

104TH CONGRESS
1ST SESSION

H. R. 1414

To provide grants to States to reduce crime and poverty in poor neighborhoods by providing employment opportunities to disadvantaged young adults.

IN THE HOUSE OF REPRESENTATIVES

APRIL 5, 1995

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

A BILL

To provide grants to States to reduce crime and poverty in poor neighborhoods by providing employment opportunities to disadvantaged young adults.

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 “Empowerment Zone
5 Job Creation Act of 1995”.

6 **SEC. 2. PURPOSE.**

7 The purpose of this Act is to reduce crime and pov-
8 erty in poor neighborhoods by providing employment op-
9 portunities leading to permanent unsubsidized employ-

1 ment for disadvantaged young adults in those neighbor-
2 hoods.

3 **SEC. 3. AUTHORIZATION.**

4 The Secretary of Labor (hereafter in this Act referred
5 to as the “Secretary”), in consultation with other appro-
6 priate Federal officials, may provide grants to States for
7 the purpose of establishing and carrying out programs
8 that provide employment opportunities leading to perma-
9 nent unsubsidized employment for disadvantaged young
10 adults in poor neighborhoods.

11 **SEC. 4. APPLICATION.**

12 (a) IN GENERAL.—The Secretary may provide a
13 grant under this Act to a State only if the State submits
14 to the Secretary an application containing—

- 15 (1) a plan described in subsection (b); and
16 (2) such other information as the Secretary
17 may reasonably require.

18 (b) PLAN.—A plan described in this subsection is a
19 plan that provides for the establishment of a program for
20 reducing crime and poverty by substantially increasing
21 employment levels of young adults in poor neighborhoods.

22 Such plan shall—

- 23 (1) describe the private sector, nonprofit, and
24 public sector components of the program, and de-
25 scribe, to the extent practicable, the nature of the

1 employment opportunities that will be generated in
2 the neighborhoods;

3 (2) describe the outcomes that will be used to
4 evaluate the success of the program, including re-
5 ducing crime and substance abuse and increasing
6 employment for young adults;

7 (3) specify the organization that will administer
8 the program;

9 (4) describe the public/private partnership that
10 will promote collaboration between the State and
11 local governments, local job training, education, em-
12 ployment, and public housing agencies and authori-
13 ties, local residents, community-based organizations,
14 and nonprofit organizations, and local community
15 policing, gang prevention activities, and juvenile jus-
16 tice or delinquency preventive initiatives;

17 (5) describe how the public and private sectors
18 will work together to assist young adults to make
19 the transition from subsidized to unsubsidized jobs;
20 and

21 (6) describe the extent of the local commitment
22 of resources to the program, including the commit-
23 ment of substantial resources by the last year of the
24 program.

1 **SEC. 5. USE OF AMOUNTS.**

2 (a) ESTABLISHMENT OF PROGRAM.—

3 (1) IN GENERAL.—The Secretary may provide a
4 grant under this Act to a State only if the State
5 agrees that it will use all amounts received from
6 such grant to provide for the establishment of a pro-
7 gram to saturate neighborhoods located in areas de-
8 scribed in paragraph (2) with employment opportu-
9 nities with for-profit, nonprofit, and public employ-
10 ers that are likely to lead to permanent,
11 unsubsidized employment for young adults who have
12 attained the age of 16 but who have not attained the
13 age of 26.

14 (2) AREA DESCRIBED.—An area described in
15 this paragraph is an empowerment zone designated
16 pursuant to part I of subchapter U of chapter 1 of
17 the Internal Revenue Code of 1986.

18 (b) CONDUCT OF PROGRAM.—In carrying out the
19 program established under subsection (a), the State shall
20 ensure that the following requirements are met:

21 (1) PROVISION OF WAGE SUBSIDIES TO EM-
22 PLOYERS.—The organization administering the pro-
23 gram shall provide amounts received from a grant
24 under this Act to employers for the purpose of subsi-
25 dizing the wages of young adults who are employed
26 by the employer under the program. In providing

1 such amounts to employers, the organization admin-
2 istering the program shall—

3 (A) encourage private sector employers to
4 employ individuals with an emphasis on oppor-
5 tunities that provide advanced or specialized
6 training;

7 (B) require private sector employers, dur-
8 ing the course of a participant's subsidized em-
9 ployment, to gradually increase their funding of
10 that participant's wages;

11 (C) encourage, if practicable, the provision
12 of a structured and integrated work and learn-
13 ing experience;

14 (D) encourage assistance to nonprofit em-
15 ployers and public agencies to employ partici-
16 pants in projects designed to address commu-
17 nity needs, such as projects to enhance neigh-
18 borhood infrastructure, to modernize public
19 housing, and to provide other community serv-
20 ices;

21 (E) ensure that the duration of all sub-
22 sidized employment for a participant does not
23 exceed more than 2,080 hours; and

24 (F) require that the subsidized employ-
25 ment provided to any participant who is still en-

1 rolled in high school shall not exceed 20 hours
2 per week during the school year.

3 (2) ADDITIONAL SERVICES.—The organization
4 administering the program shall provide additional
5 services (either directly with amounts received from
6 a grant under this Act or through arrangements
7 with other appropriate Federal, State, or local pro-
8 grams) to facilitate the transition of young adults to
9 permanent unsubsidized employment, including
10 counseling, job development and placement, follow-
11 up services, and supportive services.

12 (3) RESPONSIBLE BEHAVIOR BY PARTICI-
13 PANTS.—The organization administering the pro-
14 gram shall ensure that continued participation in the
15 program by a young adult shall be conditioned on—

16 (A) avoiding crime, including illegal drug
17 use;

18 (B) regular attendance and satisfactory
19 performance at work;

20 (C) paying child support when paternity
21 has been established and the participant has an
22 income; and

23 (D) in-school young adults remaining in
24 school until graduation.

1 **SEC. 6. FEDERAL RESPONSIBILITIES.**

2 (a) PERFORMANCE MEASURES.—The Secretary shall
3 establish a system of performance measures for assessing
4 programs established from amounts received from grants
5 under this Act.

6 (b) EVALUATION.—

7 (1) IN GENERAL.—The Secretary shall conduct
8 a rigorous national evaluation of such programs that
9 will track and assess the effectiveness of those pro-
10 grams, and include an evaluation to the extent to
11 which such programs reduced crime and substance
12 abuse and increased employment and earnings. The
13 evaluation may include cost-benefit analyses and
14 shall utilize sound statistical methods and tech-
15 niques.

16 (2) REPORT.—Not later than December 31,
17 2001, the Secretary shall prepare and submit to the
18 Congress a report containing a summary of the eval-
19 uation conducted under paragraph (1).

20 (c) TECHNICAL ASSISTANCE.—The Secretary may
21 provide appropriate technical assistance to States receiv-
22 ing grants under this Act.

23 (d) FUNDING.—The Secretary may reserve not more
24 than 5 percent of the amount appropriated under this Act
25 for any fiscal year to carry out this section.

1 **SEC. 7. AUTHORIZATION OF APPROPRIATIONS.**

2 There is authorized to be appropriated to carry out
3 this Act \$150,000,000 for each of the fiscal years 1996
4 through 2000.

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