

105TH CONGRESS  
1ST SESSION

# H. R. 1385

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IN THE SENATE OF THE UNITED STATES

MAY 19, 1997

Received; read twice and referred to the Committee on Labor and Human  
Resources

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## AN ACT

To consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States, 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 “Employment, Training,  
3 and Literacy Enhancement Act of 1997”.

4 **SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF**  
5 **CONTENTS.**

6 (a) DIVISIONS.—This Act is organized into two divi-  
7 sions as follows:

8 (1) Division A—Employment, Training, and  
9 Literacy Programs.

10 (2) Division B—Vocational Rehabilitation Pro-  
11 grams.

12 (b) TABLE OF CONTENTS.—The table of contents for  
13 this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Organization of Act into divisions; table of contents.

**DIVISION A—EMPLOYMENT, TRAINING, AND LITERACY  
PROGRAMS**

**TITLE I—AMENDMENTS TO GENERAL PROVISIONS AND PROGRAM  
REQUIREMENTS**

Subtitle A—General Provisions

- Sec. 101. Statement of purpose.
- Sec. 102. Authorization of appropriations.
- Sec. 103. Definitions.

Subtitle B—State and Local Administrative Provisions

- Sec. 111. State administrative provisions.
- Sec. 112. Local administrative provisions.

Subtitle C—Program and Fiscal Provisions

**CHAPTER 1—GENERAL PROVISIONS**

- Sec. 121. General program requirements.
- Sec. 122. Benefits.
- Sec. 123. Labor standards.
- Sec. 124. Grievance procedure.
- Sec. 125. Identification of additional imposed requirements.

- Sec. 126. Authority of State legislature.
- Sec. 127. Interstate agreements.

CHAPTER 2—PERFORMANCE ACCOUNTABILITY PROVISIONS

- Sec. 131. Performance accountability provisions.

CHAPTER 3—OTHER PROVISIONS

- Sec. 141. Prompt allocation of funds.
- Sec. 142. Fiscal controls; sanctions.
- Sec. 143. Reports; recordkeeping; and investigations.
- Sec. 144. Administrative adjudication.
- Sec. 145. Nondiscrimination.
- Sec. 146. Judicial review.
- Sec. 147. Administrative provisions.
- Sec. 148. Presidential awards for outstanding private sector involvement in job training programs.
- Sec. 149. Construction.
- Sec. 150. Limitation on certain costs.

Subtitle D—Miscellaneous Provisions

- Sec. 161. Criminal provisions.
- Sec. 162. Reference.
- Sec. 163. Repealers.

TITLE II—AMENDMENTS TO EMPLOYMENT AND TRAINING PROGRAMS FOR DISADVANTAGED YOUTH

- Sec. 201. Adult training program.
- Sec. 202. Summer youth employment and training program.
- Sec. 203. Disadvantaged youth employment and training opportunities grants.

TITLE III—AMENDMENTS TO EMPLOYMENT AND TRAINING PROGRAMS FOR ADULTS

- Sec. 301. Adult employment and training opportunities grants.

TITLE IV—AMENDMENTS TO FEDERALLY ADMINISTERED PROGRAMS

Subtitle A—Employment and Training Programs for Native Americans and Migrant and Seasonal Farmworkers

- Sec. 401. Native American program.
- Sec. 402. Migrant and seasonal farmworker program.

Subtitle B—Job Corps

- Sec. 411. Statement of purpose.
- Sec. 412. Individuals eligible for the Job Corps.
- Sec. 413. Screening and selection of applicants; general provisions.
- Sec. 414. Job Corps centers.
- Sec. 415. Standards of conduct.
- Sec. 416. Counseling and job placement.
- Sec. 417. Experimental and developmental projects and coordination with other programs.

Subtitle C—National Activities

- Sec. 421. Research, demonstration, evaluation, and capacity building.
- Sec. 422. Nontraditional employment demonstration program.

Subtitle D—Repealers

- Sec. 451. Repealers.

TITLE V—AMENDMENTS TO ADULT EDUCATION PROGRAMS

- Sec. 501. Repeal of Jobs for Employable Dependent Individuals Incentive Bonus Program.
- Sec. 502. Amendment to Adult Education Act.
- Sec. 503. Repeal of National Literacy Act of 1991.
- Sec. 504. Conforming amendments.

TITLE VI—MISCELLANEOUS PROVISIONS

- Sec. 601. Repealers.
- Sec. 602. Conforming amendments.

TITLE VII—AMENDMENTS TO STATE HUMAN RESOURCE INVESTMENT COUNCIL

- Sec. 701. Amendments to Council.
- Sec. 702. Transfer of Council.
- Sec. 703. Conforming amendments.

TITLE VIII—AMENDMENTS TO WAGNER-PEYSER ACT

- Sec. 801. Definitions.
- Sec. 802. Functions.
- Sec. 803. Designation of State agencies.
- Sec. 804. Appropriations.
- Sec. 805. Disposition of allotted funds.
- Sec. 806. State plans.
- Sec. 807. Federal advisory council.
- Sec. 808. Regulations.
- Sec. 809. Effective date.

TITLE IX—TECHNICAL AND CONFORMING AMENDMENTS

Subtitle A—Amendments to the Job Training Partnership Act

- Sec. 901. Short title; table of contents.
- Sec. 902. Definitions.
- Sec. 903. Amendments to title I.
- Sec. 904. Amendments to title IV.
- Sec. 905. Amendments to title VI.
- Sec. 906. Clarification.

Subtitle B—Amendments to Other Acts

- Sec. 911. Amendments to other Acts.

TITLE X—EFFECTIVE DATE AND TRANSITION PROVISIONS

- Sec. 1001. Effective date.

Sec. 1002. Transition provisions.

**DIVISION B—VOCATIONAL REHABILITATION PROGRAMS**

**TITLE XXI—AMENDMENTS TO GENERAL PROVISIONS**

Sec. 2101. Rehabilitation Services Administration.

Sec. 2102. Definitions.

Sec. 2103. Reports.

Sec. 2104. Buy-American requirements.

**TITLE XXII—AMENDMENTS TO VOCATIONAL REHABILITATION SERVICES**

**Subtitle A—General Provisions**

Sec. 2201. Declaration of policy; authorization of appropriations.

Sec. 2202. State plans.

Sec. 2203. Individualized plan for employment.

Sec. 2204. Scope of vocational rehabilitation services.

Sec. 2205. State Rehabilitation Advisory Council.

Sec. 2206. Evaluation standards and performance indicators.

Sec. 2207. Monitoring and review.

**Subtitle B—Basic Vocational Rehabilitation Services**

Sec. 2211. State allotments.

Sec. 2212. Payments to States.

Sec. 2213. Client assistance program.

**TITLE XXIII—AMENDMENTS TO RESEARCH AND TRAINING**

Sec. 2221. Authorization of appropriations.

Sec. 2222. National Institute on Disability and Rehabilitation Research.

**TITLE XXIV—AMENDMENTS TO TRAINING AND DEMONSTRATION PROJECTS**

**Subtitle A—Training Programs and Community Rehabilitation Programs**

Sec. 2231. Declaration of purpose.

Sec. 2232. Training.

Sec. 2233. Repealers.

Sec. 2234. Authorization of appropriations.

**Subtitle B—Special Projects and Supplementary Services**

Sec. 2241. Special demonstration programs.

Sec. 2242. Migratory workers.

Sec. 2243. Repealers.

Sec. 2244. Special recreational programs.

**TITLE XXV—AMENDMENTS TO NATIONAL COUNCIL ON DISABILITY**

Sec. 2251. Authorization of appropriations.

**TITLE XXVI—AMENDMENTS TO RIGHTS AND ADVOCACY**

- Sec. 2261. Employment of individuals with disabilities.  
 Sec. 2262. Architectural and Transportation Barriers Compliance Board.  
 Sec. 2263. Protection and advocacy of individual rights.  
 Sec. 2264. Requirement that Federal agencies provide certification of compliance with electronic and information technology accessibility guidelines.

TITLE XXVII—AMENDMENTS TO EMPLOYMENT OPPORTUNITIES  
FOR INDIVIDUALS WITH DISABILITIES

- Sec. 2271. Authorization of appropriations.  
 Sec. 2272. Repealers.

TITLE XXVIII—AMENDMENTS TO INDEPENDENT LIVING  
SERVICES AND CENTERS FOR INDEPENDENT LIVING

- Sec. 2281. Authorization of appropriations.  
 Sec. 2282. Program authorization for centers for independent living.

TITLE XXIX—AMENDMENTS TO SPECIAL DEMONSTRATIONS AND  
TRAINING PROJECTS

- Sec. 2291. Authorization of appropriations.  
 Sec. 2292. Demonstration activities.  
 Sec. 2293. Training activities.

TITLE XXX—AMENDMENTS TO THE HELEN KELLER NATIONAL  
CENTER ACT

- Sec. 2295. Authorization of appropriations.

TITLE XXXI—EFFECTIVE DATE

- Sec. 2297. Effective date.

1 **DIVISION A—EMPLOYMENT,**  
 2 **TRAINING, AND LITERACY**  
 3 **PROGRAMS**

4 **TITLE I—AMENDMENTS TO GEN-**  
 5 **ERAL PROVISIONS AND PRO-**  
 6 **GRAM REQUIREMENTS**

7 **Subtitle A—General Provisions**

8 **SEC. 101. STATEMENT OF PURPOSE.**

9 Section 2 of the Job Training Partnership Act (29  
 10 U.S.C. 1501) is amended to read as follows:

1 **“SEC. 2. STATEMENT OF PURPOSE.**

2 “The purpose of this Act is to transform the current  
3 array of Federal employment, training, and adult edu-  
4 cation and literacy programs from a collection of frag-  
5 mented and duplicative categorical programs into high  
6 quality, coherent, and accountable State and local systems  
7 that are designed—

8 “(1) to provide high quality training for today  
9 and for the 21st century;

10 “(2) to empower individuals to choose occupa-  
11 tions and training programs, based on accurate and  
12 up-to-date information, that will develop more fully  
13 their academic, occupational, and literacy skills,  
14 leading to productive employment and economic self-  
15 sufficiency, and reduction in welfare dependency;

16 “(3) to provide resources and authority to  
17 States and local communities and increase ease of  
18 access to high quality employment, training, and lit-  
19 eracy programs;

20 “(4) to provide adults with the adult education  
21 services they require to participate fully in society;

22 “(5) to meet the needs of employers in the  
23 United States to be competitive; and

24 “(6) to ensure an adequate return on the in-  
25 vestment of funds in employment, training, and lit-

1       eracy programs through strong program accountabil-  
2       ity.”.

3 **SEC. 102. AUTHORIZATION OF APPROPRIATIONS.**

4       Section 3 of the Job Training Partnership Act (29  
5 U.S.C. 1502) is amended to read as follows:

6 **“SEC. 3. AUTHORIZATION OF APPROPRIATIONS.**

7       “(a) IN GENERAL.—There are authorized to be ap-  
8       propriated the following amounts for the following pur-  
9       poses (in addition to amounts otherwise available for such  
10      purposes):

11           “(1) TITLE II.—Such sums as may be nec-  
12      essary for each of the fiscal years 1999 through  
13      2003 to carry out title II.

14           “(2) TITLE III.—(A) Such sums as may be nec-  
15      essary for each of the fiscal years 1999 through  
16      2003 to carry out section 312(a)(1).

17           “(B) Such sums as may be necessary for each  
18      of the fiscal years 1999 through 2003 to carry out  
19      section 312(a)(2).

20           “(3) PARTS A, C, D, AND E OF TITLE IV.—Sub-  
21      ject to subsection (b), such sums as may be nec-  
22      essary for each of the fiscal years 1999 through  
23      2003 to carry out parts A, C, D, and E of title IV.

1           “(4) PART B OF TITLE IV.—Such sums as may  
2           be necessary for each of the fiscal years 1999  
3           through 2003 to carry out part B of title IV.

4           “(b) RESERVATIONS.—Of the amount appropriated  
5           under subsection (a)(3) for a fiscal year—

6           “(1) not less than \$70,000,000 shall be re-  
7           served for carrying out section 401;

8           “(2) not less than \$70,000,000 shall be re-  
9           served for carrying out section 402; and

10           “(3) the remainder shall be reserved for carry-  
11           ing out parts C, D, and E of title IV.

12           “(c) REALLOTMENT.—

13           “(1) IN GENERAL.—The Secretary of Labor  
14           shall, in accordance with this subsection, reallocate to  
15           eligible States amounts appropriated for programs  
16           authorized under titles II and title III of this Act  
17           that are available for reallocation.

18           “(2) AMOUNT.—The amount available for real-  
19           location is equal to the amount by which the unobli-  
20           gated balance of the State allotment under title II  
21           or title III, respectively, at the end of the program  
22           year prior to the program year for which the deter-  
23           mination under this paragraph is made exceeds 20  
24           percent of such allotment for the prior program  
25           year.

1           “(3) REALLOTMENT.—In making reallotments  
2 to eligible States of amounts available pursuant to  
3 paragraph (2) for a program year, the Secretary  
4 shall allot to each eligible State an amount based on  
5 the relative amount allotted to such State under title  
6 II or title III, respectively, for the prior program  
7 year as compared to the total amount allotted to all  
8 eligible States under title II or title III, respectively,  
9 for such prior program year.

10           “(4) ELIGIBILITY.—For purposes of this sub-  
11 section, an eligible State means a State which has  
12 obligated at least 80 percent of its allotments under  
13 title II or title III, respectively, for the program year  
14 prior to the program year for which the determina-  
15 tion under this subsection is made.

16           “(5) PROCEDURES.—The Governor of each  
17 State shall prescribe uniform procedures for the obli-  
18 gation of funds by workforce development areas  
19 within the State in order to avoid the requirement  
20 that funds be made available for reallotment under  
21 this subsection. The Governor shall further prescribe  
22 equitable procedures for making funds available  
23 from the State and workforce development areas in  
24 the event that a State is required to make funds  
25 available for reallotment under this paragraph.”.

1 **SEC. 103. DEFINITIONS.**

2 Section 4 of the Job Training Partnership Act (29  
3 U.S.C. 1503) is amended—

4 (1) in paragraph (1) to read as follows:

5 “(1) ADULT EDUCATION AND LITERACY ACTIVI-  
6 TIES.—The term ‘adult education and literacy activi-  
7 ties’ means the activities authorized under section  
8 314 of the Adult Education and Family Literacy  
9 Act.”;

10 (2) by striking paragraph (2);

11 (3) by inserting after paragraph (1) the follow-  
12 ing:

13 “(2) APPROPRIATE SECRETARY.—The term ‘ap-  
14 propriate Secretary’ means—

15 “(A) the Secretary of Labor, with respect  
16 to programs authorized under titles II, III, and  
17 IV of this Act; and

18 “(B) the Secretary of Education, with re-  
19 spect to programs authorized under the Adult  
20 Education and Family Literacy Act.”;

21 (4) in paragraph (3), by striking “under parts  
22 A and C of title II” and inserting “under title II  
23 and title III”;

24 (5) in paragraph (4) to read as follows:

25 “(4) CHIEF ELECTED OFFICIAL.—The term  
26 ‘chief elected official’ means the chief elected execu-

1       tive officer of a unit of general local government in  
2       a workforce development area.”;

3               (6) in paragraph (5) to read as follows:

4               “(5) COMMUNITY-BASED ORGANIZATION.—The  
5       term ‘community-based organization’ means a pri-  
6       vate nonprofit organization that is representative of  
7       a community or a significant segment of a commu-  
8       nity and that has demonstrated the ability, or that  
9       can demonstrate a capacity, to effectively administer  
10      a program under this Act.”;

11              (7) by striking paragraph (6);

12              (8) by inserting after paragraph (5) the follow-  
13      ing:

14              “(6) DISLOCATED WORKER.—The term ‘dis-  
15      located worker’ means an individual who—

16                      “(A)(i) has been terminated or laid off, or  
17                      who has received a notice of termination or lay-  
18                      off, from employment;

19                      “(ii) is eligible for or has exhausted entitle-  
20                      ment to unemployment compensation; and

21                      “(iii) is unlikely to return to a previous in-  
22                      dustry or occupation;

23                      “(B) has been terminated or laid off, or  
24                      has received a notice of termination or layoff,  
25                      from employment as a result of any permanent

1 closure of, or and substantial layoff at, a plant,  
2 facility, or enterprise;

3 “(C) was self-employed (including a farmer  
4 and a rancher) but is unemployed as a result of  
5 general economic conditions in the community  
6 in which the individual resides or because of  
7 natural disasters;

8 “(D) is a displaced homemaker; or

9 “(E) has become unemployed as a result of  
10 a Federal action that limits the use of, or re-  
11 stricts access to, a marine natural resource.”;

12 (9) in paragraph (10) to read as follows:

13 “(10) INDIVIDUAL WITH A DISABILITY.—(A)  
14 The term ‘individual with a disability’ means an in-  
15 dividual with any disability (as defined in section 3  
16 of the Americans with Disabilities Act of 1990 (42  
17 U.S.C. 12102)).

18 “(B) The term ‘individuals with disabilities’  
19 means more than one individual with a disability.”;

20 (10) by striking paragraph (11);

21 (11) in paragraph (14), by striking “section  
22 521(22) of the Carl D. Perkins Vocational Edu-  
23 cation Act” and inserting “section 14101 of the Ele-  
24 mentary and Secondary Education Act of 1965 (20  
25 U.S.C. 8801)”;

1           (12) in paragraph (18), by striking all after  
2           “institution of higher education” and inserting “(as  
3           such term is defined in section 481 of the Higher  
4           Education Act of 1965 (20 U.S.C. 1088)) that con-  
5           tinues to meet the eligibility and certification re-  
6           quirements under title IV of such Act (20 U.S.C.  
7           1070 et seq.)”;

8           (13) by striking paragraph (19);

9           (14) in paragraph (21) to read as follows:

10          “(21) SECRETARIES.—The term ‘Secretaries’  
11          means the Secretary of Labor and the Secretary of  
12          Education.”;

13          (15) in paragraph (22) to read as follows:

14          “(22) STATE.—The term ‘State’ means each of  
15          the several States of the United States, the District  
16          of Columbia, and the Commonwealth of Puerto  
17          Rico.”;

18          (16) in paragraph (24) to read as follows:

19          “(24) SUPPORTIVE SERVICES.—The term ‘sup-  
20          portive services’ means services such as transpor-  
21          tation, child care, dependent care, and needs-based  
22          payments, that are necessary to enable an individual  
23          to participate in programs authorized under title II  
24          and title III of this Act, consistent with the provi-  
25          sions of such titles.”;

1 (17) in paragraph (27) to read as follows:

2 “(27) VETERAN.—The term ‘veteran’ has the  
3 meaning given such term in section 101(2) of title  
4 38, United States Code.”;

5 (18) by striking paragraph (35);

6 (19) by striking paragraph (36);

7 (20) in paragraph (37), by striking “post-termi-  
8 nation services authorized under sections 204(c)(4)  
9 and 264(d)(5) and follow up services authorized  
10 under section 253(d)” and inserting “follow up serv-  
11 ices authorized under this Act”; and

12 (21) by adding at the end the following:

13 “(41) EMPLOYMENT, TRAINING AND LITERACY  
14 PROGRAMS.—The term ‘employment, training and  
15 literacy programs’ means programs authorized under  
16 titles II and III of this Act and the Adult Education  
17 and Family Literacy Act.

18 “(42) ENGLISH LITERACY PROGRAM.—The  
19 term ‘English literacy program’ means a program of  
20 instruction designed to help individuals of limited  
21 English proficiency achieve full competence in the  
22 English language.

23 “(43) FAMILY LITERACY SERVICES.—The term  
24 ‘family literacy services’ means services provided to  
25 participants on a voluntary basis that are of suffi-

1       cient intensity in terms of hours, and of sufficient  
2       duration, to make sustainable changes in a family  
3       (such as eliminating or reducing welfare depend-  
4       ency) and that integrate all of the following activi-  
5       ties:

6               “(A) Interactive literacy activities between  
7       parents and their children.

8               “(B) Equipping parents to partner with  
9       their children in learning.

10              “(C) Parent literacy training that leads to  
11       economic self-sufficiency.

12              “(D) Appropriate instruction for children  
13       of parents receiving parent literacy services.

14              “(44) FULL SERVICE ELIGIBLE PROVIDERS.—  
15       The term ‘full service eligible provider’ means a pro-  
16       vider designated under section 123(c).

17              “(45) HUMAN RESOURCE PROGRAMS.—The  
18       term ‘human resource programs’ means programs  
19       identified under section 103.

20              “(46) INDIVIDUAL OF LIMITED ENGLISH PRO-  
21       FICIENCY.—The term ‘individual of limited English  
22       proficiency’ means an individual—

23                      “(A) who has limited ability in speaking,  
24       reading, or writing the English language; and

1           “(B)(i) whose native language is a lan-  
2           guage other than English; or

3           “(ii) who lives in a family or community  
4           environment where a language other than Eng-  
5           lish is the dominant language.

6           “(47) LITERACY.—The term ‘literacy’ used  
7           with respect to an individual, means the ability of  
8           the individual to speak, read, and write English, and  
9           compute and solve problems, at levels of proficiency  
10          necessary—

11          “(A) to function on the job, in the family  
12          of the individual, and in society;

13          “(B) to achieve the goals of the individual;  
14          and

15          “(C) to develop the knowledge potential of  
16          the individual.

17          “(48) LOCAL BENCHMARKS.—The term ‘local  
18          benchmarks’ means the expected level of perform-  
19          ance of a local workforce development area estab-  
20          lished pursuant to section 153(b).

21          “(49) LOCAL BOARD.—The term ‘local board’  
22          means a local workforce development board estab-  
23          lished under section 122.

1           “(50) LOCAL WORKFORCE DEVELOPMENT  
2 AREA.—The term ‘local workforce development area’  
3 means an area designated under section 121(a).

4           “(51) ON-THE-JOB TRAINING.—The term ‘on-  
5 the-job training’ means training by an employer that  
6 is provided to a paid participant while engaged in  
7 productive work in a job that—

8                   “(A) provides knowledge or skills essential  
9 to the full and adequate performance of the job;

10                   “(B) provides reimbursement to employers  
11 of up to 50 percent of the wage rate of the par-  
12 ticipant, for the extraordinary costs of provid-  
13 ing the training and additional supervision re-  
14 lated to the training; and

15                   “(C) is limited in duration as appropriate  
16 to the occupation for which the participant is  
17 being trained, taking into account the content  
18 of the training, the prior work experience of the  
19 participant, and the service strategy of the par-  
20 ticipant, as appropriate.

21           “(52) OUTLYING AREA.—The term ‘outlying  
22 area’ means the United States Virgin Islands,  
23 Guam, American Samoa, the Commonwealth of the  
24 Northern Mariana Islands, the Republic of the Mar-

1 shall Islands, the Federated States of Micronesia,  
2 and the Republic of Palau.

3 “(53) RAPID RESPONSE ASSISTANCE.—The  
4 term ‘rapid response assistance’ means assistance  
5 provided by a State, or by an entity designated by  
6 a State, with funds provided by the State under sec-  
7 tion 313(a)(2) in the case of a permanent closure or  
8 mass layoff at a plant, facility, or enterprise, or a  
9 natural or other disaster, that results in mass job  
10 dislocation, in order to assist dislocated workers in  
11 obtaining reemployment as soon as possible, with  
12 services including—

13 “(A) the establishment of onsite contact  
14 with employers and employee representatives—

15 “(i) immediately after the State is no-  
16 tified of a current or projected permanent  
17 closure or mass layoff; or

18 “(ii) in the case of a disaster, imme-  
19 diately after the State is made aware of  
20 mass job dislocation as a result of such  
21 disaster;

22 “(B) the provision of information and ac-  
23 cess to available employment and training ac-  
24 tivities;

1           “(C) assistance in establishing voluntary  
2 labor management committees with the ability  
3 to devise and implement a strategy for assess-  
4 ing the employment and training needs of dis-  
5 located workers and obtaining services to meet  
6 those needs;

7           “(D) the provision of emergency assistance  
8 adapted to the particular closure, layoff, or dis-  
9 aster; and

10           “(E) the provision of assistance to the  
11 local community in developing a coordinated re-  
12 sponse and in obtaining access to State eco-  
13 nomic development assistance.

14           “(54) REPRESENTATIVES OF EMPLOYEES.—For  
15 purposes of section 122, the term ‘representatives of  
16 employees’ means—

17           “(A) individuals who have been elected by  
18 organizations, associations, or a network of  
19 similar institutions to represent the economic  
20 interests of employees at a significant segment  
21 of workplaces located in, or adjacent to, the  
22 local workforce development area; or

23           “(B) individuals from organizations, asso-  
24 ciations, or a network of similar institutions,  
25 with expertise to represent, or experience rep-

1           resenting, the interests of employees with re-  
2           spect to the job training priorities in the local  
3           workforce development area.

4           “(55) SKILL GRANT.—The term ‘skill grant’  
5           means a voucher or credit issued to a participant  
6           under section 314(c)(6)(A) for the purchase of train-  
7           ing services from eligible providers of such services.

8           “(56) STATE ADJUSTED BENCHMARKS.—The  
9           term ‘state adjusted benchmarks’ means a state’s  
10          expected levels of performance established pursuant  
11          to 153(a).

12          “(57) STATE BENCHMARK.—The term ‘State  
13          benchmark’ means the benchmarks established by  
14          the state pursuant to section 152(a).

15          “(58) STATEWIDE SYSTEM.—The term ‘state-  
16          wide system’ means a statewide employment and  
17          training and literacy system that includes programs  
18          authorized under titles II and III of this Act and the  
19          Adult Education and Family Literacy Act.”.

## 20           **Subtitle B—State and Local** 21           **Administrative Provisions**

### 22   **SEC. 111. STATE ADMINISTRATIVE PROVISIONS.**

23          Part A of title I of the Job Training Partnership Act  
24   (29 U.S.C. 1511 et seq.) is amended to read as follows:

1 **“PART A—STATE ADMINISTRATIVE PROVISIONS**

2 **“SEC. 101. STATE PLAN.**

3 “(a) IN GENERAL.—For a State to be eligible to re-  
4 ceive an allotment under title II or III, the Adult Edu-  
5 cation and Family Literacy Act, or section 6 of the Wag-  
6 ner-Peyser Act (29 U.S.C. 49e), the Governor of the State  
7 shall submit to Secretaries, for consideration by the appro-  
8 priate Secretary, a single comprehensive State plan that  
9 provides a 3-year strategy and policy guidance with re-  
10 spect to the Statewide system, and programs authorized  
11 under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), oper-  
12 ated in the State. Such plan shall meet the requirements  
13 of this section and section 102.

14 “(b) CONTENTS.—The State plan shall include the  
15 following:

16 “(1) A description of the collaborative process  
17 described in section 102, including a description of  
18 the manner in which the individuals and entities in-  
19 volved in such process collaborated in the develop-  
20 ment of the plan and will continue to collaborate in  
21 carrying out the functions described in section  
22 102(c).

23 “(2) Information describing—

24 “(A) the needs of the State with regard to  
25 current and projected demands for workers, by  
26 occupation;

1           “(B) the skills and economic development  
2 needs of the State; and

3           “(C) the type and availability of employ-  
4 ment and training services in the State.

5           “(3)(A) A description of the State long-term  
6 goals for the Statewide system.

7           “(B) An identification of the benchmarks that  
8 the State will use to measure its progress toward  
9 meeting the goals described in subparagraph (A)  
10 based on the core indicators of performance de-  
11 scribed in section 154.

12           “(C) A description of how the goals and bench-  
13 marks will ensure continuous improvement of the  
14 Statewide system and make such system relevant  
15 and responsive to labor market, skill, and literacy  
16 needs at the State and local levels.

17           “(4) An identification of local workforce devel-  
18 opment areas in the State, including a description of  
19 the process used for the designation of such areas.

20           “(5) An identification of criteria to be used by  
21 local chief elected officials for the appointment of  
22 members of local workforce development boards,  
23 consistent with the provisions of section 122.

24           “(6)(A) A description of measures that will be  
25 taken by the State to assure coordination and con-

1       sistency and avoid duplication among employment,  
2       training, and literacy programs receiving assistance  
3       under this Act, and, at a minimum, programs car-  
4       ried out under the Wagner-Peyser Act (29 U.S.C.  
5       49 et seq.), the Rehabilitation Act of 1973 (20  
6       U.S.C. 701 et seq.), title I of the Personal Respon-  
7       sibility and Work Opportunity Reconciliation Act of  
8       1996, the Community Services Block Grant Act,  
9       title V of the Older Americans Act of 1965, the Na-  
10      tional and Community Service Act of 1990, and pro-  
11      grams carried out by the Veterans' Employment and  
12      Training Service with funds received under section  
13      4103 of title 38, United States Code, including a de-  
14      scription of common data collection and reporting  
15      processes.

16           “(B) Information identifying how any funds  
17      that a State receives through the allotments made  
18      under this Act will be leveraged with other private  
19      and public resources (including funds made available  
20      to the State under the Wagner-Peyser Act (29  
21      U.S.C. 49 et seq.)) and other human resource pro-  
22      grams to maximize the effectiveness of such re-  
23      sources, and expand the participation of business,  
24      industry, employees, and individuals in the Statewide  
25      system.

1           “(7) A description of the process used by the  
2 State to provide an opportunity for public comment,  
3 and input into development of the plan, prior to sub-  
4 mission of the plan.

5           “(8) A description of the within-State allocation  
6 formulas developed through the collaborative process  
7 pursuant to sections 204(b)(2) and 313(b), through  
8 which the State will distribute funds to local  
9 workforce development areas, including—

10           “(A) a description of how the individuals  
11 and entities involved in the collaborative proc-  
12 ess, including representatives of the State legis-  
13 lature, determined the factors for such for-  
14 mulas;

15           “(B) a description of how such individuals  
16 and entities consulted with chief elected officials  
17 in local workforce development areas through-  
18 out the State in determining such formulas;  
19 and

20           “(C) assurances that such formulas will re-  
21 sult in funds being distributed equitably  
22 throughout the State, that no one factor in  
23 such formulas receive disproportionate  
24 weighting, and that such formulas protect local

1 workforce development areas from significant  
2 shifts in funding from year to year.

3 “(9)(A) With respect to employment and train-  
4 ing programs for disadvantaged youth authorized  
5 under title II, information describing the State’s  
6 strategy for providing comprehensive services to dis-  
7 advantaged youth, particularly those youth who are  
8 recognized as having significant barriers to employ-  
9 ment, and a description of how the State intends to  
10 use its State reserve funds (described in section  
11 204(a)) to serve areas in the State with high con-  
12 centrations of disadvantaged youth.

13 “(B) An assurance that each local workforce  
14 development area will be allowed to determine the  
15 proportion of funds allocated to such area under sec-  
16 tion 204(b)(2) that will be used to provide summer  
17 employment opportunities and year-round disadvan-  
18 tagged youth activities, respectively.

19 “(10) With respect to employment and training  
20 programs for adults and dislocated workers author-  
21 ized under title III, information—

22 “(A) describing the employment and train-  
23 ing activities that will be carried out with the  
24 funds received by the State through the allot-  
25 ments made under section 312, including a de-

1 description of how the State will provide rapid re-  
2 sponse assistance to dislocated workers from  
3 funds reserved under section 313(a)(2);

4 “(B) describing the strategy of the State  
5 (including the timeframe for such strategy) for  
6 development of a fully operational statewide full  
7 service employment and training delivery sys-  
8 tem as described in section 123, including the  
9 steps that the State will take over the 3 years  
10 covered by the plan, working with local  
11 workforce development boards, to provide infor-  
12 mation to individuals through the full service  
13 employment and training delivery system on the  
14 quality of employment, training, and literacy  
15 services;

16 “(C) describing the procedures the State  
17 will use, working with local workforce develop-  
18 ment boards, to identify eligible providers of  
19 training services described in section 314(c), as  
20 required under section 124; and

21 “(D) describing how the State will serve  
22 the employment and training needs of dis-  
23 located workers (including displaced home-  
24 makers), economically disadvantaged individuals  
25 (including welfare recipients), individuals train-

1           ing for nontraditional employment, and other  
2           individuals with multiple barriers to employ-  
3           ment (including older workers and individuals  
4           with disabilities).

5           “(11) With respect to adult education and lit-  
6           eracy activities authorized under part A of the Adult  
7           Education and Family Literacy Act—

8                   “(A) a description of the assessment that  
9                   will be made to determine the adult education  
10                  and family literacy needs of the State;

11                  “(B) a description of the adult education  
12                  and literacy activities that will be carried out  
13                  with any funds received under such part, in-  
14                  cluding activities carried out under section  
15                  314(a) of such Act;

16                  “(C) a description of how the adult edu-  
17                  cation and literacy activities that will be carried  
18                  out with any funds received under such part  
19                  will be integrated with other adult education,  
20                  career development, and employment and train-  
21                  ing activities in the State or outlying area of  
22                  the eligible agency;

23                  “(D) a description of how the eligible agen-  
24                  cy annually will evaluate the effectiveness of the  
25                  adult education and literacy activities that are

1 carried out with any funds received under such  
2 part;

3 “(E) an assurance that any funds received  
4 under such part will not be expended for any  
5 purpose other than the activities described in  
6 sections 313 and 314 of such Act;

7 “(F) an assurance that the eligible agency  
8 will expend any funds received under such part  
9 only in a manner consistent with the fiscal re-  
10 quirements in section 315 of such Act;

11 “(G) an assurance that the eligible agency  
12 will award not less than 1 grant under such  
13 part to providers who offer flexible schedules  
14 and necessary support services (such as child  
15 care and transportation) to enable individuals,  
16 including individuals with disabilities or other  
17 special needs to participate in adult education  
18 and literacy activities; and

19 “(H) a description of the steps the State  
20 will take to ensure direct and equitable access,  
21 as stipulated in section 313(c)(2) of the Adult  
22 Education and Family Literacy Act.

23 “(12) With respect to programs authorized  
24 under the Wagner-Peyser Act (29 U.S.C. 49 et

1 seq.), the plan information required under section 8  
2 of such Act.

3 “(c) PLAN SUBMISSION.—A State plan submitted to  
4 the Secretaries under this section shall be approved by the  
5 appropriate Secretary unless such Secretary makes a writ-  
6 ten determination, within 90 days after receiving the plan,  
7 that the plan is inconsistent with the specific provisions  
8 of this Act.

9 “(d) SPECIAL RULES.—

10 “(1) GOVERNOR.—The Governor of a State  
11 shall have final authority to determine the content of  
12 the portion of the State plan described in para-  
13 graphs (1) through (9)(A), paragraph (10), and  
14 paragraph (12) of subsection (b).

15 “(2) ELIGIBLE AGENCY.—The eligible agency  
16 for adult education and literacy in a State shall have  
17 final authority to determine the content of the por-  
18 tion of the State plan described in paragraph (11)  
19 of subsection (b).

20 “(e) MODIFICATIONS TO PLAN.—A State may submit  
21 modifications to a State plan in accordance with the re-  
22 quirements of this section and section 102 as necessary  
23 during the 3-year period covered by the plan.

1 **“SEC. 102. COLLABORATIVE PROCESS.**

2 “(a) IN GENERAL.—A State shall use a collaborative  
3 process in the development of the State plan described in  
4 section 101 and in carrying out the functions described  
5 under subsection (c). Such collaborative process shall be  
6 carried out by, at a minimum, the following individuals  
7 and entities (who overall, represent diverse regions of the  
8 State, including urban, rural, and suburban areas):

9 “(1) the Governor;

10 “(2) representatives of the State legislature;

11 “(3) representatives, appointed by the Gov-  
12 ernor, of—

13 “(A) business and industry;

14 “(B) local chief elected officials (represent-  
15 ing both cities and counties, where appro-  
16 priate);

17 “(C) local educational agencies (including  
18 adult education and literacy providers);

19 “(D) postsecondary institutions (including  
20 community and technical colleges);

21 “(E) organizations representing individuals  
22 served by programs authorized under this Act  
23 (including community-based organizations);

24 “(F) organizations serving individuals par-  
25 ticipating in programs authorized under this

1 Act and the Adult Education and Family Lit-  
2 eracy Act;

3 “(G) parents; and

4 “(H) employees (which may include labor);

5 “(4) the lead State agency official or officials  
6 for—

7 “(A) employment security;

8 “(B) job training;

9 “(C) the State educational agency;

10 “(D) the eligible agency for vocational edu-  
11 cation;

12 “(E) the eligible agency for adult edu-  
13 cation and literacy;

14 “(F) the State agency responsible for post-  
15 secondary education;

16 “(G) the State agency responsible for wel-  
17 fare; and

18 “(H) the State agency responsible for vo-  
19 cational rehabilitation, and where applicable,  
20 the State agency providing vocational rehabili-  
21 tation program activities for the blind;

22 “(5) such other State agency officials, including  
23 officials responsible for economic development, as  
24 the Governor may designate; and

1           “(6) the representative of the Veterans’ Em-  
2           ployment and Training Service assigned to the State  
3           under section 4103 of title 38, United States Code.

4           “(b) CLARIFICATION.—For purposes of complying  
5           with subsection (a), a State may use any State collabo-  
6           rative process (including a council, board, State Human  
7           Resource Investment Council established under section  
8           103, or a similar entity) that meets or is conformed to  
9           meet the requirements of such subsection.

10          “(c) ADDITIONAL FUNCTIONS OF THE COLLABO-  
11          RATIVE PROCESS.—In addition to development of the  
12          State plan, the individuals and entities described in sub-  
13          section (a) shall collaborate in—

14                 “(1) the designation of local workforce areas as  
15                 required under section 121;

16                 “(2) the development of allocation formulas for  
17                 the distribution of funds to local workforce develop-  
18                 ment areas for programs authorized under title II  
19                 and title III;

20                 “(3) the development of the State goals and  
21                 benchmarks as required under part C of this title,  
22                 including the continued updating of such goals and  
23                 benchmarks;

24                 “(4) the provision of management guidance and  
25                 review for all programs in the State, including re-

1 view of the operation of programs conducted in each  
2 local workforce development area, and the availabil-  
3 ity, responsiveness, and adequacy of State services,  
4 and make recommendations to the Governor, the  
5 State legislature, appropriate chief elected officials,  
6 local workforce development boards, and service pro-  
7 viders throughout the State regarding the findings  
8 of such review;

9 “(5) the continued development of linkages be-  
10 tween employment, training, literacy, and other  
11 human resource and workforce preparation pro-  
12 grams in the State;

13 “(6) comment at least once annually on the  
14 measures taken pursuant to section 113(b)(14) of  
15 the Carl D. Perkins Vocational Education Act; and

16 “(7) review plans of all State agencies providing  
17 employment, training, literacy, and related services,  
18 and provide comments and recommendations to the  
19 Governor, the State legislature, the State agencies,  
20 and the appropriate federal agencies on the rel-  
21 evancy and effectiveness of employment, training, lit-  
22 eracy, and related delivery systems in the State.”.

1 **SEC. 112. LOCAL ADMINISTRATIVE PROVISIONS.**

2 Part B of title I of the Job Training Partnership Act  
3 (29 U.S.C. 1531 et seq.) is amended by striking sections  
4 121 through 123 and inserting the following:

5 **“SEC. 121. LOCAL WORKFORCE DEVELOPMENT AREAS.**

6 “(a) DESIGNATION OF AREAS.—

7 “(1) IN GENERAL.—Except as provided in sub-  
8 section (b), and consistent with paragraph (2), a  
9 State that desires to receive a grant under title II  
10 or title III shall, through the collaborative process  
11 established under section 102 and after consultation  
12 with local chief elected officials, and after consider-  
13 ation of comments received through the public com-  
14 ment process as described in section 101(b)(7) of  
15 the State plan, designate local workforce develop-  
16 ment areas within the State that are consistent with  
17 labor market areas, or a substantial portion of a  
18 labor market area, and that take into consideration  
19 the following:

20 “(A) Units of general local government.

21 “(B) Geographic areas served by local edu-  
22 cational agencies and intermediate educational  
23 agencies.

24 “(C) Geographic areas served by post-  
25 secondary institutions and area vocational edu-  
26 cation schools.

1           “(D) Service delivery areas established  
2           under section 101 of this Act (as such section  
3           was in effect on the day before the date of the  
4           enactment of the Employment, Training, and  
5           Literacy Enhancement Act of 1997).

6           “(E) The distance that individuals will  
7           need to travel to receive services.

8           “(2) AUTOMATIC DESIGNATION.—The Governor  
9           shall approve any request for designation as a  
10          workforce development area from any unit of general  
11          local government with a population of 500,000 or  
12          more.

13          “(b) SMALL STATES.—Any State determined to be  
14          eligible to receive a minimum allotment under section  
15          203(b)(2)(D) or paragraph (1)(B)(iv) or paragraph  
16          (2)(B)(iv) of section 312(b) may designate itself, through  
17          the collaborative process established pursuant to section  
18          102, and after consultation with local chief elected offi-  
19          cials, and consideration of comments received through the  
20          public comment process described in section 101(b)(7) of  
21          the State plan, as a single State workforce development  
22          area for purposes of this Act.

23          **“SEC. 122. LOCAL WORKFORCE DEVELOPMENT BOARDS.**

24          “(a) ESTABLISHMENT.—There shall be established in  
25          each local workforce development area of a State, and cer-

1 tified by the Governor of the State, a local workforce de-  
2 velopment board (hereinafter referred to as the ‘local  
3 board’), reflecting business and community interests in  
4 employment, training, and other workforce preparation ac-  
5 tivities.

6 “(b) MEMBERSHIP.—

7 “(1) STATE CRITERIA.—The Governor of the  
8 State, through the collaborative process described in  
9 section 102, shall establish criteria for use by local  
10 chief elected officials in the local workforce develop-  
11 ment areas for appointment of members of the local  
12 boards in such local areas in accordance with the re-  
13 quirements of paragraph (2).

14 “(2) COMPOSITION.—(A) Such criteria shall re-  
15 quire at a minimum, that the membership of each  
16 local board consist of—

17 “(i) a majority of members who are rep-  
18 resentatives of business and industry in the  
19 local workforce development area, who are own-  
20 ers of businesses, chief executives or chief oper-  
21 ating officers of private business, and other  
22 business executives with optimum policymaking  
23 authority in local businesses, appointed from  
24 among individuals nominated by local business  
25 organizations and trade associations;

1           “(ii) representatives of local educational  
2 entities, including representatives of local edu-  
3 cational agencies, local school boards, post-  
4 secondary educational institutions (including  
5 representatives of community colleges), and rep-  
6 resentatives of providers of adult education and  
7 literacy services, where such schools, institu-  
8 tions, educators, or providers, as appropriate,  
9 exist, selected from among individuals nomi-  
10 nated by regional or local educational agencies,  
11 institutions, or organizations representing such  
12 individuals or entities; and

13           “(iii) representatives of community-based  
14 organizations (including, as appropriate, a com-  
15 munity-based organization that provides direct  
16 job training and placement services to individ-  
17 uals with disabilities), employees (which may in-  
18 clude labor), and other representatives of the  
19 public who may include program participants,  
20 parents, individuals with disabilities, older  
21 workers, veterans, or organizations serving such  
22 individuals, as nominated to the board by re-  
23 gional or local agencies, institutions, or organi-  
24 zations representing such individuals or entities.

1           “(B) In addition, the membership of each local  
2 board may consist of representatives of local welfare  
3 agencies, economic development agencies, and the  
4 local employment service system.

5           “(3) CHAIRPERSON.—The local board shall  
6 elect a chairperson from among the members of the  
7 board.

8           “(c) APPOINTMENT AND CERTIFICATION OF  
9 BOARD.—

10           “(1) APPOINTMENT OF BOARD MEMBERS AND  
11 ASSIGNMENT OF RESPONSIBILITIES.—

12           “(A) IN GENERAL.—The chief elected offi-  
13 cial in a local workforce development area is au-  
14 thorized to appoint the members of the local  
15 board for such area, in accordance with the  
16 State criteria established under subsection (b).

17           “(B) MULTIPLE UNITS OF LOCAL GOVERN-  
18 MENT IN AREA.—

19           “(i) IN GENERAL.—In a case in which  
20 a local workforce development area in-  
21 cludes more than 1 unit of general local  
22 government, the chief elected officials of  
23 such units may execute an agreement that  
24 specifies the respective roles of the individ-  
25 ual chief elected officials—

1           “(I) in the appointment of the  
2           members of the local board from the  
3           individuals nominated or rec-  
4           ommended to be such members in ac-  
5           cordance with the criteria established  
6           under subsection (b); and

7           “(II) in carrying out any other  
8           responsibilities assigned to such offi-  
9           cials.

10          “(ii) LACK OF AGREEMENT.—If, after  
11          a reasonable effort, the chief elected offi-  
12          cials are unable to reach agreement as pro-  
13          vided under clause (i), the Governor may  
14          appoint the members of the local board  
15          from individuals so nominated or rec-  
16          ommended.

17          “(2) CERTIFICATION.—

18          “(A) IN GENERAL.—The Governor is au-  
19          thorized to biennially certify 1 local board for  
20          each local workforce development area in the  
21          State.

22          “(B) CRITERIA.—Such certification shall  
23          be based on factors including the criteria estab-  
24          lished under subsection (b) and, for a second or  
25          subsequent certification, the extent to which the

1 local board has ensured that employment and  
2 training activities and disadvantaged youth ac-  
3 tivities carried out in the local workforce devel-  
4 opment area have met expected levels of per-  
5 formance with respect to the local benchmarks  
6 negotiated pursuant to subsection (d)(6)(A).

7 “(C) FAILURE TO ACHIEVE CERTIFI-  
8 CATION.—Failure of a local board to achieve  
9 certification shall result in reappointment and  
10 certification of another local board for the local  
11 workforce development area pursuant to the  
12 process described in paragraph (1) and this  
13 paragraph.

14 “(3) DECERTIFICATION.—

15 “(A) FISCAL NONCOMPLIANCE.—Notwith-  
16 standing paragraph (2), the Governor may de-  
17 certify a local board if it is determined as a re-  
18 sult of financial and compliance audits that  
19 there is a substantial violation of a specific re-  
20 quirement under this Act and corrective action  
21 has not been taken, in accordance with section  
22 164. If the Governor decertifies a local board  
23 for a local workforce development area under  
24 this subparagraph, the Governor may require  
25 that a new local board be appointed and cer-

1           tified for the local workforce development area  
2           pursuant to a reorganization plan developed by  
3           the Governor under section 164(b)(1) and in  
4           accordance with the criteria established under  
5           subsection (b).

6           “(B) NONPERFORMANCE.—Notwithstand-  
7           ing paragraph (2), the Governor may decertify  
8           a local board if a local workforce development  
9           area fails to meet the local benchmarks estab-  
10          lished pursuant to section 153(b) for such local  
11          area for two consecutive program years (in ac-  
12          cordance with section 156(b)(2)). If the Gov-  
13          ernor decertifies a local board for a local  
14          workforce development area under this subpara-  
15          graph, the Governor may require that a new  
16          local board be appointed and certified for the  
17          local area pursuant to a reorganization plan de-  
18          veloped by the Governor under section  
19          156(b)(2) and in accordance with the criteria  
20          established under subsection (b).

21          “(4) SINGLE STATE AREA.—Notwithstanding  
22          subsection (b) and paragraphs (1) and (2), if a  
23          State described in section 121(b) indicates in the  
24          State plan that the State will be treated as a local  
25          workforce development area for purposes of the ap-

1       plication of this Act, the Governor may designate the  
2       individuals and entities involved in the collaborative  
3       process described in section 105 to carry out the  
4       functions described in subsection (d).

5       “(d) FUNCTIONS OF LOCAL BOARD.—The functions  
6 of the local board shall include the following:

7               “(1) LOCAL PLAN.—

8                       “(A) IN GENERAL.—Each local board, in  
9                       partnership with the chief local elected official,  
10                      shall develop and submit to the Governor, for  
11                      approval, a comprehensive 3-year strategic local  
12                      plan. The local plan shall be consistent with the  
13                      State goals and State plan described in section  
14                      101.

15                     “(B) CONTENTS.—The local plan shall in-  
16                     clude—

17                               “(i) an identification of the workforce  
18                               development needs of local industries, job  
19                               seekers, and workers;

20                               “(ii) a description of the disadvan-  
21                               tagged youth activities and the employment  
22                               and training activities for adults and dis-  
23                               located workers to be carried out in the  
24                               local workforce development area as re-  
25                               quired under titles II and III, that, with

1 activities authorized under the Wagner-  
2 Peyser Act (29 U.S.C. 49 et seq.), will  
3 contribute to the coherent delivery of em-  
4 ployment, training and workforce prepara-  
5 tion activities in the local area;

6 “(iii) a description of the local bench-  
7 marks negotiated with the Governor pursu-  
8 ant to paragraph (6)(A), to be used by the  
9 local board for measuring the performance  
10 of the local administrative entity (where  
11 appropriate), eligible providers of services  
12 authorized under titles II and III, and the  
13 performance of the full service employment  
14 and training delivery system in the local  
15 workforce development area;

16 “(iv) a description of the local full  
17 service employment and training delivery  
18 system to be established or designated in  
19 the local workforce development area, in-  
20 cluding—

21 “(I) a description of the process  
22 negotiated with the Governor pursu-  
23 ant to paragraph (6)(B) that the local  
24 board will use to designate or certify  
25 full service eligible providers in the

1 local workforce development area,  
2 which ensures that the most effective  
3 and efficient providers will be chosen;

4 “(II) a description of how the  
5 local board will ensure the continuous  
6 improvement of such full service eligi-  
7 ble providers and that such providers  
8 will continue to meet the labor market  
9 needs of local employers and partici-  
10 pants; and

11 “(III) an identification of the  
12 roles of individual employment, train-  
13 ing, and other human resources pro-  
14 grams, as determined appropriate, in-  
15 cluding programs authorized by the  
16 Wagner-Peyser Act (20 U.S.C. 49 et  
17 seq.), in carrying out the functions of  
18 the full service employment and train-  
19 ing delivery system, including a de-  
20 scription of the funding sources to be  
21 used in the operation of the full serv-  
22 ice employment and training system;

23 “(v) an identification of the adminis-  
24 trative entity designated by the local board  
25 in accordance with paragraph (5);

1           “(vi) a description of the steps the  
2 local board will take to work with local  
3 educational agencies, postsecondary edu-  
4 cational institutions (including community  
5 colleges, where applicable), vocational edu-  
6 cators, providers of adult education and lit-  
7 eracy services, and other representatives of  
8 the educational community to address local  
9 employment, education, and training  
10 needs, including a description of linkages  
11 established with such individuals and enti-  
12 ties to enhance the provision of services,  
13 including supportive services, and avoid  
14 duplication;

15           “(vii) a description of the process that  
16 will be used by the local board to fully in-  
17 volve representatives of the local commu-  
18 nity, including community-based organiza-  
19 tions with experience in serving disadvan-  
20 taged youth, the local education commu-  
21 nity (including vocational educators and  
22 teachers), parents, youth, local law en-  
23 forcement agencies, and representatives of  
24 business and employees (which may include  
25 labor) in the development and implementa-

1           tion of disadvantaged youth programs in  
2           the local workforce development area, in-  
3           cluding a description of the process used  
4           (involving the individuals and organizations  
5           described in this clause) to ensure that the  
6           most effective and efficient providers are  
7           chosen to carry out the activities author-  
8           ized under title II; and

9                   “(viii) such other information as the  
10           Governor may require.

11           “(2) SELECTION OF PROVIDERS.—

12                   “(A) SELECTION OF FULL SERVICE PRO-  
13           VIDERS.—Consistent with section 123 and the  
14           agreement negotiated with the Governor under  
15           paragraph (6)(B)(i), the local board is author-  
16           ized to designate or certify full service eligible  
17           providers, and to terminate for cause, the eligi-  
18           bility of such providers.

19                   “(B) SELECTION OF DISADVANTAGED  
20           YOUTH PROVIDERS.—Consistent with section  
21           207, the local board is authorized to award  
22           grants on a competitive basis to eligible provid-  
23           ers of disadvantaged youth activities in the local  
24           workforce development area.

1           “(3) IDENTIFICATION OF ELIGIBLE PROVIDERS  
2           OF TRAINING SERVICES.—Consistent with section  
3           124, the local board is authorized to work in part-  
4           nership with the Governor concerning the identifica-  
5           tion of eligible providers of training services de-  
6           scribed in section 314(c) in the local workforce de-  
7           velopment area.

8           “(4) BUDGET AND PROGRAM OVERSIGHT.—

9           “(A) BUDGETING.—

10           “(i) IN GENERAL.—The local  
11           workforce development board shall develop  
12           a budget for the purpose of carrying out  
13           local programs established under titles II  
14           and III and section 123.

15           “(ii) APPROVAL OF BUDGET.—Such  
16           budget shall be subject to the approval of  
17           the chief elected official or officials in the  
18           local workforce development area.

19           “(B) PROGRAM OVERSIGHT.—The local  
20           workforce development board, in partnership  
21           with the chief elected official or officials in the  
22           local workforce development area, shall conduct  
23           oversight of the programs established under ti-  
24           tles II and III and section 123.

25           “(5) ADMINISTRATION.—

1                   “(A) DESIGNATION OF ADMINISTRATIVE  
2 ENTITY.—

3                   “(i) IN GENERAL.—The local  
4 workforce development board may des-  
5 ignate itself as the administrative entity  
6 for receipt and disbursement of funds  
7 made available for carrying out programs  
8 authorized under title II and title III of  
9 this Act, or the local board may designate  
10 an administrative entity (which may be the  
11 State through a mutual agreement between  
12 the local board and the State), for the pur-  
13 pose of receipt and disbursement of such  
14 funds.

15                   “(ii) ADDITIONAL FISCAL RESPON-  
16 SIBILITIES.—Each administrative entity  
17 shall be responsible for the distribution of  
18 funds and shall have responsibility to take  
19 action against its subcontractors, sub-  
20 grantees, and other recipients to eliminate  
21 abuses in the programs being carried out  
22 in the local workforce development area  
23 and to prevent any misuse of funds by sub-  
24 contractors, subgrantees, and other recipi-  
25 ents.

1           “(B) STAFF; GRANTS AND OTHER CON-  
2           TRIBUTIONS.—The local board may employ its  
3           own staff, independent of local programs and  
4           service providers, and may solicit or accept  
5           grants and contributions from sources other  
6           than from this Act.

7           “(C) PROHIBITION ON DIRECT PROVISION  
8           OF SERVICES.—

9           “(i) IN GENERAL.—Except as pro-  
10          vided in clause (ii), a local board or em-  
11          ployees of such board may not directly pro-  
12          vide services under programs established  
13          under this Act.

14          “(ii) WAIVER.—The Governor of the  
15          State in which the local board is located  
16          may grant to the local board a written  
17          waiver of the prohibition under clause (i)  
18          where necessary to improve performance or  
19          to provide a full array of services in the  
20          local area as may be particularly necessary  
21          in rural areas.

22          “(D) CONFLICT OF INTEREST.—A member  
23          of a local board may not—

24                 “(i) vote on a matter under consider-  
25                 ation by the local board—

1                   “(I) regarding the provision of  
2                   services by such member (or by an or-  
3                   ganization that such member rep-  
4                   resents); or

5                   “(II) that would provide direct fi-  
6                   nancial benefit to such member or the  
7                   immediate family of such member; or

8                   “(ii) engage in any other activity de-  
9                   termined by the Governor to constitute a  
10                  conflict of interest.

11                 “(6) NEGOTIATIONS.—

12                   “(A) LOCAL BENCHMARKS.—The local  
13                   board, the local chief elected official, and the  
14                   Governor shall negotiate and reach agreement  
15                   on local benchmarks designed to meet the State  
16                   goals described in the State plan under section  
17                   101 for the local workforce development area.  
18                   In determining such benchmarks, the Governor,  
19                   the local chief elected official, and the local  
20                   board shall take into account the State adjusted  
21                   benchmarks described in section 153(a) with re-  
22                   spect to programs authorized under titles II  
23                   and III, and specific economic, demographic,  
24                   and other characteristics of the populations to

1 be served in the local workforce development  
2 area.

3 “(B) LOCAL DELIVERY OF SERVICES.—

4 “(i) IN GENERAL.—The local board,  
5 the local chief elected official, and the Gov-  
6 ernor shall negotiate and reach agreement  
7 on a process to be used by the local board  
8 that meets the requirements of subclauses  
9 (I) and (II) of paragraph (1)(B)(iv) for—

10 “(I) the designation or certifi-  
11 cation of full service eligible providers  
12 (as described in section 123(c)) in the  
13 local workforce development area, in-  
14 cluding, consistent with State statute,  
15 a determination of the role of provid-  
16 ers of activities authorized under the  
17 Wagner-Peyser Act (29 U.S.C. 49 et  
18 seq.) in the full service delivery of  
19 services in the local workforce develop-  
20 ment area; and

21 “(II) the continued role of the  
22 local board and the local elected offi-  
23 cial in conducting oversight with re-  
24 spect to full service eligible providers  
25 that are providers of activities author-

1                    ized under the Wagner-Peyser Act (29  
2                    U.S.C. 49 et seq.).

3                    “(ii) ESTABLISHED FULL SERVICE  
4                    EMPLOYMENT AND TRAINING DELIVERY  
5                    SYSTEM.—Notwithstanding this subsection  
6                    and section 123(c), if a full service employ-  
7                    ment and training delivery system has  
8                    been established in a local workforce devel-  
9                    opment area prior to the date of enactment  
10                    of this Act, or if approval has been ob-  
11                    tained for a plan for a full service employ-  
12                    ment and training delivery system under  
13                    the Wagner-Peyser Act (29 U.S.C. 49 et  
14                    seq.) prior to the date of enactment of this  
15                    Act, the local board and the Governor in-  
16                    volved may agree to certify such full serv-  
17                    ice employment and training delivery sys-  
18                    tem for purposes of this subparagraph.

19                    “(7) LIMITATION.—Nothing in this Act shall be  
20                    construed to provide local workforce development  
21                    boards with the authority to mandate curriculum for  
22                    schools.

23                    “(e) SUNSHINE PROVISION.—

24                    “(1) IN GENERAL.—The local board shall make  
25                    available to the public, on a regular basis, informa-

1 tion regarding the activities of the local board, in-  
2 cluding information regarding membership, the des-  
3 ignation and certification of full service employment  
4 and training eligible providers, the award of grants  
5 to eligible providers of disadvantaged youth activi-  
6 ties, and upon request, minutes of formal meetings  
7 of the local board.

8 “(2) LOCAL PLAN.—Prior to the submission of  
9 the local plan to the Governor, under subsection  
10 (d)(1)(D)(ii), the local board shall make such plan  
11 available for review and comment to—

12 “(A) appropriate community-based organi-  
13 zations and local educational and other public  
14 agencies in the local workforce development  
15 area;

16 “(B) local business organizations and rep-  
17 resentatives of employees in the local workforce  
18 development area; and

19 “(C) the general public through such  
20 means as public hearings and local news media.

21 **“SEC. 123. FULL SERVICE EMPLOYMENT AND TRAINING DE-**  
22 **LIVERY SYSTEM.**

23 “(a) IN GENERAL.—There shall be established in a  
24 State that receives an allotment under section 312, a full  
25 service employment and training delivery system that—

1           “(1) shall provide the core services described in  
2           subsection (d), including the information described  
3           in part E of title IV and labor exchange services au-  
4           thorized under the Wagner-Peyser Act (29 U.S.C.  
5           49 et seq.);

6           “(2) shall provide access to the activities car-  
7           ried out under subsection (e), if any; and

8           “(3) shall provide access to intensive and train-  
9           ing services described in section 314, including serv-  
10          ing as the point of distribution of skill grants for  
11          training services to participants in accordance with  
12          section 314(e)(6)(A).

13          “(b) ACCESS TO DELIVERY OF SERVICES.—

14                 “(1) IN GENERAL.—The State’s full service em-  
15                 ployment and training delivery system shall provide  
16                 individuals and employers with access to the services  
17                 described in subsection (a) through a network of eli-  
18                 gible providers that assures participants that such  
19                 services will be available, regardless of where the  
20                 participants initially enter the system. At a mini-  
21                 mum, such services shall be available—

22                         “(A) through a network of full service em-  
23                         ployment and training delivery centers, estab-  
24                         lished in all local workforce development areas

1 in the State, that provide all of the services de-  
2 scribed in subsection (a); or

3 “(B) at not less than one full service em-  
4 ployment and training delivery center in each  
5 local workforce development area in the State  
6 that provides all of the services described in  
7 subsection (a), supplemented with multiple af-  
8 filiated sites that provide one or more of such  
9 services and are linked through electronic and  
10 technological access points.

11 “(2) SPECIALIZED CENTERS.—Of the full serv-  
12 ice employment and training delivery centers or af-  
13 filiated sites described in paragraph (1), such cen-  
14 ters or sites may have a specialization in addressing  
15 special needs, such as the needs of dislocated work-  
16 ers.

17 “(c) ELIGIBILITY FOR DESIGNATION.—Any entity or  
18 consortium of entities located in a local workforce develop-  
19 ment area may be designated or certified by the local  
20 workforce development board (in accordance with section  
21 122(d)(2)(A)) through a competitive process, or through  
22 an agreement reached between the local board and a con-  
23 sortium of entities, to operate a full service employment  
24 and training delivery center or to participate as an affili-  
25 ated site in the full service employment and training deliv-

1 ery system. Such entities shall be known as ‘full service  
2 eligible providers’ and may include—

3 “(1) institutions of higher education;

4 “(2) local employment service offices established  
5 under the Wagner-Peyser Act (29 U.S.C 49 et seq.);

6 “(3) private, nonprofit organizations (including  
7 community-based organizations);

8 “(4) private for-profit entities;

9 “(5) agencies of local government; and

10 “(6) other interested organizations and entities  
11 of demonstrated effectiveness, including local cham-  
12 bers of commerce and other business organizations,  
13 consistent with State criteria as described in the  
14 State plan under section 101.

15 “(d) CORE SERVICES.—Funds made available to local  
16 workforce development areas under section 313(b), in ad-  
17 dition to funds made available under the Wagner-Peyser  
18 Act, part E of title IV, and other related programs, shall  
19 be used to provide core services, which shall be available  
20 to all individuals through the full service employment and  
21 training delivery system and shall, at a minimum, in-  
22 clude—

23 “(1) outreach, intake (which may include work-  
24 er profiling), and orientation to the information and

1 other services available through the full service em-  
2 ployment and training delivery system;

3 “(2) initial assessment of skill levels, aptitudes,  
4 abilities, and supportive service needs;

5 “(3) job search and placement assistance, and  
6 where appropriate, career counseling;

7 “(4) provision of accurate information relating  
8 to local, regional, and national labor markets, in-  
9 cluding—

10 “(A) job vacancy listings in such markets;

11 and

12 “(B) information relating to local occupa-  
13 tions in demand and the earnings and skill re-  
14 quirements for such occupations;

15 “(5) provision of accurate information relating  
16 to the quality and availability of employment, train-  
17 ing, and literacy activities authorized under titles II  
18 and III of this Act and the Adult Education and  
19 Family Literacy Act, and of vocational rehabilitation  
20 program activities as appropriate, and referral to  
21 such activities;

22 “(6) provision of information relating to unem-  
23 ployment compensation, publicly funded employment  
24 and training programs (including registered appren-  
25 ticeships), and forms of public financial assistance,

1 such as student aid programs, that may be available  
2 in order to enable individuals to participate in em-  
3 ployment, training, literacy, and other workforce  
4 preparation activities;

5 “(7) soliciting and accepting job orders submit-  
6 ted by employers in the local workforce development  
7 area, and screening and referring applicants in ac-  
8 cordance with such orders;

9 “(8) dissemination of lists of eligible training  
10 providers and performance information regarding  
11 such providers in accordance with section 124; and

12 “(9) any additional performance information  
13 with respect to the full service employment and  
14 training delivery system in the local workforce devel-  
15 opment area.

16 “(e) PERMISSIBLE SERVICES.—Funds made avail-  
17 able to local workforce development areas under section  
18 313(b) may be used to contribute to, through the full serv-  
19 ice employment and training delivery system—

20 “(1) co-location of services related to employ-  
21 ment, training, and literacy activities, such as unem-  
22 ployment insurance, vocational rehabilitation pro-  
23 gram activities, veterans’ employment services, pro-  
24 grams authorized under the Wagner-Peyser Act (29  
25 U.S.C. 49 et seq.), employment-related services for

1 welfare recipients, or other public assistance activi-  
2 ties;

3 “(2) customized screening and referral of quali-  
4 fied participants to employment; and

5 “(3) customized employment-related services to  
6 employers on a fee-for-service basis.

7 **“SEC. 124. IDENTIFICATION OF TRAINING PROVIDERS.**

8 “(a) ELIGIBILITY REQUIREMENTS.—

9 “(1) IN GENERAL.—Except as provided in sub-  
10 section (e), to be identified as an eligible provider of  
11 training services under title III and to receive funds  
12 made available for the provision of training services  
13 described in section 314(c) (referred to in this sec-  
14 tion as ‘training services’), a provider of such serv-  
15 ices shall meet the requirements of this section.

16 “(2) POSTSECONDARY EDUCATIONAL INSTITU-  
17 TION.—Subject to the provisions of this section, a  
18 postsecondary educational institution shall automati-  
19 cally be eligible to provide training services under  
20 title III for programs that are eligible to participate  
21 in title IV of the Higher Education Act of 1965.

22 “(3) OTHER ELIGIBLE PROVIDERS.—

23 “(A) PROCEDURE.—

24 “(i) IN GENERAL.—The Governor  
25 shall establish a procedure for use by local

1 workforce development boards in determin-  
2 ing the eligibility of public and private pro-  
3 viders not described in paragraph (2) (in-  
4 cluding eligibility of postsecondary edu-  
5 cational institutions for programs not de-  
6 scribed in paragraph (2)) to receive such  
7 funds.

8 “(ii) FACTORS.—In developing such  
9 procedure, the Governor—

10 “(I) shall solicit and take into  
11 consideration the recommendations of  
12 local workforce development boards  
13 and providers of training services  
14 within the State; and

15 “(II) shall take into consider-  
16 ation—

17 “(aa) the specific economic,  
18 geographic, and demographic fac-  
19 tors in the local areas in which  
20 eligible providers are located; and

21 “(bb) the characteristics of  
22 the populations served by the eli-  
23 gible providers, including the  
24 demonstrated difficulties in serv-

1                   ing such populations, where ap-  
2                   plicable.

3                   “(B) LEVELS OF PERFORMANCE.—At a  
4                   minimum, the procedure described in subpara-  
5                   graph (A) shall require such a provider to meet  
6                   minimum acceptable levels of performance  
7                   based on verifiable program-specific perform-  
8                   ance information described in subsection (b)  
9                   and submitted to the State agency designated  
10                  under subsection (c), as required under para-  
11                  graphs (2) and (3) of subsection (c).

12                  “(b) PERFORMANCE INFORMATION.—

13                  “(1) REQUIRED INFORMATION.—Pursuant to  
14                  subsection (c)(2), to be eligible to provide training  
15                  services under title III, a provider shall submit infor-  
16                  mation on—

17                  “(A) program completion rates for individ-  
18                  uals in the applicable program conducted by the  
19                  provider;

20                  “(B) the percentage of individuals in the  
21                  applicable program who obtain employment,  
22                  which may also include information specifying  
23                  the percentage of individuals who obtain em-  
24                  ployment in an occupation related to the pro-  
25                  gram conducted;

1           “(C) the earnings at placement of individ-  
2           uals who complete the program; and

3           “(D) for literacy providers or providers of  
4           integrated education and training services, the  
5           success rate of the applicable program in rais-  
6           ing the literacy levels of individuals in skill  
7           areas that are considered important for success-  
8           ful participation in training and employment.

9           “(2) **ADDITIONAL INFORMATION.**—Subject to  
10          paragraph (3), in addition to the performance infor-  
11          mation described in paragraph (1), the Governor  
12          may require that a provider described in this para-  
13          graph submit such other performance information as  
14          the Governor determines to be appropriate, which  
15          may include information relating to—

16                 “(A) the retention in employment and the  
17                 subsequent earnings of the individuals who  
18                 complete the applicable program;

19                 “(B) where appropriate, the rates of licen-  
20                 sure or certification of individuals who complete  
21                 the program;

22                 “(C) the percentage of individuals who  
23                 complete the program who attain industry-rec-  
24                 ognized occupational skills in the subject, occu-

1           pation, or industry for which training is pro-  
2           vided, where applicable; and

3           “(D) the adequacy of space, staff, equip-  
4           ment, instructional materials, and student sup-  
5           port services offered by the provider through a  
6           program conducted by the provider.

7           “(3) CONDITIONS.—

8           “(A) IN GENERAL.—If the Governor re-  
9           quests additional information pursuant to para-  
10          graph (2) that imposes extraordinary costs on  
11          providers, the Governor shall provide access to  
12          cost-effective methods for the collection of such  
13          information or provide additional resources to  
14          assist providers in the collection of such infor-  
15          mation from funds made available under section  
16          313(a).

17          “(B) TRANSITION PERIOD FOR PERFORM-  
18          ANCE-BASED INFORMATION.—For program  
19          years 1999 and 2000, the performance-based  
20          information to be submitted by a provider  
21          under this subsection shall only be required to  
22          be provided relating to the performance of par-  
23          ticipants assisted under title III in lieu of all in-  
24          dividuals participating in the program of the  
25          provider. Nothing in this subparagraph shall be

1 construed to prohibit the submission of per-  
2 formance-based information for all individuals  
3 participating in the program of the provider as  
4 soon as is practicable prior to program year  
5 2001 and each provider shall be encouraged to  
6 submit such information.

7 “(c) ADMINISTRATION.—

8 “(1) DESIGNATION.—The Governor shall des-  
9 ignate a State agency to collect and disseminate the  
10 performance information described in subsection (b)  
11 and to carry out other duties described in this sub-  
12 section.

13 “(2) SUBMISSION.—A provider described in  
14 subsection (a) shall submit the performance informa-  
15 tion described in subsection (b) annually to the des-  
16 ignated State agency at such time and in such man-  
17 ner as the designated State agency may require. The  
18 designated State agency may accept program-spe-  
19 cific performance information consistent with the re-  
20 quirements for eligibility under title IV of the High-  
21 er Education Act of 1965 (20 U.S.C. 1070 et seq.)  
22 from such a provider for purposes of enabling the  
23 provider to fulfill the applicable requirements of this  
24 paragraph, if such information is substantially simi-  
25 lar to the information required under subsection (b).

1           “(3) LIST OF ELIGIBLE PROVIDERS.—

2                   “(A) IN GENERAL.—The designated State  
3 agency shall compile a list of eligible providers  
4 accompanied by the performance information  
5 described in subsection (b) consisting of—

6                           “(i) providers determined to be auto-  
7 matically eligible subject to subsection  
8 (a)(2); and

9                           “(ii) providers determined to be eligi-  
10 ble by local workforce development boards,  
11 subject to subsection (a)(3).

12           “(B) AVAILABILITY.—The designated  
13 State agency shall disseminate such lists and  
14 information to the full service employment and  
15 training delivery system and to local boards.  
16 Such list and information shall be made widely  
17 available to participants in employment and  
18 training programs authorized under title III  
19 and others through the full service employment  
20 and training delivery system described in sec-  
21 tion 123.

22           “(d) ENFORCEMENT.—

23                   “(1) ACCURACY OF INFORMATION.—If the des-  
24 ignated State agency determines that a provider or  
25 individual supplying information on behalf of a pro-

1 vider intentionally supplies inaccurate information  
2 under this section, the agency shall terminate the  
3 eligibility of the eligible provider to receive funds de-  
4 scribed in subsection (a) for a period of time, but  
5 not less than 2 years, as prescribed in regulations is-  
6 sued by the Governor.

7 “(2) NONCOMPLIANCE.—If the designated  
8 State agency, or the local workforce development  
9 board working through the State agency, determines  
10 that an eligible provider under subsection (a) sub-  
11 stantially violates any requirement under this Act,  
12 the agency, or the local board through the State  
13 agency, may terminate the eligibility of such pro-  
14 vider to receive funds described in subsection (a) for  
15 such program or take such other action as the agen-  
16 cy or local board determines to be appropriate.

17 “(3) NONPERFORMANCE.—

18 “(A) TERMINATION FOR NONPERFORM-  
19 ANCE.—If the designated State agency, or the  
20 local workforce development board working  
21 through the State agency, determines that an  
22 eligible provider under subsection (a) substan-  
23 tially fails to meet performance criteria estab-  
24 lished by the Governor, the agency, or the local

1 board working through the State agency, may  
2 terminate the eligibility of such provider.

3 “(B) FACTORS.—In establishing the per-  
4 formance criteria described under subparagraph  
5 (A)(i), the Governor shall—

6 “(i) solicit and take into consideration  
7 the recommendations of local workforce de-  
8 velopment boards and providers of training  
9 services within the State; and

10 “(ii) take into consideration—

11 “(I) the specific economic, geo-  
12 graphic, and demographic factors in  
13 the local areas in which eligible pro-  
14 viders are located; and

15 “(II) the characteristics of the  
16 populations served by the eligible pro-  
17 viders, including the demonstrated dif-  
18 ficulties in serving such populations,  
19 where applicable.

20 “(4) ELIGIBILITY UNDER THE HIGHER EDU-  
21 CATION ACT OF 1965.—If the designated State agen-  
22 cy determines that the eligibility of an eligible pro-  
23 vider described in subsection (a)(2) under title IV of  
24 the Higher Education Act of 1965 has been termi-  
25 nated, the agency—

1           “(A) shall terminate the automatic eligi-  
2           bility of the provider under subsection (a)(2);  
3           and

4           “(B) shall require the provider to meet the  
5           requirements of subsection (a)(3) to be eligible  
6           to receive funds as described in subsection (a).

7           “(5) REPAYMENT.—A provider whose eligibility  
8           is terminated under paragraph (1) or (2) for a pro-  
9           gram shall be liable for repayment of all funds de-  
10          scribed in subsection (a) received for the program  
11          during any period of noncompliance described in  
12          such paragraph.

13          “(6) APPEAL.—The Governor shall establish a  
14          procedure for an eligible provider to appeal a deter-  
15          mination by the local board or the designated state  
16          agency that results in the denial or termination of  
17          eligibility under this subsection. Such procedure  
18          shall provide an opportunity for a hearing and pre-  
19          scribe appropriate time limits to ensure prompt reso-  
20          lution of the appeal.

21          “(7) CONSTRUCTION.—This subsection shall be  
22          construed to supplement, but not supplant, other  
23          civil and criminal remedies and penalties.

24          “(e) ON-THE-JOB TRAINING EXCEPTION.—



1 coming sex-stereotyping in occupations traditional  
2 for the other sex.”.

3 (b) RELOCATION.—Section 141(c) of such Act (29  
4 U.S.C. 1551(c)) is amended to read as follows:

5 “(c) RELOCATION.—

6 “(1) PROHIBITION ON USE OF FUNDS TO EN-  
7 COURAGE OR INDUCE RELOCATION.—No funds pro-  
8 vided under title II, III, or IV shall be used or pro-  
9 posed for use to encourage or induce the relocation,  
10 of a business or part of a business, that results in  
11 a loss of employment for any employee of such busi-  
12 ness at the original location, if such original location  
13 is within the United States.

14 “(2) PROHIBITION ON USE OF FUNDS FOR CUS-  
15 TOMIZED OR SKILL TRAINING AND RELATED ACTIVI-  
16 TIES AFTER RELOCATION.—No funds provided  
17 under title II, III, or IV for an employment and  
18 training activity shall be used for customized or skill  
19 training, on-the-job training, or company-specific as-  
20 sessments of job applicants or employees, for any  
21 business or part of a business, that has relocated,  
22 until 120 days after the date on which such business  
23 commences operations at the new location, if the re-  
24 location of such business or part of a business, re-  
25 sults in a loss of employment for any employee of

1 such business at the original location and such origi-  
2 nal location is within the United States.

3 “(3) REPAYMENT.—If the Secretary of Labor  
4 determines that a violation of paragraph (1) or (2)  
5 has occurred, the Secretary shall require the State  
6 that has violated such paragraph to repay to the  
7 United States an amount equal to the amount ex-  
8 pended in violation of such paragraph.”.

9 (c) TRAINING FOR OCCUPATIONS IN DEMAND.—Sub-  
10 section (d) of section 141 of such Act (29 U.S.C. 1551(d))  
11 is hereby repealed.

12 (d) AGREEMENTS AMONG AREAS RELATING TO EDU-  
13 CATION, TRAINING, AND EMPLOYMENT OF PARTICI-  
14 PANTS.—Section 141(e) of such Act (29 U.S.C. 1551(e))  
15 is amended—

16 (1) by striking paragraph (1); and

17 (2) in paragraph (2)—

18 (A) by striking “(2)”;

19 (B) by striking “service delivery area”  
20 each place it appears and inserting “local  
21 workforce development area”; and

22 (C) in the second sentence—

23 (i) by striking “private industry coun-  
24 cil” and inserting “local workforce develop-  
25 ment board”; and

1 (ii) by striking “section 104” and in-  
2 serting “section 122(d)(1)”.

3 (e) PROHIBITION ON CERTAIN VOTES.—Subsection  
4 (f) of section 141 of such Act (29 U.S.C. 1551(f)) is here-  
5 by repealed.

6 (f) PAYMENTS TO EMPLOYERS FOR ON-THE-JOB  
7 TRAINING.—Section 141(g) of such Act (29 U.S.C.  
8 1551(g)) is amended—

9 (1) by striking paragraphs (1) through (3); and  
10 (2) in paragraph (4)—

11 (A) by striking “(4)”;

12 (B) by striking “In accordance with regu-  
13 lations issued by the Secretary, on-the-job  
14 training contracts” and inserting “On-the-job  
15 training contracts”; and

16 (C) by striking “with wages and employ-  
17 ment benefits” and all that follows and insert-  
18 ing a period.

19 (g) DUPLICATE FACILITIES OR SERVICES.—Section  
20 141(h) of such Act (29 U.S.C. 1551(h)) is amended to  
21 read as follows:

22 “(h)(1) Upon the approval of the Governor, real prop-  
23 erty in which, as of July 1, 1998, equity has resulted from  
24 funds provided under title III of the Social Security Act,  
25 section 903(c) of such Act (commonly referred to as the

1 ‘Reed Act’), or the Wagner-Peyser Act (29 U.S.C. 49 et  
2 seq.) may be used for the purposes of a full service employ-  
3 ment and training delivery center.

4 “(2) Unless otherwise provided in a plan approved  
5 pursuant to section 101, subsequent to the commencement  
6 of the use of the property described in paragraph (1) for  
7 the purposes of a full service employment and training de-  
8 livery center, funds provided under the provisions of law  
9 described in paragraph (1) may only be used to acquire  
10 further equity in such property, or to pay operating and  
11 maintenance expenses relating to such property in propor-  
12 tion to the extent of the use of such property attributable  
13 to the activities authorized under such provisions of law.”.

14 (h) RESPONSIBILITIES OF ADMINISTRATIVE ENTI-  
15 TIES.—Section 141(i) of such Act (29 U.S.C. 1551(i)) is  
16 hereby repealed.

17 (i) PROHIBITION ON CERTAIN SUBSIDIZED EMPLOY-  
18 MENT.—Section 141(k) of such Act (29 U.S.C. 1551(k))  
19 is hereby repealed.

20 (j) CONSULTATION REQUIREMENTS.—Section 141(n)  
21 of such Act (29 U.S.C. 1551(n)) is amended—

22 (1) by striking “private industry councils” each  
23 place it appears and inserting “local workforce devel-  
24 opment boards”;

1           (2) by striking “councils” and inserting  
2           “boards”;

3           (3) by striking “service delivery area” each  
4           place it appears and inserting “local workforce devel-  
5           opment area”; and

6           (4) by striking “this Act” each place it appears  
7           and inserting “title II or title III”.

8           (k) PROHIBITION ON USE OF FUNDS FOR PUBLIC  
9           SERVICE EMPLOYMENT.—Section 141(p) of such Act (29  
10          U.S.C. 1551(p)) is amended—

11           (1) by striking “part B of this title or part A  
12           or C of title II” and inserting “this Act”; and

13           (2) by inserting at the end before the period the  
14           following: “except as specifically authorized under  
15           this Act”.

16           (l) PROHIBITION ON USE OF FUNDS FOR CERTAIN  
17           ECONOMIC ACTIVITIES.—Section 141(q) of such Act (29  
18          U.S.C. 1551(p)) is amended in the first sentence by in-  
19           serting at the end before the period the following: “which  
20           are not directly related to training or related services for  
21           eligible individuals under this Act”.

22           (m) PRIORITY FOR EXCESS PROPERTY OF THE DE-  
23           PARTMENT OF DEFENSE.—Section 141(s) of such Act (29  
24          U.S.C. 1551(s)) is hereby repealed.

1           (n) PROHIBITION ON ENTITLEMENT TO SERVICE.—  
2 Section 141 of such Act (29 U.S.C. 1551) is amended by  
3 adding at the end the following:

4           “(s) PROHIBITION ON ENTITLEMENT TO SERVICE.—  
5 Nothing in this Act shall be construed to provide an indi-  
6 vidual with an entitlement to a service under this Act.

7           “(t) FEE FOR SERVICE AUTHORITY.—Services, facili-  
8 ties, and equipment funded under titles II and III may  
9 be used, as appropriate, on a fee for service basis, by em-  
10 ployers in a local workforce development area in order to  
11 provide employment and training services to incumbent  
12 workers—

13                 “(1) when such services, facilities, or equipment  
14 are not in use for the provision of services for eligi-  
15 ble program participants under title II or title III,  
16 respectively;

17                 “(2) if such use would not have an adverse af-  
18 fect on the provision of services to eligible program  
19 participants under title II or title III, respectively;  
20 and

21                 “(3) if the income derived from such fees is  
22 used to carry out the programs authorized under  
23 title II or title III, respectively.”.

1 **SEC. 122. BENEFITS.**

2 Section 142(a) of the Job Training Partnership Act  
3 (29 U.S.C. 1552(a)) is amended—

4 (1) by striking all that precedes paragraph (4)  
5 and inserting the following:

6 “(a) WAGES.—

7 “(1) IN GENERAL.—Individuals in on-the-job  
8 training or individuals employed in activities under  
9 this Act shall be compensated at the same rates, in-  
10 cluding periodic increases, as trainees or employees  
11 who are similarly situated in similar occupations by  
12 the same employer and who have similar training,  
13 experience and skills, and such rates shall be in ac-  
14 cordance with applicable law, but in no event less  
15 than the higher of the rate specified in section  
16 6(a)(1) of the Fair Labor Standards Act of 1938  
17 (29 U.S.C. 206(a)(1)) or the applicable State or  
18 local minimum wage law.”; and

19 (2) by redesignating paragraph (4) as para-  
20 graph (2).

21 **SEC. 123. LABOR STANDARDS.**

22 Section 143 of the Job Training Partnership Act (29  
23 U.S.C. 1553) is amended to read as follows:

24 **“SEC. 143. LABOR STANDARDS.**

25 “(a) LIMITATIONS ON ACTIVITIES THAT IMPACT  
26 WAGES OF EMPLOYEES.—No funds provided under this

1 title shall be used to pay the wages of incumbent employ-  
2 ees during their participation in economic development ac-  
3 tivities provided through the statewide system.

4 “(b) DISPLACEMENT.—

5 “(1) PROHIBITION.—A participant in an activ-  
6 ity authorized under title II, III, or IV of this Act  
7 (referred to in this section as a ‘specified activity’)  
8 shall not displace (including a partial displacement,  
9 such as a reduction in the hours of nonovertime  
10 work, wages, or employment benefits) any currently  
11 employed employee (as of the date of the participa-  
12 tion).

13 “(2) PROHIBITION ON IMPAIRMENT OF CON-  
14 TRACTS.—A specified activity shall not impair an ex-  
15 isting contract for services or collective bargaining  
16 agreement, and no such activity that would be incon-  
17 sistent with the terms of a collective bargaining  
18 agreement shall be undertaken without the written  
19 concurrence of the labor organization and employer  
20 concerned.

21 “(c) OTHER PROHIBITIONS.—A participant in a  
22 specified activity shall not be employed in a job—

23 “(1) when any other individual is on layoff from  
24 the same or any substantially equivalent job;

1           “(2) when the employer has terminated the em-  
2           ployment of any regular employee or otherwise re-  
3           duced the workforce of the employer with the inten-  
4           tion of filling the vacancy so created with the partic-  
5           ipant; or

6           “(3) which is created in a promotional line that  
7           will infringe in any way upon the promotional oppor-  
8           tunities of currently employed individuals.

9           “(d) HEALTH AND SAFETY.—Health and safety  
10          standards established under Federal and State law other-  
11          wise applicable to working conditions of employees shall  
12          be equally applicable to working conditions of participants  
13          engaged in specified activities. To the extent that a State  
14          workers’ compensation law applies, workers’ compensation  
15          shall be provided to participants on the same basis as the  
16          compensation is provided to other individuals in the State  
17          in similar employment.

18          “(e) EMPLOYMENT CONDITIONS.—Individuals in on-  
19          the-job training or individuals employed in activities under  
20          this Act, shall be provided benefits and working conditions  
21          at the same level and to the same extent as other trainees  
22          or employees working a similar length of time and doing  
23          the same type of work.

24          “(f) OPPORTUNITY TO SUBMIT COMMENTS.—Inter-  
25          ested parties shall be provided an opportunity to submit

1 comments with respect to training programs proposed to  
2 be funded under this Act.”.

3 **SEC. 124. GRIEVANCE PROCEDURE.**

4 Section 144 of the Job Training Partnership Act (29  
5 U.S.C. 1554) is amended to read as follows:

6 **“SEC. 144. GRIEVANCE PROCEDURE.**

7 “(a) IN GENERAL.—Each State receiving an allot-  
8 ment under this Act shall establish and maintain a proce-  
9 dure for grievances or complaints alleging violations of the  
10 requirements of this Act from participants and other in-  
11 terested or affected parties. Such procedure shall include  
12 an opportunity for a hearing and be completed within 60  
13 days of filing the complaint.

14 “(b) INVESTIGATION.—

15 “(1) IN GENERAL.—The Secretary shall inves-  
16 tigate an allegation of a violation described in sub-  
17 section (a) if—

18 “(A) a decision relating to such violation  
19 has not been reached within 60 days after the  
20 date of the filing of the grievance or complaint  
21 and either party appeals to the Secretary; or

22 “(B) a decision relating to such violation  
23 has been reached within such 60 days and the  
24 party to which such decision is adverse appeals  
25 such decision to the Secretary.

1           “(2) ADDITIONAL REQUIREMENT.—The Sec-  
2           retary shall make a final determination relating to  
3           an appeal made under paragraph (1) no later than  
4           120 days after receiving such appeal.

5           “(c) REMEDIES.—Remedies shall be limited—

6           “(1) to suspension or termination of payments  
7           under this Act;

8           “(2) to prohibition of placement of a partici-  
9           pant with an employer that has violated any require-  
10          ments under this Act;

11          “(3) where applicable, to reinstatement of an  
12          employee, payment of lost wages and benefits, and  
13          reestablishment of other relevant terms, conditions  
14          and privileges of employment; and

15          “(4) where appropriate, to other equitable re-  
16          lief.”.

17 **SEC. 125. IDENTIFICATION OF ADDITIONAL IMPOSED RE-**  
18 **QUIREMENTS.**

19          Section 124 of the Job Training Partnership Act (29  
20 U.S.C. 1534) is amended—

21                 (1) by redesignating such section as section 146  
22                 of such Act; and

23                 (2) by inserting such section after section 145  
24                 of such Act.

1 **SEC. 126. AUTHORITY OF STATE LEGISLATURE.**

2 Section 126 of the Job Training Partnership Act (29  
3 U.S.C. 1536) is amended—

4 (1) by adding at the end “Any funds received  
5 by a State under title II or III of this Act shall be  
6 subject to appropriation by the State legislature,  
7 consistent with the terms and conditions required  
8 under this Act.”;

9 (2) by redesignating such section as section 147  
10 of such Act; and

11 (3) by inserting such section after section 146  
12 of such Act, as amended by this Act.

13 **SEC. 127. INTERSTATE AGREEMENTS.**

14 Section 127 of the Job Training Partnership Act (29  
15 U.S.C. 1537) is amended—

16 (1) by redesignating such section as section 148  
17 of such Act; and

18 (2) by inserting such section after section 147  
19 of such Act, as amended by this Act.

20 **CHAPTER 2—PERFORMANCE**

21 **ACCOUNTABILITY PROVISIONS**

22 **SEC. 131. PERFORMANCE ACCOUNTABILITY PROVISIONS.**

23 The Job Training Partnership Act (29 U.S.C. 1501  
24 et seq.) is amended by inserting after part C of title I  
25 of such Act the following:

1 **“SEC. 151. PERFORMANCE ACCOUNTABILITY SYSTEM.**

2 “In order to promote high levels of performance and  
3 to ensure an appropriate return on the Nation’s invest-  
4 ment in employment, training, and literacy programs, each  
5 State receiving funds under this Act or the Adult Edu-  
6 cation and Family Literacy Act shall implement a state-  
7 wide performance accountability system that meets the re-  
8 quirements of this subpart.

9 **“SEC. 152. INDICATORS OF PERFORMANCE.**

10 “(a) STATE BENCHMARKS.—

11 “(1) IN GENERAL.—Each State receiving funds  
12 under this Act shall identify indicators and related  
13 levels of performance (hereinafter referred to as  
14 ‘State benchmarks’), for each of the programs estab-  
15 lished under titles II, III, and V of this Act, to be  
16 used to measure the State’s progress in meeting the  
17 State long-term goals described in the State plan  
18 under section 101. Such State benchmarks shall, at  
19 a minimum—

20 “(A) include the core indicators of per-  
21 formance described in section 154;

22 “(B) be expressed in an objective, quantifi-  
23 able, and measurable form; and

24 “(C) show the progress of the State to con-  
25 tinuously improve in performance over the 3-  
26 year period covered by the State plan.

1           “(2) CUSTOMER SATISFACTION.—Such State  
2 benchmarks may also include post-program surveys  
3 and other measures of customer satisfaction of both  
4 employers and program participants.

5           “(b) TECHNICAL DEFINITIONS OF CORE INDICA-  
6 TORS.—In order to ensure nationwide comparability of  
7 performance data, the Secretary of Labor and the Sec-  
8 retary of Education, in collaboration with the States, local-  
9 ities, representatives of business and industry, employees,  
10 employment and training service providers, State directors  
11 of adult education, providers of adult education and lit-  
12 eracy services, individuals with expertise in serving the  
13 employment and training needs of disadvantaged youth,  
14 participants, parents and other interested parties with ex-  
15 pertise in the provision of employment, training, literacy,  
16 and related services, shall promulgate definitions of each  
17 of the core indicators of performance described in section  
18 154, with the exception of the indicators described under  
19 subsections (a)(6), (b)(1), (b)(5), (c)(1), and (c)(5) of  
20 such section, to be used under this Act in measuring per-  
21 formance.

22 **“SEC. 153. STATE ADJUSTED BENCHMARKS.**

23           “(a) AGREEMENT.—

24           “(1) IN GENERAL.—In order to ensure an ade-  
25 quate return on the investment of Federal funds in

1 employment, training, and literacy programs author-  
2 ized under this Act and the Adult Education and  
3 Family Literacy Act, the appropriate Secretary and  
4 each State shall reach agreement on the levels of  
5 performance expected to be achieved by such State  
6 based upon the State’s benchmarks established pur-  
7 suant to section 152(a)(1) (hereinafter referred to as  
8 the ‘State adjusted benchmarks’), for the core indi-  
9 cators of performance described in section 154 (ex-  
10 cept for the indicators described under subsections  
11 (a)(6), (b)(1), (b)(5), (c)(1), and (c)(5) of such sec-  
12 tion). Such agreement shall take into account—

13 “(A) whether the levels will enable each  
14 State to attain the State goals;

15 “(B) how the levels compare with the levels  
16 established by other States, taking into consid-  
17 eration the specific circumstances, including  
18 economic circumstances, of each State;

19 “(C) how the levels compare with the  
20 model levels of performance identified pursuant  
21 to subsection (c); and

22 “(D) the extent to which such levels dem-  
23 onstrate continuous improvement in perform-  
24 ance by such State and ensure an adequate re-  
25 turn on the investment of Federal funds.

1           “(2) AUTHORITY OF GOVERNOR.—The Gov-  
2           ernor of a State is authorized to enter into the  
3           agreement described in paragraph (1) for programs  
4           authorized under titles II and III.

5           “(3) AUTHORITY OF ELIGIBLE STATE AGEN-  
6           CY.—The eligible State agency for adult education  
7           and literacy programs is authorized to enter into the  
8           agreement described in paragraph (1) for programs  
9           authorized under the Adult Education and Family  
10          Literacy Act.

11          “(b) LOCAL BENCHMARKS FOR EMPLOYMENT AND  
12          TRAINING PROGRAMS.—Based on the expected levels of  
13          performance established pursuant to subsection (a), each  
14          State shall negotiate with the local workforce development  
15          board and the chief local elected official in each local  
16          workforce development area (consistent with section  
17          122(d)(6)(A)) the levels of performance for each indicator  
18          that are expected for such local workforce development  
19          areas. Such levels of performance shall be known as ‘local  
20          benchmarks’.

21          “(c) MODEL LEVELS OF PERFORMANCE.—In order  
22          to encourage high levels of performance and advance the  
23          Nation’s competitiveness, the Secretary of Labor and the  
24          Secretary of Education, in collaboration with the States,  
25          localities, and with representatives of business and indus-

1 try, employees, employment and training service providers,  
2 State directors of adult education, providers of adult edu-  
3 cation and literacy services, individuals with expertise in  
4 serving the employment and training needs of disadvan-  
5 taged youth, participants, parents and other interested  
6 parties with expertise in the provision of employment,  
7 training, literacy, and related services, shall identify chal-  
8 lenging model levels of performance (hereinafter referred  
9 to as ‘model levels of performance’) with respect to the  
10 core indicators of performance described in section 154,  
11 with the exception of the indicators described under sub-  
12 sections (a)(6), (b)(1), (b)(5), (c)(1), and (c)(5).

13 **“SEC. 154. CORE INDICATORS OF PERFORMANCE.**

14       “(a) CORE INDICATORS FOR ADULT EMPLOYMENT  
15 AND TRAINING PROGRAMS.—The common core indicators  
16 of performance for programs authorized under title III of  
17 this Act shall include measures of—

18               “(1) placement in unsubsidized employment;

19               “(2) retention in unsubsidized employment for  
20 not less than 6 months and for not less than 12  
21 months, respectively;

22               “(3) increases in earnings or in earnings in  
23 combination with employer-assisted benefits;

24               “(4) reductions in welfare dependency;

1           “(5) attainment of industry-recognized occupa-  
2           tional skills;

3           “(6) attainment of a high school diploma or a  
4           general equivalency diploma; and

5           “(7) such other measures of performance as the  
6           State may wish to collect.

7           “(b) CORE INDICATORS FOR ADULT EDUCATION AND  
8           LITERACY PROGRAMS.—The core indicators of perform-  
9           ance for programs conducted under the Adult Education  
10          and Family Literacy Act shall include measures of—

11          “(1) achievement in the areas of reading, writ-  
12          ing, English language acquisition, problem solving,  
13          numeracy, and other literacy skills;

14          “(2) receipt of a high school diploma or a gen-  
15          eral equivalency diploma;

16          “(3) entry into a postsecondary school, job re-  
17          training program, employment, or career advance-  
18          ment;

19          “(4) attainment of the literacy skills and knowl-  
20          edge individuals need to be productive and respon-  
21          sible citizens and to become more actively involved in  
22          the education of their children; and

23          “(5) such other measures of performance as the  
24          State may wish to collect.

1       “(c) CORE INDICATORS FOR DISADVANTAGED  
2 YOUTH.—The core indicators of performance for pro-  
3 grams conducted under title II shall include measures of—

4           “(1) attainment of challenging State academic  
5       proficiencies;

6           “(2) attainment of secondary school diplomas  
7       or general equivalency diplomas;

8           “(3) attainment of industry-recognized work  
9       readiness and occupational skills;

10          “(4) placement in, retention in, and completion  
11       of postsecondary education or advanced training, or  
12       placement and retention in military service, employ-  
13       ment, or qualified apprenticeships; and

14          “(5) such other measures of performance as the  
15       State may wish to collect.

16       “(d) POPULATION INDICATORS.—

17           “(1) ADULT EMPLOYMENT AND TRAINING PRO-  
18       GRAMS.—The core indicators of performance for  
19       programs conducted under title III, as provided  
20       under subsection (a), shall include measures of the  
21       success of individuals with multiple barriers to em-  
22       ployment, including economically disadvantaged indi-  
23       viduals (including welfare recipients), displaced  
24       homemakers, older workers, and other individuals as  
25       determined by the State.

1           “(2) ADULT EDUCATION AND LITERACY PRO-  
2           GRAMS.—The core indicators of performance for  
3           programs conducted under the Adult Education and  
4           Family Literacy Act, as provided under subsections  
5           (a) and (b), shall include measures of the success of  
6           economically disadvantaged individuals, individuals  
7           with limited literacy (as determined by the eligible  
8           agency), and other individuals as determined by the  
9           eligible agency.

10           “(3) DISADVANTAGED YOUTH PROGRAMS.—The  
11           core indicators of performance for programs con-  
12           ducted under title II, as provided under subsection  
13           (c), shall include measures of the success of hard to  
14           serve youth, including individuals who are school  
15           dropouts or whose educational attainment is one or  
16           more grade levels below the grade level appropriate  
17           to the age of the individual, and other individuals as  
18           determined by the State.

19   **“SEC. 155. REPORT ON PERFORMANCE.**

20           “(a) REPORT.—

21           “(1) IN GENERAL.—Each State that receives  
22           funds under titles II and III of this Act and the  
23           Adult Education and Family Literacy Act shall an-  
24           nually prepare and submit to the Secretary of Labor  
25           and the Secretary of Education (for consideration by

1 the appropriate Secretary) a report on the levels of  
2 performance achieved by the State with respect to  
3 the State adjusted benchmarks identified pursuant  
4 to section 153(a), and by each local workforce devel-  
5 opment area with respect to the local benchmarks  
6 identified pursuant to section 153(b) for programs  
7 authorized under title II and title III for each pro-  
8 gram year.

9 “(2) ADDITIONAL INFORMATION.—In preparing  
10 such report, the State may include—

11 “(A) information on such additional bench-  
12 marks as the State may establish to meet the  
13 State goals; and

14 “(B) comments assessing the process used  
15 for reaching agreement on the State adjusted  
16 benchmarks pursuant to section 153(a) and  
17 may also include comments from local  
18 workforce development areas assessing the proc-  
19 ess for negotiating local benchmarks pursuant  
20 to section 153(b).

21 “(b) INFORMATION DISSEMINATION.—The Secretary  
22 of Labor and the Secretary of Education—

23 “(1) shall make the information contained in  
24 such reports available to the general public through  
25 publication and other appropriate methods;

1           “(2) shall disseminate State-by-State compari-  
2           sons of the information; and

3           “(3) shall provide the appropriate congressional  
4           committees with copies of such reports.

5 **“SEC. 156. INCENTIVE GRANTS AND SANCTIONS.**

6           “(a) INCENTIVE GRANTS.—

7           “(1) AWARD OF GRANTS.—From amounts made  
8           available under section 452 and section 502 for any  
9           fiscal year, the appropriate Secretary may award in-  
10          centive grants to States that—

11                   “(A) exceed, during the most recent 12-  
12                   month period for which data are available, the  
13                   adjusted State benchmarks described under sec-  
14                   tion 153(a);

15                   “(B) demonstrate continuing progress to-  
16                   ward exceeding, during the 3-year period cov-  
17                   ered by the State plan submitted under section  
18                   101, the adjusted State benchmarks described  
19                   under section 153(a); or

20                   “(C) demonstrate significant progress in  
21                   the coordination and integration of employment,  
22                   training, literacy, and other human resource  
23                   and workforce preparation programs within the  
24                   State, and demonstrate high performance in  
25                   such programs.

1           “(2) TECHNICAL ASSISTANCE.—The Secretary,  
2           upon request, shall provide technical assistance to  
3           any State that does not qualify for receipt of an in-  
4           centive grant under paragraph (1).

5           “(3) USE OF FUNDS.—A State that receives an  
6           incentive grant under paragraph (1) may use funds  
7           made available under such grant only to carry out  
8           employment, training, or literacy activities.

9           “(b) SANCTIONS.—

10           “(1) STATES.—

11           “(A) TECHNICAL ASSISTANCE.—If a State  
12           fails to meet expected levels of performance for  
13           a program for any program year as established  
14           pursuant to section 153(a), the Secretary of  
15           Labor for programs established under title II  
16           and title III, or the Secretary of Education for  
17           programs established under the Adult Edu-  
18           cation and Family Literacy Act, shall, upon re-  
19           quest, provide technical assistance, including as-  
20           sistance in the development of a performance  
21           improvement plan.

22           “(B) REDUCTION IN AMOUNT OF  
23           GRANT.—If such failure continues for a second  
24           consecutive year, the appropriate Secretary may  
25           reduce by not more than 5 percent, the amount

1 of the grant that would (in the absence of this  
2 paragraph) be payable to the State under such  
3 program for the immediately succeeding pro-  
4 gram year. Such penalty shall be based on the  
5 degree of failure to meet adjusted levels of per-  
6 formance.

7 “(2) LOCAL AREAS.—

8 “(A) TECHNICAL ASSISTANCE.—If a local  
9 workforce development area, or other applicable  
10 local administrative entity, fails to meet ex-  
11 pected levels of performance for a program for  
12 any program year under section 153(b), the  
13 Governor, or upon request by the Governor, the  
14 Secretary, shall provide technical assistance,  
15 which may include the development of a per-  
16 formance improvement plan, or the development  
17 of a modified local plan.

18 “(B) CORRECTIVE ACTIONS.—

19 “(i) IN GENERAL.—If such failure  
20 continues for a second consecutive year,  
21 the Governor shall take corrective actions,  
22 which may include development of a reor-  
23 ganization plan through which the Gov-  
24 ernor may require the appointment of a  
25 new local board (consistent with the cri-

1           teria established under section 122(b)),  
2           prohibit the use of designated service pro-  
3           viders, require the redesignation of a local  
4           administrative entity (in such case chosen  
5           jointly by the Governor and the chief elect-  
6           ed official in the local workforce develop-  
7           ment area), or such other actions as the  
8           Governor determines are appropriate, con-  
9           sistent with State law, and the require-  
10          ments of this subparagraph.

11           “(ii) APPEAL BY WORKFORCE DEVEL-  
12          OPMENT AREA.—

13           “(I) APPEAL TO GOVERNOR.—A  
14          workforce development area that is  
15          subject to a reorganization plan under  
16          clause (i) may, not later than 30 days  
17          after receiving notice thereof, appeal  
18          to the Governor to rescind or revise  
19          such plan. In such case, the Governor  
20          shall make a final decision not later  
21          than 30 days after the receipt of the  
22          appeal.

23           “(II) SUBSEQUENT ACTION.—A  
24          local workforce development area may,  
25          not later than 30 days after receiving

1 a decision from the Governor pursu-  
2 ant to subclause (I), appeal such deci-  
3 sion to the Secretary. In such case the  
4 Secretary shall make a final decision  
5 not later than 30 days after the re-  
6 ceipt of the appeal.

7 “(iii) EFFECTIVE DATE.— The ac-  
8 tions take by the Governor under subclause  
9 (I) shall become effective at the time the  
10 Governor issues a decision pursuant to  
11 such subclause. Such action shall remain  
12 effective unless the Secretary rescinds or  
13 revises such plan pursuant to subclause  
14 (II).”.

### 15 **CHAPTER 3—OTHER PROVISIONS**

#### 16 **SEC. 141. PROMPT ALLOCATION OF FUNDS.**

17 Section 162 of the Job Training Partnership Act (29  
18 U.S.C. 1572) is amended—

19 (1) in the second sentence of subsection (a), by  
20 striking “1980 Census or later data” and inserting  
21 “the most recent satisfactory data from the Bureau  
22 of the Census”; and

23 (2) by striking subsection (f).

1 **SEC. 142. FISCAL CONTROLS; SANCTIONS.**

2 (a) ESTABLISHMENT OF FISCAL CONTROLS BY  
3 STATES.—Section 164(a) of the Job Training Partnership  
4 Act (29 U.S.C. 1574(a)) is amended—

5 (1) in paragraph (2)—

6 (A) in the first sentence of the matter pre-  
7 ceeding subparagraph (A), before the period at  
8 the end insert the following: “, consistent with  
9 appropriate circulars of the Office of Manage-  
10 ment and Budget”; and

11 (B) in subparagraph (C), by striking “ex-  
12 cept as specifically provided by this Act” and  
13 inserting “, and procurement transactions be-  
14 tween workforce development boards and such  
15 governments shall be conducted only on a cost-  
16 reimbursable basis”;

17 (2) in paragraph (3)—

18 (A) by inserting before the second comma  
19 in the first sentence “consistent with appro-  
20 priate circulars of the Office of Management  
21 and Budget”; and

22 (B) by striking the second sentence and all  
23 that follows;

24 (3) in paragraph (4), by striking “service deliv-  
25 ery area and substate area” and inserting  
26 “workforce development area”;

1 (4) in paragraph (5), by striking “service deliv-  
2 ery area or substate area” and inserting “workforce  
3 development area”;

4 (5) in paragraph (6)(B), by striking “substate  
5 areas and service delivery areas” and inserting  
6 “workforce development areas”; and

7 (6) by striking paragraph (8).

8 (b) SANCTIONS.—Section 164(b) of such Act (29  
9 U.S.C. 1574(b)) is amended—

10 (1) in paragraph (1)—

11 (A) in the matter preceding subparagraph

12 (A)—

13 (i) by striking “provision of” and in-  
14 serting “requirement under”; and

15 (ii) by striking “or the regulations  
16 under this Act”;

17 (B) in subparagraph (A), by inserting  
18 “local” before “plan”; and

19 (C) in subparagraph (B)—

20 (i) in clause (i), by striking “private  
21 industry council” and inserting “workforce  
22 development board”;

23 (ii) in clause (iii), by striking “service  
24 delivery” and inserting “workforce develop-  
25 ment”; and

1 (iii) in clause (iv), by striking “service  
2 delivery” each place it appears and insert-  
3 ing “workforce development”; and

4 (2) in paragraph (2)—

5 (A) in subparagraph (A)—

6 (i) in the matter preceding clause

7 (i)—

8 (I) by striking “paragraph  
9 (1)(A)” and inserting “subparagraphs  
10 (A) and (B) of paragraph (1)”; and

11 (II) by striking “under the same  
12 terms and conditions as the dis-  
13 approval of the plan”; and

14 (ii) in clause (i), by inserting “the”  
15 before “appeal”; and

16 (B) in subparagraph (B)—

17 (i) by striking “The actions” and all  
18 that follows through “, who” and inserting  
19 “The Secretary”; and

20 (ii) by striking “60” and inserting  
21 “45”.

22 (c) EVALUATION BY COMPTROLLER GENERAL OF  
23 THE UNITED STATES.—Subsection (c) of section 164 of  
24 such Act (29 U.S.C. 1574(c)) is hereby repealed.

1 (d) REPAYMENT OF MISEXPENDITURES TO THE  
2 UNITED STATES.—Subsection (d) of section 164 of such  
3 Act (29 U.S.C. 1574(d)) is amended to read as follows:

4 “(d) REPAYMENT OF CERTAIN AMOUNTS TO THE  
5 UNITED STATES.—

6 “(1) IN GENERAL.—Every recipient of funds  
7 under titles II and III of this Act shall repay to the  
8 United States amounts found not to have been ex-  
9 pended in accordance with this Act.

10 “(2) OFFSET OF REPAYMENT.—If the Secretary  
11 determines that a State has expended funds made  
12 available under this Act in a manner contrary to the  
13 requirements of this Act, the Secretary may offset  
14 repayment of such expenditures against any other  
15 amount to which the State is or may be entitled, ex-  
16 cept as provided under subsection (e)(1).

17 “(3) REPAYMENT FROM DEDUCTION BY  
18 STATE.—If the Secretary requires a State to repay  
19 funds as a result of a determination that a local re-  
20 cipient or a subgrantee of such recipient in a local  
21 workforce development area of the State has ex-  
22 pended funds contrary to the requirements of this  
23 Act, the Governor of the State may use an amount  
24 deducted under paragraph (4) to repay the funds,  
25 except as provided under subsection (e)(1).

1           “(4) DEDUCTION BY STATE.—The Governor  
2           may deduct an amount equal to the misexpenditure  
3           described in paragraph (3) from subsequent pro-  
4           gram year allocations to the local workforce develop-  
5           ment area from funds reserved for the administra-  
6           tive costs of such local programs under title II or  
7           title III, as appropriate.

8           “(5) LIMITATIONS.—A deduction made by a  
9           State as described under paragraph (4) shall not be  
10          made until such time as the Governor has taken ap-  
11          propriate corrective action to ensure full compliance  
12          within such local workforce development area with  
13          regard to appropriate expenditures of funds under  
14          this Act.”.

15          (e) REPAYMENT OF CERTAIN AMOUNTS TO THE  
16          UNITED STATES.—Subsection (e) of section 164 of such  
17          Act (29 U.S.C. 1574(e)) is amended—

18                 (1) in paragraph (1)—

19                         (A) in the first sentence—

20                                 (i) by inserting “by the Secretary”  
21                                 after “upon a determination”;

22                                 (ii) by striking “or failure” and in-  
23                                 serting “failure”; and

24                                 (iii) by inserting before the period at  
25                                 the end the following: “, or a pattern of

1 failure with respect to paragraphs (2) and  
2 (3) of subsection (d)”; and  
3 (B) in the second sentence—

4 (i) by inserting “under this subsection  
5 or subsection (d)” after “shall be made”;  
6 and

7 (ii) by inserting before the period at  
8 the end the following: “has been given to  
9 the recipient”; and

10 (2) in paragraph (3), by striking the second  
11 sentence.

12 (f) REMEDIES CONSTRUED AS EXCLUSIVE REM-  
13 EDIES.—Subsection (h) of section 164 of such Act (29  
14 U.S.C. 1574(h)) is hereby repealed.

15 **SEC. 143. REPORTS; RECORDKEEPING; INVESTIGATIONS.**

16 Section 165 of the Job Training Partnership Act (29  
17 U.S.C. 1575) is amended—

18 (1) in subsection (d)(1)(C)—

19 (A) by striking the comma after “occupa-  
20 tions”; and

21 (B) by striking the semicolon at the end  
22 and inserting “and placement for participants  
23 in nontraditional employment;”; and

24 (2) by striking subsection (h).

1 **SEC. 144. ADMINISTRATIVE ADJUDICATION.**

2 Section 166(a) of the Job Training Partnership Act  
3 (29 U.S.C. 1576(a)) is amended by striking the last sen-  
4 tence.

5 **SEC. 145. NONDISCRIMINATION.**

6 Section 167 of the Job Training Partnership Act (29  
7 U.S.C. 1577) is amended to read as follows:

8 **“SEC. 167. NONDISCRIMINATION.**

9 “(a) IN GENERAL.—

10 “(1) FEDERAL FINANCIAL ASSISTANCE.—For  
11 the purpose of applying the prohibitions against dis-  
12 crimination on the basis of age under the Age Dis-  
13 crimination Act of 1975 (42 U.S.C. 6101 et seq.),  
14 on the basis of disability under section 504 of the  
15 Rehabilitation Act of 1973 (29 U.S.C. 794), on the  
16 basis of sex under title IX of the Education Amend-  
17 ments of 1972 (20 U.S.C. 1681 et seq.), or on the  
18 basis of race, color, or national origin under title VI  
19 of the Civil Rights Act of 1964 (42 U.S.C. 2000d  
20 et seq.), programs and activities funded or otherwise  
21 financially assisted in whole or in part under this  
22 Act are considered to be programs and activities re-  
23 ceiving Federal financial assistance.

24 “(2) NONDISCRIMINATION.—No individual shall  
25 be excluded from participation in, denied the bene-  
26 fits of, subjected to discrimination under, or denied

1 employment in the administration of or in connec-  
2 tion with any such program or activity because of  
3 race, color, religion, sex, national origin, age, politi-  
4 cal affiliation or belief, or status as a qualified indi-  
5 vidual with a disability or as a participant of such  
6 program or activity.

7 “(b) SECRETARIAL AUTHORITY.—Whenever the Sec-  
8 retary finds that a State or other recipient has failed to  
9 comply with a provision of this section, or with an applica-  
10 ble regulation prescribed to carry out this section, the Sec-  
11 retary shall notify such State or recipient and seek compli-  
12 ance through the processes of conciliation, mediation or  
13 persuasion, as appropriate. If within a reasonable time the  
14 State or recipient fails or refuses to comply, the Secretary  
15 may—

16 “(1) refer the matter to the Attorney General  
17 with a recommendation for appropriate action; or

18 “(2) take such other action as may be provided  
19 by law.

20 “(c) AUTHORITY OF ATTORNEY GENERAL.—When a  
21 matter is referred to the Attorney General pursuant to  
22 subsection (b)(1), the Attorney General may bring a civil  
23 action in any appropriate district court of the United  
24 States for such relief as may be appropriate, including in-  
25 junctive relief.

1       “(d) **JOB CORPS.**—For the purposes of this section,  
2 Job Corps members shall be considered as the ultimate  
3 beneficiaries of Federal financial assistance.

4       “(e) **REGULATIONS.**—The Secretary shall issue regu-  
5 lations necessary to implement this section not later than  
6 one year after the date of the enactment of the Employ-  
7 ment, Training, and Literacy Enhancement Act of 1997.  
8 Such regulations shall adopt standards for determining  
9 discrimination and procedures for enforcement that are  
10 consistent with the Acts referred to in a subsection (a)(1),  
11 as well as procedures to ensure that complaints filed under  
12 this section and such Acts are processed in a manner that  
13 avoids duplication of effort.”.

14 **SEC. 146. JUDICIAL REVIEW.**

15       Section 168 of the Job Training Partnership Act (29  
16 U.S.C. 1578) is hereby repealed.

17 **SEC. 147. ADMINISTRATIVE PROVISIONS.**

18       Section 169 of the Job Training Partnership Act (29  
19 U.S.C. 1579) is amended—

20               (1) in the first sentence of subsection (a), by  
21 striking “such rules and regulations” and all that  
22 follows and inserting “rules and regulations only to  
23 the extent necessary to administer and ensure com-  
24 pliance with the specific requirements of this Act.”;  
25 and

1           (2) by striking subsection (e) and inserting the  
2 following:

3           “(e) WAIVERS.—

4           “(1) IN GENERAL.—Notwithstanding any other  
5 provision of law, the Secretary of Labor may  
6 waive—

7           “(A) any of the statutory or regulatory re-  
8 quirements of this title and titles II and III of  
9 this Act (except for requirements relating to  
10 wage and labor standards, worker rights, par-  
11 ticipation and protection, grievance procedures  
12 and judicial review, nondiscrimination, alloca-  
13 tion of funds to local areas, eligibility, review  
14 and approval of plans, the establishment and  
15 functions of workforce development areas and  
16 workforce development boards, and the basic  
17 purposes of the Act); and

18           “(B) any of the statutory or regulatory re-  
19 quirements of sections 8 through 10 of the  
20 Wagner-Peyser Act (29 U.S.C. 49g through  
21 49i) (except for requirements relating to the  
22 provision of services to unemployment insurance  
23 claimants and veterans and to universal access  
24 to basic labor exchange services without cost to  
25 job seekers), pursuant to a request submitted

1 by a State which meets the requirements of  
2 paragraph (2).

3 “(2) REQUESTS.—A State requesting a waiver  
4 under paragraph (1) shall submit a plan to the Sec-  
5 retary to improve the workforce development system  
6 which—

7 “(A) identifies the statutory or regulatory  
8 requirements that are requested to be waived  
9 and the goals which the State or local workforce  
10 development areas intend to achieve;

11 “(B) describes the actions that the State  
12 or local workforce development areas have un-  
13 dertaken to remove State or local statutory or  
14 regulatory barriers;

15 “(C) describes the goals of the waiver and  
16 the expected programmatic outcomes if the re-  
17 quest is granted;

18 “(D) describes the individuals impacted by  
19 the waiver; and

20 “(E) describes the process used to monitor  
21 the progress in implementing a waiver, and for  
22 which notice and an opportunity to comment on  
23 such request has been provided to the organiza-  
24 tions identified in section 122 (e)(2) of this Act,  
25 if and only to the extent that the Secretary de-

1           termines that such requirements impede the  
2           ability of the State to implement such plan to  
3           improve the workforce development system and  
4           the State has executed a memorandum of un-  
5           derstanding with the Secretary requiring such  
6           State to meet agreed-upon outcomes and imple-  
7           ment other appropriate measures to ensure ac-  
8           countability.”.

9   **SEC. 148. PRESIDENTIAL AWARDS FOR OUTSTANDING PRI-**  
10                   **VATE SECTOR INVOLVEMENT IN JOB TRAIN-**  
11                   **ING PROGRAMS.**

12           Section 172 of the Job Training Partnership Act (29  
13 U.S.C. 1582) is hereby repealed.

14   **SEC. 149. CONSTRUCTION.**

15           Section 173 of the Job Training Partnership Act (29  
16 U.S.C. 1583) is hereby repealed.

17   **SEC. 150. LIMITATION ON CERTAIN COSTS.**

18           Part D of title I of the Job Training Partnership Act  
19 (29 U.S.C. 1571 et seq.), as amended by this Act, is fur-  
20 ther amended by adding at the end the following:

21   **“SEC. 172. LIMITATION ON CERTAIN COSTS.**

22           “(a) ADMINISTRATIVE COSTS.—

23                   “(1) IN GENERAL.—The Secretary, after con-  
24 sultation with the Inspector General of the Depart-  
25 ment of Labor and the Comptroller General of the

1 United States, shall develop regulations that define  
2 ‘administrative costs’ for purposes of programs  
3 under titles II and III. Such definition shall reflect  
4 generally accepted accounting principles.

5 “(2) ADDITIONAL REQUIREMENT.—Notwith-  
6 standing any other provision of law, regulations is-  
7 sued by the Secretary under paragraph (1) shall  
8 provide procedures under which the Governor may  
9 approve a plan for the pooling of administrative  
10 funds, which are available in accordance with the  
11 limitation in subsection (b)(1), if the Governor de-  
12 termines that such plan would not jeopardize the ad-  
13 ministration of the activities from which such funds  
14 are to be transferred.

15 “(b) LIMITATION.—

16 “(1) IN GENERAL.—Of the amounts allocated  
17 to local workforce development areas for a program  
18 year under titles II and III, not more than 10 per-  
19 cent of such amounts may be expended for adminis-  
20 trative costs.

21 “(2) DEFINITION.—For purposes of paragraph  
22 (1), the term ‘allocated’ means allocated for a pro-  
23 gram year, as adjusted for reallocations and reallocat-  
24 ions and for transfers of funds in accordance with  
25 this Act.

1 **“SEC. 173. BUY-AMERICAN REQUIREMENTS.**

2 “(a) COMPLIANCE WITH BUY AMERICAN ACT.—

3 None of the funds made available in this Act may be ex-  
4 pended by an entity unless the entity agrees that in ex-  
5 pending the funds the entity will comply with the Buy  
6 American Act (41 U.S.C. 10a–10c).

7 “(b) SENSE OF CONGRESS; REQUIREMENT REGARD-  
8 ING NOTICE.—

9 “(1) PURCHASE OF AMERICAN-MADE EQUIP-  
10 MENT AND PRODUCTS.—In the case of any equip-  
11 ment or product that may be authorized to be pur-  
12 chased with financial assistance provided using  
13 funds made available in this Act, it is the sense of  
14 the Congress that entities receiving the assistance  
15 should, in expending the assistance, purchase only  
16 American-made equipment and products.

17 “(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—

18 In providing financial assistance using funds made  
19 available in this Act, the head of each Federal agen-  
20 cy shall provide to each recipient of the assistance  
21 a notice describing the statement made in paragraph  
22 (1) by the Congress.

23 “(c) PROHIBITION OF CONTRACTS WITH PERSONS  
24 FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—

25 If it has been finally determined by a court or Federal  
26 agency that any person intentionally affixed a label bear-

1 ing a ‘Made in America’ inscription, or any inscription  
2 with the same meaning, to any product sold in or shipped  
3 to the United States that is not made in the United  
4 States, the person shall be ineligible to receive any con-  
5 tract or subcontract made with funds made available in  
6 this Act, pursuant to the debarment, suspension, and ineli-  
7 gibility procedures described in sections 9.400 through  
8 9.409 of title 48, Code of Federal Regulations.”.

9 **Subtitle D—Miscellaneous**  
10 **Provisions**

11 **SEC. 161. CRIMINAL PROVISIONS.**

12 (a) IN GENERAL.—Section 182 of the Job Training  
13 Partnership Act is hereby repealed.

14 (b) SAVINGS PROVISION.—The repeal of section 182  
15 of such Act made by subsection (a) does not affect in any  
16 way the amendment made by such section 182.

17 **SEC. 162. REFERENCE.**

18 Section 183 of the Job Training Partnership Act (29  
19 U.S.C. 1592) is amended to read as follows:

20 **“SEC. 183. REFERENCE.**

21 “Effective on the date of the enactment of the Em-  
22 ployment, Training, and Literacy Enhancement Act of  
23 1997, all references in any other provision of law (other  
24 than section 665 of title 18, United States Code) to the  
25 Comprehensive Employment and Training Act, or to the

1 Job Training Partnership Act, as the case may be, shall  
2 be deemed to refer to Employment, Training, and Literacy  
3 Enhancement Act.”.

4 **SEC. 163. REPEALERS.**

5 (a) IN GENERAL.—Section 184 of the Job Training  
6 Partnership Act (29 U.S.C. 801 et seq.) is hereby re-  
7 pealed.

8 (b) SAVINGS PROVISION.—The repeal of section 184  
9 of such Act made by subsection (a) does not affect in any  
10 way the repealers made by such section 184.

11 **TITLE II—AMENDMENTS TO EM-**  
12 **PLOYMENT AND TRAINING**  
13 **PROGRAMS FOR DISADVAN-**  
14 **TAGED YOUTH**

15 **SEC. 201. ADULT TRAINING PROGRAM.**

16 Title II of the Job Training Partnership Act (29  
17 U.S.C. 1601 et seq.) is amended by striking part A of  
18 such title.

19 **SEC. 202. SUMMER YOUTH EMPLOYMENT AND TRAINING**  
20 **PROGRAM.**

21 Title II of the Job Training Partnership Act (29  
22 U.S.C. 1601 et seq.) is amended by striking part B of  
23 such title.

1 **SEC. 203. DISADVANTAGED YOUTH EMPLOYMENT AND**  
2 **TRAINING OPPORTUNITIES GRANTS.**

3 (a) AUTHORIZATION.—Title II of the Job Training  
4 Partnership Act (29 U.S.C. 1601 et seq.), as amended by  
5 this Act, is further amended—

6 (1) in the heading to read as follows:

7 **“TITLE II—DISADVANTAGED**  
8 **YOUTH EMPLOYMENT AND**  
9 **TRAINING OPPORTUNITIES**  
10 **GRANTS”;**

11 (2) by striking the heading for part C of such  
12 title;

13 (3) by redesignating section 261 as section 201;  
14 and

15 (4) by inserting after section 201 (as redesignig-  
16 nated) the following:

17 **“SEC. 202. AUTHORIZATION.**

18 “(a) IN GENERAL.—In the case of each State that  
19 in accordance with the requirements of sections 101 and  
20 102 submits to the Secretary of Labor (hereinafter in this  
21 title referred to as the ‘Secretary’) a State plan, the Sec-  
22 retary shall provide a grant to the State for the purpose  
23 of providing employment, job training, educational, and  
24 related assistance for disadvantaged youth in the State.

25 “(b) AMOUNT.—The grant shall consist of the allot-  
26 ment determined for the State under section 203.”.

1 (b) ALLOTMENT AND ALLOCATION AMONG  
2 STATES.—Title II of the Job Training Partnership Act  
3 (29 U.S.C. 1601 et seq.), as amended by this Act, is fur-  
4 ther amended—

5 (1) by redesignating section 262 as section 203;  
6 and

7 (2) in section 203 (as redesignated)—

8 (A) in the heading to read as follows:

9 **“SEC. 203. ALLOTMENT AND ALLOCATION AMONG STATES.”;**

10 (B) by striking subsections (b) and (c);

11 (C) by redesignating subsections (a) and  
12 (d) as subsections (b) and (c), respectively;

13 (D) by inserting before subsection (b) (as  
14 redesignated) the following:

15 “(a) IN GENERAL.—Of the amount appropriated pur-  
16 suant to section 3(a)(1) to carry out this title for a fiscal  
17 year, the Secretary shall allot such amount in accordance  
18 with subsection (b).”;

19 (E) in subsection (b) (as redesignated)—

20 (i) in the heading to read as follows:

21 **“(b) ALLOTMENT AMONG STATES.—”;**

22 (ii) in paragraph (1) to read as fol-  
23 lows:

24 **“(1) OUTLYING AREAS.—**

1           “(A) IN GENERAL.—From the amount ap-  
2           propriated for any fiscal year to carry out this  
3           title, the Secretary shall reserve not more than  
4           one quarter of one percent to provide assistance  
5           to—

6                   “(i) the outlying areas; and

7                   “(ii) for each of the fiscal years 1998  
8           through 2001, to carry out the competition  
9           described in subparagraph (B), except that  
10          the amount reserved to carry out such sub-  
11          paragraph for any such fiscal year shall  
12          not exceed the amount reserved for the  
13          freely associated states for fiscal year  
14          1997, from amounts reserved under section  
15          262(a)(1) of the Job Training Partnership  
16          Act (29 U.S.C. 1642(a)(1)) (as such sec-  
17          tion was in effect on the day before the  
18          date of the enactment of Employment,  
19          Training, and Literacy Enhancement Act  
20          of 1997).

21           “(B) LIMITATION FOR FREELY ASSOCI-  
22          ATED STATES.—

23                   “(i) COMPETITIVE GRANTS.—The Sec-  
24          retary shall use funds described in sub-  
25          paragraph (A)(ii) to award grants to

1           Guam, American Samoa, the Common-  
2           wealth of the Northern Mariana Islands,  
3           and the freely associated states to carry  
4           out the purposes of this title.

5           “(ii) AWARD BASIS.—The Secretary  
6           shall award grants pursuant to clause (i)  
7           on a competitive basis and pursuant to the  
8           recommendations of experts in the field of  
9           employment and training, working through  
10          the Pacific Region Educational Laboratory  
11          in Honolulu, Hawaii.

12          “(iii) ASSISTANCE REQUIREMENTS.—  
13          Any freely associated state that desires to  
14          receive amounts under this title shall in-  
15          clude in its application for assistance—

16                 “(I) information demonstrating  
17                 that it will meet all conditions that  
18                 apply to States under this title;

19                 “(II) an assurance that, notwith-  
20                 standing any other provision of this  
21                 title, it will use such amounts only for  
22                 the direct provision of services; and

23                 “(III) such other information and  
24                 assurances as the Secretary may re-  
25                 quire.

1           “(iv) TERMINATION OF ELIGI-  
2           BILITY.—Notwithstanding any other provi-  
3           sion of law, the freely associated states  
4           shall not receive any funds under this title  
5           for any program year that begins after  
6           September 30, 2001.

7           “(v) ADMINISTRATIVE COSTS.—The  
8           Secretary may provide not more than 5  
9           percent of the amount made available for  
10          grants under this subparagraph to pay the  
11          administrative costs of the Pacific Region  
12          Educational Laboratory in Honolulu, Ha-  
13          waii, regarding activities assisted under  
14          this section.

15          “(C) ADDITIONAL REQUIREMENT.—The  
16          provisions of Public Law 95–134, permitting  
17          the consolidation of grants by the outlying  
18          areas, shall not apply to funds provided to those  
19          areas or to the freely associated states under  
20          this section.

21          “(D) DEFINITION.—For purposes of this  
22          paragraph, the term ‘freely associated states’  
23          means the Republic of the Marshall Islands, the  
24          Federated States of Micronesia, and the Repub-  
25          lic of Palau.”; and

1 (iii) in paragraph (2)—

2 (I) by inserting after the heading  
3 the following:

4 “(A) IN GENERAL.—”;

5 (II) by striking “82 percent of  
6 the remainder” and all that follows  
7 and inserting the following: “the re-  
8 maining amount to the States pursu-  
9 ant to the formula contained in sub-  
10 paragraph (B).”; and

11 (III) by adding at the end the  
12 following:

13 “(B) FORMULA.—Subject to the provisions  
14 of subparagraphs (C) and (D) of the amounts  
15 allotted to States for this title for each fiscal  
16 year—

17 “(i)  $33\frac{1}{3}$  percent shall be allotted on  
18 the basis of the relative number of unem-  
19 ployed individuals residing in areas of sub-  
20 stantial unemployment within each State  
21 as compared to the total number of such  
22 unemployed individuals in all such areas of  
23 substantial unemployment in all States;

24 “(ii)  $33\frac{1}{3}$  percent shall be allotted on  
25 the basis of the relative excess number of

1 unemployed individuals who reside in each  
2 State as compared to the total excess num-  
3 ber of unemployed individuals in all States;  
4 and

5 “(iii) 33 $\frac{1}{3}$  percent shall be allotted on  
6 the basis of the relative number of eco-  
7 nomically disadvantaged youth within each  
8 State as compared to the total number of  
9 economically disadvantaged youth in all  
10 States.

11 “(C) MINIMUM ALLOTMENT.—

12 “(i) MINIMUM PERCENTAGE.—No  
13 State shall be allotted less than 90 percent  
14 of its allotment percentage for the fiscal  
15 year preceding the fiscal year for which the  
16 determination is made.

17 “(ii) MAXIMUM PERCENTAGE.—No  
18 State shall be allotted more than 130 per-  
19 cent of its allotment percentage for the fis-  
20 cal year preceding the fiscal year for which  
21 the determination is made.

22 “(D) SMALL STATE MINIMUM ALLOT-  
23 MENT.—No State shall receive less than one-  
24 quarter of one percent of the amount available  
25 under this title for a fiscal year. Amounts nec-

1           essary for increasing such payments to States  
2           to comply with the preceding sentence shall be  
3           obtained by ratably reducing the amounts to be  
4           paid to other States.”; and

5           (F) in subsection (c)(1)(A) (as redesign-  
6           nated)—

7                   (i) in the heading, by striking “ECO-  
8                   NOMICALLY DISADVANTAGED” and insert-  
9                   ing “DISADVANTAGED”; and

10                   (ii) in the matter preceding clause (i),  
11                   by striking “economically”.

12           (c) ALLOCATION WITHIN STATES.—Title II of the  
13 Job Training Partnership Act (29 U.S.C. 1601 et seq.),  
14 as amended by this Act, is further amended by inserting  
15 after section 203 the following:

16 **“SEC. 204. ALLOCATION WITHIN STATES.**

17           “(a) RESERVATION FOR STATE ACTIVITIES.—

18                   “(1) IN GENERAL.—

19                           “(A) RESERVATION.—The Governor of the  
20                           State shall reserve not more than 25 percent of  
21                           the amount allotted to the State under section  
22                           203(b) for a fiscal year to carry out the activi-  
23                           ties described in this subsection.

24                           “(B) MATCHING FUNDS FOR OUT-OF-  
25                           SCHOOL YOUTH PROGRAMS.—Of the amount re-

1 served under subparagraph (A), the Governor  
2 shall reserve not less than 10 percent of the  
3 total amount allotted to the State under section  
4 203(b) for any fiscal year to award grants in  
5 accordance with this title to programs for dis-  
6 advantaged youth that—

7 “(i) serve only out-of-school youth;

8 and

9 “(ii) agree to provide matching funds  
10 from sources other than those received  
11 under this subparagraph for such services  
12 in an amount equal to the Federal funds  
13 received under this subparagraph.

14 “(2) REQUIRED ACTIVITIES.—Activities de-  
15 scribed in paragraph (1)(A) shall include the provi-  
16 sion of additional assistance to areas that have high  
17 concentrations of disadvantaged youth to carry out  
18 the activities described in section 206.

19 “(3) DISCRETIONARY ACTIVITIES.—Activities  
20 described in paragraph (1)(A) may include—

21 “(A) subject to paragraph (4), administra-  
22 tion by the State of programs under this title;

23 “(B) capacity building and technical assist-  
24 ance to local workforce development areas and  
25 to providers of disadvantaged youth services as

1 authorized under this title, including the devel-  
2 opment and training of staff, members of local  
3 workforce development boards, and employers  
4 and workplace mentors providing training  
5 through programs authorized under this title;

6 “(C) incentives for program coordination  
7 and integration, performance awards, and re-  
8 search and demonstrations;

9 “(D) implementation of innovative dis-  
10 advantaged youth employment and training pro-  
11 grams, pilot projects, and demonstration  
12 projects which further the purposes of this title;  
13 and

14 “(E) support for a common management  
15 information system across employment, train-  
16 ing, literacy, and human resource programs as  
17 identified in section 103.

18 “(4) LIMITATION.—Of the amount reserved by  
19 the Governor under paragraph (1)(A), not more  
20 than 5 percent of the total amount allotted to the  
21 State under section 203(b) may be used for adminis-  
22 tration by the State of programs under this title.

23 “(b) WITHIN STATE ALLOCATION.—

24 “(1) IN GENERAL.—The Governor of the State  
25 shall allocate the remainder of the amount allotted

1 to the State under section 203(b) to workforce devel-  
2 opment areas designated under section 121, in ac-  
3 cordance with paragraphs (2) and (3), for the pur-  
4 pose of providing services for disadvantaged youth in  
5 accordance with section 206.

6 “(2) ALLOCATION BY FORMULA.—

7 “(A) IN GENERAL.—Each State shall allo-  
8 cate not less than 70 percent of the remainder  
9 of funds described in paragraph (1) to  
10 workforce development areas within the State  
11 pursuant to the formula contained in subpara-  
12 graph (B) for the provision of services for dis-  
13 advantaged youth in accordance with section  
14 206.

15 “(B) FORMULA.—Of the amounts de-  
16 scribed in subparagraph (A)—

17 “(i)  $33\frac{1}{3}$  percent shall be allocated on  
18 the basis of the relative number of unem-  
19 ployed individuals residing in areas of sub-  
20 stantial unemployment in each workforce  
21 development area as compared to the total  
22 number of such unemployed individuals in  
23 all such areas of substantial unemployment  
24 in the State;

1           “(ii)  $33\frac{1}{3}$  percent shall be allocated  
2           on the basis of the relative excess number  
3           of unemployed individuals who reside in  
4           each workforce development area as com-  
5           pared to the total excess number of unem-  
6           ployed individuals in all workforce develop-  
7           ment areas in the State; and

8           “(iii)  $33\frac{1}{3}$  percent shall be allocated  
9           on the basis of the relative number of eco-  
10          nomically disadvantaged youth in each  
11          workforce development area as compared  
12          to the total number of disadvantaged youth  
13          in all workforce development areas in the  
14          State.

15           “(3) DISCRETIONARY ALLOCATION.—The State,  
16          through the collaborative process under section 102,  
17          is authorized to allocate not more than 30 percent  
18          of the remainder of funds described in paragraph (1)  
19          to workforce development areas for the provision of  
20          services for disadvantaged youth in accordance with  
21          section 206. Such funds shall be allocated to urban,  
22          rural, and suburban areas throughout the State and  
23          shall be allocated promptly in accordance with sec-  
24          tion 162(e).”.

1 (d) ELIGIBILITY FOR SERVICES.—Title II of the Job  
2 Training Partnership Act (29 U.S.C. 1601 et seq.), as  
3 amended by this Act, is further amended—

4 (1) by redesignating section 263 as section 205;

5 and

6 (2) in section 205 (as redesignated)—

7 (A) in subsection (a)—

8 (i) in the heading to read as follows:

9 “(a) IN GENERAL.—”;

10 (ii) in the matter preceding paragraph

11 (1)—

12 (I) by striking “subsections (e)  
13 and (g)” and inserting “subsection  
14 (e)”;

15 (II) by striking “who is in  
16 school”; and

17 (III) by striking “part” and in-  
18 serting “title”; and

19 (iii) in paragraph (1)(B) to read as  
20 follows:

21 “(B) if provided in the local plan developed pur-  
22 suant to section 122(d)(1), is age 14 through 24;  
23 and”;

24 (B) in subsection (b)—

1 (i) by amending the heading to read  
2 as follows:

3 “(b) PRIORITY FOR SERVICE.—”;

4 (ii) by redesignating paragraphs (1)  
5 through (7) as subparagraphs (B) through  
6 (H), respectively, and moving the margin  
7 for each such subparagraph two ems to the  
8 right;

9 (iii) by inserting before subparagraph  
10 (B) (as redesignated) the following:

11 “(A) Individuals who are school drop-  
12 outs.”;

13 (iv) in subparagraph (H) (as redesign-  
14 ated) to read as follows:

15 “(H) Other disadvantaged youth who face  
16 serious barriers to employment as identified by  
17 the local workforce development area.”; and

18 (v) by amending the matter preceding  
19 subparagraph (A) (as added by clause (iii))  
20 to read as follows:

21 “(1) PRIORITY.—Of the disadvantaged youth  
22 described in subsection (a), priority for service shall  
23 be given to school dropouts and to other hard-to-  
24 serve youth.

1           “(2) DEFINITION.—For the purposes of this  
2 title, the term ‘hard-to-serve youth’ includes—”;

3           (C) by striking subsections (c), (d), (f),  
4 (g), and (h);

5           (D) by redesignating subsection (e) as sub-  
6 section (e); and

7           (E) in subsection (c) (as redesignated)—

8           (i) by striking “subsection (a)(2) or  
9 (c)(2)” and inserting “subsection (a)”; and

10           (ii) by striking “of individuals who  
11 face” and all that follows and inserting  
12 “described in subparagraphs (A) through  
13 (G) of subsection (b)(2).”.

14       (e) USE OF FUNDS.—Title II of the Job Training  
15 Partnership Act (29 U.S.C. 1601 et seq.), as amended by  
16 this Act, is further amended—

17           (1) by redesignating section 264 as section 206;

18       and

19           (2) in section 206 (as redesignated)—

20           (A) by striking subsection (a);

21           (B) by redesignating subsections (b), (c),  
22 and (d) as subsections (a), (b), and (c), respec-  
23 tively;

24           (C) in subsection (a) (as redesignated)—

25           (i) in the heading to read as follows:

- 1 “(a) PROGRAM DESIGN.—”;
- 2 (ii) in paragraph (1)—
- 3 (I) in the heading to read as fol-
- 4 lows:
- 5 “(1) ESSENTIAL ELEMENTS.—”;
- 6 (II) in the matter preceding sub-
- 7 paragraph (A)—
- 8 (aa) by striking “part” and
- 9 inserting “title”; and
- 10 (bb) by striking “include”;
- 11 (III) in subparagraph (A)—
- 12 (aa) by inserting “provide”
- 13 after “(A)”;
- 14 (bb) by striking “skill levels
- 15 and service needs” and inserting
- 16 “academic levels, skill levels, and
- 17 service needs”; and
- 18 (cc) by striking “and sup-
- 19 portive service needs” and insert-
- 20 ing “supportive service needs,
- 21 and developmental needs of such
- 22 participants”;
- 23 (IV) in subparagraph (B)—

1 (aa) by striking “develop-  
2 ment of” and inserting “de-  
3 velop”; and

4 (bb) by inserting “for each  
5 participant” after “service strate-  
6 gies”; and

7 (V) by amending subparagraphs  
8 (C) and (D) to read as follows:

9 “(C) integrate academic, occupational, and  
10 work-based learning opportunities;

11 “(D) provide comprehensive guidance and  
12 counseling;

13 “(E) provide postsecondary educational or  
14 training opportunities, where appropriate;

15 “(F) involve employers and parents in the  
16 design and implementation of programs;

17 “(G) provide adult mentoring; and

18 “(H) provide summer employment oppor-  
19 tunities that are directly linked to academic and  
20 occupational learning.”;

21 (iii) in paragraph (2)—

22 (I) in subparagraph (A)—

23 (aa) in the matter preceding  
24 clause (i), by striking “service de-

1 livery” and inserting “workforce  
2 development”; and  
3 (bb) in clause (i), by striking  
4 “service delivery” and inserting  
5 “workforce development”; and  
6 (II) in subparagraph (B)—  
7 (aa) in clause (i), by striking  
8 “(i) SERVICE PROVIDERS.—”;  
9 and  
10 (bb) by striking clause (ii);  
11 (D) in subsection (b) (as redesignated)—  
12 (i) in the matter preceding paragraph  
13 (1), by striking “part” and inserting  
14 “title”;  
15 (ii) in paragraph (1)—  
16 (I) in subparagraph (A), by strik-  
17 ing “section 204(b)(1)” and inserting  
18 “section 314(c)(4)”;  
19 (II) in subparagraph (C), by  
20 striking “section 141(o)(1)” and in-  
21 serting “section 141(11)(A)”;  
22 (III) in subparagraph (G) by  
23 striking “in public agencies, nonprofit  
24 agencies, and other appropriate agen-  
25 cies, institutions, and organizations”;

1 (IV) by amending subparagraph  
2 (H) to read as follows:

3 “(H) such other training and transition  
4 services that assist disadvantaged youth in  
5 making the transition to employment or to post-  
6 secondary education or training, as determined  
7 appropriate by the local workforce development  
8 area; and”;

9 (V) by amending subparagraph  
10 (I) to read as follows:

11 “(I) summer employment opportunities  
12 that are directly linked to academic and occupa-  
13 tional learning.”; and

14 (VI) by striking subparagraphs  
15 (J) through (L); and

16 (iii) in paragraph (2)—

17 (I) in subparagraph (A) to read  
18 as follows:

19 “(A) assessment, outreach, staff develop-  
20 ment, job development, and job search assist-  
21 ance activities;”;

22 (II) in subparagraph (C), by  
23 striking “and” at the end;

24 (III) in subparagraph (D)—

25 (aa) by striking “cash”; and

1 (bb) by striking the period  
2 at the end and inserting “; and”;  
3 and

4 (IV) by adding at the end the fol-  
5 lowing:

6 “(E) peer-centered activities encouraging  
7 responsibility and other positive social behaviors  
8 during non-school hours.”;

9 (E) in subsection (c) (as redesignated)—

10 (i) in paragraph (1)—

11 (I) by striking “service delivery”  
12 and inserting “workforce develop-  
13 ment”;

14 (II) by striking “private industry  
15 council” and inserting “local board”;  
16 and

17 (III) by striking “section 453(c)”  
18 and inserting “part D of title IV”;

19 (ii) in clauses (i) through (iii) of para-  
20 graph (2)(B), by striking “service delivery”  
21 each place it occurs and inserting  
22 “workforce development”;

23 (iii) in paragraph (3)—

24 (I) in subparagraph (A)—

1 (aa) in the heading to read  
2 as follows:

3 “(A) WORK-RELATED ACTIVITIES.—”;

4 (bb) in the first sentence, by  
5 inserting after “work maturity  
6 skills training” the following: “,  
7 summer employment, job search  
8 assistance, job club activities, and  
9 other work-related activities”;

10 (cc) in the first sentence, by  
11 striking “part” and inserting  
12 “title”;

13 (dd) in the first sentence, by  
14 striking “by either work experi-  
15 ence or other additional services”  
16 and inserting “by occupational  
17 and academic learning opportuni-  
18 ties”;

19 (ee) in the first sentence, by  
20 striking “basic education or occu-  
21 pational skills” and inserting  
22 “basic education and occupa-  
23 tional skills”; and

- 1 (ff) in the second sentence,  
2 by striking “, including the Job  
3 Corps”;
- 4 (II) by striking subparagraph  
5 (B);
- 6 (III) by redesignating subpara-  
7 graph (C) as subparagraph (B); and
- 8 (IV) in subparagraph (B) (as re-  
9 designated)—
- 10 (aa) by striking clause (i);
- 11 (bb) by redesignating clause  
12 (ii) as clause (i);
- 13 (cc) in clause (i) (as redesign-  
14 ated), by striking “part” and  
15 inserting “title”; and
- 16 (dd) by redesignating clause  
17 (iii) as clause (ii);
- 18 (iv) in paragraph (5)—
- 19 (I) in the heading, by striking  
20 “COUNSELING” and inserting “FOL-  
21 LOW-UP, COUNSELING”;
- 22 (II) by striking “part” and in-  
23 sserting “title”; and
- 24 (III) by striking “for a period of  
25 up to 1 year”;

- 1 (v) by striking paragraph (6);  
2 (vi) in paragraph (7), by striking  
3 “service delivery” and inserting “workforce  
4 development” and  
5 (vii) by redesignating paragraph (7)  
6 as paragraph (6).

7 (f) SELECTION OF SERVICE PROVIDERS.—Title II of  
8 the Job Training Partnership Act (29 U.S.C. 1601 et  
9 seq.), as amended by this Act, is further amended by add-  
10 ing after section 206 (as redesignated), the following:

11 **“SEC. 207. SELECTION OF SERVICE PROVIDERS.**

12 “From funds made available under section 204(b) to  
13 a local workforce development area, the local board for  
14 such local area shall award grants, on a competitive basis,  
15 to eligible providers to carry out the disadvantaged youth  
16 programs described in section 206.”.

17 (g) EDUCATIONAL LINKAGES.—Title II of the Job  
18 Training Partnership Act (29 U.S.C. 1601 et seq.), as  
19 amended by this Act, is further amended—

20 (1) by redesignating section 265 as section 208;

21 and

22 (2) in section 208 (as redesignated)—

23 (A) in subsection (a), by striking “service  
24 delivery” and inserting “workforce develop-  
25 ment”;

1 (B) in subsection (b)—

2 (i) in the matter preceding paragraph  
3 (1), by striking “service delivery” and in-  
4 sserting “workforce development”; and

5 (ii) in paragraph (6) to read as fol-  
6 lows:

7 “(6) title I of the Personal Responsibility and  
8 Work Opportunity Reconciliation Act of 1996;”;

9 (C) in subsection (c)—

10 (i) in the first sentence, by striking  
11 “service delivery” and inserting “workforce  
12 development”; and

13 (ii) in the second sentence, by striking  
14 “, including programs conducted under  
15 part A”; and

16 (D) by striking subsection (d).

17 (h) TRANSFER OF FUNDS.—Title II of the Job  
18 Training Partnership Act (29 U.S.C. 1601 et seq.), as  
19 amended by this Act, is further amended by striking sec-  
20 tion 266.

1 **TITLE III—AMENDMENTS TO EM-**  
2 **PLOYMENT AND TRAINING**  
3 **PROGRAMS FOR ADULTS**

4 **SEC. 301. ADULT EMPLOYMENT AND TRAINING OPPORTU-**  
5 **NITIES GRANTS.**

6 Title III of the Job Training Partnership Act (29  
7 U.S.C. 1651 et seq.) is amended to read as follows:

8 **“TITLE III—ADULT EMPLOY-**  
9 **MENT AND TRAINING OPPOR-**  
10 **TUNITIES GRANTS**

11 **“SEC. 301. PURPOSE.**

12 “The purpose of this title is to establish a high-qual-  
13 ity, efficient system of employment, job training, and re-  
14 lated assistance that—

15 “(1) provides individuals with choice in the se-  
16 lection of employment and training options that will  
17 facilitate the transition of such individuals into pro-  
18 ductive, high skills, private sector jobs;

19 “(2) provides quality training of such individ-  
20 uals for the 21st century; and

21 “(3) drives resources and authority to States  
22 and local communities for the design of job training  
23 programs.

1 **“PART A—ADULT EMPLOYMENT AND TRAINING**

2 **OPPORTUNITIES GRANTS**

3 **“SEC. 311. AUTHORIZATION.**

4 “(a) IN GENERAL.—In the case of each State that  
5 in accordance with the requirements of sections 101 and  
6 102 submits to the Secretary of Labor (hereinafter in this  
7 title referred to as the ‘Secretary’) a State plan, the Sec-  
8 retary shall provide funds to the State for the purpose of  
9 providing employment, job training, and related assistance  
10 for adults and dislocated workers in the State, in accord-  
11 ance with this title.

12 “(b) AMOUNT.—The funds described in subsection  
13 (a) shall consist of the allotments determined for the State  
14 under section 312.

15 **“SEC. 312. ALLOTMENT AMONG STATES.**

16 “(a) IN GENERAL.—Of the amount appropriated pur-  
17 suant to section 3(a)(2) to carry out this title for a fiscal  
18 year, the Secretary—

19 “(1) shall allot the total amount appropriated  
20 pursuant to section 3(a)(2)(A) in accordance with  
21 subsection (b)(1); and

22 “(2)(A) shall allot 80 percent of the amount ap-  
23 propriated pursuant to section 3(a)(2)(B) in accord-  
24 ance with the subsection (b)(2); and

1           “(B) shall reserve the remainder of the amount  
2 appropriated pursuant to section 3(a)(2)(B) for use  
3 under part B.

4           “(b) ALLOTMENT AMONG STATES.—

5           “(1) ADULT EMPLOYMENT AND TRAINING.—

6           “(A) RESERVATION FOR OUTLYING  
7 AREAS.—

8           “(i) IN GENERAL.—Of the amount al-  
9 lotted under subsection (a)(1), the Sec-  
10 retary shall allot not more than one quar-  
11 ter of one percent among the outlying  
12 areas.

13           “(ii) APPLICABILITY OF ADDITIONAL  
14 REQUIREMENTS.—Of the amount allotted  
15 under clause (i), the Secretary shall award  
16 grants to Guam, American Samoa, the  
17 Commonwealth of the Northern Mariana  
18 Islands, and the freely associated states in  
19 accordance with the requirements of sec-  
20 tion 203(b)(1).

21           “(B) STATES.—

22           “(i) IN GENERAL.—After determining  
23 the amount to be allotted under subpara-  
24 graph (A), the Secretary shall allot the re-

1           maintaining amount to the States pursuant to  
2           the formula contained in clause (ii).

3           “(ii) FORMULA.—Subject to the provi-  
4           sions of clause (iii), of the amounts allotted  
5           to States for adult employment and train-  
6           ing under this title for each fiscal year—

7                   “(I)  $33\frac{1}{3}$  percent shall be allot-  
8                   ted on the basis of the relative num-  
9                   ber of unemployed individuals residing  
10                  in areas of substantial unemployment  
11                  within each State as compared to the  
12                  total number of such unemployed indi-  
13                  viduals in all such areas of substantial  
14                  unemployment in all States;

15                  “(II)  $33\frac{1}{3}$  percent shall be allot-  
16                  ted on the basis of the relative excess  
17                  number of unemployed individuals  
18                  within each State as compared to the  
19                  total excess number of unemployed in-  
20                  dividuals in all States; and

21                  “(III)  $33\frac{1}{3}$  percent shall be allot-  
22                  ted on the basis of the relative num-  
23                  ber of economically disadvantaged  
24                  adults within each State as compared

1 to the total number of economically  
2 disadvantaged adults in all States.

3 “(iii) MINIMUM ALLOTMENT.—

4 “(I) MINIMUM PERCENTAGE.—

5 No State shall be allotted less than 90  
6 percent of its allotment percentage for  
7 the fiscal year preceding the fiscal  
8 year for which the determination is  
9 made.

10 “(II) MAXIMUM PERCENTAGE.—

11 No State shall be allotted more than  
12 130 percent of its allotment percent-  
13 age for the fiscal year preceding the  
14 fiscal year for which the determina-  
15 tion is made.

16 “(iv) SMALL STATE MINIMUM ALLOT-

17 MENT.—No State shall receive less than  
18 one-quarter of one percent of the amount  
19 available under this subparagraph for a  
20 fiscal year. Amounts necessary for increas-  
21 ing such payments to States to comply  
22 with the preceding sentence shall be ob-  
23 tained by ratably reducing the amounts to  
24 be paid to other States.

25 “(2) DISLOCATED WORKERS.—

1           “(A) RESERVATION FOR OUTLYING  
2 AREAS.—

3           “(i) IN GENERAL.—Of the amount al-  
4 lotted under subsection (a)(2)(A), the Sec-  
5 retary shall allot not more than one quar-  
6 ter of one percent among the outlying  
7 areas.

8           “(ii) APPLICABILITY OF ADDITIONAL  
9 REQUIREMENTS.—Of the amount allotted  
10 under clause (i), the Secretary shall award  
11 grants to Guam, American Samoa, the  
12 Commonwealth of the Northern Mariana  
13 Islands, and the freely associated states in  
14 accordance with the requirements of sec-  
15 tion 203(b)(1).

16           “(B) STATES.—

17           “(i) IN GENERAL.—After determining  
18 the amount to be allotted under subpara-  
19 graph (A), the Secretary shall allot the re-  
20 maining amount to the States pursuant to  
21 the formula contained in clause (ii).

22           “(ii) FORMULA.—Subject to the provi-  
23 sions of clause (iii), of the amounts allotted  
24 to States for dislocated worker employment

1 and training under this title for each fiscal  
2 year—

3 “(I)  $33\frac{1}{3}$  percent shall be allot-  
4 ted among the States on the basis of  
5 the relative number of unemployed in-  
6 dividuals who reside in each State as  
7 compared to the total number of un-  
8 employed individuals in all the States;

9 “(II)  $33\frac{1}{3}$  percent shall be allot-  
10 ted among the States on the basis of  
11 the relative excess number of unem-  
12 ployed individuals who reside in each  
13 State as compared to the total excess  
14 number of unemployed individuals in  
15 all the States (for purposes of this  
16 subclause, the term ‘excess number’  
17 means the number which represents  
18 unemployed individuals in excess of  
19 4.5 percent of the civilian labor force  
20 in the State); and

21 “(III)  $33\frac{1}{3}$  percent shall be allot-  
22 ted among the States on the basis of  
23 the relative number of individuals who  
24 have been unemployed for 15 weeks or  
25 more and who reside in each State as

1 compared to the total number of such  
2 individuals in all the States.

3 “(iii) MINIMUM ALLOTMENT.—

4 “(I) MINIMUM PERCENTAGE.—

5 No State shall be allotted less than 90  
6 percent of its allotment percentage for  
7 the fiscal year preceding the fiscal  
8 year for which the determination is  
9 made.

10 “(II) MAXIMUM PERCENTAGE.—

11 No State shall be allotted more than  
12 130 percent of its allotment percent-  
13 age for the fiscal year preceding the  
14 fiscal year for which the determina-  
15 tion is made.

16 “(iv) SMALL STATE MINIMUM ALLOT-  
17 MENT.—No State shall receive less than  
18 one-quarter of one percent of the amount  
19 available under this subparagraph for a  
20 fiscal year. Amounts necessary for increas-  
21 ing such payments to States to comply  
22 with the preceding sentence shall be ob-  
23 tained by ratably reducing the amounts to  
24 be paid to other States.

1 **“SEC. 313. ALLOCATION WITHIN STATES.**

2 “(a) RESERVATIONS FOR STATE ACTIVITIES.—

3 “(1) ADULT EMPLOYMENT AND TRAINING.—

4 “(A) IN GENERAL.—The Governor of the  
5 State shall reserve not more than 15 percent of  
6 the total amount allotted to the State under  
7 section 312(b)(1) for a fiscal year for statewide  
8 activities for employment, job training, and re-  
9 lated assistance for adults.

10 “(B) ALLOWABLE ACTIVITIES.—Such ac-  
11 tivities may include—

12 “(i) subject to subparagraph (C), ad-  
13 ministration by the State of programs  
14 under this title;

15 “(ii) capacity building and technical  
16 assistance to local workforce development  
17 areas, full service employment and training  
18 delivery systems, and service providers in-  
19 cluding the development and training of  
20 staff and the development of exemplary  
21 program activities;

22 “(iii) incentives for program coordina-  
23 tion and integration, performance awards,  
24 and research and demonstrations;

25 “(iv) implementation of innovative in-  
26 cumbent worker training programs, which

1 may include the establishment and imple-  
2 mentation of an employer loan program to  
3 assist in skills upgrading, and the estab-  
4 lishment and implementation of programs  
5 targeted to empowerment zones;

6 “(v) implementation of experimen-  
7 tation, model activities, pilot projects, dem-  
8 onstration projects, and the provision of  
9 employment and training services which  
10 further the goals and purposes of this Act;

11 “(vi) additional assistance for the de-  
12 velopment and implementation of the full  
13 service employment and training delivery  
14 system established in accordance with sec-  
15 tion 123;

16 “(vii) support for a common manage-  
17 ment information system across employ-  
18 ment, training, literacy, and human re-  
19 source programs as identified in section  
20 103;

21 “(viii) support for the identification of  
22 eligible training providers as required  
23 under section 124; and

24 “(ix) implementation of innovative  
25 programs for displaced homemakers and

1 programs to increase the number of indi-  
2 viduals training and placed in nontradi-  
3 tional employment.

4 “(C) LIMITATION.—Of the amount re-  
5 served by the Governor under subparagraph (A)  
6 not more than 5 percent of the total amount al-  
7 lotted to the State under section 312(b)(1) for  
8 a fiscal year may be used for administration by  
9 the State of programs under this part.

10 “(2) DISLOCATED WORKERS EMPLOYMENT AND  
11 TRAINING.—

12 “(A) IN GENERAL.—The Governor of the  
13 State shall reserve not more than 30 percent of  
14 the total amount allotted to the State under  
15 section 312(b)(2) for a fiscal year for statewide  
16 activities for employment, job training, and re-  
17 lated assistance for dislocated workers.

18 “(B) REQUIRED ACTIVITIES.—Such activi-  
19 ties shall include—

20 “(i) rapid response activities carried  
21 out by a designated State dislocated work-  
22 er unit, working in conjunction with the  
23 local workforce development board and the  
24 chief elected official in an affected local  
25 workforce development area; and

1           “(ii) additional assistance to areas  
2           that experience disasters, mass layoffs or  
3           plant closings, or other events that precipi-  
4           tate substantial increases in the number of  
5           unemployed workers, working in conjunc-  
6           tion with the local workforce development  
7           board and the chief elected official in af-  
8           fected local workforce development areas.

9           “(C) DISCRETIONARY ACTIVITIES.—Such  
10          activities may include those activities described  
11          in paragraph (1)(B).

12          “(D) LIMITATION.—Of the amount re-  
13          served by the Governor under subparagraph (A)  
14          not more than 10 percent of the total amount  
15          allotted to the State under section 312(b)(2) for  
16          a fiscal year may be used for activities de-  
17          scribed in paragraph (1)(B) and of that amount  
18          not more than 5 percent of the total amount al-  
19          lotted to the State under section 312(b)(2) for  
20          a fiscal year may be used for administration by  
21          the State of programs under this part.

22          “(b) WITHIN STATE ALLOCATION.—

23                  “(1) ALLOCATION.—

24                          “(A) IN GENERAL.—The Governor of the  
25                          State shall allocate the remainder of the

1 amounts allotted to the State under section 312  
2 to workforce development areas designated  
3 under section 121 for the purpose of providing  
4 a single system of employment and training  
5 services for adults and dislocated workers in ac-  
6 cordance with section 314.

7 “(B) ADDITIONAL REQUIREMENTS.—(i)  
8 Funds allocated under paragraph (2)(B), shall  
9 be used by a local workforce development area  
10 to contribute proportionately to the costs of the  
11 local full service employment and training deliv-  
12 ery system, and to pay for services provided to  
13 adults, in the local area, consistent with section  
14 314.

15 “(ii) Funds allocated under paragraph  
16 (2)(C), shall be used by a local workforce devel-  
17 opment area to contribute proportionately to  
18 the costs of the local full service employment  
19 and training delivery system, and to pay for  
20 services provided to dislocated workers, in the  
21 local area, consistent with section 314.

22 “(2) METHODS.—

23 “(A) IN GENERAL.—The Governor,  
24 through the collaborative process under section  
25 102, and after consultation with local chief

1 elected officials in the local workforce develop-  
2 ment areas, shall allocate the remainder of  
3 funds described in subsection (a)(1)(A) for  
4 adult employment and training in accordance  
5 with subparagraph (B), and the funds described  
6 in subsection (a)(2)(A) for dislocated workers in  
7 accordance with subparagraph (C).

8 “(B) ADULT EMPLOYMENT AND TRAINING  
9 ALLOCATIONS.—

10 “(i) ADULT EMPLOYMENT AND TRAIN-  
11 ING FORMULA ALLOCATIONS.—Each State  
12 shall allocate not less than 70 percent of  
13 the remainder of funds described in sub-  
14 section (a)(1)(A) to workforce development  
15 areas within the State pursuant to the for-  
16 mula contained in clause (ii) for the provi-  
17 sion of adult employment and training  
18 services in accordance with section 314.

19 “(ii) FORMULA.—Of the amounts de-  
20 scribed in clause (i)—

21 “(I)  $33\frac{1}{3}$  percent shall be allo-  
22 cated on the basis of the relative num-  
23 ber of unemployed individuals residing  
24 in areas of substantial unemployment  
25 in each workforce development area as

1 compared to the total number of such  
2 unemployed individuals in all such  
3 areas of substantial unemployment in  
4 the State;

5 “(II)  $33\frac{1}{3}$  percent shall be allo-  
6 cated on the basis of the relative ex-  
7 cess number of unemployed individ-  
8 uals who reside in each workforce de-  
9 velopment area as compared to the  
10 total excess number of unemployed in-  
11 dividuals in all workforce development  
12 areas in the State; and

13 “(III)  $33\frac{1}{3}$  percent shall be allo-  
14 cated on the basis of the relative num-  
15 ber of economically disadvantaged  
16 adults in each workforce development  
17 area as compared to the total number  
18 of disadvantaged adults in all  
19 workforce development areas in the  
20 State.

21 “(iii) ADULT EMPLOYMENT AND  
22 TRAINING DISCRETIONARY ALLOCATION.—  
23 The State, through the collaborative proc-  
24 ess, is authorized to allocate not more than  
25 30 percent of the remainder of funds de-

1 scribed in subsection (a)(1)(A) to  
2 workforce development areas for the provi-  
3 sion of adult employment and training  
4 services in accordance with section 314.  
5 Such funds shall be allocated to urban,  
6 rural, and suburban areas throughout the  
7 State and shall be allocated promptly in  
8 accordance with section 162(e).

9 “(C) DISLOCATED WORKER EMPLOYMENT  
10 AND TRAINING ALLOCATIONS.—

11 “(i) DISLOCATED WORKER EMPLOY-  
12 MENT AND TRAINING FORMULA ALLOCA-  
13 TIONS.—Each State shall allocate not less  
14 than 70 percent of the remainder of funds  
15 described in subsection (a)(2)(A) to  
16 workforce development areas within the  
17 State pursuant to the formula contained in  
18 clause (ii) for the provision of employment  
19 and training services to dislocated workers  
20 in accordance with section 314.

21 “(ii) FORMULA.—Of the amounts de-  
22 scribed in clause (i)—

23 “(I)  $33\frac{1}{3}$  percent shall be allo-  
24 cated on the basis of the relative num-  
25 ber of unemployed individuals residing

1 in areas of substantial unemployment  
2 in each workforce development area as  
3 compared to the total number of such  
4 unemployed individuals in all such  
5 areas of substantial unemployment in  
6 the State;

7 “(II) 33 $\frac{1}{3}$  percent shall be allo-  
8 cated on the basis of the relative ex-  
9 cess number of unemployed individ-  
10 uals who reside in each workforce de-  
11 velopment area as compared to the  
12 total excess number of unemployed in-  
13 dividuals in all workforce development  
14 areas in the State; and

15 “(III) 33 $\frac{1}{3}$  percent shall be allo-  
16 cated on the basis of the relative num-  
17 ber of individuals who have been un-  
18 employed for 15 weeks or more within  
19 each workforce development area of  
20 the State as compared to the total  
21 number of such individuals in all  
22 workforce development areas in the  
23 State.

24 “(iii) DISLOCATED WORKER EMPLOY-  
25 MENT AND TRAINING DISCRETIONARY AL-

1           LOCATION.—The State, through the col-  
2           laborative process, is authorized to allocate  
3           not more than 30 percent of the remainder  
4           of funds described in subsection (a)(2)(A)  
5           to workforce development areas for the  
6           provision employment and training services  
7           to dislocated workers in accordance with  
8           section 314. Such funds shall be allocated  
9           to urban, rural, and suburban areas  
10          throughout the State and shall be allocated  
11          promptly in accordance with section  
12          162(e).

13           “(3) TRANSFER AUTHORITY.—A local  
14          workforce development area is authorized to transfer  
15          up to 20 percent of the funds received under this  
16          subsection between adult employment and training  
17          and dislocated worker allocations if such transfer is  
18          approved by the Governor.

19          **“SEC. 314. USE OF AMOUNTS.**

20           “(a) CORE SERVICES.—Amounts allocated for adults  
21          under section 313(b)(2)(B) and for dislocated workers  
22          under section 313(b)(2)(C) shall be used to provide core  
23          services described in section 123(d) to adults and dis-  
24          located workers, respectively, through a full service em-

1 ployment and training delivery system in accordance with  
2 such section.

3 “(b) INTENSIVE SERVICES.—

4 “(1) IN GENERAL.—Amounts allocated for  
5 adults under section 313(b)(2)(B) and for dislocated  
6 workers under section 313(b)(2)(C) shall be used to  
7 provide intensive services to adults and dislocated  
8 workers, respectively—

9 “(A)(i) who are unable to obtain employ-  
10 ment through core services under subsection  
11 (a); and

12 “(ii) who have been determined to be in  
13 need of more intensive services in order to gain  
14 employment; or

15 “(B)(i) who are employed but are economi-  
16 cally disadvantaged despite such employment;  
17 and

18 “(ii) who are determined to be in need of  
19 such intensive services in order to gain employ-  
20 ment that allows for self-sufficiency.

21 “(2) DELIVERY OF SERVICES.—Such intensive  
22 services shall be provided—

23 “(A) directly through full service eligible  
24 providers identified pursuant to section 123(e);  
25 or

1           “(B) through contracts through full service  
2           employment and training delivery systems with  
3           service providers approved by the local  
4           workforce development board, which may in-  
5           clude private, for-profit providers.

6           “(3) TYPES OF SERVICES.—Such intensive serv-  
7           ices may include the following:

8           “(A) Comprehensive and specialized as-  
9           sessments of the skill levels and service needs of  
10          adults, which may include—

11                  “(i) diagnostic testing and other as-  
12                  sessment tools; and

13                  “(ii) in-depth interviewing and evalua-  
14                  tion to identify employment barriers and  
15                  appropriate employment goals.

16           “(B) Development of an individual employ-  
17           ment plan, to identify the employment goals,  
18           appropriate achievement objectives, and the ap-  
19           propriate combination of services for the partic-  
20           ipant to achieve the employment goal.

21           “(C) Group counseling.

22           “(D) Individual counseling and career  
23           planning.

24           “(E) Case management for participants re-  
25           ceiving training services under subsection (c).

1           “(F) Follow-up services for participants  
2 placed in training or employment, for up to 1  
3 year, to assist in retention or advancement in  
4 employment.

5           “(c) TRAINING SERVICES.—

6           “(1) IN GENERAL.—Amounts allocated for  
7 adults under section 313(b)(2)(B) and for dislocated  
8 workers under section 313(b)(2)(C) shall be used to  
9 provide training services to adults and dislocated  
10 workers, respectively—

11           “(A) who are unable to obtain employment  
12 through core services under subsection (a);

13           “(B) who are in need of training services  
14 in order to gain employment as a result of de-  
15 terminations made through—

16           “(i) initial assessments under sub-  
17 section (a); or

18           “(ii) comprehensive and specialized  
19 assessments under subsection (b)(3)(A); or

20           “(C)(i) who are employed but are economi-  
21 cally disadvantaged despite such employment;  
22 and

23           “(ii) who are determined to be in need of  
24 such training services in order to gain employ-  
25 ment that allows for self-sufficiency.

1           “(2) PARTICIPANT QUALIFICATION.—

2                   “(A) REQUIREMENTS.—Except as provided  
3 in subparagraph (B), provision of such training  
4 services shall be limited to participants who—

5                           “(i) are unable to obtain other grant  
6 assistance for such services, including Fed-  
7 eral Pell Grants established under title IV  
8 of the Higher Education Act of 1965 (20  
9 U.S.C. 1070 et seq.); or

10                           “(ii) require assistance beyond the as-  
11 sistance made available under other grant  
12 assistance programs, including Federal  
13 Pell Grants.

14                   “(B) REIMBURSEMENTS.—Training serv-  
15 ices may be provided under this subsection to  
16 an individual who otherwise meets the require-  
17 ments of this subsection while an application  
18 for a Federal Pell Grant or other grant assist-  
19 ance is pending, except that if such individual  
20 is subsequently awarded a Federal Pell Grant  
21 or other grant assistance, appropriate reim-  
22 bursement shall be made to the local workforce  
23 development area from such Federal Pell Grant  
24 or other grant assistance.

1           “(3) PROVIDER QUALIFICATION.—Such training  
2 services shall be provided through training providers  
3 identified under in accordance with section 124.

4           “(4) TYPES OF SERVICES.—Such training serv-  
5 ices may include the following:

6           “(A) Basic skills training, including reme-  
7 dial education, literacy training, and English  
8 literacy program instruction.

9           “(B) Occupational skills training, including  
10 training for nontraditional employment.

11           “(C) On-the-job training.

12           “(D) Programs that combine workplace  
13 training with related instruction, which may in-  
14 clude cooperative education programs.

15           “(E) Training programs operated by the  
16 private sector.

17           “(F) Skill upgrading and retraining.

18           “(G) Entrepreneurial training.

19           “(H) Employability training to enhance  
20 basic workplace competencies.

21           “(I) Customized training conducted with a  
22 commitment by an employer or group of em-  
23 ployers to employ an individual upon successful  
24 completion of the training.

25           “(5) INDIVIDUAL CHOICE REQUIREMENTS.—

1           “(A) IN GENERAL.—All training services  
2 under this section shall be provided through  
3 service delivery methods that, to the extent  
4 practicable, maximize consumer choice in the  
5 selection of eligible providers of training serv-  
6 ices.

7           “(B) INFORMATION ON ELIGIBLE PROVID-  
8 ERS.—Each local workforce development board,  
9 through the full service employment and train-  
10 ing delivery system, shall make available—

11           “(i) the list of eligible providers of  
12 training services required under section  
13 124, with a description of the training  
14 courses available from such providers and  
15 a list of the names of on-the-job training  
16 providers; and

17           “(ii) the performance information de-  
18 scribed in section 124 relating to such pro-  
19 viders.

20           “(C) PURCHASE OF SERVICES.—An indi-  
21 vidual eligible for training services under this  
22 section may select an eligible provider of train-  
23 ing services from the list of providers described  
24 in subparagraph (B)(i). Upon such selection,  
25 the full service eligible provider shall, to the ex-

1           tent practicable, refer such individual to the se-  
2           lected eligible provider of training services and  
3           arrange for payment for such services.

4           “(6) ADDITIONAL REQUIREMENTS.—

5                 “(A) USE OF SKILL GRANTS.—

6                     “(i) IN GENERAL.—Except as pro-  
7                     vided in clause (ii) and clause (iii), training  
8                     services under this section shall be pro-  
9                     vided through the use of skill grants in ac-  
10                    cordance with this subsection, and shall be  
11                    distributed to eligible individuals through  
12                    full service eligible providers or affiliated  
13                    sites as described in section 123.

14                   “(ii) EXCEPTIONS.—Training services  
15                    authorized under this title may be provided  
16                    pursuant to a contract for services in lieu  
17                    of a skill grant if the requirements of para-  
18                    graph (5) are met and if—

19                         “(I) such services are on-the-job  
20                         training provided by an employer;

21                         “(II) the local workforce develop-  
22                         ment board determines there are an  
23                         insufficient number of qualified pro-  
24                         viders of training services in the  
25                         workforce development area to accom-

1           plish the purposes of a skill grant sys-  
2           tem;

3           “(III) the local workforce devel-  
4           opment board determines that the  
5           qualified providers of training services  
6           in the workforce development area are  
7           unable to provide effective services to  
8           special participant populations; or

9           “(IV) the local workforce devel-  
10          opment board decides to enter into a  
11          direct training contract with a com-  
12          munity based organization.

13          “(iii) TRANSITION.—Each State shall,  
14          not later than three years after the date of  
15          the enactment of the Employment, Train-  
16          ing, and Literacy Enhancement Act of  
17          1997, fully implement the requirements of  
18          clause (i). Nothing in this Act shall pro-  
19          hibit a State from beginning such imple-  
20          mentation at an earlier date.

21          “(B) LINKAGE TO OCCUPATIONS IN DE-  
22          MAND.—Training services under this subsection  
23          shall be directly linked to occupations for which  
24          there is a demand in the local workforce devel-  
25          opment area, or in another area to which an

1 adult receiving such services is willing to relo-  
2 cate, except that a local workforce development  
3 board may approve training in occupations de-  
4 termined by the local board to be in sectors of  
5 the economy which have a high potential for  
6 sustained demand or growth in the local  
7 workforce development area.

8 “(d) ADDITIONAL USES OF AMOUNTS.—

9 “(1) SUPPORTIVE SERVICES.—Amounts allo-  
10 cated for adults under section 313(b)(2)(B) and for  
11 dislocated workers under section 313(b)(2)(C) may  
12 be used to provide supportive services for adults and  
13 dislocated workers, respectively—

14 “(A) who are receiving assistance under  
15 any of subsections (a) through (c); and

16 “(B) who are unable to receive such serv-  
17 ices through other programs providing such  
18 services.

19 “(2) NEEDS-RELATED PAYMENTS.—

20 “(A) IN GENERAL.—Amounts allocated  
21 under section 313(b) may be used to provide  
22 needs-related payments to adults and dislocated  
23 workers who are unemployed and do not qualify  
24 for (or have ceased to qualify for) unemploy-  
25 ment compensation for the purpose of enabling

1 such individuals to participate in training pro-  
2 grams under subsection (c).

3 “(B) ADDITIONAL ELIGIBILITY REQUIRE-  
4 MENTS.—In addition to the requirements con-  
5 tained in subparagraph (A), a dislocated worker  
6 who has exhausted unemployment insurance  
7 benefits may be eligible to receive needs-related  
8 payments under this paragraph only if such  
9 worker was enrolled in training by the end of  
10 the 13th week of the worker’s most recent lay-  
11 off, or, if later, by the end of the 8th week after  
12 the worker is informed that a short-term layoff  
13 will in fact exceed 6 months.

14 “(e) PRIORITY.—From funds allocated to local  
15 workforce development areas for adult employment and  
16 training under section 313(b)(1)(B)(i), priority shall be  
17 given to welfare recipients and other economically dis-  
18 advantaged individuals with multiple barriers to employ-  
19 ment for receipt of intensive services and training services  
20 provided under subsections (b) and (c) of section 314, re-  
21 spectively.

22 **“PART B—NATIONAL PROGRAMS**

23 **“SEC. 321. NATIONAL EMERGENCY GRANTS.**

24 “(a) IN GENERAL.—From the amount reserved  
25 under section 312(a)(2), the Secretary of Labor is author-

1 ized to award national emergency grants in a timely man-  
2 ner—

3 “(1) to an entity described in subsection (b) to  
4 provide employment and training assistance to work-  
5 ers affected by major economic dislocations, such as  
6 plant closures, mass layoffs, or closures and realign-  
7 ments of military installations; and

8 “(2) to provide assistance to the Governor of  
9 any State within the boundaries of which is an area  
10 that has suffered an emergency or a major disaster  
11 as defined in paragraphs (1) and (2), respectively, of  
12 section 102 of The Robert T. Stafford Disaster Re-  
13 lief and Emergency Assistance Act (42 U.S.C. 5122  
14 (1) and (2)) (referred to in this section as the ‘disas-  
15 ter area’).

16 “(b) EMPLOYMENT AND TRAINING ASSISTANCE RE-  
17 QUIREMENTS.—

18 “(1) APPLICATION.—To be eligible to receive a  
19 grant under subsection (a)(1), an entity shall submit  
20 an application to the Secretary of Labor at such  
21 time, in such manner, and accompanied by such in-  
22 formation, as the Secretary may reasonably require.

23 “(2) ELIGIBLE ENTITY.—For purposes of this  
24 section, the term ‘entity’ means a State, local  
25 workforce development board, employer or employer

1 association, worker-management transition assist-  
2 ance committee or other employer-employee entity,  
3 representative of employees, community development  
4 corporation or community-based organization, or an  
5 industry consortia

6 “(c) DISASTER RELIEF EMPLOYMENT ASSISTANCE  
7 REQUIREMENTS.—

8 “(1) IN GENERAL.—Funds made available  
9 under subsection (a)(2)—

10 “(A) shall be used exclusively to provide  
11 employment on projects that provide food,  
12 clothing, shelter, and other humanitarian assist-  
13 ance for disaster victims, and projects regard-  
14 ing demolition, cleaning, repair, renovation, and  
15 reconstruction of damaged and destroyed struc-  
16 tures, facilities, and lands located within the  
17 disaster area; and

18 “(B) may be expended through public and  
19 private agencies and organizations engaged in  
20 such projects.

21 “(2) ELIGIBILITY.—An individual shall be eligi-  
22 ble to be offered disaster relief employment under  
23 this section if such individual is a dislocated worker  
24 or is temporarily or permanently laid off as a con-  
25 sequence of the disaster.

1           “(3) LIMITATIONS ON DISASTER RELIEF EM-  
2           PLOYMENT.—No individual shall be employed under  
3           this part for more than 6 months for work related  
4           to recovery from a single natural disaster.”.

5 **TITLE IV—AMENDMENTS TO**  
6 **FEDERALLY ADMINISTERED**  
7 **PROGRAMS**

8 **Subtitle A—Employment and**  
9 **Training Programs for Native**  
10 **Americans and Migrant and**  
11 **Seasonal Farmworkers**

12 **SEC. 401. NATIVE AMERICAN PROGRAM.**

13           Section 401 of the Job Training Partnership Act (29  
14 U.S.C. 1671) is amended to read as follows:

15 **“SEC. 401. NATIVE AMERICAN PROGRAMS.**

16           “(a) PURPOSE.—

17           “(1) IN GENERAL.—The purpose of this section  
18           is to support employment and training activities for  
19           Indian, Alaska Native, and Native Hawaiian individ-  
20           uals in order—

21                   “(A) to develop more fully the academic,  
22                   occupational, and literacy skills of such individ-  
23                   uals;

24                   “(B) to make such individuals more com-  
25                   petitive in the workforce; and

1           “(C) to promote the economic and social  
2           development of Indian, Alaska Native, and Na-  
3           tive Hawaiian communities in accordance with  
4           the goals and values of such communities.

5           “(2) INDIAN POLICY.—All programs assisted  
6           under this section shall be administered in a manner  
7           consistent with the principles of the Indian Self-De-  
8           termination and Education Assistance Act (25  
9           U.S.C. 450 et seq.) and the government-to-govern-  
10          ment relationship between the Federal Government  
11          and Indian tribal governments.

12          “(b) DEFINITIONS.—As used in this section:

13           “(1) ALASKA NATIVE.—The term ‘Alaska Na-  
14           tive’ means a Native as such term is defined in sec-  
15           tion 3(b) of the Alaska Native Claims Settlement  
16           Act (43 U.S.C. 1602(b)).

17           “(2) INDIAN, INDIAN TRIBE, AND TRIBAL ORGA-  
18           NIZATION.—The terms ‘Indian’, ‘Indian tribe’, and  
19           ‘tribal organization’ have the meanings given such  
20           terms in subsections (d), (e), and (l), respectively, of  
21           section 4 of the Indian Self-Determination and Edu-  
22           cation Assistance Act (25 U.S.C. 450b).

23           “(3) NATIVE HAWAIIAN AND NATIVE HAWAIIAN  
24           ORGANIZATION.—The terms ‘Native Hawaiian’ and  
25           ‘Native Hawaiian organization’ have the meanings

1 given such terms in paragraphs (1) and (3), respec-  
2 tively, of section 9212 of the Native Hawaiian Edu-  
3 cation Act (20 U.S.C. 7912).

4 “(c) PROGRAM AUTHORIZED.—The Secretary of  
5 Labor shall make grants to, or enter into contracts or co-  
6 operative agreements with, Indian tribes, tribal organiza-  
7 tions, Alaska Native entities, Indian-controlled organiza-  
8 tions serving Indians, or Native Hawaiian organizations  
9 to carry out the authorized activities described in sub-  
10 section (d).

11 “(d) AUTHORIZED ACTIVITIES.—

12 “(1) IN GENERAL.—Funds made available  
13 under this section shall be used to carry out the ac-  
14 tivities described in paragraphs (2) and (3) that—

15 “(A) are consistent with this section; and

16 “(B) are necessary to meet the needs of  
17 Indians or Native Hawaiians preparing to  
18 enter, reenter, or retain unsubsidized employ-  
19 ment.

20 “(2) EMPLOYMENT AND TRAINING ACTIVITIES  
21 AND SUPPLEMENTAL SERVICES.—

22 “(A) IN GENERAL.—Funds made available  
23 under this section shall be used for—

1                   “(i) comprehensive workforce and ca-  
2                   reer development activities for Indians or  
3                   Native Hawaiians; or

4                   “(ii) supplemental services for Indian  
5                   or Native Hawaiian youth on or near In-  
6                   dian reservations and in Oklahoma, Alas-  
7                   ka, or Hawaii.

8                   “(B) SPECIAL RULE.—Notwithstanding  
9                   any other provision of this section, individuals  
10                  who were eligible to participate in programs  
11                  under section 401 of the Job Training Partner-  
12                  ship Act (29 U.S.C. 1671) (as such section was  
13                  in effect on the day before the date of enact-  
14                  ment of this Act) shall be eligible to participate  
15                  in an activity assisted under subparagraph  
16                  (A)(i).

17                  “(e) PROGRAM PLAN.—In order to receive a grant  
18                  or enter into a contract or cooperative agreement under  
19                  this section an entity described in subsection (c) shall sub-  
20                  mit to the Secretary of Labor a plan that describes a 2-  
21                  year strategy for meeting the needs of Indian or Native  
22                  Hawaiian individuals, as appropriate, in the area served  
23                  by such entity. Such plan—

24                         “(1) shall be consistent with the purposes of  
25                         this section;

1           “(2) shall identify the population to be served;

2           “(3) shall identify the education and employ-  
3           ment needs of the population to be served and the  
4           manner in which the services to be provided will  
5           strengthen the ability of the individuals served to ob-  
6           tain or retain unsubsidized employment;

7           “(4) shall describe the services to be provided  
8           and the manner in which such services are to be in-  
9           tegrated with other appropriate services; and

10          “(5) shall describe the goals and benchmarks to  
11          be used to assess the performance of entities in car-  
12          rying out the activities assisted under this section.

13          “(f) CONSOLIDATION OF FUNDS.—Each entity re-  
14          ceiving assistance under this section may consolidate such  
15          assistance with assistance received from related programs  
16          in accordance with the provisions of the Indian Employ-  
17          ment, Training and Related Services Demonstration Act  
18          of 1992 (25 U.S.C. 3401 et seq.).

19          “(g) NONDUPLICATIVE AND NONEXCLUSIVE SERV-  
20          ICES.—Nothing in this section shall be construed—

21                 “(1) to limit the eligibility of any entity de-  
22                 scribed in subsection (c) to participate in any activ-  
23                 ity offered by a State or local entity under this Act;  
24                 or

1           “(2) to preclude or discourage any agreement,  
2           between any entity described in subsection (c) and  
3           any State or local entity, to facilitate the provision  
4           of services by such entity or to the population served  
5           by such entity.

6           “(h) ADMINISTRATIVE PROVISIONS.—

7           “(1) ORGANIZATIONAL UNIT ESTABLISHED.—  
8           The Secretary of Labor shall designate a single or-  
9           ganizational unit that shall have as its primary re-  
10          sponsibility the administration of the activities au-  
11          thorized under this section.

12          “(2) REGULATIONS.—The Secretary of Labor  
13          shall consult with the entities described in subsection  
14          (c)(1) in establishing regulations to carry out this  
15          section, including performance measures for entities  
16          receiving assistance under such subsection, taking  
17          into account the economic circumstances of such  
18          groups, and in developing a funding distribution  
19          plan that takes into consideration previous levels of  
20          funding.

21          “(3) TECHNICAL ASSISTANCE.—The Secretary  
22          of Labor, through the unit established under para-  
23          graph (1), are authorized to provide technical assist-  
24          ance to entities described in subsection (c) that re-  
25          ceive assistance under this section to enable such en-



1 workers and seasonal farmworkers and their depend-  
2 ents in the area to be served by such entity.

3 “(2) CONTENTS.—Such plan shall—

4 “(A) identify the education and employ-  
5 ment needs of the population to be served and  
6 the manner in which the services to be provided  
7 will strengthen the ability of the eligible farm-  
8 workers and dependents to obtain or be re-  
9 tained in unsubsidized employment or stabilize  
10 their unsubsidized employment;

11 “(B) describe the related assistance and  
12 supportive services to be provided and the man-  
13 ner in which such services are to be integrated  
14 and coordinated with other appropriate services;  
15 and

16 “(C) describe the goals and benchmarks to  
17 be used to assess the performance of such en-  
18 tity in carrying out the activities assisted under  
19 this section.

20 “(d) AUTHORIZED ACTIVITIES.—Funds made avail-  
21 able under this section shall be used to carry out com-  
22 prehensive workforce and career development activities  
23 and related services for migrant farmworkers and seasonal  
24 farmworkers which may include employment, training,  
25 educational assistance, literacy assistance, an English lit-

1 eracy program, worker safety training, housing, supportive  
2 services, and the continuation of the case management  
3 database on participating migrant farmworkers and sea-  
4 sonal farmworkers.

5       “(e) CONSULTATION WITH GOVERNORS AND LOCAL  
6 BOARDS.—In making grants and entering into contracts  
7 under this section, the Secretary of Labor shall consult  
8 with the Governors and local boards of the States in which  
9 the eligible entities will carry out the activities described  
10 in subsection (d).

11       “(f) REGULATIONS.—The Secretaries shall consult  
12 with migrant and seasonal farmworker groups and States  
13 in establishing regulations to carry out this section, includ-  
14 ing performance measures for eligible entities which take  
15 into account the economic circumstances of migrant farm-  
16 workers and seasonal farmworkers.

17       “(g) DEFINITIONS.—As used in this section:

18               “(1) MIGRANT FARMWORKER.—The term ‘mi-  
19 grant farmworker’ means a seasonal farmworker  
20 whose farm work requires travel such that the work-  
21 er is unable to return to a permanent place of resi-  
22 dence within the same day.

23               “(2) SEASONAL FARMWORKER.—The term ‘sea-  
24 sonal farmworker’ means a person who during the

1 eligibility determination period (12 consecutive  
2 months out of 24 months prior to application)—

3 “(A) has been primarily employed in farm  
4 work that is characterized by chronic unemploy-  
5 ment or under employment; and

6 “(B) is economically disadvantaged at the  
7 time of application.”.

## 8 **Subtitle B—Job Corps**

### 9 **SEC. 411. STATEMENT OF PURPOSE.**

10 Section 421 of the Job Training Partnership Act (29  
11 U.S.C. 1691) is amended in the first sentence by inserting  
12 after “a distinct national program” the following: “carried  
13 out in collaboration with States and localities”.

### 14 **SEC. 412. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.**

15 Section 423 of the Job Training Partnership Act (29  
16 U.S.C. 1693) is amended—

17 (1) in paragraph (1), by striking “14” and in-  
18 serting “16”;

19 (2) in paragraph (2), by striking “, and who re-  
20 quires” and all that follows and inserting a semi-  
21 colon;

22 (3) by redesignating paragraphs (3), (4), and  
23 (5) as paragraphs (4), (5), and (6), respectively; and

24 (4) by inserting after paragraph (2) the follow-  
25 ing:

1           “(3) is an individual who—  
2                 “(A) is deficient in basic skills;  
3                 “(B) is a school dropout;  
4                 “(C) is homeless or a runaway;  
5                 “(D) is a single parent; or  
6                 “(E) requires additional education, train-  
7           ing, or intensive counseling and related assist-  
8           ance in order to secure and hold meaningful  
9           employment, participate successfully in regular  
10          school work, qualify for other suitable training  
11          programs, or satisfy Armed Forces require-  
12          ments;”.

13 **SEC. 413. SCREENING AND SELECTION OF APPLICANTS;**  
14                                   **GENERAL PROVISIONS.**

15          Section 424(a) of the Job Training Partnership Act  
16 (29 U.S.C. 1694(a)) is amended—

17                 (1) in the first sentence, by adding at the end  
18          before the period the following: “after considering  
19          input from State, local, and community groups and  
20          other interested parties”;

21                 (2) in the second sentence—

22                         (A) by inserting after “public employment  
23                         offices,” the following: “full service eligible pro-  
24                         viders,”; and

1 (B) by striking “and agencies” and insert-  
2 ing “and entities”; and

3 (3) in the third sentence, by inserting after  
4 “The rules shall” the following: “require Job Corps  
5 applicants to pass background checks, conducted in  
6 accordance with procedures established by the Sec-  
7 retary, and”.

8 **SEC. 414. JOB CORPS CENTERS.**

9 Section 427 of the Job Training Partnership Act (29  
10 U.S.C. 1697) is amended—

11 (1) in subsection (a)(1), by adding at the end  
12 the following: “In selecting any entity to serve as an  
13 operator or to provide services for a Job Corps cen-  
14 ter, the Secretary shall take into consideration the  
15 previous performance of the entity, if any, relating  
16 to operating or providing services for a Job Corps  
17 center.”;

18 (2) in subsection (c) to read as follows:

19 “(c) The Secretary may select an entity to operate  
20 a Civilian Conservation Center on a competitive basis if  
21 such a center fails to meet performance criteria estab-  
22 lished by the Secretary.”; and

23 (3) by adding at the end the following:

24 “(d) Notwithstanding any other provision of law, any  
25 proceeds from the sale of Job Corps center facilities shall

1 be retained by the Secretary to carry out the Job Corps  
2 program.

3 “(e) Prior to the closure of any Job Corps center,  
4 the Secretary shall ensure that—

5 “(1) the proposed decision to close the center is  
6 announced in advance to the general public through  
7 publication in the Federal Register or other appro-  
8 priate means;

9 “(2) the establishment of a reasonable comment  
10 period, not to exceed 30 days, for interested individ-  
11 uals to submit written comments to the Secretary;

12 “(3) the Members of Congress who represent  
13 districts affected by the proposed decision to close  
14 the center are notified within a reasonable period of  
15 time in advance of any final decision to close the  
16 center; and

17 “(4) the geographic location of alternative Job  
18 Corps centers is among the factors taken into ac-  
19 count in the decision to close the center.”.

20 **SEC. 415. STANDARDS OF CONDUCT.**

21 Section 430(a) of the Job Training Partnership Act  
22 (29 U.S.C. 1700(a)) is amended—

23 (1) in the first sentence, by adding at the end  
24 before the period the following: “, including a policy  
25 of zero tolerance for violence and illegal drugs under

1 which enrollees will receive mandatory terminations  
2 for specific actions in accordance with regulations is-  
3 sued by the Secretary”;

4 (2) by inserting after the first sentence the fol-  
5 lowing: “As part of the zero tolerance policy, drug  
6 testing of all students shall be required in accord-  
7 ance with procedures established by the Secretary.”;  
8 and

9 (3) in the third sentence, by inserting after “If  
10 violations” the following: “of center standards other  
11 than those covered by the zero tolerance policy”.

12 **SEC. 416. COUNSELING AND JOB PLACEMENT.**

13 Section 432(b) of the Job Training Partnership Act  
14 (29 U.S.C. 1702(b)) is amended in the first sentence by  
15 inserting after “determine their capabilities and” the fol-  
16 lowing: “, based on these capabilities,”.

17 **SEC. 417. EXPERIMENTAL AND DEVELOPMENTAL**  
18 **PROJECTS AND COORDINATION WITH OTHER**  
19 **PROGRAMS.**

20 Section 433(c)(1) of the Job Training Partnership  
21 Act (29 U.S.C. 1703(c)(1)) is amended in the first sen-  
22 tence by striking “disseminate information” and inserting  
23 “disseminate to Federal, State, and local workforce devel-  
24 opment programs information and best practices”.

1       **Subtitle C—National Activities**

2       **SEC. 421. RESEARCH, DEMONSTRATION, EVALUATION, AND**  
3                                   **CAPACITY BUILDING.**

4       Part D of the Job Training Partnership Act (29  
5 U.S.C. 1731 et seq.) is amended by striking sections 451  
6 through 454 and inserting the following:

7       **“SEC. 451. RESEARCH, DEMONSTRATION, EVALUATION, AND**  
8                                   **CAPACITY BUILDING.**

9           “(a) IN GENERAL.—The Secretary is authorized to  
10 establish and carry out research, demonstration, evalua-  
11 tion, and capacity building activities described in sub-  
12 sections (b) through (f).

13           “(b) NATIONAL PARTNERSHIP AND SPECIAL TRAIN-  
14 ING.—The Secretary may award special grants to eligible  
15 entities to carry out programs that are most appropriately  
16 administered at the national level. Such activities may in-  
17 clude—

18                   “(1) partnership programs with national orga-  
19 nizations with special expertise in developing, orga-  
20 nizing, and administering employment and training  
21 services at the national, State, and local levels, such  
22 as industry and labor associations, public interest  
23 groups, community-based organizations representa-  
24 tive of groups that encounter special difficulties in  
25 the labor market, and other organizations with spe-

1       cial knowledge or capabilities in education and train-  
2       ing; and

3           “(2) activities that—

4               “(A) address industry-wide skill shortages;

5               “(B) meet training needs that are best ad-  
6       dressed on a multi-state basis;

7               “(C) further the goals of increasing the  
8       competitiveness of the United States labor  
9       force;

10              “(D) require technical expertise available  
11       at the national level to serve the needs of par-  
12       ticular client groups that encounter significant  
13       barriers to employment and who the Secretary  
14       determines require special assistance; or

15              “(E) promote and experiment with model  
16       activities, pilot projects, and demonstration  
17       projects which further the goals and purposes  
18       of this Act.

19       “(c) RESEARCH.—The Secretary is authorized to  
20       conduct continuing research, which may include studies  
21       and other methods and techniques, that will aid in the so-  
22       lution of the employment and training problems of the  
23       United States. Such studies may include the extent to  
24       which individuals who participate in programs established  
25       under this title achieve self-sufficiency as a result of such

1 participation, including the identification by States and lo-  
2 calities, to the extent practicable, of indicators measuring  
3 such self-sufficiency.

4 “(d) PILOT AND DEMONSTRATION PROGRAMS.—

5 “(1) IN GENERAL.—The Secretary is authorized  
6 to conduct pilot and demonstration programs for the  
7 purpose of developing and improving techniques and  
8 demonstrating the effectiveness of specialized meth-  
9 ods in addressing employment and training needs  
10 which may include—

11 “(A) the establishment of advanced manu-  
12 facturing technology skill centers developed  
13 through local partnerships of industry, labor,  
14 education, community-based organizations, and  
15 economic development organizations to meet  
16 unmet, high-tech skill needs of local commu-  
17 nities;

18 “(B) projects that provide training to up-  
19 grade the skills of employed workers who reside  
20 and are employed in enterprise zones or  
21 empowerment communities;

22 “(C) programs conducted jointly with the  
23 Department of Defense to develop training pro-  
24 grams utilizing computer-based and other inno-  
25 vative learning technologies;

1           “(D) projects that promote the use of dis-  
2           tance learning, enabling students to take  
3           courses through the use of media technology  
4           such as videos, teleconferencing computers, and  
5           the Internet;

6           “(E) projects that assist in providing com-  
7           prehensive services to increase the employment  
8           rates of out-of-school youth residing in targeted  
9           high poverty areas within empowerment zones  
10          and enterprise communities;

11          “(F) the establishment of partnerships  
12          with national organizations with special exper-  
13          tise in developing, organizing, and administer-  
14          ing employment and training services for per-  
15          sons with disabilities at the national, State, and  
16          local levels;

17          “(G) projects to assist public housing au-  
18          thorities that provide to public housing resi-  
19          dents job training programs that demonstrate  
20          successful job skills upgrading and employment;  
21          and

22          “(H) projects that assist local workforce  
23          development areas to develop and implement  
24          local self-sufficiency standards to evaluate the

1 degree to which program participants are  
2 achieving self-sufficiency.

3 “(2) GRANTS AND CONTRACTS.—The Secretary  
4 may award grants and enter into contracts with en-  
5 tities to carry out this subsection.

6 “(3) EVALUATION AND EFFECTIVENESS.—  
7 Demonstration programs assisted under this sub-  
8 section shall include a formal, rigorous evaluation  
9 component. Pilot programs assisted under this sub-  
10 section shall include an appropriate evaluation com-  
11 ponent.

12 “(4) SPECIAL RULE.—A demonstration pro-  
13 gram under this subsection may not be assisted  
14 under this subsection for a period of more than 7  
15 years. A pilot program under this subsection may  
16 not be assisted under this subsection for a period of  
17 more than 3 years.

18 “(e) EVALUATION.—

19 “(1) ACTIVITIES.—

20 “(A) JOB TRAINING.—The Secretary shall  
21 provide for the continuing evaluation of pro-  
22 grams conducted under this Act.

23 “(B) OTHER PROGRAMS.—The Secretary  
24 may conduct evaluations of federally-funded

1 employment-related activities under other provi-  
2 sions of law.

3 “(2) TECHNIQUES.—

4 “(A) METHODS.—Evaluations conducted  
5 under paragraph (1) shall utilize sound statis-  
6 tical methods and techniques for the behavioral  
7 and social sciences, including the use of control  
8 groups chosen by scientific random assignment  
9 methodologies when feasible.

10 “(B) EFFECTIVENESS.—The Secretary  
11 shall evaluate the effectiveness of programs au-  
12 thorized under this Act with respect to—

13 “(i) the statutory goals; and

14 “(ii) the cost effectiveness and return-  
15 on-investment of such programs based on  
16 the extent to which the programs—

17 “(I) enhance the employment and  
18 earnings of participants;

19 “(II) reduce income support costs  
20 (including the receipt of welfare as-  
21 sistance);

22 “(III) improve the employment  
23 competencies of participants in com-  
24 parison to comparable persons who

1 did not participate in such programs;  
2 and

3 “(IV) to the extent feasible, in-  
4 crease the level of total employment  
5 over the level that would have existed  
6 in the absence of such programs.

7 “(f) TECHNICAL ASSISTANCE, DISSEMINATION, AND  
8 REPLICATION ACTIVITIES.—The Secretary shall provide,  
9 coordinate, and support the development of, appropriate  
10 training, technical assistance, staff development, and other  
11 activities, including assistance in replicating programs of  
12 demonstrated effectiveness, to States and localities.

13 **“SEC. 452. INCENTIVE GRANTS.**

14 “From amounts authorized to be appropriated pursu-  
15 ant to section 3(a)(3) to carry out this part for a fiscal  
16 year, the Secretary is authorized to award incentive grants  
17 to States consistent with the requirements of section  
18 156(a).”.

19 **SEC. 422. NONTRADITIONAL EMPLOYMENT DEMONSTRATION PROGRAM.**

21 Section 456 of the Job Training Partnership Act (29  
22 U.S.C. 1737) is hereby repealed.

1                   **Subtitle D—Repealers**

2   **SEC. 451. REPEALERS.**

3           Parts F, G, H, I, and J of title IV of the Job Train-  
4 ing Partnership Act (29 U.S.C. 1771 et seq.) are hereby  
5 repealed.

6                   **TITLE V—AMENDMENTS TO**  
7   **ADULT EDUCATION PROGRAMS**

8   **SEC. 501. REPEAL OF JOBS FOR EMPLOYABLE DEPENDENT**  
9                   **INDIVIDUALS INCENTIVE BONUS PROGRAM.**

10          Title V of the Job Training Partnership Act (29  
11 U.S.C. 1791 et seq.) is repealed.

12   **SEC. 502. AMENDMENT TO ADULT EDUCATION ACT.**

13          The Adult Education Act (20 U.S.C. 1201 et seq.)  
14 is amended to read as follows:

15   **“TITLE III—ADULT EDUCATION**  
16   **AND FAMILY LITERACY PRO-**  
17   **GRAMS**

18   **“SEC. 301. SHORT TITLE.**

19          “‘This title may be cited as the ‘Adult Education and  
20 Family Literacy Act’.

21   **“SEC. 302. STATEMENT OF PURPOSE.**

22          “‘It is the purpose of this title to assist States and  
23 outlying areas to provide—

1           “(1) to adults, on a voluntary basis, the basic  
2 educational skills necessary for employment and self-  
3 sufficiency; and

4           “(2) to adults who are parents, on a voluntary  
5 basis, the educational skills necessary to be full part-  
6 ners in the educational development of their chil-  
7 dren.

8 **“SEC. 303. DEFINITION.**

9           “For purposes of this title:

10           “(1) ADULT EDUCATION.—The term ‘adult edu-  
11 cation’ means services or instruction below the post-  
12 secondary level for individuals—

13                   “(A) who have attained 16 years of age;

14                   “(B) who are not enrolled or required to be  
15 enrolled in secondary school under State law;  
16 and

17                   “(C) who—

18                           “(i) lack sufficient mastery of basic  
19 educational skills to enable the individuals  
20 to function effectively in society;

21                           “(ii) do not have a certificate of grad-  
22 uation from a school providing secondary  
23 education and who have not achieved an  
24 equivalent level of education; or

1                   “(iii) are unable to speak, read, or  
2                   write the English language.

3                   “(2) ADULT EDUCATION AND LITERACY ACTIVI-  
4                   TIES.—The term ‘adult education and literacy activi-  
5                   ties’ has the meaning given such term in section 4  
6                   of the Employment, Training, and Literacy En-  
7                   hancement Act.

8                   “(3) COMMUNITY-BASED ORGANIZATION.—The  
9                   term ‘community-based organization’ has the mean-  
10                  ing given such term in section 4 of the Employment,  
11                  Training, and Literacy Enhancement Act.

12                  “(4) DIRECT AND EQUITABLE ACCESS.—The  
13                  term ‘direct and equitable access’, when used with  
14                  respect to the requirement in section 313(c)(2),  
15                  means that—

16                         “(A) all eligible providers are given the  
17                         same opportunity to apply for and receive funds  
18                         under part A; and

19                         “(B) the same announcement and applica-  
20                         tion process is used for all eligible providers.

21                  “(5) ELIGIBLE AGENCY.—The term ‘eligible  
22                  agency’ means—

23                         “(A) the individual, entity, or agency in a  
24                         State or an outlying area responsible for admin-  
25                         istering or setting policies for adult education

1 and literacy services in such State or outlying  
2 area pursuant to the law of the State or outly-  
3 ing area; or

4 “(B) if no individual, entity, or agency is  
5 responsible for administering or setting such  
6 policies pursuant to the law of the State or out-  
7 lying area, the individual, entity, or agency in  
8 a State or outlying area responsible for admin-  
9 istering or setting policies for adult education  
10 and literacy services in such State or outlying  
11 area on the date of the enactment of the Em-  
12 ployment, Training, and Literacy Enhancement  
13 Act of 1997.

14 “(6) ELIGIBLE PROVIDER.—The term ‘eligible  
15 provider’, used with respect to adult education and  
16 literacy activities described in section 314(b), means  
17 a provider determined to be eligible for assistance in  
18 accordance with section 313.

19 “(7) ENGLISH LITERACY PROGRAM.—The term  
20 ‘English literacy program’ has the meaning given  
21 such term in section 4 of the Employment, Training,  
22 and Literacy Enhancement Act.

23 “(8) FAMILY LITERACY SERVICES.—The term  
24 ‘family literacy services’ has the meaning given such

1 term in section 4 of the Employment, Training, and  
2 Literacy Enhancement Act.

3 “(9) INDIVIDUAL OF LIMITED ENGLISH PRO-  
4 FICIENCY.—The term ‘individual of limited English  
5 proficiency’ has the meaning given such term in sec-  
6 tion 4 of the Employment, Training, and Literacy  
7 Enhancement Act.

8 “(10) INDIVIDUAL WITH A DISABILITY.—The  
9 terms ‘individual with a disability’ and ‘individuals  
10 with disabilities’ have the meaning given such terms  
11 in section 4 of the Employment, Training, and Lit-  
12 eracy Enhancement Act.

13 “(11) LITERACY.—The term ‘literacy’ has the  
14 meaning given such term in section 4 of the Employ-  
15 ment, Training, and Literacy Enhancement Act.

16 “(12) LOCAL EDUCATIONAL AGENCY.—The  
17 term ‘local educational agency’ has the meaning  
18 given such term in section 14101 of the Elementary  
19 and Secondary Education Act of 1965 (20 U.S.C.  
20 8801).

21 “(13) OUTLYING AREA.—The term ‘outlying  
22 area’ has the meaning given such term in section 4  
23 of the Employment, Training, and Literacy En-  
24 hancement Act.

1           “(14) POSTSECONDARY EDUCATIONAL INSTITU-  
2           TION.—The term ‘postsecondary educational institu-  
3           tion’ has the meaning given such term in section 4  
4           of the Employment, Training, and Literacy En-  
5           hancement Act.

6           “(15) SECRETARY.—The term ‘Secretary’  
7           means the Secretary of Education.

8           “(16) STATE.—The term ‘State’ has the mean-  
9           ing given such term in section 4 of the Employment,  
10          Training, and Literacy Enhancement Act.

11 **“SEC. 304. AUTHORIZATION OF APPROPRIATIONS.**

12          “(a) IN GENERAL.—There are authorized to be ap-  
13          propriated to carry out this title such sums as may be  
14          necessary for fiscal years 1998 through 2003.

15          “(b) RESERVATION OF FUNDS FOR NATIONAL LEAD-  
16          ERSHIP ACTIVITIES.—For any fiscal year, the Secretary  
17          shall reserve—

18               “(1) 1.5 percent of the amount appropriated  
19               under subsection (a) (but not more than  
20               \$6,500,000) to carry out section 321; and

21               “(2) 1.5 percent of the amount appropriated  
22               under subsection (a) (but not more than  
23               \$6,500,000) to establish and carry out the program  
24               of national leadership and evaluation activities de-  
25               scribed in section 322.

1 **“SEC. 305. HOME SCHOOLS.**

2 “Nothing in this title shall be construed to affect  
3 home schools, nor to compel a parent engaged in home  
4 schooling to participate in an English literacy program,  
5 family literacy services, or adult education.

6 **“PART A—GRANTS TO ELIGIBLE AGENCIES**

7 **“SEC. 311. AUTHORITY TO MAKE GRANTS.**

8 “(a) IN GENERAL.—In the case of each eligible agen-  
9 cy that in accordance with section 101 of the Employment,  
10 Training, and Literacy Enhancement Act submits to the  
11 Secretary a plan, the Secretary shall make a grant for  
12 each fiscal year for which such plan is in effect to the  
13 eligible agency for the purpose specified in subsection (b).  
14 The grant shall consist of the initial and additional allot-  
15 ments determined for the eligible agency under section  
16 312.

17 “(b) PURPOSE OF GRANTS.—The Secretary may  
18 make a grant under subsection (a) only if the applicant  
19 involved agrees to expend the grant for adult education  
20 and literacy activities in accordance with the provisions  
21 of this part.

22 **“SEC. 312. ALLOTMENTS.**

23 “(a) INITIAL ALLOTMENTS.—From the sums avail-  
24 able for the purpose of making grants under this part for  
25 any fiscal year, the Secretary shall allot to each eligible  
26 agency that in accordance with section 101 of the Employ-

1 ment, Training, and Literacy Enhancement Act submits  
2 to the Secretary a plan for the year an initial amount as  
3 follows:

4           “(1) \$100,000, in the case of an eligible agency  
5           of the United States Virgin Islands, Guam, Amer-  
6           ican Samoa, the Commonwealth of the Northern  
7           Mariana Islands, the Republic of the Marshall Is-  
8           lands, the Federated States of Micronesia, and the  
9           Republic of Palau.

10           “(2) \$250,000, in the case of any other eligible  
11           agency.

12           “(b) ADDITIONAL ALLOTMENTS.—

13           “(1) IN GENERAL.—From the remainder avail-  
14           able for the purpose of making grants under this  
15           part for any fiscal year after the application of sub-  
16           section (a), the Secretary shall allot to each eligible  
17           agency that receives an initial allotment under such  
18           subsection an additional amount that bears the same  
19           relationship to such remainder as the number of  
20           qualifying adults in the State or outlying area of the  
21           agency bears to the number of such adults in all  
22           States and outlying areas.

23           “(2) QUALIFYING ADULT.—For purposes of  
24           this subsection, the term ‘qualifying adult’ means an  
25           adult who—

1           “(A) is at least 16 years of age, but less  
2           than 61 years of age;

3           “(B) is beyond the age of compulsory  
4           school attendance under the law of the State or  
5           outlying area;

6           “(C) does not have a certificate of gradua-  
7           tion from a school providing secondary edu-  
8           cation and has not achieved an equivalent level  
9           of education; and

10           “(D) is not currently enrolled in secondary  
11           school.

12           “(c) SPECIAL RULE.—

13           “(1) IN GENERAL.—Using funds not to exceed  
14           the amount appropriated and reserved under the  
15           Adult Education Act for fiscal year 1997 for the Re-  
16           public of the Marshall Islands, the Federated States  
17           of Micronesia, and the Republic of Palau, the Sec-  
18           retary shall award grants, from funds made avail-  
19           able under subsections (a) and (b), to Guam, Amer-  
20           ican Samoa, the Commonwealth of the Northern  
21           Mariana Islands, the Republic of the Marshall Is-  
22           lands, the Federated States of Micronesia, or the  
23           Republic of Palau to carry out activities described in  
24           this part in accordance with the provisions of this

1 part that the Secretary determines are not inconsis-  
2 ent with this subsection.

3 “(2) AWARD BASIS.—The Secretary shall award  
4 grants pursuant to paragraph (1) on a competitive  
5 basis and pursuant to recommendations from the  
6 Pacific Region Educational Laboratory in Honolulu,  
7 Hawaii.

8 “(3) TERMINATION OF ELIGIBILITY.—Notwith-  
9 standing any other provision of law, the Republic of  
10 the Marshall Islands, the Federated States of Micro-  
11 nesia, and the Republic of Palau shall not receive  
12 any funds under this part for any fiscal year that  
13 begins after September 30, 2001.

14 “(4) ADMINISTRATIVE COSTS.—The Secretary  
15 may provide not more than 5 percent of the funds  
16 made available for grants under this subsection to  
17 pay the administrative costs of the Pacific Region  
18 Educational Laboratory regarding activities assisted  
19 under this subsection.

20 “(d) HOLD-HARMLESS.—

21 “(1) IN GENERAL.—Notwithstanding subsection  
22 (a)—

23 “(A) for fiscal year 1998, no eligible agen-  
24 cy shall receive an allotment that is less than  
25 90 percent of the payments made to the State

1 of the agency for fiscal year 1997 for programs  
2 for which funds were authorized to be appro-  
3 priated under section 313 of the Adult Edu-  
4 cation Act (as such Act was in effect on the day  
5 before the date of the enactment of the Employ-  
6 ment, Training, and Literacy Enhancement Act  
7 of 1997); and

8 “(B) for fiscal year 1999 and each suc-  
9 ceeding fiscal year, no eligible agency shall re-  
10 ceive an allotment that is less than 90 percent  
11 of the amount the agency received for the pre-  
12 ceding fiscal year for programs under this Act.

13 “(2) RATABLE REDUCTION.—If for any fiscal  
14 year the amount available for allotment under this  
15 section is insufficient to satisfy the provisions of  
16 paragraph (1), the Secretary shall ratably reduce the  
17 payments to all eligible agencies, as necessary.

18 “(e) REALLOTMENT.—The portion of any eligible  
19 agency’s allotment under subsection (a) or (b) for a fiscal  
20 year that the Secretary determines will not be required  
21 for the period such allotment is available for carrying out  
22 activities under this part, shall be available for reallocation  
23 from time to time, on such dates during such period as  
24 the Secretary shall fix, to other eligible agencies in propor-

1 tion to the original allotments to such agencies under such  
2 subsection for such year.

3 **“SEC. 313. USE OF FUNDS.**

4 “(a) IN GENERAL.—Of the sum that is made avail-  
5 able under this part to an eligible agency for any program  
6 year—

7 “(1) not less than 85 percent shall be made  
8 available to award grants in accordance with this  
9 section to carry out adult education and literacy ac-  
10 tivities; and

11 “(2) not more than 15 percent shall be made  
12 available to carry out activities described in section  
13 314(a), of which not more than 5 percentage points,  
14 or \$50,000, whichever is greater, shall be made  
15 available for administrative expenses at the State  
16 level (or the level of the outlying area).

17 “(b) GRANTS.—

18 “(1) IN GENERAL.—Except as provided in para-  
19 graph (2), from the amount made available to an eli-  
20 gible agency for adult education and literacy under  
21 subsection (a)(1) for a program year, such agency  
22 shall award grants, on a competitive basis, to local  
23 educational agencies, correctional education agen-  
24 cies, community-based organizations of dem-  
25 onstrated effectiveness, volunteer literacy organiza-

1 tions, libraries, public or private nonprofit agencies,  
2 postsecondary educational institutions, public hous-  
3 ing authorities, and other nonprofit institutions, that  
4 have the ability to provide literacy services to adults  
5 and families, or consortia of agencies, organizations,  
6 or institutions described in this subsection, to enable  
7 such agencies, organizations, institutions, and con-  
8 sortia to carry out adult education and literacy ac-  
9 tivities.

10 “(2) CONSORTIA.—An eligible agency may  
11 award a grant under this section to a consortium  
12 that includes a provider described in paragraph (1)  
13 and a for-profit agency, organization, or institution,  
14 if such agency, organization, or institution—

15 “(A) can make a significant contribution  
16 to carrying out the objectives of this title; and

17 “(B) enters into a contract with such pro-  
18 vider to carry out adult education and literacy  
19 activities.

20 “(c) GRANT REQUIREMENTS.—

21 “(1) REQUIRED LOCAL ACTIVITIES.—An eligible  
22 agency shall require that each provider receiving a  
23 grant under this section use the grant in accordance  
24 with section 314(b).

1           “(2) **EQUITABLE ACCESS.**—Each eligible agency  
2           awarding a grant under this section for adult edu-  
3           cation and literacy activities shall ensure that the  
4           providers described in subsection (b) will be provided  
5           direct and equitable access to all Federal funds pro-  
6           vided under this section.

7           “(3) **SPECIAL RULE.**—Each eligible agency  
8           awarding a grant under this section shall not use  
9           any funds made available under this title for adult  
10          education and literacy activities for the purpose of  
11          supporting or providing programs, services, or activi-  
12          ties for individuals who are not individuals described  
13          in subparagraphs (A) and (B) of section 303(1), ex-  
14          cept that such agency may use such funds for such  
15          purpose if such programs, services, or activities are  
16          related to family literacy services.

17          “(4) **CONSIDERATIONS.**—In awarding grants  
18          under this section, the eligible agency shall con-  
19          sider—

20                 “(A) the degree to which the provider will  
21                 establish measurable goals for client outcomes,  
22                 including the core indicators of performance  
23                 pertaining to adult education set forth in sec-  
24                 tion 154 of the Employment, Training, and Lit-  
25                 eracy Enhancement Act, that are tied to chal-

1           lenging State performance standards for lit-  
2           eracy proficiency;

3           “(B) the past effectiveness of a provider in  
4           improving the literacy skills of adults and fami-  
5           lies, and, after the 1-year period beginning with  
6           the adoption of a State’s core indicators and  
7           benchmarks under the Employment, Training,  
8           and Literacy Enhancement Act, the success of  
9           a provider receiving funding under this Act in  
10          meeting or exceeding such benchmarks, espe-  
11          cially with respect to those adults with the low-  
12          est levels of literacy;

13          “(C) the degree to which the program is  
14          staffed by well-trained instructors and adminis-  
15          trators;

16          “(D) the degree to which the provider will  
17          coordinate with other available resources in the  
18          community;

19          “(E) the commitment of the provider to  
20          serve individuals in the community who are  
21          most in need of literacy services, including indi-  
22          viduals who are low income, who have minimal  
23          literacy skills, or both;

24          “(F) whether or not the program is of suf-  
25          ficient intensity and duration for participants to

1           achieve substantial learning gains and uses in-  
2           structional practices, such as phonemic aware-  
3           ness and systematic phonics, that research has  
4           proven to be effective in teaching individuals to  
5           read; and

6                   “(G) the degree to which the provider will  
7           offer flexible schedules and necessary support  
8           services (such as child care and transportation)  
9           to enable individuals, including individuals with  
10          disabilities or other special needs, to participate  
11          in adult education and literacy activities.

12          “(d) LOCAL ADMINISTRATIVE COST LIMITS.—

13                   “(1) IN GENERAL.—Except as provided in para-  
14          graph (2), of the funds provided under this section  
15          by an eligible agency to a provider described in sub-  
16          section (b), not less than 95 percent shall be ex-  
17          pended for provision of adult education and literacy  
18          activities. The remainder shall be used for planning,  
19          administration, personnel development, and inter-  
20          agency coordination.

21                   “(2) SPECIAL RULE.—In cases where the cost  
22          limits described in paragraph (1) will be too restric-  
23          tive to allow for adequate planning, administration,  
24          personnel development, and interagency coordination  
25          supported under this section, the eligible agency

1 shall negotiate with the provider described in sub-  
2 section (b) in order to determine an adequate level  
3 of funds to be used for noninstructional purposes.

4 **“SEC. 314. ADULT EDUCATION AND LITERACY ACTIVITIES.**

5 “(a) PERMISSIBLE AGENCY ACTIVITIES.—An eligible  
6 agency may use funds made available to the eligible agen-  
7 cy under section 313(a)(2) for activities that may in-  
8 clude—

9 “(1) the establishment or operation of profes-  
10 sional development programs to improve the quality  
11 of instruction provided pursuant to local activities  
12 required under subsection (b), including instruction  
13 incorporating phonemic awareness and systematic  
14 phonics and instruction provided by volunteers or by  
15 personnel of a State or outlying area;

16 “(2) the provision of technical assistance to eli-  
17 gible providers of activities authorized under this  
18 section;

19 “(3) the provision of technology assistance, in-  
20 cluding staff training, to eligible providers of activi-  
21 ties authorized under this section to enable the pro-  
22 viders to improve the quality of such activities;

23 “(4) the support of State or regional networks  
24 of literacy resource centers;

1           “(5) the monitoring and evaluation of the qual-  
2           ity of, and the improvement in, activities and serv-  
3           ices authorized under this section;

4           “(6) incentives for—

5                 “(A) program coordination and integra-  
6                 tion; and

7                 “(B) performance awards;

8           “(7) developing and disseminating curricula, in-  
9           cluding curricula incorporating phonemic awareness  
10          and systematic phonics;

11          “(8) other activities of statewide significance  
12          that promote the purposes of this title; and

13          “(9) the provision of support services, such as  
14          transportation, child care, and other assistance de-  
15          signed to increase rates of enrollment in, and suc-  
16          cessful completion of, adult education and literacy  
17          activities, to adults enrolled in such activities.

18          “(b) REQUIRED LOCAL ACTIVITIES.—The eligible  
19          agency shall require that each eligible provider receiving  
20          a grant under section 313 use the grant to establish or  
21          operate 1 or more programs that provide instruction or  
22          services in 1 or more of the following categories:

23                 “(1) Adult education and literacy services, in-  
24                 cluding services provided on the work site.

25                 “(2) Family literacy services.

1           “(3) English literacy programs.

2           “(c) STATE-IMPOSED REQUIREMENTS.—Whenever a  
3 State implements any rule or policy relating to the admin-  
4 istration or operation of a program authorized under this  
5 title that has the effect of imposing a requirement that  
6 is not imposed under Federal law (including any rule or  
7 policy based on a State interpretation of a Federal statute,  
8 regulation, or guideline), it shall identify, to eligible pro-  
9 viders, the rule or policy as being State-imposed.

10   **“SEC. 315. FISCAL REQUIREMENTS AND RESTRICTIONS RE-**  
11                           **LATED TO USE OF FUNDS.**

12           “(a) SUPPLEMENT NOT SUPPLANT.—Funds made  
13 available under this part for adult education and literacy  
14 activities shall supplement, and may not supplant, other  
15 public funds expended to carry out activities described in  
16 section 314.

17           “(b) MAINTENANCE OF EFFORT.—

18                   “(1) IN GENERAL.—

19                           “(A) DETERMINATION.—An eligible agency  
20 may receive funds under this Act for any fiscal  
21 year if the Secretary finds that the fiscal effort  
22 per student or the aggregate expenditures of  
23 such eligible agency for adult education and lit-  
24 eracy, in the second preceding fiscal year, was  
25 not less than 90 percent of the fiscal effort per

1 student or the aggregate expenditures of such  
2 eligible agency for adult education and literacy,  
3 in the third preceding fiscal year.

4 “(B) PROPORTIONATE REDUCTION.—Sub-  
5 ject to paragraphs (2), (3), and (4), for any  
6 program year with respect to which the Sec-  
7 retary determines under subparagraph (A) that  
8 the fiscal effort and the aggregate expenditures  
9 of an eligible agency for the preceding program  
10 year were less than such effort and expendi-  
11 tures for the second preceding program year,  
12 the Secretary—

13 “(i) shall determine the percentage  
14 decreases in such effort and in such ex-  
15 penditures; and

16 “(ii) shall decrease the payment made  
17 under this part for such program year to  
18 the agency for adult education and literacy  
19 activities by the lesser of such percentages.

20 “(2) COMPUTATION.—In computing the fiscal  
21 effort and aggregate expenditures under paragraph  
22 (1), the Secretary shall exclude capital expenditures  
23 and special one-time project costs.

24 “(3) DECREASE IN FEDERAL SUPPORT.—If the  
25 amount made available for adult education and lit-

1 eracy activities under this part for a fiscal year is  
2 less than the amount made available for adult edu-  
3 cation and literacy activities under this part for the  
4 preceding fiscal year, then the fiscal effort per stu-  
5 dent and the aggregate expenditures of an eligible  
6 agency required in order to avoid a reduction under  
7 paragraph (1)(B) shall be decreased by the same  
8 percentage as the percentage decrease in the amount  
9 so made available.

10 “(4) WAIVER.—The Secretary may waive the  
11 requirements of this subsection for 1 fiscal year  
12 only, if the Secretary determines that a waiver would  
13 be equitable due to exceptional or uncontrollable cir-  
14 cumstances, such as a natural disaster or an unfore-  
15 seen and precipitous decline in the financial re-  
16 sources of the State of the eligible agency. If the  
17 Secretary grants a waiver under the preceding sen-  
18 tence for a fiscal year, the level of effort required  
19 under paragraph (1) shall not be reduced in the sub-  
20 sequent fiscal year because of the waiver.

21 “(c) EXPENDITURES OF NON-FEDERAL FUNDS FOR  
22 ADULT EDUCATION AND LITERACY ACTIVITIES.—For  
23 any program year for which a grant is made to an eligible  
24 agency under this part, the eligible agency shall expend,  
25 on programs and activities relating to adult education and

1 literacy activities, an amount, derived from sources other  
2 than the Federal Government, equal to 25 percent of the  
3 amount made available to the eligible agency under this  
4 part for adult education and literacy activities.

5 **“PART B—NATIONAL PROGRAMS**

6 **“SEC. 321. NATIONAL INSTITUTE FOR LITERACY.**

7 “(a) PURPOSE.—The National Institute for Literacy  
8 shall—

9 “(1) provide national leadership with respect to  
10 literacy in the United States;

11 “(2) coordinate literacy services; and

12 “(3) serve as a national resource for adult edu-  
13 cation and family literacy by providing the best and  
14 most current information available, including the  
15 work of the National Institute of Child Health and  
16 Human Development in the area of phonemic aware-  
17 ness and systematic phonics, and supporting the cre-  
18 ation of new ways to offer services of proven effec-  
19 tiveness.

20 “(b) ESTABLISHMENT.—

21 “(1) IN GENERAL.—There is established the  
22 National Institute for Literacy (in this section re-  
23 ferred to as the ‘Institute’). The Institute shall be  
24 administered under the terms of an interagency  
25 agreement entered into by the Secretary of Edu-

1 cation with the Secretary of Labor and the Secretary  
2 of Health and Human Services (in this section re-  
3 ferred to as the ‘Interagency Group’). The Inter-  
4 agency Group may include in the Institute any re-  
5 search and development center, institute, or clear-  
6 inghouse established within the Department of Edu-  
7 cation, the Department of Labor, or the Department  
8 of Health and Human Services whose purpose is de-  
9 termined by the Interagency Group to be related to  
10 the purpose of the Institute.

11 “(2) OFFICES.—The Institute shall have offices  
12 separate from the offices of the Department of Edu-  
13 cation, the Department of Labor, and the Depart-  
14 ment of Health and Human Services.

15 “(3) BOARD RECOMMENDATIONS.—The Inter-  
16 agency Group shall consider the recommendations of  
17 the National Institute for Literacy Advisory Board  
18 (in this section referred to as the ‘Board’) estab-  
19 lished under subsection (d) in planning the goals of  
20 the Institute and in the implementation of any pro-  
21 grams to achieve such goals.

22 “(4) DAILY OPERATIONS.—The daily operations  
23 of the Institute shall be carried out by the Director  
24 of the Institute appointed under subsection (g).

25 “(c) DUTIES.—

1           “(1) IN GENERAL.—In order to provide leader-  
2           ship for the improvement and expansion of the sys-  
3           tem for delivery of literacy services, the Institute is  
4           authorized—

5                   “(A) to establish, and make accessible, a  
6           national electronic data base of information  
7           that disseminates information to the broadest  
8           possible audience within the literacy and basic  
9           skills field, and that includes—

10                           “(i) effective practices in the provision  
11                           of literacy and basic skills instruction, in-  
12                           cluding instruction in phonemic awareness  
13                           and systematic phonics and the integration  
14                           of literacy and basic skills instruction with  
15                           occupational skills training;

16                           “(ii) public and private literacy and  
17                           basic skills programs and Federal, State,  
18                           and local policies affecting the provision of  
19                           literacy services at the national, State, and  
20                           local levels;

21                           “(iii) opportunities for technical as-  
22                           sistance, meetings, conferences, and other  
23                           opportunities that lead to the improvement  
24                           of literacy and basic skills services; and

1                   “(iv) a communication network for lit-  
2                   eracy programs, providers, social service  
3                   agencies, and students;

4                   “(B) to coordinate support for the provi-  
5                   sion of literacy and basic skills services across  
6                   Federal agencies and at the State and local lev-  
7                   els;

8                   “(C) to coordinate the support of reliable  
9                   and replicable research and development on lit-  
10                  eracy and basic skills in families and adults  
11                  across Federal agencies, especially with the Of-  
12                  fice of Educational Research and Improvement  
13                  in the Department of Education, and to carry  
14                  out basic and applied research and development  
15                  on topics that are not being investigated by  
16                  other organizations or agencies, such as the  
17                  special literacy needs of individuals with learn-  
18                  ing disabilities;

19                  “(D) to collect and disseminate informa-  
20                  tion on methods of advancing literacy that show  
21                  great promise, including phonemic awareness  
22                  and systematic phonics based on the work of  
23                  the National Institute of Child Health and  
24                  Human Development;

1           “(E) funding a network of State or re-  
2           gional adult literacy resource centers to assist  
3           State and local public and private nonprofit ef-  
4           forts to improve literacy by—

5                   “(i) encouraging the coordination of  
6                   literacy services;

7                   “(ii) carrying out evaluations of the  
8                   effectiveness of adult education and lit-  
9                   eracy activities;

10                   “(iii) enhancing the capacity of State  
11                   and local organizations to provide literacy  
12                   services; and

13                   “(iv) serving as a reciprocal link be-  
14                   tween the Institute and providers of adult  
15                   education and literacy activities for the  
16                   purpose of sharing information, data, re-  
17                   search, expertise, and literacy resources;

18           “(F) to coordinate and share information  
19           with national organizations and associations  
20           that are interested in literacy and workforce de-  
21           velopment;

22                   “(G) to inform the development of policy  
23                   with respect to literacy and basic skills; and

24                   “(H) to undertake other activities that  
25           lead to the improvement of the Nation’s literacy

1 delivery system and that complement other such  
2 efforts being undertaken by public and private  
3 agencies and organizations.

4 “(2) GRANTS, CONTRACTS, AND AGREE-  
5 MENTS.—The Institute may make grants to, or  
6 enter into contracts or cooperative agreements with,  
7 individuals, public or private institutions, agencies,  
8 organizations, or consortia of such institutions,  
9 agencies, or organizations to carry out the activities  
10 of the Institute. Such grants, contracts, or agree-  
11 ments shall be subject to the laws and regulations  
12 that generally apply to grants, contracts, or agree-  
13 ments entered into by Federal agencies.

14 “(d) LITERACY LEADERSHIP.—

15 “(1) FELLOWSHIPS.—The Institute, in con-  
16 sultation with the Board, may award fellowships,  
17 with such stipends and allowances as the Director  
18 considers necessary, to outstanding individuals pur-  
19 suing careers in adult education or literacy in the  
20 areas of instruction, management, reliable and  
21 replicable research, or innovation.

22 “(2) USE OF FELLOWSHIPS.—Fellowships  
23 awarded under this subsection shall be used, under  
24 the auspices of the Institute, to engage in research,  
25 education, training, technical assistance, or other ac-

1        activities to advance the field of adult education or lit-  
2        eracy, including the training of volunteer literacy  
3        providers at the national, State, or local level.

4            “(3) INTERNS AND VOLUNTEERS.—The Insti-  
5        tute, in consultation with the Board, may award  
6        paid and unpaid internships to individuals seeking to  
7        assist the Institute in carrying out its mission. Not-  
8        withstanding section 1342 of title 31, United States  
9        Code, the Institute may accept and use voluntary  
10       and uncompensated services as the Institute deter-  
11       mines necessary.

12        “(e) NATIONAL INSTITUTE FOR LITERACY ADVISORY  
13 BOARD.—

14            “(1) ESTABLISHMENT.—

15            “(A) IN GENERAL.—There is established a  
16        National Institute for Literacy Advisory Board.  
17        The Board shall consist of 10 individuals, ap-  
18        pointed by the Interagency Group, from individ-  
19        uals who—

20            “(i) are not otherwise officers or em-  
21        ployees of the Federal Government; and

22            “(ii) are representative of entities or  
23        groups described in subparagraph (B).

1                   “(B) ENTITIES OR GROUPS DESCRIBED.—

2                   The entities or groups referred to in subpara-  
3                   graph (A) are—

4                   “(i) literacy organizations and provid-  
5                   ers of literacy services, including—

6                   “(I) nonprofit providers of lit-  
7                   eracy services;

8                   “(II) providers of programs and  
9                   services involving English language in-  
10                  struction; and

11                  “(III) providers of services re-  
12                  ceiving assistance under this title;

13                  “(ii) businesses that have dem-  
14                  onstrated interest in literacy programs;

15                  “(iii) literacy students;

16                  “(iv) experts in the area of literacy re-  
17                  search;

18                  “(v) State and local governments;

19                  “(vi) representatives of employees;

20                  and

21                  “(vii) State directors of adult edu-  
22                  cation.

23                  “(2) DUTIES.—The Board—

1           “(A) shall make recommendations concern-  
2           ing the appointment of the Director and staff  
3           of the Institute;

4           “(B) shall provide independent advice on  
5           the operation of the Institute; and

6           “(C) shall receive reports from the Inter-  
7           agency Group and the Director.

8           “(3) FEDERAL ADVISORY COMMITTEE ACT.—  
9           Except as otherwise provided, the Board established  
10          by this subsection shall be subject to the provisions  
11          of the Federal Advisory Committee Act (5 U.S.C.  
12          App.).

13          “(4) TERMS.—

14                 “(A) IN GENERAL.—Each member of the  
15                 Board shall be appointed for a term of 3 years,  
16                 except that the initial terms for members may  
17                 be 1, 2, or 3 years in order to establish a rota-  
18                 tion in which  $\frac{1}{3}$  of the members are selected  
19                 each year. Any such member may be appointed  
20                 for not more than 2 consecutive terms.

21                 “(B) VACANCY APPOINTMENTS.—Any  
22                 member appointed to fill a vacancy occurring  
23                 before the expiration of the term for which the  
24                 member’s predecessor was appointed shall be  
25                 appointed only for the remainder of that term.

1           A member may serve after the expiration of  
2           that member’s term until a successor has taken  
3           office. A vacancy in the Board shall be filled in  
4           the manner in which the original appointment  
5           was made. A vacancy in the Board shall not af-  
6           fect the powers of the Board.

7           “(5) QUORUM.—A majority of the members of  
8           the Board shall constitute a quorum but a lesser  
9           number may hold hearings. Any recommendation of  
10          the Board may be passed only by a majority of the  
11          Board’s members present.

12          “(6) ELECTION OF OFFICERS.—The Chair-  
13          person and Vice Chairperson of the Board shall be  
14          elected by the members of the Board. The term of  
15          office of the Chairperson and Vice Chairperson shall  
16          be 2 years.

17          “(7) MEETINGS.—The Board shall meet at the  
18          call of the Chairperson or a majority of the members  
19          of the Board.

20          “(f) GIFTS, BEQUESTS, AND DEVISES.—The Insti-  
21          tute may accept, administer, and use gifts or donations  
22          of services, money, or property, both real and personal.

23          “(g) MAILS.—The Board and the Institute may use  
24          the United States mails in the same manner and under

1 the same conditions as other departments and agencies of  
2 the Federal Government.

3 “(h) DIRECTOR.—The Interagency Group, after con-  
4 sidering recommendations made by the Board, shall ap-  
5 point and fix the pay of a Director.

6 “(i) APPLICABILITY OF CERTAIN CIVIL SERVICE  
7 LAWS.—The Director and staff of the Institute may be  
8 appointed without regard to the provisions of title 5,  
9 United States Code, governing appointments in the com-  
10 petitive service, and may be paid without regard to the  
11 provisions of chapter 51 and subchapter III of chapter 53  
12 of that title relating to classification and General Schedule  
13 pay rates, except that an individual so appointed may not  
14 receive pay in excess of the maximum rate payable under  
15 section 5376 of title 5, United States Code.

16 “(j) EXPERTS AND CONSULTANTS.—The Board and  
17 the Institute may procure temporary and intermittent  
18 services under section 3109(b) of title 5, United States  
19 Code.

20 “(k) REPORT.—The Institute shall submit a report  
21 biennially to the committees of the United States House  
22 of Representatives and the Senate having jurisdiction over  
23 this title. Each report submitted under this subsection  
24 shall include—

1           “(1) a comprehensive and detailed description  
2 of the Institute’s operations, activities, financial con-  
3 dition, and accomplishments in the field of literacy  
4 for the period covered by the report;

5           “(2) a description of how plans for the oper-  
6 ation of the Institute for the succeeding two fiscal  
7 years will facilitate achievement of the goals of the  
8 Institute and the goals of the literacy programs  
9 within the Department of Education, the Depart-  
10 ment of Labor, and the Department of Health and  
11 Human Services; and

12           “(3) any additional minority, or dissenting  
13 views submitted by members of the Board.

14           “(1) FUNDING.—Any amounts appropriated to the  
15 Secretary of Education, the Secretary of Labor, or the  
16 Secretary of Health and Human Services for purposes  
17 that the Institute is authorized to perform under this sec-  
18 tion may be provided to the Institute for such purposes.

19 **“SEC. 322. NATIONAL LEADERSHIP ACTIVITIES.**

20           “The Secretary shall establish and carry out a pro-  
21 gram of national leadership activities to enhance the qual-  
22 ity of adult education and family literacy programs nation-  
23 wide. Such activities may include the following:

24           “(1) Providing technical assistance to recipients  
25 of assistance under part A in developing and using

1 benchmarks and performance measures for improve-  
2 ment of adult education and literacy activities, in-  
3 cluding family literacy services.

4 “(2) Awarding grants, on a competitive basis,  
5 to a postsecondary educational institution, a public  
6 or private organization or agency, or a consortium of  
7 such institutions, organizations, or agencies to carry  
8 out research and technical assistance—

9 “(A) for the purpose of developing, improv-  
10 ing, and identifying the most successful meth-  
11 ods and techniques for addressing the education  
12 needs of adults, including instructional prac-  
13 tices using phonemic awareness and systematic  
14 phonics based on the work of the National In-  
15 stitute of Child Health and Human Develop-  
16 ment; and

17 “(B) to increase the effectiveness of, and  
18 improve the quality of, adult education and lit-  
19 eracy activities, including family literacy serv-  
20 ices.

21 “(3) Providing for the conduct of an independ-  
22 ent evaluation and assessment of adult education  
23 and literacy activities, through studies and analyses  
24 conducted independently through grants and con-

1 tracts awarded on a competitive basis. Such evalua-  
2 tion and assessment shall include descriptions of—

3 “(A) the effect of benchmarks, perform-  
4 ance measures, and other measures of account-  
5 ability on the delivery of adult education and  
6 literacy activities, including family literacy serv-  
7 ices;

8 “(B) the extent to which the adult edu-  
9 cation and literacy activities, including family  
10 literacy services, increase the literacy skills of  
11 adults (and of children, in the case of family lit-  
12 eracy services), lead the participants in such ac-  
13 tivities to involvement in further education and  
14 training, enhance the employment and earnings  
15 of such participants, and, if applicable, lead to  
16 other positive outcomes, such as reductions in  
17 recidivism in the case of prison-based adult edu-  
18 cation and literacy services;

19 “(C) the extent to which the provision of  
20 support services to adults enrolled in adult edu-  
21 cation and family literacy programs increases  
22 the rates of enrollment in, and successful com-  
23 pletion of, such programs; and

24 “(D) the extent to which eligible agencies  
25 have distributed funds under part A to meet the

1 needs of adults through community-based orga-  
2 nizations.

3 “(4) Carrying out demonstration programs,  
4 replicating model programs, disseminating best prac-  
5 tices information, and providing technical assistance,  
6 for the purposes of developing, improving, and iden-  
7 tifying the most successful methods and techniques  
8 for providing the activities assisted under part A,  
9 and based on scientific evidence, where available.

10 “(5) Other activities designed to enhance the  
11 quality of adult education and literacy nationwide,  
12 such as providing incentive grants to States consist-  
13 ent with section 156 of the Employment, Training,  
14 and Literacy Enhancement Act.

15 **“SEC. 323. BUY-AMERICAN REQUIREMENTS.**

16 “(a) COMPLIANCE WITH BUY AMERICAN ACT.—  
17 None of the funds made available in this Act may be ex-  
18 pended by an entity unless the entity agrees that in ex-  
19 pending the funds the entity will comply with the Buy  
20 American Act (41 U.S.C. 10a–10c).

21 “(b) SENSE OF CONGRESS; REQUIREMENT REGARD-  
22 ING NOTICE.—

23 “(1) PURCHASE OF AMERICAN-MADE EQUIP-  
24 MENT AND PRODUCTS.—In the case of any equip-  
25 ment or product that may be authorized to be pur-

1 chased with financial assistance provided using  
2 funds made available in this Act, it is the sense of  
3 the Congress that entities receiving the assistance  
4 should, in expending the assistance, purchase only  
5 American-made equipment and products.

6 “(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—  
7 In providing financial assistance using funds made  
8 available in this Act, the head of each Federal agen-  
9 cy shall provide to each recipient of the assistance  
10 a notice describing the statement made in paragraph  
11 (1) by the Congress.

12 “(c) PROHIBITION OF CONTRACTS WITH PERSONS  
13 FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—  
14 If it has been finally determined by a court or Federal  
15 agency that any person intentionally affixed a label bear-  
16 ing a ‘Made in America’ inscription, or any inscription  
17 with the same meaning, to any product sold in or shipped  
18 to the United States that is not made in the United  
19 States, the person shall be ineligible to receive any con-  
20 tract or subcontract made with funds made available in  
21 this Act, pursuant to the debarment, suspension, and ineli-  
22 gibility procedures described in sections 9.400 through  
23 9.409 of title 48, Code of Federal Regulations.”.

1 **SEC. 503. REPEAL OF NATIONAL LITERACY ACT OF 1991.**

2 The National Literacy Act of 1991 (Public Law 102–  
3 73; 105 Stat. 333) is hereby repealed.

4 **SEC. 504. CONFORMING AMENDMENTS.**

5 (a) REFUGEE EDUCATION ASSISTANCE ACT.—Sub-  
6 section (b) of section 402 of the Refugee Education Assist-  
7 ance Act of 1980 (8 U.S.C. 1522 note) is hereby repealed.

8 (b) ELEMENTARY AND SECONDARY EDUCATION ACT  
9 OF 1965.—

10 (1) SECTION 1206 OF ESEA.—Section  
11 1206(a)(1)(A) of the Elementary and Secondary  
12 Education Act of 1965 (20 U.S.C. 6366(a)(1)(A)) is  
13 amended by striking “an adult basic education pro-  
14 gram” and inserting “adult education and literacy  
15 activities”.

16 (2) SECTION 3113 OF ESEA.—Section 3113(1)  
17 of such Act (20 U.S.C. 6813(1)) is amended by  
18 striking “section 312 of the Adult Education Act;”  
19 and inserting “section 303 of the Adult Education  
20 and Family Literacy Act;”.

21 (3) SECTION 9161 OF ESEA.—Section 9161(2)  
22 of such Act (20 U.S.C. 7881(2)) is amended by  
23 striking “section 312(2) of the Adult Education  
24 Act.” and inserting “section 303 of the Adult Edu-  
25 cation and Family Literacy Act.”.

1           **TITLE VI—MISCELLANEOUS**  
2                           **PROVISIONS**

3 **SEC. 601. REPEALERS.**

4           (a) AMENDMENTS TO THE WAGNER-PEYSER ACT.—  
5 Section 601 of the Job Training Partnership Act is hereby  
6 repealed.

7           (b) AMENDMENTS TO PART C OF TITLE IV OF THE  
8 SOCIAL SECURITY ACT.—Section 602 of the Job Training  
9 Partnership Act is hereby repealed.

10          (c) EARNINGS DISREGARD.—Section 603 of the Job  
11 Training Partnership Act is hereby repealed.

12          (d) SAVINGS PROVISION.—The repeals made by sub-  
13 sections (a), (b), and (c), of any provision of law described  
14 in any such subsection that amended or repealed another  
15 provision of law does not in any way affect that amend-  
16 ment or repeal.

17 **SEC. 602. CONFORMING AMENDMENTS.**

18          (a) ENFORCEMENT OF MILITARY SELECTIVE SERV-  
19 ICE ACT.—Section 604 of the Job Training Partnership  
20 Act (29 U.S.C. 1504) is amended—

21               (1) by redesignating such section as section 182  
22               of such Act; and

23               (2) by inserting such section after section 181  
24               of such Act.

1 (b) STATE JOB BANK SYSTEMS.—Section 605 of  
2 such Act (29 U.S.C. 1505) is amended—

3 (1) by striking subsection (a);

4 (2) in subsection (b), by striking “shall make  
5 such” and inserting “may make”;

6 (3) by redesignating subsections (b) and (c) as  
7 subsections (a) and (b), respectively;

8 (4) by redesignating such section as section 466  
9 of such Act; and

10 (5) by adding such section after section 465 of  
11 such Act.

12 (c) STATE LABOR MARKET INFORMATION PRO-  
13 GRAMS.—Section 125 of such Act (29 U.S.C. 1535) is  
14 amended—

15 (1) by redesignating such section as section  
16 467; and

17 (2) by inserting such section after section 466.

18 **TITLE VII—AMENDMENTS TO**  
19 **STATE HUMAN RESOURCE IN-**  
20 **VESTMENT COUNCIL**

21 **SEC. 701. AMENDMENTS TO COUNCIL.**

22 (a) ESTABLISHMENT AND FUNCTIONS.—Section 701  
23 of the Job Training Partnership Act (29 U.S.C. 1792) is  
24 amended—

25 (1) in subsection (a)—

1 (A) in paragraph (1)—

2 (i) by striking “shall review” and in-  
3 sserting “reviews”; and

4 (ii) by striking “advise” and inserting  
5 “advises”;

6 (B) in paragraph (2), by striking “shall  
7 advise” and inserting “advises”;

8 (C) in paragraph (3), by striking “shall  
9 carry” and inserting “carries”;

10 (D) by striking paragraph (4);

11 (E) in paragraph (5), by striking “may  
12 recommend” and inserting “recommends”;

13 (F) in paragraph (6), to read as follows:

14 “(6) prepares and recommends to the Governor  
15 a strategy to be included as part of the State plan  
16 under section 101 that would accomplish the goals  
17 developed pursuant to paragraph (4);”;

18 (G) in paragraph (7)—

19 (i) by striking “may monitor” and in-  
20 sserting “monitors”; and

21 (ii) by striking the period at the end  
22 and inserting “; and”;

23 (H) by adding at the end the following:

24 “(8) may serve as the collaborative process de-  
25 scribed in section 102.”; and

1           (I) by redesignating paragraphs (5)  
2 through (8) (as amended or added, as the case  
3 may be) as paragraphs (4) through (7), respec-  
4 tively; and  
5 (2) in subsection (b)—  
6           (A) in paragraph (1)—  
7           (i) in subparagraph (A), by striking  
8 “(A) Except as provided in subparagraph  
9 (B), for purposes” and inserting “For pur-  
10 poses”; and  
11           (ii) by striking subparagraph (B); and  
12 (B) in paragraph (2)—  
13           (i) by striking “applicable Federal  
14 human resource programs” and all that  
15 follows through “may include” and insert-  
16 ing “applicable Federal human resource  
17 programs may include”;  
18           (ii) in clause (v), by striking the  
19 “and” at the end;  
20           (iii) in clause (vii)—  
21           (I) by adding at the end before  
22 the semicolon the following: “and title  
23 I of the Personal Responsibility and  
24 Work Opportunity Reconciliation Act  
25 of 1996”; and

1 (II) by redesignating such clause  
2 as clause (vi);

3 (iv) in subparagraph (B)—

4 (I) by striking “may not include  
5 programs authorized under”; and

6 (II) by redesignating such sub-  
7 paragraph as clause (vii); and

8 (v) by redesignating clauses (i)  
9 through (vii) as subparagraphs (A)  
10 through (G), respectively, and moving the  
11 margin for each such subparagraph two  
12 ems to the left.

13 (b) COMPOSITION.—Section 702 of such Act (29  
14 U.S.C. 1792a) is amended—

15 (1) by striking subsections (a), (b), and (c); and

16 (2) by inserting the following:

17 “Each State Council shall be composed of the individ-  
18 uals and entities described in section 102(a).”.

19 (c) ADMINISTRATION.—Section 703 of such Act (29  
20 U.S.C. 1792b) is amended—

21 (1) in subsection (a)(2)—

22 (A) by inserting “for State administrative  
23 expenses” after “funds otherwise available”;

24 and

1           (B) by striking “, including funds avail-  
2           able” and all that follows through “such Act”;  
3           (2) by striking subsection (c); and  
4           (3) by redesignating subsection (d) as sub-  
5           section (c).

6 **SEC. 702. TRANSFER OF COUNCIL.**

7           Title VII of the Job Training Partnership Act (29  
8 U.S.C. 1792 et seq.), as amended by section 701, is trans-  
9 ferred to the end of part A of title I of such Act, as amend-  
10 ed by section 111 of this Act.

11 **SEC. 703. CONFORMING AMENDMENTS.**

12           (a) IN GENERAL.—Title VII of the Job Training  
13 Partnership Act (29 U.S.C. 1792 et seq.), as transferred  
14 to the end of part A of title I of such Act by section 702,  
15 is amended—

16           (1) by amending the title heading to read as  
17 follows:

18 **“SEC. 103. STATE HUMAN RESOURCE INVESTMENT COUN-  
19           CIL.”;**

20           (2) by redesignating sections 701 through 703  
21 as subsections (a) through (c), respectively, of sec-  
22 tion 103 (as redesignated by paragraph (1)) and  
23 conforming the subsection headings and margins ac-  
24 cordingly;

1           (3) by redesignating each subsection, para-  
2           graph, and subparagraph of sections 701 through  
3           703 (as such sections existed immediately prior to  
4           the amendments made by paragraph (2)) as a para-  
5           graph, subparagraph, and clause, respectively, of  
6           section 103 (as redesignated by paragraph (1)) and  
7           conforming the headings and margins accordingly;  
8           and

9           (4) in subsection (a)(2)(B) (as redesignated),  
10          by striking “paragraph (1)” and inserting “subpara-  
11          graph (A)”.

12          (b) **ADDITIONAL AMENDMENT.**—Section 103 of the  
13 Job Training Partnership Act, as redesignated by sub-  
14 section (a)(2), is amended by striking “title” each place  
15 it appears (except in subsection (a)(2)(B)(vi) of such sec-  
16 tion) and inserting “section”.

17           **TITLE VIII—AMENDMENTS TO**  
18           **WAGNER-PEYSER ACT**

19           **SEC. 801. DEFINITIONS.**

20           Section 2 of the Wagner-Peyser Act (29 U.S.C. 49a)  
21 is amended—

22           (1) in paragraph (1), by striking “Job Training  
23           Partnership Act” and inserting “Employment,  
24           Training, and Literacy Enhancement Act”;

25           (2) by striking paragraphs (2) and (4);

1           (3) by redesignating paragraphs (3) and (5) as  
2 paragraphs (5) and (6), respectively;

3           (4) by inserting after paragraph (1) the follow-  
4 ing:

5           “(2) the term ‘local workforce development  
6 area’ means a local workforce development area des-  
7 igned under section 121 of the Employment,  
8 Training, and Literacy Enhancement Act;

9           “(3) the term ‘local workforce development  
10 board’ means a local workforce development board  
11 established under section 122 of the Employment,  
12 Training, and Literacy Enhancement Act;

13           “(4) the term ‘full service employment and  
14 training delivery system’ means a system established  
15 under section 123 of the Employment, Training, and  
16 Literacy Enhancement Act;” and

17           (5) in paragraph (5) (as redesignated by para-  
18 graph (3)), by striking the semicolon and inserting  
19 “; and”.

20 **SEC. 802. FUNCTIONS.**

21           (a) IN GENERAL.—Section 3(a) of the Wagner-  
22 Peyser Act (29 U.S.C. 49b(a)) is amended to read as fol-  
23 lows:

24           “(a) The Secretary of Labor—

1           “(1) shall assist in the coordination and devel-  
2           opment of a nationwide system of labor exchange  
3           services for the general public, provided as part of  
4           the full service employment and training delivery  
5           systems of the States;

6           “(2) shall assist in the development of continu-  
7           ous improvement models for such nationwide system  
8           that ensure private sector satisfaction with the sys-  
9           tem and meet the demands of jobseekers relating to  
10          the system; and

11          “(3) shall ensure, for individuals otherwise eligi-  
12          ble to receive unemployment compensation, the con-  
13          tinuation of any activities in which the individuals  
14          are required to participate to receive the compensa-  
15          tion.”.

16          (b) CONFORMING AMENDMENTS.—Section 508(b) of  
17          the Unemployment Compensation Amendments of 1976  
18          (42 U.S.C. 603a) is amended—

19                 (1) by striking “the third sentence of section  
20                 3(a)” and inserting “section 3(b)”; and

21                 (2) by striking “49b(a)” and inserting  
22                 “49b(b)”.

23          **SEC. 803. DESIGNATION OF STATE AGENCIES.**

24          Section 4 of the Wagner-Peyser Act (29 U.S.C. 49c)  
25          is amended—

1 (1) by striking “, through its legislature,” and  
2 inserting “pursuant to State statute”;

3 (2) by inserting after “the provisions of this Act  
4 and” the following: “, in accordance with such State  
5 statute, the Governor shall”; and

6 (3) by striking “United States Employment  
7 Service” and inserting “Secretary”.

8 **SEC. 804. APPROPRIATIONS.**

9 Section 5(c) of the Wagner-Peyser Act (29 U.S.C.  
10 49d(c)) is amended by striking paragraph (3).

11 **SEC. 805. DISPOSITION OF ALLOTTED FUNDS.**

12 Section 7 of the Wagner-Peyser Act (29 U.S.C. 49f)  
13 is amended—

14 (1) in subsection (b)(2), by striking “private in-  
15 dustry council” and inserting “local workforce devel-  
16 opment board”;

17 (2) in subsection (c)(2)(B), to read as follows:

18 “(B) Title III of the Employment, Training,  
19 and Literacy Enhancement Act.”;

20 (3) in subsection (d), by striking “Job Training  
21 Partnership Act” and inserting “Employment,  
22 Training, and Literacy Enhancement Act”; and

23 (4) by adding at the end the following:

24 “(e) All job search, placement, recruitment, labor  
25 market information, and other labor exchange services au-

1 thORIZED under subsections (a) and (b) shall be provided  
2 as part of the full service employment and training deliv-  
3 ery system established by the State.”.

4 **SEC. 806. STATE PLANS.**

5 Section 8 of the Wagner-Peyser Act (29 U.S.C. 49g)  
6 is amended—

7 (1) in subsection (a) to read as follows:

8 “(a) Any State desiring to receive assistance under  
9 this Act shall submit to the Secretary, as part of the State  
10 plan submitted under section 101 of the Employment,  
11 Training, and Literacy Enhancement Act, detailed plans  
12 for carrying out the provisions of this Act within such  
13 State.”;

14 (2) by striking subsections (b), (c), and (e); and

15 (3) by redesignating subsection (d) as sub-  
16 section (b).

17 **SEC. 807. FEDERAL ADVISORY COUNCIL.**

18 Section 11 of the Wagner-Peyser Act (29 U.S.C. 49j)  
19 is hereby repealed.

20 **SEC. 808. REGULATIONS.**

21 Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k)  
22 is amended by striking “The Director, with the approval  
23 of the Secretary of Labor,” and inserting “The Sec-  
24 retary”.

1 **SEC. 809. EFFECTIVE DATE.**

2 The amendments made by this title shall take effect  
3 on July 1, 1998.

4 **TITLE IX—TECHNICAL AND**  
5 **CONFORMING AMENDMENTS**  
6 **Subtitle A—Amendments to the Job**  
7 **Training Partnership Act**

8 **SEC. 901. SHORT TITLE; TABLE OF CONTENTS.**

9 Section 1 of the Job Training Partnership Act (29  
10 U.S.C. 1501 note) is amended to read as follows:

11 **“SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

12 “(a) **SHORT TITLE.**—This Act may be cited as the  
13 ‘Employment, Training, and Literacy Enhancement Act’.

14 “(b) **TABLE OF CONTENTS.**—The table of contents  
15 of this Act is as follows:

“Sec. 1. Short title; table of contents.

“Sec. 2. Statement of purpose.

“Sec. 3. Authorization of appropriations.

“Sec. 4. Definitions.

“TITLE I—STATE AND LOCAL ADMINISTRATIVE PROVISIONS

“PART A—STATE ADMINISTRATIVE PROVISIONS

“Sec. 101. State plan.

“Sec. 102. Collaborative process.

“Sec. 103. State Human Resource Investment Council.

“PART B—LOCAL ADMINISTRATIVE PROVISIONS

“Sec. 121. Local workforce development areas.

“Sec. 122. Local workforce development boards.

“Sec. 123. Full service employment and training delivery system.

“Sec. 124. Identification of training providers.

“PART C—PROGRAM AND FISCAL PROVISIONS

“SUBPART 1—GENERAL PROVISIONS

“Sec. 141. General program requirements.

- “Sec. 142. Benefits.
- “Sec. 143. Labor standards.
- “Sec. 144. Grievance procedure.
- “Sec. 145. Prohibition against Federal control of education.
- “Sec. 146. Identification of additional imposed requirements.
- “Sec. 147. Authority of State legislature.
- “Sec. 148. Interstate agreements.

“SUBPART 2—PERFORMANCE ACCOUNTABILITY PROVISIONS

- “Sec. 151. Performance accountability system.
- “Sec. 152. Indicators of performance.
- “Sec. 153. State adjusted benchmarks.
- “Sec. 154. Core indicators of performance.
- “Sec. 155. Report on performance.
- “Sec. 156. Incentive grants and sanctions.

“SUBPART 3—OTHER PROVISIONS

- “Sec. 161. Program year.
- “Sec. 162. Prompt allocation of funds.
- “Sec. 163. Monitoring.
- “Sec. 164. Fiscal controls; sanctions.
- “Sec. 165. Reports; recordkeeping; investigations.
- “Sec. 166. Administrative Adjudication.
- “Sec. 167. Nondiscrimination.
- “Sec. 168. Administrative provisions.
- “Sec. 169. Utilization of services and facilities.
- “Sec. 170. Obligational authority.
- “Sec. 171. Limitation on certain costs.
- “Sec. 172. Buy-American requirements.

“PART D—MISCELLANEOUS PROVISIONS

- “Sec. 181. Reference.
- “Sec. 182. Enforcement of Military Selective Service Act.

“TITLE II—DISADVANTAGED YOUTH EMPLOYMENT AND  
TRAINING OPPORTUNITIES GRANTS

- “Sec. 201. Statement of purpose.
- “Sec. 202. Authorization.
- “Sec. 203. Allotment and allocation among States.
- “Sec. 204. Allocation within States.
- “Sec. 205. Eligibility for services.
- “Sec. 206. Use of funds.
- “Sec. 207. Selection of service providers.
- “Sec. 208. Linkages.

“TITLE III—ADULT EMPLOYMENT AND TRAINING  
OPPORTUNITIES GRANTS

- “Sec. 301. Purpose.

“PART A—ADULT EMPLOYMENT AND TRAINING OPPORTUNITIES GRANTS

- “Sec. 311. Authorization.
- “Sec. 312. Allotment among States.

“Sec. 313. Allocation within States.

“Sec. 314. Use of amounts.

“PART B—NATIONAL PROGRAMS

“Sec. 321. National emergency grants.

“TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

“PART A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS  
AND MIGRANT AND SEASONAL FARMWORKERS

“Sec. 401. Native American programs.

“Sec. 402. Migrant and seasonal farmworker program.

“PART B—JOB CORPS

“Sec. 421. Statement of purpose.

“Sec. 422. Establishment of the Job Corps.

“Sec. 423. Individuals eligible for the Job Corps.

“Sec. 424. Screening and selection of applicants: general provisions.

“Sec. 425. Screening and selection: special limitations.

“Sec. 426. Enrollment and assignment.

“Sec. 427. Job Corps centers.

“Sec. 428. Program activities.

“Sec. 429. Allowances and support.

“Sec. 430. Standards of conduct.

“Sec. 431. Community participation.

“Sec. 432. Counseling and job placement.

“Sec. 433. Experimental and developmental projects and coordination with  
other programs.

“Sec. 433A. Job Corps centers for homeless families.

“Sec. 434. Advisory boards and committees.

“Sec. 435. Participation of the States.

“Sec. 436. Application of provisions of Federal law.

“Sec. 437. Special provisions.

“Sec. 438. General provisions.

“Sec. 439. Donations.

“PART C—VETERANS’ EMPLOYMENT PROGRAMS

“Sec. 441. Authorization of programs.

“PART D—NATIONAL ACTIVITIES

“Sec. 451. Research, demonstration, evaluation, and capacity building.

“Sec. 452. Incentive grants.

“Sec. 453. Uniform reporting requirements.

“PART E—LABOR MARKET INFORMATION

“Sec. 461. Labor market information; availability of funds.

“Sec. 462. Cooperative labor market information program.

“Sec. 463. Special federal responsibilities.

“Sec. 464. National Occupational Information Coordinating Committee.

“Sec. 465. Job bank program.

“Sec. 466. State job bank systems.

“Sec. 467. State labor market information programs.”.

1 **SEC. 902. DEFINITIONS.**

2 Section 4 of such Act (29 U.S.C. 1503), as amended  
3 by section 103, is further amended, as follows:

4 (1) By striking the heading and the matter pre-  
5 ceding paragraph (1) and inserting the following:

6 **“SEC. 4. DEFINITIONS.**

7 “As used in this Act, the following definitions  
8 apply:”.

9 (2) In paragraph (3), by striking “The term”  
10 and inserting “AREA OF SUBSTANTIAL UNEMPLOY-  
11 MENT.—The term”.

12 (3) In paragraph (7), by striking “The term”  
13 and inserting “ECONOMIC DEVELOPMENT AGEN-  
14 CIES.—The term”.

15 (4) In paragraph (8), by striking “The term”  
16 and inserting “ECONOMICALLY DISADVANTAGED.—  
17 The term”.

18 (5) In paragraph (9), by striking “The term”  
19 and inserting “GOVERNOR.—The term”.

20 (6) In paragraph (12), by striking “The term”  
21 and inserting “INSTITUTION OF HIGHER EDU-  
22 CATION.—The term”.

23 (7) In paragraph (13), by striking “The term”  
24 and inserting “LABOR MARKET AREA.—The term”.

1           (8) In paragraph (14), by striking “The term”  
2           and inserting “LOCAL EDUCATIONAL AGENCY.—The  
3           term”.

4           (9) In paragraph (15), by striking “The term”  
5           and inserting “LOW-INCOME LEVEL.—The term”.

6           (10) In paragraph (16), by striking “The term”  
7           and inserting “LOWER LIVING STANDARD INCOME  
8           LEVEL.—The term”.

9           (11) In paragraph (17), by striking “The term”  
10          and inserting “OFFENDER.—The term”.

11          (12) In paragraph (18), by striking “The term”  
12          and inserting “POSTSECONDARY INSTITUTION.—The  
13          term”.

14          (13) In paragraph (20), by striking “The term”  
15          and inserting “PUBLIC ASSISTANCE.—The term”.

16          (14) In paragraph (23), by striking “The term”  
17          and inserting “STATE EDUCATIONAL AGENCY.—The  
18          term”.

19          (15) In paragraph (25), by striking “The term”  
20          and inserting “UNEMPLOYED INDIVIDUALS.—The  
21          term”.

22          (16) In paragraph (26), by striking “The term”  
23          and inserting “UNIT OF GENERAL LOCAL GOVERN-  
24          MENT.—The term”.

1           (17) In paragraph (28), by striking “The term”  
2           and inserting “VOCATIONAL EDUCATION.—The  
3           term”.

4           (18) In paragraph (29), by striking “The term”  
5           and inserting “DISPLACED HOMEMAKER.—The  
6           term”.

7           (19) In paragraph (30), by striking “The term”  
8           and inserting “NONTRADITIONAL EMPLOYMENT.—  
9           The term”.

10          (20) In paragraph (31), by striking “The term”  
11          and inserting “BASIC SKILLS DEFICIENT.—The  
12          term”.

13          (21) In paragraph (32), by striking “The term”  
14          and inserting “CASE MANAGEMENT.—The term”.

15          (22) In paragraph (33), by striking “The term”  
16          and inserting “CITIZENSHIP SKILLS.—The term”.

17          (23) In paragraph (34), by striking “The term”  
18          and inserting “FAMILY.—The term”.

19          (24) In paragraph (37), by striking “The term”  
20          and inserting “PARTICIPANT.—The term”.

21          (25) In paragraph (38), by striking “The term”  
22          and inserting “SCHOOL DROPOUT.—The term”.

23          (26) In paragraph (39), by striking “The term”  
24          and inserting “TERMINATION.—The term”.

1           (27) In paragraph (40), by striking “The term”  
2           and inserting “YOUTH CORPS PROGRAM.—The  
3           term”.

4           (28) By redesignating paragraphs (31), (32),  
5           (4), (33), (5), (6), (29), (7), (8), (41), (42), (34),  
6           (43), (44), (9), (45), (46), (10), (12), (13), (47),  
7           (48), (49), (14), (50), (15), (16), (30), (17), (51),  
8           (52), (37), (18), (20), (53), (54), (38), (21), (55),  
9           (22), (57), (56), (23), (58), (24), (39), (25), (26),  
10          (27), (28), and (40) as paragraphs (4) through (54),  
11          respectively.

12 **SEC. 903. AMENDMENTS TO TITLE I.**

13          (a) **HEADING.**—The heading of title I of the Job  
14 Training Partnership Act (29 U.S.C. 1501 et seq.) is  
15 amended to read as follows:

16           **“TITLE I—STATE AND LOCAL**  
17 **ADMINISTRATIVE PROVISIONS”.**

18          (b) **PART B.**—Part B of title I of such Act (29 U.S.C.  
19 1531 et seq.), as amended by this Act, is further amended  
20 in the heading of such part to read as follows:

21 **“PART B—LOCAL ADMINISTRATIVE PROVISIONS”.**

22          (c) **PART C.**—

23           (1) **HEADINGS.**—Part C of title I of such Act  
24           (29 U.S.C. 1551 et seq.), as amended by this Act,  
25           is further amended—

1 (A) in the heading of such part to read as  
2 follows:

3 **“PART C—PROGRAM AND FISCAL PROVISIONS”;**

4 (B) by inserting after the heading for such  
5 part the following:

6 **“Subpart 1—General Provisions”;**

7 (C) by inserting after section 148, as  
8 amended by this Act, the following:

9 **“Subpart 2—Performance Accountability Provisions”;**

10 and

11 (D) by inserting after section 156 (as  
12 amended by this Act) the following:

13 **“Subpart 3—Other Provisions”.**

14 (2) SECTION 141.—Section 141 of such Act (29  
15 U.S.C. 1551), as amended by this Act, is further  
16 amended—

17 (A) in the section heading to read as fol-  
18 lows:

19 **“SEC. 141. GENERAL PROGRAM REQUIREMENTS.”;**

20 and

21 (B)(i) by redesignating subsections (a),  
22 (b), (c), (e), (g), (h), (j), and (l) through (t) as  
23 paragraphs (1) through (16), respectively, and  
24 moving the margin for each such paragraph two  
25 ems to the right; and

1 (ii) by redesignating each paragraph and  
2 subparagraph of such subsections (a), (b), (c),  
3 (e), (g), (h), (j), and (l) through (t) (as such  
4 subsections existed before the amendment made  
5 by clause (i)) as a subparagraph and clause, re-  
6 spectively.

7 (3) SECTION 142.—Section 142 of such Act (29  
8 U.S.C. 1552), as amended by this Act, is further  
9 amended—

10 (A) in the section heading to read as fol-  
11 lows:

12 **“SEC. 142. BENEFITS.”;**

13 (B) in subsection (a)(2) (as redesignated),  
14 by striking “References” and inserting “REF-  
15 ERENCES.—References”; and

16 (C) in subsection (b), by striking “Allow-  
17 ances” and inserting “ADDITIONAL REQUIRE-  
18 MENT.—Allowances”.

19 (4) SECTION 145.—Section 145 of such Act (29  
20 U.S.C. 1555) is amended in the section heading to  
21 read as follows:

22 **“SEC. 145. PROHIBITION AGAINST FEDERAL CONTROL OF**  
23 **EDUCATION.”.**

24 (5) SECTION 146.—Section 146 of such Act (as  
25 redesignated) is amended—

1 (A) in the section heading to read as fol-  
2 lows:

3 **“SEC. 146. IDENTIFICATION OF ADDITIONAL IMPOSED RE-  
4 QUIREMENTS.”;**

5 and

6 (B) by striking “service delivery area”  
7 each place it appears and inserting “workforce  
8 development area”.

9 (6) SECTION 147.—Section 147 of such Act (as  
10 redesignated) is amended in the section heading to  
11 read as follows:

12 **“SEC. 147. AUTHORITY OF STATE LEGISLATURE.”.**

13 (7) SECTION 148.—Section 148 of such Act (as  
14 redesignated) is amended in the section heading to  
15 read as follows:

16 **“SEC. 148. INTERSTATE AGREEMENTS.”.**

17 (d) PART D.—

18 (1) HEADING.—Part D of title I of such Act is  
19 amended by striking the heading for such part.

20 (2) SECTION 161.—Section 161 of such Act (29  
21 U.S.C. 1571), as amended by this Act, is further  
22 amended—

23 (A) in the section heading to read as fol-  
24 lows:

1 **“SEC. 161. PROGRAM YEAR.”;**

2 (B) in subsection (a), by striking “(a)”  
3 and inserting the following:

4 “(a) PROGRAM YEAR.—”; and

5 (C) in subsection (b), by striking “(b)”  
6 and inserting the following:

7 “(b) AVAILABILITY.—”.

8 (3) SECTION 162.—Section 162 of such Act (29  
9 U.S.C. 1572), as amended by this Act, is further  
10 amended—

11 (A) in the section heading to read as fol-  
12 lows:

13 **“SEC. 162. PROMPT ALLOCATION OF FUNDS.”;**

14 (B) in subsection (a), by striking “(a)”  
15 and inserting “(a) ALLOTMENTS AND ALLOCA-  
16 TIONS BASED ON LATEST AVAILABLE  
17 DATA.—”;

18 (C) in subsection (b), by striking “(b)”  
19 and inserting “(b) PUBLICATION IN FEDERAL  
20 REGISTER RELATING TO MANDATORY  
21 FUNDS.—”;

22 (D) in subsection (c), by striking “(c)” and  
23 inserting “(c) REQUIREMENT FOR FUNDS DIS-  
24 TRIBUTED BY FORMULA.—”;

25 (E) in subsection (d), by striking “(d)”  
26 and inserting “(d) PUBLICATION IN FEDERAL

1 REGISTER RELATING TO DISCRETIONARY  
2 FUNDS.—”; and

3 (F) in subsection (e)—

4 (i) by striking “(e)” and inserting  
5 “(e) AVAILABILITY OF FUNDS.—”; and

6 (ii) by striking “service delivery area”  
7 and inserting “local workforce development  
8 area”.

9 (4) SECTION 163.—Section 163 of such Act (29  
10 U.S.C. 1573) is amended—

11 (A) in the section heading to read as fol-  
12 lows:

13 **“SEC. 163. MONITORING.”;**

14 (B) in subsection (a), by striking “(a)”  
15 and inserting “(a) IN GENERAL.—”;

16 (C) in subsection (b), by striking “(b)”  
17 and inserting “(b) INVESTIGATIONS.—”; and

18 (D) in subsection (c), by striking “(c)” and  
19 inserting “(c) ADDITIONAL REQUIREMENT.—”.

20 (5) SECTION 164.—Section 164 of such Act (29  
21 U.S.C. 1574) is amended—

22 (A) in the section heading to read as fol-  
23 lows:

24 **“SEC. 164. FISCAL CONTROLS; SANCTIONS.”;**

25 (B) in subsection (a)—

1 (i) by striking “(a)(1)” and inserting  
2 the following:

3 “(a) ESTABLISHMENT OF FISCAL CONTROLS BY  
4 STATES.—

5 “(1) IN GENERAL.—”; and

6 (ii) in paragraph (2), by striking  
7 “(2)” and inserting “(2) REGULATIONS.—  
8 ” and moving such paragraph two ems to  
9 the right;

10 (C) in subsection (e)—

11 (i) by striking “(e)(1)” and inserting  
12 the following:

13 “(e) REPAYMENT OF AMOUNTS.—

14 “(1) IN GENERAL.—”;

15 (ii) in paragraph (2), by striking  
16 “(2)” and inserting “(2) FACTORS IN IM-  
17 POSING SANCTIONS.—” and moving such  
18 paragraph two ems to the right; and

19 (iii) in paragraph (3), by striking  
20 “(3)” and inserting “(3) WAIVER.—” and  
21 moving such paragraph two ems to the  
22 right;

23 (D) in subsection (f), by striking “(f)” and  
24 inserting “(f) IMMEDIATE TERMINATION OR

1           SUSPENSION OF ASSISTANCE IN EMERGENCY  
2           SITUATIONS.—”;

3           (E) in subsection (g), by striking “(g)”  
4           and inserting “(g) DISCRIMINATION AGAINST  
5           PARTICIPANTS.—”; and

6           (F) by redesignating subsections (d), (e),  
7           (f), (g) as subsections (c), (d), (e), and (f), re-  
8           spectively.

9           (6) SECTION 165.—Section 165 of such Act (29  
10          U.S.C. 1575) is amended—

11           (A) in the section heading to read as fol-  
12          lows:

13         **“SEC. 165. REPORTS; RECORDKEEPING; INVESTIGATIONS.”;**

14           (B) in subsection (a)—

15           (i) by striking “(a)(1)” and inserting  
16           the following:

17         “(a) REPORTS.—

18           “(1) IN GENERAL.—”;

19           (ii) in paragraph (2), by striking  
20           “(2)” and inserting “(2) SUBMISSION TO  
21           THE SECRETARY.—” and moving such  
22           paragraph two ems to the right; and

23           (iii) in paragraph (3), by striking  
24           “(3)” and inserting “(3) MAINTENANCE  
25           OF STANDARDIZED RECORDS.—” and mov-

1 ing such paragraph two ems to the right;  
2 and

3 (iv) in paragraph (4)—

4 (I) by striking “(4)(A)” and in-  
5 serting “(4) AVAILABILITY TO THE  
6 PUBLIC.—(A)” and moving such para-  
7 graph two ems to the right;

8 (II) in subparagraph (B), by  
9 striking “(B)” and inserting “(B) EX-  
10 CEPTION.—” and moving such sub-  
11 paragraph two ems to the right; and

12 (III) in subparagraph (C), by  
13 striking “(C)” and inserting “(C)  
14 FEES TO RECOVER COSTS.—” and  
15 moving such subparagraph two ems to  
16 the right;

17 (C) in subsection (b)—

18 (i) by striking “(b)(1)(A)” and insert-  
19 ing the following:

20 “(b) INVESTIGATIONS OF USE OF FUNDS.—

21 “(1) IN GENERAL.—(A)”;

22 (ii) in subparagraph (B) of paragraph  
23 (1), by moving such subparagraph two ems  
24 to the right;

1 (iii) in paragraph (2), by striking  
2 “(2)” and inserting “(2) PROHIBITION.—”  
3 and moving such paragraph two ems to the  
4 right; and

5 (iv) in paragraph (3)—

6 (I) by striking “(3)(A)” and in-  
7 serting the following:

8 “(3) AUDITS.—

9 “(A) IN GENERAL.—”;

10 (II) in subparagraph (B), by  
11 striking “(B)” and inserting “(B) NO-  
12 TIFICATION REQUIREMENT.—” and  
13 moving such subparagraph two ems to  
14 the right;

15 (III) in subparagraph (C), by  
16 striking “(C)” and inserting “(C) AD-  
17 DITIONAL REQUIREMENT.—” and  
18 moving such subparagraph two ems to  
19 the right; and

20 (IV) in subparagraph (D), by  
21 striking “(D)” and inserting “(D)  
22 RULE OF CONSTRUCTION.—” and  
23 moving such subparagraph two ems to  
24 the right;

25 (D) in subsection (c)—

1 (i) by striking “(c)” and inserting  
2 “(c) ACCESSIBILITY OF REPORTS.—”; and

3 (ii) in paragraph (2), by striking  
4 “service delivery area” and inserting “local  
5 workforce development area”;

6 (E) in subsection (d)—

7 (i) by striking “(d)(1)” and inserting  
8 the following;

9 “(d) INFORMATION TO BE INCLUDED IN RE-  
10 PORTS.—

11 “(1) IN GENERAL.—”; and

12 (ii) in paragraph (2), by striking  
13 “(2)” and inserting “(2) ADDITIONAL RE-  
14 QUIREMENT.—” and moving such para-  
15 graph two ems to the right;

16 (F) in subsection (e), by striking “(e)” and  
17 inserting “(e) RETENTION OF RECORDS.—”;

18 (G) in subsection (f)—

19 (i) by striking “(f)(1)” and inserting  
20 the following:

21 “(f) QUARTERLY FINANCIAL REPORTS.—

22 “(1) IN GENERAL.—”;

23 (ii) by striking “service delivery area”  
24 and inserting “local workforce development  
25 area”; and

1 (iii) in paragraph (2), by striking  
2 “(2)” and inserting “(2) ADDITIONAL RE-  
3 QUIREMENT.—” and moving such para-  
4 graph two ems to the right; and

5 (H) in subsection (g), by striking “(g)”  
6 and inserting “(g) MAINTENANCE OF ADDI-  
7 TIONAL RECORDS.—”.

8 (7) SECTION 166.—Section 166 of such Act (29  
9 U.S.C. 1576) is amended—

10 (A) in the section heading to read as fol-  
11 lows:

12 **“SEC. 166. ADMINISTRATIVE ADJUDICATION.”;**

13 (B) in subsection (a), by striking “(a)”  
14 and inserting the following:

15 “(a) IN GENERAL.—”;

16 (C) in subsection (b), by striking “(b)”  
17 and inserting the following:

18 “(b) APPEAL.—”;

19 (D) in subsection (c), by striking “(c)” and  
20 inserting the following:

21 “(c) TIME LIMIT.—”; and

22 (E) in subsection (d), by striking “(d)”  
23 and inserting the following:

24 “(d) ADDITIONAL REQUIREMENT.—”;

1           (8) SECTION 169.—Section 169 of such Act (29  
2 U.S.C. 1579) is amended—

3           (A) in the section heading to read as fol-  
4 lows:

5 **“SEC. 169. ADMINISTRATIVE PROVISIONS.”;**

6           (B) in subsection (a), by striking “(a)”  
7 and inserting “(a) IN GENERAL.—”;

8           (C) in subsection (b), by striking “(b)”  
9 and inserting “(b) ACQUISITION OF CERTAIN  
10 PROPERTY AND SERVICES.—”;

11           (D) in subsection (c), by striking “(c)” and  
12 inserting “(c) AUTHORITY TO ENTER INTO  
13 CERTAIN AGREEMENTS AND TO MAKE CER-  
14 TAIN EXPENDITURES.—”; and

15           (E) in subsection (d), by striking “(d)”  
16 and inserting “(d) ANNUAL REPORT.—”.

17           (9) SECTION 170.—Section 170 of such Act (29  
18 U.S.C 1580) is amended—

19           (A) in the section heading to read as fol-  
20 lows:

21 **“SEC. 170. UTILIZATION OF SERVICES AND FACILITIES.”;**

22 and

23           (B) in the first sentence, by striking “sec-  
24 tion 169(c)” and inserting “section 168(c)”.

1           (10) SECTION 171.—Section 171 of such Act  
2           (29 U.S.C 1581) is amended in the section heading  
3           to read as follows:

4   **“SEC. 171. OBLIGATIONAL AUTHORITY.”**

5           (11) REDESIGNATION.—Sections 169, 170,  
6           171, 172, and 173 of the Job Training Partnership  
7           Act (29 U.S.C. 1579, 1580, and 1581), as amended  
8           or added by this Act, as the case may be, are further  
9           amended by redesignating such sections as sections  
10          168, 169, 170, 171, and 172 of such Act, respec-  
11          tively.

12          (e) PART E.—

13           (1) HEADING.—The heading for part E of title  
14          I of such Act is amended by redesignating such  
15          heading as the heading for part D of title I of such  
16          Act (and conforming the typeface for such heading  
17          in a manner similar to the typeface for the heading  
18          for part C of title I of such Act (as amended by sub-  
19          section (b)(1)(A)).

20           (2) SECTION 183.—Section 183 of such Act (29  
21          U.S.C. 1592), as amended by this Act, is further  
22          amended by redesignating such section as section  
23          181.

1 **SEC. 904. AMENDMENTS TO TITLE IV.**

2 (a) PART HEADINGS.—The following part headings  
3 of title IV of the Job Training Partnership Act (29 U.S.C.  
4 1671 et seq.) are amended as follows:

5 (1) The heading for part A of title IV of such  
6 Act is amended to read as follows:

7 **“PART A—EMPLOYMENT AND TRAINING PRO-**  
8 **GRAMS FOR NATIVE AMERICANS AND MI-**  
9 **GRANT AND SEASONAL FARMWORKERS”.**

10 (2) The heading for part B of title IV of such  
11 Act is amended to read as follows:

12 **“PART B—JOB CORPS”.**

13 (3) The heading for part C of title IV of such  
14 Act is amended to read as follows:

15 **“PART C—VETERANS’ EMPLOYMENT PROGRAMS”.**

16 (4) The heading for part D of title IV of such  
17 Act is amended to read as follows:

18 **“PART D—NATIONAL ACTIVITIES”.**

19 (5) The heading for part E of title IV of such  
20 Act is amended to read as follows:

21 **“PART E—LABOR MARKET INFORMATION”.**

22 (b) SECTION 441.—Section 441 of such Act (29  
23 U.S.C. 1721) is amended—

24 (1) in the section heading to read as follows:

25 **“SEC. 441. AUTHORIZATION OF PROGRAMS.”;**

26 (2) in subsection (a)—

1 (A) by striking “(a)(1)” and inserting the  
2 following:

3 “(a) AUTHORIZATION.—

4 “(1) IN GENERAL.—”;

5 (B) in paragraph (2), by striking “(2)”  
6 and inserting “(2) CONDUCT OF PRO-  
7 GRAMS.—” and moving such paragraph two  
8 ems to the right; and

9 (C) in paragraph (3), by striking “(3)”  
10 and inserting “(3) REQUIRED ACTIVITIES.—”  
11 and moving such paragraph two ems to the  
12 right; and

13 (3) in subsection (b)—

14 (A) by striking “(b)(1)” and inserting the  
15 following:

16 “(b) ADMINISTRATION OF PROGRAMS.—

17 “(1) IN GENERAL.—”; and

18 (B) in paragraph (2), by striking “(2)”  
19 and inserting “(2) ADDITIONAL RESPONSIBIL-  
20 ITIES.—” and moving such paragraph two ems  
21 to the right.

22 (c) SECTION 455.—Section 455 of such Act (29  
23 U.S.C. 1735) is amended—

24 (1) in the section heading to read as follows:

1 **“SEC. 455. UNIFORM REPORTING REQUIREMENTS.”;**

2 and

3 (2) by redesignating such section as section  
4 453.

5 (d) SECTION 461.—Section 461 of such Act (29  
6 U.S.C. 1751) is amended—

7 (1) in the section heading to read as follows:

8 **“SEC. 461. LABOR MARKET INFORMATION; AVAILABILITY**  
9 **OF FUNDS.”;**

10 (2) in subsection (a), by striking “(a)” and in-  
11 serting “(a) SET-ASIDE OF FUNDS.—”;

12 (3) in subsection (b)—

13 (A) by striking “(b)” and inserting “(b)

14 AVAILABILITY FOR ADDITIONAL PURPOSE.—”;

15 and

16 (B) by striking “section 125” and insert-  
17 ing “section 467”; and

18 (4) in subsection (c), by striking “(c)” and in-  
19 serting “(c) AVAILABILITY OF OTHER FUNDS.—”.

20 (e) SECTION 462.—Section 462 of such Act (29  
21 U.S.C. 1752) is amended—

22 (1) in the section heading to read as follows:

23 **“SEC. 462. COOPERATIVE LABOR MARKET INFORMATION**  
24 **PROGRAM.”;**

25 (2) in subsection (a), by striking “(a)” and in-  
26 serting “(a) DATA ON CURRENT EMPLOYMENT.—”;

1           (3) in subsection (b), by striking “(b)” and in-  
2           serting “(b) MAINTENANCE OF DESCRIPTIONS OF  
3           JOB DUTIES AND RELATED INFORMATION.—”;

4           (4) in subsection (c), by striking “(c)” and in-  
5           serting “(c) ADDITIONAL REQUIREMENTS.—”;

6           (5) in subsection (d)—

7                 (A) by striking “(d)(1)” and inserting the  
8                 following:

9           “**(d) DATA FOR ANNUAL STATISTICAL MEASURE OF**  
10   **LABOR MARKET RELATED ECONOMIC HARDSHIP.—**

11                 **“(1) IN GENERAL.—”;**

12                 **(B) in paragraph (2), by striking “(2)”**  
13                 **and inserting “(2) HOUSEHOLD BUDGET**  
14                 **DATA.—” and moving such paragraph two ems**  
15                 **to the right; and**

16                 **(C) in paragraph (3), by striking “(3)”**  
17                 **and inserting “(3) REPORT.—” and moving**  
18                 **such paragraph two ems to the right;**

19           (6) in subsection (e), by striking “(e)” and in-  
20           serting “(e) STATISTICAL DATA RELATING TO PER-  
21           MANENT LAY-OFFS AND PLANT CLOSINGS.—”

22           (7) in subsection (f)—

23                 (A) by striking “(f)(1)” and inserting the  
24                 following:

1       “(f) DATA RELATING TO PERMANENT DISLOCATION  
2 OF FARMERS AND RANCHERS.—

3               “(1) IN GENERAL.—”;

4               (B) in paragraph (1), by moving subpara-  
5 graphs (A) through (E) two ems to the right;  
6 and

7               (C) in paragraph (2), by striking “(2)”  
8 and inserting “(2) REPORT.—” and moving  
9 such paragraph two ems to the right; and  
10 (8) by striking subsection (g).

11       (f) SECTION 463.—Section 463 of such Act (29  
12 U.S.C. 1753) is amended—

13               (1) in the section heading to read as follows:

14       **“SEC. 463. SPECIAL FEDERAL RESPONSIBILITIES.”;**

15               (2) in subsection (a), by striking “(a)” and in-  
16 serting “(a) REVIEW AND APPLICATION OF LABOR  
17 MARKET INFORMATION.—”;

18               (3) in subsection (b), by striking “(b)” and in-  
19 serting “(b) INTEGRATED OCCUPATIONAL SUPPLY  
20 AND DEMAND INFORMATION SYSTEM.—”; and

21               (4) in subsection (c), by striking “(c)” and in-  
22 serting “(c) SUFFICIENT FUNDS FOR STAF-  
23 FING.—”.

24       (g) SECTION 464.—Section 464 of such Act (29  
25 U.S.C. 1754) is amended—

1 (1) in the section heading to read as follows:

2 **“SEC. 464. NATIONAL OCCUPATIONAL INFORMATION CO-**  
3 **ORDINATING COMMITTEE.”;**

4 (2) in subsection (a)—

5 (A) by striking “(a)(1)” and inserting the  
6 following:

7 “(a) RESERVATION.—

8 “(1) IN GENERAL.—”;

9 (B) in paragraph (2), by striking “(2)”  
10 and inserting “(2) ADDITIONAL MEMBERS.—”  
11 and moving such paragraph two ems to the  
12 right; and

13 (C) in paragraph (3), by striking “(3)”  
14 and inserting “(3) ADDITIONAL REQUIRE-  
15 MENT.—” and moving such paragraph two ems  
16 to the right;

17 (3) in subsection (b), by striking “(b)” and in-  
18 serting “(b) ADDITIONAL RESPONSIBILITIES.—”;

19 and

20 (4) in subsection (c), by striking “(c)” and in-  
21 serting “(c) USE OF FUNDS.—”.

22 (h) SECTION 465.—Section 465 of such Act (29  
23 U.S.C. 1755) is amended in the section heading to read  
24 as follows:

1 **“SEC. 465. JOB BANK PROGRAM.”.**

2 (i) SECTION 466.—Section 466 of such Act (as redese-  
3 ignated) is amended—

4 (1) in the section heading to read as follows:

5 **“SEC. 466. STATE JOB BANK SYSTEMS.”;**

6 (2) in subsection (a) (as redesignated), by strik-  
7 ing “(a)” and inserting “(a) IN GENERAL.—”; and

8 (3) in subsection (b) (as redesignated), by strik-  
9 ing “(b)” and inserting “(b) COMPUTERIZED DATA  
10 SYSTEMS.—”.

11 (j) SECTION 467.—Section 467 of such Act (as redese-  
12 ignated) is amended—

13 (1) in the section heading to read as follows:

14 **“SEC. 467. STATE LABOR MARKET INFORMATION PRO-  
15 GRAMS.”;**

16 (2) in subsection (a), by striking “(a)” and in-  
17 serting the following:

18 “(a) IN GENERAL.—”;

19 (3) in subsection (b), by striking “(b)” and in-  
20 serting the following:

21 “(b) ADDITIONAL REQUIREMENTS.—”;

22 (4) in subsection (c), by striking “(c)” and in-  
23 serting the following:

24 “(c) REIMBURSEMENTS.—”; and

25 (5) in subsection (d), by striking “(d)” and in-  
26 serting the following:

1 “(d) COMBINATION OR CONSOLIDATION OF CERTAIN  
2 REPORTING REQUIREMENTS.—”.

3 **SEC. 905. AMENDMENTS TO TITLE VI.**

4 The Job Training Partnership Act (29 U.S.C. 1501  
5 et seq.) is amended by striking the heading for title VI  
6 of such Act.

7 **SEC. 906. CLARIFICATION.**

8 Nothing in this Act, the amendments made by this  
9 Act, or any law amended by this Act shall be construed  
10 to supplant or modify the requirements for registration of  
11 an apprenticeship program under the National Appren-  
12 ticeship Act.

13 **Subtitle B—Amendments to Other**  
14 **Acts**

15 **SEC. 911. AMENDMENTS TO OTHER ACTS.**

16 The following Acts are amended as follows:

17 (1) TITLE 5, UNITED STATES CODE.—Section  
18 3502(d) of title 5, United States Code, is amend-  
19 ed—

20 (A) in paragraph (3)—

21 (i) in subparagraph (A)(i), by striking  
22 “or units (referred to in section 311(b)(2)  
23 of the Job Training Partnership Act)” and  
24 inserting “referred to in section

1           313(a)(2)(B)(i) of the Employment, Train-  
2           ing, and Literacy Enhancement Act”; and

3           (ii) in subparagraph (B)(iii), by strik-  
4           ing “Job Training Partnership Act” and  
5           inserting “Employment, Training, and Lit-  
6           eracy Enhancement Act”; and

7           (B) in paragraph (4), in the second sen-  
8           tence, by striking “Job Training Partnership  
9           Act” and inserting “Employment, Training,  
10          and Literacy Enhancement Act”.

11          (2) FOOD STAMP ACT OF 1977.—

12           (A) SECTION 5.—Section 5(l) of the Food  
13          Stamp Act of 1977 (7 U.S.C. 2014(l)) is  
14          amended by striking “section 142(b) of the Job  
15          Training Partnership Act (29 U.S.C. 1552(b))”  
16          and inserting “title II, III, or IV of the Em-  
17          ployment, Training, and Literacy Enhancement  
18          Act”.

19           (B) SECTION 6.—Section 6 of the Food  
20          Stamp Act of 1977 (7 U.S.C. 2015) is amend-  
21          ed—

22           (i) in subsection (d)(4)(M), by strik-  
23           ing “Job Training Partnership Act” and  
24           inserting “Employment, Training, and Lit-  
25           eracy Enhancement Act”; and

1 (ii) in subsection (e)(3), by striking  
2 subparagraph (A) and inserting the follow-  
3 ing:

4 “(A) a program under title II, III, or IV  
5 of the Employment, Training, and Literacy En-  
6 hancement Act;”.

7 (C) SECTION 17.—The second sentence of  
8 section 17(b)(2) of the Food Stamp Act of  
9 1977 (7 U.S.C. 2026(b)(2)) is amended—

10 (i) by striking “to accept an offer of  
11 employment from a political subdivision or  
12 a prime sponsor pursuant to the Com-  
13 prehensive Employment and Training Act  
14 of 1973, as amended (29 U.S.C. 812),”  
15 and inserting “to accept an offer of em-  
16 ployment from a service provider carrying  
17 out employment and training activities  
18 through a program carried out under title  
19 II, III, or IV of the Employment, Train-  
20 ing, and Literacy Enhancement Act;”; and

21 (ii) by striking “: *Provided*, That all  
22 of the political subdivision’s” and all that  
23 follows and inserting “, if all of the jobs  
24 supported under the program have been  
25 made available to participants in the pro-

1           gram before the service provider providing  
2           the jobs extends an offer of employment  
3           under this paragraph, and if the service  
4           provider, in employing the person, complies  
5           with the requirements of Federal law that  
6           relate to the program.”.

7           (3) IMMIGRATION AND NATIONALITY ACT.—Sec-  
8           tion 245A(h)(4)(F) of the Immigration and Nation-  
9           ality Act (8 U.S.C. 1255a(h)(4)(F)) is amended by  
10          striking “The Job Training Partnership Act.” and  
11          inserting “The Employment, Training, and Literacy  
12          Enhancement Act.”.

13          (4) REFUGEE EDUCATION ASSISTANCE ACT OF  
14          1980.—Section 402(a)(4) of the Refugee Education  
15          Assistance Act of 1980 (8 U.S.C. 1522 note) is  
16          amended by striking “the Comprehensive Employ-  
17          ment and Training Act of 1973” and inserting “the  
18          Employment, Training, and Literacy Enhancement  
19          Act”.

20          (5) NATIONAL DEFENSE AUTHORIZATION ACT  
21          FOR FISCAL YEAR 1993.—

22                 (A) SECTION 3161.—Section 3161(c)(6) of  
23                 the National Defense Authorization Act for Fis-  
24                 cal Year 1993 (42 U.S.C. 7274h(c)(6)) is  
25                 amended by striking “Job Training Partnership

1 Act (29 U.S.C. 1501 et seq.)” and inserting  
2 “title II, III, or IV of the Employment, Train-  
3 ing, and Literacy Enhancement Act”.

4 (B) SECTION 4461.—Section 4461(1) of  
5 the National Defense Authorization Act for Fis-  
6 cal Year 1993 (10 U.S.C. 1143 note) is amend-  
7 ed by striking “The Job Training Partnership  
8 Act (29 U.S.C. 1501 et seq.)” and inserting  
9 “The Employment, Training, and Literacy En-  
10 hancement Act.”.

11 (C) SECTION 4471.—Section 4471 of the  
12 National Defense Authorization Act for Fiscal  
13 Year 1993 (10 U.S.C. 2501 note) is amended—

14 (i) in subsection (c)(2), by striking  
15 “section 311(b)(2) of the Job Training  
16 Partnership Act (29 U.S.C. 1661(b)(2))”  
17 and inserting “313(a)(2)(B)(i) of the Em-  
18 ployment, Training, and Literacy Enhance-  
19 ment Act”;

20 (ii) in subsection (d)—

21 (I) in the first sentence, by strik-  
22 ing “for training, adjustment assist-  
23 ance, and employment services” and  
24 all that follows through “except  
25 where” and inserting “to participate

1 in employment and training activities  
2 carried out under the Employment,  
3 Training, and Literacy Enhancement  
4 Act, except in a case in which”; and  
5 (II) by striking the second sen-  
6 tence; and  
7 (iii) in subsection (e), by striking “for  
8 training,” and all that follows through “be-  
9 ginning” and inserting “to participate in  
10 employment and training activities under  
11 the Employment, Training, and Literacy  
12 Enhancement Act beginning”.

13 (6) NATIONAL DEFENSE AUTHORIZATION ACT  
14 FOR FISCAL YEAR 1991.—Section 4003(5)(C) of the  
15 National Defense Authorization Act for Fiscal Year  
16 1991 (10 U.S.C. 2391 note) is amended by inserting  
17 before the period the following: “, as in effect on the  
18 day before the date of the enactment of the Employ-  
19 ment, Training, and Literacy Enhancement Act of  
20 1997”.

21 (7) NATIONAL DEFENSE AUTHORIZATION ACT  
22 FOR FISCAL YEAR 1994.—Section 1333(c)(2)(B) of  
23 the National Defense Authorization Act for Fiscal  
24 Year 1994 (10 U.S.C. 2701 note) is amended by  
25 striking “Private industry councils (as described in

1 section 102 of the Job Training Partnership Act (29  
2 U.S.C. 1512)).” and inserting “Local workforce de-  
3 velopment boards established under section 122 of  
4 the Employment, Training, and Literacy Enhance-  
5 ment Act.”.

6 (8) SMALL BUSINESS ACT.—The fourth sen-  
7 tence of section 7(j)(13)(E) of the Small Business  
8 Act (15 U.S.C. 636(j)(13)(E)) is amended by strik-  
9 ing “under the Job Training Partnership Act (29  
10 U.S.C. 1501 et seq.)” and inserting “under section  
11 124 of the Employment, Training, and Literacy En-  
12 hancement Act”.

13 (9) EMPLOYMENT ACT OF 1946.—Section  
14 4(f)(2)(B) of the Employment Act of 1946 (15  
15 U.S.C. 1022a(f)(2)(B)) is amended by striking “and  
16 include these in the annual Employment and Train-  
17 ing Report of the President required under section  
18 705(a) of the Comprehensive Employment and  
19 Training Act of 1973 (hereinafter in this Act re-  
20 ferred to as ‘CETA’)” and inserting “and prepare  
21 and submit to the President an annual report con-  
22 taining the recommendations”.

23 (10) FULL EMPLOYMENT AND BALANCED  
24 GROWTH ACT OF 1978.—

1 (A) SECTION 206.—Section 206 of the Full  
2 Employment and Balanced Growth Act of 1978  
3 (15 U.S.C. 3116) is amended—

4 (i) in subsection (b)—

5 (I) in the matter preceding para-  
6 graph (1), by striking “CETA” and  
7 inserting “the Employment, Training,  
8 and Literacy Enhancement Act”; and

9 (II) in paragraph (1), by striking  
10 “(including use of section 110 of  
11 CETA when necessary)”; and

12 (ii) in subsection (c)(1), by striking  
13 “through the expansion of CETA and  
14 other”.

15 (B) SECTION 401.—Section 401(d) of the  
16 Full Employment and Balanced Growth Act of  
17 1978 (15 U.S.C. 3151(d)) is amended by strik-  
18 ing “include, in the annual Employment and  
19 Training Report of the President provided  
20 under section 705(a) of CETA,” and inserting  
21 “include, in the annual report referred to in  
22 section 4(f)(2)(B) of the Employment Act of  
23 1946 (15 U.S.C. 1022a(f)(2)(B)),”.

24 (11) TITLE 18, UNITED STATES CODE.—Sub-  
25 sections (a), (b), and (c) of section 665 of title 18,

1 United States Code are amended by striking “or the  
2 Job Training Partnership Act” and inserting “the  
3 Job Training Partnership Act, or the Employment,  
4 Training, and Literacy Enhancement Act”.

5 (12) TRADE ACT OF 1974.—Section 239(e) of  
6 the Trade Act of 1974 (19 U.S.C. 2311(e)) is  
7 amended by striking “Job Training Partnership  
8 Act” and inserting “Employment, Training, and Lit-  
9 eracy Enhancement Act”.

10 (13) HIGHER EDUCATION ACT OF 1965.—Sec-  
11 tion 480(b)(14) of the Higher Education Act of  
12 1965 (20 U.S.C. 1087vv(b)(14)) is amended by  
13 striking “Job Training Partnership Act” and insert-  
14 ing “received through participation under title II,  
15 III, or IV of the Employment, Training, and Lit-  
16 eracy Enhancement Act”.

17 (14) INDIVIDUALS WITH DISABILITIES EDU-  
18 CATION ACT.—Section 626 of the Individuals with  
19 Disabilities Education Act (20 U.S.C. 1425) is  
20 amended—

21 (A) in the first sentence of subsection (a),  
22 by striking “(including the State job training  
23 coordinating councils and service delivery area  
24 administrative entities established under the  
25 Job Training Partnership Act)” and inserting

1 “(including the State collaborative process  
2 under of section 102 of the Employment, Train-  
3 ing, and Literacy Enhancement Act and local  
4 workforce development boards established under  
5 section 122 of such Act)”;

6 (B) in subsection (e)—

7 (i) in paragraph (3)(C), by striking  
8 “local Private Industry Councils (PICS)  
9 authorized by the Job Training Partner-  
10 ship Act (JTPA),” and inserting “local  
11 workforce development boards established  
12 under section 122 of the Employment,  
13 Training, and Literacy Enhancement  
14 Act,”;

15 (ii) in paragraph (4)(A)(iii), by strik-  
16 ing “local Private Industry Councils  
17 (PICS) authorized by the JTPA,” and in-  
18 serting “local workforce development  
19 boards established under section 122 of the  
20 Employment, Training, and Literacy En-  
21 hancement Act,”; and

22 (iii) in clauses (iii), (iv), (v), and (vii)  
23 of paragraph (4)(B), by striking “PICS  
24 authorized by the JTPA” and inserting  
25 “local workforce development boards estab-

1           lished under section 122 of the Employ-  
2           ment, Training, and Literacy Enhance-  
3           ment Act”; and

4           (C) in subsection (g), by striking “the Job  
5           Training Partnership Act (JTPA),” and insert-  
6           ing “the Employment, Training, and Literacy  
7           Enhancement Act”.

8           (15) DEPARTMENT OF EDUCATION ORGANIZA-  
9           TION ACT.—Subsection (a) of section 302 of the De-  
10          partment of Education Organization Act (20 U.S.C.  
11          3443(a)) (as redesignated in section 271(a)(2) of the  
12          Improving America’s Schools Act of 1994) is amend-  
13          ed by striking “under section 303(c)(2) of the Com-  
14          prehensive Employment and Training Act” and in-  
15          serting “relating to such education”.

16          (16) NATIONAL SKILL STANDARDS ACT OF  
17          1994.—

18               (A) SECTION 504.—Section 504(c)(3) of  
19               the National Skill Standards Act of 1994 (20  
20               U.S.C. 5934(c)(3)) is amended by striking “the  
21               Capacity Building and Information and Dis-  
22               semination Network established under section  
23               453(b) of the Job Training Partnership Act (29  
24               U.S.C. 1733(b)) and”.

1           (B) SECTION 508.—Section 508(1) of the  
2           National Skill Standards Act of 1994 (20  
3           U.S.C. 5938(1)) is amended to read as follows:

4           “(1) COMMUNITY-BASED ORGANIZATION.—The  
5           term ‘community-based organization’ means a pri-  
6           vate nonprofit organization of demonstrated effec-  
7           tiveness that is representative of a community or a  
8           significant segment of a community and that pro-  
9           vides workforce and career development activities, as  
10          defined in section 4 of the Employment, Training,  
11          and Literacy Enhancement Act.”.

12          (17) ELEMENTARY AND SECONDARY EDU-  
13          CATION ACT OF 1965.—

14                (A) SECTION 1205.—Section 1205(8)(B) of  
15                the Elementary and Secondary Education Act  
16                of 1965 (20 U.S.C. 6365(8)(B)) is amended by  
17                striking “, the Adult Education Act, the Indi-  
18                viduals with Disabilities Education Act, and the  
19                Job Training Partnership Act” and inserting  
20                “the Individuals with Disabilities Education  
21                Act, and the Employment, Training, and Lit-  
22                eracy Enhancement Act”.

23                (B) SECTION 1414.—Section 1414(c)(8) of  
24                the Elementary and Secondary Education Act  
25                of 1965 (20 U.S.C. 6434(c)(8)) is amended by

1 striking “programs under the Job Training  
2 Partnership Act,” and inserting “activities  
3 under the Employment, Training, and Literacy  
4 Enhancement Act,”.

5 (C) SECTION 1423.—Section 1423(9) of the  
6 Elementary and Secondary Education Act of  
7 1965 (20 U.S.C. 6453(9)) is amended by strik-  
8 ing “programs under the Job Training and  
9 Partnership Act” and inserting “activities  
10 under the Employment, Training, and Literacy  
11 Enhancement Act”.

12 (D) SECTION 1425.—Section 1425(9) of  
13 the Elementary and Secondary Education Act  
14 of 1965 (20 U.S.C. 6455(9)) is amended by  
15 striking “, such as funds under the Job Train-  
16 ing Partnership Act,” and inserting “, such as  
17 funds made available under the Employment,  
18 Training, and Literacy Enhancement Act,”.

19 (18) FREEDOM SUPPORT ACT.—The last sen-  
20 tence of section 505 of the FREEDOM Support Act  
21 (22 U.S.C. 5855) is amended by striking “, through  
22 the Defense Conversion” and all that follows  
23 through “or through” and inserting “or through”.

24 (19) EMERGENCY JOBS AND UNEMPLOYMENT  
25 ASSISTANCE ACT OF 1974.—

1           (A) SECTION 204.—Section 204(b) of the  
2           Emergency Jobs and Unemployment Assistance  
3           Act of 1974 (26 U.S.C. 3304 note) is amended  
4           by striking “designate as an area” and all that  
5           follows and inserting “designate as an area  
6           under this section an area that is a local  
7           workforce development area under the Employ-  
8           ment, Training, and Literacy Enhancement  
9           Act.”.

10          (B) SECTION 223.—Section 223 of the  
11          Emergency Jobs and Unemployment Assistance  
12          Act of 1974 (26 U.S.C. 3304 note) is amend-  
13          ed—

14                 (i) in paragraph (3), by striking “as-  
15                 sistance provided” and all that follows and  
16                 inserting “assistance provided under the  
17                 Employment, Training, and Literacy En-  
18                 hancement Act;”; and

19                 (ii) in paragraph (4), by striking  
20                 “funds provided” and all that follows and  
21                 inserting “funds provided under the Em-  
22                 ployment, Training, and Literacy Enhance-  
23                 ment Act;”.

24          (20) JOB TRAINING REFORM AMENDMENTS OF  
25          1992.—Section 701 of the Job Training Reform

1 Amendments of 1992 (29 U.S.C. 1501 note) is re-  
2 pealed.

3 (21) PUBLIC LAW 98–524.—Section 7 of Public  
4 Law 98–524 (29 U.S.C. 1551 note) is repealed.

5 (22) VETERANS’ BENEFITS AND PROGRAMS IM-  
6 PROVEMENT ACT OF 1988.—Section 402 of the Vet-  
7 erans’ Benefits and Programs Improvement Act of  
8 1988 (29 U.S.C. 1721 note) is amended—

9 (A) in subsection (a), by striking “title III  
10 of the Job Training Partnership Act (29 U.S.C.  
11 1651 et seq.)” and inserting “the Employment,  
12 Training, and Literacy Enhancement Act”;

13 (B) in subsection (c), by striking “Train-  
14 ing, in consultation with the office designated  
15 or created under section 322(b) of the Job  
16 Training Partnership Act,” and inserting  
17 “Training”; and

18 (C) in subsection (d)—

19 (i) in paragraph (1), by striking  
20 “under—” and all that follows through  
21 “the Veterans’” and inserting “under the  
22 Veterans’”; and

23 (ii) in paragraph (2), by striking  
24 “Employment and training” and all that  
25 follows and inserting “Employment, train-

1           ing, and literacy activities under the Em-  
2           ployment, Training, and Literacy Enhance-  
3           ment Act.”.

4           (23) VETERANS’ JOB TRAINING ACT.—

5           (A) SECTION 13.—Section 13(b) of the  
6           Veterans’ Job Training Act (29 U.S.C. 1721  
7           note) is amended by striking “assistance under  
8           the Job Training Partnership Act (29 U.S.C.  
9           1501 et seq.)” and inserting “assistance under  
10          the Employment, Training, and Literacy En-  
11          hancement Act”.

12          (B)           SECTION           14.—Section  
13          14(b)(3)(B)(i)(II) of the Veterans’ Job Train-  
14          ing Act (29 U.S.C. 1721 note) is amended by  
15          striking “under part C of title IV of the Job  
16          Training Partnership Act (29 U.S.C. 1501 et  
17          seq.)” and inserting “under the Employment,  
18          Training, and Literacy Enhancement Act”.

19          (C) SECTION 15.—Section 15(c)(2) of the  
20          Veterans’ Job Training Act (29 U.S.C. 1721  
21          note) is amended—

22                  (i) in the second sentence, by striking  
23                  “part C of title IV of the Job Training  
24                  Partnership Act (29 U.S.C. 1501 et seq.)”

1 and inserting “the Employment, Training,  
2 and Literacy Enhancement Act”; and

3 (ii) in the third sentence, by striking  
4 “title III of”.

5 (24) WORKER ADJUSTMENT AND RETRAINING  
6 NOTIFICATION ACT.—Section 3(a)(2) of the Worker  
7 Adjustment and Retraining Notification Act (29  
8 U.S.C. 2102(a)(2)) is amended by striking “title III  
9 of the Job Training Partnership Act” and inserting  
10 “title II, III, or IV of the Employment, Training,  
11 and Literacy Enhancement Act”.

12 (25) TITLE 31, UNITED STATES CODE.—Section  
13 6703(a) of title 31, United States Code, is amended  
14 by striking paragraph (4) and inserting the follow-  
15 ing:

16 “(4) Programs under title III or IV of the Em-  
17 ployment, Training, and Literacy Enhancement  
18 Act.”.

19 (26) VETERANS’ REHABILITATION AND EDU-  
20 CATION AMENDMENTS OF 1980.—Section 512 of the  
21 Veterans’ Rehabilitation and Education Amend-  
22 ments of 1980 (38 U.S.C. 4101 note) is amended by  
23 striking “the Comprehensive Employment and  
24 Training Act (29 U.S.C. et seq.),” and inserting

1 “the Employment, Training, and Literacy Enhance-  
2 ment Act,”.

3 (27) TITLE 38, UNITED STATES CODE.—

4 (A) SECTION 4102A.—Section 4102A(d) of  
5 title 38, United States Code, is amended by  
6 striking “the Job Training Partnership Act”  
7 and inserting “the Employment, Training, and  
8 Literacy Enhancement Act”.

9 (B) SECTION 4103A.—Section 4103A(c)(4)  
10 of title 38, United States Code, is amended by  
11 striking “Job Training Partnership Act (29  
12 U.S.C. 1501 et seq.)” and inserting “Employ-  
13 ment, Training, and Literacy Enhancement  
14 Act”.

15 (C) SECTION 4213.—Section 4213 of title  
16 38, United States Code, is amended by striking  
17 “Job Training Partnership Act (29 U.S.C.  
18 1501 et seq.),” and inserting “Employment,  
19 Training, and Literacy Enhancement Act,”.

20 (28) UNITED STATES HOUSING ACT OF 1937.—  
21 Section 23 of the United States Housing Act of  
22 1937 (42 U.S.C. 1437u) is amended—

23 (A) in subsection (b)(2)(A), by striking  
24 “the Job Training” and all that follows through  
25 “or the” and inserting “the Employment,

1 Training, and Literacy Enhancement Act or  
2 the”;

3 (B) in the first sentence of subsection  
4 (f)(2), by striking “programs under the” and  
5 all that follows through “and the” and inserting  
6 “programs under title II, III, or IV of the Em-  
7 ployment, Training, and Literacy Enhancement  
8 Act and the”; and

9 (C) in subsection (g)—

10 (i) in paragraph (2), by striking “pro-  
11 grams under the” and all that follows  
12 through “and the” and inserting “pro-  
13 grams under title II, III, or IV of the Em-  
14 ployment, Training, and Literacy Enhance-  
15 ment Act and the”; and

16 (ii) in paragraph (3)(H), by striking  
17 “program under” and all that follows  
18 through “and any other” and inserting  
19 “program under title II, III, or IV of the  
20 Employment, Training, and Literacy En-  
21 hancement Act and any other”.

22 (29) HOUSING ACT OF 1949.—Section 504(c)(3)  
23 of the Housing Act of 1949 (42 U.S.C. 1474(c)(3))  
24 is amended by striking “pursuant to” and all that  
25 follows through “or the” and inserting “pursuant to

1 the Employment, Training, and Literacy Enhance-  
2 ment Act or the”.

3 (30) OLDER AMERICANS ACT OF 1965.—

4 (A) SECTION 203.—Section 203 of the  
5 Older Americans Act of 1965 (42 U.S.C. 3013)  
6 is amended—

7 (i) in subsection (a)(2), by striking  
8 the last sentence and inserting the follow-  
9 ing: “In particular, the Secretary of Labor  
10 and the Secretary of Education shall con-  
11 sult and cooperate with the Assistant Sec-  
12 retary in carrying out the Employment,  
13 Training, and Literacy Enhancement Act  
14 of 1997.”; and

15 (ii) in subsection (b), by striking para-  
16 graph (1) and inserting the following:

17 “(1) the Employment, Training, and Literacy  
18 Enhancement Act,”.

19 (B) SECTION 502.—Section 502 of the  
20 Older Americans Act of 1965 (42 U.S.C. 3056)  
21 is amended—

22 (i) in subsection (b)(1)(N)(i), by strik-  
23 ing “the Job Training Partnership Act (29  
24 U.S.C. 1501 et seq.)” and inserting “the

1           Employment, Training, and Literacy En-  
2           hancement Act”; and

3                   (ii) in subsection (e)(2)(C), by strik-  
4           ing “programs carried out under section  
5           124 of the Job Training Partnership Act  
6           (29 U.S.C. 1534)” and inserting “employ-  
7           ment and training activities carried out  
8           under title III of the Employment, Train-  
9           ing, and Literacy Enhancement Act”.

10           (C) SECTION 503.—Section 503(b)(1) of  
11           the Older Americans Act of 1965 (42 U.S.C.  
12           3056a(b)(1)) is amended by striking “the Job  
13           Training Partnership Act,” each place it ap-  
14           pears and inserting “the Employment, Train-  
15           ing, and Literacy Enhancement Act,”.

16           (31) OMNIBUS CRIME CONTROL AND SAFE  
17           STREETS ACT OF 1968.—Section 1801(b)(3) of the  
18           Omnibus Crime Control and Safe Streets Act of  
19           1968 (42 U.S.C. 3796ee(b)(3)) is amended by strik-  
20           ing “Job Training Partnership Act (relating to Job  
21           Corps) (29 U.S.C. 1691 et seq.)” and inserting  
22           “Employment, Training, and Literacy Enhancement  
23           Act”.

24           (32) ENVIRONMENTAL PROGRAMS ASSISTANCE  
25           ACT OF 1984.—The second sentence of section 2(a)

1 of the Environmental Programs Assistance Act of  
2 1984 (42 U.S.C. 4368a(a)) is amended by striking  
3 “Job Training Partnership Act” and inserting “Em-  
4 ployment, Training, and Literacy Enhancement  
5 Act”.

6 (33) DOMESTIC VOLUNTEER SERVICE ACT OF  
7 1973.—

8 (A) SECTION 103.—Section 103(d) of the  
9 Domestic Volunteer Service Act of 1973 (42  
10 U.S.C. 4953(d)) is amended in the second sen-  
11 tence to read as follows: “Whenever feasible,  
12 such efforts shall be coordinated with a local  
13 workforce development board established under  
14 section 122 of the Employment, Training, and  
15 Literacy Enhancement Act.”.

16 (B) SECTION 109.—Subsections (c)(2) and  
17 (d)(2) of section 109 of the Domestic Volunteer  
18 Service Act of 1973 (42 U.S.C. 4959) is  
19 amended by striking “Job Training Partnership  
20 Act” and inserting “Employment, Training,  
21 and Literacy Enhancement Act”.

22 (34) AGE DISCRIMINATION ACT OF 1975.—Sec-  
23 tion 304(e)(1) of the Age Discrimination Act of  
24 1975 (42 U.S.C. 6103(e)(1)) is amended by striking  
25 “the Comprehensive Employment and Training Act

1 of 1974 (29 U.S.C. 801, et seq.), as amended,” and  
2 inserting “the Employment, Training, and Literacy  
3 Enhancement Act”.

4 (35) ENERGY CONSERVATION AND PRODUCTION  
5 ACT.—Section 414(b)(3) of the Energy Conservation  
6 and Production Act (42 U.S.C. 6864(b)(3)) is  
7 amended by striking “the Comprehensive Employ-  
8 ment and Training Act of 1973” and inserting “the  
9 Employment, Training, and Literacy Enhancement  
10 Act”.

11 (36) NATIONAL ENERGY CONSERVATION POLICY  
12 ACT.—Section 233 of the National Energy Con-  
13 servation Policy Act (42 U.S.C. 6873) is amended,  
14 in the matter preceding paragraph (1), by striking  
15 “the Comprehensive Employment and Training Act  
16 of 1973” and inserting “the Employment, Training,  
17 and Literacy Enhancement Act”.

18 (37) COMMUNITY ECONOMIC DEVELOPMENT  
19 ACT OF 1981.—Section 617(a)(3) of the Community  
20 Economic Development Act of 1981 (42 U.S.C.  
21 9806(a)(3)) is amended by striking “activities such  
22 as those described in the Comprehensive Employ-  
23 ment and Training Act” and inserting “employment  
24 and training activities described in the Employment,  
25 Training, and Literacy Enhancement Act”.

1           (38) STEWART B. MCKINNEY HOMELESS AS-  
2           SISTANCE ACT.—Section 103(b)(2) of the Stewart B.  
3           McKinney Homeless Assistance Act (42 U.S.C.  
4           11302(b)(2)) is amended by striking “the Job  
5           Training Partnership Act” and inserting “the Em-  
6           ployment, Training, and Literacy Enhancement  
7           Act”.

8           (39) NATIONAL AND COMMUNITY SERVICE ACT  
9           OF 1990.—

10           (A) SECTION 177.—Section 177(d) of the  
11           National and Community Service Act of 1990  
12           (42 U.S.C. 12637(d)) is amended by striking  
13           “Job Training Partnership Act” each place it  
14           appears and inserting “Employment, Training,  
15           and Literacy Enhancement Act”.

16           (B) SECTION 198C.—Section 198C of the  
17           National and Community Service Act of 1990  
18           (42 U.S.C. 12653e) is amended—

19           (i) in subsection (b)(1), by striking “a  
20           military installation described in section  
21           325(e)(1) of the Job Training Partnership  
22           Act (29 U.S.C. 1662d(e)(1)).” and insert-  
23           ing “a military installation being closed or  
24           realigned under—

1           “(A) the Defense Base Closure and Re-  
2           alignment Act of 1990 (part A of title XXIX of  
3           Public Law 101–510; 10 U.S.C. 2687 note);  
4           and

5           “(B) title II of the Defense Authorization  
6           Amendments and Base Closure and Realign-  
7           ment Act (Public Law 100–526; 10 U.S.C.  
8           2687 note).”; and

9           (ii) in subsection (e)(1)(B)(iii), by  
10          striking “Job Training Partnership Act  
11          (29 U.S.C. 1693)” and inserting “Employ-  
12          ment, Training, and Literacy Enhance-  
13          ment Act”.

14          (C) SECTION 199L.—Section 199L(a) of  
15          the National and Community Service Act of  
16          1990 (42 U.S.C. 12655m(a)) is amended by  
17          striking “the Job Training Partnership Act (29  
18          U.S.C. 1501 et seq.)” and inserting “the Em-  
19          ployment, Training, and Literacy Enhancement  
20          Act”.

21          (40) CRANSTON-GONZALEZ NATIONAL AFFORD-  
22          ABLE HOUSING ACT.—

23          (A) SECTION 454.—Subparagraphs (H)  
24          and (M) of subsection (c)(2), and subsection  
25          (d)(7), of section 454 of the Cranston-Gonzalez

1 National Affordable Housing Act (42 U.S.C.  
2 12899e) are amended by striking “the Job  
3 Training Partnership Act” and inserting “the  
4 Employment, Training, and Literacy Enhance-  
5 ment Act”.

6 (B) SECTION 456.—The first sentence of  
7 section 456(e) of the Cranston-Gonzalez Na-  
8 tional Affordable Housing Act (42 U.S.C.  
9 12899e(e)) is amended by striking “the Job  
10 Training Partnership Act” each place it ap-  
11 pears and inserting “the Employment, Train-  
12 ing, and Literacy Enhancement Act”.

13 (41) VIOLENT CRIME CONTROL AND LAW EN-  
14 FORCEMENT ACT OF 1994.—Section 31113(a)(4)(C)  
15 of the Violent Crime Control and Law Enforcement  
16 Act of 1994 (42 U.S.C. 13823(a)(4)(C)) is amended  
17 by inserting after “the Job Training Partnership  
18 Act (29 U.S.C. 1501 et seq.)” the following: “, title  
19 II, III, or IV of the Employment, Training, and Lit-  
20 eracy Enhancement Act,”.

21 (42) PERSONAL RESPONSIBILITY AND WORK  
22 OPPORTUNITY RECONCILIATION ACT OF 1996.—Sec-  
23 tion 403(c)(2)(K) and section 423(d)(11) of the Per-  
24 sonal Responsibility and Work Opportunity Rec-  
25 onciliation Act of 1996 (8 U.S.C. 1613(c)(2)(K) and

1 1138a note) are amended by striking “Job Training  
2 Partnership Act” each place it appears and inserting  
3 “Employment, Training, and Literacy Enhancement  
4 Act”.

5 **TITLE X—EFFECTIVE DATE AND**  
6 **TRANSITION PROVISIONS**

7 **SEC. 1001. EFFECTIVE DATE.**

8 This division and the amendments made by this divi-  
9 sion shall take effect on July 1, 1998.

10 **SEC. 1002. TRANSITION PROVISIONS.**

11 (a) IN GENERAL.—The Secretary of Education and  
12 the Secretary of Labor, as appropriate, shall take such  
13 steps as such Secretaries determine to be appropriate to  
14 provide for the orderly transition from any authority  
15 under provisions of law amended or repealed by this divi-  
16 sion or any related authority under the provisions of this  
17 division.

18 (b) EXTENDED TRANSITION PERIOD.—

19 (1) IN GENERAL.—If, on or before July 1,  
20 1997, a State has enacted a State statute that pro-  
21 vides for the establishment or conduct of three or  
22 more of the programs, projects, or activities de-  
23 scribed in subparagraphs (A) through (E) or para-  
24 graph (2), the State shall not be required to comply  
25 with provisions of this Act that conflict with such

1 State statute for the period ending three years after  
2 the date of enactment of this Act.

3 (2) PROGRAMS, PROJECTS, AND ACTIVITIES DE-  
4 SCRIBED.—The programs, projects, and activities  
5 described in this paragraph are the following:

6 (A) Establishment of human resource in-  
7 vestment councils or substate councils.

8 (B) Reorganization or consolidation of  
9 State agencies with responsibility for State em-  
10 ployment and training programs.

11 (C) Reorganization or consolidation of  
12 State employment and training programs.

13 (D) Restructuring of local delivery systems  
14 for State employment and training programs.

15 (E) Development or restructuring of State  
16 accountability or oversight systems to focus on  
17 performance.

18 **DIVISION B—VOCATIONAL**  
19 **REHABILITATION PROGRAMS**  
20 **TITLE XXI—AMENDMENTS TO**  
21 **GENERAL PROVISIONS**

22 **SEC. 2101. REHABILITATION SERVICES ADMINISTRATION.**

23 Section 3 of the Rehabilitation Act of 1973 (29  
24 U.S.C. 702) is amended—

1           (1) in subsection (b), by striking “, as well as  
2           unexpended appropriations for carrying out the Vo-  
3           cational Rehabilitation Act (29 U.S.C. 31–42),”; and  
4           (2) by striking subsection (c).

5 **SEC. 2102. DEFINITIONS.**

6           Section 7 of the Rehabilitation Act of 1973 (29  
7 U.S.C. 706) is amended—

8           (1) in paragraph (5), by inserting after “sup-  
9           ported employment” the following: “and self-employ-  
10          ment or business ownership”;

11          (2) by striking paragraph (12);

12          (3) in paragraph (15)(A), by inserting a comma  
13          after “subparagraph (B) or (C)”;

14          (4) by adding at the end the following:

15          “(36) The term ‘administrative costs’ means—

16          “(A) expenditures not incurred by the State  
17          unit for—

18                  “(i) rehabilitation counselors;

19                  “(ii) rehabilitation case coordinators; or

20                  “(iii) other direct service personnel; and

21          “(B) notwithstanding subparagraph (A) in-  
22          cludes expenditures incurred by the State unit in the  
23          performance of administrative functions under the  
24          vocational rehabilitation program, including expenses

1 related to program planning, development, monitor-  
2 ing, and evaluation, including—

3 “(i) quality assurance;

4 “(ii) budgeting, accounting, financial man-  
5 agement, information systems, and related data  
6 processing;

7 “(iii) providing information about the pro-  
8 gram to the public;

9 “(iv) technical assistance to other State  
10 agencies, private nonprofit organizations, and  
11 businesses and industries;

12 “(v) the State Rehabilitation Advisory  
13 Council and other advisory committees;

14 “(vi) professional organization membership  
15 dues for State unit employees;

16 “(vii) the removal architectural barriers in  
17 State vocational rehabilitation agency offices  
18 and State operated rehabilitation facilities;

19 “(viii) operating and maintaining State  
20 unit facilities, equipment, and grounds;

21 “(ix) supplies;

22 “(x) administration of the comprehensive  
23 system of personnel development, including per-  
24 sonnel administration, administration of affirm-  
25 ative action plans, and training and staff devel-

1           opment, administrative salaries, including cleri-  
2           cal and other support staff salaries, in support  
3           of these functions;

4           “(xi) travel costs related to carrying out  
5           the program, other than travel costs related to  
6           the provision of services;

7           “(xii) costs incurred in conducting reviews  
8           of rehabilitation counselor or coordinator deter-  
9           minations; and

10           “(xiii) legal expenses required in the ad-  
11           ministration of the program.”; and

12           (5) by redesignating paragraphs (36), (22),  
13           (23), (24), (25), (1), (2), (3), (26), (4), (5), (6),  
14           (27), (7), (28), (29), (30), (20), (21), (8), (31),  
15           (15), (32), (9), (10), (33), (11), (19), (13), (14),  
16           (16), (18), (34), (35), and (17) as paragraphs (1)  
17           through (35), respectively.

18 **SEC. 2103. REPORTS.**

19           Section 13 of the Rehabilitation Act of 1973 (29  
20           U.S.C. 712) is amended by inserting after the third sen-  
21           tence “The Commissioner shall also annually collect infor-  
22           mation with respect to the title I, vocational rehabilitation  
23           services program, on administrative costs and other ex-  
24           penditures under the program.”.

1 **SEC. 2104. BUY-AMERICAN REQUIREMENTS.**

2 (a) IN GENERAL.—The Rehabilitation Act of 1973  
3 (29 U.S.C. 701 et seq.) is amended by inserting after sec-  
4 tion 21 the following:

5 **“SEC. 22. BUY-AMERICAN REQUIREMENTS.**

6 “(a) COMPLIANCE WITH BUY AMERICAN ACT.—  
7 None of the funds made available in this Act may be ex-  
8 pended by an entity unless the entity agrees that in ex-  
9 pending the funds the entity will comply with the Buy  
10 American Act (41 U.S.C. 10a–10c).

11 “(b) SENSE OF CONGRESS; REQUIREMENT REGARD-  
12 ING NOTICE.—

13 “(1) PURCHASE OF AMERICAN-MADE EQUIP-  
14 MENT AND PRODUCTS.—In the case of any equip-  
15 ment or product that may be authorized to be pur-  
16 chased with financial assistance provided using  
17 funds made available in this Act, it is the sense of  
18 the Congress that entities receiving the assistance  
19 should, in expending the assistance, purchase only  
20 American-made equipment and products.

21 “(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—  
22 In providing financial assistance using funds made  
23 available in this Act, the head of each Federal agen-  
24 cy shall provide to each recipient of the assistance  
25 a notice describing the statement made in paragraph  
26 (1) by the Congress.

1       “(c) PROHIBITION OF CONTRACTS WITH PERSONS  
 2 FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—  
 3 If it has been finally determined by a court or Federal  
 4 agency that any person intentionally affixed a label bear-  
 5 ing a ‘Made in America’ inscription, or any inscription  
 6 with the same meaning, to any product sold in or shipped  
 7 to the United States that is not made in the United  
 8 States, the person shall be ineligible to receive any con-  
 9 tract or subcontract made with funds made available in  
 10 this Act, pursuant to the debarment, suspension, and ineli-  
 11 gibility procedures described in sections 9.400 through  
 12 9.409 of title 48, Code of Federal Regulations.”.

13       (b) CONFORMING AMENDMENT.—The table of con-  
 14 tents of such Act (29 U.S.C. 701 note) is amended by  
 15 inserting after the item relating to section 21 the follow-  
 16 ing:

“Sec. 172. Buy-American requirements.”.

17 **TITLE XXII—AMENDMENTS TO**  
 18 **VOCATIONAL REHABILITATION**  
 19 **SERVICES**

20 **Subtitle A—General Provisions**

21 **SEC. 2201. DECLARATION OF POLICY; AUTHORIZATION OF**  
 22 **APPROPRIATIONS.**

23       (a) DECLARATION OF POLICY.—Section 100(a)(3)(C)  
 24 of the Rehabilitation Act of 1973 (29 U.S.C.  
 25 720(a)(3)(C)) is amended to read as follows:

1           “(C) Applicants and eligible individuals  
2           must be active and full partners in the voca-  
3           tional rehabilitation process, making meaningful  
4           and informed choices—

5                   “(i) during assessments to determine  
6                   eligibility and vocational rehabilitation  
7                   needs; and

8                   “(ii) in the selection of the employ-  
9                   ment goal, services needed to achieve the  
10                  goal, entities providing such services, and  
11                  the methods used to procure such serv-  
12                  ices.”.

13           (b) AUTHORIZATION OF APPROPRIATIONS.—Section  
14   100(b) of the Rehabilitation Act of 1973 (29 U.S.C.  
15   720(b)) is amended in each of paragraphs (1) and (2) by  
16   striking “fiscal years 1993 through 1997” and inserting  
17   “fiscal years 1998, 1999, and 2000”.

18   **SEC. 2202. STATE PLANS.**

19           Section 101(a) of the Rehabilitation Act of 1973 (29  
20   U.S.C. 721(a)) is amended—

21                   (1) in paragraph (4)—

22                           (A) by striking “, except that in the case”  
23                           and inserting “, except that—  
24                           “(A) in the case”;

1 (B) by striking “to the extent permitted by  
2 such regulations,”;

3 (C) by inserting “and” after the semicolon;  
4 and

5 (D) by adding at the end the following:

6 “(B) in the case of earmarked funds used as  
7 the State match for Federal funds, where such funds  
8 are earmarked for particular geographic areas within  
9 a State;”;

10 (2) in paragraph (7)(A) to read as follows:

11 “(A) include a description, consistent with the  
12 purposes of this Act, of a comprehensive system of  
13 personnel development, which, at a minimum, shall  
14 consist of—

15 “(i) a description of the procedures and ac-  
16 tivities the State agency will undertake to ad-  
17 dress the current and projected training needs  
18 of all personnel in the designated State unit to  
19 ensure that they are adequately trained and  
20 prepared;

21 “(ii) a plan to coordinate and facilitate ef-  
22 forts between the designated State unit and in-  
23 stitutions of higher education and professional  
24 institutions to recruit, prepare, and retain  
25 qualified personnel, including personnel from

1 minority backgrounds and personnel who are  
2 individuals with disabilities; and

3 “(iii) the development and maintenance of  
4 a system for determining on an annual basis  
5 the number and type of personnel that are em-  
6 ployed by the State agency in the provision of  
7 vocational rehabilitation services, including ra-  
8 tios of counselors to clients;”;

9 (3) in paragraph (11)(A)—

10 (A) by inserting “the Rural Development  
11 Administration of the Department of Agri-  
12 culture,” after “the Department of Veterans  
13 Affairs,”;

14 (B) by striking “(20 U.S.C. 2301 et seq.),  
15 and” and inserting “(20 U.S.C. 2301 et seq.)”;  
16 and

17 (C) by inserting after “(41 U.S.C. 46 et  
18 seq.)” the following: “, and State use contract-  
19 ing programs”;

20 (4) by striking paragraph (13);

21 (5) by striking paragraph (17);

22 (6) in paragraph (24)—

23 (A) in the matter preceding subparagraph  
24 (A), by striking “students who are individuals”  
25 and inserting “students”; and

1 (B) in subparagraph (B), by striking “in-  
2 dividualized written rehabilitation program”  
3 and inserting “individualized education pro-  
4 gram”;

5 (7) in paragraph (25), by striking “Secretary”  
6 and inserting “Commissioner”;

7 (8) in paragraph (28), by adding at the end be-  
8 fore the semicolon the following: “and State use con-  
9 tracting programs”;

10 (9) by striking paragraph (30);

11 (10) in paragraph (33), by striking “and work-  
12 ing relationships”;

13 (11) in paragraph (35), by striking “and” at  
14 the end;

15 (12) in paragraph (36)—

16 (A) in subparagraph (B)(i), by moving the  
17 margin two ems to the left;

18 (B) in clauses (i), (ii), and (iii) of subpara-  
19 graph (C) (including subclause (II) of each of  
20 such clauses (ii) and (iii)), by moving the mar-  
21 gin two ems to the left; and

22 (C) by striking the period at the end and  
23 inserting “; and”;

24 (13) by adding at the end the following:

1 “(37) provide assurances that the State, or any recip-  
2 ient of funds made available to the State under this title,  
3 will comply with the guidelines established under section  
4 508(a) of this Act.”; and

5 (14) by redesignating paragraphs (14), (15),  
6 (16), (18) through (22), (24) through (29), and (31)  
7 through (37) as paragraphs (13) through (33), re-  
8 spectively.

9 **SEC. 2203. INDIVIDUALIZED PLAN FOR EMPLOYMENT.**

10 (a) SECTION HEADING.—Section 102 of the Rehabili-  
11 tation Act of 1973 (29 U.S.C. 722) is amended in the  
12 section heading by striking “**INDIVIDUALIZED WRITTEN**  
13 **REHABILITATION PROGRAM**” and inserting “**INDIVID-**  
14 **UALIZED PLAN FOR EMPLOYMENT**”.

15 (b) ASSESSMENT.—Section 102(b) of such Act (29  
16 U.S.C. 722(b)) is amended to read as follows:

17 “(b)(1) As soon as a determination has been made  
18 that an individual is eligible for vocational rehabilitation  
19 services, the designated State unit shall complete the as-  
20 sessment described in subparagraphs (B) and (C) of sec-  
21 tion 7(2), if such assessment is necessary, and ensure that  
22 an individualized plan for employment is—

23 “(A) either—

24 “(i) at the request of the individual, devel-  
25 oped by the individual or, as appropriate, the

1 eligible individual’s representative and approved  
2 by the vocational rehabilitation counselor; or

3 “(ii) developed and approved by the indi-  
4 vidual or, as appropriate, by a parent, a family  
5 member, a guardian, an advocate, or an author-  
6 ized representative of such individual (hereafter  
7 referred to in this subsection as the ‘eligible in-  
8 dividual’s representative’) and the vocational re-  
9 habilitation counselor;

10 “(B) based on the findings of the assessment to  
11 determine the individual’s eligibility and vocational  
12 rehabilitation needs described in section 7(2);

13 “(C) written, and, as appropriate, otherwise  
14 documented, and provided to the individual or, as  
15 appropriate, to the eligible individual’s representa-  
16 tive in the native language or mode of communica-  
17 tion of the individual or, as appropriate, of the eligi-  
18 ble individual’s representative;

19 “(D) implemented in a timely manner;

20 “(E) reviewed at least annually by the voca-  
21 tional rehabilitation counselor and the individual or,  
22 as appropriate, the eligible individual’s representa-  
23 tive; and

24 “(F) amended, as necessary, by the individual  
25 or, as appropriate, the eligible individual’s represent-

1       ative, in collaboration with the counselor, when there  
2       are substantive changes in the employment goal, the  
3       services to be provided, or the service providers  
4       (such revisions or amendments shall not take effect  
5       until agreed to and signed by the individual or, as  
6       appropriate, by the eligible individual’s representa-  
7       tive, and the vocational rehabilitation counselor).

8       “(2) The individual plan for employment shall be de-  
9       veloped and implemented in a manner that affords eligible  
10      individuals the opportunity to exercise informed choice in  
11      selecting the employment goal, the specific vocational re-  
12      habilitation services to be provided, the entity or entities  
13      that will provide the vocational rehabilitation services, and  
14      the methods used to procure the services, consistent with  
15      the informed choice provisions in subsection (e).

16      “(3) The individualized plan for employment shall  
17      identify—

18              “(A) the specific employment goal that is cho-  
19              sen by the individual, consistent with the unique  
20              strengths, resources, priorities, concerns, abilities,  
21              capabilities, and informed choice of the individual,  
22              and is, to the maximum extent appropriate, in an in-  
23              tegrated setting;

24              “(B) the specific vocational rehabilitation serv-  
25              ices that are—

1           “(i) needed to achieve the employment  
2           goal, including, as appropriate, assistive tech-  
3           nology devices and services, and personal assist-  
4           ance services, including training in the manage-  
5           ment of such services; and

6           “(ii) provided in the most integrated set-  
7           ting that is appropriate to the service being  
8           provided and is consistent with the informed  
9           choice of the individual;

10          “(C) the entity or entities chosen by the individ-  
11          ual or, as appropriate, the eligible individual’s rep-  
12          resentative, that will provide the vocational rehabili-  
13          tation services and the methods used to procure such  
14          services;

15          “(D) timelines for the achievement of the em-  
16          ployment goal and for the initiation of services;

17          “(E) the terms and conditions of the individual-  
18          ized plan for employment, including—

19                 “(i) the responsibilities of the designated  
20                 State unit and the individual under such plan,  
21                 including participation in the costs of the plan;

22                 “(ii) criteria to evaluate progress toward  
23                 achievement of the employment goal; and

1           “(iii) the use of comparable services and  
2           benefits under such plan, in accordance with  
3           section 101(a)(8);

4           “(F) prior to the determination that the indi-  
5           vidual has achieved an employment outcome, the ex-  
6           pected need for post-employment services; and

7           “(G) the rights and remedies available to the  
8           individual as provided in subsection (d), including  
9           notification of the availability of assistance from the  
10          client assistance program under section 112 of this  
11          Act.

12          “(4) For an individual with the most severe disabil-  
13          ities for whom an employment goal in a supported employ-  
14          ment setting has been determined to be appropriate, the  
15          individualized plan for employment shall, in addition to  
16          the requirements identified in subsection (b)(3), identify—

17               “(A) the extended services needed by the indi-  
18               vidual;

19               “(B) the source of extended services or, to the  
20               extent that the sources to provide the extended serv-  
21               ices cannot be identified at the time of the develop-  
22               ment of the individualized plan for employment, a  
23               description of the basis for concluding that there is  
24               a reasonable expectation that such sources will be-  
25               come available; and

1           “(C) in cases in which multiple extended service  
2 providers are available to the individual, the provid-  
3 ers of such services chosen by the individual or, as  
4 appropriate, the eligible individual’s representative.”.

5           (e) INFORMED CHOICE.—Section 102 of such Act (29  
6 U.S.C. 722) is amended by adding at the end the follow-  
7 ing:

8           “(e) Each State agency, in consultation with its State  
9 Rehabilitation Advisory Council, if it has one, shall, con-  
10 sistent with section 100(a)(3)(C), develop and implement  
11 written policies and procedures that enable each individual  
12 to exercise informed choice throughout the vocational re-  
13 habilitation process, including policies and procedures that  
14 require the State agency—

15           “(1) to inform each applicant and eligible indi-  
16 vidual (including students with disabilities who are  
17 making the transition from programs under the re-  
18 sponsibility of an educational agency to programs  
19 under the responsibility of the designated State  
20 unit), through appropriate modes of communication,  
21 about the availability of, and opportunities to exer-  
22 cise, informed choice, including the availability of  
23 support services for individuals with cognitive or  
24 other disabilities who require assistance in exercising  
25 informed choice;

1           “(2) to assist applicants and eligible individuals  
2 to exercise informed choice in decisions related to  
3 the provision of assessment services;

4           “(3) to develop and implement flexible procure-  
5 ment policies and methods that facilitate the provi-  
6 sion of services and that afford eligible individuals  
7 meaningful choices among the methods used to pro-  
8 cure services;

9           “(4) to provide or assist eligible individuals in  
10 acquiring information that enables those individuals  
11 to exercise informed choice in the selection of—

12                   “(A) the employment goal;

13                   “(B) the specific services needed to achieve  
14 the individual’s employment goal;

15                   “(C) the providers of the selected services;

16                   “(D) the employment setting and the set-  
17 tings in which services are provided; and

18                   “(E) the methods available for procuring  
19 the selected services; and

20           “(5) to ensure that the availability and scope of  
21 informed choice under this section is consistent with  
22 the State agency’s obligations under section 12(e).”.

23           (d) CONFORMING AMENDMENT.—Section 102 of  
24 such Act (29 U.S.C. 722) is amended by striking “individ-

1 ualized written rehabilitation program” each place it ap-  
2 pears and inserting “individualized plan for employment”.

3 **SEC. 2204. SCOPE OF VOCATIONAL REHABILITATION SERV-**  
4 **ICES.**

5 Section 103(a) of the Rehabilitation Act of 1973 (29  
6 U.S.C. 723(a)) is amended—

7 (1) by striking paragraph (7); and

8 (2) by redesignating paragraphs (8) through  
9 (16) as paragraphs (7) through (15), respectively.

10 **SEC. 2205. STATE REHABILITATION ADVISORY COUNCIL.**

11 Section 105 of the Rehabilitation Act of 1973 (29  
12 U.S.C. 725) is amended by striking subsection (i).

13 **SEC. 2206. EVALUATION STANDARDS AND PERFORMANCE**  
14 **INDICATORS.**

15 Section 106(a) of the Rehabilitation Act of 1973 (29  
16 U.S.C. 726(a)) is amended in paragraph (1) by adding  
17 at the end the following: “After such date, the Commis-  
18 sioner shall review and, if necessary, revise the evaluation  
19 standards and performance indicators every three years.  
20 Any necessary revisions shall be developed with input from  
21 State vocational rehabilitation agencies, related profes-  
22 sional and consumer organizations, recipients of vocational  
23 rehabilitation services, and other interested parties. Any  
24 proposed revisions shall be subject to the notice, publica-

1 tion, and comment provisions described in paragraph  
2 (3).”.

3 **SEC. 2207. MONITORING AND REVIEW.**

4 Section 107(a) of the Rehabilitation Act of 1973 (29  
5 U.S.C. 727(a)) is amended by adding at the end the fol-  
6 lowing:

7 “(5) MONITORING AND REVIEW REPORTS.—  
8 Any reports detailing the findings of the annual re-  
9 views and periodic on-site monitoring visits shall be  
10 made available to the State Rehabilitation Advisory  
11 Council for use in the development and modification  
12 of the State plan.”.

13 **Subtitle B—Basic Vocational**  
14 **Rehabilitation Services**

15 **SEC. 2211. STATE ALLOTMENTS.**

16 Section 110(d)(2) of the Rehabilitation Act of 1973  
17 (29 U.S.C. 730(d)(2)) is amended—

18 (1) by striking “the Secretary—” and all that  
19 follows through “(B) not less than” and inserting  
20 “the Secretary, not less than”; and

21 (2) by striking “fiscal years 1995, 1996, and  
22 1997” and inserting “fiscal years 1998, 1999, and  
23 2000”.

1 **SEC. 2212. PAYMENTS TO STATES.**

2 Section 111(a)(2)(B) of the Rehabilitation Act of  
3 1973 (29 U.S.C. 731(a)(2)(B)) is amended—

4 (1) by striking clause (i); and

5 (2) by striking “(ii)”.

6 **SEC. 2213. CLIENT ASSISTANCE PROGRAM.**

7 Section 112(h) of the Rehabilitation Act of 1973 (29  
8 U.S.C. 732(h)) is amended by striking “fiscal years 1993  
9 through 1997” and inserting “fiscal years 1998, 1999,  
10 and 2000”.

11 **TITLE XXIII—AMENDMENTS TO**  
12 **RESEARCH AND TRAINING**

13 **SEC. 2221. AUTHORIZATION OF APPROPRIATIONS.**

14 Section 201(a) of the Rehabilitation Act of 1973 (29  
15 U.S.C. 761(a)) is amended—

16 (1) in paragraph (1), by striking “each of fiscal  
17 years 1993 through 1997” and inserting “fiscal  
18 years 1998, 1999, and 2000”; and

19 (2) in paragraph (2), by striking “each of fiscal  
20 years 1993 through 1997” and inserting “fiscal  
21 years 1998, 1999, and 2000”.

22 **SEC. 2222. NATIONAL INSTITUTE ON DISABILITY AND REHA-**  
23 **BILITATION RESEARCH.**

24 Section 202(c) of the Rehabilitation Act of 1973 (29  
25 U.S.C. 761a(c)) is amended—

26 (1) in paragraph (1)—

1 (A) by striking “, except that” and all that  
2 follows through “continue to serve as Director”;  
3 and

4 (B) by striking the third and fourth sen-  
5 tences;

6 (2) by striking paragraph (2);

7 (3) in paragraph (3)—

8 (A) by striking “necessary” and inserting  
9 “necessary”; and

10 (B) by redesignating such paragraph as  
11 paragraph (2); and

12 (4) by redesignating paragraph (4) as para-  
13 graph (3).

14 **TITLE XXIV—AMENDMENTS TO**  
15 **TRAINING AND DEMONSTRA-**  
16 **TION PROJECTS**

17 **Subtitle A—Training Programs and**  
18 **Community Rehabilitation Pro-**  
19 **grams**

20 **SEC. 2231. DECLARATION OF PURPOSE.**

21 Section 301(1)(A) of the Rehabilitation Act of 1973  
22 (29 U.S.C. 770(1)(A)) is amended by inserting after  
23 “independent living services programs” the following: “,  
24 through community economic or business development  
25 programs”.

1 **SEC. 2232. TRAINING.**

2 Section 302 of the Rehabilitation Act of 1973 (29  
3 U.S.C. 771a) is amended—

4 (1) in subsection (a)(1)—

5 (A) by striking “and (E)” and inserting  
6 “(E)”;

7 (B) by striking the period at the end and  
8 inserting the following: “, and (F) personnel  
9 specifically trained to deliver services to individ-  
10 uals whose vocational goal is self-employment or  
11 business ownership.”;

12 (2) in subsection (b)(1)(B)—

13 (A) in clause (ii)—

14 (i) by redesignating subclauses (IV)  
15 and (V) as subclauses (V) and (VI), re-  
16 spectively; and

17 (ii) by inserting after subclause (III)  
18 the following:

19 “(IV) assistance and support to  
20 individuals pursuing self-employment  
21 or business ownership as their reha-  
22 bilitation goal;” and

23 (B) in clause (iv), by moving the margin  
24 two ems to the left;

25 (3) by striking subsection (e);

26 (4) in subsection (g)(3)(A)—

1 (A) in clause (ii), by adding “and” at the  
2 end;

3 (B) in clause (iii), by striking “; and” and  
4 inserting a period; and

5 (C) by striking clause (iv); and

6 (5) in subsection (h), by striking “fiscal years  
7 1993 through 1997” and inserting “fiscal years  
8 1998, 1999, and 2000”; and

9 (6) by redesignating subsections (f) through (i)  
10 as subsections (e) through (h), respectively.

11 **SEC. 2233. REPEALERS.**

12 (a) IN GENERAL.—Sections 303, 304, 305, and 306  
13 of the Rehabilitation Act of 1973 (29 U.S.C. 772, 773,  
14 775, and 776) are hereby repealed.

15 (b) CONFORMING AMENDMENT.—The table of con-  
16 tents of such Act (29 U.S.C. 701 note) is amended by  
17 striking the items relating to sections 303, 304, 305, and  
18 306.

19 **SEC. 2234. AUTHORIZATION OF APPROPRIATIONS.**

20 (a) IN GENERAL.—Section 310 of the Rehabilitation  
21 Act of 1973 (29 U.S.C. 777) is amended—

22 (1) by striking “each of fiscal years 1993  
23 through 1997” and inserting “fiscal years 1998,  
24 1999, and 2000”;

1           (2) by redesignating such section as section  
2           303; and

3           (3) by inserting such section after section 302.

4           (b) CONFORMING AMENDMENT.—The table of con-  
5           tents of such Act (29 U.S.C. 701 note) is amended—

6           (1) by striking the item relating to section 310  
7           (as such section was in effect prior to the redesigna-  
8           tion of such section under subsection (a)(2)); and

9           (2) by inserting after the item relating to sec-  
10          tion 302 the following:

“Sec. 303. Authorization of appropriations.”.

## 11           **Subtitle B—Special Projects and** 12           **Supplementary Services**

### 13           **SEC. 2241. SPECIAL DEMONSTRATION PROGRAMS.**

14          Section 311 of the Rehabilitation Act of 1973 (29  
15          U.S.C. 777a) is amended—

16           (1) in subsection (a)—

17           (A) in the matter preceding paragraph (1),  
18           by striking “Subject to the provisions of section  
19           306, the” and inserting “The”;

20           (B) in paragraph (3), by striking “and” at  
21           the end;

22           (C) in paragraph (4), by striking the pe-  
23           riod at the end and inserting “; and”; and

24           (D) by adding at the end the following:

1           “(5) establishing programs for supporting the  
2 effects of vocational rehabilitation programs to pro-  
3 mote self-employment or business ownership goals of  
4 people with disabilities.”.

5           (2) by striking subsection (b);

6           (3) in subsections (c) and (d), by striking “fis-  
7 cal years 1993 through 1997” each place it appears  
8 and inserting “fiscal years 1998, 1999, and 2000”

9           (4) by striking subsection (e); and

10          (5) by redesignating subsections (c), (d), and  
11 (f) as subsections (b), (e), and (d), respectively.

12 **SEC. 2242. MIGRATORY WORKERS.**

13          Section 312(b) of the Rehabilitation Act of 1973 (29  
14 U.S.C. 777b(b)) is amended by striking “fiscal years 1993  
15 through 1997” and inserting “fiscal years 1998, 1999,  
16 and 2000”.

17 **SEC. 2243. REPEALERS.**

18          (a) **IN GENERAL.**—Sections 314 and 315 of the Re-  
19 habilitation Act of 1973 (29 U.S.C. 777d and 777e) are  
20 hereby repealed.

21          (b) **CONFORMING AMENDMENT.**—The table of con-  
22 tents of such Act (29 U.S.C. 701 note) is amended by  
23 striking the items relating to sections 314 and 315.

1 **SEC. 2244. SPECIAL RECREATIONAL PROGRAMS.**

2 (a) IN GENERAL.—Section 316 of the Rehabilitation  
3 Act of 1973 (29 U.S.C. 777f) is amended—

4 (1) in subsection (b), by striking “fiscal years  
5 1993 through 1997” and inserting “fiscal years  
6 1998, 1999, and 2000”;

7 (2) by redesignating such section as section  
8 313; and

9 (3) by inserting such section after section 312,  
10 as amended by this Act.

11 (b) CONFORMING AMENDMENT.—The table of con-  
12 tents of such Act (29 U.S.C. 701 note) is amended—

13 (1) by striking the item relating to section 316  
14 (as such section was in effect prior to the redesigna-  
15 tion of such section under subsection (a)(2)); and

16 (2) by inserting after the item relating to sec-  
17 tion 312 the following:

“Sec. 313. Special recreational programs.”.

18 **TITLE XXV—AMENDMENTS TO**  
19 **NATIONAL COUNCIL ON DIS-**  
20 **ABILITY**

21 **SEC. 2251. AUTHORIZATION OF APPROPRIATIONS.**

22 Section 405 of the Rehabilitation Act of 1973 (29  
23 U.S.C. 785) is amended by striking “fiscal years 1993

1 through 1997” and inserting “fiscal years 1998, 1999,  
2 and 2000”.

3 **TITLE XXVI—AMENDMENTS TO**  
4 **RIGHTS AND ADVOCACY**

5 **SEC. 2261. EMPLOYMENT OF INDIVIDUALS WITH DISABIL-**  
6 **ITIES.**

7 Section 501(a) of the Rehabilitation Act of 1973 (29  
8 U.S.C. 791(a)) is amended in the third sentence by strik-  
9 ing “the Handicapped” and inserting “People With Dis-  
10 abilities”.

11 **SEC. 2262. ARCHITECTURAL AND TRANSPORTATION BAR-**  
12 **RIERS COMPLIANCE BOARD.**

13 Section 502 of the Rehabilitation Act of 1973 (29  
14 U.S.C. 792) is amended—

15 (1) in subsection (a), by striking “Chairperson”  
16 and inserting “chairperson”; and

17 (2) in subsection (g)(2), by striking “Commit-  
18 tee on Education and Labor” and inserting “Com-  
19 mittee on Education and the Workforce”.

20 **SEC. 2263. PROTECTION AND ADVOCACY OF INDIVIDUAL**  
21 **RIGHTS.**

22 Section 509 of the Rehabilitation Act of 1973 (29  
23 U.S.C. 794e) is amended—

24 (1) by redesignating subsection (n) as sub-  
25 section (i);

1           (2) in subsection (l), by striking “Committee on  
2           Education and Labor” and inserting “Committee on  
3           Education and the Workforce”; and

4           (3) in subsection (m), by striking “each of the  
5           fiscal years 1993, 1994, 1995, 1996, and 1997” and  
6           inserting “each of the fiscal years 1998, 1999, and  
7           2000”.

8 **SEC. 2264. REQUIREMENT THAT FEDERAL AGENCIES PRO-**  
9                                   **VIDE CERTIFICATION OF COMPLIANCE WITH**  
10                                  **ELECTRONIC AND INFORMATION TECH-**  
11                                  **NOLOGY ACCESSIBILITY GUIDELINES.**

12           Section 508(b) of the Rehabilitation Act of 1973 (29  
13 U.S.C 794d(b)) is amended to read as follows:

14           “(b) COMPLIANCE.—

15                   “(1) IN GENERAL.—Each Federal agency shall  
16           comply with the guidelines established under this  
17           section.

18                   “(2) CERTIFICATION.—

19                           “(A) ESTABLISHMENT OF CERTIFICATION  
20           PROCEDURES.—The Director of the Office of  
21           Management and Budget shall establish uni-  
22           form procedures under which the head of each  
23           Federal agency shall submit to the Director a  
24           written certification, containing such informa-  
25           tion as the Director may reasonably require,

1 that such agency is in compliance with the  
2 guidelines established under this section.

3 “(B) SUBMISSION OF CERTIFICATION.—

4 Not later than September 30 of each year, the  
5 head of each Federal agency shall submit to the  
6 Director of the Office of Management and  
7 Budget a written certification in accordance  
8 with the procedures established under subpara-  
9 graph (A).

10 “(C) REVIEW OF CERTIFICATION.—The  
11 Director of the Office of Management and  
12 Budget—

13 “(i) shall review each certification  
14 submitted by each Federal agency under  
15 subparagraph (B); and

16 “(ii) shall provide notice to each such  
17 Federal agency that such agency is either  
18 in compliance or not in compliance with  
19 the guidelines established under this sec-  
20 tion, as the case may be.

21 “(D) ASSISTANCE FOR AND MONITORING  
22 OF AGENCIES NOT IN COMPLIANCE.—In the  
23 case of a Federal agency that is not in compli-  
24 ance with the guidelines established under this

1 section, the Director of the Office of Manage-  
2 ment and Budget—

3 “(i) shall assist such agency in its ef-  
4 forts to comply with such guidelines; and

5 “(ii) shall monitor the progress of  
6 such agency to comply with such guide-  
7 lines.”.

8 **TITLE XXVII—AMENDMENTS TO**  
9 **EMPLOYMENT OPPORTUNI-**  
10 **TIES FOR INDIVIDUALS WITH**  
11 **DISABILITIES**

12 **SEC. 2271. AUTHORIZATION OF APPROPRIATIONS.**

13 Sections 622 and 638 of the Rehabilitation Act of  
14 1973 (29 U.S.C. 795i and 795q) are each amended by  
15 striking “each of fiscal years 1993 through 1997” and in-  
16 serting “each of the fiscal years 1998, 1999, and 2000”.

17 **SEC. 2272. REPEALERS.**

18 (a) **IN GENERAL.**—Parts A and D of title VI of the  
19 Rehabilitation Act of 1973 (29 U.S.C. 795 et seq. and  
20 795r) are hereby repealed.

21 (b) **CONFORMING AMENDMENTS.**—

22 (1) **IN GENERAL.**—Parts B and C of title VI of  
23 such Act (29 U.S.C. 795g et seq. and 795k et seq.)  
24 are redesignated as parts A and B of title VI of  
25 such Act, respectively.

1           (2) TABLE OF CONTENTS.—The table of con-  
2           tents of such Act (29 U.S.C. 701 note) is amend-  
3           ed—

4                   (A) by striking the items relating to parts  
5           A and D of title VI (as such parts were in ef-  
6           fect prior to the repeal of such parts under sub-  
7           section (a)); and

8                   (B) by redesignating the items relating to  
9           parts B and C of title VI (as such parts were  
10          in effect prior to the redesignation of such parts  
11          under paragraph (1)) as items relating to parts  
12          A and B of title VI of such Act, respectively.

13 **TITLE XXVIII—AMENDMENTS TO**  
14 **INDEPENDENT LIVING SERV-**  
15 **ICES AND CENTERS FOR**  
16 **INDEPENDENT LIVING**

17 **SEC. 2281. AUTHORIZATION OF APPROPRIATIONS.**

18           (a) SECTIONS 714 AND 727.—Sections 714 and 727  
19 of the Rehabilitation Act of 1973 (29 U.S.C. 796e–3 and  
20 796f–6) are amended by striking “each of the fiscal years  
21 1993, 1994, 1995, 1996, and 1997” and inserting “each  
22 of the fiscal years 1998, 1999, and 2000”.

23           (b) SECTION 753.—Section 753 of such Act (29  
24 U.S.C. 796l) is amended by striking “each of the fiscal

1 years 1993 through 1997” and inserting “each of the fis-  
2 cal years 1998, 1999, and 2000”.

3 **SEC. 2282. PROGRAM AUTHORIZATION FOR CENTERS FOR**  
4 **INDEPENDENT LIVING.**

5 Section 721(c)(1)(A) of the Rehabilitation Act of  
6 1973 (29 U.S.C. 796f(c)(1)(A)) is amended by striking  
7 “,” and inserting a comma.

8 **TITLE XXIX—AMENDMENTS TO**  
9 **SPECIAL DEMONSTRATIONS**  
10 **AND TRAINING PROJECTS**

11 **SEC. 2291. AUTHORIZATION OF APPROPRIATIONS.**

12 Section 801 of the Rehabilitation Act of 1973 (29  
13 U.S.C. 797) is amended by striking “1993 through 1997.”  
14 each place such term appears and inserting “1998 through  
15 2000.”.

16 **SEC. 2292. DEMONSTRATION ACTIVITIES.**

17 Section 802 of the Rehabilitation Act of 1973 (29  
18 U.S.C. 797a) is amended to read as follows:

19 **“SEC. 802. DEMONSTRATION PROJECTS TO INCREASE CLI-**  
20 **ENT CHOICE.**

21 “(a) GRANTS.—The Commissioner may make grants  
22 to States and public or nonprofit agencies and organiza-  
23 tions to pay all or part of the costs of projects to dem-  
24 onstrate ways to increase client choice in the rehabilitation

1 process, including the selection of providers of vocational  
2 rehabilitation services.

3 “(b) USE OF FUNDS.—An entity that receives a  
4 grant under this section shall use the grant only—

5 “(1) for activities that are directly related to  
6 planning, operating, and evaluating the demonstra-  
7 tion projects; and

8 “(2) to supplement, and not supplant, funds  
9 made available from Federal and non-Federal  
10 sources for such projects.

11 “(c) APPLICATION.—Any eligible entity that desires  
12 to receive a grant under this section shall submit an appli-  
13 cation at such time, in such manner, and containing such  
14 information and assurances as the Commissioner may re-  
15 quire, including—

16 “(1) a description of—

17 “(A) how the applicant intends to promote  
18 increased client choice in the rehabilitation  
19 process, including a description, if appropriate,  
20 of how an applicant will determine the cost of  
21 any service or product offered to an eligible cli-  
22 ent;

23 “(B) how the applicant intends to ensure  
24 that any vocational rehabilitation service or re-  
25 lated service is provided by a qualified provider

1           who is accredited or meets such other quality  
2           assurance and cost-control criteria as the State  
3           may establish; and

4                   “(C) the outreach activities to be con-  
5           ducted by the applicant to obtain eligible cli-  
6           ents; and

7                   “(2) assurances that a written plan will be es-  
8           tablished with the full participation of the client,  
9           which plan shall, at a minimum, include—

10                   “(A) a statement of the vocational rehabili-  
11           tation goals to be achieved;

12                   “(B) a statement of the specific vocational  
13           rehabilitation services to be provided, the pro-  
14           jected dates for their initiation, and the antici-  
15           pated duration of each such service; and

16                   “(C) objective criteria, an evaluation proce-  
17           dure, and a schedule, for determining whether  
18           such goals are being achieved.

19           “(d) AWARD OF GRANTS.—In selecting entities to re-  
20           ceive grants under subsection (a), the Commissioner shall  
21           take into consideration the—

22                   “(1) diversity of strategies used to increase cli-  
23           ent choice, including selection among qualified serv-  
24           ice providers;

25                   “(2) geographic distribution of projects; and

1           “(3) diversity of clients to be served.

2           “(e) RECORDS.—Entities that receive grants under  
3 subsection (a) shall maintain such records as the Commis-  
4 sioner may require and comply with any request from the  
5 Commissioner for such records.

6           “(f) DIRECT SERVICES.—At least 80 percent of the  
7 funds awarded for any project under this section shall be  
8 used for direct services, as specifically chosen by eligible  
9 clients.

10          “(g) EVALUATION.—The Commissioner shall conduct  
11 an evaluation of the demonstration projects with respect  
12 to the services provided, clients served, client outcomes ob-  
13 tained, implementation issues addressed, the cost effec-  
14 tiveness of the project, and the effects of increased choice  
15 on clients and service providers. The Commissioner may  
16 reserve funds for the evaluation for a fiscal year from the  
17 amounts appropriated to carry out projects under this sec-  
18 tion for the fiscal year.

19          “(h) DEFINITIONS.—For the purposes of this section:

20           “(1) DIRECT SERVICES.—The term ‘direct serv-  
21 ices’ means vocational rehabilitation services, as de-  
22 scribed in section 103(a).

23           “(2) ELIGIBLE CLIENT.—The term ‘eligible cli-  
24 ent’ means an individual with a disability, as defined  
25 in section 7(8)(A), who is not currently receiving

1 services under an individualized written rehabilita-  
2 tion program established through a designated State  
3 unit.”.

4 **SEC. 2293. TRAINING ACTIVITIES.**

5 (a) IN GENERAL.—Section 803 of the Rehabilitation  
6 Act of 1973 (29 U.S.C. 797b) is amended—

7 (1) by striking subsections (d) and (e) and re-  
8 designating subsection (f) as subsection (d);

9 (2) in subsection (d) (as so redesignated by  
10 paragraph (1))—

11 (A) by striking “(g)” and inserting “(f)”;

12 and

13 (B) by striking the last sentence; and

14 (3) by striking subsection (a) and redesignating  
15 subsections (b) through (d) (as so redesignated by  
16 paragraph (1)) as subsections (a) through (c).

17 (b) EFFECTIVE DATES.—

18 (1) PARAGRAPHS (1) AND (2).—The amend-  
19 ments made by paragraphs (1) and (2) of subsection  
20 (a) shall take effect on October 1, 1997.

21 (2) SUBSECTION (A)(3).—The amendment made  
22 by paragraph (3) of subsection (a) shall take effect  
23 on October 1, 1998.

1 **TITLE XXX—AMENDMENTS TO**  
2 **THE HELEN KELLER NA-**  
3 **TIONAL CENTER ACT**

4 **SEC. 2295. AUTHORIZATION OF APPROPRIATIONS.**

5 Section 205(a) of the Helen Keller National Center  
6 Act (29 U.S.C. 1904(a)) and section 208(h) of such Act  
7 (29 U.S.C. 1907(h)) are each amended by striking “1993  
8 through 1997” and inserting “1998, 1999, and 2000”.

9 **TITLE XXXI—EFFECTIVE DATE**

10 **SEC. 2297. EFFECTIVE DATE.**

11 Except as provided in section 2293, this division and  
12 the amendments made by this division shall take effect  
13 on October 1, 1997.

Passed the House of Representatives May 16, 1997.

Attest:

ROBIN H. CARLE,

*Clerk.*