the Commissioner under
18 sections 621 and 106 (relating to projects with
19 industry, and relating to evaluation standards
20 and indicators for vocational rehabilitation, re-
21 spectively), as such sections were in effect for fis-
22 cal year 1995.

1 **“SEC. 104. RESPONSIBILITIES FOR LOCAL BOARDS AND**
2 **SERVICE CENTERS.**

3 *“(a) PROVISION OF VOCATIONAL REHABILITATION*
4 *SERVICES.—For purposes of section 101(a) and the oper-*
5 *ation in a State of the program under this title:*

6 *“(1) This section will be carried out by the one-*
7 *stop career centers in the State, with each such center*
8 *acting under the guidance of the local workforce devel-*
9 *opment board for the local workforce area within*
10 *which the center operates. Such centers will provide*
11 *services under this section directly or through con-*
12 *tract.*

13 *“(2) In accordance with the order of selection*
14 *under section 103(b)(2), a one-stop career center will,*
15 *in expending amounts provided to the center from a*
16 *grant under section 101, carry out the following:*

17 *“(A) Make determinations under section*
18 *105 of the eligibility of individuals for voca-*
19 *tional rehabilitation services (as defined in sub-*
20 *section (b)).*

21 *“(B) Provide for vocational rehabilitation*
22 *services for eligible individuals.*

23 *“(C) In the case of individuals with severe*
24 *disabilities, conduct outreach and intake activi-*
25 *ties for such individuals who are not able to di-*

1 rectly access the one-stop career centers because
2 of the nature of their disabilities.

3 “(3) A one-stop career center will, in expending
4 amounts provided to the center from a grant under
5 section 101, make vocational rehabilitation services
6 available at a variety of locations and, as appro-
7 priate for particular populations, in a variety of en-
8 vironments.

9 “(b) *DEFINITION.*—For purposes of this title, the term
10 ‘vocational rehabilitation services’ means such goods or
11 services for eligible individuals as are—

12 “(1) necessary to render the individuals employ-
13 able and achieve an employment outcome; and

14 “(2) provided in response to needs that arise, to
15 a significant extent, from the disability involved and
16 do not duplicate, to any significant extent, the core
17 services available under title I of the Consolidated
18 and Reformed Education, Employment, and Reha-
19 bilitation Systems Act.

20 “(c) *CERTAIN SERVICES.*—For purposes of section
21 101(a), the vocational rehabilitation services available
22 through one-stop career centers will include the following:

23 “(1) An assessment of the needs of eligible indi-
24 viduals for such services.

1 “(2) *Development, in accordance with section*
2 *105(b)(2), of an individualized rehabilitation and em-*
3 *ployment plan for the purpose of identifying employ-*
4 *ment goals, appropriate intermediate rehabilitation*
5 *objectives, and an appropriate combination of goods*
6 *and services for the individual to achieve the employ-*
7 *ment goals.*

8 “(3) *Counseling, guidance, and work-related*
9 *placement services for individuals with disabilities,*
10 *including job search assistance, placement assistance,*
11 *job retention services, personal assistance services,*
12 *and follow-up, follow-along, and specific*
13 *postemployment services necessary to assist such indi-*
14 *viduals to maintain, regain, or advance in employ-*
15 *ment.*

16 “(4) *Vocational and other training services for*
17 *individuals with disabilities, including personal and*
18 *vocational adjustment, books, or other training mate-*
19 *rials, and such services to the families of such indi-*
20 *viduals as are necessary to the adjustment or rehabili-*
21 *tation of such individuals.*

22 “(5) *Rehabilitation technology services.*

23 “(6) *Supported employment services.*

24 “(7) *Physical and mental restoration services.*

1 “(8) Interpreter services for individuals who are
2 deaf, and reader services for individuals who are
3 blind.

4 “(9) Rehabilitation teaching services and ori-
5 entation and mobility services for individuals who
6 are blind.

7 “(10) Referral and other services designed to as-
8 sist individuals with disabilities in securing needed
9 services from other agencies through agreements devel-
10 oped under section 103(b)(10), if such services are not
11 available under this Act.

12 “(11) Transportation in connection with the ren-
13 dering of any vocational rehabilitation service.

14 “(12) Telecommunications, sensory, and other
15 technological aids and devices.

16 “(13) On-the-job, or other related personal-assist-
17 ance services, provided while eligible individuals are
18 receiving other vocational rehabilitation services
19 under this title.

20 “(d) CERTAIN ARRANGEMENTS.—For purposes of sec-
21 tion 101(a), a one-stop career center will, with respect to
22 the provision of vocational rehabilitation services to indi-
23 viduals with the most severe disabilities, provide for nec-
24 essary arrangements with community-based providers, in-
25 cluding arrangements regarding supported employment

1 *services and extended services, periodic reviews of individ-*
2 *uals placed in extended employment, and services to pro-*
3 *mote movement from extended employment to integrated*
4 *employment.*

5 “(e) *OPTIONAL PROVISION OF OTHER SERVICES.*—For
6 *purposes of this title, a one-stop career center may provide*
7 *such vocational rehabilitation services in addition to the*
8 *services specified in subsection (c) as the center determines*
9 *to be appropriate.*

10 “(f) *ALLOCATION FOR CORE SERVICES.*—For purposes
11 *of section 101(a):*

12 “(1) *With respect to a fiscal year, a local*
13 *workforce development board receiving amounts from*
14 *a grant under section 101 will reserve an amount for*
15 *the provision of core services under title I of the Con-*
16 *solidated and Reformed Education, Employment, and*
17 *Rehabilitation Systems Act.*

18 “(2) *The amount so reserved will be based on the*
19 *number of eligible individuals with disabilities in the*
20 *local workforce development area and the costs of*
21 *training employees of the one-stop career centers to*
22 *provide high-quality services to individuals with dis-*
23 *abilities.*

24 “(g) *PERFORMANCE PAYMENTS REGARDING VOUCH-*
25 *ERS.*—For purposes of section 101(a):

1 “(1) *The local workforce development board in-*
2 *volved will ensure that, in providing for the payment*
3 *of services provided pursuant to vouchers, a portion*
4 *of the total payment is withheld from the provider*
5 *until the delivery of the services involved is completed*
6 *in reasonable accordance with the outcome designated*
7 *for the service pursuant to a prior understanding*
8 *with the provider.*

9 “(2) *In the case of education, training, and*
10 *placement services that are designed to lead to an em-*
11 *ployment outcome, a portion of the total payment will*
12 *be withheld from the provider until—*

13 “(A) *the participant has successfully com-*
14 *pleted the training; and*

15 “(B) *the participant has been employed,*
16 *and has retained employment for a period of not*
17 *less than 90 days.*

18 “(h) *PAYOR OF LAST RESORT REGARDING MEDICAL*
19 *SERVICES AND EDUCATIONAL ASSISTANCE.—For purposes*
20 *of section 101(a), a State will not expend a grant under*
21 *section 101 to pay for training services in institutions of*
22 *higher education, or to pay for medical services, unless sig-*
23 *nificant efforts have been made to secure payments, in whole*
24 *or in part, from other sources, except that such efforts are*
25 *not required if making the efforts would delay the provision*

1 *of such services to any eligible individual who is at extreme*
2 *medical risk, or if making the efforts would result in the*
3 *loss of a job placement that (but for the efforts) would be*
4 *immediately available to an eligible individual.*

5 ***“SEC. 105. ELIGIBLE INDIVIDUAL.***

6 *“(a) IN GENERAL.—For purposes of section 101:*

7 *“(1) An individual will not receive vocational*
8 *rehabilitation services under this title unless the indi-*
9 *vidual—*

10 *“(A) is an individual with a disability*
11 *under section 7(8)(A); and*

12 *“(B) requires vocational rehabilitation serv-*
13 *ices to prepare for, enter, engage in, or retain*
14 *gainful employment.*

15 *“(2) If the individual has a disability or is blind*
16 *as determined pursuant to title II or title XVI of the*
17 *Social Security Act, the individual will be considered*
18 *to have—*

19 *“(A) a physical or mental impairment*
20 *which for such individual constitutes or results*
21 *in a substantial impediment to employment*
22 *under section 7(8)(A)(i); and*

23 *“(B) a severe physical or mental impair-*
24 *ment which seriously limits one or more func-*

1 *tional capacities in terms of an employment out-*
2 *come under section 7(15)(A)(i).*

3 “(3) *It will be presumed that an individual can*
4 *benefit in terms of an employment outcome from vo-*
5 *ccational rehabilitation services for purposes of section*
6 *7(8)(A)(ii), unless the one-stop career center involved*
7 *can demonstrate by clear and convincing evidence*
8 *that such individual is incapable of benefiting from*
9 *vocational rehabilitation services in terms of an em-*
10 *ployment outcome.*

11 “(b) *PROCESS.—For purposes of section 101(a), a*
12 *State will ensure that, subject to the order of selection under*
13 *section 102(b)(2), the following applies to an individual:*

14 “(1) *Once the individual makes a request in per-*
15 *son for a determination of eligibility:*

16 “(A) *A qualified rehabilitation adviser will*
17 *be made available to the individual regarding*
18 *the process of obtaining services under this title.*

19 “(B) *An initial interview will be conducted,*
20 *followed by an initial assessment.*

21 “(C) *A final determination will be made*
22 *not later than 30 days after the request (subject*
23 *to the cooperation of the individual in the proc-*
24 *ess of determination).*

1 “(D) The determination of eligibility will be
2 based on the review of existing data described in
3 clause (i) of section 7(22)(A), and, to the extent
4 necessary, the preliminary assessment described
5 in clause (ii) of such section.

6 “(E) If it is determined that the individual
7 is not an eligible individual, the individual will
8 be provided a written statement explaining the
9 following:

10 “(i) The basis of the determination.

11 “(ii) The availability of impartial re-
12 view under section 103(b)(7).

13 “(iii) The availability of services under
14 the client assistance program under section
15 510.

16 “(2)(A) If it is determined that the individual is
17 an eligible individual—

18 “(i) the needs of the individual for vo-
19 cational rehabilitation services will be as-
20 sessed; and

21 “(ii) subject to subparagraph (D), an
22 individualized rehabilitation and employ-
23 ment plan will be developed for the individ-
24 ual regarding the provision of services pur-
25 suant to clause (i).

1 “(B) The plan under subparagraph (A) will be
2 developed and mutually agreed upon by the individ-
3 ual and an appropriate staff member of the one-stop
4 career center involved.

5 “(C) A plan under subparagraph (A) is individ-
6 ualized if the plan is consistent with the unique
7 strengths, resources, priorities, concerns, abilities, and
8 capabilities of the individual for whom the plan is de-
9 veloped.

10 “(D) A plan under subparagraph (A) is not re-
11 quired for an individual if the individual signs a
12 waiver stating that such a plan is not necessary for
13 the individual.

14 “(c) *RULE OF CONSTRUCTION.*—This title may not be
15 construed as establishing an entitlement in any individual.

16 “(d) *DEFINITION.*—For purposes of this title, the term
17 ‘eligible individual’ means an individual described in sub-
18 section (a)(1).

19 **“SEC. 106. STATE REHABILITATION ADVISORY COUNCIL.**

20 “(a) *IN GENERAL.*—For purposes of section 101(a):

21 “(1) A State will establish a State Rehabilitation
22 Advisory Council (referred to in this section as the
23 ‘Council’) in accordance with this section.

24 “(2) The Council will be composed of the follow-
25 ing:

1 “(A) Representatives of organizations with-
2 in the State providing services to individuals
3 with disabilities and their families, including
4 representatives of the client assistance program
5 under section 510.

6 “(B) Representatives of business, industry,
7 and labor.

8 “(C) Representatives of disability advocacy
9 groups representing a cross section of—

10 “(i) individuals with physical, cog-
11 nitive, sensory, and mental disabilities; and

12 “(ii) parents, family members, guard-
13 ians, advocates, or authorized representa-
14 tives, of individuals with disabilities who
15 have difficulty in representing themselves or
16 are unable due to their disabilities to rep-
17 resent themselves.

18 “(3) The State administrative agent will be an
19 ex officio member of the Council.

20 “(4) Members of the Council will be appointed
21 by the Governor or another entity that has appoint-
22 ment authority under State law.

23 “(5) A majority of Council members will be per-
24 sons who are—

1 “(A) individuals with disabilities described
2 in section 7(8)(B); and

3 “(B) not employed by the designated State
4 administrative agent.

5 “(6)(A) Except as provided in subparagraph
6 (B), the Council will select a chairperson from among
7 the membership of the Council.

8 “(B) In States in which the Governor does not
9 have veto power pursuant to State law, the Governor
10 will designate a member of the Council to serve as the
11 chairperson of the Council or will require the Council
12 to so designate such a member.

13 “(7) Each member of the Council will serve for
14 a term determined by the Governor or another entity
15 that has appointment authority under State law.

16 “(8) Any vacancy occurring in the membership
17 of the Council will be filled in the same manner as
18 the original appointment. The vacancy will not affect
19 the power of the remaining members to execute the
20 duties of the Council.

21 “(b) FUNCTIONS OF COUNCIL.—For purposes of section
22 101(a), the Council will carry out the following:

23 “(1) Advise the collaborative process under sec-
24 tion 103 of the Consolidated and Reformed Edu-
25 cation, Employment, and Rehabilitation Systems Act,

1 *and the State administrative agent, in the prepara-*
2 *tion of the State workforce development and literacy*
3 *plan and other plans, reports, needs assessments, and*
4 *evaluations required by this title.*

5 *“(2) To the extent feasible, conduct a review and*
6 *analysis of the effectiveness of, and consumer satisfac-*
7 *tion with, the delivery of core services and vocational*
8 *rehabilitation services to individuals with disabilities*
9 *within the State.*

10 *“(3) Prepare and submit an annual report to the*
11 *collaborative process or appropriate State adminis-*
12 *trative agent and the Commissioner on the status of*
13 *vocational rehabilitation programs operated within*
14 *the State, and make the report available to the public.*

15 *“(4) Coordinate with other councils within the*
16 *State established to address the needs of individuals*
17 *with disabilities.*

18 *“(5) Perform such other functions, consistent*
19 *with the purpose of this title, as the State Rehabilita-*
20 *tion Advisory Council determines to be appropriate,*
21 *that are comparable to the other functions performed*
22 *by the Council.*

23 *“(c) RESOURCES.—*

24 *“(1) PLAN.—For purposes of section 101(a), the*
25 *Council will prepare, in conjunction with the State*

1 *administrative agent, a plan for the provision of such*
2 *resources, including such staff and other personnel, as*
3 *may be necessary to carry out the functions of the*
4 *Council under this section. The resource plan shall, to*
5 *the maximum extent possible, rely on the use of re-*
6 *sources in existence during the period of implementa-*
7 *tion of the plan.*

8 “(2) *RESOLUTION OF DISAGREEMENTS.—For*
9 *purposes of section 101(a), to the extent that there is*
10 *a disagreement between the Council and the State ad-*
11 *ministrative agent in regard to the resources nec-*
12 *essary to carry out the functions of the Council as set*
13 *forth in this section, the disagreement will be resolved*
14 *by the Governor or appointing agency identified in*
15 *subsection (a)(4).*

16 “(3) *SUPERVISION AND EVALUATION.—For pur-*
17 *poses of section 101(a), the Council will, consistent*
18 *with State law, supervise and evaluate such staff and*
19 *other personnel as may be necessary to carry out its*
20 *functions under this section.*

21 “(4) *PERSONNEL CONFLICT OF INTEREST.—For*
22 *purposes of section 101(a), while assisting the Council*
23 *in carrying out its duties, staff and other personnel*
24 *will not be assigned duties by the State administra-*

1 *tive agent or any other agency or office of the State,*
2 *that would create a conflict of interest.*

3 “(d) *CONFLICT OF INTEREST.*—*For purposes of section*
4 *101(a), no member of the Council will cast a vote on any*
5 *matter that would provide direct financial benefit to the*
6 *member or otherwise give the appearance of a conflict of*
7 *interest under State law.*

8 “(e) *MEETINGS.*—*For purposes of section 101(a), the*
9 *Council will convene meetings and conduct such forums or*
10 *hearings as the Council considers appropriate. The meet-*
11 *ings, hearings, and forums will be publicly announced. The*
12 *meetings will be open and accessible to the general public*
13 *unless there is a valid reason for an executive session.*

14 “(f) *COMPENSATION AND EXPENSES.*—*For purposes of*
15 *section 101(a), the Council may use funds appropriated*
16 *under this title to reimburse members of the Council for*
17 *reasonable and necessary expenses of attending Council*
18 *meetings and performing Council duties (including child*
19 *care and personal assistance services), and to pay com-*
20 *ensation to a member of the Council, if such member is*
21 *not employed or must forfeit wages from other employment,*
22 *for each day the member is engaged in performing the du-*
23 *ties of the Council.*

24 “(g) *RULE OF CONSTRUCTION.*—*Nothing in this sec-*
25 *tion prohibits a State from establishing and providing*

1 *funds to a separate council to carry out functions described*
2 *in subsection (b) with respect to vocational rehabilitation*
3 *services for individuals who are blind.*

4 ***“SEC. 107. AMOUNT OF ALLOTMENT.***

5 *“(a)(1) Subject to the provisions of subsection (d), for*
6 *each fiscal year beginning before October 1, 1978, each State*
7 *shall be entitled to an allotment of an amount bearing the*
8 *same ratio to the amount authorized to be appropriated*
9 *under section 101(d) for allotment under this section as the*
10 *product of (A) the population of the State, and (B) the*
11 *square of its allotment percentage, bears to the sum of the*
12 *corresponding products for all the States.*

13 *“(2)(A) For each fiscal year beginning on or after Oc-*
14 *tober 1, 1978, each State shall be entitled to an allotment*
15 *in an amount equal to the amount such State received*
16 *under paragraph (1) for the fiscal year ending September*
17 *30, 1978, and an additional amount determined pursuant*
18 *to subparagraph (B) of this paragraph.*

19 *“(B) For each fiscal year beginning on or after October*
20 *1, 1978, each State shall be entitled to an allotment, from*
21 *any amount authorized to be appropriated for such fiscal*
22 *year under section 101(d) for allotment under this section*
23 *in excess of the amount appropriated under such section*
24 *for the fiscal year ending September 30, 1978, in an*
25 *amount equal to the sum of—*

1 “(i) an amount bearing the same ratio to 50 per-
2 cent of such excess amount as the product of the popu-
3 lation of the State and the square of its allotment per-
4 centage bears to the sum of the corresponding prod-
5 ucts for all the States; and

6 “(ii) an amount bearing the same ratio to 50
7 percent of such excess amount as the product of the
8 population of the State and its allotment percentage
9 bears to the sum of the corresponding products for all
10 the States.

11 “(3) The sum of the payment to any State (other than
12 Guam, American Samoa, the Virgin Islands, and the
13 Northern Mariana Islands) under this subsection for any
14 fiscal year which is less than one-third of 1 percent of the
15 amount appropriated under section 101(d), or \$3,000,000,
16 whichever is greater, shall be increased to that amount, the
17 total of the increases thereby required being derived by pro-
18 portionately reducing the allotment to each of the remain-
19 ing such States under this subsection, but with such adjust-
20 ments as may be necessary to prevent the sum of the allot-
21 ments made under this subsection to any such remaining
22 State from being thereby reduced to less than that amount.

23 “(4) For each fiscal year beginning on or after October
24 1, 1984, for which any amount is appropriated pursuant
25 to section 101(d), each State shall receive an allocation

1 *(from such appropriated amount) in addition to the allot-*
2 *ment to which such State is entitled under paragraphs (2)*
3 *and (3) of this subsection. Such additional allocation shall*
4 *be an amount which bears the same ratio to the amount*
5 *so appropriated as that State's allotment under paragraphs*
6 *(2) and (3) of this subsection bears to the sum of such allot-*
7 *ments of all the States.*

8 “(b)(1) *If the payment to a State pursuant to this sec-*
9 *tion for a fiscal year is less than the total payments such*
10 *State received under section 2 of the Vocational Rehabilita-*
11 *tion Act for the fiscal year ending June 30, 1973, such State*
12 *shall be entitled to an additional payment (subject to the*
13 *same terms and conditions applicable to other payments*
14 *under this title) equal to the difference between the payment*
15 *under this section and the amount so received by it.*

16 “(2) *If a State receives as its Federal share pursuant*
17 *to this section for any fiscal year less than the applicable*
18 *Federal share of the expenditure of such State for fiscal year*
19 *1972 for vocational rehabilitation services under the plan*
20 *for such State approved under section 101 as in effect for*
21 *such year (including any amount expended by such State*
22 *for the administration of the State plan but excluding any*
23 *amount expended by such State from non-Federal sources*
24 *for construction under such plan), such State shall be enti-*
25 *tled to an additional payment for such fiscal year, subject*

1 *to the same terms and conditions applicable to other pay-*
2 *ments under this title, equal to the difference between such*
3 *the payment pursuant to this section and an amount equal*
4 *to the applicable Federal share of such expenditure for voca-*
5 *tional rehabilitation services.*

6 “(3) Any payment attributable to the additional pay-
7 ment to a State under this subsection shall be made only
8 from appropriations specifically made to carry out this sub-
9 section, and such additional appropriations are hereby au-
10 thorized.”.

11 (b) *CERTAIN FUNDING PROVISION.*—Effective October
12 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et
13 seq.) is amended by inserting after section 3 the following
14 section:

15 “AVAILABILITY OF FUNDS

16 “SEC. 3A. Notwithstanding any other provision of law,
17 funding to carry out titles II through VII for any fiscal
18 year is available only to such extent as is provided, or in
19 such amounts as are provided, in appropriations Acts.”.

20 (c) *CONFORMING AMENDMENTS.*—Effective October 1,
21 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.)
22 is amended in the table of contents in the first section—

23 (1) by inserting after the item relating to section
24 3 the following item:

“Sec. 3A. Availability of funds.”;

1 (2) by striking the items relating to sections 100
2 through 109, to sections 110 through 112, to sections
3 120 through 124, to section 130, and to sections 140
4 and 141;

5 (3) by striking the items relating to the title des-
6 ignation and heading for title I, and to the part des-
7 ignations and headings for parts A, B, C, D, and E
8 of title I;

9 (4) by inserting after the item relating to section
10 21 the following items:

“TITLE I—VOCATIONAL REHABILITATION SERVICES

“Sec. 100. Purpose.

“Sec. 101. Formula Grants.

“Sec. 102. Allocation Within State of Administrative Responsibilities.

“Sec. 103. Responsibilities of State Administrative Agent.

“Sec. 104. Responsibilities for Local Boards and Service Centers.

“Sec. 105. Eligible Individual.

“Sec. 106. State Rehabilitation Advisory Council.

“Sec. 107. Amount of Allotment.”; and

11 (5) by inserting after the item relating to section
12 509 the following item:

“Sec. 510. Client assistance program.”.

13 **Subtitle B—Other Amendments to**
14 **Rehabilitation Act of 1973**

15 **SEC. 521. TRAINING AND DEMONSTRATION PROJECTS.**

16 (a) *IN GENERAL.*—Effective October 1, 1995, the Reha-
17 bilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

18 (1) in title III—

19 (A) by striking section 303;

1 (B) by striking section 304;

2 (C) in section 311, by striking subsection

3 (f);

4 (D) by striking section 312; and

5 (E) by striking section 316;

6 (2)(A) by transferring subsection (a) of section

7 802 from the current placement of the subsection;

8 (B) by redesignating such subsection as sub-

9 section (f); and

10 (C) by inserting such subsection at the end of

11 section 311 (as amended by paragraph (1)(C) of this

12 subsection);

13 (3)(A) by transferring subsection (g) of section

14 802 from the current placement of the subsection; and

15 (B) by inserting such subsection at the end of

16 section 311 (as amended by paragraph (2)(C) of this

17 subsection);

18 (4)(A) by transferring subsection (c) of section

19 803 from the current placement of the subsection;

20 (B) by redesignating such subsection as sub-

21 section (h); and

22 (C) by inserting such subsection at the end of

23 section 311 (as amended by paragraph (3)(B) of this

24 subsection);

1 (5)(A) by transferring subsection (b) of section
2 803 from the current placement of the subsection;

3 (B) by redesignating such subsection as sub-
4 section (j); and

5 (C) by inserting such subsection at the end of
6 section 302; and

7 (6) by striking the remaining provisions of title
8 VIII.

9 (b) SECTION 311(c).—Effective October 1, 1998, sec-
10 tion 311 of the Rehabilitation Act of 1973 (29 U.S.C. 777a),
11 as amended by subsection (a) of this subsection, is amend-
12 ed—

13 (1) by striking subsection (c); and

14 (2) by redesignating subsections (d) through (h)
15 as subsections (c) through (g), respectively.

16 (c) CONFORMING AMENDMENTS.—Effective October 1,
17 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.)
18 is amended in the table of contents in the first section—

19 (1) by striking the items relating to sections 303,
20 304, 312, and 316;

21 (2) by striking the items relating to sections 801
22 through 803 of title VIII; and

23 (3) by striking the item relating to the title des-
24 ignation and heading for title VIII.

1 **SEC. 522. EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS**
2 **WITH DISABILITIES.**

3 (a) *IN GENERAL.*—Effective October 1, 1995, title VI
4 of the Rehabilitation Act of 1973 (29 U.S.C. 795 et seq.)
5 is amended—

6 (1) by striking part A;

7 (2) by striking part C;

8 (3) by striking part D; and

9 (4) in part B, by striking the part designation
10 and heading.

11 (b) *PROJECTS WITH INDUSTRY.*—Effective October 1,
12 1998, title VI of the Rehabilitation Act of 1973, as amended
13 by subsection (a) of this section, is repealed.

14 (c) *CONFORMING AMENDMENTS.*—Effective October 1,
15 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.)
16 is amended in the table of contents in the first section by
17 striking the items relating to sections 611 through 617, to
18 sections 631 through 638, and to section 641; and by strik-
19 ing the items relating to the part designations and headings
20 for parts A, B, C, and D of title VI. Effective October 1,
21 1998, such table of contents is amended by striking the
22 items relating to sections 621 through 623; and by striking
23 the item relating to the title designation and heading for
24 title VI.

1 **TITLE VI—REPEALERS AND**
2 **OTHER AMENDMENTS**

3 **SEC. 601. CARL D. PERKINS VOCATIONAL AND APPLIED**
4 **TECHNOLOGY EDUCATION ACT.**

5 *The Carl D. Perkins Vocational and Applied Tech-*
6 *nology Education Act (20 U.S.C. 2301 et seq.) is repealed.*

7 **SEC. 602. SCHOOL-TO-WORK OPPORTUNITIES ACT.**

8 *The School-to-Work Opportunities Act of 1994 (20*
9 *U.S.C. 6101 et seq.) is repealed.*

10 **SEC. 603. ADULT EDUCATION ACT.**

11 *(a) IN GENERAL.—The Adult Education Act (20*
12 *U.S.C. 1201 et seq.) is repealed.*

13 *(b) CONFORMING AMENDMENTS.—*

14 *(1) ESEA.—The Elementary and Secondary*
15 *Education Act of 1965 (20 U.S.C. 6301 et seq.) is*
16 *amended—*

17 *(A) in section 1202(c)(1), by striking “the*
18 *Adult Education Act,” and inserting “title IV of*
19 *the CAREERS Act;”;*

20 *(B) in section 1205(8)(B), by striking “the*
21 *Adult Education Act,” and inserting “title IV of*
22 *the CAREERS Act;”;*

23 *(C) in section 1206(a)(1)(A), by striking*
24 *“the Adult Education Act;” and inserting “title*
25 *IV of the CAREERS Act;”;* and

1 (D) in section 9161(2), by striking “section
2 312(2) of the Adult Education Act.” and insert-
3 ing “section 5 of the CAREERS Act.”.

4 (2) *TECHNOLOGY FOR EDUCATION ACT.*—The
5 Technology for Education Act of 1994 (20 U.S.C.
6 6801 et seq.) is amended in section 3113(1) by strik-
7 ing “section 312 of the Adult Education Act;” and in-
8 serting “section 5 of the CAREERS Act;”;

9 **SEC. 604. NATIONAL LITERACY ACT.**

10 The National Literacy Act of 1991, except section 101
11 of such Act, is repealed.

12 **SEC. 605. LIBRARY SERVICES AND CONSTRUCTION ACT.**

13 (a) *IN GENERAL.*—The Library Services and Con-
14 struction Act (20 U.S.C. 351 et seq.) is repealed.

15 (b) *CONFORMING AMENDMENT.*—The Technology for
16 Education Act of 1994 (20 U.S.C. 6801 et seq.) is amended
17 in section 3113(10) by striking “section 3 of the Library
18 Services and Construction Act;” and inserting “section 5
19 of the CAREERS Act;”.

20 **SEC. 606. TECHNOLOGY FOR EDUCATION ACT OF 1994.**

21 Part F of the Technology for Education Act of 1994
22 (20 U.S.C. 7001 et seq.) (relating to the library media re-
23 sources program) is repealed.

1 **SEC. 607. JOB TRAINING PARTNERSHIP ACT.**

2 (a) *IN GENERAL.*—The Job Training Partnership Act
3 (29 U.S.C. 1501 et seq.), except section 1, sections 421
4 through 439 (relating to the Job Corps), and section 441
5 of such Act (relating to veterans' employment programs),
6 is hereby repealed.

7 (b) *CONFORMING AMENDMENTS.*—

8 (1) *SHORT TITLE.*—Section 1 of the Job Train-
9 ing Partnership Act (29 U.S.C. 1501, note) is amend-
10 ed—

11 (A) in the heading, by striking “; TABLE OF
12 CONTENTS”; and

13 (B) by striking all that follows after “Job
14 Training Partnership Act”.

15 (2) *JOB CORPS.*—Such Act (29 U.S.C. 1501 et
16 seq.), as amended by this section, is further amend-
17 ed—

18 (A) by redesignating sections 421 through
19 439 as sections 2 through 21, respectively;

20 (B) in section 2 (as redesignated), by strik-
21 ing “part” each place it appears and inserting
22 “Act”;

23 (C) in section 4(4) (as redesignated), by
24 striking “sections 424 and 425” and inserting
25 “sections 5 and 6”;

26 (D) in section 5 (as redesignated)—

1 (i) in subsection (a), by striking “enti-
2 ties administering programs under title II
3 of this Act,”; and

4 (ii) in subsection (b), by striking
5 “part” and inserting “Act”;

6 (E) in section 7 (as redesignated)—

7 (i) in subsection (a), by striking “sec-
8 tion 428” and inserting “section 9”; and

9 (ii) by striking subsection (d);

10 (F) in section 8 (as redesignated)—

11 (i) by striking subsection (b); and

12 (ii) by redesignating subsection (c) as
13 subsection (b);

14 (G) in section 14 (as redesignated)—

15 (i) in subsection (a)(4), by striking
16 “part” and inserting “Act”;

17 (ii) in subsection (c)(1), by striking
18 “and activities authorized under sections
19 452 and 453”; and

20 (iii) in subsection (e), by striking “sec-
21 tion 431” and inserting “section 12”;

22 (H) in section 15 (as redesignated)—

23 (i) in subsection (a)—

1 (I) in the matter preceding para-
2 graph (1), by striking “section 427”
3 and inserting “section 8”; and

4 (II) in paragraph (4)(A), by
5 striking “section 428” and inserting
6 “section 9”;

7 (ii) in subsection (c)(3), by striking
8 “section 423” and inserting “section 4”;

9 (iii) in subsection (d), by striking “sec-
10 tions 424 and 425” and inserting “sections
11 5 and 6”; and

12 (iv) in subsection (e), by striking “,
13 pursuant to section 452(d),”;

14 (I) in section 17 (as redesignated), by strik-
15 ing “purpose of this part” each place it appears
16 and inserting “purpose of this Act”;

17 (J) in section 20 (as redesignated), by strik-
18 ing “part” each place it appears and inserting
19 “Act”; and

20 (K) in section 21 (as redesignated), by
21 striking “part” and inserting “Act”.

22 (3) VETERANS’ EMPLOYMENT PROGRAMS.—Such
23 Act (29 U.S.C. 1501 et seq.), as amended by this sec-
24 tion, is further amended—

1 (A) by redesignating section 441 as section
2 22;

3 (B) by striking the heading of such section
4 22 (as redesignated), and inserting the following:
5 “VETERANS’ EMPLOYMENT PROGRAMS”; and

6 (C) in such section 22, by striking “part”
7 each place it appears and inserting “section”.

8 (4) AUTHORIZATION OF APPROPRIATIONS.—Such
9 Act (29 U.S.C. 1501 et seq.), as amended by this sec-
10 tion, is further amended by adding at the end the fol-
11 lowing new section:

12 “AUTHORIZATION OF APPROPRIATIONS
13 “SEC. 23. There are authorized to be appropriated
14 such sums as are necessary to carry out this Act.”.

15 **SEC. 608. STEWART B. MCKINNEY HOMELESS ASSISTANCE**
16 **ACT.**

17 (a) ADULT EDUCATION.—

18 (1) IN GENERAL.—Subtitle A of title VII of the
19 Stewart B. McKinney Homeless Assistance Act (42
20 U.S.C. 11421 et seq.) is repealed.

21 (2) TABLE OF CONTENTS.—The table of contents
22 of such Act is amended by striking the items relating
23 to subtitle A of title VII of such Act.

24 (b) SUBTITLE C.—

25 (1) IN GENERAL.—Subtitle C of title VII of the
26 Stewart B. McKinney Homeless Assistance Act (42

1 *U.S.C. 11441 et seq.*), except section 738, is hereby re-
 2 pealed.

3 (2) *TABLE OF CONTENTS.*—*The table of contents*
 4 *of such Act is amended—*

5 (A) *by striking the item relating to subtitle*
 6 *C of title VII of such Act; and*

7 (B) *by striking the items relating to sections*
 8 *731 through 737 and sections 739 through 741.*

9 **SEC. 609. EFFECTIVE DATE.**

10 *The repeals and amendments made by this title shall*
 11 *take effect on October 1, 1996.*

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