

113TH CONGRESS  
2D SESSION

# H. R. 5567

To carry out pilot programs to improve skills and job training, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2014

Mr. CARNEY introduced the following bill; which was referred to the Committee on Education and the Workforce

---

## A BILL

To carry out pilot programs to improve skills and job training, 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 “Education and Work-  
5 force Innovation Act”.

6 **SEC. 2. COMMUNITY WORKFORCE TRAINING GRANTS.**

7 (a) PROGRAM AUTHORIZED.—From the amounts ap-  
8 propriated to carry out this section, the Secretary of Edu-  
9 cation, in consultation with the Secretary of Labor and  
10 the advisory panel, shall carry out a 5-year pilot program

1 to award grants to eligible entities to carry out programs  
2 that provide direct skills and job training for individuals  
3 to enter and advance in high-growth, emerging, and in-  
4 demand industries, such as skilled labor and trade indus-  
5 tries.

6 (b) APPLICATION.—To receive a grant under this sec-  
7 tion, an eligible entity shall submit an application, at such  
8 time, in such manner, and containing such information as  
9 the Secretary of Education may require.

10 (c) USES OF FUNDS.—An eligible entity that receives  
11 a grant under this section shall use such grant to—

12 (1) develop and carry out a multiyear program  
13 to provide students enrolled in a school or institution  
14 described in subparagraphs (A) through (C) of sub-  
15 section (g)(1) with education and training to prepare  
16 such students to enter and advance in high-growth,  
17 emerging, or in-demand industries by providing—

18 (A) customized training that is valuable to  
19 such industries;

20 (B) increased productivity and knowledge  
21 transfer;

22 (C) a stable and predictable pipeline to a  
23 high-standard of employment (as determined by  
24 the Secretary of Labor in consultation with the

1 advisory panel) upon graduation from the pro-  
2 gram;

3 (D) a proven model of success, as deter-  
4 mined by the Secretary of Labor in consultation  
5 with the advisory panel; and

6 (E) an opportunity for career advance-  
7 ment; and

8 (2) cover costs related to developing and car-  
9 rying out the program, which may include—

10 (A) covering overhead costs;

11 (B) improving program design;

12 (C) expanding access to the program; or

13 (D) providing tuition subsidies for students  
14 enrolled, or desiring to enroll, in an institution  
15 described in subparagraph (A) or (B) of sub-  
16 section (g)(1), if applicable, to participate in  
17 such program.

18 (d) MATCHING FUNDS.—An eligible entity that is  
19 awarded a grant under this section shall provide matching  
20 funds from non-Federal sources in an amount equal to not  
21 less than the Federal funds provided under the grant.

22 (e) ADVISORY PANEL.—In carrying out the pilot pro-  
23 gram under this section, the Secretary of Education shall  
24 establish an advisory panel that is comprised of Federal  
25 education experts and private sector executives.

1 (f) AVAILABILITY OF FUNDING.—For fiscal year  
2 2016 and each of the 4 succeeding fiscal years, not less  
3 than \$50,000,000 shall be available from the amount ap-  
4 propriated for each such fiscal year for the Workforce In-  
5 novation Fund of the Department of Labor for the costs  
6 of carrying out this section.

7 (g) DEFINITIONS.—In this section:

8 (1) ELIGIBLE ENTITY.—The term “eligible enti-  
9 ty” means a private company involved in the manu-  
10 facturing, production, or technology industries, in  
11 partnership with a—

12 (A) junior or community college;

13 (B) postsecondary vocational institution; or

14 (C) secondary school.

15 (2) JUNIOR OR COMMUNITY COLLEGE.—The  
16 term “junior or community college” has the meaning  
17 given the term in section 312(f) of the Higher Edu-  
18 cation Act of 1965 (20 U.S.C. 1058(f)).

19 (3) POSTSECONDARY VOCATIONAL INSTITU-  
20 TION.—The term “postsecondary vocational institu-  
21 tion” has the meaning given the term in section  
22 102(c) of the Higher Education Act of 1965 (20  
23 U.S.C. 1002(c)).

24 (4) SECONDARY SCHOOL.—The term “sec-  
25 ondary school” has the meaning given the term in

1 section 9101 of the Elementary and Secondary Edu-  
2 cation Act of 1965 (20 U.S.C. 7801).

3 (5) SKILLED LABOR AND TRADE INDUSTRIES.—

4 The term “skilled labor and trade industries” shall  
5 be defined by the Secretary of Labor.

6 **SEC. 3. FINANCING A SKILLED 21ST CENTURY WORKFORCE**

7 **GOAL.**

8 (a) PROGRAM AUTHORIZED.—The Secretaries of  
9 Education and the Treasury, jointly with the advisory  
10 panel, shall administer a pay-for-performance pilot pro-  
11 gram for 5 years to raise funds from qualified investors  
12 to cover the cost of a workforce training program that in-  
13 creases trade certifications or apprenticeships for unem-  
14 ployed individuals or dislocated workers, and that meets  
15 the requirements of subsection (b).

16 (b) PROGRAM REQUIREMENTS.—The pay-for-per-  
17 formance pilot program carried out under subsection (a)  
18 shall require that—

19 (1) the Secretaries and the advisory panel es-  
20 tablish the goals of increasing trade certifications or  
21 apprenticeships for unemployed individuals or dis-  
22 located workers, and other social and financial goals  
23 (such as reducing Federal, State, and local expendi-  
24 tures related to workforce training) for the program;

1           (2) a qualified investor enters into a pay-for-  
2 performance agreement with the Secretaries under  
3 which the qualified investor—

4           (A) provides funds to a service provider se-  
5 lected by the Secretaries, the advisory panel,  
6 and the qualified investor to meet the goals es-  
7 tablished under paragraph (1); and

8           (B) agrees to the repayment terms de-  
9 scribed in paragraph (4);

10          (3) the service provider uses such funds to  
11 carry out a workforce training program for unem-  
12 ployed adults or dislocated workers to meet such  
13 goals;

14          (4) if the Secretaries and the advisory panel de-  
15 termine that the workforce training program carried  
16 out by the service provider meets the goals estab-  
17 lished under paragraph (1), the Secretaries will  
18 repay the qualified investor the amount of funds  
19 provided by the qualified investor under paragraph  
20 (2) with financial returns; and

21          (5) the Secretaries and the advisory panel as-  
22 sess the feasibility of expanding the pay-for-perform-  
23 ance pilot program on a larger scale.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
2 are authorized to be appropriated \$75,000,000 for fiscal  
3 year 2016 to carry out this section.

4 (d) DEFINITIONS.—In this Act:

5 (1) ADVISORY PANEL.—The term “advisory  
6 panel” means a panel of business representatives se-  
7 lected by the Secretaries.

8 (2) DISLOCATED WORKER; UNEMPLOYED INDI-  
9 VIDUAL.—The terms “dislocated worker” and “un-  
10 employed individual” have the meanings given the  
11 terms in section 3 of the Workforce Innovation and  
12 Opportunity Act (29 U.S.C. 3102).

13 (3) QUALIFIED INVESTOR.—The term “quali-  
14 fied investor” has the meaning given such term in  
15 section 230.501(a) of title 17, Code of Federal Reg-  
16 ulations (or successor regulations).

17 (4) SECRETARIES.—The term “Secretaries”  
18 means the Secretaries of Education and the Treas-  
19 ury.

20 (5) SERVICE PROVIDER.—The term “service  
21 provider” means a nonprofit organization that car-  
22 ries out a workforce training program.

○