

108TH CONGRESS  
2D SESSION

# S. 2586

To establish regional skills alliances, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JUNE 24, 2004

Mrs. CLINTON introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To establish regional skills alliances, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Regional Skills Alli-  
5 ances Act of 2004”.

6 **SEC. 2. FINDINGS.**

7 (a) Many small businesses lack the financial capacity  
8 to support the training of high-skilled workers.

9 (b) Many high-tech companies concerned about work-  
10 er training consider recruiting employees from overseas  
11 because a shortage of information technology workers re-  
12 mains a significant problem.

1 (c) Too many highly educated workers in underserved  
 2 communities do not have the specialized skills needed to  
 3 meet the needs of local businesses.

4 (d) Regional skills alliances bring businesses and 4-  
 5 year colleges and universities and community colleges to-  
 6 gether to help develop and implement effective programs  
 7 to make sure workers have the training needed to compete  
 8 in the modern workplace.

9 **SEC. 3. DEFINITION.**

10 In this Act, the term “Secretary” means the Sec-  
 11 retary of Labor.

12 **TITLE I—SKILL GRANTS**

13 **SEC. 101. AUTHORIZATION.**

14 (a) IN GENERAL.—The Secretary, in consultation  
 15 with the Secretary of Commerce, shall award grants to  
 16 eligible entities described in subsection (b) to assist such  
 17 entities to improve the job skills necessary for employment  
 18 in specific industries.

19 (b) ELIGIBLE ENTITIES DESCRIBED.—

20 (1) IN GENERAL.—An eligible entity described  
 21 in this subsection is a consortium that—

22 (A) shall consist of representatives from  
 23 not less than 5 businesses, or a lesser number  
 24 of businesses if such lesser number of busi-  
 25 nesses employs at least 30 percent of the em-

1 employees in the industry involved in the region  
2 (or a non-profit organization that represents  
3 such businesses);

4 (B) may consist of representatives from—

5 (i) labor organizations;

6 (ii) State and local government; and

7 (iii) educational institutions;

8 (C) is established to serve one or more par-  
9 ticular industries; and

10 (D) is established to serve a particular geo-  
11 graphic region.

12 (2) MAJORITY OF REPRESENTATIVES.—A ma-  
13 jority of the representatives comprising the consor-  
14 tium shall be representatives described in paragraph  
15 (1)(A).

16 (c) PRIORITY FOR SMALL BUSINESSES.—In pro-  
17 viding grants under subsection (a), the Secretary shall  
18 give priority to an eligible entity if a majority of represent-  
19 atives forming the entity represent small-business con-  
20 cerns (as defined in section 3(a) of the Small Business  
21 Act (15 U.S.C. 632(a)).

22 (d) MAXIMUM AMOUNT OF GRANT.—The amount of  
23 a grant awarded to an eligible entity under subsection (a)  
24 may not exceed \$1,000,000 for any fiscal year.

1 **SEC. 102. USE OF AMOUNTS.**

2 (a) IN GENERAL.—The Secretary may not award a  
3 grant under section 101 to an eligible entity unless such  
4 entity agrees to use amounts received from such grant to  
5 improve the job skills necessary for employment by busi-  
6 nesses in the industry with respect to which such entity  
7 was established.

8 (b) CONDUCT OF PROGRAM.—

9 (1) IN GENERAL.—In carrying out the program  
10 described in subsection (a), the eligible entity may  
11 provide for—

12 (A) an assessment of training and job skill  
13 needs for the industry;

14 (B) the development of a sequence of skill  
15 standards that are benchmarked to advanced  
16 industry practices;

17 (C) the development of curriculum and  
18 training methods, including, where appropriate,  
19 e-learning or technology-based training;

20 (D) the purchase, lease, or receipt of dona-  
21 tions of training equipment;

22 (E) the identification of training providers  
23 and the development of partnerships between  
24 the industry and educational institutions, in-  
25 cluding community colleges;

1 (F) the development of apprenticeship pro-  
2 grams;

3 (G) the development of training programs  
4 for workers, including dislocated workers;

5 (H) the development of training plans for  
6 businesses; and

7 (I) the development of the membership of  
8 the entity.

9 (2) **ADDITIONAL REQUIREMENT.**—In carrying  
10 out the program described in subsection (a), the eli-  
11 gible entity shall provide for the development and  
12 tracking of performance outcome measures for the  
13 program and the training providers involved in the  
14 program.

15 (c) **ADMINISTRATIVE COSTS.**—The eligible entity  
16 may use not more than 10 percent of the amount of a  
17 grant to pay for administrative costs associated with the  
18 program described in subsection (a).

19 **SEC. 103. REQUIREMENT OF MATCHING FUNDS.**

20 (a) **IN GENERAL.**—The Secretary may not award a  
21 grant under section 101 to an eligible entity unless such  
22 entity agrees that the entity will make available non-Fed-  
23 eral contributions toward the costs of carrying out activi-  
24 ties under the grant in an amount that is not less than

1 \$2 for each \$1 of Federal funds provided under the grant,  
2 of which—

3 (1) \$1 shall be provided by the businesses par-  
4 ticipating in the entity; and

5 (2) \$1 shall be provided by the State or local  
6 government involved.

7 (b) OTHER CONTRIBUTIONS.—

8 (1) EQUIPMENT.—Equipment donations to fa-  
9 cilities that are not owned or operated by the mem-  
10 bers of the eligible entity involved and that are  
11 shared by such members may be included in deter-  
12 mining compliance with subsection (a).

13 (2) LIMITATION.—An eligible entity may not in-  
14 clude in-kind contributions in complying with the re-  
15 quirement of subsection (a). The Secretary may con-  
16 sider such donations in ranking applications.

17 **SEC. 104. LIMIT ON ADMINISTRATIVE EXPENSES.**

18 The Secretary may use not more than 5 percent of  
19 the amounts made available to carry out this title to pay  
20 the Federal administrative costs associated with awarding  
21 grants under this title.

22 **SEC. 105. AUTHORIZATION OF APPROPRIATIONS.**

23 There is authorized to be appropriated to carry out  
24 this title \$50,000,000 for each of the fiscal years 2005,

1 2006, and 2007, and such sums as are necessary for each  
2 fiscal year thereafter.

## 3 **TITLE II—PLANNING GRANTS**

### 4 **SEC. 201. AUTHORIZATION.**

5 (a) IN GENERAL.—The Secretary, in consultation  
6 with the Secretary of Commerce, shall award grants to  
7 States to enable such States to assist businesses, organiza-  
8 tions, and agencies described in section 101(b) in con-  
9 ducting planning to form consortia described in such sec-  
10 tion.

11 (b) MAXIMUM AMOUNT OF GRANT.—The amount of  
12 a grant awarded to a State under subsection (a) may not  
13 exceed \$500,000 for any fiscal year.

### 14 **SEC. 202. APPLICATION.**

15 The Secretary may not award a grant under section  
16 201 to a State unless such State submits to the Secretary  
17 an application at such time, in such manner, and con-  
18 taining such information as the Secretary may reasonably  
19 require.

### 20 **SEC. 203. REQUIREMENT OF MATCHING FUNDS.**

21 The Secretary may not award a grant under section  
22 201 to a State unless such State agrees that it will make  
23 available non-Federal contributions toward the costs of  
24 carrying out activities under this title in an amount that

1 is not less than \$1 for each \$1 of Federal funds provided  
2 under the grant.

3 **SEC. 204. AUTHORIZATION OF APPROPRIATIONS.**

4       There is authorized to be appropriated to carry out  
5 this title \$5,000,000 for fiscal year 2005.

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