

113TH CONGRESS  
1ST SESSION

# H. R. 2721

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

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## IN THE HOUSE OF REPRESENTATIVES

JULY 18, 2013

Mr. GEORGE MILLER of California (for himself, Mr. HUFFMAN, and Mr. HINOJOSA) introduced the following bill; which was referred to the Committee on Education and the Workforce

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## A BILL

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

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

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Pathways Back to  
5        Work Act of 2013”.

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

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

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

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

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

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

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

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

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

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

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

21          (a) IN GENERAL.—

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

1 section (c) and to each outlying area and recipient  
2 under section 166(c) of the Workforce Investment  
3 Act of 1998 (29 U.S.C. 2911(c)) that meets the re-  
4 quirements of this section, for the purpose of pro-  
5 viding subsidized employment opportunities to unem-  
6 ployed, low-income adults.

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

18 (b) STATE ALLOTMENTS.—

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

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

1           (B) 1.5 percent to provide assistance to re-  
2 recipients under section 166(e) of the Workforce  
3 Investment Act of 1998 (relating to Native  
4 Americans; 29 U.S.C. 2911(c)) to provide sub-  
5 sidized employment to unemployed, low-income  
6 adults.

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

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

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

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

1           (3) DEFINITIONS.—For purposes of the for-  
2           mula described in paragraph (2)—

3           (A) AREA OF SUBSTANTIAL UNEMPLOY-  
4           MENT.—The term “area of substantial unem-  
5           ployment” means any contiguous area that has  
6           a population of at least 10,000, and that has an  
7           average rate of unemployment of at least 6.5  
8           percent for the most recent 12 months, as de-  
9           termined by the Secretary.

10          (B) DISADVANTAGED ADULT OR YOUTH.—  
11          The term “disadvantaged adult or youth”  
12          means an individual who is age 16 or older  
13          (subject to section 132(b)(1)(B)(v)(I) of the  
14          Workforce Investment Act of 1998 (29 U.S.C.  
15          2862(b)(1)(B)(v)(I))) who received an income,  
16          or is a member of a family that received a total  
17          family income, that, in relation to family size,  
18          does not exceed the higher of—

19                 (i) the poverty line; or

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

22          (C) EXCESS NUMBER.—The term “excess  
23          number” means, used with respect to unem-  
24          ployed individuals in a State, the higher of—

1 (i) the number that represents the  
2 number of unemployed individuals in ex-  
3 cess of 4.5 percent of the civilian labor  
4 force in the State; or

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

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

18 (c) STATE PLAN.—

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

1 (A) a description of the strategies and ac-  
2 tivities to be carried out by the State, in coordi-  
3 nation with employers in the State, to provide  
4 subsidized employment opportunities to unem-  
5 ployed, low-income adults, including strategies  
6 relating to the level and duration of subsidies  
7 consistent with subsection (e)(2);

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

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

23 (D) a description of the performance out-  
24 comes to be achieved by the State through the  
25 activities carried out under this section and the



1 processes the State will use to track perform-  
2 ance, consistent with guidance provided by the  
3 Secretary of Labor regarding such outcomes  
4 and processes and with section 7(b);

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

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

23 (G) assurances that the State will report  
24 such information as the Secretary of Labor may  
25 require relating to fiscal, performance, and

1 other matters as the Secretary determines is  
2 necessary to effectively monitor the activities  
3 carried out under this section; and

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

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

10 (A) SUBMISSION WITH OTHER PLANS.—

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

19 (B) SUBMISSION AND APPROVAL.—

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

1           ing the approval or disapproval of such  
2           plan not later than 45 days after the sub-  
3           mission of such plan. If the plan is dis-  
4           approved, the Secretary of Labor may pro-  
5           vide a reasonable period of time in which  
6           the plan may be amended and resubmitted  
7           for approval.

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

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

21                   (d) ADMINISTRATION WITHIN THE STATE.—

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

24                                   (A) the State and local entities responsible  
25          for the administration of the formula program

1 of workforce investment activities for adults  
2 under subtitle B of title I of the Workforce In-  
3 vestment Act of 1998;

4 (B) the State agency or agencies respon-  
5 sible for the administration of the TANF pro-  
6 gram; or

7 (C) a combination of the entities and agen-  
8 cy or agencies described in subparagraphs (A)  
9 and (B).

10 (2) WITHIN-STATE ALLOCATIONS.—

11 (A) ALLOCATION OF FUNDS.—The Gov-  
12 ernor may reserve not more than 5 percent of  
13 the funds made available through the allotment  
14 under subsection (b)(2), for administration and  
15 technical assistance, and shall allocate the re-  
16 mainder, in accordance with the option elected  
17 under paragraph (1)—

18 (i) among local workforce investment  
19 areas within the State in accordance with  
20 subparagraphs (A), (B), and (C) of sub-  
21 section (b)(2), except that for purposes of  
22 such allocation references to a State in  
23 such subsection shall be deemed to be ref-  
24 erences to a local workforce investment  
25 area and references to all States shall be

1 deemed to be references to all local work-  
2 force investment areas in the State in-  
3 volved, and not more than 10 percent of  
4 the funds so allocated to a local workforce  
5 investment area may be used for the costs  
6 of administration of this section; or

7 (ii) through entities responsible for  
8 the provision of services under the TANF  
9 program to local populations in such man-  
10 ner as the State agency or agencies re-  
11 sponsible for the administration of the  
12 TANF program may determine to be ap-  
13 propriate.

14 (B) LOCAL PLANS.—

15 (i) IN GENERAL.—In a case in which  
16 the responsibility for the administration of  
17 the activities described in subsection (e) is  
18 to be carried out by the entities described  
19 in paragraph (1)(A), in order to receive an  
20 allocation under subparagraph (A)(i), a  
21 local workforce investment board, in part-  
22 nership with the chief elected official of the  
23 local workforce investment area involved,  
24 shall submit to the Governor a local plan  
25 for the use of such funds under this sec-

1           tion not later than 30 days after the sub-  
2           mission of the State plan. Such local plan  
3           may be submitted as a modification to a  
4           local plan approved under section 118 of  
5           the Workforce Investment Act of 1998 (29  
6           U.S.C. 2828).

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

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

1 section. If the Governor has not made a  
2 determination by the final determination  
3 date, the plan shall be considered to be ap-  
4 proved. If the plan is disapproved, the Gov-  
5 ernor may provide a reasonable period of  
6 time in which the plan may be amended  
7 and resubmitted for approval. If the plan  
8 is approved, the Governor shall allocate  
9 funds to the local workforce investment  
10 area involved under subparagraph (A)(i)  
11 within 30 days after such approval.

12 (C) REALLOCATION OF FUNDS TO LOCAL  
13 WORKFORCE INVESTMENT AREAS.—If a local  
14 workforce investment board and chief elected  
15 official do not submit a local plan by the date  
16 specified in subparagraph (B)(i), or the Gov-  
17 ernor disapproves a local plan, the amount the  
18 local workforce investment area would have  
19 been eligible to receive pursuant to the formula  
20 under subparagraph (A)(i) shall be allocated to  
21 local workforce investment areas that receive  
22 approval of their local plans under subpara-  
23 graph (B). Each such local workforce invest-  
24 ment area shall receive a share of the total  
25 amount available for reallocation under this

1           subparagraph, in accordance with the area's  
2           share of the total amount allocated under sub-  
3           paragraph (A)(i) to such local workforce invest-  
4           ment areas.

5           (e) USE OF FUNDS.—

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

21          (2) LEVEL OF SUBSIDY AND DURATION.—The  
22          entities described in subsection (d)(1) may deter-  
23          mine the percentage of the wages and costs of em-  
24          ploying a participant for which an employer may re-  
25          ceive a subsidy with the funds made available under



1 this section, and the duration of such subsidy, in ac-  
2 cordance with guidance issued by the Secretary in  
3 coordination with the Secretary of Health and  
4 Human Services. The entities may establish criteria  
5 for determining such percentage or duration, using  
6 appropriate factors such as the size of the employer  
7 and types of employment.

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

13 **SEC. 5. SUMMER EMPLOYMENT AND YEAR-ROUND EMPLOY-**  
14 **MENT OPPORTUNITIES FOR LOW-INCOME**  
15 **AND DISCONNECTED YOUTH.**

16 (a) IN GENERAL.—From the funds available under  
17 section 3(a)(2), the Secretary of Labor shall make an al-  
18 lotment under subsection (c) to each State that has a  
19 modification to a State plan approved under section 112  
20 of the Workforce Investment Act of 1998 (29 U.S.C.  
21 2822) (referred to in this section as a “State plan modi-  
22 fication”) (or other State request for funds specified in  
23 guidance under subsection (b)) approved under subsection  
24 (d) and to each outlying area and recipient under section  
25 166(c) of the Workforce Investment Act of 1998 (29

1 U.S.C. 2911(c)) (referred to in this section as a “Native  
2 American grantee”) that meets the requirements of this  
3 section, for the purpose of providing summer employment  
4 and year-round employment opportunities to low-income  
5 youth.

6 (b) GUIDANCE AND APPLICATION OF REQUIRE-  
7 MENTS.—

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

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

14 (A) the submission and approval of State  
15 plan modifications, for such other forms of re-  
16 quests for funds by the State as may be identi-  
17 fied in such guidance, for modifications to local  
18 plans approved under section 118 of the Work-  
19 force Investment Act of 1998 (29 U.S.C. 2833)  
20 (referred to individually in this section as a  
21 “local plan modification”), or for such other  
22 forms of requests for funds by local workforce  
23 investment areas as may be identified in such  
24 guidance, that promote the expeditious and ef-

1           fective implementation of the activities author-  
2           ized under this section; and

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

6           (3) REQUIREMENTS.—Except as otherwise pro-  
7           vided in the guidance described in paragraph (1)  
8           and in this section and other provisions of this Act,  
9           the funds provided for activities under this section  
10          shall be administered in accordance with the provi-  
11          sions of subtitles B and E of title I of the Workforce  
12          Investment Act of 1998 (29 U.S.C. 2811 et seq.,  
13          2911 et seq.) relating to youth activities.

14          (c) STATE ALLOTMENTS.—

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

18                          (A) not more than  $\frac{1}{4}$  of 1 percent to pro-  
19                  vide assistance to outlying areas to provide  
20                  summer employment and year-round employ-  
21                  ment opportunities to low-income youth; and

22                          (B) 1.5 percent to provide assistance to  
23                  Native American grantees to provide summer  
24                  employment and year-round employment oppor-  
25                  tunities to low-income youth.

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

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

18          (d) STATE PLAN MODIFICATION.—

19               (1) IN GENERAL.—For a State to be eligible to  
20               receive an allotment of funds under subsection (c),  
21               the Governor of the State shall submit to the Sec-  
22               retary of Labor a State plan modification, or other  
23               State request for funds specified in guidance under  
24               subsection (b), in such form and containing such in-  
25               formation as the Secretary may require. At a min-

1 imum, such State plan modification or request shall  
2 include—

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

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

18 (C) a description of the performance out-  
19 comes to be achieved by the State through the  
20 activities carried out under this section and the  
21 processes the State will use to track perform-  
22 ance, consistent with guidance provided by the  
23 Secretary of Labor regarding such outcomes  
24 and processes and with section 7(b);

1 (D) a description of the timelines for im-  
2 plementation of the activities described in sub-  
3 paragraph (A), and the number of low-income  
4 youth expected to be placed in summer employ-  
5 ment opportunities, and year-round employment  
6 opportunities, respectively, by calendar quarter;

7 (E) assurances that the State will report  
8 such information as the Secretary may require  
9 relating to fiscal, performance, and other mat-  
10 ters as the Secretary determines is necessary to  
11 effectively monitor the activities carried out  
12 under this section;

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

17 (G) for any employment opportunity that  
18 will provide participants with an industry-recog-  
19 nized credential, a description of the credential.

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

22 (A) SUBMISSION.—The Governor shall  
23 submit the State plan modification or other  
24 State request for funds specified in guidance  
25 under subsection (b) to the Secretary of Labor

1 not later than 30 days after the issuance of  
2 such guidance. The State plan modification or  
3 other State request for funds may be submitted  
4 in conjunction with the State plan required  
5 under section 4.

6 (B) APPROVAL.—The Secretary of Labor  
7 shall approve the State plan modification or re-  
8 quest submitted under subparagraph (A) within  
9 30 days after submission, unless the Secretary  
10 determines that the plan or request is incon-  
11 sistent with the requirements of this section. If  
12 the Secretary has not made a determination  
13 within that 30-day period, the plan or request  
14 shall be considered to be approved. If the plan  
15 or request is disapproved, the Secretary may  
16 provide a reasonable period of time in which the  
17 plan or request may be amended and resub-  
18 mitted for approval. If the plan or request is  
19 approved, the Secretary shall allot funds to the  
20 State under subsection (e) within 30 days after  
21 such approval.

22 (3) MODIFICATIONS TO STATE PLAN OR RE-  
23 QUEST.—The Governor may submit further modi-  
24 fications to a State plan modification or other State

1 request for funds specified under subsection (b),  
2 consistent with the requirements of this section.

3 (e) WITHIN-STATE ALLOCATION AND ADMINISTRA-  
4 TION.—

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

7 (A) may reserve not more than 5 percent  
8 of the funds for administration and technical  
9 assistance; and

10 (B) shall allocate the remainder of the  
11 funds among local workforce investment areas  
12 within the State in accordance with subpara-  
13 graphs (A), (B), and (C) of section 4(b)(2), ex-  
14 cept that for purposes of such allocation ref-  
15 erences to a State in such subsection shall be  
16 deemed to be references to a local workforce in-  
17 vestment area and references to all States shall  
18 be deemed to be references to all local work-  
19 force investment areas in the State involved.  
20 Not more than 10 percent of the funds so allo-  
21 cated to a local workforce investment area may  
22 be used for the costs of administration of this  
23 section.

24 (2) LOCAL PLAN.—



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

15 (B) APPROVAL.—The Governor shall ap-  
16 prove the local plan modification or other local  
17 request for funds submitted under subpara-  
18 graph (A) within 30 days after submission, un-  
19 less the Governor determines that the plan or  
20 request is inconsistent with requirements of this  
21 section. If the Governor has not made a deter-  
22 mination within that 30-day period, the plan  
23 shall be considered to be approved. If the plan  
24 or request is disapproved, the Governor may  
25 provide a reasonable period of time in which the

1 plan or request may be amended and resub-  
2 mitted for approval. If the plan or request is  
3 approved, the Governor shall allocate funds to  
4 the local workforce investment area within 30  
5 days after such approval.

6 (3) REALLOCATION.—If a local workforce in-  
7 vestment board and chief elected official do not sub-  
8 mit a local plan modification (or other local request  
9 for funds specified in guidance under subsection (b))  
10 by the date specified in paragraph (2), or the Gov-  
11 ernor disapproves a local plan, the amount the local  
12 workforce investment area would have been eligible  
13 to receive pursuant to the formula under paragraph  
14 (1)(B) shall be allocated to local workforce invest-  
15 ment areas that receive approval of their local plan  
16 modifications or local requests for funds under para-  
17 graph (2). Each such local workforce investment  
18 area shall receive a share of the total amount avail-  
19 able for reallocation under this subparagraph, in ac-  
20 cordance with the area's share of the total amount  
21 allocated under paragraph (1)(B) to such local work-  
22 force investment areas.

23 (f) USE OF FUNDS.—

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

1 (A) to provide summer employment oppor-  
2 tunities for low-income youth, with direct link-  
3 ages to academic and occupational learning,  
4 and may be used to provide supportive services,  
5 such as transportation or child care, that is  
6 necessary to enable the participation of such  
7 youth in the opportunities; and

8 (B) to provide year-round employment op-  
9 portunities, which may be combined with other  
10 activities authorized under section 129 of the  
11 Workforce Investment Act of 1998 (29 U.S.C.  
12 2854), to low-income youth, giving priority to  
13 out-of-school youth who are—

14 (i) high school dropouts; or

15 (ii) recipients of a secondary school  
16 diploma or its recognized equivalent but  
17 who are basic skills deficient, unemployed,  
18 or underemployed.

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

22 (A) identifying employment opportunities  
23 that are—

1 (i) in emerging or in-demand occupa-  
2 tions in the local workforce investment  
3 area; or

4 (ii) in the public or nonprofit sector  
5 and meet community needs; and

6 (B) linking participants in year-round em-  
7 ployment opportunities to training and edu-  
8 cational activities that will provide such partici-  
9 pants with an industry-recognized credential.

10 (3) PERFORMANCE ACCOUNTABILITY.—For ac-  
11 tivities funded under this section, in lieu of meeting  
12 the requirements described in section 136 of the  
13 Workforce Investment Act of 1998 (29 U.S.C.  
14 2871), States and local workforce investment areas  
15 shall provide such reports as the Secretary of Labor  
16 may require regarding the performance outcomes de-  
17 scribed in section 7(b)(5).

18 **SEC. 6. WORK-RELATED AND EDUCATIONAL STRATEGIES**  
19 **AND ACTIVITIES OF DEMONSTRATED EFFEC-**  
20 **TIVENESS.**

21 (a) IN GENERAL.—From the funds available under  
22 section 3(a)(3), the Secretary of Labor shall award grants  
23 on a competitive basis to eligible entities to carry out  
24 work-related and educational strategies and activities of  
25 demonstrated effectiveness.

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

3 (1) shall include—

4 (A) a partnership involving a chief elected  
5 official, and the local workforce investment  
6 board for the local workforce investment area  
7 involved (which may include a partnership with  
8 elected officials and workforce investment  
9 boards in the region and in the State); or

10 (B) an entity eligible to apply for a grant,  
11 contract, or agreement under section 166 of the  
12 Workforce Investment Act of 1998 (29 U.S.C.  
13 2911); and

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

16 (A) employers or employer associations;

17 (B) adult education providers or postsec-  
18 ondary educational institutions, including com-  
19 munity colleges;

20 (C) community-based organizations;

21 (D) joint labor-management committees;

22 (E) work-related intermediaries; or

23 (F) other appropriate organizations.

24 (c) APPLICATION.—To be eligible to receive a grant  
25 under this section, an entity shall submit to the Secretary

1 of Labor an application at such time, in such manner, and  
2 containing such information as the Secretary may require.

3 At a minimum, the application shall—

4 (1) describe the strategies and activities of dem-  
5 onstrated effectiveness that the eligible entity will  
6 carry out to provide unemployed, low-income adults  
7 and low-income youth with skills that will lead to  
8 employment upon completion of participation in such  
9 activities;

10 (2) describe the requirements that will apply re-  
11 lating to the eligibility of unemployed, low-income  
12 adults or low-income youth, consistent with section  
13 8, for activities carried out under this section, which  
14 requirements may include criteria to target assist-  
15 ance to particular categories of such adults and  
16 youth, such as individuals with disabilities or indi-  
17 viduals who have exhausted all rights to unemploy-  
18 ment compensation;

19 (3) describe how the strategies and activities  
20 will address the needs of the target populations iden-  
21 tified in paragraph (2) and the needs of employers  
22 in the local workforce investment area;

23 (4) describe the expected outcomes to be  
24 achieved by implementing the strategies and activi-  
25 ties;

1           (5) provide evidence that the funds provided  
2 through the grant will be expended expeditiously and  
3 efficiently to implement the strategies and activities;

4           (6) describe how the strategies and activities  
5 will be coordinated with other Federal, State, and  
6 local programs providing employment, education,  
7 and supportive activities;

8           (7) provide evidence of employer commitment to  
9 participate in the activities funded under this sec-  
10 tion, including identification of anticipated occupa-  
11 tional and skill needs;

12           (8) provide assurances that the eligible entity  
13 will report such information as the Secretary may  
14 require relating to fiscal, performance, and other  
15 matters as the Secretary determines is necessary to  
16 effectively monitor the activities carried out under  
17 this section;

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

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

1 (d) PRIORITY IN AWARDS.—In awarding grants  
2 under this section, the Secretary of Labor shall give pri-  
3 ority to applications submitted by eligible entities from  
4 areas of high poverty and high unemployment, as defined  
5 by the Secretary, such as Public Use Microdata Areas des-  
6 ignated by the Bureau of the Census.

7 (e) USE OF FUNDS.—An entity that receives a grant  
8 under this section shall use the funds made available  
9 through the grant to support strategies and activities of  
10 demonstrated effectiveness that are designed to provide  
11 unemployed, low-income adults or low-income youth with  
12 skills that will lead to employment as part of or upon com-  
13 pletion of participation in such activities. Such strategies  
14 and activities may include—

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

18 (2) sector-based training programs that have  
19 been designed to meet the specific requirements of  
20 an employer or group of employers in that sector  
21 and for which employers are committed to hiring in-  
22 dividuals upon successful completion of the training;

23 (3) training that supports an industry sector or  
24 an employer-based or labor-management committee



1 industry partnership and that includes a significant  
2 work experience component;

3 (4) activities that lead to the acquisition of in-  
4 dustry-recognized credentials in a field identified by  
5 the State or local workforce investment area as a  
6 growth sector or in-demand industry in which there  
7 are likely to be significant job opportunities in the  
8 short term;

9 (5) activities that provide connections to imme-  
10 diate work opportunities, including subsidized em-  
11 ployment opportunities, or summer employment op-  
12 portunities for youth, that include concurrent skills  
13 training and other supports;

14 (6) activities offered through career academies  
15 that provide students with the academic preparation  
16 and training, such as paid internships and concur-  
17 rent enrollment in community colleges or other post-  
18 secondary institutions, needed to pursue a career  
19 pathway that leads to postsecondary credentials and  
20 high-demand jobs; and

21 (7) adult basic education and integrated basic  
22 education and training for low-skilled adults that are  
23 tied to employer workforce needs, hosted at commu-  
24 nity colleges or at other sites, to prepare individuals

1 for jobs that are in demand in a local workforce in-  
2 vestment area.

3 (f) COORDINATION OF FEDERAL ADMINISTRATION.—

4 The Secretary of Labor shall administer this section in  
5 coordination with the Secretary of Education, the Sec-  
6 retary of Health and Human Services, and other appro-  
7 priate agency heads, to ensure the effective implementa-  
8 tion of this section.

9 **SEC. 7. GENERAL REQUIREMENTS.**

10 (a) LABOR STANDARDS AND PROTECTIONS.—Activi-  
11 ties provided with funds made available under this Act  
12 shall be subject to the requirements and restrictions, in-  
13 cluding the labor standards, described in section 181 of  
14 the Workforce Investment Act of 1998 (29 U.S.C. 2931)  
15 and the nondiscrimination provisions of section 188 of  
16 such Act (29 U.S.C. 2938), in addition to other applicable  
17 Federal laws.

18 (b) REPORTING.—The Secretary shall require the re-  
19 porting of information relating to fiscal, performance, and  
20 other matters that the Secretary determines is necessary  
21 to effectively monitor the activities carried out with funds  
22 provided under this Act. At a minimum, recipients of  
23 grants or subgrants under this Act shall provide informa-  
24 tion relating to—

1           (1) the number of individuals participating in  
2 activities with funds provided under this Act and the  
3 number of such individuals who have completed such  
4 participation;

5           (2) the expenditures of funds provided under  
6 this Act;

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

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

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

13               (A) for adults participating in activities  
14 funded under section 4 performance on indica-  
15 tors consisting of—

16                   (i) entry into unsubsidized employ-  
17 ment;

18                   (ii) retention in unsubsidized employ-  
19 ment; and

20                   (iii) earnings in unsubsidized employ-  
21 ment;

22               (B) for low-income youth participating in  
23 summer employment activities under sections 5  
24 and 6 performance on indicators consisting of—

1 (i) work readiness skill attainment,  
2 using an employer-validated checklist;

3 (ii) placement in or return to sec-  
4 ondary or postsecondary education or  
5 training, or entry into unsubsidized em-  
6 ployment;

7 (C) for low-income youth participating in  
8 year-round employment activities under section  
9 5 or in activities under section 6 performance  
10 on indicators consisting of—

11 (i) placement in or return to postsec-  
12 ondary education;

13 (ii) attainment of a secondary school  
14 diploma or its recognized equivalent;

15 (iii) attainment of an industry-recog-  
16 nized credential; and

17 (iv) entry into unsubsidized employ-  
18 ment, retention, and earnings as described  
19 in subparagraph (A); and

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

22 (i) entry into unsubsidized employ-  
23 ment, retention, and earnings as described  
24 in subparagraph (A); and

1                   (ii) attainment of an industry-recog-  
2                   nized credential.

3           (c) ACTIVITIES REQUIRED TO BE ADDITIONAL.—

4 Funds provided under this Act shall only be used for ac-  
5 tivities that are in addition to activities that would other-  
6 wise be available in the State or local workforce invest-  
7 ment area in the absence of such funds.

8           (d) ADDITIONAL REQUIREMENTS.—The Secretary of  
9 Labor may establish such additional requirements as the  
10 Secretary determines may be necessary to ensure fiscal in-  
11 tegrity, effective monitoring, and appropriate and prompt  
12 implementation of the activities under this Act.

13           (e) REPORT OF INFORMATION AND EVALUATIONS TO  
14 CONGRESS AND THE PUBLIC.—The Secretary of Labor  
15 shall provide to the appropriate committees of Congress  
16 and make available to the public the information reported  
17 pursuant to subsection (b) and the evaluations of activities  
18 carried out with the funds reserved under section 3(b).

19 **SEC. 8. DEFINITIONS.**

20           In this Act:

21           (1) CHIEF ELECTED OFFICIAL.—The term  
22           “chief elected official” means the chief elected execu-  
23           tive officer of a unit of local government in a local  
24           workforce investment area or in the case in which  
25           such an area includes more than one unit of general

1 government, the individuals designated under an  
2 agreement described in section 117(c)(1)(B) of the  
3 Workforce Investment Act of 1998 (29 U.S.C.  
4 2832(c)(1)(B)).

5 (2) INDUSTRY-RECOGNIZED CREDENTIAL.—The  
6 term “industry-recognized credential” means such a  
7 credential within the meaning of section 3 of the  
8 Carl D. Perkins Career and Technical Education  
9 Act of 2006 (20 U.S.C. 2302).

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

14 (4) LOCAL WORKFORCE INVESTMENT BOARD.—  
15 The term “local workforce investment board” means  
16 such board established under section 117 of the  
17 Workforce Investment Act of 1998 (29 U.S.C.  
18 2832).

19 (5) LOW-INCOME YOUTH.—

20 (A) IN GENERAL.—The term “low-income  
21 youth” means an individual who is not younger  
22 than age 16 and not older than age 24 and is  
23 an individual described in subparagraph (B) or  
24 (C).

1 (B) ELIGIBLE YOUTH.—For purposes of  
2 this paragraph, an individual described in this  
3 subparagraph—

4 (i) meets the definition of a low-in-  
5 come individual provided in section  
6 101(25) of the Workforce Investment Act  
7 of 1998 (29 U.S.C. 2801(25)), except  
8 that—

9 (I) States and local workforce in-  
10 vestment areas, subject to approval in  
11 the applicable State plans and local  
12 plans, may increase the income level  
13 specified in subparagraph (B)(i) of  
14 such section to an amount not in ex-  
15 cess of 200 percent of the poverty line  
16 for purposes of determining eligibility  
17 for participation in activities under  
18 section 5; and

19 (II) eligible entities described in  
20 section 6(b), subject to approval in  
21 the applicable applications for funds,  
22 may make such an increase for pur-  
23 poses of determining eligibility for  
24 participation in activities under sec-  
25 tion 6; and

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

5 (C) YOUTH ELIGIBLE FOR SCHOOL  
6 LUNCHES.—For purposes of this paragraph, an  
7 individual described in this subparagraph re-  
8 ceives or is eligible to receive a free or reduced  
9 price lunch under the Richard B. Russell Na-  
10 tional School Lunch Act (42 U.S.C. 1751 et  
11 seq.).

12 (6) OUTLYING AREA.—The term “outlying  
13 area” means the United States Virgin Islands,  
14 Guam, American Samoa, the Commonwealth of the  
15 Northern Mariana Islands, and the Republic of  
16 Palau (except during any period for which the Sec-  
17 retary of Labor determines that a Compact of Free  
18 Association is in effect and provides for Federal as-  
19 sistance for education or training).

20 (7) POVERTY LINE.—The term “poverty line”  
21 means a poverty line as defined in section 673 of the  
22 Community Services Block Grant Act (42 U.S.C.  
23 9902), applicable to family of the size involved.



1           (8) UNEMPLOYED, LOW-INCOME ADULT.—The  
2 term “unemployed, low-income adult” means an in-  
3 dividual who—

4                   (A) is age 18 or older;

5                   (B) is without employment and is seeking  
6 assistance under this Act to obtain employment;  
7 and

8                   (C) meets the definition of a low-income  
9 individual specified in section 101(25) of the  
10 Workforce Investment Act of 1998 (29 U.S.C.  
11 2801(25)), except that—

12                   (i) States and local entities described  
13 in section 4(d)(1)(A), subject to approval  
14 in the applicable State plans and local  
15 plans described in section 4, or a State  
16 agency or agencies described in section  
17 4(d)(1)(B), subject to approval in the  
18 State plan described in section 4, may in-  
19 crease the income level specified in sub-  
20 paragraph (B)(i) of such section 101(25)  
21 to an amount not in excess of 200 percent  
22 of the poverty line for purposes of deter-  
23 mining eligibility for participation in activi-  
24 ties under section 4; and

1                   (ii) eligible entities described in sec-  
2                   tion 6(b), subject to approval in the appli-  
3                   cable applications for funds, may make  
4                   such an increase for purposes of deter-  
5                   mining eligibility for participation in activi-  
6                   ties under section 6.

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

○