

112TH CONGRESS
2D SESSION

H. R. 6427

To amend title IV of the Social Security Act to create a competitive self-sustainable social services grant program to provide workforce development opportunities and training to people with barriers to employment under the program of block grants to States for temporary assistance for needy families, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2012

Mr. SMITH of Washington introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title IV of the Social Security Act to create a competitive self-sustainable social services grant program to provide workforce development opportunities and training to people with barriers to employment under the program of block grants to States for temporary assistance for needy families, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Capitalizing Workforce
3 Development Act of 2012”.

4 **SEC. 2. JOB TRAINING RESOURCES GRANT PROGRAM.**

5 (a) IN GENERAL.—Section 403(a) of the Social Secu-
6 rity Act (42 U.S.C. 603(a)) is amended by adding at the
7 end the following :

8 “(6) JOB TRAINING RESOURCES GRANTS.—

9 “(A) USE OF FUNDS.—The Secretary shall
10 use the funds made available under subpara-
11 graph (F) to award grants to eligible applicants
12 on a competitive basis for the purpose of sup-
13 porting the purchase, renovation, construction,
14 or lease and improvement of real property to be
15 used by qualified self-sustaining job programs.

16 “(B) QUALIFIED SELF-SUSTAINING JOB
17 PROGRAM.—For purposes of this paragraph,
18 the term ‘qualified self-sustaining job program’
19 means a program which—

20 “(i) provides job training, job place-
21 ment, or other employment-related services
22 to individuals with employment challenges;
23 and

24 “(ii) except for funds made available
25 under this paragraph for the expenses de-
26 scribed in subparagraph (A), does not re-

1 quire Federal funds for programmatic or
2 administrative expenses relating to the pro-
3 vision of the services described in clause
4 (i).

5 Nothing in this subparagraph shall prohibit any
6 applicant or grantee under this paragraph from
7 participating in any other Federal program.

8 “(C) PRIORITY.—In awarding grants
9 under this paragraph, the Secretary shall give
10 priority to eligible applicants that demonstrate
11 significant successful experience in establishing
12 qualified self-sustaining job programs or, in the
13 case of an eligible applicant described in sub-
14 paragraph (D)(i), that include among their
15 membership one or more local organizations
16 that have been awarded a grant under section
17 413(h)(3)(A).

18 “(D) ELIGIBLE APPLICANT.—For purposes
19 of this paragraph, the term ‘eligible applicant’
20 means—

21 “(i) a national organization which is
22 described in section 501(e)(3) of the Inter-
23 nal Revenue Code of 1986 and is exempt
24 from tax under section 501(a) of such
25 Code, the mission of which is to provide

1 employment-related services to individuals
2 with employment challenges;

3 “(ii) a State or political subdivision
4 thereof; or

5 “(iii) an Indian tribe or tribal organi-
6 zation.

7 “(E) GRANT CONDITIONS AND REQUIRE-
8 MENTS.—

9 “(i) JOB PLACEMENT PERFORMANCE
10 GOALS.—Each award of a grant under this
11 paragraph shall be conditioned upon the
12 establishment by the Secretary, in coordi-
13 nation with the grantee, of—

14 “(I) the job placement perform-
15 ance goals for each qualified self-sus-
16 taining job program operated by the
17 grantee that will receive the grant
18 funds (or the subgrantee under clause
19 (iii), if any); and

20 “(II) the performance assessment
21 dates (not earlier than 1 year after
22 the date the grant is awarded to the
23 grantee) on which the achievement of
24 such goals will be measured by the
25 Secretary.

1 “(ii) PROTECTION OF FEDERAL IN-
2 TEREST.—For all real property purchased,
3 renovated, constructed, or improved using
4 funds made available under this para-
5 graph, the Secretary shall ensure the pro-
6 tection of the Federal Government’s inter-
7 est in such real property in such manner
8 as may be prescribed by the Secretary.

9 “(iii) SUBAWARDS.—An eligible appli-
10 cant described in subparagraph (D)(i) that
11 receives funds made available under this
12 paragraph shall distribute such funds
13 among its local member organizations to
14 carry out the purposes described in sub-
15 paragraph (A) with respect to qualified
16 self-sustaining job programs.

17 “(F) APPROPRIATION.—Out of any money
18 in the Treasury not otherwise appropriated,
19 there are appropriated \$200,000,000 for grants
20 under this paragraph for fiscal year 2013, to
21 remain available through fiscal year 2016.”.

22 (b) RECAPTURE PENALTY.—

23 (1) IN GENERAL.—Section 409(a) of the Social
24 Security Act (42 U.S.C. 609(a)) is amended by add-
25 ing at the end the following:

1 “(17) PENALTY FOR FAILURE TO MEET JOB
2 PLACEMENT PERFORMANCE GOALS OF QUALIFIED
3 SELF-SUSTAINING JOB PROGRAM.—

4 “(A) IN GENERAL.—If the Secretary deter-
5 mines that a recipient of funds under section
6 403(a)(6) has failed to meet the job placement
7 performance goals established under section
8 403(a)(6)(E)(i) as of any performance assess-
9 ment date established under section
10 403(a)(6)(E)(i)(II), the Secretary shall require
11 repayment of such funds to the Treasury in a
12 proportional amount to the degree of such fail-
13 ure.

14 “(B) TIMING OF REPAYMENT.—The pay-
15 ments required by subparagraph (A) shall be
16 made over the 10-fiscal-year period beginning
17 with the date the Secretary makes the deter-
18 mination under subparagraph (A). No interest
19 shall accrue with respect to such payments.

20 “(C) ELECTION TO COMPLY.—With the
21 consent of the Secretary, in lieu of the pay-
22 ments required by subparagraph (A), the recipi-
23 ent of funds may elect to come into compliance
24 with the job placement performance goals es-
25 tablished under section 403(a)(6)(E)(i). Such

1 compliance shall be demonstrated in such man-
 2 ner and in such time as the Secretary shall pre-
 3 scribe.

4 “(D) FAILURE BY STATE.—In the case of
 5 a State that is subject to a penalty under this
 6 paragraph, in lieu of the payments required by
 7 subparagraph (A), the Secretary may reduce
 8 the grant payable to such State under section
 9 403(a)(1) in the same amount and over the
 10 same 10-fiscal-year period that such payments
 11 would have been made.

12 “(E) NONAPPLICABILITY OF STATE PEN-
 13 ALTY LIMITATIONS.—Subsections (c) and (d)
 14 shall not apply in the case of any penalty under
 15 this paragraph, except for a penalty with re-
 16 spect to which reductions are made under sub-
 17 paragraph (D).”.

18 (2) EXCLUSION FROM STATE REASONABLE
 19 CAUSE EXCEPTION.—Section 409(b)(2) of the Social
 20 Security Act (42 U.S.C. 609(b)(2)) is amended by
 21 striking “or (13)” and inserting “(13), or (17)”.

22 **[SEC. 3. OFFSET TO ENSURE PAYGO COMPLIANCE.**

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