

104TH CONGRESS  
2D SESSION

# H. R. 3616

To amend the Job Training Partnership Act to provide for the establishment of standards to ensure long-term economic self-sufficiency for participants in adult training programs carried out under part A of title II of that Act, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 11, 1996

Ms. WOOLSEY introduced the following bill; which was referred to the Committee on Economic and Educational Opportunities

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## A BILL

To amend the Job Training Partnership Act to provide for the establishment of standards to ensure long-term economic self-sufficiency for participants in adult training programs carried out under part A of title II of that Act, 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 “Self-Sufficiency Stand-  
5 ard Act”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—The Congress finds that—

1           (1) the principle objective of programs under  
2 part A of title II of the Job Training Partnership  
3 Act (29 U.S.C. 1601 et seq.) is to move economically  
4 disadvantaged adults into permanent, unsubsidized  
5 employment that pays a wage that enables such  
6 adults to achieve long-term economic self-sufficiency  
7 for themselves and their dependents;

8           (2) current measures of success of such pro-  
9 grams do not accurately assess the degree to which  
10 participants achieve long-term economic self-suffi-  
11 ciency;

12           (3) in order to ensure that such programs re-  
13 sult in long-term economic self-sufficiency for par-  
14 ticipants, performance standards must focus both on  
15 the wage and benefits a participant receives relative  
16 to the participant's family size and needs, and on  
17 the duration and stability of the participant's em-  
18 ployment; and

19           (4) the wage and benefits needed to achieve  
20 long-term economic self-sufficiency will vary by fam-  
21 ily size and local market conditions governing prices  
22 of essential goods and services.

23 (b) PURPOSES.—The purposes of this Act are—

24           (1) to provide for the establishment and use of  
25 local economic self-sufficiency standards tables to ac-

1 curately measure the effectiveness of adult training  
2 programs carried out under part A of title II of the  
3 Job Training Partnership Act (29 U.S.C. 1601 et  
4 seq.); and

5 (2) to provide grants to States to develop dem-  
6 onstration and exemplary programs to increase the  
7 number of participants under such programs who  
8 are trained and placed in jobs that yield long-term  
9 economic self-sufficiency using the local economic  
10 self-sufficiency standards tables.

11 **SEC. 3. DEFINITION OF ECONOMIC SELF-SUFFICIENCY.**

12 Section 4 of the Job Training Partnership Act (29  
13 U.S.C. 1503) is amended by adding at the end the follow-  
14 ing new paragraph:

15 “(41) The term ‘economic self-sufficiency’  
16 means the ability of an individual to meet the follow-  
17 ing basic needs for the individual and such individ-  
18 ual’s family:

19 “(A) Housing.

20 “(B) Child care.

21 “(C) Adult dependent care.

22 “(D) Food.

23 “(E) Transportation.

24 “(F) Health care.

25 “(G) Work-related expenses.”.

1 **SEC. 4. ESTABLISHMENT OF ECONOMIC SELF-SUFFICIENCY**  
2 **STANDARDS FOR ADULT TRAINING PRO-**  
3 **GRAMS.**

4 (a) IN GENERAL.—Section 106(b) of such Act (29  
5 U.S.C. 1516(b)) is amended by adding at the end the fol-  
6 lowing new paragraph:

7 “(9) ECONOMIC SELF-SUFFICIENCY STANDARDS  
8 FOR ADULT PROGRAMS.—

9 “(A) FORMULA DEVELOPED BY THE SEC-  
10 RETARY.—(i)(I) Not later than 6 months after  
11 the date of the enactment of this paragraph,  
12 the Secretary shall develop and publish in the  
13 Federal Register a proposed formula which  
14 measures the minimum amount of wages and  
15 employment benefits that a participant enrolled  
16 in a program under part A of title II should re-  
17 ceive after termination from such program to  
18 ensure the long-term economic self-sufficiency  
19 of such participant.

20 “(II) The Secretary shall provide for public  
21 review and comment of the proposed formula  
22 described in subclause (I) within the 60-day pe-  
23 riod beginning on the date such formula is pub-  
24 lished in the Federal Register. Not later than  
25 4 months after the end of such 60-day period,

1 the Secretary shall develop and publish in the  
2 Federal Register a final formula.

3 “(ii) The Secretary shall base the formula  
4 described in clause (i) on appropriate factors,  
5 which shall include—

6 “(I) the participant’s family size and  
7 composition, including the number and age  
8 of dependent adults and children;

9 “(II) 100 percent of the average hous-  
10 ing costs, which shall be based on the fair  
11 market rental in effect for the market area  
12 in which the participant resides, as estab-  
13 lished by the Secretary of Housing and  
14 Urban Development pursuant to section  
15 8(c) of the United States Housing Act of  
16 1937;

17 “(III) 100 percent of the average  
18 child care costs (differentiated by the age  
19 of each child), which may be based on the  
20 actual cost of such care established under  
21 section 402(g)(1)(C)(i)(I) the Social Secu-  
22 rity Act or the applicable local market rate  
23 established under clause (ii) of such sec-  
24 tion;

1           “(IV) 100 percent of the average  
2 adult dependent care costs, which may be  
3 based on local surveys or the local average  
4 of such costs;

5           “(V) 100 percent of the average  
6 health care costs, which shall include costs  
7 incurred for full family health care cov-  
8 erage (including premiums, deductibles,  
9 and co-payments), and which may be based  
10 on local surveys or the local average of  
11 such costs;

12           “(VI) 100 percent of the average  
13 transportation costs, which may be based  
14 on local surveys or the local average of  
15 such costs;

16           “(VII) 100 percent of the food costs,  
17 which shall be equal to  $\frac{1}{3}$  of the official  
18 poverty line (as defined by the Office of  
19 Management and Budget, and revised an-  
20 nually in accordance with section 673(2) of  
21 the Omnibus Budget Reconciliation Act of  
22 1981 (42 U.S.C. 9902(2)); and

23           “(VIII) 100 percent of the average  
24 work-related costs, which shall include the

1 cost of uniforms, tools, and other appro-  
2 priate work-related costs.

3 “(iii) The Secretary shall also designate,  
4 from among the needs identified through the  
5 needs assessment conducted under this Act,  
6 those needs which shall be used by a service de-  
7 livery area to develop the summary needs table  
8 under section 104(b)(14)(B).

9 “(B) LOCAL ECONOMIC SELF-SUFFICIENCY  
10 STANDARDS TABLES DEVELOPED BY SERVICE  
11 DELIVERY AREAS.—(i) Not later than 12  
12 months after the date on which the Secretary  
13 publishes the final formula in the Federal Reg-  
14 ister under subparagraph (A)(i)(II), each serv-  
15 ice delivery area shall, in accordance with such  
16 formula, develop and submit to the Governor a  
17 local economic self-sufficiency standards table  
18 which measures the minimum amount of wages  
19 and employment benefits that a participant en-  
20 rolled in a program under part A of title II in  
21 such area should receive after termination from  
22 such program to ensure the long-term economic  
23 self-sufficiency of such participant.

24 “(ii) The Secretary shall provide technical  
25 assistance to States and service delivery areas

1 for the purpose of assisting such service deliv-  
2 ery areas to develop the local economic self-suf-  
3 ficiency standards tables under clause (i).

4 “(C) APPROVAL AND DISAPPROVAL OF  
5 TABLE.—(i) Not later than 30 days after the  
6 date on which the Governor receives a local eco-  
7 nomic self-sufficiency standards table submitted  
8 by a service delivery area under subparagraph  
9 (B)(i), the Governor shall review such table and  
10 approve or disapprove such table in accordance  
11 with this subparagraph.

12 “(ii) The Governor shall approve each local  
13 economic self-sufficiency standards table only  
14 if—

15 “(I) such table accounts for the full  
16 range of variations of family size and com-  
17 position described in subclause (I) of sub-  
18 paragraph (A)(ii);

19 “(II) such table accounts for 100 per-  
20 cent of each of the costs described in sub-  
21 clauses (II) through (VIII) of subpara-  
22 graph (A)(ii);

23 “(III) the methodology used to deter-  
24 mine such costs accurately represent such  
25 costs; and

1           “(IV) such table complies with all  
2           other provisions of the formula developed  
3           by the Secretary under subparagraph (A).

4           “(iii) If the Governor determines that the  
5           table does not meet the requirements of clause  
6           (ii) or is otherwise incomplete or unsatisfactory,  
7           the Governor shall, before the end of the period  
8           referred to in clause (i)—

9           “(I) notify the service delivery area of  
10          the reasons for the failure to approve the  
11          table;

12          “(II) notify the service delivery area  
13          that the table may be resubmitted during  
14          the period referred to in subclause (III);  
15          and

16          “(III) permit the service delivery area  
17          to resubmit a corrected or amended table  
18          during the 30-day period beginning on no-  
19          tification under this clause.

20          “(iv) The Governor shall review and ap-  
21          prove or disapprove any table resubmitted  
22          under clause (iii) beginning before the expira-  
23          tion of the 30-day period beginning upon such  
24          resubmission.

1           “(D) ANNUAL UPDATES.—Each service de-  
2           livery area shall update the local economic self-  
3           sufficiency standards table developed by such  
4           area on an annual basis and shall submit to the  
5           Governor a description of the updated version  
6           of such table.”.

7           (b) CONFORMING AMENDMENT.—Paragraph (3) of  
8           section 106(b) of such Act (29 U.S.C. 1516(b)(3)) is  
9           amended by striking “The Secretary” and inserting “In  
10          addition to the standards under local economic self-suffi-  
11          ciency standards tables developed pursuant to paragraph  
12          (9), the Secretary”.

13   **SEC. 5. PROHIBITION OF INCENTIVE GRANTS TO SERVICE**  
14                           **DELIVERY AREAS THAT DO NOT HAVE IN EF-**  
15                           **FECT AN APPROVED LOCAL ECONOMIC SELF-**  
16                           **SUFFICIENCY STANDARDS TABLE.**

17          (a) IN GENERAL.—Paragraph (7) of section 106(b)  
18          of such Act (29 U.S.C. 1516(b)(7)) is amended—

19               (1) by striking “From funds available” and in-  
20               serting “(A) Subject to subparagraph (B), from  
21               funds available”;

22               (2) by redesignating clauses (i) and (ii) of sub-  
23               paragraph (D) as subclauses (I) and (II), respec-  
24               tively;



1           (1) in paragraph (12), by striking “; and” and  
2 inserting a semi-colon;

3           (2) in paragraph (13), by striking the period at  
4 the end of such paragraph and inserting “; and”;  
5 and

6           (3) by adding at the end the following new  
7 paragraph:

8           “(14) procedures for the preparation and sub-  
9 mission of an annual report to the Governor, which  
10 shall include—

11           “(A) with respect to each participant who  
12 has completed training under a program carried  
13 out under part A of title II in the service deliv-  
14 ery area, information relating to—

15           “(i) the type and amount of services  
16 provided to such participant under the pro-  
17 gram;

18           “(ii) the subsequent employment of  
19 the participant, where appropriate, includ-  
20 ing the amount of wages and employment  
21 benefits received by the participant under  
22 such employment; and

23           “(iii) the degree of long-term eco-  
24 nomic self-sufficiency which the participant  
25 has achieved as a result of the training re-

1 received by the participant under the pro-  
2 gram based upon the local economic self-  
3 sufficiency standards table; and

4 “(B) a summary needs table which—

5 “(i) ranks and places participants into  
6 at least 4 categories of equal size based  
7 upon the needs designated by the Sec-  
8 retary under section 106(b)(9)(A)(iii);

9 “(ii) includes a description of the level  
10 of measurements used to place the partici-  
11 pants into such categories; and

12 “(iii) includes a description of the de-  
13 gree to which participants in each category  
14 achieved long-term economic self-suffi-  
15 ciency after termination from a program  
16 under part A of title II.”.

17 **SEC. 7. INCLUSION OF LOCAL ECONOMIC SELF-SUFFI-**  
18 **CIENCY STANDARDS TABLES AND RELATED**  
19 **REPORTS IN GOVERNOR’S COORDINATION**  
20 **AND SPECIAL SERVICES PLAN.**

21 Subsection (b) of section 121 of such Act (29 U.S.C.  
22 1531(b)) is amended—

23 (1) by redesignating paragraphs (6) and (7) as  
24 paragraphs (7) and (8), respectively; and

1           (2) by inserting after paragraph (5) the follow-  
2           ing new paragraph:

3           “(6) The plan shall include—

4                   “(A) the local economic self-sufficiency  
5                   standards table developed by each service deliv-  
6                   ery areas pursuant to section 106(b)(9);

7                   “(B) a compilation of the reports received  
8                   by the Governor under section 104(b)(14); and

9                   “(C) a description of goals and objectives  
10                  to assist participants enrolled in programs  
11                  under part A of title II achieve long-term eco-  
12                  nomic self-sufficiency.”.

13 **SEC. 8. DEMONSTRATION PROGRAMS TO IMPLEMENT**  
14                   **LOCAL ECONOMIC SELF-SUFFICIENCY**  
15                   **STANDARDS TABLES.**

16           (a) IN GENERAL.—Part D of title IV of such Act (29  
17 U.S.C. 1737 et seq.) is amended by adding at the end  
18 the following new section:

19 **“SEC. 457. ECONOMIC SELF-SUFFICIENCY DEMONSTRATION**  
20                   **GRANT PROGRAM.**

21           “(a) AUTHORIZATION.—

22                   “(1) IN GENERAL.—From funds available  
23                   under this part for the fiscal years 1997, 1998, and  
24                   1999, the Secretary shall use \$1,500,000 in each  
25                   such fiscal year to provide grants to States to estab-

1       lish and carry out demonstration and exemplary pro-  
2       grams to increase the number of participants in pro-  
3       grams under part A of title II who are trained and  
4       placed in jobs that yield long-term economic self-suf-  
5       ficiency in accordance with the local economic self-  
6       sufficiency standards tables under section 106(b)(9).

7               “(2) LIMITATION.—The Secretary may provide  
8       no more than 6 grants in each fiscal year under  
9       paragraph (1).

10              “(b) APPLICATION.—The Secretary may provide a  
11      grant to a State under subsection (a) only if such State  
12      submits to the Secretary an application which contains  
13      such information as the Secretary may reasonably require.

14              “(c) USE OF FUNDS.—

15               “(1) IN GENERAL.—A State shall use amounts  
16      received from a grant under subsection (a) to award  
17      grants to service delivery areas and eligible service  
18      providers described in paragraph (3) to develop and  
19      test strategies to train, place, and retain participants  
20      in jobs that yield long-term economic self-sufficiency  
21      in accordance with the local economic self-sufficiency  
22      standards tables under section 106(b)(9).

23               “(2) APPROPRIATE LEVEL OF SERVICES.—In  
24      providing grants under paragraph (1), a State shall  
25      ensure that each service delivery area or service pro-

1 vider provides for an appropriate level of services, in-  
2 cluding supportive services, to participants using the  
3 relevant local economic self-sufficiency standards ta-  
4 bles developed by the service delivery area.

5 “(3) ELIGIBLE SERVICE PROVIDERS.—Eligible  
6 service providers described in this paragraph are  
7 community-based organizations, educational institu-  
8 tions, or any other service providers in the State  
9 that have a demonstrated success in—

10 “(A) providing occupational skills training  
11 to participants for high-wage jobs; and

12 “(B) ensuring that participants receive  
13 supportive services in order to successfully com-  
14 plete such training.

15 “(d) ADMINISTRATIVE AND RELATED COSTS.—In  
16 any fiscal year in which a State receives amounts from  
17 a grant under subsection (a), the State may retain an  
18 amount not to exceed 10 percent of the grant amount to—

19 “(1) pay the administrative costs of programs  
20 established and carried out under subsection (a);

21 “(2) facilitate the coordination of statewide ap-  
22 proaches to training and placing participants in jobs  
23 yielding long-term economic self-sufficiency; and

24 “(3) provide technical assistance to service de-  
25 livery areas and service providers.

1       “(e) SELECTION.—In providing grants to States  
2 under subsection (a), the Secretary shall consider—

3           “(1) the extent to which the State has dem-  
4 onstrated that the coordination of services provided  
5 under this Act with services provided by agencies  
6 and organizations addressing the basic needs of low-  
7 income individuals, including housing, food, trans-  
8 portation, dependent care, and health care, has re-  
9 sulted in the prompt and efficient delivery of services  
10 to participants under this Act;

11           “(2) the extent to which the State has dem-  
12 onstrated its capability to ensure the provision of all  
13 needed supportive services to participants in any job  
14 training program carried out in the State for the du-  
15 ration of such participants’ enrollment;

16           “(3) the extent of private sector involvement in  
17 the development and implementation of training pro-  
18 grams that increase opportunities for participants to  
19 achieve long-term economic self-sufficiency under  
20 this Act in the State;

21           “(4) the extent to which the initiatives proposed  
22 by a State in its application supplement or build  
23 upon existing efforts in the State to train and place  
24 individuals in jobs that increase opportunities for

1 participants to achieve long-term economic self-suffi-  
2 ciency;

3 “(5) whether the proposed amount of the grant  
4 to be provided under subsection (a) is sufficient to  
5 accomplish measurable goals;

6 “(6) the extent to which the State is prepared  
7 to disseminate information on its demonstration  
8 training programs relating to training, placement,  
9 and other services; and

10 “(7) the extent to which the State is prepared  
11 to produce materials that allow for replication of  
12 such State’s demonstration training programs.

13 “(f) EVALUATION.—The Secretary shall provide for  
14 an evaluation of the programs established and carried out  
15 under subsection (a), including evaluation of the effective-  
16 ness of such programs in—

17 “(1) assisting participants with varying needs  
18 in achieving long-term economic self-sufficiency  
19 through training, placement, and other services;

20 “(2) effectively implementing the use of local  
21 economic self-sufficiency standards tables to increase  
22 the number of participants achieving long-term eco-  
23 nomic self-sufficiency; and

24 “(3) developing and replicating approaches to  
25 assist participants with varying needs in achieving

1 long-term economic self-sufficiency through training,  
2 placement, and other services.”.

3 (b) CONFORMING AMENDMENT.—The table of con-  
4 tents of such Act is amended by inserting after the item  
5 relating to section 456 the following new item:

“Sec. 457. Economic self-sufficiency demonstration grant program.”.

6 **SEC. 9. REPORT AND RECOMMENDATIONS.**

7 (a) REPORT.—Not later than 2 years after the date  
8 on which the Secretary provides the 1st grant to a State  
9 under section 457(a)(1) of the Job Training Partnership  
10 Act and biennially thereafter, the Secretary of Labor shall  
11 submit to the Congress a report on—

12 (1) the extent to which States, service delivery  
13 areas, and other service providers have succeeded in  
14 training, placing, and retaining participants enrolled  
15 in programs under part A of title II of such Act in  
16 jobs yielding long-term economic self-sufficiency; and

17 (2) the effectiveness of the demonstration pro-  
18 grams established under section 457 of such Act in  
19 developing and replicating approaches to train,  
20 place, and retain participants in such jobs, including  
21 a summary of activities performed by grant recipi-  
22 ents under the demonstration programs authorized  
23 under such section.

24 (b) RECOMMENDATIONS.—The report described in  
25 subsection (a) shall include recommendations on—

1           (1) the need to continue, expand, or modify the  
2 demonstration programs established under section  
3 457 of the Job Training Partnership Act;

4           (2) legislative and administrative changes nec-  
5 essary to increase opportunities for participants to  
6 achieve long-term economic self-sufficiency; and

7           (3) legislative and administrative action nec-  
8 essary to institutionalize the use of local economic  
9 self-sufficiency standards tables as the principal  
10 measure of performance for programs carried out  
11 under part A of title II of the Job Training Partner-  
12 ship Act (29 U.S.C. 1601 et seq.) such that—

13                 (A) the basic measure of performance for  
14 such programs shall be the achievement of long-  
15 term economic self-sufficiency resulting from  
16 participation in the program;

17                 (B) placements are evaluated according to  
18 whether the wages and employment benefits  
19 meet the participant's particular long-term eco-  
20 nomic self-sufficiency needs;

21                 (C) both wages and the cash value of em-  
22 ployment benefits are used to determine wheth-  
23 er a participant has achieved the self-sufficiency  
24 standard for their particular family size and  
25 composition;

1           (D) in order to ensure that participants  
2 with varying needs are served equitably, the  
3 placements shall be equitably distributed among  
4 the categories contained in the summary needs  
5 table established by the service delivery area in  
6 the job training plan prepared under section  
7 104(b)(14)(B) of the Job Training Partnership  
8 Act; and

9           (E) incentive grants under section  
10 106(b)(7) of such Act (29 U.S.C. 1516(b)(7))  
11 are provided to service delivery areas based pri-  
12 marily on the extent to which such areas exceed  
13 the standards under the local economic self-suf-  
14 ficiency standards table for such areas.

○