

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4297
OFFERED BY MS. FOXX OF NORTH CAROLINA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Workforce Investment
3 Improvement Act of 2012”.

4 SEC. 2. TABLE OF CONTENTS.

5 The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. References.
Sec. 4. Effective date.

**TITLE I—AMENDMENTS TO THE WORKFORCE INVESTMENT ACT
OF 1998**

Subtitle A—Workforce Investment Definitions

Sec. 101. Definitions.

Subtitle B—Statewide and Local Workforce Investment Systems

Sec. 102. Purpose.
Sec. 103. State workforce investment boards.
Sec. 104. State plan.
Sec. 105. Local workforce investment areas.
Sec. 106. Local workforce investment boards.
Sec. 107. Local plan.
Sec. 108. Establishment of one-stop delivery system.
Sec. 109. Identification of eligible providers of training services.
Sec. 110. General authorization.
Sec. 111. State allotments.
Sec. 112. Within State allocations.
Sec. 113. Use of funds for employment and training activities.
Sec. 114. Performance accountability system.
Sec. 115. Authorization of appropriations.

Subtitle C—Job Corps

- Sec. 116. Job Corps purposes.
- Sec. 117. Job Corps definitions.
- Sec. 118. Individuals eligible for the job corps.
- Sec. 119. Recruitment, screening, selection, and assignment of enrollees.
- Sec. 120. Job Corps Centers.
- Sec. 121. Program activities.
- Sec. 122. Counseling and Job Placement.
- Sec. 123. Support.
- Sec. 124. Operations.
- Sec. 125. Community participation.
- Sec. 126. Workforce councils.
- Sec. 127. Special provisions.
- Sec. 128. Management information.
- Sec. 129. Closure of low-performing job corps centers.
- Sec. 130. Reforms for opening new job corps centers.

Subtitle D—National Programs

- Sec. 131. Technical assistance.
- Sec. 132. Evaluations.

Subtitle E—Administration

- Sec. 133. Requirements and restrictions.
- Sec. 134. Prompt allocation of funds.
- Sec. 135. Fiscal controls; Sanctions.
- Sec. 136. Reports to congress.
- Sec. 137. Administrative provisions.
- Sec. 138. State legislative authority.
- Sec. 139. Continuation of State activities and policies.
- Sec. 140. General program requirements.
- Sec. 141. Department Staff.

Subtitle F—State Unified Plan

- Sec. 142. State unified plan.

TITLE II—ADULT EDUCATION AND FAMILY LITERACY
EDUCATION

- Sec. 201. Amendment.

TITLE III—AMENDMENTS TO THE WAGNER-PEYSER ACT

- Sec. 301. Amendments to the Wagner-Peyser Act.

TITLE IV—REPEALS AND CONFORMING AMENDMENTS

- Sec. 401. Repeals.
- Sec. 402. Amendment to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.
- Sec. 403. Amendments to the Food and Nutrition Act of 2008.
- Sec. 404. Conforming amendment to table of contents.

TITLE V—AMENDMENTS TO THE REHABILITATION ACT OF 1973

- Sec. 501. Findings.

Sec. 502. Rehabilitation services administration.
Sec. 503. Definitions.
Sec. 504. State plan.
Sec. 505. Scope of services.
Sec. 506. Standards and indicators.
Sec. 507. Collaboration with industry.
Sec. 508. Reservation for expanded transition services.
Sec. 509. Client assistance program.
Sec. 510. Title III repeals.
Sec. 511. Repeal of title VI.
Sec. 512. Chairperson.
Sec. 513. Authorizations of appropriations.
Sec. 514. Conforming amendments.

1 SEC. 3. REFERENCES.

2 Except as otherwise expressly provided, wherever in
3 this Act an amendment or repeal is expressed in terms
4 of an amendment to, or repeal of, a section or other provi-
5 sion, the amendment or repeal shall be considered to be
6 made to a section or other provision of the Workforce In-
7 vestment Act of 1998 (20 U.S.C. 9201 et seq.).

8 SEC. 4. EFFECTIVE DATE.

9 Except as otherwise provided, this Act and the
10 amendments made by this Act shall be effective with re-
11 spect to fiscal year 2013 and succeeding fiscal years.

12 TITLE I—AMENDMENTS TO THE
13 WORKFORCE INVESTMENT
14 ACT OF 1998
15 Subtitle A—Workforce Investment
16 Definitions

17 SEC. 101. DEFINITIONS.

18 Section 101 (29 U.S.C. 2801) is amended—

19 (1) by striking paragraphs (13) and (24);

1 (2) by redesignating paragraphs (1) through
2 (12) as paragraphs (3) through (14), and para-
3 graphs (14) through (23) as paragraphs (15)
4 through (24), respectively;

5 (3) by striking paragraphs (52) and (53);

6 (4) by inserting after “In this title:” the fol-
7 lowing new paragraphs:

8 “(1) ACCRUED EXPENDITURES.—The term ‘ac-
9 crued expenditures’ means charges incurred by re-
10 cipients of funds under this title for a given period
11 requiring the provision of funds for goods or other
12 tangible property received; services performed by
13 employees, contractors, subgrantees, subcontractors,
14 and other payees; and other amounts becoming owed
15 under programs assisted under this title for which
16 no current services or performance is required, such
17 as annuities, insurance claims, and other benefit
18 payments.

19 “(2) ADMINISTRATIVE COSTS.—The term ‘ad-
20 ministrative costs’ means expenditures incurred by
21 State and local workforce investment boards, direct
22 recipients (including State grant recipients under
23 subtitle B and recipients of awards under subtitles
24 C and D), local grant recipients, local fiscal agents
25 or local grant subrecipients, and one-stop operators

1 in the performance of administrative functions and
2 in carrying out activities under this title which are
3 not related to the direct provision of workforce in-
4 vestment services (including services to participants
5 and employers). Such costs include both personnel
6 and non-personnel and both direct and indirect.”;

7 (5) in paragraph (3) (as so redesignated), by
8 striking “Except in sections 127 and 132, the” and
9 inserting “The”;

10 (6) by amending paragraph (5) (as so redesign-
11 ated) to read as follows:

12 “(5) AREA CAREER AND TECHNICAL EDU-
13 CATION SCHOOL.—The term ‘area career and tech-
14 nical education school’ has the meaning given the
15 term in section 3(3) of the Carl D. Perkins Career
16 and Technical Education Act of 2006 (20 U.S.C.
17 2302(3)).”;

18 (7) in paragraph (6) (as so redesignated), by
19 inserting “(or such other level as the Governor may
20 establish)” after “8th grade level”;

21 (8) in paragraph (10)(C) (as so redesignated),
22 by striking “not less than 50 percent of the cost of
23 the training” and inserting “a significant portion of
24 the cost of training, as determined by the local
25 board (or, in the case of an employer in multiple

1 local areas in the State, as determined by the Gov-
2 ernor), taking into account the size of the employer
3 and such other factors as the local board determines
4 to be appropriate”;

5 (9) in paragraph (11) (as so redesignated)—

6 (A) in subparagraph (A)(ii)(II), by striking
7 “section 134(c)” and inserting “section
8 121(e)”;

9 (B) in subparagraph (B)(iii), by striking
10 “intensive services described in section
11 134(d)(3)” and inserting “work ready services
12 described in section 134(c)(2)”;

13 (C) in subparagraph (C), by striking “or”
14 after the semicolon;

15 (D) in subparagraph (D), by striking the
16 period and inserting “; or”; and

17 (E) by adding at the end the following:

18 “(E)(i) is the spouse of a member of the
19 Armed Forces on active duty for a period of
20 more than 30 days (as defined in section
21 101(d)(2) of title 10, United States Code) who
22 has experienced a loss of employment as a di-
23 rect result of relocation to accommodate a per-
24 manent change in duty station of such member;
25 or

1 “(ii) is the spouse of a member of the
2 Armed Forces on active duty who meets
3 the criteria described in paragraph
4 (12)(B).”;

5 (10) in paragraph (12)(A) (as redesignated)—
6 (A) by striking “and” after the semicolon
7 and inserting “or”;

8 (B) by striking “(A)” and inserting
9 “(A)(i)”; and

10 (C) by adding at the end the following:

11 “(ii) is the dependent spouse of a
12 member of the Armed Forces on active
13 duty for a period of more than 30 days (as
14 defined in section 101(d)(2) of title 10,
15 United States Code) whose family income
16 is significantly reduced because of a de-
17 ployment (as defined in section 991(b) of
18 title 10, United States Code, or pursuant
19 to paragraph (4) of such section), a call or
20 order to active duty pursuant to a provi-
21 sion of law referred to in section
22 101(a)(13)(B) of title 10, United States
23 Code, a permanent change of station, or
24 the service-connected (as defined in section

1 101(16) of title 38, United States Code)
2 death or disability of the member; and”;
3 (11) in paragraph (13) (as so redesignated), by
4 inserting “or regional” after “local” each place it
5 appears;
6 (12) in paragraph (14) (as so redesignated)—
7 (A) in subparagraph (A), by striking “sec-
8 tion 122(e)(3)” and inserting “section 122”;
9 (B) by striking subparagraph (B), and in-
10 serting the following:
11 “(B) work ready services, means a provider
12 who is identified or awarded a contract as de-
13 scribed in section 134(c)(2) or;” and
14 (C) by striking subparagraph (C);
15 (13) in paragraph (15), by striking “adult or
16 dislocated worker” and inserting “individual”;
17 (14) in paragraph (25)—
18 (A) in subparagraph (B), by striking
19 “higher of—” and all that follows through
20 clause (ii) and inserting “poverty line for an
21 equivalent period;” and
22 (B) by redesignating subparagraphs (D)
23 through (F) as subparagraphs (E) through (G),
24 respectively; and

1 (C) by inserting after subparagraph (C)
2 the following:

3 “(D) receives or is eligible to receive free
4 or reduced price lunch under the Richard B.
5 Russell National School Lunch Act (42 U.S.C.
6 1751 et seq.);”;

7 (15) in paragraph (32), by striking “the Repub-
8 lic of the Marshall Islands, the Federated States of
9 Micronesia,”;

10 (16) by amending paragraph (33) to read as
11 follows:

12 “(33) OUT-OF-SCHOOL YOUTH.—The term ‘out
13 of school youth’ means—

14 “(A) an at-risk youth who is a school drop-
15 out; or

16 “(B) an at-risk youth who has received a
17 secondary school diploma or its recognized
18 equivalent but is basic skills deficient, unem-
19 ployed, or underemployed.”.

20 (17) in paragraph (38), by striking
21 “134(a)(1)(A)” and inserting “134(a)(1)(B)”;

22 (18) by amending paragraph (49) to read as
23 follows:

1 “(49) VETERAN.—The term ‘veteran’ has the
2 same meaning given the term in section 2108(1) of
3 title 5, United States Code.”;

4 (19) by amending paragraph (50) to read as
5 follows:

6 “(49) CAREER AND TECHNICAL EDUCATION.—
7 The term ‘career and technical education’ has the
8 meaning given the term in section 3 of the Carl D.
9 Perkins Career and Technical Education Act of
10 2006 (20 U.S.C. 2302).”;

11 (20) in paragraph (51) by striking “, and youth
12 activity.”; and

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

14 “(52) AT-RISK YOUTH.—Except as provided in
15 subtitle C, the term ‘at-risk youth’ means an indi-
16 vidual who—

17 “(A) is not less than age 16 and not more
18 than age 24;

19 “(B) is a low-income individual; and

20 “(C) is an individual who is one or more
21 of the following:

22 “(i) a secondary school dropout;

23 “(ii) a youth in foster care (including
24 youth aging out of foster care);

25 “(iii) a youth offender;

1 “(iv) a youth who is an individual
2 with a disability; or

3 “(v) a migrant youth.

4 “(53) INDUSTRY OR SECTOR PARTNERSHIP.—

5 The term ‘industry or sector partnership’ means a
6 partnership of a State or local board and one or
7 more industries and other entities that have the ca-
8 pability to help the State or local board determine
9 the immediate and long term skilled workforce needs
10 of in-demand industries and other occupations im-
11 portant to the State or local economy, respectively.

12 “(54) INDUSTRY-RECOGNIZED CREDENTIAL.—

13 The term ‘industry-recognized credential’ means a
14 credential that is sought or accepted by companies
15 within the industry sector involved, across multiple
16 States, as recognized, preferred, or required for re-
17 cruitment, screening, or hiring.

18 “(55) RECOGNIZED POSTSECONDARY CREDEN-

19 TIAL.—The term ‘recognized postsecondary creden-
20 tial’ means a credential awarded by a training pro-
21 vider or postsecondary educational institution based
22 on completion of all requirements for a program of
23 study, including coursework or tests or other per-
24 formance evaluations. The term includes an indus-
25 try-recognized certificate, a certificate of completion

1 of an apprenticeship, or an associate or bacca-
2 laureate degree.”.

3 **Subtitle B—Statewide and Local** 4 **Workforce Investment Systems**

5 **SEC. 102. PURPOSE.**

6 Section 106 (20 U.S.C. 2811) is amended by insert-
7 ing at the end the following: “It is also the purpose of
8 this subtitle to provide workforce investment activities in
9 a manner that enhances employer engagement, promotes
10 customer choices in the selection of training services, and
11 ensures accountability in the use of the taxpayer funds.”.

12 **SEC. 103. STATE WORKFORCE INVESTMENT BOARDS.**

13 Section 111 (20 U.S.C. 2821) is amended—

14 (1) in subsection (b)—

15 (A) in paragraph (1)—

16 (i) by striking subparagraph (B);

17 (ii) by redesignating subparagraph

18 (C) as subparagraph (B); and

19 (iii) in subparagraph (B) (as so redesi-
20 gnated)—

21 (I) by amending clause (i)(I), by
22 striking “section 117(b)(2)(A)(i)” and
23 inserting “section 117(b)(2)(A)”;

24 (II) by amending clause (i)(II) to
25 read as follows:

1 “(II) represent businesses, in-
2 cluding large and small businesses,
3 with immediate and long-term employ-
4 ment opportunities in in-demand in-
5 dustries and other occupations impor-
6 tant to the State economy; and”;

7 (III) by striking clause (iii) and
8 inserting the following:

9 “(iii) a State agency official respon-
10 sible for economic development; and”;

11 (IV) by striking clauses (iv)
12 through (vi);

13 (V) by amending clause (vii) to
14 read as follows:

15 “(vii) such other representatives and
16 State agency officials as the Governor may
17 designate, including—

18 “(I) members of the State legis-
19 lature;

20 “(II) representatives of individ-
21 uals and organizations that have expe-
22 rience with respect to youth activities;

23 “(III) representatives of individ-
24 uals and organizations that have expe-
25 rience and expertise in the delivery of

1 workforce investment activities, in-
2 cluding chief executive officers of com-
3 munity colleges and community-based
4 organizations within the State; or

5 “(IV) representatives of the lead
6 State agency officials with responsi-
7 bility for the programs and activities
8 that are described in section 121(b)
9 and carried out by one-stop partners;
10 and”; and

11 (VI) by redesignating clause (vii)
12 (as so amended) as clause (iv); and

13 (B) by amending paragraph (3) to read as
14 follows:

15 “(3) MAJORITY.—A $\frac{2}{3}$ majority of the mem-
16 bers of the board shall be representatives described
17 in paragraph (1)(B)(i).”;

18 (2) by amending subsection (c) by striking
19 “(b)(1)(C)(i)” and replacing with “(b)(1)(B)(i)”;

20 (3) by amending subsection (d) to read as fol-
21 lows:

22 “(d) FUNCTIONS.—The State board shall assist the
23 Governor of the State as follows:

24 “(1) STATE PLAN.—Consistent with section
25 112, develop a State plan.

1 “(2) STATEWIDE WORKFORCE DEVELOPMENT
2 SYSTEM.—Review and develop statewide policies and
3 programs in the State in a manner that supports a
4 comprehensive Statewide workforce development sys-
5 tem that will result in meeting the workforce needs
6 of the State and its local areas. Such review shall in-
7 clude determining whether the State should consoli-
8 date additional programs into the Workforce Invest-
9 ment Fund under section 132(b).

10 “(3) WORKFORCE AND LABOR MARKET INFOR-
11 MATION SYSTEM.—Develop a statewide workforce
12 and labor market information system described in
13 section 15(e) of the Wagner-Peyser Act, which may
14 include using existing information conducted by the
15 State economic development agency or related entity
16 in developing such system.

17 “(4) EMPLOYER ENGAGEMENT.—Develop strat-
18 egies across local areas that meet the needs of em-
19 ployers and support economic growth in the State by
20 enhancing communication, coordination, and collabo-
21 ration among employers, economic development enti-
22 ties, and service providers.

23 “(5) DESIGNATION OF LOCAL AREAS.—Des-
24 ignate local areas as required under section 116.

1 “(6) ONE-STOP DELIVERY SYSTEM.—Identify
2 and disseminate information on best practices for ef-
3 fective operation of one-stop centers, including use
4 of innovative business outreach, partnerships, and
5 service delivery strategies.

6 “(7) PROGRAM OVERSIGHT.—Conduct the fol-
7 lowing program oversight:

8 “(A) Reviewing and approving local plans
9 under section 118.

10 “(B) Ensuring the appropriate use of man-
11 agement of the funds provided for State em-
12 ployment and training activities authorized
13 under section 134.

14 “(C) Preparing an annual report to the
15 Secretary described in section 136(d).

16 “(8) DEVELOPMENT OF PERFORMANCE MEAS-
17 URES.—Develop and ensure continuous improvement
18 of comprehensive State performance measures, in-
19 cluding State adjusted levels of performance, as de-
20 scribed under section 136(b).”;

21 (4) by striking subsection (e) and redesignating
22 subsection (f) as subsection (e);

23 (5) in subsection (e) (as so redesignated), by in-
24 serting “or participate in action taken” after “vote”;

1 (6) by inserting after subsection (e) (as so re-
2 designated), the following:

3 “(f) STAFF.—The State board may employ staff to
4 assist in carrying out the functions described in subsection
5 (d).”; and

6 (7) in subsection (g), by inserting “electronic
7 means and” after “on a regular basis through”.

8 **SEC. 104. STATE PLAN.**

9 Section 112 (29 U.S.C. 2822)—

10 (1) in subsection (a)—

11 (A) by striking “127 or”; and

12 (B) by striking “5-year strategy” and in-
13 serting “3-year strategy”;

14 (2) in subsection (b)—

15 (A) by amending paragraph (4) to read as
16 follows:

17 “(4) information describing—

18 “(A) the economic conditions in the State;

19 “(B) the immediate and long-term skilled
20 workforce needs of in-demand industries and
21 other occupations important to the State econ-
22 omy;

23 “(C) the knowledge and skills of the work-
24 force in the State; and

1 “(D) workforce development activities (in-
2 cluding education and training) in the State;”;

3 (B) by amending paragraph (7) to read as
4 follows:

5 “(7) a description of the State criteria for de-
6 termining the eligibility of training providers in ac-
7 cordance with section 122, including how the State
8 will take into account the performance of providers
9 and whether the training programs relate to occupa-
10 tions that are in-demand;”;

11 (C) by amending paragraph (8) to read as
12 follows:

13 “(8)(A) a description of the procedures that will
14 be taken by the State to assure coordination of, and
15 avoid duplication among, the programs and activities
16 identified under section 501(b)(2); and

17 “(B) a description of common data collection
18 and reporting processes used for the programs and
19 activities described in subparagraph (A), which are
20 carried out by one-stop partners, including—

21 “(i) assurances that such processes use
22 quarterly wage records for performance meas-
23 ures described in section 136(b)(2)(A) that are
24 applicable to such programs or activities; or

1 “(ii) if such wage records are not being
2 used for the performance measures, an identi-
3 fication of the barriers to using such wage
4 records and a description of how the State will
5 address such barriers within one year of the ap-
6 proval of the plan;”;

7 (D) in paragraph (9), by striking “, includ-
8 ing comment by representatives of businesses
9 and representatives of labor organizations,”;

10 (E) in paragraph (11), by striking “under
11 sections 127 and 132” and inserting “under
12 section 132,”;

13 (F) by striking paragraph (12);

14 (G) by redesignating paragraphs (13)
15 through (18) as paragraphs (12) through (17),
16 respectively;

17 (H) by amending paragraph (12) (as so re-
18 designated) by striking “(111)(f)” and inserting
19 “111(e)”;

20 (I) by amending paragraph (13) (as so re-
21 designated) by striking “134(c)” and inserting
22 “121(e)”;

23 (J) by amending paragraph (14) (as so re-
24 designated) by striking “116(a)(5)” and insert-
25 ing “116(a)(4)”;

1 (K) in paragraph (16) (as so redesign-
2 nated)—

3 (i) in subparagraph (A)—

4 (I) in clause (ii), by striking “to
5 dislocated workers”;

6 (II) in clause (iii), by striking
7 “134(d)(4)” and inserting
8 “134(e)(4)”;

9 (III) by striking “and” at the
10 end of clause (iii);

11 (IV) by amending clause (iv) to
12 read as follows:

13 “(iv) how the State will serve the em-
14 ployment and training needs of dislocated
15 workers (including displaced homemakers),
16 low-income individuals (including recipients
17 of public assistance such as supplemental
18 nutrition assistance program benefits pur-
19 suant to the Food and Nutrition Act of
20 2008 (7 U.S.C. 2011 et seq.)), English
21 learners, homeless individuals, individuals
22 training for nontraditional employment,
23 youth (including out-of-school youth and
24 at-risk youth), older workers, ex-offenders,
25 migrant and seasonal farmworkers, refugee

1 and entrants, veterans (including disabled
2 and homeless veterans), and Native Ameri-
3 cans; and”; and

4 (V) by adding at the end the fol-
5 lowing new clause:

6 “(v) how the State will—

7 “(I) consistent with section 188
8 and Executive Order 13217 (42
9 U.S.C. 12131 note), serve the employ-
10 ment and training needs of individuals
11 with disabilities; and

12 “(II) consistent with sections 504
13 and 508 of the Rehabilitation Act of
14 1973, include the provision of out-
15 reach, intake, assessments, and serv-
16 ice delivery, the development of per-
17 formance measures, the training of
18 staff, and other aspects of accessibility
19 to programs and services under this
20 subtitle;”; and

21 (ii) in subparagraph (B), by striking
22 “to the extent practicable” and inserting
23 “in accordance with the requirements of
24 the Jobs for Veterans Act (Public Law

1 107–288) and the amendments made by
2 such Act”; and

3 (L) by striking paragraph (17) (as so re-
4 designated) and inserting the following:

5 “(17) a description of the strategies and serv-
6 ices that will be used in the State—

7 “(A) to more fully engage employers, in-
8 cluding employers in in-demand industries and
9 occupations important to the State economy;

10 “(B) to meet the needs of employers in the
11 State; and

12 “(C) to better coordinate workforce devel-
13 opment programs with economic development;

14 “(18) a description of how the State board will
15 convene (or help to convene) industry or sector part-
16 nerships that lead to collaborative planning, resource
17 alignment, and training efforts across multiple firms
18 for a range of workers employed or potentially em-
19 ployed by a targeted industry cluster—

20 “(A) to encourage industry growth and
21 competitiveness and to improve worker training,
22 retention, and advancement in targeted indus-
23 try clusters;

24 “(B) to address the immediate and long-
25 term skilled, workforce needs of in-demand in-

1 dustries and other occupations important to the
2 State economy, and

3 “(C) to address critical skill gaps within
4 and across industries;

5 “(19) a description of how the State will utilize
6 technology to facilitate access to services in remote
7 areas, which may be used throughout the State;

8 “(20) a description of the State strategy and
9 assistance to be provided for encouraging regional
10 cooperation within the State and across State bor-
11 ders, as appropriate;

12 “(21) a description of the actions that will be
13 taken by the State to foster communication, coordi-
14 nation, and partnerships with non-profit organiza-
15 tions (including public libraries, community, faith-
16 based, and philanthropic organizations) that provide
17 employment-related, training, and complementary
18 services, to enhance the quality and comprehensive-
19 ness of services available to participants under this
20 title;

21 “(22) a description of the process and method-
22 ology for determining—

23 “(A) one-stop partner program contribu-
24 tions for the cost of the infrastructure of one-
25 stop centers under section 121(h)(1); and

1 “(B) the formula for allocating such infra-
2 structure funds to local areas under section
3 121(h)(3); and

4 “(23) a description of the strategies and serv-
5 ices that will be used in the State to assist at-risk
6 youth and out-of-school youth in acquiring the edu-
7 cation and skills, credentials (including recognized
8 postsecondary credentials and industry-recognized
9 credentials), and employment experience to succeed
10 in the labor market, including—

11 “(A) training and internships in in-demand
12 industries or occupations important to the State
13 and local economy;

14 “(B) dropout recovery activities that are
15 designed to lead to the attainment of a regular
16 secondary school diploma or its recognized
17 equivalent, or other State recognized equivalent
18 (including recognized alternative standards for
19 individuals with disabilities); and

20 “(C) activities combining remediation of
21 academic skills, work readiness training, and
22 work experience, and including linkages to post-
23 secondary education and training and career-
24 ladder employment.”;

1 (3) in subsection (c), by striking “period,
2 that—” all that follows through paragraph (2) and
3 inserting “period, that the plan is inconsistent with
4 the provisions of this title.”; and
5 (4) in subsection (d), by striking “5-year” and
6 inserting “3-year”.

7 **SEC. 105. LOCAL WORKFORCE INVESTMENT AREAS.**

8 Section 116 (20 U.S.C. 2831) is amended—

9 (1) in subsection (a)—

10 (A) in paragraph (1)—

11 (i) in subparagraph (A)—

12 (I) by striking “Except as pro-
13 vided in subsection (b), and consistent
14 with paragraphs (2), (3), and (4), in”
15 and inserting “In”; and

16 (II) by striking “127 or”; and

17 (ii) by amending subparagraph (B) to
18 read as follows:

19 “(B) CONSIDERATIONS.—In making the
20 designation of local areas, the Governor shall
21 take into consideration the following:

22 “(i) The extent to which such local
23 areas are consistent with labor market
24 areas.

1 “(ii) The extent to which labor market
2 areas align with economic development re-
3 gions.

4 “(iii) Whether such local areas have
5 the appropriate education and training
6 providers to meet the needs of the local
7 workforce.

8 “(iv) The distance that individuals
9 will need to travel to receive services pro-
10 vided in such local areas.”;

11 (B) by amending paragraph (2) to read as
12 follows:

13 “(2) TECHNICAL ASSISTANCE.—The Secretary
14 shall, if requested by the Governor of a State, pro-
15 vide the State with technical assistance in making
16 the determinations required under paragraph (1).
17 The Secretary shall not issue regulations governing
18 determinations to be made under paragraph (1).”;

19 (C) by striking paragraph (3) and insert-
20 ing the following:

21 “(3) DESIGNATION ON RECOMMENDATION OF
22 STATE BOARD.—The Governor may approve a re-
23 quest from any unit of general local government (in-
24 cluding a combination of such units) for designation
25 as a local area under paragraph (1) if the State

1 board determines, taking into account the factors
2 described in clauses (i) through (iv) of paragraph
3 (1)(B), and recommends to the Governor, that such
4 area shall be so designated.”;

5 (D) by striking paragraph (4); and

6 (E) by redesignating paragraph (5) as
7 paragraph (4);

8 (2) by amending subsection (b) to read as fol-
9 lows:

10 “(b) SINGLE STATES.—Consistent with subsection
11 (a)(1)(B), the Governor may designate a State as a single
12 State local area for the purposes of this title.”; and

13 (3) in subsection (c)—

14 (A) in paragraph (1), by adding at the end
15 the following: “The State may require the local
16 boards for the designated region to prepare a
17 single regional plan that incorporates the ele-
18 ments of the local plan under section 118 and
19 that is submitted and approved in lieu of sepa-
20 rate local plans under such section.”; and

21 (B) in paragraph (2), by striking “employ-
22 ment statistics” and inserting “workforce and
23 labor market information”.

24 **SEC. 106. LOCAL WORKFORCE INVESTMENT BOARDS.**

25 Section 117 (29 U.S.C. 2832) is amended—

1 (1) in subsection (b)—

2 (A) in paragraph (2)—

3 (i) in subparagraph (A)—

4 (I) by striking “include—” and
5 all that follows through “representa-
6 tives” and inserting “include rep-
7 resentatives”;

8 (II) by striking clauses (ii)
9 through (vi);

10 (III) by redesignating subclauses
11 (I) through (III) as clauses (i)
12 through (iii), respectively;

13 (IV) by striking clause (ii) (as so
14 redesignated) and inserting the fol-
15 lowing: “(ii) represent businesses, in-
16 cluding large and small businesses,
17 with immediate and long-term employ-
18 ment opportunities in in-demand in-
19 dustries and other occupations impor-
20 tant to the local economy; and”;

21 (V) by striking the semicolon at
22 the end of clause (iii) (as so redesign-
23 ated) and inserting “; and”;

24 (ii) by amending subparagraph (B) to
25 read as follows:

1 “(B) may include such other individuals or
2 representatives of entities as the chief elected
3 official in the local area may determine to be
4 appropriate, including—

5 “(i) a superintendent of the local sec-
6 ondary school system or the president or
7 chief executive officer of a postsecondary
8 educational institution (including a com-
9 munity college, where such an entity ex-
10 ists); or

11 “(ii) representatives of community-
12 based organizations (including organiza-
13 tions representing individuals with disabil-
14 ities and veterans, for a local area in which
15 such organizations are present).”;

16 (B) in paragraph (4)—

17 (i) by striking “A majority” and in-
18 serting “A $\frac{2}{3}$ majority”; and

19 (ii) by striking “(2)(A)(i)” and insert-
20 ing “(2)(A)”;

21 (C) in paragraph (5) by striking
22 “(2)(A)(i)” and inserting “(2)(A)”;

23 (D) by striking subsection (c)(1)(C);

24 (2) by amending subsection (d) to read as fol-

25 lows:

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

3 “(1) LOCAL PLAN.—Consistent with section
4 118, each local board, in partnership with the chief
5 elected official for the local area involved, shall de-
6 velop and submit a local plan to the Governor.

7 “(2) WORKFORCE RESEARCH AND REGIONAL
8 LABOR MARKET ANALYSIS.—

9 “(A) IN GENERAL.—The local board
10 shall—

11 “(i) conduct, and regularly update, an
12 analysis of—

13 “(I) the economic conditions in
14 the local area;

15 “(II) the immediate and long-
16 term skilled workforce needs of in-de-
17 mand industries and other occupa-
18 tions important to the local economy;

19 “(III) the knowledge and skills of
20 the workforce in the local area; and

21 “(IV) workforce development ac-
22 tivities (including education and train-
23 ing) in the local area; and

24 “(ii) assist the Governor in developing
25 the statewide workforce and labor market

1 information system described in section
2 15(e) of the Wagner-Peyser Act.

3 “(B) EXISTING ANALYSIS.—A local board
4 may use existing analysis by the local economic
5 development agency or related entity in order to
6 carry out requirements of subparagraph (A)(i).

7 “(3) EMPLOYER ENGAGEMENT.—The local
8 Board shall meet the needs of employers and sup-
9 port economic growth in the local area by enhancing
10 communication, coordination, and collaboration
11 among employers, economic development agencies,
12 and service providers.

13 “(4) BUDGET AND ADMINISTRATION.—

14 “(A) BUDGET.—

15 “(i) IN GENERAL.—The local board
16 shall develop a budget for the activities of
17 the local board in the local area, consistent
18 with the requirements of this subsection.

19 “(ii) TRAINING RESERVATION.—In de-
20 veloping a budget under clause (i), the
21 local board shall reserve a percentage of
22 funds to carry out the activities specified
23 in section 134(c)(4). The local board shall
24 use the analysis conducted under para-
25 graph (2)(A)(i) to determine the appro-

1 prate percentage of funds to reserve under
2 this clause.

3 “(B) ADMINISTRATION.—

4 “(i) GRANT RECIPIENT.—

5 “(I) IN GENERAL.—The chief
6 elected official in a local area shall
7 serve as the local grant recipient for,
8 and shall be liable for any misuse of,
9 the grant funds allocated to the local
10 area under section 133, unless the
11 chief elected official reaches an agree-
12 ment with the Governor for the Gov-
13 ernor to act as the local grant recipi-
14 ent and bear such liability.

15 “(II) DESIGNATION.—In order to
16 assist in administration of the grant
17 funds, the chief elected official or the
18 Governor, where the Governor serves
19 as the local grant recipient for a local
20 area, may designate an entity to serve
21 as a local grant subrecipient for such
22 funds or as a local fiscal agent. Such
23 designation shall not relieve the chief
24 elected official or the Governor of the

1 liability for any misuse of grant funds
2 as described in subclause (I).

3 “(III) DISBURSAL.—The local
4 grant recipient or an entity designated
5 under subclause (II) shall disburse the
6 grant funds for workforce investment
7 activities at the direction of the local
8 board, pursuant to the requirements
9 of this title. The local grant recipient
10 or entity designated under subclause
11 (II) shall disburse the funds imme-
12 diately on receiving such direction
13 from the local board.

14 “(ii) STAFF.—The local board may
15 employ staff to assist in carrying out the
16 functions described in this subsection.

17 “(iii) GRANTS AND DONATIONS.—The
18 local board may solicit and accept grants
19 and donations from sources other than
20 Federal funds made available under this
21 Act.

22 “(5) SELECTION OF OPERATORS AND PRO-
23 VIDERS.—

24 “(A) SELECTION OF ONE-STOP OPERA-
25 TORS.—Consistent with section 121(d), the

1 local board, with the agreement of the chief
2 elected official—

3 “(i) shall designate or certify one-stop
4 operators as described in section
5 121(d)(2)(A); and

6 “(ii) may terminate for cause the eli-
7 gibility of such operators.

8 “(B) IDENTIFICATION OF ELIGIBLE TRAIN-
9 ING SERVICE PROVIDERS.—Consistent with this
10 subtitle, the local board shall identify eligible
11 providers of training services described in sec-
12 tion 134(c)(4), in the local area.

13 “(C) IDENTIFICATION OF ELIGIBLE PRO-
14 VIDERS OF WORK READY SERVICES.—If the
15 one-stop operator does not provide the services
16 described in section 134(c)(2) in the local area,
17 the local board shall identify eligible providers
18 of such services in the local area by awarding
19 contracts.

20 “(6) PROGRAM OVERSIGHT.—The local board,
21 in partnership with the chief elected official, shall be
22 responsible for—

23 “(A) ensuring the appropriate use of man-
24 agement of the funds provided for local employ-

1 ment and training activities authorized under
2 section 134(b); and

3 “(B) conducting oversight of the one-stop
4 delivery system in the local area authorized
5 under section 121.

6 “(7) NEGOTIATION OF LOCAL PERFORMANCE
7 MEASURES.—The local board, the chief elected offi-
8 cial, and the Governor shall negotiate and reach
9 agreement on local performance measures as de-
10 scribed in section 136(c).

11 “(8) TECHNOLOGY IMPROVEMENTS.—The local
12 board shall develop strategies for technology im-
13 provements to facilitate access to services authorized
14 under this subtitle and carried out in the local area,
15 including in remote areas.”;

16 (3) in subsection (e)—

17 (A) by inserting “electronic means and”
18 after “regular basis through”; and

19 (B) by striking “and the award of grants
20 or contracts to eligible providers of youth activi-
21 ties,”;

22 (4) in subsection (f)—

23 (A) in paragraph (1)(A), by striking “sec-
24 tion 134(d)(4)” and inserting “section
25 134(c)(4)”; and

1 (B) by striking paragraph (2) and insert-
2 ing the following:

3 “(2) WORK READY SERVICES, DESIGNATION, OR
4 CERTIFICATION AS ONE-STOP OPERATORS.—A local
5 board may provide work ready services described in
6 section 134(c)(2) through a one-stop delivery system
7 described in section 121 or be designated or certified
8 as a one-stop operator only with the agreement of
9 the chief elected official and the Governor.”;
10 (5) in subsection (g)(1), by inserting “or par-
11 ticipate in action taken” after “vote”; and
12 (6) by striking subsections (h) and (i).

13 **SEC. 107. LOCAL PLAN.**

14 Section 118 (29 U.S.C. 2833) is amended—

15 (1) in subsection (a), by striking “5-year” and
16 inserting “3-year”;

17 (2) by amending subsection (b) to read as fol-
18 lows:

19 “(b) CONTENTS.—The local plan shall include—

20 “(1) a description of the analysis of the local
21 area’s economic and workforce conditions conducted
22 under section 117(d)(2)(A)(i), and an assurance
23 that the local board will use such analysis to carry
24 out the activities under this subtitle;

1 “(2) a description of the one-stop delivery sys-
2 tem in the local area, including—

3 “(A) a description of how the local board
4 will ensure—

5 “(i) the continuous improvement of el-
6 igible providers of services through the sys-
7 tem; and

8 “(ii) that such providers meet the em-
9 ployment needs of local businesses and
10 participants; and

11 “(B) a description of how the local board
12 will facilitate access to services provided
13 through the one-stop delivery system consistent
14 with section 117(d)(8);

15 “(3) a description of the strategies and services
16 that will be used in the local area—

17 “(A) to more fully engage employers, in-
18 cluding employers in in-demand industries and
19 occupations important to the local economy;

20 “(B) to meet the needs of employers in the
21 local area;

22 “(C) to better coordinate workforce devel-
23 opment programs with economic development;
24 and

1 “(D) to better coordinate workforce devel-
2 opment programs with employment, training,
3 and literacy services carried out by nonprofit
4 organizations, including libraries, as appro-
5 priate;

6 “(4) a description of how the local board will
7 convene (or help to convene) industry or sector part-
8 nerships that lead to collaborative planning, resource
9 alignment, and training efforts across multiple firms
10 for a range of workers employed or potentially em-
11 ployed by a targeted industry cluster—

12 “(A) to encourage industry growth and
13 competitiveness and to improve worker training,
14 retention, and advancement in targeted indus-
15 try clusters;

16 “(B) to address the immediate and long-
17 term skilled workforce needs of in-demand in-
18 dustries and other occupations important to the
19 local economy, and

20 “(C) to address critical skill gaps within
21 and across industries;

22 “(5) a description of how the funds reserved
23 under section 117(d)(4)(A)(ii) will be used to carry
24 out activities described in section 134(c)(4);

1 “(6) a description of how the local board will
2 coordinate workforce investment activities carried
3 out in the local area with statewide activities, as ap-
4 propriate;

5 “(7) a description of how the local area will—

6 “(A) coordinate activities with the local
7 area’s disability community and with services
8 provided under section 614(d)(1)(A)(i)(VIII) of
9 the Individuals with Disabilities Education Act
10 (20 U.S.C. 1414(d)(1)(A)(i)(VIII)) by local
11 educational agencies serving such local area to
12 make available comprehensive, high-quality
13 services to individuals with disabilities;

14 “(B) consistent with section 188 and Exec-
15 utive Order 13217 (42 U.S.C. 12131 note),
16 serve the employment and training needs of in-
17 dividuals with disabilities; and

18 “(C) consistent with sections 504 and 508
19 of the Rehabilitation Act of 1973, include the
20 provision of outreach, intake, assessments, and
21 service delivery, the development of perform-
22 ance measures, the training of staff, and other
23 aspects of accessibility to programs and services
24 under this subtitle;

1 “(8) a description of the local levels of perform-
2 ance negotiated with the Governor and chief elected
3 official pursuant to section 136(c), to be—

4 “(A) used to measure the performance of
5 the local area; and

6 “(B) used by the local board for measuring
7 performance of the local fiscal agent (where ap-
8 propriate), eligible providers, and the one-stop
9 delivery system, in the local area;

10 “(9) a description of the process used by the
11 local board, consistent with subsection (c), to provide
12 an opportunity for public comment prior to submis-
13 sion of the plan;

14 “(10) a description of how the local area will
15 serve the employment and training needs of dis-
16 located workers (including displaced homemakers),
17 low-income individuals (including recipients of public
18 assistance such as the Supplemental Nutrition As-
19 sistance Program), English learners, homeless indi-
20 viduals, individuals training for nontraditional em-
21 ployment, youth (including out-of-school youth and
22 at-risk youth), older workers, ex-offenders, migrant
23 and seasonal farmworkers, refugee and entrants,
24 veterans (including disabled veterans and homeless
25 veterans), and Native Americans;

1 “(11) an identification of the entity responsible
2 for the disbursal of grant funds described in sub-
3 clause (III) of section 117(d)(4)(B)(i), as deter-
4 mined by the chief elected official or the Governor
5 under such section;

6 “(12) a description of the strategies and serv-
7 ices that will be used in the local area to assist at-
8 risk youth and out-of-school youth in acquiring the
9 education and skills, credentials (including recog-
10 nized postsecondary credentials and industry-recog-
11 nized credentials), and employment experience to
12 succeed in the labor market, including—

13 “(A) training and internships in in-demand
14 industries or occupations important to the State
15 and local economy;

16 “(B) dropout recovery activities that are
17 designed to lead to the attainment of a regular
18 secondary school diploma or its recognized
19 equivalent, or other State recognized equivalent
20 (including recognized alternative standards for
21 individuals with disabilities); and

22 “(C) activities combining remediation of
23 academic skills, work readiness training, and
24 work experience, and including linkages to post-

1 secondary education and training and career-
2 ladder employment; and

3 “(13) such other information as the Governor
4 may require.”;

5 (3) in subsection (c)(1), by striking “such
6 means” and inserting “electronic means such”; and

7 (4) in subsection (c)(2), by striking “, including
8 representatives of business and representatives of
9 labor organizations,”.

10 **SEC. 108. ESTABLISHMENT OF ONE-STOP DELIVERY SYS-**
11 **TEM.**

12 Section 121 (29 U.S.C. 2841) is amended—

13 (1) in subsection (b)—

14 (A) by striking subparagraph (A) of para-
15 graph (1) and inserting the following:

16 “(A) ROLES AND RESPONSIBILITIES OF
17 ONE-STOP PARTNERS.—Each entity that carries
18 out a program or activities described in sub-
19 paragraph (B) shall—

20 “(i) provide access through the one-
21 stop delivery system to the programs and
22 activities carried out by the entity, includ-
23 ing making the work ready services de-
24 scribed in section 134(c)(2) that are appli-
25 cable to the program of the entity available

1 at the one-stop centers (in addition to any
2 other appropriate locations);

3 “(ii) use a portion of the funds avail-
4 able to the program of the entity to main-
5 tain the one-stop delivery system, including
6 payment of the infrastructure costs of one-
7 stop centers in accordance with subsection
8 (h);

9 “(iii) enter into a local memorandum
10 of understanding with the local board re-
11 lating to the operation of the one-stop de-
12 livery system that meets the requirements
13 of subsection (c); and

14 “(iv) participate in the operation of
15 the one-stop delivery system consistent
16 with the terms of the memorandum of un-
17 derstanding, the requirements of this title,
18 and the requirements of the Federal laws
19 authorizing the programs carried out by
20 the entity.”;

21 (B) in paragraph (1)(B)—

22 (i) by striking clause (vi); and

23 (ii) by redesignating clauses (vii)
24 through (xii) as clauses (vi) through (xi),
25 respectively; and

1 (C) in paragraph (2)—

2 (i) in subparagraph (A)(i), by striking
3 “section 134(d)(2)” and inserting “section
4 134(c)(2)”; and

5 (ii) in subparagraph (B)—

6 (I) by striking clause (ii) and (v);

7 (II) by redesignating clauses (iii)
8 through (iv) as clauses (ii) through
9 (iii), respectively; and

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

12 “(iv) employment and training pro-
13 grams administered by the Commissioner
14 of the Social Security Administration;

15 “(v) employment and training pro-
16 grams carried out by the Administrator of
17 the Small Business Administration;

18 “(vi) employment, training, and lit-
19 eracy services carried out by public librar-
20 ies; and

21 “(vii) other appropriate Federal,
22 State, or local programs, including pro-
23 grams in the private sector.”;

24 (2) in subsection (c)(2), by amending subpara-
25 graph (A) to read as follows:

1 “(A) provisions describing—

2 “(i) the services to be provided
3 through the one-stop delivery system con-
4 sistent with the requirements of this sec-
5 tion, including the manner in which the
6 services will be coordinated through such
7 system;

8 “(ii) how the costs of such services
9 and the operating costs of such system will
10 be funded, through cash and in-kind con-
11 tributions, to provide a stable and equi-
12 table funding stream for ongoing one-stop
13 system operations, including the funding of
14 the infrastructure costs of one-stop centers
15 in accordance with subsection (h);

16 “(iii) methods of referral of individ-
17 uals between the one-stop operator and the
18 one-stop partners for appropriate services
19 and activities, including referrals for non-
20 traditional employment; and

21 “(iv) the duration of the memo-
22 randum of understanding and the proce-
23 dures for amending the memorandum dur-
24 ing the term of the memorandum, and as-
25 surances that such memorandum shall be

1 reviewed not less than once every 2-year
2 period to ensure appropriate funding and
3 delivery of services; and”;

4 (3) in subsection (d)—

5 (A) in the heading for paragraph (1), by
6 striking “DESIGNATION AND CERTIFICATION”
7 and inserting “LOCAL DESIGNATION AND CER-
8 TIFICATION”;

9 (B) in paragraph (2)—

10 (i) by striking “section 134(c)” and
11 inserting “subsection (e)”;

12 (ii) by amending subparagraph (A) to
13 read as follows:

14 “(A) shall be designated or certified as a
15 one-stop operator through a competitive proc-
16 ess; and”; and

17 (iii) in subparagraph (B), by striking
18 clause (ii) and redesignating clauses (iii)
19 through (vi) as clauses (ii) through (v), re-
20 spectively; and

21 (C) in paragraph (3), by striking “voca-
22 tional” and inserting “career and technical”;

23 (4) by amending subsection (e) to read as fol-
24 lows:

1 “(e) ESTABLISHMENT OF ONE-STOP DELIVERY SYS-
2 TEM.—

3 “(1) IN GENERAL.—There shall be established
4 in a State that receives an allotment under section
5 132(b) a one-stop delivery system, which shall—

6 “(A) provide the work ready services de-
7 scribed in section 134(c)(2);

8 “(B) provide access to training services as
9 described in section 134(c)(4), including serving
10 as the point of access to career enhancement
11 accounts for training services to participants in
12 accordance with paragraph (4)(G) of such sec-
13 tion;

14 “(C) provide access to the activities carried
15 out under section 134(d), if any;

16 “(D) provide access to programs and ac-
17 tivities carried out by one-stop partners that
18 are described in subsection (b) of this section;
19 and

20 “(E) provide access to the information de-
21 scribed in section 15(e) of the Wagner-Peyser
22 Act (29 U.S.C. 491–2(e)).

23 “(2) ONE-STOP DELIVERY.—At a minimum, the
24 one-stop delivery system—

1 “(A) shall make each of the programs,
2 services, and activities described in paragraph
3 (1) accessible at not less than one physical cen-
4 ter in each local area of the State; and

5 “(B) may also make programs, services,
6 and activities described in paragraph (1) avail-
7 able—

8 “(i) through a network of affiliated
9 sites that can provide one or more of the
10 programs, services, and activities to indi-
11 viduals; and

12 “(ii) through a network of eligible
13 one-stop partners—

14 “(I) in which each partner pro-
15 vides one or more of the programs,
16 services, and activities to such individ-
17 uals and is accessible at an affiliated
18 site that consists of a physical loca-
19 tion or an electronically- or techno-
20 logically-linked access point; and

21 “(II) that assures individuals
22 that information on the availability of
23 the work ready services will be avail-
24 able regardless of where the individ-
25 uals initially enter the statewide work-

1 force investment system, including in-
2 formation made available through an
3 access point described in subclause
4 (I).

5 “(3) SPECIALIZED CENTERS.—The centers and
6 sites described in paragraph (2) may have a speciali-
7 zation in addressing special needs.”; and

8 (5) by adding at the end the following:

9 “(g) CERTIFICATION OF ONE-STOP CENTERS.—
10 “(1) IN GENERAL.—

11 “(A) IN GENERAL.—The State board shall
12 establish objective procedures and criteria for
13 periodically certifying one-stop centers for the
14 purpose of awarding the one-stop infrastructure
15 funding described in subsection (h).

16 “(B) CRITERIA.—The criteria for certifi-
17 cation under this subsection shall include—

18 “(i) meeting all of the expected levels
19 of performance for each of the core indica-
20 tors of performance as outlined in the
21 State plan under section 112;

22 “(ii) meeting minimum standards re-
23 lating to the scope and degree of service
24 integration achieved by the centers involv-

1 ing the programs provided by the one-stop
2 partners; and

3 “(iii) meeting minimum standards re-
4 lating to how the centers ensure that eligi-
5 ble providers meet the employment needs
6 of local employers and participants.

7 “(C) EFFECT OF CERTIFICATION.—One-
8 stop centers certified under this subsection shall
9 be eligible to receive the infrastructure grants
10 authorized under subsection (h).

11 “(2) LOCAL BOARDS.—Consistent with the cri-
12 teria developed by the State, the local board may de-
13 velop additional criteria of higher standards to re-
14 spond to local labor market and demographic condi-
15 tions and trends.

16 “(h) ONE-STOP INFRASTRUCTURE FUNDING.—

17 “(1) PARTNER CONTRIBUTIONS.—

18 “(A) PROVISION OF FUNDS.—Notwith-
19 standing any other provision of law, as deter-
20 mined under subparagraph (B), a portion of the
21 Federal funds provided to the State and areas
22 within the State under the Federal laws author-
23 izing the one-stop partner programs described
24 in subsection (b)(1)(B) and participating addi-
25 tional partner programs described in (b)(2)(B)

1 for a fiscal year shall be provided to the Gov-
2 ernor by such programs to carry out this sub-
3 section.

4 “(B) DETERMINATION OF GOVERNOR.—

5 “(i) IN GENERAL.—Subject to sub-
6 paragraph (C), the Governor, in consulta-
7 tion with the State board, shall determine
8 the portion of funds to be provided under
9 subparagraph (A) by each one-stop partner
10 and in making such determination shall
11 consider the proportionate use of the one-
12 stop centers by each partner, the costs of
13 administration for purposes not related to
14 one-stop centers for each partner, and
15 other relevant factors described in para-
16 graph (3).

17 “(ii) SPECIAL RULE.—In those States
18 where the State constitution places policy-
19 making authority that is independent of
20 the authority of the Governor in an entity
21 or official with respect to the funds pro-
22 vided for adult education and literacy ac-
23 tivities authorized under title II of this Act
24 and for postsecondary career education ac-
25 tivities authorized under the Carl D. Per-

1 kins Career and Technical Education Act,
2 the determination described in clause (i)
3 with respect to such programs shall be
4 made by the Governor with the appropriate
5 entity or official with such independent
6 policy-making authority.

7 “(iii) APPEAL BY ONE-STOP PART-
8 NERS.—The Governor shall establish a
9 procedure for the one-stop partner admin-
10 istering a program described in subsection
11 (b) to appeal a determination regarding
12 the portion of funds to be contributed
13 under this paragraph on the basis that
14 such determination is inconsistent with the
15 criteria described in the State plan or with
16 the requirements of this paragraph. Such
17 procedure shall ensure prompt resolution
18 of the appeal.

19 “(C) LIMITATIONS.—

20 “(i) PROVISION FROM ADMINISTRA-
21 TIVE FUNDS.—The funds provided under
22 this paragraph by each one-stop partner
23 shall be provided only from funds available
24 for the costs of administration under the
25 program administered by such partner,

1 and shall be subject to the limitations with
2 respect to the portion of funds under such
3 programs that may be used for administra-
4 tion.

5 “(ii) FEDERAL DIRECT SPENDING
6 PROGRAMS.—Programs that are Federal
7 direct spending under section 250(c)(8) of
8 the Balanced Budget and Emergency Def-
9 icit Control Act of 1985 (2 U.S.C.
10 900(c)(8)) shall not, for purposes of this
11 paragraph, be required to provide an
12 amount in excess of the amount deter-
13 mined to be equivalent to the proportionate
14 use of the one-stop centers by such pro-
15 grams in the State.

16 “(2) ALLOCATION BY GOVERNOR.—From the
17 funds provided under paragraph (1), the Governor
18 shall allocate funds to local areas in accordance with
19 the formula established under paragraph (3) for the
20 purposes of assisting in paying the costs of the in-
21 frastructure of one-stop centers certified under sub-
22 section (g).

23 “(3) ALLOCATION FORMULA.—The State board
24 shall develop a formula to be used by the Governor
25 to allocate the funds described in paragraph (1).

1 The formula shall include such factors as the State
2 board determines are appropriate, which may in-
3 clude factors such as the number of centers in the
4 local area that have been certified, the population
5 served by such centers, and the performance of such
6 centers.

7 “(4) COSTS OF INFRASTRUCTURE.—For pur-
8 poses of this subsection, the term ‘costs of infra-
9 structure’ means the nonpersonnel costs that are
10 necessary for the general operation of a one-stop
11 center, including the rental costs of the facilities, the
12 costs of utilities and maintenance, and equipment
13 (including assistive technology for individuals with
14 disabilities).

15 “(i) OTHER FUNDS.—

16 “(1) IN GENERAL.—In addition to the funds
17 provided to carry out subsection (h), a portion of
18 funds made available under Federal law authorizing
19 the one-stop partner programs described in sub-
20 section (b)(1)(B) and participating additional part-
21 ner programs described in subsection (b)(2)(B), or
22 the noncash resources available under such pro-
23 grams shall be used to pay the costs relating to the
24 operation of the one-stop delivery system that are
25 not paid for from the funds provided under sub-

1 section (h), to the extent not inconsistent with the
2 Federal law involved including—

3 “(A) infrastructure costs that are in excess
4 of the funds provided under subsection (h);

5 “(B) common costs that are in addition to
6 the costs of infrastructure; and

7 “(C) the costs of the provision of work
8 ready services applicable to each program.

9 “(2) DETERMINATION AND GUIDANCE.—The
10 method for determining the appropriate portion of
11 funds and noncash resources to be provided by each
12 program under paragraph (1) shall be determined as
13 part of the memorandum of understanding under
14 subsection (c). The State board shall provide guid-
15 ance to facilitate the determination of appropriate
16 allocation of the funds and noncash resources in
17 local areas.”.

18 **SEC. 109. IDENTIFICATION OF ELIGIBLE PROVIDERS OF**
19 **TRAINING SERVICES.**

20 Section 122 (29 U.S.C. 2842) is amended to read as
21 follows:

22 **“SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF**
23 **TRAINING SERVICES.**

24 “(a) ELIGIBILITY.—

1 “(1) IN GENERAL.—The Governor, after con-
2 sultation with the State board, shall establish cri-
3 teria and procedures regarding the eligibility of pro-
4 viders of training services described in section
5 134(c)(4) to receive funds provided under section
6 133(b) for the provision of such training services.

7 “(2) PROVIDERS.—Subject to the provisions of
8 this section, to be eligible to receive the funds pro-
9 vided under section 133(b) for the provision of train-
10 ing services, the provider shall be—

11 “(A) a postsecondary educational institu-
12 tion that—

13 “(i) is eligible to receive Federal funds
14 under title IV of the Higher Education Act
15 of 1965 (20 U.S.C. 1070 et seq.); and

16 “(ii) provides a program that leads to
17 an associate degree, baccalaureate degree,
18 or industry-recognized certification;

19 “(B) an entity that carries out programs
20 under the Act of August 16, 1937 (commonly
21 known as the ‘National Apprenticeship Act’; 50
22 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.);
23 or

24 “(C) another public or private provider of
25 a program of training services.

1 “(3) INCLUSION IN LIST OF ELIGIBLE PRO-
2 VIDERS.—A provider described in subparagraph (A)
3 or (C) of paragraph (2) shall comply with the cri-
4 teria and procedures established under this section
5 to be included on the list of eligible providers of
6 training services described in subsection (d)(1). A
7 provider described in paragraph (2)(B) shall be in-
8 cluded on the list of eligible providers of training
9 services described in subsection (d)(1) for so long as
10 the provider remains certified by the Secretary of
11 Labor to carry out the programs described in para-
12 graph (2)(B).

13 “(b) CRITERIA.—

14 “(1) IN GENERAL.—The criteria established
15 pursuant to subsection (a) shall take into account—

16 “(A) the performance of providers of train-
17 ing services with respect to the performance
18 measures described in section 136 and other
19 matters for which information is required under
20 paragraph (2) and other appropriate measures
21 of performance outcomes for those participants
22 receiving training services under this subtitle
23 (taking into consideration the characteristics of
24 the population served and relevant economic
25 conditions);

1 “(B) whether the training programs of
2 such providers relate to occupations that are in
3 demand;

4 “(C) the need to ensure access to training
5 services throughout the State, including in rural
6 areas;

7 “(D) the ability of providers to offer pro-
8 grams that lead to a degree or an industry-rec-
9 ognized certification, certificate, or mastery;

10 “(E) the information such providers are
11 required to report to State agencies with re-
12 spect to other Federal and State programs
13 (other than the program carried out under this
14 subtitle), including one-stop partner programs;
15 and

16 “(F) such other factors as the Governor
17 determines are appropriate.

18 “(2) INFORMATION.—The criteria established
19 by the Governor shall require that a provider of
20 training services submit appropriate, accurate, and
21 timely information to the State for purposes of car-
22 rying out subsection (d), with respect to participants
23 receiving training services under this subtitle in the
24 applicable program, including—

1 “(A) information on degrees and industry-
2 recognized certifications received by such par-
3 ticipants;

4 “(B) information on costs of attendance
5 for such participants;

6 “(C) information on the program comple-
7 tion rate for such participants; and

8 “(D) information on the performance of
9 the provider with respect to the performance
10 measures described in section 136 for such par-
11 ticipants (taking into consideration the charac-
12 teristics of the population served and relevant
13 economic conditions), which shall include infor-
14 mation specifying the percentage of such par-
15 ticipants who entered unsubsidized employment
16 in an occupation related to the program.

17 “(3) RENEWAL.—The criteria established by
18 the Governor shall also provide for biennial review
19 and renewal of eligibility under this section for pro-
20 viders of training services.

21 “(4) LOCAL CRITERIA.—A local board in the
22 State may establish criteria in addition to the cri-
23 teria established by the Governor, or may require
24 higher levels of performance than required under the
25 criteria established by the Governor, for purposes of

1 determining the eligibility of providers of training
2 services to receive funds described in subsection (a)
3 to provide the services in the local area involved.

4 “(5) LIMITATION.—In carrying out the require-
5 ments of this subsection, no personally identifiable
6 information regarding a student, including Social
7 Security number, student identification number, or
8 other identifier, may be disclosed without the prior
9 written consent of the parent or eligible student in
10 compliance with section 444 of the General Edu-
11 cation Provisions Act (20 U.S.C. 1232g).

12 “(c) PROCEDURES.—The procedures established
13 under subsection (a) shall—

14 “(1) identify—

15 “(A) the application process for a provider
16 of training services to become eligible to receive
17 funds under section 133(b) for the provision of
18 training services; and

19 “(B) the respective roles of the State and
20 local areas in receiving and reviewing applica-
21 tions and in making determinations of eligibility
22 based on the criteria established under this sec-
23 tion; and

24 “(2) establish a process for a provider of train-
25 ing services to appeal a denial or termination of eli-

1 gibility under this section that includes an oppor-
2 tunity for a hearing and prescribes appropriate time
3 limits to ensure prompt resolution of the appeal.

4 “(d) INFORMATION TO ASSIST PARTICIPANTS IN
5 CHOOSING PROVIDERS.—

6 “(1) IN GENERAL.—In order to facilitate and
7 assist participants under chapter 5 in choosing pro-
8 viders of training services, the Governor shall ensure
9 that an appropriate list or lists of providers deter-
10 mined eligible under this section in the State, includ-
11 ing information regarding the occupations in de-
12 mand that relate to the training programs of such
13 providers and the accompanying information de-
14 scribed in paragraph (2), is provided to the local
15 boards in the State to be made available to such
16 participants and to members of the public through
17 the one-stop delivery system in the State.

18 “(2) AVAILABILITY THROUGH ONE-STOP DELIV-
19 ERY SYSTEM.—The list and the accompanying infor-
20 mation shall be made available to such participants
21 and to members of the public through the one-stop
22 delivery system in the State.

23 “(e) ENFORCEMENT.—

1 “(1) IN GENERAL.—The criteria and proce-
2 dures established under this section shall provide the
3 following:

4 “(A) INTENTIONALLY SUPPLYING INAC-
5 CURATE INFORMATION.—Upon a determination,
6 by an individual or entity specified in the cri-
7 teria or procedures, that a provider of training
8 services, or individual providing information on
9 behalf of the provider, intentionally supplied in-
10 accurate information under this section, the eli-
11 gibility of such provider to receive funds under
12 chapter 5 shall be terminated for a period of
13 time that is not less than 2 years.

14 “(B) SUBSTANTIAL VIOLATIONS.—Upon a
15 determination, by an individual or entity speci-
16 fied in the criteria or procedures, that a pro-
17 vider of training services substantially violated
18 any requirement under this title, the eligibility
19 of such provider to receive funds under the pro-
20 gram involved shall be terminated.

21 “(C) REPAYMENT.—A provider of training
22 services whose eligibility is terminated under
23 subparagraph (A) or (B) shall be liable for the
24 repayment of funds received under chapter 5

1 during a period of noncompliance described in
2 such subparagraph.

3 “(2) CONSTRUCTION.—Paragraph (1) shall be
4 construed to provide remedies and penalties that
5 supplement, but do not supplant, other civil and
6 criminal remedies and penalties.

7 “(f) AGREEMENTS WITH OTHER STATES.—States
8 may enter into agreements, on a reciprocal basis, to per-
9 mit eligible providers of training services to accept career
10 enhancement accounts provided in another State.

11 “(g) RECOMMENDATIONS.—In developing the cri-
12 teria, procedures, and information required under this sec-
13 tion, the Governor shall solicit and take into consideration
14 the recommendations of local boards and providers of
15 training services within the State.

16 “(h) OPPORTUNITY TO SUBMIT COMMENTS.—Dur-
17 ing the development of the criteria, procedures, require-
18 ments for information, and the list of eligible providers
19 required under this section, the Governor shall provide an
20 opportunity for interested members of the public to submit
21 comments regarding such criteria, procedures, and infor-
22 mation.

23 “(i) ON-THE-JOB TRAINING OR CUSTOMIZED TRAIN-
24 ING EXCEPTION.—

1 “(1) IN GENERAL.—Providers of on-the-job
2 training or customized training shall not be subject
3 to the requirements of subsections (a) through (d).

4 “(2) COLLECTION AND DISSEMINATION OF IN-
5 FORMATION.—A one-stop operator in a local area
6 shall collect such performance information from on-
7 the-job training and customized training providers
8 as the Governor may require, determine whether the
9 providers meet such performance criteria as the Gov-
10 ernor may require, and disseminate information
11 identifying providers that meet the criteria as eligi-
12 ble providers, and the performance information,
13 through the one-stop delivery system. Providers de-
14 termined to meet the criteria shall be considered to
15 be identified as eligible providers of training serv-
16 ices.”.

17 **SEC. 110. GENERAL AUTHORIZATION.**

18 Chapter 5 of subtitle B of title I is amended—

19 (1) by striking the heading for chapter 5 and
20 inserting the following: “**EMPLOYMENT AND**
21 **TRAINING ACTIVITIES**”; and

22 (2) in section 131 (29 U.S.C. 2861)—

23 (A) by striking “paragraphs (1)(B) and
24 (2)(B) of”; and

1 (B) by striking “adults, and dislocated
2 workers,” and inserting “individuals”.

3 **SEC. 111. STATE ALLOTMENTS.**

4 Section 132 (29 U.S.C. 2862) is amended—

5 (1) by amending subsection (a) to read as fol-
6 lows:

7 “(a) IN GENERAL.—The Secretary shall—

8 “(1) reserve $\frac{1}{2}$ of 1 percent of the total amount
9 appropriated under section 137 for a fiscal year, of
10 which—

11 “(A) 50 percent shall be used to provide
12 technical assistance under section 170; and

13 “(B) 50 percent shall be used for evalua-
14 tions under section 172;

15 “(2) reserve not more than 1 percent of the
16 total amount appropriated under section 137 for a
17 fiscal year to make grants to, and enter into con-
18 tracts or cooperative agreements with Indian tribes,
19 tribal organizations, Alaska-Native entities, Indian-
20 controlled organizations serving Indians, or Native
21 Hawaiian organizations to carry out employment
22 and training activities;

23 “(3) reserve not more than 28 percent of the
24 total amount appropriated under section 137 for a

1 fiscal year to carry out the Jobs Corps program
2 under subtitle C; and

3 “(4) from the remaining amount appropriated
4 under section 137 for a fiscal year (after reserving
5 funds under paragraphs (1) through (3)), make al-
6 lotments in accordance with subsection (b) of this
7 section.”; and

8 (2) by amending subsection (b) to read as fol-
9 lows:

10 “(b) WORKFORCE INVESTMENT FUND.—

11 “(1) RESERVATION FOR OUTLYING AREAS.—

12 “(A) IN GENERAL.—From the amount
13 made available under subsection (a)(4) for a
14 fiscal year, the Secretary shall reserve not more
15 than $\frac{1}{4}$ of 1 percent to provide assistance to
16 the outlying areas.

17 “(B) RESTRICTION.—The Republic of
18 Palau shall cease to be eligible to receive fund-
19 ing under this subparagraph upon entering into
20 an agreement for extension of United States
21 educational assistance under the Compact of
22 Free Association (approved by the Compact of
23 Free Association Amendments Act of 2003
24 (Public Law 99–658)) after the date of enact-

1 ment of the Workforce Investment Improve-
2 ment Act of 2012.

3 “(2) STATES.—

4 “(A) IN GENERAL.—After determining the
5 amount to be reserved under paragraph (1), the
6 Secretary shall allot the remainder of the
7 amount referred to in subsection (a)(4) for a
8 fiscal year to the States pursuant to subpara-
9 graph (B) for employment and training activi-
10 ties and statewide workforce investment activi-
11 ties.

12 “(B) FORMULA.—Subject to subpara-
13 graphs (C) and (D), of the remainder—

14 “(i) 25 percent shall be allotted on the
15 basis of the relative number of unemployed
16 individuals in areas of substantial unem-
17 ployment in each State, compared to the
18 total number of unemployed individuals in
19 areas of substantial unemployment in all
20 States;

21 “(ii) 25 percent shall be allotted on
22 the basis of the relative number of individ-
23 uals in the civilian labor force in each
24 State, compared to the total number of
25 such individuals in all States;

1 “(iii) 25 percent shall be allotted on
2 the basis of the relative number of individ-
3 uals in each State who have been unem-
4 ployed for 15 weeks or more, compared to
5 the total number of individuals in all
6 States who have been unemployed for 15
7 weeks or more; and

8 “(iv) 25 percent shall be allotted on
9 the basis of the relative number of dis-
10 advantaged youth in each State, compared
11 to the total number of disadvantaged youth
12 in all States.

13 “(C) MINIMUM AND MAXIMUM PERCENT-
14 AGES.—

15 “(i) MINIMUM PERCENTAGE.—The
16 Secretary shall ensure that no State shall
17 receive an allotment under this paragraph
18 for—

19 “(I) fiscal year 2013, that is less
20 than 100 percent of the allotment per-
21 centage of the State for the preceding
22 fiscal year; and

23 “(II) fiscal year 2014 and each
24 succeeding fiscal year, that is less
25 than 90 percent of the allotment per-

1 centage of the State for the preceding
2 fiscal year.

3 “(ii) MAXIMUM PERCENTAGE.—Sub-
4 ject to clause (i), the Secretary shall en-
5 sure that no State shall receive an allot-
6 ment under this paragraph for a fiscal
7 year that is more than 130 percent of the
8 allotment percentage of the State for the
9 preceding fiscal year.

10 “(D) SMALL STATE MINIMUM ALLOT-
11 MENT.—Subject to subparagraph (C), the Sec-
12 retary shall ensure that no State shall receive
13 an allotment under this paragraph for a fiscal
14 year that is less than $\frac{2}{10}$ of 1 percent of the
15 remainder described in subparagraph (A) for
16 the fiscal year.

17 “(E) DEFINITIONS.—For the purpose of
18 the formula specified in this paragraph:

19 “(i) ALLOTMENT PERCENTAGE.—The
20 term ‘allotment percentage’—

21 “(I) used with respect to fiscal
22 year 2012, means the percentage of
23 the amounts allotted to States under
24 title I of this Act, title V of the Older
25 Americans Act of 1965, and sections

1 1 through 14 of the Wagner-Peyser
2 Act of 1933, as such provisions were
3 in effect on the day before the date of
4 enactment of the Workforce Invest-
5 ment Improvement Act of 2012, that
6 is received under such provisions by
7 the State involved for fiscal year
8 2012; and

9 “(II) used with respect to fiscal
10 year 2013 or a subsequent year,
11 means the percentage of the amounts
12 allotted to States for fiscal year 2012
13 under the provisions described in sub-
14 clause (I) that is received through an
15 allotment made under this paragraph
16 for the fiscal year.

17 “(ii) DISADVANTAGED YOUTH.—The
18 term ‘disadvantaged youth’ means an indi-
19 vidual who is not less than age 16 and not
20 more than age 24 who receives an income,
21 or is a member of a family that received a
22 total family income, that in relation to
23 family size, does not exceed the higher
24 of—

25 “(I) the poverty line; or

1 “(II) 70 percent of the lower liv-
2 ing standard income level.

3 “(iii) INDIVIDUAL.—The term ‘indi-
4 vidual’ means an individual who is not less
5 than age 16 and not more than age 72.”.

6 **SEC. 112. WITHIN STATE ALLOCATIONS.**

7 Section 133 is amended—

8 (1) by amending subsection (a) to read as fol-
9 lows:

10 “(a) RESERVATIONS FOR STATEWIDE EMPLOYMENT
11 AND TRAINING ACTIVITIES.—

12 “(1) IN GENERAL.—The Governor of a State
13 shall reserve up to 10 percent of the total amount
14 allotted to the State under section 132(b)(2) for a
15 fiscal year to carry out the statewide activities de-
16 scribed in paragraphs (2) and (3) of section 134(a).

17 “(2) STATEWIDE RAPID RESPONSE ACTIVI-
18 TIES.—Of the amount reserved under paragraph (1)
19 for a fiscal year, the Governor of the State shall re-
20 serve not more than 10 percent for statewide rapid
21 response activities described in section 134(a)(4).

22 “(3) STATEWIDE INDIVIDUALS WITH BARRIERS
23 TO EMPLOYMENT GRANTS.—The Governor of a
24 State shall reserve 2 percent of the total amount al-
25 lotted to the State under section 132(b)(2) for a fis-

1 cal year to carry out statewide activities described in
2 section 134(a)(5).”;

3 (2) by amending subsection (b) to read as fol-
4 lows:

5 “(b) WITHIN STATE ALLOCATION.—

6 “(1) STATEWIDE EMPLOYMENT AND TRAINING
7 ACTIVITIES.—The Governor, acting in accordance
8 with the State plan, and after consulting with chief
9 elected officials in the local areas, shall—

10 “(A) allocate the funds that are allotted to
11 the State for employment and training activities
12 and not reserved under subsection (a), in ac-
13 cordance with paragraph (2)(A); and

14 “(B) award the funds that are reserved by
15 the State under subsection (a)(3) through com-
16 petitive grants to eligible entities, in accordance
17 with section 134(a)(1)(C).

18 “(2) FORMULA ALLOCATIONS FOR THE WORK-
19 FORCE INVESTMENT FUND.—

20 “(A) ALLOCATION.—In allocating the
21 funds described in paragraph (1)(A) to local
22 areas, a State shall allocate—

23 “(i) 25 percent on the basis described
24 in section 132(b)(2)(B)(i);

1 “(ii) 25 percent on the basis described
2 in section 132(b)(2)(B)(ii);

3 “(iii) 25 percent on the basis de-
4 scribed in section 132(b)(B)(iii); and

5 “(iv) 25 percent on the basis de-
6 scribed in section 132(b)(2)(B)(iv).

7 “(B) MINIMUM AND MAXIMUM PERCENT-
8 AGES.—

9 “(i) MINIMUM PERCENTAGE.—The
10 State shall ensure that no local area shall
11 receive an allocation under this paragraph
12 for—

13 “(I) fiscal year 2013, that is less
14 than 100 percent of the allocation
15 percentage of the local area for the
16 preceding fiscal year; and

17 “(II) fiscal year 2014 and each
18 succeeding fiscal year, that is less
19 than 90 percent of the allocation per-
20 centage of the local area for the pre-
21 ceding fiscal year.

22 “(ii) MAXIMUM PERCENTAGE.—Sub-
23 ject to clause (i), the State shall ensure
24 that no local area shall receive an alloca-
25 tion for a fiscal year under this paragraph

1 for a fiscal year that is more than 130 per-
2 cent of the allocation percentage of the
3 local area for the preceding fiscal year.

4 “(C) DEFINITIONS.—For the purpose of
5 the formula specified in this paragraph, the
6 term ‘allocation percentage’—

7 “(i) used with respect to fiscal year
8 2012, means the percentage of the
9 amounts allocated to local areas under title
10 I of this Act, title V of the Older Ameri-
11 cans Act of 1965, and sections 1 through
12 14 of the Wagner-Peyser Act of 1933, as
13 such provisions were in effect on the day
14 before the date of enactment of the Work-
15 force Investment Improvement Act of
16 2012, that is received under such provi-
17 sions by the local area involved for fiscal
18 year 2012; and

19 “(ii) used with respect to fiscal year
20 2013 or a subsequent year, means the per-
21 centage of the amounts allocated to local
22 areas for fiscal year 2012 under the provi-
23 sions described in clause (i) that is re-
24 ceived through an allocation made under
25 this paragraph for the fiscal year.”;

1 (3) in subsection (c)—

2 (A) by amending paragraph (1) to read as
3 follows:

4 “(1) IN GENERAL.—The Governor, may in ac-
5 cordance with this subsection, reallocate to eligible
6 local areas within the State amounts that are allo-
7 cated under subsection (b) for employment and
8 training activities and that are available for realloca-
9 tion.”;

10 (B) in paragraph (2), by striking “para-
11 graph (2)(A) or (3) of subsection (b) for such
12 activities” and inserting “subsection (b) for
13 such activities”;

14 (C) by amending paragraph (3) to read as
15 follows:

16 “(3) REALLOCATIONS.—In making reallocations
17 to eligible local areas of amounts available pursuant
18 to paragraph (2) for a program year, the Governor
19 shall allocate to each eligible local area within the
20 State an amount based on the relative amount allo-
21 cated to such local area under subsection (b)(2) for
22 such activities for such prior program year, as com-
23 pared to the total amount allocated to all eligible
24 local areas in the State under subsection (b)(2) for
25 such activities for such prior program year.”; and

1 (D) in paragraph (4), by striking “para-
2 graph (2)(A) or (3) of”; and

3 (4) by adding at the end the following new sub-
4 section:

5 “(d) LOCAL ADMINISTRATIVE COST LIMIT.—Of the
6 amounts allocated to a local area under this section for
7 a fiscal year, not more than 10 percent of the amount
8 may be used by the local board involved for the adminis-
9 trative costs of carrying out local workforce investment ac-
10 tivities in the local area under this chapter.”.

11 **SEC. 113. USE OF FUNDS FOR EMPLOYMENT AND TRAINING**
12 **ACTIVITIES.**

13 Section 134 is amended—

14 (1) by amending subsection (a) to read as fol-
15 lows:

16 “(a) STATEWIDE EMPLOYMENT AND TRAINING AC-
17 TIVITIES.—

18 “(1) IN GENERAL.—

19 “(A) DISTRIBUTION OF STATEWIDE AC-
20 TIVITIES.—Funds reserved by a Governor for a
21 State as described in section 133(a)(1)—

22 “(i) shall be used to carry out the
23 statewide employment and training activi-
24 ties described in paragraph (2); and

1 “(ii) may be used to carry out any of
2 the statewide employment and training ac-
3 tivities described in paragraph (3).

4 “(B) STATEWIDE RAPID RESPONSE ACTIVI-
5 TIES.—Funds reserved by a Governor for a
6 State as described in section 133(a)(2) shall be
7 used to carry out the statewide rapid response
8 activities described in paragraph (4).

9 “(C) STATEWIDE INDIVIDUALS WITH BAR-
10 RERS TO EMPLOYMENT GRANTS.—Funds re-
11 served by a Governor for a State as described
12 in section 133(a)(3) shall be used to carry out
13 the Statewide Individuals with Barriers to Em-
14 ployment Grant competition described in para-
15 graph (5).

16 “(2) REQUIRED STATEWIDE EMPLOYMENT AND
17 TRAINING ACTIVITIES.—A State shall use funds re-
18 served as described in section 133(a)(1) to carry out
19 statewide employment and training activities, which
20 shall include—

21 “(A) supporting the provision of work
22 ready services described in subsection (c)(2) in
23 the one-stop delivery system;

24 “(B) implementing innovative programs
25 and strategies designed to meet the needs of all

1 employers in the State, including small employ-
2 ers, which may include incumbent worker train-
3 ing programs, sectoral and industry cluster
4 strategies and partnerships, career ladder pro-
5 grams, micro-enterprise and entrepreneurial
6 training and support programs, utilization of ef-
7 fective business intermediaries, activities to im-
8 prove linkages between the one-stop delivery
9 system in the State and all employers (includ-
10 ing small employers) in the State, and other
11 business services and strategies that better en-
12 gage employers in workforce investment activi-
13 ties and make the workforce investment system
14 more relevant to the needs of State and local
15 businesses, consistent with the objectives of this
16 title;

17 “(C) implementing strategies and services
18 that will be used in the State to assist at-risk
19 youth and out-of-school youth in acquiring the
20 education and skills, credentials (including rec-
21 ognized postsecondary credentials and industry-
22 recognized credentials), and employment experi-
23 ence to succeed in the labor market; and

24 “(D) conducting evaluations under section
25 136(e) of activities authorized under this chap-

1 ter in coordination with evaluations carried out
2 by the Secretary under section 172.

3 “(3) ALLOWABLE STATEWIDE EMPLOYMENT
4 AND TRAINING ACTIVITIES.—A State may use funds
5 reserved as described in section 133(a)(1) to carry
6 out statewide employment and training activities
7 which may include—

8 “(A) providing incentive grants to local
9 areas for regional cooperation among local
10 boards (including local boards in a designated
11 region as described in section 116(c)), for local
12 coordination of activities carried out under this
13 Act, and for exemplary performance by local
14 areas on the local performance measures;

15 “(B) providing technical assistance and ca-
16 pacity building to local areas, one-stop opera-
17 tors, one-stop partners, and eligible providers,
18 including the development and training of staff,
19 the development of exemplary program activi-
20 ties, and the provision of technical assistance to
21 local areas that fail to meet local performance
22 measures;

23 “(C) operating a fiscal and management
24 accountability system under section 136(f);

1 “(D) carrying out monitoring and over-
2 sight of activities carried out under this chap-
3 ter;

4 “(E) developing strategies for effectively
5 integrating programs and services among one-
6 stop partners;

7 “(F) carrying out activities to facilitate re-
8 mote access to services provided through a one-
9 stop delivery system, including facilitating ac-
10 cess through the use of technology; and

11 “(G) incorporating pay-for-performance
12 contracting strategies as an element in funding
13 activities under this section.

14 “(4) STATEWIDE RAPID RESPONSE ACTIVI-
15 TIES.—A State shall use funds reserved as described
16 in section 133(a)(2) to carry out statewide rapid re-
17 sponse activities, which shall include—

18 “(A) provision of rapid response activities,
19 carried out in local areas by the State or by an
20 entity designated by the State, working in con-
21 junction with the local boards and the chief
22 elected officials in the local areas; and

23 “(B) provision of additional assistance to
24 local areas that experience disasters, mass lay-
25 offs or plant closings, or other events that pre-

1 cipitate substantial increases in the number of
2 unemployed individuals, carried out in local
3 areas by the State or by an entity designated
4 by the State, working in conjunction with the
5 local boards and the chief elected officials in the
6 local areas.

7 “(5) STATEWIDE GRANTS FOR INDIVIDUALS
8 WITH BARRIERS TO EMPLOYMENT.—

9 “(A) IN GENERAL.—Of the funds reserved
10 as described in section 133(a)(3), the Governor
11 of a State—

12 “(i) may reserve up to 5 percent to
13 provide technical assistance to, and con-
14 duct evaluations as described in section
15 136(e), of the programs and activities car-
16 ried out under this paragraph; and

17 “(ii) using the remainder, shall award
18 grants on a competitive basis to eligible en-
19 tities described in subparagraph (B) to
20 carry out employment and training pro-
21 grams authorized under this paragraph for
22 individuals with barriers to employment
23 that meet specific performance outcomes
24 and criteria established by the Governor
25 under subparagraph (G).

1 “(B) ELIGIBLE ENTITY DEFINED.—For
2 purposes of this paragraph, the term ‘eligible
3 entity’ means an entity that—

4 “(i) is a—

5 “(I) local board or a consortium
6 of local boards;

7 “(II) nonprofit entity, for profit
8 entity, or a consortium of nonprofit or
9 for-profit entities; or

10 “(III) consortium of the entities
11 described in subclauses (I) and (II);

12 “(ii) has a demonstrated record of
13 placing individuals into unsubsidized em-
14 ployment and serving hard to serve individ-
15 uals; and

16 “(iii) agrees to be reimbursed pri-
17 marily on the basis of achievement of spec-
18 ified performance outcomes and criteria es-
19 tablished under subparagraph (F).

20 “(C) GRANT PERIOD.—

21 “(i) IN GENERAL.—A grant under
22 this paragraph shall be awarded for a pe-
23 riod of 1 year.

24 “(ii) GRANT RENEWAL.—A Governor
25 of a State may renew, for up to 4 addi-

1 tional 1-year periods, a grant awarded
2 under this paragraph.

3 “(D) ELIGIBLE PARTICIPANTS.—To be eli-
4 gible to participate in activities under this para-
5 graph, an individual shall be a low-income indi-
6 vidual between the ages of 16 and 74 or a
7 member of a low-income family.

8 “(E) USE OF FUNDS.—An eligible entity
9 receiving a grant under this paragraph shall use
10 such funds for activities that are designed to
11 assist eligible participants in obtaining employ-
12 ment and acquiring the education and skills
13 necessary to succeed in the labor market.

14 “(F) APPLICATIONS.—To be eligible to re-
15 ceive a grant under this paragraph, an eligible
16 entity shall submit an application to a State at
17 such time, in such manner, and containing such
18 information as the State may require, includ-
19 ing—

20 “(i) a description of how the strate-
21 gies and activities will be aligned with the
22 State plan submitted under section 112
23 and the local plans submitted under sec-
24 tion 118 with respect to the areas of the

1 State that will be the focus of grant activi-
2 ties under this paragraph;

3 “(ii) a description of the educational
4 and skills training programs and activities
5 the eligible entities will provide to eligible
6 participants under this paragraph;

7 “(iii) how the eligible entity will col-
8 laborate with State and local workforce in-
9 vestment systems established under this
10 title in the provision of such programs and
11 activities;

12 “(iv) a description of the programs of
13 demonstrated effectiveness on which the
14 provision of such educational and skills
15 training programs and activities are based,
16 and a description of how such programs
17 and activities will improve the education
18 and skills training for eligible participants;

19 “(v) a description of the populations
20 to be served and the skill needs of those
21 populations, and the manner in which eligi-
22 ble participants will be recruited and se-
23 lected as participants;

24 “(vi) a description of the private, pub-
25 lic, local, and State resources that will be

1 leveraged, in addition to the grant funds
2 provided for the programs and activities
3 under this paragraph, and how the entity
4 will ensure the sustainability of such pro-
5 grams and activities after grant funds are
6 no longer available;

7 “(vii) a description of the extent of
8 the involvement of employers in such pro-
9 grams and activities;

10 “(viii) a description of the levels of
11 performance the eligible entity expects to
12 achieve with respect to the indicators of
13 performance for all individuals specified in
14 section in 136(b)(2);

15 “(ix) a detailed budget and a descrip-
16 tion of the system of fiscal controls, and
17 auditing and accountability procedures
18 that will be used to ensure fiscal soundness
19 for the programs and activities provided
20 under this paragraph;

21 “(x) the information described in
22 clauses (i) through (vii) of subparagraph
23 (G); and

24 “(xi) any other criteria the Governor
25 may require.

1 “(G) PERFORMANCE OUTCOMES AND CRI-
2 TERIA.—Not later than 6 months after the date
3 of the enactment of the Workforce Investment
4 Improvement Act of 2012, the Governor of the
5 State shall establish and publish specific per-
6 formance measures for the initial qualification
7 of eligible entities to receive a grant under this
8 section. At a minimum, the Governor shall re-
9 quire each eligible entity to—

10 “(i) identify a particular program
11 area and client population that is not
12 achieving optimal outcomes;

13 “(ii) provide evidence that the pro-
14 posed strategy would achieve better results;

15 “(iii) clearly articulate and quantify
16 the improved outcomes of such new ap-
17 proach;

18 “(iv) identify data that would be re-
19 quired to evaluate whether outcomes are
20 being achieved for a target population and
21 a comparison group;

22 “(v) identify estimated savings that
23 would result from the improved outcomes,
24 including to other programs or units of
25 government;

1 “(vi) demonstrate the capacity to col-
2 lect required data, track outcomes, and
3 validate those outcomes; and

4 “(vii) any other criteria the Governor
5 may require.

6 “(6) LIMITATION.—Not more than 5 percent of
7 the funds allotted under section 132(b) to a State
8 and reserved as described in section 133(a)(1) may
9 be used by the State for administrative costs carried
10 out under this subsection.”;

11 (2) by amending subsection (b) to read as fol-
12 lows:

13 “(b) LOCAL EMPLOYMENT AND TRAINING ACTIVI-
14 TIES.—

15 “(1) IN GENERAL.—Funds allocated to a local
16 area under section 133(b)(2)—

17 “(A) shall be used to carry out employ-
18 ment and training activities described in sub-
19 section (c); and

20 “(B) may be used to carry out employment
21 and training activities described in subsection
22 (d).”.

23 (3) by striking subsection (c);

24 (4) by redesignating subsections (d) and (e), as
25 subsections (c) and (d), respectively;

1 (5) in subsection (c) (as so redesignated)—

2 (A) by amending paragraph (1) to read as
3 follows:

4 “(1) IN GENERAL.—Funds allocated to a local
5 area under section 133(b)(2) shall be used—

6 “(A) to establish a one-stop delivery sys-
7 tem as described in section 121(e);

8 “(B) to provide the work ready services de-
9 scribed in paragraph (2) through the one-stop
10 delivery system in accordance with such para-
11 graph; and

12 “(C) to provide training services described
13 in paragraph (4) in accordance with such para-
14 graph;”;

15 (B) in paragraph (2)—

16 (i) in the heading, by striking “CORE
17 SERVICES” and inserting “WORK READY
18 SERVICES”;

19 (ii) by striking “core services” and in-
20 serting “work ready services”;

21 (iii) by striking “who are adults or
22 dislocated workers”;

23 (iv) in subparagraph (A), by inserting
24 “and assistance in obtaining eligibility de-
25 terminations under the other one-stop

1 partner programs through such activities
2 as assisting in the submission of applica-
3 tions, the provision of information on the
4 results of such applications, the provision
5 of intake services and information, and,
6 where appropriate and consistent with the
7 authorizing statute of the one-stop partner
8 program, determinations of eligibility”
9 after “subtitle”;

10 (v) by amending subparagraph (D) to
11 read as follows:

12 “(D) labor exchange services, including—

13 “(i) job search and placement assist-
14 ance, and where appropriate, career coun-
15 seling;

16 “(ii) appropriate recruitment services
17 for employers, including small employers,
18 in the local area, which may include serv-
19 ices described in this subsection, including
20 information and referral to specialized
21 business services not traditionally offered
22 through the one-stop delivery system; and

23 “(iii) reemployment services provided
24 to unemployment claimants, including
25 claimants identified as in need of such

1 services under the worker profiling system
2 established under section 303(j) of the So-
3 cial Security Act (42 U.S.C. 503(j));”;

4 (vi) in subparagraph (E), by striking
5 “employment statistics” and inserting
6 “workforce and labor market”;

7 (vii) in subparagraph (F), by striking
8 “and eligible providers of youth activities
9 described in section 123,”;

10 (viii) in subparagraph (I), by inserting
11 “and the administration of the work test
12 for the unemployment compensation sys-
13 tem” after “compensation”;

14 (ix) by amending subparagraph (J) to
15 read as follows:

16 “(J) assistance in establishing eligibility
17 for programs of financial aid assistance for
18 training and education programs that are not
19 funded under this Act and are available in the
20 local area; and”;

21 (x) by redesignating subparagraph
22 (K) as subparagraph (U); and

23 (xi) by inserting the following new
24 subparagraphs after subparagraph (J):

1 “(K) the provision of information from of-
2 ficial publications of the Internal Revenue Serv-
3 ice regarding Federal tax credits available to in-
4 dividuals relating to education, job training and
5 employment;

6 “(L) comprehensive and specialized assess-
7 ments of the skill levels and service needs of
8 workers, which may include—

9 “(i) diagnostic testing and use of
10 other assessment tools; and

11 “(ii) in-depth interviewing and evalua-
12 tion to identify employment barriers and
13 appropriate employment goals;

14 “(M) development of an individual employ-
15 ment plan, to identify the employment goals,
16 appropriate achievement objectives, and appro-
17 priate combination of services for the participa-
18 tion to achieve the employment goals;

19 “(N) group counseling;

20 “(O) individual counseling and career plan-
21 ning;

22 “(P) case management;

23 “(Q) short-term pre-career services, includ-
24 ing development of learning skills, communica-
25 tions skills, interviewing skills, punctuality, per-

1 sonal maintenance skills, and professional con-
2 duct, to prepare individuals for unsubsidized
3 employment or training;

4 “(R) internships and work experience;

5 “(S) literacy activities relating to basic
6 work readiness, information and communication
7 technology literacy activities, and financial lit-
8 eracy activities, if such activities are not avail-
9 able to participants in the local area under pro-
10 grams administered under the Adult Education
11 and Family Literacy Act (20 U.S.C. 2901 et
12 seq.); and

13 “(T) out-of-area job search assistance and
14 relocation assistance.”; and

15 (C) by amending paragraph (3) to read as
16 follows:

17 “(3) DELIVERY OF SERVICES.—The work ready
18 services described in paragraph (2) shall be provided
19 through the one-stop delivery system and may be
20 provided through contracts with public, private for-
21 profit, and private nonprofit service providers, ap-
22 proved by the local board.”;

23 (D) in paragraph (4)—

24 (i) by amending subparagraph (A) to
25 read as follows:

1 “(A) IN GENERAL.—Funds allocated to a
2 local area under section 133(b) shall be used to
3 provide training services to individuals who—

4 “(i) after an interview, evaluation, or
5 assessment, and case management, have
6 been determined by a one-stop operator or
7 one-stop partner, as appropriate, to—

8 “(I) be in need of training serv-
9 ices to obtain or retain employment;
10 and

11 “(II) have the skills and quali-
12 fications to successfully participate in
13 the selected program of training serv-
14 ices;

15 “(ii) select programs of training serv-
16 ices that are directly linked to the employ-
17 ment opportunities in the local area in-
18 volved or in another area in which the indi-
19 vidual receiving such services are willing to
20 commute or relocate; and

21 “(iii) who meet the requirements of
22 subparagraph (B);”; and

23 (ii) in subparagraph (B)(i), by strik-
24 ing “Except” and inserting “Notwith-
25 standing section 479B of the Higher Edu-

1 cation Act of 1965 (20 U.S.C. 1087uu)
2 and except”;

3 (iii) by amending subparagraph (D) to
4 read as follows:

5 “(D) TRAINING SERVICES.—Training serv-
6 ices authorized under this paragraph may in-
7 clude—

8 “(i) occupational skills training;

9 “(ii) on-the-job training;

10 “(iii) skill upgrading and retraining;

11 “(iv) entrepreneurial training;

12 “(v) education activities leading to a
13 regular secondary school diploma or its
14 recognized equivalent in combination with,
15 concurrently or subsequently, occupational
16 skills training;

17 “(vi) adult education and literacy ac-
18 tivities provided in conjunction with other
19 training authorized under this subpara-
20 graph;

21 “(vii) workplace training combined
22 with related instruction; and

23 “(viii) occupational skills training that
24 incorporates English language acquisi-
25 tion.”;

1 (iv) by striking subparagraph (E) and
2 redesignating subparagraphs (F) and (G)
3 as subparagraphs (E) and (F), respec-
4 tively; and

5 (v) in subparagraph (E) (as so redes-
6 ignated)—

7 (I) in clause (ii)—

8 (aa) in the matter preceding
9 clause (I), by striking “sub-
10 section (c)” and inserting “sec-
11 tion 121”; and

12 (bb) in clause (II), by strik-
13 ing “subsections (e) and (h)” and
14 inserting “subsection (i)”; and

15 (II) by striking clause (iii) and
16 inserting the following:

17 “(iii) CAREER ENHANCEMENT AC-
18 COUNTS.—An individual who seeks train-
19 ing services and who is eligible pursuant to
20 subparagraph (A), may, in consultation
21 with a case manager, select an eligible pro-
22 vider of training services from the list or
23 identifying information for providers de-
24 scribed in clause (ii)(I). Upon such selec-
25 tion, the one-stop operator involved shall,

1 to the extent practicable, refer such indi-
2 vidual to the eligible provider of training
3 services, and arrange for payment for such
4 services through a career enhancement ac-
5 count.

6 “(iv) COORDINATION.—Each local
7 board may, through one-stop centers, co-
8 ordinate career enhancement accounts with
9 other Federal, State, local, or private job
10 training programs or sources to assist the
11 individual in obtaining training services.

12 “(v) ENHANCED CAREER ENHANCE-
13 MENT ACCOUNTS.—Each local board may,
14 through one-stop centers, assist individuals
15 receiving career enhancement accounts
16 through the establishment of such accounts
17 that include, in addition to the funds pro-
18 vided under this paragraph, funds from
19 other programs and sources that will assist
20 the individual in obtaining training serv-
21 ices.”; and

22 (vi) in subparagraph (G)—

23 (I) in the subparagraph heading,
24 by striking “INDIVIDUAL TRAINING

1 ACCOUNTS” and inserting “CAREER
2 ENHANCEMENT ACCOUNTS”;

3 (II) in clause (i) by striking “in-
4 dividual training accounts” and in-
5 serting “career enhancement ac-
6 counts”;

7 (III) in clause (ii)—

8 (aa) by striking “an indi-
9 vidual training account” and in-
10 serting “a career enhancement
11 account”;

12 (bb) in subclause (II), by
13 striking “individual training ac-
14 counts” and inserting “career en-
15 hancement accounts”;

16 (cc) in subclause (II) by
17 striking “or” after the semicolon;

18 (dd) in subclause (III) by
19 striking the period and inserting
20 “; or”; and

21 (ee) by adding at the end of
22 the following:

23 “(IV) the local board determines
24 that it would be most appropriate to
25 award a contract to an institution of

1 higher education in order to facilitate
2 the training of multiple individuals in
3 in-demand sectors or occupations, if
4 such contract does not limit customer
5 choice.”;

6 (IV) in clause (iii), by striking
7 “adult or dislocated worker” and in-
8 serting “individual”; and

9 (V) in clause (iv)—

10 (aa) by redesignating sub-
11 clause (IV) as subclause (V) and
12 inserting after subclause (III) the
13 following:

14 “(IV) Individuals with disabili-
15 ties.”;

16 (6) in subsection (d) (as so redesignated)—

17 (A) by amending paragraph (1) to read as
18 follows:

19 “(1) DISCRETIONARY ONE-STOP DELIVERY AC-
20 TIVITIES.—

21 “(A) IN GENERAL.—Funds allocated to a
22 local area under section 133(b) may be used to
23 provide, through the one-stop delivery system—

1 “(i) customized screening and referral
2 of qualified participants in training serv-
3 ices to employers;

4 “(ii) customized employment-related
5 services to employers on a fee-for-service
6 basis;

7 “(iii) customer supports, including
8 transportation and childcare, to navigate
9 among multiple services and activities for
10 special participant populations that face
11 multiple barriers to employment, including
12 individuals with disabilities;

13 “(iv) employment and training assist-
14 ance provided in coordination with child
15 support enforcement activities of the State
16 agency carrying out subtitle D of title IV
17 of the Social Security Act (42 U.S.C. 651
18 et seq.);

19 “(v) incorporating pay-for-perform-
20 ance contracting strategies as an element
21 in funding activities under this section;

22 “(vi) activities to facilitate remote ac-
23 cess to services provided through a one-
24 stop delivery system, including facilitating
25 access through the use of technology; and

1 “(vii) activities to carry out business
2 services and strategies that meet the work-
3 force investment needs of local area em-
4 ployers, as determined by the local board,
5 consistent with the local plan under section
6 118.”.

7 (B) by striking paragraphs (2) and (3);
8 and

9 (C) by adding at the end the following:

10 “(2) INCUMBENT WORKER TRAINING PRO-
11 GRAMS.—

12 “(A) IN GENERAL.—The local board may
13 use funds allocated to a local area under section
14 133(b)(2) to carry out incumbent worker train-
15 ing programs in accordance with this para-
16 graph.

17 “(B) TRAINING ACTIVITIES.—The training
18 programs for incumbent workers under this
19 paragraph shall be carried out by the local area
20 in conjunction with the employers of such work-
21 ers for the purpose of assisting such workers in
22 obtaining the skills necessary to retain employ-
23 ment and avert layoffs.

24 “(C) EMPLOYER MATCH REQUIRED.—

1 “(i) IN GENERAL.—Employers partici-
2 pating in programs under this paragraph
3 shall be required to pay a proportion of the
4 costs of providing the training to the in-
5 cumbent workers of the employers. The
6 State board, in consultation with the local
7 board as appropriate, shall establish the
8 required portion of such costs, which may
9 include in-kind contributions. The required
10 portion shall not be less than 50 percent of
11 the costs.

12 “(ii) CALCULATION OF MATCH.—The
13 wages paid by an employer to a worker
14 while they are attending training may be
15 included as part of the required payment
16 of the employer.”; and

17 (7) by adding at the end the following:

18 “(e) PRIORITY FOR PLACEMENT IN PRIVATE SECTOR
19 JOBS.—In providing employment and training activities
20 authorized under this section, the State and local board
21 shall give priority to placing participants in jobs in the
22 private sector.”.

23 **SEC. 114. PERFORMANCE ACCOUNTABILITY SYSTEM.**

24 Section 136 (29 U.S.C. 2871) is amended—

25 (1) in subsection (b)—

1 (A) by amending paragraphs (1) and (2)
2 to read as follows:

3 “(1) IN GENERAL.—For each State, the State
4 performance measures shall consist of—

5 “(A)(i) the core indicators of performance
6 described in paragraph (2)(A); and

7 “(ii) additional indicators of performance
8 (if any) identified by the State under paragraph
9 (2)(B); and

10 “(B) a State adjusted level of performance
11 for each indicator described in subparagraph
12 (A).

13 “(2) INDICATORS OF PERFORMANCE.—

14 “(A) CORE INDICATORS OF PERFORM-
15 ANCE.—

16 “(i) IN GENERAL.—The core indica-
17 tors of performance for the program of em-
18 ployment and training activities authorized
19 under section 134, the program of adult
20 education and literacy activities authorized
21 under title II, and the program authorized
22 under title I of the Rehabilitation Act of
23 1973 (29 U.S.C. 720 et seq.), other than
24 section 112 or part C of that title (29
25 U.S.C. 732, 741), shall consist of—

1 “(I) the percentage and number
2 of program participants who are in
3 unsubsidized employment during the
4 second full calendar quarter after exit
5 from the program;

6 “(II) the percentage and number
7 of program participants who are in
8 unsubsidized employment during the
9 fourth full calendar quarter after exit
10 from the program;

11 “(III) the median earnings of
12 program participants who are in un-
13 subsidized employment during the sec-
14 ond full calendar quarter after exit
15 from the program compared to the
16 median earnings of such participants
17 prior to the training received under
18 such program;

19 “(IV) the percentage and number
20 of program participants who obtain a
21 recognized postsecondary credential,
22 including a registered apprenticeship,
23 an industry-recognized credential, or a
24 regular secondary school diploma or
25 its recognized equivalent (subject to

1 clause (iii)), during participation in or
2 within 1 year after exit from program;

3 “(V) the percentage and number
4 of program participants who, during a
5 program year—

6 “(aa) are in an education or
7 training program that leads to a
8 recognized postsecondary creden-
9 tial, including a registered ap-
10 prenticeship or on-the-job train-
11 ing program, an industry-recog-
12 nized credential, a regular sec-
13 ondary school diploma or its rec-
14 ognized equivalent, or unsub-
15 sidized employment; and

16 “(bb) are achieving measur-
17 able basic skill gains toward such
18 a credential or employment; and

19 “(VI) the percentage and number
20 of program participants who obtain
21 unsubsidized employment in the field
22 relating to the training services de-
23 scribed in section 134(c)(4) that such
24 participants received.

1 “(ii) INDICATOR RELATING TO CRE-
2 DENTIAL.—For purposes of clause (i)(IV),
3 program participants who obtain a regular
4 secondary school diploma or its recognized
5 equivalent shall be included in the percent-
6 age counted as meeting the criterion under
7 such clause only if such participants, in
8 addition to obtaining such diploma or its
9 recognized equivalent, have, within 1 year
10 after exit from the program, obtained or
11 retained employment, have been removed
12 from public assistance, or are in an edu-
13 cation or training program leading to a
14 recognized postsecondary credential de-
15 scribed in clause (i)(IV).

16 “(B) ADDITIONAL INDICATORS.—A State
17 may identify in the State plan additional indica-
18 tors for workforce investment activities author-
19 ized under this subtitle.”; and

20 (B) in paragraph (3)—

21 (i) in subparagraph (A)—

22 (I) in the heading, by striking
23 “AND CUSTOMER SATISFACTION INDI-
24 CATOR”;

1 (II) in clause (i), by striking
2 “and the customer satisfaction indi-
3 cator described in paragraph (2)(B)”;

4 (III) in clause (ii), by striking
5 “and the customer satisfaction indi-
6 cator of performance, for the first 3”
7 and inserting “, for the first 2”;

8 (IV) in clause (iii)—

9 (aa) in the heading, by
10 striking “3 YEARS” and inserting
11 “2 YEARS”; and

12 (bb) by striking “and the
13 customer satisfaction indicator of
14 performance, for the first 3 pro-
15 gram years” and inserting “for
16 the first 2 program years”;

17 (V) in clause (iv)—

18 (aa) by striking subclause
19 (I) and redesignating subclauses
20 (II) and (III) as subclauses (I)
21 and (II), respectively; and

22 (bb) in subclause (I) (as so
23 redesignated)—

24 (AA) by striking “tak-
25 ing into account” and in-

1 serting “which shall be ad-
2 justed based on”;

3 (BB) by inserting “,
4 such as unemployment rates
5 and job losses or gains in
6 particular industries” after
7 “economic conditions”; and

8 (CC) by inserting “,
9 such as indicators of poor
10 work experience, dislocation
11 from high-wage employment,
12 low levels of literacy or
13 English proficiency, dis-
14 ability status, including the
15 number of veterans with dis-
16 abilities, and welfare de-
17 pendency” after “program”;

18 (VI) by striking clause (v) and
19 redesignating clause (vi) as clause (v);
20 and

21 (VII) in clause (v) (as so redesign-
22 ated),

23 (aa) by striking “described
24 in clause (iv)(II)” and inserting
25 “described in clause (iv)(I)”; and

1 (bb) striking “or (v)”; and
2 (ii) in subparagraph (B), by striking
3 “paragraph (2)(C)” and inserting “para-
4 graph (2)(B)”;
5 (2) in subsection (c)(1)(A)—
6 (A) by amending clause (i) to read as fol-
7 lows:
8 “(i) the core indicators of perform-
9 ance described in subsection (b)(2)(A) for
10 activities described in such subsections,
11 other than statewide workforce investment
12 activities; and”;
13 (B) in clause (ii), by striking “(b)(2)(C)”
14 and inserting “(b)(2)(B)”; and
15 (C) by amending paragraph (3) to read as
16 follows:
17 “(3) DETERMINATIONS.—In determining such
18 local levels of performance, the local board, the chief
19 elected official, and the Governor shall ensure such
20 levels are adjusted based on the specific economic
21 characteristics (such as unemployment rates and job
22 losses or gains in particular industries), demographic
23 characteristics, or other characteristics of the popu-
24 lation to be served in the local area, such as poor
25 work history, lack of work experience, dislocation

1 from high-wage employment, low levels of literacy or
2 English proficiency, disability status, including the
3 number of veterans with disabilities, and welfare de-
4 pendency.”;

5 (3) in subsection (d)—

6 (A) in paragraph (1)—

7 (i) by striking “127 or”; and

8 (ii) by striking “and the customer sat-
9 isfaction indicator” each place it appears;

10 (B) in paragraph (2)—

11 (i) in subparagraph (A), by striking
12 “section 134(d)(4)” and inserting “section
13 134)(c)(4)”;

14 (ii) in subparagraph (E), by striking
15 “(excluding participants who received only
16 self-service and information activities);
17 and” and inserting a semicolon;

18 (iii) by striking “and” at the end of
19 subparagraph (E);

20 (iv) by striking the period at the end
21 of subparagraph (F) and inserting “; and”;
22 and

23 (v) by adding at the end, the fol-
24 lowing:

1 “(G) with respect to each local area in the
2 State—

3 “(i) the number of individuals who re-
4 ceived work ready services described under
5 section 134(c)(2) and the number of indi-
6 viduals who received training services de-
7 scribed under section 134(c)(4) during the
8 most recent program year and fiscal year,
9 and the preceding 5 program years, and
10 where the individuals received the training,
11 disaggregated by the type of entity that
12 provided the training;

13 “(ii) the number of individuals who
14 successfully exited out of work ready serv-
15 ices described under section 134(c)(2) and
16 the number of individuals who exited out
17 of training services described under section
18 134(c)(4) during the most recent program
19 year and fiscal year, and the preceding 5
20 program years, and where the individuals
21 received the training, disaggregated by the
22 type of entity that provided the training;
23 and

24 “(iii) the average cost per participant
25 of those individuals who received work

1 ready services described under section
2 134(c)(2) and the average cost per partici-
3 pant of those individuals who received
4 training services described under section
5 134(c)(4) during the most recent program
6 year and fiscal year, and the preceding 5
7 program years, and where the individuals
8 received the training, disaggregated by the
9 type of entity that provided the training.”;

10 (C) in paragraph (3), by striking “through
11 publication” and inserting “through electronic
12 means”; and

13 (D) by adding at the end the following:

14 “(4) DATA VALIDATION.—In preparing the re-
15 ports described in this subsection, each State shall
16 establish procedures, consistent with guidelines
17 issued by the Secretary, to ensure the information
18 contained in the report is valid and reliable.”;

19 (4) in subsection (g)—

20 (A) in subsection (g)(1)(A), by striking “or
21 (B)”;

22 (B) in paragraph (1)(B), by striking “may
23 reduce by not more than 5 percent,” and insert-
24 ing “shall reduce”; and

1 (C) by striking paragraph (2) and insert-
2 ing the following:

3 “(2) FUNDS RESULTING FROM REDUCED AL-
4 LOTMENTS.—The Secretary shall return to the
5 Treasury the amount retained, as a result of a re-
6 duction in an allotment to a State made under para-
7 graph (1)(B).”;

8 (5) in subsection (h)(1), by striking “or (B)”;
9 (6) in subsection (h)(2)—

10 (A) in subparagraph (A), by amending the
11 matter preceding clause (i) to read as follows:

12 “(A) IN GENERAL.—If such failure con-
13 tinues for a second consecutive year, the Gov-
14 ernor shall take corrective actions, including the
15 development of a reorganization plan. Such
16 plan shall—”;

17 (B) by redesignating subparagraphs (B)
18 and (C) as subparagraphs (C) and (D), respec-
19 tively;

20 (C) by inserting after subparagraph (A),
21 the following:

22 “(B) REDUCTION IN THE AMOUNT OF
23 GRANT.—If such failure continues for a third
24 consecutive year, the Governor of a State shall
25 reduce the amount of the grant that would (in

1 the absence of this subparagraph) be payable to
2 the local area under such program for the pro-
3 gram year after such third consecutive year.
4 Such penalty shall be based on the degree of
5 failure to meet local levels of performance.”;

6 (D) in subparagraph (C)(i) (as so redesign-
7 nated), by striking “a reorganization plan
8 under subparagraph (A) may, not later than 30
9 days after receiving notice of the reorganization
10 plan, appeal to the Governor to rescind or re-
11 vise such a plan” and inserting “corrective ac-
12 tions under subparagraphs (A) and (B) may,
13 not later than 30 days after receiving notice of
14 the actions, appeal to the Governor to rescind
15 or revise such actions”; and

16 (E) in subparagraph (D) (as so redesign-
17 nated), by striking “subparagraph (B)” each
18 place it appears and inserting “subparagraph
19 (C)”;

20 (7) in subsection (i)(1)(C), by striking
21 “(b)(3)(A)(vi)” and inserting “(b)(3)(A)(v)”;

22 (8) in subsection (i)(1)(B), by striking “sub-
23 section (b)(2)(C)” and inserting “subsection
24 (b)(2)(B)”;

1 (9) by adding at the end the following sub-
2 section:

3 “(j) USE OF CORE INDICATORS FOR OTHER PRO-
4 GRAMS.—In addition to the programs carried out under
5 chapter 5, and consistent with the requirements of the ap-
6 plicable authorizing laws, the Secretary shall use the core
7 indicators of performance described in subsection
8 (b)(2)(A) to assess the effectiveness of the programs de-
9 scribed under section 121(b)(1)(B) that are carried out
10 by the Secretary.”.

11 **SEC. 115. AUTHORIZATION OF APPROPRIATIONS.**

12 Section 137 (29 U.S.C. 2872) is amended to read as
13 follows:

14 **“SEC. 137. AUTHORIZATION OF APPROPRIATIONS.**

15 “There are authorized to be appropriated to carry out
16 the activities described in section 132, \$6,080,237,000 for
17 fiscal year 2013 and each of the 5 succeeding fiscal
18 years.”.

19 **Subtitle C—Job Corps**

20 **SEC. 116. JOB CORPS PURPOSES.**

21 Paragraph (1) of section 141 (29 U.S.C. 2881(1))
22 is amended to read as follows:

23 “(1) to maintain a national Job Corps program
24 for at-risk youth, carried out in partnership with
25 States and communities, to assist eligible youth to

1 connect to the workforce by providing them with in-
2 tensive academic, career and technical education,
3 and service-learning opportunities, in residential and
4 nonresidential centers, in order for such youth to ob-
5 tain regular secondary school diplomas, industry-rec-
6 ognized credentials, or recognized postsecondary cre-
7 dentials leading to successful careers in in-demand
8 industries that will result in opportunities for ad-
9 vancement;”.

10 **SEC. 117. JOB CORPS DEFINITIONS.**

11 Section 142 (29 U.S.C. 2882) is amended—

12 (1) in paragraph (2)—

13 (A) by striking “applicable” each place it
14 appears;

15 (B) by striking “customer service”; and

16 (C) by striking “intake” and inserting “as-
17 sessment”;

18 (2) in paragraph (4), by striking “before com-
19 pleting the requirements” and all that follows and
20 inserting “prior to becoming a graduate.”; and

21 (3) in paragraph (5), by striking “has com-
22 pleted the requirements” and all that follows and in-
23 serting the following: “who, as a result of participa-
24 tion in the Job Corps program, has received a reg-
25 ular secondary school diploma, completed the re-

1 quirements of a career and technical education and
2 training program, or received, or is making satisfac-
3 tory progress (as defined under section 484(c) of the
4 Higher Education Act of 1965 (20 U.S.C. 1091(c))
5 toward receiving, a recognized postsecondary creden-
6 tial, including an industry-recognized credential that
7 prepares individuals for employment leading to eco-
8 nomic self-sufficiency”.

9 **SEC. 118. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.**

10 Section 144 (20 U.S.C. 2884) is amended—

11 (1) by amending paragraph (1) to read as fol-
12 lows:

13 “(1) not less than age 16 and not more than
14 age 24 on the date of enrollment;”;

15 (2) in paragraph (3)(B), by inserting “sec-
16 ondary” before “school”; and

17 (3) in paragraph (3)(E), by striking “voca-
18 tional” and inserting “career and technical edu-
19 cation and”.

20 **SEC. 119. RECRUITMENT, SCREENING, SELECTION, AND AS-**
21 **SIGNMENT OF ENROLLEES.**

22 Section 145 (20 U.S.C. 2885) is amended—

23 (1) in subsection (a)—

1 (A) in paragraph (2)(C)(i) by striking “vo-
2 cational” and inserting “career and technical
3 education and training”;

4 (B) in paragraph (3)—

5 (i) by striking “To the extent prac-
6 ticable, the” and inserting “The”;

7 (ii) in subparagraph (A)—

8 (I) by striking “applicable”; and

9 (II) by inserting “and” after the
10 semicolon;

11 (iii) by striking subparagraphs (B)
12 and (C); and

13 (iv) by adding at the end the fol-
14 lowing:

15 “(B) organizations that have a dem-
16 onstrated record of effectiveness in placing at-
17 risk youth into employment;”; and

18 (C) in paragraph (5), by inserting at the
19 end the following: “The Secretary shall allot not
20 more than ½ of 1 percent of the budget of the
21 Job Corps program for the purpose of this
22 paragraph.”;

23 (2) in subsection (b)—

24 (A) in paragraph (1)—

1 (i) in subparagraph (B), by inserting
2 “and agrees to such rules” after “failure
3 to observe the rules”; and

4 (ii) by amending subparagraph (C) to
5 read as follows:

6 “(C) the individual has passed a back-
7 ground check conducted in accordance with pro-
8 cedures established by the Secretary, which
9 shall include—

10 “(i) a search of the State criminal
11 registry or repository in the State where
12 the individual resides and each State where
13 the individual previously resided;

14 “(ii) a search of State-based child
15 abuse and neglect registries and databases
16 in the State where the individual resides
17 and each State where the individual pre-
18 viously resided;

19 “(iii) a search of the National Crime
20 Information Center;

21 “(iv) a Federal Bureau of Investiga-
22 tion fingerprint check using the Integrated
23 Automated Fingerprint Identification Sys-
24 tem; and

1 “(v) a search of the National Sex Of-
2 fender Registry established under the
3 Adam Walsh Child Protection and Safety
4 Act of 2006 (42 U.S.C. 16901 et seq.).”;
5 and

6 (B) by adding at the end the following new
7 paragraph:

8 “(3) INDIVIDUALS CONVICTED OF A CRIME.—
9 An individual shall be ineligible for enrollment if the
10 individual—

11 “(A) makes a false statement in connection
12 with the criminal background check described in
13 paragraph (1)(C);

14 “(B) is registered or is required to be reg-
15 istered on a State sex offender registry or the
16 National Sex Offender Registry established
17 under the Adam Walsh Child Protection and
18 Safety Act of 2006 (42 U.S.C. 16901 et seq.);
19 or

20 “(C) has been convicted of a felony con-
21 sisting of—

22 “(i) homicide;

23 “(ii) child abuse or neglect;

24 “(iii) a crime against children, includ-
25 ing child pornography;

1 “(iv) a crime involving rape or sexual
2 assault; or

3 “(v) physical assault, battery, or a
4 drug-related offense, committed within the
5 past 5 years.”.

6 (3) in subsection (c)—

7 (A) in paragraph (1)—

8 (i) by striking “2 years” and inserting
9 “year”; and

10 (ii) by striking “an assignment” and
11 inserting “a”;

12 (B) in paragraph (2)—

13 (i) in the matter preceding subpara-
14 graph (A), by striking “, every 2 years,”;

15 (ii) in subparagraph (B), by striking
16 “and” at the end; and

17 (iii) in subparagraph (C)—

18 (I) by inserting “the education
19 and training” after “including”; and

20 (II) by striking the semicolon at
21 the end and inserting “; and”; and

22 (C) by adding at the end the following:

23 “(D) the performance of the Job Corps
24 center relating to the indicators described in
25 paragraphs (1) and (2) in section 159(c)(1),

1 and whether any actions have been taken with
2 respect to such center pursuant to paragraph
3 (3) of section 159(f).”;
4 (4) in subsection (d)—

5 (A) in paragraph (1)—

6 (i) in the matter preceding subpara-
7 graph (A), by striking “is closest to the
8 home of the enrollee, except that the” and
9 inserting “offers the type of career and
10 technical education and training selected
11 by the individual and, among the centers
12 that offer such education and training, is
13 closest to the home of the individual. The”;

14 (ii) by striking subparagraph (A); and

15 (iii) by redesignating subparagraphs
16 (B) and (C) as subparagraphs (A) and
17 (B), respectively; and

18 (B) in paragraph (2), by inserting “that
19 offers the career and technical education and
20 training desired by” after “home of the en-
21 rollee”.

22 **SEC. 120. JOB CORPS CENTERS.**

23 Section 147 (29 U.S.C. 2887) is amended—

24 (1) in subsection (a)—

25 (A) in paragraph (1)—

1 (i) in subparagraph (A), by striking
2 “vocational” both places it appears and in-
3 serting “career and technical”; and

4 (ii) in subparagraph (B)—

5 (I) by striking “may” and insert-
6 ing “shall”;

7 (II) by inserting “that resides in
8 the State in which the Jobs Corps
9 center is located” before “to provide”;
10 and

11 (III) by inserting before the pe-
12 riod at the end the following: “, as ap-
13 propriate”;

14 (B) in paragraph (2)—

15 (i) in subparagraph (A)—

16 (I) by striking “subsections (c)
17 and (d) of section 303 of the Federal
18 Property and Administrative Services
19 Act of 1949 (41 U.S.C. 253)” and in-
20 serting “subsections (a) and (b) of
21 section 3304 of title 41, United States
22 Code,”; and

23 (II) by striking “industry coun-
24 cil” and inserting “workforce coun-
25 cil”;

1 (ii) in subparagraph (B)(i)—

2 (I) by amending subclause (II) to
3 read as follows:

4 “(II) the ability of the entity to
5 offer career and technical education
6 and training that the workforce coun-
7 cil proposes under section 154(c);”;

8 (II) in subclause (III), by strik-
9 ing “is familiar with the surrounding
10 communities,” and inserting “dem-
11 onstrates relationships with the sur-
12 rounding communities, employers,
13 workforce boards,”;

14 (III) by amending subclause (IV)
15 to read as follows:

16 “(IV) the performance of the en-
17 tity, if any, relating to operating or
18 providing activities described in this
19 subtitle to a Job Corps center, includ-
20 ing the entity’s demonstrated effec-
21 tiveness in assisting individuals in
22 achieving the primary and secondary
23 indicators of performance described in
24 paragraphs (1) and (2) of section
25 159(c); and”; and

1 (IV) adding at the end the fol-
2 lowing new subclause:

3 “(V) the ability of the entity to dem-
4 onstrate a record of successfully assisting at-
5 risk youth to connect to the workforce, includ-
6 ing by providing them with intensive academic,
7 and career and technical education and train-
8 ing.”; and

9 (iii) in subparagraph (B)(ii), by strik-
10 ing “, as appropriate”;

11 (2) in subsection (b), by striking “In any year,
12 no more than 20 percent of the individuals enrolled
13 in the Job Corps may be nonresidential participants
14 in the Job Corps.”;

15 (3) by amending subsection (c) to read as fol-
16 lows:

17 “(c) CIVILIAN CONSERVATION CENTERS.—

18 “(1) IN GENERAL.—The Job Corps centers may
19 include Civilian Conservation Centers, operated
20 under an agreement between the Secretary of Labor
21 and the Secretary of Agriculture, that are located
22 primarily in rural areas. Such centers shall adhere
23 to all the provisions of this subtitle, and shall pro-
24 vide, in addition to education, career and technical
25 education and training, and workforce preparation

1 skills training described in section 148, programs of
2 work experience to conserve, develop, or manage
3 public natural resources or public recreational areas
4 or to develop community projects in the public inter-
5 est.

6 “(2) SELECTION PROCESS.—The Secretary
7 shall select an entity that submits an application
8 under subsection (d) to operate a Civilian Conserva-
9 tion Center on a competitive basis, as provided in
10 subsection (a).”; and

11 (4) by striking subsection (d) and inserting the
12 following:

13 “(d) APPLICATION.—To be eligible to operate a Job
14 Corps center under this subtitle, an entity shall submit
15 an application to the Secretary at such time, in such man-
16 ner, and containing such information as the Secretary may
17 require, including—

18 “(1) a description of the program activities that
19 will be offered at the center, including how the ca-
20 reer and technical education and training reflect
21 State and local employment opportunities, including
22 in in-demand industries;

23 “(2) a description of the counseling, placement,
24 and support activities that will be offered at the cen-
25 ter, including a description of the strategies and pro-

1 cedures the entity will use to place graduates into
2 unsubsidized employment upon completion of the
3 program;

4 “(3) a description of the demonstrated record
5 of effectiveness that the entity has in placing at-risk
6 youth into employment, including past performance
7 of operating a Job Corps center under this subtitle;

8 “(4) a description of the relationships that the
9 entity has developed with State and local workforce
10 boards, employers, State and local educational agen-
11 cies, and the surrounding communities in an effort
12 to promote a comprehensive statewide workforce de-
13 velopment system;

14 “(5) a description of the strong fiscal controls
15 the entity has in place to ensure proper accounting
16 of Federal funds;

17 “(6) a description of the strategies and policies
18 the entity will utilize to reduce participant costs;

19 “(7) a detailed budget of the activities that will
20 be supported using funds under this subtitle;

21 “(8) a detailed budget of the activities that will
22 be supported using funds from non-Federal re-
23 sources;

1 “(9) an assurance the entity will comply with
2 the administrative cost limitation included in section
3 151(c);

4 “(10) an assurance the entity is licensed to op-
5 erate in the State in which the center is located; and

6 “(11) an assurance the entity will comply with
7 and meet basic health and safety codes, including
8 those measures described in section 152(b).

9 “(e) LENGTH OF AGREEMENT.—The agreement de-
10 scribed in subsection (a)(1)(A) shall be for not longer than
11 a 2-year period. The Secretary may renew the agreement
12 for 3 one-year periods if the entity meets the requirements
13 of subsection (f).

14 “(f) RENEWAL.—

15 “(1) IN GENERAL.—Subject to paragraph (2),
16 the Secretary may renew the terms of an agreement
17 described in subsection (a)(1)(A) for an entity to op-
18 erate a Job Corps center if the center meets or ex-
19 ceeds each of the indicators of performance de-
20 scribed in section 159(c)(1).

21 “(2) RECOMPETITION.—

22 “(A) IN GENERAL.—Notwithstanding para-
23 graph (1), the Secretary shall not renew the
24 terms of the agreement for an entity to operate
25 a Job Corps center if such center is ranked in

1 the bottom quintile of centers described in sec-
2 tion 159(f)(2) for any program year. Such enti-
3 ty may submit a new application under sub-
4 section (d) only if such center has shown sig-
5 nificant improvement in the indicators of per-
6 formance described in section 159(c)(1) over
7 the last program year.

8 “(B) VIOLATIONS.—The Secretary shall
9 not select an entity to operate a Job Corps cen-
10 ter if such entity or such center has been found
11 to have a systemic or substantial material fail-
12 ure that involves—

13 “(i) a threat to the health, safety, or
14 civil rights of program participants or
15 staff;

16 “(ii) the misuse of funds received
17 under this subtitle;

18 “(iii) loss of legal status or financial
19 viability, loss of permits, debarment from
20 receiving Federal grants or contracts, or
21 the improper use of Federal funds;

22 “(iv) failure to meet any other Fed-
23 eral or State requirement that the entity
24 has shown an unwillingness or inability to

1 correct, after notice from the Secretary,
2 within the period specified; or
3 “(v) an unresolved area of noncompli-
4 ance.

5 “(g) CURRENT GRANTEES.—Not later than 60 days
6 after the date of enactment of the Workforce Investment
7 Improvement Act of 2012 and notwithstanding any pre-
8 vious grant award or renewals of such award under this
9 subtitle, the Secretary shall require all entities operating
10 a Job Corps center under this subtitle to submit an appli-
11 cation under subsection (d) to carry out the requirements
12 of this section.”.

13 **SEC. 121. PROGRAM ACTIVITIES.**

14 Section 148 (29 U.S.C. 2888) is amended—

15 (1) by amending subsection (a) to read as fol-
16 lows:

17 “(a) ACTIVITIES PROVIDED THROUGH JOB CORPS
18 CENTERS.—

19 “(1) IN GENERAL.—Each Job Corps center
20 shall provide enrollees with an intensive, well-orga-
21 nized, and supervised program of education, career,
22 and technical education and training, work experi-
23 ence, recreational activities, physical rehabilitation
24 and development, and counseling. Each Job Corps
25 center shall provide enrollees assigned to the center

1 with access to work-ready services described in sec-
2 tion 134(c)(2).

3 “(2) RELATIONSHIP TO OPPORTUNITIES.—

4 “(A) IN GENERAL.—The activities pro-
5 vided under this subsection shall be targeted to
6 helping enrollees, on completion of their enroll-
7 ment—

8 “(i) secure and maintain meaningful
9 unsubsidized employment;

10 “(ii) complete secondary education
11 and obtain a regular secondary school di-
12 ploma;

13 “(iii) enroll in and complete postsec-
14 ondary education or training programs, in-
15 cluding obtaining recognized postsecondary
16 credentials, industry-recognized creden-
17 tials, and registered apprenticeships; or

18 “(iii) satisfy Armed Forces require-
19 ments.

20 “(B) LINK TO EMPLOYMENT OPPORTUNI-
21 TIES.—The career and technical education and
22 training provided shall be linked to the employ-
23 ment opportunities in in-demand industries in
24 the State in which the Job Corps center is lo-
25 cated.”; and

1 (2) in subsection (b)—

2 (A) in the subsection heading, by striking
3 “EDUCATION AND VOCATIONAL” and inserting
4 “ACADEMIC AND CAREER AND TECHNICAL
5 EDUCATION AND”;

6 (B) by striking “may” after “The Sec-
7 retary” and inserting “shall”; and

8 (C) by striking “vocational” each place it
9 appears and inserting “career and technical”;
10 and

11 (3) in paragraph (3) of subsection (c), by strik-
12 ing “have achieved a satisfactory rate of completion
13 and placement in training-related jobs” and insert-
14 ing “have met or exceeded the performance measure-
15 ments in paragraphs (1) and (2) in section 159(c)”.

16 **SEC. 122. COUNSELING AND JOB PLACEMENT.**

17 Section 149 (29 U.S.C. 2889) is amended—

18 (1) in subsection (a), by striking “vocational”
19 and inserting “career and technical education and”;

20 (2) in subsection (b), by striking “make every
21 effort to arrange to”; and

22 (3) by striking subsection (d).

23 **SEC. 123. SUPPORT.**

24 Subsection (b) of the section 150 (29 U.S.C. 2890)
25 is amended to read as follows:

1 “(b) TRANSITION ALLOWANCES AND SUPPORT FOR
2 GRADUATES.—The Secretary shall arrange for a transi-
3 tion allowance to be paid to graduates. The transition al-
4 lowance shall be incentive-based to reflect a graduate’s
5 completion of academic, career and technical education or
6 training, and attainment of a recognized postsecondary
7 credential, including an industry-recognized credential.”.

8 **SEC. 124. OPERATIONS.**

9 Section 151 (29 U.S.C. 2891) is amended—

10 (1) in the header, by striking “**OPERATING**
11 **PLAN.**” and inserting “**OPERATIONS.**”;

12 (2) in subsection (a), by striking “IN GEN-
13 ERAL.—” and inserting “OPERATING PLAN.—”;

14 (3) by striking subsection (b) and redesignating
15 subsection (c) as subsection (b);

16 (4) by amending subsection (b) (as so redesign-
17 nated)—

18 (A) in the heading by inserting “OF OPER-
19 ATING PLAN” after “AVAILABILITY”; and

20 (B) by striking “subsections (a) and (b)”
21 and inserting “subsection (a)”; and

22 (5) by adding at the end the following new sub-
23 section:

24 “(c) ADMINISTRATIVE COSTS.—Not more than 10
25 percent of the funds allotted under section 147 to an enti-

1 ty selected to operate a Job Corps center may be used
2 by the entity for administrative costs under this subtitle.”.

3 **SEC. 125. COMMUNITY PARTICIPATION.**

4 Section 153 (29 U.S.C. 2893) is amended to read as
5 follows:

6 **“SEC. 153. COMMUNITY PARTICIPATION.**

7 “The director of each Job Corps center shall encour-
8 age and cooperate in activities to establish a mutually ben-
9 eficial relationship between Job Corps centers in the State
10 and nearby communities. Such activities may include the
11 use of any local workforce development boards established
12 under section 117 to provide a mechanism for joint discus-
13 sion of common problems and for planning programs of
14 mutual interest.”.

15 **SEC. 126. WORKFORCE COUNCILS.**

16 Section 154 (29 U.S.C. 2894) is amended to read as
17 follows:

18 **“SEC. 154. WORKFORCE COUNCILS.**

19 “(a) IN GENERAL.—Each Job Corps center shall
20 have a workforce council appointed by the Governor of the
21 State in which the Job Corps center is located.

22 “(b) WORKFORCE COUNCIL COMPOSITION.—

23 “(1) IN GENERAL.—A workforce council shall
24 be comprised of—

1 “(A) business members of the State Board
2 described in section 111(b)(1)(B)(i);

3 “(B) business members of the local Boards
4 described in section 117(b)(2)(A) located in the
5 State;

6 “(C) a representative of the State Board
7 described in section 111(f); and

8 “(D) such other representatives and State
9 agency officials as the Governor may designate.

10 “(2) MAJORITY.—A 2/3rds majority of the
11 members of the workforce council shall be represent-
12 atives described in paragraph (1)(A).

13 “(c) RESPONSIBILITIES.—The responsibilities of the
14 workforce council shall be—

15 “(1) to review all the relevant labor market in-
16 formation, including related information in the State
17 workforce plan in section 112, to—

18 “(A) determine the in-demand industries
19 in the State in which enrollees intend to seek
20 employment after graduation;

21 “(B) determine the skills and education
22 that are necessary to obtain the employment
23 opportunities described in subparagraph (A);
24 and

1 “(C) determine the type or types of career
2 and technical education and training that will
3 be implemented at the center to enable the en-
4 rollees to obtain the employment opportunities;
5 and

6 “(2) to meet at least once a year to reevaluate
7 the labor market information, and other relevant in-
8 formation, to determine any necessary changes in
9 the career and technical education and training pro-
10 vided at the center.

11 “(d) NEW CENTERS.—The workforce council for a
12 Job Corps center that is not yet operating shall carry out
13 the responsibilities described in subsection (c) at least 3
14 months prior to the date on which the center accepts the
15 first enrollee at the center.”.

16 **SEC. 127. SPECIAL PROVISIONS.**

17 Section 158 (29 U.S.C. 2989) is amended—

18 (1) by amending paragraph (1) in subsection
19 (c), by striking “title II of the Federal Property and
20 Administrative Services Act of 1949 (40 U.S.C. 481
21 et seq.)” and inserting “chapter of title 40, United
22 States Code,”;

23 (2) by striking subsection (e); and

24 (3) by redesignating subsections (f) and (g) as
25 subsections (e) and (f), respectively.

1 **SEC. 128. MANAGEMENT INFORMATION.**

2 Section 159 (29 U.S.C. 2899) is amended—

3 (1) in the section heading, by striking “**MAN-**
4 **AGEMENT INFORMATION**” and inserting “**PER-**
5 **FORMANCE ACCOUNTABILITY AND MANAGE-**
6 **MENT**”; and

7 (2) by striking subsections (c) through (g);

8 (3) by inserting after subsection (b) the fol-
9 lowing:

10 “(c) INDICATORS OF PERFORMANCE.—

11 “(1) PRIMARY INDICATORS.—The annual pri-
12 mary indicators of performance for Job Corps cen-
13 ters shall include—

14 “(A) the percentage and number of enroll-
15 ees who graduate from the Job Corps center;

16 “(B) the percentage and number of grad-
17 uates who entered unsubsidized employment re-
18 lated to the career and technical education and
19 training received through the Job Corps center,
20 except that such calculation shall not include
21 enrollment in education, the military or volun-
22 teer service;

23 “(C) the percentage and number of grad-
24 uates who obtained a recognized postsecondary
25 credential, including an industry-recognized cre-
26 dential or a registered apprenticeship; and

1 “(D) the cost per successful performance
2 outcome, which is calculated by comparing the
3 number graduates who were placed in a job or
4 obtained a recognized credential, including an
5 industry-recognized credential, to total program
6 costs, including all operations, construction, and
7 administration costs at each Job Corp center.

8 “(2) SECONDARY INDICATORS.—The annual
9 secondary indicators of performance for Job Corps
10 centers shall include—

11 “(A) the percentage and number of grad-
12 uates who entered unsubsidized employment not
13 related to the career and technical education
14 and training received through the Job Corps
15 center;

16 “(B) the percentage and number of grad-
17 uates who entered into postsecondary education;

18 “(C) the percentage and number of grad-
19 uates who entered into the military;

20 “(D) the average wage of graduates who
21 are in unsubsidized employment—

22 “(i) on the first day of employment;

23 and

24 “(ii) 6 months after the first day;

1 “(E) the number and percentage of grad-
2 uates who entered unsubsidized employment
3 and were retained in the unsubsidized employ-
4 ment—

5 “(i) 6 months after the first day of
6 employment; and

7 “(ii) 12 months after the first day of
8 employment;

9 “(F) the percentage and number of enroll-
10 ees compared to the percentage and number of
11 enrollees the Secretary has established targets
12 in section 145(c)(1);

13 “(H) the cost per training slot, which is
14 calculated by comparing the program’s max-
15 imum number of students that can be enrolled
16 in a Job Corps center at any given time during
17 the program year to the number of enrollees in
18 the same program year; and

19 “(I) the number and percentage of former
20 enrollees, including the number dismissed under
21 the zero tolerance policy described in section
22 152(b).

23 “(3) INDICATORS OF PERFORMANCE FOR RE-
24 CRUITERS.—The annual indicators of performance
25 for recruiters shall include the measurements de-

1 scribed in subparagraph (A) of paragraph (1) and
2 subparagraphs (G), (H), and (I) of paragraph (2).

3 “(4) INDICATORS OF PERFORMANCE OF CAREER
4 TRANSITION SERVICE PROVIDERS.—The annual indi-
5 cators of performance of career transition service
6 providers shall include the measurements described
7 in subparagraphs (B) and (C) of paragraph (1) and
8 subparagraphs, (B), (C), (D), (E), and (F) of para-
9 graph (2).

10 “(d) ADDITIONAL INFORMATION.—

11 “(1) IN GENERAL.—The Secretary shall collect,
12 and submit in the report described in subsection (f),
13 information on the performance of each Job Corps
14 center, and the Job Corps program, regarding—

15 “(A) the number and percentage of former
16 enrollees who obtained a regular secondary
17 school diploma;

18 “(B) the number and percentage of former
19 enrollees who entered unsubsidized employment;

20 “(C) the number and percentage of former
21 enrollees who obtained a recognized postsec-
22 ondary credential, including an industry-recog-
23 nized credential;

24 “(D) the number and percentage of former
25 enrollees who entered into military service; and

1 “(F) any additional information required
2 by the Secretary.

3 “(e) METHODS.—The Secretary shall collect the in-
4 formation described in subsections (c) and (d), using
5 methods described in section 136(i)(2) and consistent with
6 State law, by entering into agreements with the States to
7 access such data for Job Corps enrollees, former enrollees,
8 and graduates.

9 “(f) TRANSPARENCY AND ACCOUNTABILITY.—

10 “(1) REPORT.—

11 “(A) IN GENERAL.—The Secretary shall
12 collect and annually submit to the Committee
13 on Education and the Workforce of the House
14 of Representatives and the Committee on
15 Health, Education, Labor and Pensions of the
16 Senate, as well as make available to the public
17 by electronic means, a report containing—

18 “(i) information on the performance
19 of each Job Corps center, and the Job
20 Corps program, on the performance indica-
21 tors described in paragraphs (1) and (2) of
22 subsection (c);

23 “(ii) a comparison of each Job Corps
24 center, by rank, on the performance indica-

1 tors described in paragraphs (1) and (2) of
2 subsection (c);

3 “(iii) a comparison of each Job Corps
4 center, by rank, on the average perform-
5 ance of all primary indicators described in
6 paragraph (1) of subsection (c);

7 “(iv) information on the performance
8 of the service providers described in para-
9 graphs (2) and (3) on the performance in-
10 dicators established under such para-
11 graphs; and

12 “(v) a comparison of each service pro-
13 vider, by rank, on the performance of all
14 service providers described in paragraphs
15 (2) and (3) on the performance indicators
16 established under such paragraphs.

17 “(2) ASSESSMENTS.—The Secretary shall con-
18 duct an annual assessment of the performance of
19 each Job Corps center which shall include informa-
20 tion on the Job Corps centers that—

21 “(A) are ranked in the bottom quintile on
22 the performance indicator described in para-
23 graph (1)(A)(iii); or

24 “(B) have failed safety and health code
25 violations described in subsection (g).

1 “(3) PERFORMANCE IMPROVEMENT.—With re-
2 spect to a Job Corps center that is identified under
3 paragraph (2) or reports less than 50 percent on the
4 performance indicators described in subparagraphs
5 (A), (B), or (C) of subsection (c)(1), the Secretary
6 shall develop and implement a 1 year performance
7 improvement plan. Such a plan shall require action
8 including—

9 “(A) providing technical assistance to the
10 center;

11 “(B) changing the management staff of
12 the center;

13 “(D) replacing the operator of the center;

14 “(E) reducing the capacity of the center;

15 or

16 “(F) closing the center.

17 “(4) CLOSURE OF JOB CORPS CENTERS.—Job
18 Corps centers that have been identified under para-
19 graph (2) or report less than 50 percent on subpara-
20 graphs (A), (B), or (C) under subsection (c)(1), for
21 more than 4 consecutive years shall be closed. The
22 Secretary shall ensure—

23 “(A) that the proposed decision to close
24 the center is announced in advance to the gen-

1 eral public through publication in the Federal
2 Register and other appropriate means; and

3 “(B) the establishment of a reasonable
4 comment period, not to exceed 30 days, for in-
5 terested individuals to submit written comments
6 to the Secretary.

7 “(g) PARTICIPANT HEALTH AND SAFETY.—The Sec-
8 retary shall require the Federal agency, or appropriate
9 agency responsible for inspecting public buildings and
10 safeguarding the health of disadvantaged students, to con-
11 duct an in-person review of the physical condition and
12 health-related activities of each Job Corps center annually.
13 Such review shall include a passing rate of occupancy
14 under Federal and State ordinances.”.

15 **SEC. 129. CLOSURE OF LOW-PERFORMING JOB CORPS CEN-**
16 **TERS.**

17 Section 161 (29 U.S.C. 2901) is amended to read as
18 follows:

19 **“SEC. 161. CLOSURE OF LOW-PERFORMING JOB CORPS**
20 **CENTERS.**

21 “(a) AUDIT.—Not later than 3 months after the date
22 of enactment of the Workforce Investment Improvement
23 Act of 2012, the Secretary shall conduct an audit on the
24 past 10 years of performance of Job Corps centers, includ-
25 ing information indicating—

1 “(1) a comparison of each Job Corps center, by
2 rank, on the performance indicators described in
3 subsections (c) and (d) of section 159 (as such sec-
4 tions were in effect on the day before the date of en-
5 actment of the Workforce Investment Improvement
6 Act of 2012);

7 “(2) a comparison of each Job Corps center, by
8 rank, on the average performance of all performance
9 indicators described in subsections (c) and (d) of
10 section 159 (as such sections were in effect on the
11 day before the date of enactment of the Workforce
12 Investment Improvement Act of 2012); and

13 “(3) a listing of the centers, by rank, that have
14 experienced the highest number of serious incidents
15 of crimes of violence, as defined in section 16 of title
16 18, United States Code.

17 “(b) RECOMMENDATIONS.—Not later than 6 months
18 after the date of enactment of the Workforce Investment
19 Improvement Act of 2012, the Secretary shall submit a
20 report to the Education and the Workforce Committee of
21 the House of Representatives and the Health, Education,
22 Labor, and Pensions Committee of the Senate, which shall
23 contain a detailed statement of the findings and conclu-
24 sions from the audit described in subsection (a), including
25 information indicating the centers that are ranked in the

1 bottom quintile on the performance indicators described
2 in paragraphs (1) and (2) of subsection (a).

3 “(c) CLOSURE.—Not later than 12 months after the
4 date of enactment of the Workforce Investment Improve-
5 ment Act of 2012, the Secretary shall close the Job Corps
6 centers identified under subsection (b) in accordance with
7 section 158(g).

8 “(d) TRANSITION.—The Secretary shall ensure that
9 program participants enrolled in low-performing Job
10 Corps centers slated for closure under this subsection re-
11 ceive priority placement to enroll in another center in the
12 State or neighboring State.”.

13 **SEC. 130. REFORMS FOR OPENING NEW JOB CORPS CEN-**
14 **TERS.**

15 Subtitle C of title I (29 U.S.C. 2881 et seq.) is
16 amended by adding at the end the following:

17 **“SEC. 162. REFORMS FOR OPENING NEW JOB CORPS CEN-**
18 **TERS.**

19 “(a) IN GENERAL.—The Secretary shall develop and
20 implement specific policies and procedures governing the
21 selection of the State and local area for construction of
22 Job Corps centers. Such policies and procedures shall be
23 the same across all regions, based on a needs assessment
24 of the assignment plan described under section 145(c),

1 and free from political favoritism, biases, or consider-
2 ations.

3 “(b) RESTRICTIONS.—

4 “(1) NOTIFICATION OF CONGRESS.—The Sec-
5 retary shall notify the Education and the Workforce
6 Committee of the House of Representatives and the
7 Health, Education, Labor, and Pensions Committee
8 of the Senate before releasing a Request for Pro-
9 posal for the designation and construction of a Job
10 Corps center.

11 “(2) NUMBER OF CENTERS.—Except as pro-
12 vided under paragraph (3), the Secretary shall enter
13 into agreements with not more than 20 Job Corps
14 centers per region, as those regions were in effect on
15 the date of enactment of the Workforce Investment
16 Improvement Act of 2012.

17 “(3) EXCEPTION.—The Secretary may enter
18 into agreements with more than 20 Job Corps cen-
19 ters upon approval, in writing, of the Chairman and
20 Ranking Member of the Education and the Work-
21 force Committee of the House of Representatives
22 and the Health, Education, Labor, and Pensions
23 Committee of the Senate.”.

1 **Subtitle D—National Programs**

2 **SEC. 131. TECHNICAL ASSISTANCE.**

3 Section 170 (29 U.S.C. 2915) is amended—

4 (1) by striking subsection (b);

5 (2) by striking:

6 “(a) GENERAL TECHNICAL ASSISTANCE.—”;

7 (3) by redesignating paragraphs (1), (2), and

8 (3) as subsections (a), (b), and (c) respectively, and

9 moving such subsections 2 ems to the left;

10 (4) in subsection (a) (as so redesignated)—

11 (A) by inserting “the training of staff pro-

12 viding rapid response services, the training of

13 other staff of recipients of funds under this

14 title, assistance regarding accounting and pro-

15 gram operation practices (when such assistance

16 would not be duplicative to assistance provided

17 by the State), technical assistance to States

18 that do not meet State performance measures

19 described in section 136,” after “localities,”;

20 and

21 (B) by striking “from carrying out activi-

22 ties” and all that follows up to the period and

23 inserting “to implement the amendments made

24 by the Workforce Investment Improvement Act

25 of 2012”;

1 (5) in subsection (b) (as so redesignated)—

2 (A) by striking “paragraph (1)” and in-
3 serting “subsection (a)”; and

4 (B) by striking “, or recipient of financial
5 assistance under section 166, 167, 168, or
6 169,”;

7 (6) in subsection (c) (as so redesignated), by
8 striking “paragraph (1)” and inserting “subsection
9 (a)”; and

10 (7) by inserting, after subsection (c) (as so re-
11 designated), the following:

12 “(d) BEST PRACTICES COORDINATION.—The Sec-
13 retary shall—

14 “(1) establish a system through which States
15 may share information regarding best practices with
16 regard to the operation of workforce investment ac-
17 tivities under this Act; and

18 “(2) evaluate and disseminate information re-
19 garding best practices and identify knowledge
20 gaps.”.

21 **SEC. 132. EVALUATIONS.**

22 Section 172 (29 U.S.C. 2917) is amended—

23 (1) in subsection (a), by striking “the Secretary
24 shall provide for the continuing evaluation of the
25 programs and activities, including those programs

1 and activities carried out under section 171” and in-
2 serting “the Secretary, through grants, contracts, or
3 cooperative agreements, shall conduct, at least once
4 every 5 years, an independent evaluation of the pro-
5 grams and activities funded under this Act”;

6 (2) in subsection (a)(4) is amended to read as
7 follows:

8 “(4) the impact of receiving services and not re-
9 ceiving services under such programs and activities
10 on the community, businesses, and individuals;”;

11 (3) in subsection (c) is amended to read as fol-
12 lows:

13 “(c) TECHNIQUES.—Evaluations conducted under
14 this section shall utilize appropriate and rigorous method-
15 ology and research designs, including the use of control
16 groups chosen by scientific random assignment methodolo-
17 gies, quasi-experimental methods, impact analysis and the
18 use of administrative data. The Secretary shall conduct
19 an impact analysis, as described in subsection (a)(4), of
20 the formula grant program under subtitle B not later than
21 2014, and thereafter shall conduct such an analysis not
22 less than once every four years.”;

23 (4) in subsection (e) is amended by striking
24 “the Committee on Labor and Human Resources of
25 the Senate” and inserting “the Committee on

1 Health, Education, Labor, and Pensions of the Sen-
2 ate”; and

3 (5) by adding at the end, the following:

4 “(g) PUBLIC AVAILABILITY.—The results of the eval-
5 uations conducted under this section shall be made pub-
6 licly available, including by posting such results on the De-
7 partment’s website.”.

8 **Subtitle E—Administration**

9 **SEC. 133. REQUIREMENTS AND RESTRICTIONS.**

10 Section 181 (29 U.S.C. 2931) is amended—

11 (1) in subsection (b)(6), by striking “, including
12 representatives of businesses and labor organiza-
13 tions”;

14 (2) in subsection (c)(2)(A), in the matter pre-
15 ceding clause (i), by striking “shall” and inserting
16 “may”;

17 (3) in subsection (e)—

18 (A) by striking “training for” and insert-
19 ing “the entry into employment, retention in
20 employment, or increases in earnings of”; and

21 (B) by striking “under subtitle B” and in-
22 serting “this Act”; and

23 (4) by adding at the end the following:

24 “(g) SALARY AND BONUS LIMITATION.—No funds
25 provided under this title shall be used by a recipient or

1 subrecipient of such funds to pay the salary and bonuses
2 of an individual, either as direct costs or indirect costs,
3 at a rate in excess of Level II of the Federal Executive
4 Pay Schedule (5 U.S.C. 5313). This limitation shall not
5 apply to vendors providing goods and services as defined
6 in OMB Circular A-133. Where States are recipients of
7 such funds, States may establish a lower limit for salaries
8 and bonuses of those receiving salaries and bonuses from
9 subrecipients of such funds, taking into account factors
10 including the relative cost-of-living in the State, the com-
11 pensation levels for comparable State or local government
12 employees, and the size of the organizations that admin-
13 ister the programs.

14 “(h) GENERAL AUTHORITY.—

15 “(1) IN GENERAL.—The Employment and
16 Training Administration of the U.S. Department of
17 Labor (hereinafter in this Act referred to as the ‘Ad-
18 ministration’) shall administer all programs author-
19 ized under title I and III of this Act. The Adminis-
20 tration shall be headed by an Assistant Secretary
21 appointed by the President by and with the advice
22 and consent of the Senate. Except for titles II and
23 IV, the Administration shall be the principal agency,
24 and the Assistant Secretary shall be the principal of-
25 ficer, of such Department for carrying out this Act.

1 “(2) QUALIFICATIONS.—The Assistant Sec-
2 retary shall be an individual with substantial experi-
3 ence in workforce development and in workforce de-
4 velopment management. The Assistant Secretary
5 shall also, to the maximum extent possible, possess
6 knowledge and have worked in or with the State or
7 local workforce investment system or have been a
8 member of the business community. In the perform-
9 ance of the functions of the office, the Assistant Sec-
10 retary shall be directly responsible to the Secretary
11 or the Under Secretary as designed by the Sec-
12 retary. The functions of the Assistant Secretary
13 shall not be delegated to any officer not directly re-
14 sponsible, both with respect to program operation
15 and administration, to the Assistant Secretary. Any
16 reference in this Act to duties to be carried out by
17 the Assistant Secretary shall be considered to be a
18 reference to duties to be carried out by the Secretary
19 acting through the Assistant Secretary.”.

20 **SEC. 134. PROMPT ALLOCATION OF FUNDS.**

21 Section 182 (29 U.S.C. 2932) is amended—

22 (1) in subsection (c), by striking “127 or”; and

23 (2) in subsection (e)—

24 (A) by striking “sections 128 and 133”

25 and inserting “section 133”; and

1 (B) by striking “127 or”.

2 **SEC. 135. FISCAL CONTROLS; SANCTIONS.**

3 Section 184(a)(2) (29 U.S.C. 2934(a)(2)) is amended
4 by striking subparagraph (B).

5 **SEC. 136. REPORTS TO CONGRESS.**

6 Section 185 (29 U.S.C. 2935) is amended—

7 (1) in subsection (c)—

8 (A) in paragraph (2), by striking “and”
9 after the semicolon;

10 (B) in paragraph (3), by striking the pe-
11 riod and inserting “; and”; and

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

13 “(4) shall have the option to submit or dissemi-
14 nate electronically any reports, records, plans, or any
15 other data that are required to be collected or dis-
16 seminated under this title.”; and

17 (2) in subsection (e)(2), by inserting “and the
18 Secretary shall submit to the Committee on Edu-
19 cation and the Workforce of the House of Rep-
20 resentatives and the Committee on Health, Edu-
21 cation, Labor, and Pensions of the Senate,” after
22 “Secretary,”.

23 **SEC. 137. ADMINISTRATIVE PROVISIONS.**

24 Section 189 (29 U.S.C. 2939) is amended—

25 (1) in subsection (g)—

1 (A) by amending paragraph (1) to read as
2 follows:

3 “(1) IN GENERAL.—Appropriations for any fis-
4 cal year for programs and activities carried out
5 under this title shall be available for obligation only
6 on the basis of a program year. The program year
7 shall begin on July 1 in the fiscal year for which the
8 appropriation is made.”; and

9 (B) in paragraph (2)—

10 (i) by striking “each State” and in-
11 serting “each recipient”; and

12 (ii) by striking “171 or”;

13 (2) in subsection (i)(4)—

14 (A) in subparagraph (A)—

15 (i) by striking “requirements of sub-
16 paragraph (B)” and all that follows
17 through “any of the statutory or regu-
18 latory requirements of subtitle B” and in-
19 serting “requirements of subparagraph (B)
20 or (D), any of the statutory or regulatory
21 requirements of subtitle B”; and

22 (ii) by striking clause (ii); and

23 (B) by adding at the end the following:

24 “(D) EXPEDITED PROCESS FOR EXTEND-
25 ING APPROVED WAIVERS TO ADDITIONAL

1 STATES.—In lieu of the requirements of sub-
2 paragraphs (B) and (C), the Secretary may es-
3 tablish an expedited procedure for the purpose
4 of extending to additional States the waiver of
5 statutory or regulatory requirements that have
6 been approved for a State pursuant to a request
7 under subparagraph (B). Such procedure shall
8 ensure that the extension of such waivers to ad-
9 ditional States are accompanied by appropriate
10 conditions relating the implementation of such
11 waivers.”.

12 **SEC. 138. STATE LEGISLATIVE AUTHORITY.**

13 Section 191(a) (29 U.S.C. 2941(a)) is amended—

14 (1) by striking “consistent with the provisions
15 of this title” and inserting “consistent with State
16 law and the provisions of this title”; and

17 (2) by striking “consistent with the terms and
18 conditions required under this title” and inserting
19 “consistent with State law and the terms and condi-
20 tions required under this title”.

21 **SEC. 139. CONTINUATION OF STATE ACTIVITIES AND POLI-**
22 **CIES.**

23 Section 194 (20 U.S.C. 2944) is amended—

24 (1) in subsection (a)(1)(A), by striking “127
25 or”;

1 (2) in subsection (a)(1)(B), by striking “127
2 or”; and

3 (3) in subsection (a)(2), by striking “127 or”.

4 **SEC. 140. GENERAL PROGRAM REQUIREMENTS.**

5 Section 195 (29 U.S.C. 2945) is amended—

6 (1) in paragraph (7), by inserting at the end
7 the following:

8 “(D) Funds received by a public or private
9 nonprofit entity that are not described in para-
10 graph (B), such as funds privately raised from
11 philanthropic foundations, businesses, or other
12 private entities, shall not be considered to be in-
13 come under this title and shall not be subject
14 to the requirements of this section.”; and

15 (2) by adding at the end the following new
16 paragraphs:

17 “(14) Funds provided under this title shall not
18 be used to establish or operate stand-alone fee-for-
19 service enterprises that compete with private sector
20 employment agencies within the meaning of section
21 701(c) of the Civil Rights Act of 1964 (42 U.S.C.
22 2000e(c)), except that for purposes of this para-
23 graph, such an enterprise does not include one-stop
24 centers.

1 “(15) Any report required to be submitted to
2 Congress, or to a Committee of Congress, under this
3 title shall be submitted to both the chairmen and
4 ranking minority members of the Committee on
5 Education and the Workforce of the House of Rep-
6 resentatives and the Committee on Health, Edu-
7 cation, Labor, and Pensions of the Senate.”.

8 **SEC. 141. DEPARTMENT STAFF.**

9 Subtitle E of title I (29 U.S.C. 2931 et seq.) is
10 amended by adding at the end the following new section:

11 **“SEC. 196. DEPARTMENT STAFF.**

12 “The Secretary shall—

13 “(1) not later than 60 days after the date of
14 the enactment of the Workforce Investment Im-
15 provement Act of 2012—

16 “(A) identify the number of Department of
17 Labor employees who work on or administer
18 programs under this Act, as such programs
19 were in effect on the day before such date of
20 enactment; and

21 “(B) publish such information on the De-
22 partment’s website;

23 “(2) not later than 60 days after such date of
24 enactment, identify the number of full-time equiva-
25 lent employees who work on or administer programs

1 authorized under this Act, as such programs were in
2 effect on the day before such date of enactment, that
3 have been eliminated or consolidated on or after
4 such date; and

5 “(3) not later than 1 year after such date of en-
6 actment—

7 “(A) reduce the workforce of the Depart-
8 ment of Labor by the number of full-time equiv-
9 alent employees identified under paragraph (2);
10 and

11 “(B) submit to Congress a report on—

12 “(i) the number of employees associ-
13 ated with each program authorized under
14 this Act and administered by the Depart-
15 ment;

16 “(ii) the number of full-time equiva-
17 lent employees identified under paragraph
18 (2); and

19 “(iii) how the Secretary reduced the
20 number of employees at the Department
21 under subparagraph (A).”.

22 **Subtitle F—State Unified Plan**

23 **SEC. 142. STATE UNIFIED PLAN.**

24 Section 501 (20 U.S.C. 9271) is amended—

1 (1) by amending subsection (b) to read as fol-
2 lows:

3 “(b) STATE UNIFIED PLAN.—

4 “(1) IN GENERAL.—A State may develop and
5 submit to the appropriate Secretaries a State unified
6 plan for 2 or more of the activities or programs set
7 forth in paragraph (2). The State unified plan shall
8 cover one or more of the activities set forth in sub-
9 paragraphs (A) and (B) of paragraph (2) and may
10 cover one or more of the activities set forth in sub-
11 paragraphs (C) through (N) of paragraph (2). For
12 purposes of this paragraph, the activities and pro-
13 grams described in subparagraphs (A) and (B) of
14 paragraph (2) shall not be considered to be 2 or
15 more activities or programs for purposes of the uni-
16 fied plan. Such activities or programs shall be con-
17 sidered to be 1 activity or program.

18 “(2) ACTIVITIES AND PROGRAMS.—The activi-
19 ties and programs referred to in paragraph (1) are
20 as follows:

21 “(A) Programs and activities authorized
22 under title I.

23 “(B) Programs and activities authorized
24 under title II.

1 “(C) Programs authorized under the Reha-
2 bilitation Act of 1973.

3 “(D) Secondary career education programs
4 authorized under the Carl D. Perkins Career
5 and Applied Technology Education Act.

6 “(E) Postsecondary career education pro-
7 grams authorized under the Carl D. Perkins
8 Career and Applied Technology Education Act.

9 “(F) Programs and activities authorized
10 under title II of the Trade Act of 1974.

11 “(G) National Apprenticeship Act of 1937.

12 “(H) Programs authorized under the Com-
13 munity Services Block Grant Act.

14 “(I) Programs authorized under the part A
15 of title IV of the Social Security Act.

16 “(J) Programs authorized under State un-
17 employment compensation laws (in accordance
18 with applicable Federal law).

19 “(K) Work programs authorized under sec-
20 tion 6(o) of the Food Stamp Act of 1977.

21 “(L) Programs and activities authorized
22 title I of the Housing and Community Develop-
23 ment Act of 1974.

1 “(M) Programs and activities authorized
2 under the Public Workers and Economic Devel-
3 opment Act of 1965.

4 “(N) Activities as defined under chapter
5 41 of title 38, United States Code.”; and
6 (2) by adding at the end, the following:

7 “(e) AUTHORITY TO CONSOLIDATE FUNDS INTO
8 WORKFORCE INVESTMENT FUND.—

9 “(1) IN GENERAL.—A State may consolidate
10 funds allotted to a State under an approved applica-
11 tion under subsection (d) into the Workforce Invest-
12 ment Fund under section 132(b) in order to reduce
13 inefficiencies in the administration of federally-fund-
14 ed State and local employment and training pro-
15 grams.

16 “(2) TREATMENT OF FUNDS.—

17 “(A) IN GENERAL.—Notwithstanding sub-
18 section (c), a State with an approved applica-
19 tion under subsection (d) may treat any and all
20 funds consolidated into the Workforce Invest-
21 ment Fund as if they were original funds allot-
22 ted to a State under section 132(b).

23 “(B) APPLICABILITY.—Such a State shall
24 continue to make reservations, except the res-

1 ervation under section 133(a)(1), and allot-
2 ments in accordance with section 133(b)(2).

3 “(3) SPECIAL RULE.—A State may not consoli-
4 date funds allocated to the State under the Carl D.
5 Perkins Career and Technical Education Act of
6 2006 and funds allocated to the State under the Re-
7 habilitation Act of 1973.”.

8 **TITLE II—ADULT EDUCATION**
9 **AND FAMILY LITERACY EDU-**
10 **CATION**

11 **SEC. 201. AMENDMENT.**

12 Title II (29 U.S.C. 2901 et seq.) is amended to read
13 as follows:

14 **“TITLE II—ADULT EDUCATION**
15 **AND FAMILY LITERACY EDU-**
16 **CATION**

17 **“SEC. 201. SHORT TITLE.**

18 “This title may be cited as the ‘Adult Education and
19 Family Literacy Education Act’.

20 **“SEC. 202. PURPOSE.**

21 “It is the purpose of this title to provide instructional
22 opportunities for adults seeking to improve their literacy
23 skills, including their basic reading, writing, speaking, and
24 math skills, and support States and local communities in

1 providing, on a voluntary basis, adult education and family
2 literacy education programs, in order to—

3 “(1) increase the literacy of adults, including
4 the basic reading, writing, speaking, and math skills,
5 to a level of proficiency necessary for adults to ob-
6 tain employment and self-sufficiency and to success-
7 fully advance in the workforce;

8 “(2) assist adults in the completion of a sec-
9 ondary school education (or its equivalent) and the
10 transition to a postsecondary educational institution;

11 “(3) assist adults who are parents to enable
12 them to support the educational development of their
13 children and make informed choices regarding their
14 children’s education including, through instruction in
15 basic reading, writing, speaking, and math skills;
16 and

17 “(4) assist adults who are not proficient in
18 English in improving their reading, writing, speak-
19 ing, listening, comprehension, and math skills.

20 **“SEC. 203. DEFINITIONS.**

21 “In this title:

22 “(1) ADULT EDUCATION AND FAMILY LITERACY
23 EDUCATION PROGRAMS.—The term ‘adult education
24 and family literacy education programs’ means a se-
25 quence of academic instruction and educational serv-

1 ices below the postsecondary level that increase an
2 individual's ability to read, write, and speak English
3 and perform mathematical computations leading to a
4 level of proficiency equivalent to at least a secondary
5 school completion that is provided for individuals—

6 “(A) who are at least 16 years of age;

7 “(B) who are not enrolled or required to be
8 enrolled in secondary school under State law;
9 and

10 “(C) who—

11 “(i) lack sufficient mastery of basic
12 reading, writing, speaking, and math skills
13 to enable the individuals to function effec-
14 tively in society;

15 “(ii) do not have a secondary school
16 diploma or its equivalent and have not
17 achieved an equivalent level of education;
18 or

19 “(iii) are English learners.

20 “(2) ELIGIBLE AGENCY.—The term ‘eligible
21 agency’—

22 “(A) means the primary entity or agency
23 in a State or an outlying area responsible for
24 administering or supervising policy for adult
25 education and family literacy education pro-

1 grams in the State or outlying area, respec-
2 tively, consistent with the law of the State or
3 outlying area, respectively; and

4 “(B) may be the State educational agency,
5 the State agency responsible for administering
6 workforce investment activities, or the State
7 agency responsible for administering community
8 or technical colleges.

9 “(3) ELIGIBLE PROVIDER.—The term ‘eligible
10 provider’ means an organization of demonstrated ef-
11 fectiveness which is—

12 “(A) a local educational agency;

13 “(B) a community-based or faith-based or-
14 ganization;

15 “(C) a volunteer literacy organization;

16 “(D) an institution of higher education;

17 “(E) a public or private educational agen-
18 cy;

19 “(F) a library;

20 “(G) a public housing authority;

21 “(H) an institution that is not described in
22 any of subparagraphs (A) through (G) and has
23 the ability to provide adult education, basic
24 skills, and family literacy education programs to
25 adults and families; or

1 “(I) a consortium of the agencies, organi-
2 zations, institutions, libraries, or authorities de-
3 scribed in any of subparagraphs (A) through
4 (H).

5 “(4) ENGLISH LANGUAGE ACQUISITION PRO-
6 GRAM.—The term ‘English language acquisition pro-
7 gram’ means a program of instruction—

8 “(A) designed to help English learners
9 achieve competence in reading, writing, speak-
10 ing, and comprehension of the English lan-
11 guage; and

12 “(B) that may lead to—

13 “(i) attainment of a secondary school
14 diploma or its recognized equivalent;

15 “(ii) transition to success in postsec-
16 ondary education and training; and

17 “(iii) employment or career advance-
18 ment.

19 “(5) FAMILY LITERACY EDUCATION PRO-
20 GRAM.—The term ‘family literacy education pro-
21 gram’ means an educational program that—

22 “(A) assists parents and students, on a
23 voluntary basis, in achieving the purposes of
24 this title as described in section 202; and

1 “(B) is of sufficient intensity in terms of
2 hours and of sufficient quality to make sustain-
3 able changes in a family, is evidence-based, and,
4 for the purpose of substantially increasing the
5 ability of parents and children to read, write,
6 and speak English, integrates—

7 “(i) interactive literacy activities be-
8 tween parents and their children;

9 “(ii) training for parents regarding
10 how to be the primary teacher for their
11 children and full partners in the education
12 of their children;

13 “(iii) parent literacy training that
14 leads to economic self-sufficiency; and

15 “(iv) an age-appropriate education to
16 prepare children for success in school and
17 life experiences.

18 “(6) GOVERNOR.—The term ‘Governor’ means
19 the chief executive officer of a State or outlying
20 area.

21 “(7) INDIVIDUAL WITH A DISABILITY.—

22 “(A) IN GENERAL.—The term ‘individual
23 with a disability’ means an individual with any
24 disability (as defined in section 3 of the Ameri-
25 cans with Disabilities Act of 1990).

1 “(B) INDIVIDUALS WITH DISABILITIES.—

2 The term ‘individuals with disabilities’ means
3 more than one individual with a disability.

4 “(8) ENGLISH LEARNER.—The term ‘English
5 learner’ means an adult or out-of-school youth who
6 has limited ability in reading, writing, speaking, or
7 understanding the English language, and—

8 “(A) whose native language is a language
9 other than English; or

10 “(B) who lives in a family or community
11 environment where a language other than
12 English is the dominant language.

13 “(9) INTEGRATED EDUCATION AND TRAIN-
14 ING.—The term ‘integrated education and training’
15 means services that provide adult education and lit-
16 eracy activities contextually and concurrently with
17 workforce preparation activities and workforce train-
18 ing for a specific occupation or occupational cluster.
19 Such services may include offering adult education
20 services concurrent with credit-bearing postsec-
21 ondary education and training, including through co-
22 instruction.

23 “(10) INSTITUTION OF HIGHER EDUCATION.—
24 The term ‘institution of higher education’ has the

1 meaning given the term in section 101 of the Higher
2 Education Act of 1965.

3 “(11) LITERACY.—The term ‘literacy’ means an
4 individual’s ability to read, write, and speak in
5 English, compute, and solve problems at a level of
6 proficiency necessary to obtain employment and to
7 successfully make the transition to postsecondary
8 education.

9 “(12) LOCAL EDUCATIONAL AGENCY.—The
10 term ‘local educational agency’ has the meaning
11 given the term in section 9101 of the Elementary
12 and Secondary Education Act of 1965.

13 “(13) OUTLYING AREA.—The term ‘outlying
14 area’ has the meaning given the term in section 101
15 of this Act.

16 “(14) POSTSECONDARY EDUCATIONAL INSTITU-
17 TION.—The term ‘postsecondary educational institu-
18 tion’ means—

19 “(A) an institution of higher education
20 that provides not less than a 2-year program of
21 instruction that is acceptable for credit toward
22 a bachelor’s degree;

23 “(B) a tribally controlled community col-
24 lege; or

1 “(C) a nonprofit educational institution of-
2 fering certificate or apprenticeship programs at
3 the postsecondary level.

4 “(15) SECRETARY.—The term ‘Secretary’
5 means the Secretary of Education.

6 “(16) STATE.—The term ‘State’ means each of
7 the several States of the United States, the District
8 of Columbia, and the Commonwealth of Puerto Rico.

9 “(17) STATE EDUCATIONAL AGENCY.—The
10 term ‘State educational agency’ has the meaning
11 given the term in section 9101 of the Elementary
12 and Secondary Education Act of 1965.

13 “(18) WORKPLACE LITERACY PROGRAM.—The
14 term ‘workplace literacy program’ means an edu-
15 cational program that is offered in collaboration be-
16 tween eligible providers and employers or employee
17 organizations for the purpose of improving the pro-
18 ductivity of the workforce through the improvement
19 of reading, writing, speaking, and math skills.

20 **“SEC. 204. HOME SCHOOLS.**

21 “Nothing in this title shall be construed to affect
22 home schools, whether or not a home school is treated as
23 a home school or a private school under State law, or to
24 compel a parent engaged in home schooling to participate

1 in adult education and family literacy education activities
2 under this title.

3 **“SEC. 205. AUTHORIZATION OF APPROPRIATIONS.**

4 “There are authorized to be appropriated to carry out
5 this title, \$606,294,933 for fiscal years 2013 and for each
6 of the 5 succeeding fiscal years.

7 **“Subtitle A—FEDERAL**
8 **PROVISIONS**

9 **“SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE**
10 **AGENCIES; ALLOTMENTS.**

11 “(a) RESERVATION OF FUNDS.—From the sums ap-
12 propriated under section 205 for a fiscal year, the Sec-
13 retary shall reserve 2.0 percent to carry out section 242.

14 “(b) GRANTS TO ELIGIBLE AGENCIES.—

15 “(1) IN GENERAL.—From the sums appro-
16 priated under section 205 and not reserved under
17 subsection (a) for a fiscal year, the Secretary shall
18 award a grant to each eligible agency having a State
19 plan approved under section 224 in an amount equal
20 to the sum of the initial allotment under subsection
21 (c)(1) and the additional allotment under subsection
22 (c)(2) for the eligible agency for the fiscal year, sub-
23 ject to subsections (f) and (g).

24 “(2) PURPOSE OF GRANTS.—The Secretary
25 may award a grant under paragraph (1) only if the

1 eligible agency involved agrees to expend the grant
2 in accordance with the provisions of this title.

3 “(c) ALLOTMENTS.—

4 “(1) INITIAL ALLOTMENTS.—From the sums
5 appropriated under section 205 and not reserved
6 under subsection (a) for a fiscal year, the Secretary
7 shall allot to each eligible agency having a State
8 plan approved under section 224—

9 “(A) \$100,000, in the case of an eligible
10 agency serving an outlying area; and

11 “(B) \$250,000, in the case of any other el-
12 igible agency.

13 “(2) ADDITIONAL ALLOTMENTS.—From the
14 sums appropriated under section 205, not reserved
15 under subsection (a), and not allotted under para-
16 graph (1), for a fiscal year, the Secretary shall allot
17 to each eligible agency that receives an initial allot-
18 ment under paragraph (1) an additional amount
19 that bears the same relationship to such sums as the
20 number of qualifying adults in the State or outlying
21 area served by the eligible agency bears to the num-
22 ber of such adults in all States and outlying areas.

23 “(d) QUALIFYING ADULT.—For the purpose of sub-
24 section (c)(2), the term ‘qualifying adult’ means an adult
25 who—

1 “(1) is at least 16 years of age;

2 “(2) is beyond the age of compulsory school at-
3 tendance under the law of the State or outlying
4 area;

5 “(3) does not have a secondary school diploma
6 or its recognized equivalent; and

7 “(4) is not enrolled in secondary school.

8 “(e) SPECIAL RULE.—

9 “(1) IN GENERAL.—From amounts made avail-
10 able under subsection (c) for the Republic of Palau,
11 the Secretary shall award grants to Guam, American
12 Samoa, the Commonwealth of the Northern Mariana
13 Islands, or the Republic of Palau to carry out activi-
14 ties described in this title in accordance with the
15 provisions of this title as determined by the Sec-
16 retary.

17 “(2) TERMINATION OF ELIGIBILITY.—Notwith-
18 standing any other provision of law, the Republic of
19 Palau shall be eligible to receive a grant under this
20 title until an agreement for the extension of United
21 States education assistance under the Compact of
22 Free Association for the Republic of Palau becomes
23 effective.

24 “(f) HOLD-HARMLESS PROVISIONS.—

1 “(1) IN GENERAL.—Notwithstanding subsection
2 (c), and subject to paragraphs (2) and (3), for fiscal
3 year 2013 and each succeeding fiscal year, no eligi-
4 ble agency shall receive an allotment under this title
5 that is less than 90 percent of the allotment the eli-
6 gible agency received for the preceding fiscal year
7 under this title.

8 “(2) EXCEPTION.—An eligible agency that re-
9 ceives for the preceding fiscal year only an initial al-
10 lotment under subsection (c)(1) (and no additional
11 allotment under subsection (c)(2)) shall receive an
12 allotment equal to 100 percent of the initial allot-
13 ment.

14 “(3) RATABLE REDUCTION.—If for any fiscal
15 year the amount available for allotment under this
16 title is insufficient to satisfy the provisions of para-
17 graph (1), the Secretary shall ratably reduce the
18 payments to all eligible agencies, as necessary.

19 “(g) REALLOTMENT.—The portion of any eligible
20 agency’s allotment under this title for a fiscal year that
21 the Secretary determines will not be required for the pe-
22 riod such allotment is available for carrying out activities
23 under this title, shall be available for reallotment from
24 time to time, on such dates during such period as the Sec-
25 retary shall fix, to other eligible agencies in proportion to

1 the original allotments to such agencies under this title
2 for such year.

3 **“SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.**

4 “Programs and activities authorized under this title
5 are subject to the performance accountability provisions
6 described in paragraph (2)(A) and (3) of section 136(b)
7 and may, at a State’s discretion, include additional indica-
8 tors identified in the State plan approved under section
9 224.

10 **“Subtitle B—STATE PROVISIONS**

11 **“SEC. 221. STATE ADMINISTRATION.**

12 “Each eligible agency shall be responsible for the fol-
13 lowing activities under this title:

14 “(1) The development, submission, implementa-
15 tion, and monitoring of the State plan.

16 “(2) Consultation with other appropriate agen-
17 cies, groups, and individuals that are involved in, or
18 interested in, the development and implementation
19 of activities assisted under this title.

20 “(3) Coordination and avoidance of duplication
21 with other Federal and State education, training,
22 corrections, public housing, and social service pro-
23 grams.

1 **“SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING RE-**
2 **QUIREMENT.**

3 “(a) STATE DISTRIBUTION OF FUNDS.—Each eligi-
4 ble agency receiving a grant under this title for a fiscal
5 year—

6 “(1) shall use an amount not less than 82.5
7 percent of the grant funds to award grants and con-
8 tracts under section 231 and to carry out section
9 225, of which not more than 10 percent of such
10 amount shall be available to carry out section 225;

11 “(2) shall use not more than 12.5 percent of
12 the grant funds to carry out State leadership activi-
13 ties under section 223; and

14 “(3) shall use not more than 5 percent of the
15 grant funds, or \$65,000, whichever is greater, for
16 the administrative expenses of the eligible agency.

17 “(b) MATCHING REQUIREMENT.—

18 “(1) IN GENERAL.—In order to receive a grant
19 from the Secretary under section 211(b), each eligi-
20 ble agency shall provide, for the costs to be incurred
21 by the eligible agency in carrying out the adult edu-
22 cation and family literacy education programs for
23 which the grant is awarded, a non-Federal contribu-
24 tion in an amount that is not less than—

25 “(A) in the case of an eligible agency serv-
26 ing an outlying area, 12 percent of the total

1 amount of funds expended for adult education
2 and family literacy education programs in the
3 outlying area, except that the Secretary may
4 decrease the amount of funds required under
5 this subparagraph for an eligible agency; and

6 “(B) in the case of an eligible agency serv-
7 ing a State, 25 percent of the total amount of
8 funds expended for adult education and family
9 literacy education programs in the State.

10 “(2) NON-FEDERAL CONTRIBUTION.—An eligi-
11 ble agency’s non-Federal contribution required under
12 paragraph (1) may be provided in cash or in kind,
13 fairly evaluated, and shall include only non-Federal
14 funds that are used for adult education and family
15 literacy education programs in a manner that is con-
16 sistent with the purpose of this title.

17 **“SEC. 223. STATE LEADERSHIP ACTIVITIES.**

18 “(a) IN GENERAL.—Each eligible agency may use
19 funds made available under section 222(a)(2) for any of
20 the following adult education and family literacy education
21 programs:

22 “(1) The establishment or operation of profes-
23 sional development programs to improve the quality
24 of instruction provided pursuant to local activities
25 required under section 231(b).

1 “(2) The provision of technical assistance to eli-
2 gible providers of adult education and family literacy
3 education programs, including for the development
4 and dissemination of evidence based research in-
5 structional practices in reading, writing, speaking,
6 math, and English language acquisition programs.

7 “(3) The provision of assistance to eligible pro-
8 viders in developing, implementing, and reporting
9 measurable progress in achieving the objectives of
10 this title.

11 “(4) The provision of technology assistance, in-
12 cluding staff training, to eligible providers of adult
13 education and family literacy education programs,
14 including distance education activities, to enable the
15 eligible providers to improve the quality of such ac-
16 tivities.

17 “(5) The development and implementation of
18 technology applications or distance education, in-
19 cluding professional development to support the use
20 of instructional technology.

21 “(6) Coordination with other public programs,
22 including welfare-to-work, workforce development,
23 and job training programs.

24 “(7) Coordination with existing support serv-
25 ices, such as transportation, child care, and other

1 assistance designed to increase rates of enrollment
2 in, and successful completion of, adult education and
3 family literacy education programs, for adults en-
4 rolled in such activities.

5 “(8) The development and implementation of a
6 system to assist in the transition from adult basic
7 education to postsecondary education.

8 “(9) Activities to promote workplace literacy
9 programs.

10 “(10) Other activities of statewide significance,
11 including assisting eligible providers in achieving
12 progress in improving the skill levels of adults who
13 participate in programs under this title.

14 “(11) Integration of literacy, instructional, and
15 occupational skill training and promotion of linkages
16 with employees.

17 “(b) COORDINATION.—In carrying out this section,
18 eligible agencies shall coordinate where possible, and avoid
19 duplicating efforts, in order to maximize the impact of the
20 activities described in subsection (a).

21 “(c) STATE-IMPOSED REQUIREMENTS.—Whenever a
22 State or outlying area implements any rule or policy relat-
23 ing to the administration or operation of a program au-
24 thorized under this title that has the effect of imposing
25 a requirement that is not imposed under Federal law (in-

cluding any rule or policy based on a State or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being imposed by the State or outlying area.

“SEC. 224. STATE PLAN.

“(a) 3-YEAR PLANS.—

“(1) IN GENERAL.—Each eligible agency desiring a grant under this title for any fiscal year shall submit to, or have on file with, the Secretary a 3-year State plan.

“(2) STATE UNIFIED PLAN.—The eligible agency may submit the State plan as part of a State unified plan described in section 501.

“(b) PLAN CONTENTS.—The eligible agency shall include in the State plan or any revisions to the State plan—

“(1) an objective assessment of the needs of individuals in the State or outlying area for adult education and family literacy education programs, including individuals most in need or hardest to serve;

“(2) a description of the adult education and family literacy education programs that will be carried out with funds received under this title;

1 “(3) an assurance that the funds received under
2 this title will not be expended for any purpose other
3 than for activities under this title;

4 “(4) a description of how the eligible agency
5 will fund local activities in accordance with the
6 measurable goals described in section 231(d);

7 “(5) an assurance that the eligible agency will
8 expend the funds under this title only in a manner
9 consistent with fiscal requirements in section 241;

10 “(6) a description of the process that will be
11 used for public participation and comment with re-
12 spect to the State plan, which process—

13 “(A) shall include consultation with the
14 State workforce investment board, the State
15 board responsible for administering community
16 or technical colleges, the Governor, the State
17 educational agency, the State board or agency
18 responsible for administering block grants for
19 temporary assistance to needy families under
20 title IV of the Social Security Act, the State
21 council on disabilities, the State vocational re-
22 habilitation agency, and other State agencies
23 that promote the improvement of adult edu-
24 cation and family literacy education programs,
25 and direct providers of such programs; and

1 “(B) may include consultation with the
2 State agency on higher education, institutions
3 responsible for professional development of
4 adult education and family literacy education
5 programs instructors, representatives of busi-
6 ness and industry, refugee assistance programs,
7 and faith-based organizations;

8 “(7) a description of the eligible agency’s strat-
9 egies for serving populations that include, at a min-
10 imum—

11 “(A) low-income individuals;

12 “(B) individuals with disabilities;

13 “(C) the unemployed;

14 “(D) the underemployed; and

15 “(E) individuals with multiple barriers to
16 educational enhancement, including English
17 learners;

18 “(8) a description of how the adult education
19 and family literacy education programs that will be
20 carried out with any funds received under this title
21 will be integrated with other adult education, career
22 development, and employment and training activities
23 in the State or outlying area served by the eligible
24 agency;

1 “(9) a description of the steps the eligible agen-
2 cy will take to ensure direct and equitable access, as
3 required in section 231(c)(1), including—

4 “(A) how the State will build the capacity
5 of community-based and faith-based organiza-
6 tions to provide adult education and family lit-
7 eracy education programs; and

8 “(B) how the State will increase the par-
9 ticipation of business and industry in adult edu-
10 cation and family literacy education programs;

11 “(10) an assessment of the adequacy of the sys-
12 tem of the State or outlying area to ensure teacher
13 quality and a description of how the State or out-
14 lying area will use funds received under this subtitle
15 to improve teacher quality, including evidence-based
16 professional development to improve instruction; and

17 “(11) a description of how the eligible agency
18 will consult with any State agency responsible for
19 postsecondary education to develop adult education
20 that prepares students to enter postsecondary edu-
21 cation without the need for remediation upon com-
22 pletion of secondary school equivalency programs.

23 “(c) PLAN REVISIONS.—When changes in conditions
24 or other factors require substantial revisions to an ap-

1 proved State plan, the eligible agency shall submit the re-
2 visions of the State plan to the Secretary.

3 “(d) CONSULTATION.—The eligible agency shall—

4 “(1) submit the State plan, and any revisions to
5 the State plan, to the Governor, the chief State
6 school officer, or the State officer responsible for ad-
7 ministering community or technical colleges, or out-
8 lying area for review and comment; and

9 “(2) ensure that any comments regarding the
10 State plan by the Governor, the chief State school
11 officer, or the State officer responsible for admin-
12 istering community or technical colleges, and any re-
13 vision to the State plan, are submitted to the Sec-
14 retary.

15 “(e) PLAN APPROVAL.—The Secretary shall—

16 “(1) approve a State plan within 120 days after
17 receiving the plan unless the Secretary makes a writ-
18 ten determination within 30 days after receiving the
19 plan that the plan does not meet the requirements
20 of this section or is inconsistent with specific provi-
21 sions of this subtitle; and

22 “(2) not finally disapprove of a State plan be-
23 fore offering the eligible agency the opportunity,
24 prior to the expiration of the 30-day period begin-
25 ning on the date on which the eligible agency re-

1 ceived the written determination described in para-
2 graph (3), to review the plan and providing technical
3 assistance in order to assist the eligible agency in
4 meeting the requirements of this subtitle.

5 **“SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND**
6 **OTHER INSTITUTIONALIZED INDIVIDUALS.**

7 “(a) PROGRAM AUTHORIZED.—From funds made
8 available under section 222(a)(1) for a fiscal year, each
9 eligible agency shall carry out corrections education and
10 education for other institutionalized individuals.

11 “(b) USES OF FUNDS.—The funds described in sub-
12 section (a) shall be used for the cost of educational pro-
13 grams for criminal offenders in correctional institutions
14 and for other institutionalized individuals, including aca-
15 demic programs for—

16 “(1) basic skills education;

17 “(2) special education programs as determined
18 by the eligible agency;

19 “(3) reading, writing, speaking, and math pro-
20 grams;

21 “(4) secondary school credit or diploma pro-
22 grams or their recognized equivalent;

23 “(5) integrated education and training;

24 “(6) postsecondary correctional education
25 linked to employment; and

1 “(7) transition to re-entry initiatives and other
2 post-release services with the goal of reducing recidi-
3 vism.

4 “(c) PRIORITY.—Each eligible agency that is using
5 assistance provided under this section to carry out a pro-
6 gram for criminal offenders within a correctional institu-
7 tion shall give priority to serving individuals who are likely
8 to leave the correctional institution within 5 years of par-
9 ticipation in the program.

10 “(d) DEFINITIONS.—For purposes of this section:

11 “(1) CORRECTIONAL INSTITUTION.—The term
12 ‘correctional institution’ means any—

13 “(A) prison;

14 “(B) jail;

15 “(C) reformatory;

16 “(D) work farm;

17 “(E) detention center; or

18 “(F) halfway house, community-based re-
19 habilitation center, or any other similar institu-
20 tion designed for the confinement or rehabilita-
21 tion of criminal offenders.

22 “(2) CRIMINAL OFFENDER.—The term ‘crimi-
23 nal offender’ means any individual who is charged
24 with, or convicted of, any criminal offense.

1 **“Subtitle C—LOCAL PROVISIONS**

2 **“SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PRO-**
3 **VIDERS.**

4 “(a) GRANTS AND CONTRACTS.—From grant funds
5 made available under section 222(a)(1), each eligible agen-
6 cy shall award multi-year grants or contracts, on a com-
7 petitive basis, to eligible providers within the State or out-
8 lying area that meet the conditions and requirements of
9 this title to enable the eligible providers to develop, imple-
10 ment, and improve adult education and family literacy
11 education programs within the State.

12 “(b) LOCAL ACTIVITIES.—The eligible agency shall
13 require eligible providers receiving a grant or contract
14 under subsection (a) to establish or operate—

15 “(1) programs that provide adult education and
16 literacy activities;

17 “(2) programs that provide such activities con-
18 currently with postsecondary education or training
19 or employment activities; or

20 “(3) credit-bearing postsecondary coursework.

21 “(c) DIRECT AND EQUITABLE ACCESS; SAME PROC-
22 ESS.—Each eligible agency receiving funds under this title
23 shall ensure that—

1 “(1) all eligible providers have direct and equi-
2 table access to apply for grants or contracts under
3 this section; and

4 “(2) the same grant or contract announcement
5 process and application process is used for all eligi-
6 ble providers in the State or outlying area.

7 “(d) MEASURABLE GOALS.—The eligible agency shall
8 require eligible providers receiving a grant or contract
9 under subsection (a) to demonstrate—

10 “(1) the eligible provider’s measurable goals for
11 participant outcomes to be achieved annually on the
12 core indicators of performance described in section
13 136(b)(2)(A);

14 “(2) the past effectiveness of the eligible pro-
15 vider in improving the basic academic skills of adults
16 and, for eligible providers receiving grants in the
17 prior year, the success of the eligible provider receiv-
18 ing funding under this title in exceeding its perform-
19 ance goals in the prior year;

20 “(3) the commitment of the eligible provider to
21 serve individuals in the community who are the most
22 in need of basic academic skills instruction services,
23 including individuals with disabilities and individuals
24 who are low-income or have minimal reading, writ-

1 ing, speaking, and math skills, or are English learn-
2 ers;

3 “(4) the program is of sufficient intensity and
4 quality for participants to achieve substantial learn-
5 ing gains;

6 “(5) educational practices are evidence-based;

7 “(6) the activities of the eligible provider effec-
8 tively employ advances in technology, and delivery
9 systems including distance education;

10 “(7) the activities provide instruction in real-life
11 contexts, including integrated education and training
12 when appropriate, to ensure that an individual has
13 the skills needed to compete in the workplace and
14 exercise the rights and responsibilities of citizenship;

15 “(8) the activities are staffed by well-trained in-
16 structors, counselors, and administrators who meet
17 minimum qualifications established by the State;

18 “(9) the activities are coordinated with other
19 available resources in the community, such as
20 through strong links with elementary schools and
21 secondary schools, postsecondary educational institu-
22 tions, local workforce investment boards, one-stop
23 centers, job training programs, community-based
24 and faith-based organizations, and social service
25 agencies;

1 “(10) the activities offer flexible schedules and
2 support services (such as child care and transpor-
3 tation) that are necessary to enable individuals, in-
4 cluding individuals with disabilities or other special
5 needs, to attend and complete programs;

6 “(11) the activities include a high-quality infor-
7 mation management system that has the capacity to
8 report measurable participant outcomes (consistent
9 with section 136) and to monitor program perform-
10 ance;

11 “(12) the local communities have a dem-
12 onstrated need for additional English language ac-
13 quisition programs, and integrated education and
14 training programs;

15 “(13) the capacity of the eligible provider to
16 produce valid information on performance results,
17 including enrollments and measurable participant
18 outcomes;

19 “(14) adult education and family literacy edu-
20 cation programs offer rigorous reading, writing,
21 speaking, and math content that are evidence based;
22 and

23 “(15) applications of technology, and services to
24 be provided by the eligible providers, are of sufficient
25 intensity and duration to increase the amount and

1 quality of learning and lead to measurable learning
2 gains within specified time periods.

3 “(e) SPECIAL RULE.—Eligible providers may use
4 grant funds under this title to serve children participating
5 in family literacy programs assisted under this part, pro-
6 vided that other sources of funds available to provide simi-
7 lar services for such children are used first.

8 **“SEC. 232. LOCAL APPLICATION.**

9 “Each eligible provider desiring a grant or contract
10 under this title shall submit an application to the eligible
11 agency containing such information and assurances as the
12 eligible agency may require, including—

13 “(1) a description of how funds awarded under
14 this title will be spent consistent with the require-
15 ments of this title;

16 “(2) a description of any cooperative arrange-
17 ments the eligible provider has with other agencies,
18 institutions, or organizations for the delivery of
19 adult education and family literacy education pro-
20 grams; and

21 “(3) each of the demonstrations required by
22 section 231(d).

1 **“SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.**

2 “(a) IN GENERAL.—Subject to subsection (b), of the
3 amount that is made available under this title to an eligi-
4 ble provider—

5 “(1) at least 95 percent shall be expended for
6 carrying out adult education and family literacy edu-
7 cation programs; and

8 “(2) the remaining amount shall be used for
9 planning, administration, personnel and professional
10 development, development of measurable goals in
11 reading, writing, speaking, and math, and inter-
12 agency coordination.

13 “(b) SPECIAL RULE.—In cases where the cost limits
14 described in subsection (a) are too restrictive to allow for
15 adequate planning, administration, personnel develop-
16 ment, and interagency coordination, the eligible provider
17 may negotiate with the eligible agency in order to deter-
18 mine an adequate level of funds to be used for noninstruc-
19 tional purposes.

20 **“Subtitle D—GENERAL**
21 **PROVISIONS**

22 **“SEC. 241. ADMINISTRATIVE PROVISIONS.**

23 “Funds made available for adult education and fam-
24 ily literacy education programs under this title shall sup-
25 plement and not supplant other State or local public funds

1 expended for adult education and family literacy education
2 programs.

3 **“SEC. 242. NATIONAL ACTIVITIES.**

4 “The Secretary shall establish and carry out a pro-
5 gram of national activities that may include the following:

6 “(1) Providing technical assistance to eligible
7 entities, on request, to—

8 “(A) improve their fiscal management, re-
9 search-based instruction, and reporting require-
10 ments to carry out the requirements of this
11 title;

12 “(B) improve its performance on the core
13 indicators of performance described in section
14 136;

15 “(C) provide adult education professional
16 development; and

17 “(D) use distance education and improve
18 the application of technology in the classroom,
19 including instruction in English language acqui-
20 sition for English learners.

21 “(2) Providing for the conduct of research on
22 national literacy basic skill acquisition levels among
23 adults, including the number of adult English learn-
24 ers functioning at different levels of reading pro-
25 ficiency.

1 “(3) Improving the coordination, efficiency, and
2 effectiveness of adult education and workforce devel-
3 opment services at the national, State, and local lev-
4 els.

5 “(4) Determining how participation in adult
6 education, English language acquisition, and family
7 literacy education programs prepares individuals for
8 entry into and success in postsecondary education
9 and employment, and in the case of prison-based
10 services, the effect on recidivism.

11 “(5) Evaluating how different types of pro-
12 viders, including community and faith-based organi-
13 zations or private for-profit agencies measurably im-
14 prove the skills of participants in adult education,
15 English language acquisition, and family literacy
16 education programs.

17 “(6) Identifying model integrated basic and
18 workplace skills education programs, including pro-
19 grams for English learners coordinated literacy and
20 employment services, and effective strategies for
21 serving adults with disabilities.

22 “(7) Initiating other activities designed to im-
23 prove the measurable quality and effectiveness of
24 adult education, English language acquisition, and
25 family literacy education programs nationwide.”.

1 **TITLE III—AMENDMENTS TO**
2 **THE WAGNER-PEYSER ACT**

3 **SEC. 301. AMENDMENTS TO THE WAGNER-PEYSER ACT.**

4 The Wagner-Peyser Act (29 U.S.C. 49 et seq.) is
5 amended—

6 (1) by repealing sections 1 through 14; and

7 (2) by amending section 15 to read as follows:

8 **“SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION**
9 **SYSTEM.**

10 “(a) SYSTEM CONTENT.—

11 “(1) IN GENERAL.—The Secretary of Labor, in
12 accordance with the provisions of this section, shall
13 oversee the development, maintenance, and contin-
14 uous improvement of a nationwide workforce and
15 labor market information system that includes—

16 “(A) statistical data from cooperative sta-
17 tistical survey and projection programs and
18 data from administrative reporting systems
19 that, taken together, enumerate, estimate, and
20 project employment opportunities and condi-
21 tions at national, State, and local levels in a
22 timely manner, including statistics on—

23 “(i) employment and unemployment
24 status of national, State, and local popu-

1 lations, including self-employed, part-time,
2 and seasonal workers;

3 “(ii) industrial distribution of occupa-
4 tions, as well as current and projected em-
5 ployment opportunities, wages, benefits
6 (where data is available), and skill trends
7 by occupation and industry, with particular
8 attention paid to State and local condi-
9 tions;

10 “(iii) the incidence of, industrial and
11 geographical location of, and number of
12 workers displaced by, permanent layoffs
13 and plant closings; and

14 “(iv) employment and earnings infor-
15 mation maintained in a longitudinal man-
16 ner to be used for research and program
17 evaluation;

18 “(B) information on State and local em-
19 ployment opportunities, and other appropriate
20 statistical data related to labor market dynam-
21 ics, which—

22 “(i) shall be current and comprehen-
23 sive;

24 “(ii) shall meet the needs identified
25 through the consultations described in sub-

1 paragraphs (A) and (B) of subsection
2 (e)(2); and

3 “(iii) shall meet the needs for the in-
4 formation identified in section 121;

5 “(C) technical standards (which the Sec-
6 retary shall publish annually) for data and in-
7 formation described in subparagraphs (A) and
8 (B) that, at a minimum, meet the criteria of
9 chapter 35 of title 44, United States Code;

10 “(D) procedures to ensure compatibility
11 and additivity of the data and information de-
12 scribed in subparagraphs (A) and (B) from na-
13 tional, State, and local levels;

14 “(E) procedures to support standardization
15 and aggregation of data from administrative re-
16 porting systems described in subparagraph (A)
17 of employment-related programs;

18 “(F) analysis of data and information de-
19 scribed in subparagraphs (A) and (B) for uses
20 such as—

21 “(i) national, State, and local policy-
22 making;

23 “(ii) implementation of Federal poli-
24 cies (including allocation formulas);

1 “(iii) program planning and evalua-
2 tion; and

3 “(iv) researching labor market dynam-
4 ics;

5 “(G) wide dissemination of such data, in-
6 formation, and analysis in a user-friendly man-
7 ner and voluntary technical standards for dis-
8 semination mechanisms; and

9 “(H) programs of—

10 “(i) training for effective data dis-
11 semination;

12 “(ii) research and demonstration; and

13 “(iii) programs and technical assist-
14 ance.

15 “(2) INFORMATION TO BE CONFIDENTIAL.—

16 “(A) IN GENERAL.—No officer or em-
17 ployee of the Federal Government or agent of
18 the Federal Government may—

19 “(i) use any submission that is fur-
20 nished for exclusively statistical purposes
21 under the provisions of this section for any
22 purpose other than the statistical purposes
23 for which the submission is furnished;

24 “(ii) disclose to the public any publi-
25 cation or media transmittal of the data

1 contained in the submission described in
2 clause (i) that permits information con-
3 cerning an individual subject to be reason-
4 ably inferred by either direct or indirect
5 means; or

6 “(iii) permit anyone other than a
7 sworn officer, employee, or agent of any
8 Federal department or agency, or a con-
9 tractor (including an employee of a con-
10 tractor) of such department or agency, to
11 examine an individual submission described
12 in clause (i),

13 without the consent of the individual, agency, or
14 other person who is the subject of the submis-
15 sion or provides that submission.

16 “(B) IMMUNITY FROM LEGAL PROCESS.—
17 Any submission (including any data derived
18 from the submission) that is collected and re-
19 tained by a Federal department or agency, or
20 an officer, employee, agent, or contractor of
21 such a department or agency, for exclusively
22 statistical purposes under this section shall be
23 immune from the legal process and shall not,
24 without the consent of the individual, agency, or
25 other person who is the subject of the submis-

1 sion or provides that submission, be admitted
2 as evidence or used for any purpose in any ac-
3 tion, suit, or other judicial or administrative
4 proceeding.

5 “(C) RULE OF CONSTRUCTION.—Nothing
6 in this section shall be construed to provide im-
7 munity from the legal process for such submis-
8 sion (including any data derived from the sub-
9 mission) if the submission is in the possession
10 of any person, agency, or entity other than the
11 Federal Government or an officer, employee,
12 agent, or contractor of the Federal Government,
13 or if the submission is independently collected,
14 retained, or produced for purposes other than
15 the purposes of this Act.

16 “(b) SYSTEM RESPONSIBILITIES.—

17 “(1) IN GENERAL.—The workforce and labor
18 market information system described in subsection
19 (a) shall be planned, administered, overseen, and
20 evaluated through a cooperative governance struc-
21 ture involving the Federal Government and States.

22 “(2) DUTIES.—The Secretary, with respect to
23 data collection, analysis, and dissemination of work-
24 force and labor market information for the system,
25 shall carry out the following duties:

1 “(A) Assign responsibilities within the De-
2 partment of Labor for elements of the work-
3 force and labor market information system de-
4 scribed in subsection (a) to ensure that all sta-
5 tistical and administrative data collected is con-
6 sistent with appropriate Bureau of Labor Sta-
7 tistics standards and definitions.

8 “(B) Actively seek the cooperation of other
9 Federal agencies to establish and maintain
10 mechanisms for ensuring complementarity and
11 nonduplication in the development and oper-
12 ation of statistical and administrative data col-
13 lection activities.

14 “(C) Eliminate gaps and duplication in
15 statistical undertakings, with the systemization
16 of wage surveys as an early priority.

17 “(D) In collaboration with the Bureau of
18 Labor Statistics and States, develop and main-
19 tain the elements of the workforce and labor
20 market information system described in sub-
21 section (a), including the development of con-
22 sistent procedures and definitions for use by the
23 States in collecting the data and information
24 described in subparagraphs (A) and (B) of sub-
25 section (a)(1).

1 “(E) Establish procedures for the system
2 to ensure that—

3 “(i) such data and information are
4 timely;

5 “(ii) paperwork and reporting for the
6 system are reduced to a minimum; and

7 “(iii) States and localities are fully in-
8 volved in the development and continuous
9 improvement of the system at all levels.

10 “(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE
11 SERVICES.—The Secretary is authorized to assist in the
12 development of national electronic tools that may be used
13 to facilitate the delivery of work ready services described
14 in section 134(c)(2) and to provide workforce information
15 to individuals through the one-stop delivery systems de-
16 scribed in section 121 and through other appropriate de-
17 livery systems.

18 “(d) COORDINATION WITH THE STATES.—

19 “(1) IN GENERAL.—The Secretary, working
20 through the Bureau of Labor Statistics and the Em-
21 ployment and Training Administration, shall regu-
22 larly consult with representatives of State agencies
23 carrying out workforce information activities regard-
24 ing strategies for improving the workforce and labor
25 market information system.

1 “(2) FORMAL CONSULTATIONS.—At least twice
2 each year, the Secretary, working through the Bu-
3 reau of Labor Statistics, shall conduct formal con-
4 sultations regarding programs carried out by the
5 Bureau of Labor Statistics with representatives of
6 each of the Federal regions of the Bureau of Labor
7 Statistics, elected (pursuant to a process established
8 by the Secretary) from the State directors affiliated
9 with State agencies that perform the duties de-
10 scribed in subsection (e)(2).

11 “(e) STATE RESPONSIBILITIES.—

12 “(1) IN GENERAL.—In order to receive Federal
13 financial assistance under this section, the Governor
14 of a State shall—

15 “(A) be responsible for the management of
16 the portions of the workforce and labor market
17 information system described in subsection (a)
18 that comprise a statewide workforce and labor
19 market information system and for the State’s
20 participation in the development of the annual
21 plan;

22 “(B) establish a process for the oversight
23 of such system;

24 “(C) consult with State and local employ-
25 ers, participants, and local workforce invest-

1 ment boards about the labor market relevance
2 of the data to be collected and disseminated
3 through the statewide workforce and labor mar-
4 ket information system;

5 “(D) consult with State educational agen-
6 cies and local educational agencies concerning
7 the provision of employment statistics in order
8 to meet the needs of secondary school and post-
9 secondary school students who seek such infor-
10 mation;

11 “(E) collect and disseminate for the sys-
12 tem, on behalf of the State and localities in the
13 State, the information and data described in
14 subparagraphs (A) and (B) of subsection
15 (a)(1);

16 “(F) maintain and continuously improve
17 the statewide workforce and labor market infor-
18 mation system in accordance with this section;

19 “(G) perform contract and grant respon-
20 sibilities for data collection, analysis, and dis-
21 semination for such system;

22 “(H) conduct such other data collection,
23 analysis, and dissemination activities as will en-
24 sure an effective statewide workforce and labor
25 market information system;

1 “(I) actively seek the participation of other
2 State and local agencies in data collection, anal-
3 ysis, and dissemination activities in order to en-
4 sure complementarity, compatibility, and useful-
5 ness of data;

6 “(J) participate in the development of the
7 annual plan described in subsection (c); and

8 “(K) utilize the quarterly records described
9 in section 136(f)(2) to assist the State and
10 other States in measuring State progress on
11 State performance measures.

12 “(2) RULE OF CONSTRUCTION.—Nothing in
13 this section shall be construed as limiting the ability
14 of a Governor to conduct additional data collection,
15 analysis, and dissemination activities with State
16 funds or with Federal funds from sources other than
17 this section.

18 “(f) NONDUPLICATION REQUIREMENT.—None of the
19 functions and activities carried out pursuant to this sec-
20 tion shall duplicate the functions and activities carried out
21 under the Carl D. Perkins Career and Technical Edu-
22 cation Act of 2006 (20 U.S.C. 2301 et seq.).

23 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
24 are authorized to be appropriated to carry out this section

1 \$63,473,000 for fiscal year 2013 and each of the 5 suc-
2 ceeding fiscal years.

3 “(h) DEFINITION.—In this section, the term ‘local
4 area’ means the smallest geographical area for which data
5 can be produced with statistical reliability.”.

6 **TITLE IV—REPEALS AND** 7 **CONFORMING AMENDMENTS**

8 **SEC. 401. REPEALS.**

9 The following provisions are repealed:

10 (1) Chapter 4 of subtitle B of title I, and sec-
11 tions 123, 155, 156, 166, 167, 168, 169, 171, 173,
12 173A, 174, 192, 502, 503, and 506 of the Work-
13 force Investment Act of 1998.

14 (2) Title V of the Older Americans Act of 1965.

15 (3) Sections 1 through 14 of the Wagner-
16 Peyser Act of 1933.

17 (4) Section 428 of the H-1B Visa Reform Act
18 of 2004.

19 (5) Youth Conservation Corps Act of 1970 (16
20 U.S.C. 1701 et seq.).

21 (6) Section 1151 of title 20, United States
22 Code (Grants to States for workplace and commu-
23 nity transition training for incarcerated individuals).

24 (7) Section 412 of the Immigration and Nation-
25 ality Act (8 U.S.C. 1522) and section 501(a) of the

1 Refugee Education Assistance Act of 1980 (94 Stat.
2 1809; 8 U.S.C. 1522 note).

3 (8) Section 231 of the Second Chance Act of
4 2007 (Public Law 110–199).

5 (9) Chapter 27 of title 29, United States Code
6 (Women in Apprenticeship and Nontraditional Occu-
7 pations).

8 **SEC. 402. AMENDMENT TO THE COMPREHENSIVE ENVIRON-**
9 **MENTAL RESPONSE, COMPENSATION, AND LI-**
10 **ABILITY ACT OF 1980.**

11 Section 104(k)(6) of the Comprehensive Environ-
12 mental Response, Compensation, and Liability Act of
13 1980 (42 U.S.C. 9604) is amended by striking “, train-
14 ing,”.

15 **SEC. 403. AMENDMENTS TO THE FOOD AND NUTRITION ACT**
16 **OF 2008.**

17 (a) DEFINITION.—Section 3(t) of the Food and Nu-
18 trition Act of 2008 (7 U.S.C. 2012(t)) is amended—

19 (1) by striking “and (2)” and inserting “(2)”,
20 and

21 (2) by inserting before the period at the end the
22 following:

23 “, and (3) when referencing employment and training ac-
24 tivities under section 6(d)(4), a State board as defined in

1 section 101 of the Workforce Investment Act of 1998 (29
2 U.S.C. 2801)”.

3 (b) ELIGIBLE HOUSEHOLDS.—Section 5 of the Food
4 and Nutrition Act of 2008 (7 U.S.C. 2014) is amended—

5 (1) in subsection (d)(14) by striking “section
6 (d)(4)(I)” and inserting “section (d)(4)(C)”, and

7 (2) in subsection (g)(3) by striking “consti-
8 tuting adequate participation in an employment and
9 training program under section 6(d)” and inserting
10 “allows the individual to participate in employment
11 and training activities under section 6(d)(4)”.

12 (c) ELIGIBILITY DISQUALIFICATIONS.—Section
13 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C.
14 2015(d)(4)) is amended to read as follows:

15 “(4) EMPLOYMENT AND TRAINING.—

16 “(A) IMPLEMENTATION.—Each State
17 agency shall provide employment and training
18 services authorized under section 134 of the
19 Workforce Investment Act of 1998 (29 U.S.C.
20 2864) to eligible members of households partici-
21 pating in the supplemental nutrition assistance
22 program in gaining skills, training, work, or ex-
23 perience that will increase their ability to obtain
24 regular employment.

1 “(B) STATEWIDE WORKFORCE DEVELOP-
2 MENT SYSTEM.—Consistent with subparagraph
3 (A), employment and training services shall be
4 provided through the statewide workforce devel-
5 opment system, including the One-Stop delivery
6 system, authorized by the Workforce Invest-
7 ment Act of 1998 (29 U.S.C. 2801 et seq.).

8 “(C) REIMBURSEMENTS.—

9 “(i) ACTUAL COSTS.—The State agen-
10 cy shall provide payments or reimburse-
11 ment to participants served under this
12 paragraph for—

13 “(I) the actual costs of transpor-
14 tation and other actual costs (other
15 than dependent care costs) that are
16 reasonably necessary and directly re-
17 lated to the individual participating in
18 employment and training activities;
19 and

20 “(II) the actual costs of such de-
21 pendent care expenses that are deter-
22 mined by the State agency to be nec-
23 essary for the individual to participate
24 in employment and training activities
25 (other than an individual who is the

1 caretaker relative of a dependent in a
2 family receiving benefits under part A
3 of title IV of the Social Security Act
4 (42 U.S.C. 601 et seq.) in a local area
5 where an employment, training, or
6 education program under title IV of
7 such Act is in operation), except that
8 no such payment or reimbursement
9 shall exceed the applicable local mar-
10 ket rate.

11 “(ii) SERVICE CONTRACTS AND
12 VOUCHERS.—In lieu of providing reim-
13 bursements or payments for dependent
14 care expenses under clause (i), a State
15 agency may, at its option, arrange for de-
16 pendent care through providers by the use
17 of purchase of service contracts or vouch-
18 ers or by providing vouchers to the house-
19 hold.

20 “(iii) VALUE OF REIMBURSEMENTS.—
21 The value of any dependent care services
22 provided for or arranged under clause (ii),
23 or any amount received as a payment or
24 reimbursement under clause (i), shall—

1 “(I) not be treated as income for
2 the purposes of any other Federal or
3 federally assisted program that bases
4 eligibility for, or the amount of bene-
5 fits on, need; and

6 “(II) not be claimed as an em-
7 ployment-related expense for the pur-
8 poses of the credit provided under sec-
9 tion 21 of the Internal Revenue Code
10 of 1986 (26 U.S.C. 21).”.

11 (d) ADMINISTRATION.—Section 11(e)(19) of the
12 Food and Nutrition Act of 2008 (7 U.S.C. 2020(e)(11))
13 is amended to read as follows:

14 “(19) the plans of the State agency for providing em-
15 ployment and training services under section 6(d)(4);”.

16 (e) ADMINISTRATIVE COST-SHARING AND QUALITY
17 CONTROL.—Section 16(h) of the Food and Nutrition Act
18 of 2008 (7 U.S.C. 2025) is amended—

19 (1) in paragraph (1)—

20 (A) in subparagraph (A) by striking “carry
21 out employment and training programs” and
22 inserting “provide employment and training
23 services to eligible households under section
24 6(d)(4)”, and

1 (B) in subparagraph (D) by striking “op-
2 erating an employment and training program”
3 and inserting “providing employment and train-
4 ing services consistent with section 6(d)(4)”,

5 (2) in paragraph (3) by striking “related to
6 participation in an employment and training pro-
7 gram” and inserting “the individual participating in
8 employment and training activities”,

9 (3) in paragraph (4) by striking “for operating
10 an employment and training program” and inserting
11 “to provide employment and training services”, and

12 (4) by amending paragraph (5) to read as fol-
13 lows:

14 “(5) MONITORING.—The Secretary, in conjunc-
15 tion with the Secretary of Labor, shall monitor each
16 State agency responsible for administering employ-
17 ment and training services under section 6(d)(4) to
18 ensure funds are being spent effectively and effi-
19 ciently. Each program of employment and training
20 receiving funds under section 6(d)(4) shall be sub-
21 ject to the requirements of the performance account-
22 ability system, including having to meet the state
23 performance measures included in section 136 of the
24 Workforce Investment Act (29 U.S.C. 2871).”.

1 (f) RESEARCH, DEMONSTRATION, AND EVALUA-
2 TIONS.—Section 17 of the Food and Nutrition Act of
3 2008 (7 U.S.C. 2026) is amended—

4 (1) in subsection (b) by striking paragraph (3),
5 and

6 (2) in subsection (g)—

7 (A) by inserting “, in conjunction with the
8 Secretary of Labor,” after “Secretary”, and

9 (B) by striking “programs established”
10 and inserting “activities provided to eligible
11 households”.

12 (g) MINNESOTA FAMILY INVESTMENT PROJECT.—
13 Section 22(b)(4) of the Food and Nutrition Act of 2008
14 (7 U.S.C. 2031(b)(4)) is amended by striking “equivalent
15 to those offered under the employment and training pro-
16 gram”.

17 **SEC. 404. CONFORMING AMENDMENT TO TABLE OF CON-**
18 **TENTS.**

19 The table of contents in section 1(b) is amended to
20 read as follows:

“Sec. 1. Short title; table of contents.

“TITLE I—WORKFORCE INVESTMENT SYSTEMS

“Subtitle A—Workforce Investment Definitions

“Sec. 101. Definitions.

“Subtitle B—Statewide and Local Workforce Investment Systems

“Sec. 106. Purpose.

“CHAPTER 1—STATE PROVISIONS

“Sec. 111. State workforce investment boards.

“Sec. 112. State plan.

“CHAPTER 2—LOCAL PROVISIONS

“Sec. 116. Local workforce investment areas.

“Sec. 117. Local workforce investment boards.

“Sec. 118. Local plan.

“CHAPTER 3—WORKFORCE INVESTMENT ACTIVITIES PROVIDERS

“Sec. 121. Establishment of one-stop delivery systems.

“Sec. 122. Identification of eligible providers of training services.

“Sec. 123. [Repealed].

“CHAPTER 4—[REPEALED]

“CHAPTER 5—EMPLOYMENT AND TRAINING ACTIVITIES

“Sec. 131. General authorization.

“Sec. 132. State allotments.

“Sec. 133. Within State allocations.

“Sec. 134. Use of funds for employment and training activities.

“CHAPTER 6—GENERAL PROVISIONS

“Sec. 136. Performance accountability system.

“Sec. 137. Authorization of appropriations.

“Subtitle C—Job Corps

“Sec. 141. Purposes.

“Sec. 142. Definitions.

“Sec. 143. Establishment.

“Sec. 144. Individuals eligible for the Job Corps.

“Sec. 145. Recruitment, screening, selection, and assignment of enrollees.

“Sec. 146. Enrollment.

“Sec. 147. Job Corps centers.

“Sec. 148. Program activities.

“Sec. 149. Counseling and job placement.

“Sec. 150. Support.

“Sec. 151. Operations.

“Sec. 152. Standards of conduct.

“Sec. 153. Community participation.

“Sec. 154. Workforce councils.

“Sec. 155. [Repealed].

“Sec. 156. [Repealed].

“Sec. 157. Application of provisions of Federal law.

“Sec. 158. Special provisions.

“Sec. 159. Management information.

“Sec. 160. General provisions

“Sec. 161. Closure of low-performing Job Corps centers.

“Sec. 162. Reforms to remove political favoritism in the opening of new Job Corps centers.

“Subtitle D—National Programs

“Sec. 166. [Repealed].

- “Sec. 167. [Repealed].
- “Sec. 168. [Repealed].
- “Sec. 169. [Repealed].
- “Sec. 170. Technical assistance.
- “Sec. 171. [Repealed].
- “Sec. 172. Evaluations.
- “Sec. 173. [Repealed].
- “Sec. 173A. [Repealed].
- “Sec. 174. [Repealed].

“Subtitle E—Administration

- “Sec. 181. Requirements and restrictions.
- “Sec. 182. Prompt allocation of funds.
- “Sec. 183. Monitoring.
- “Sec. 184. Fiscal controls; sanctions.
- “Sec. 185. Reports; recordkeeping; investigations.
- “Sec. 186. Administrative adjudication.
- “Sec. 187. Judicial review.
- “Sec. 188. Nondiscrimination.
- “Sec. 189. Administrative provisions.
- “Sec. 190. References.
- “Sec. 191. State legislative authority.
- “Sec. 192. [Repealed].
- “Sec. 193. Use of certain real property.
- “Sec. 194. Continuation of State activities and policies.
- “Sec. 195. General program requirements.
- “Sec. 196. Department Staff.

“Subtitle F—Repeals and Conforming Amendments

- “Sec. 199. Repeals.
- “Sec. 199A. Conforming amendments.

“TITLE II—ADULT EDUCATION AND FAMILY LITERACY
EDUCATION

- “Sec. 201. Short title.
- “Sec. 202. Purpose.
- “Sec. 203. Definitions.
- “Sec. 204. Home schools.
- “Sec. 205. Authorization of appropriations.

“Subtitle A—FEDERAL PROVISIONS

- “Sec. 211. Reservation of funds; grants to eligible agencies; allotments.
- “Sec. 212. Performance accountability system.

“Subtitle B—STATE PROVISIONS

- “Sec. 221. State administration.
- “Sec. 222. State distribution of funds; matching requirement.
- “Sec. 223. State leadership activities.
- “Sec. 224. State plan.
- “Sec. 225. Programs for corrections education and other institutionalized individuals.

“Subtitle C—LOCAL PROVISIONS

“Sec. 231. Grants and contracts for eligible providers.

“Sec. 232. Local application.

“Sec. 233. Local administrative cost limits.

“Subtitle D—GENERAL PROVISIONS

“Sec. 241. Administrative provisions.

“Sec. 242. National activities.

“TITLE III—WORKFORCE INVESTMENT-RELATED ACTIVITIES

“Subtitle A—Wagner-Peyser Act

“Sec. 301. Definitions.

“Sec. 302. Functions.

“Sec. 303. Designation of State agencies.

“Sec. 304. Appropriations.

“Sec. 305. Disposition of allotted funds.

“Sec. 306. State plans.

“Sec. 307. Repeal of Federal advisory council.

“Sec. 308. Regulations.

“Sec. 309. Employment statistics.

“Sec. 310. Technical amendments.

“Sec. 311. Effective date.

“Subtitle B—Linkages With Other Programs

“Sec. 321. Trade Act of 1974.

“Sec. 322. Veterans’ employment programs.

“Sec. 323. Older Americans Act of 1965.

“Subtitle C—Twenty-First Century Workforce Commission

“Sec. 331. Short title.

“Sec. 332. Findings.

“Sec. 333. Definitions.

“Sec. 334. Establishment of Twenty-First Century Workforce Commission.

“Sec. 335. Duties of the Commission.

“Sec. 336. Powers of the Commission.

“Sec. 337. Commission personnel matters.

“Sec. 338. Termination of the Commission.

“Sec. 339. Authorization of appropriations.

“Subtitle D—Application of Civil Rights and Labor-Management Laws to the
Smithsonian Institution

“Sec. 341. Application of civil rights and labor-management laws to the Smithsonian Institution.

“TITLE IV—REHABILITATION ACT AMENDMENTS OF 1998

“Sec. 401. Short title.

“Sec. 402. Title.

“Sec. 403. General provisions.

“Sec. 404. Vocational rehabilitation services.

“Sec. 405. Research and training.

“Sec. 406. Professional development and special projects and demonstrations.

“Sec. 407. National Council on Disability.

- “Sec. 408. Rights and advocacy.
- “Sec. 409. Employment opportunities for individuals with disabilities.
- “Sec. 410. Independent living services and centers for independent living.
- “Sec. 411. Repeal.
- “Sec. 412. Helen Keller National Center Act.
- “Sec. 413. President’s Committee on Employment of People With Disabilities.
- “Sec. 414. Conforming amendments.

“TITLE V—GENERAL PROVISIONS

- “Sec. 501. State unified plan.
- “Sec. 502. [Repealed].
- “Sec. 503. [Repealed].
- “Sec. 504. Privacy.
- “Sec. 505. Buy-American requirements.
- “Sec. 506. [Repealed].
- “Sec. 507. Effective date.”.

1 **TITLE V—AMENDMENTS TO THE**
2 **REHABILITATION ACT OF 1973**

3 **SEC. 501. FINDINGS.**

4 Section 2(a) of the Rehabilitation Act of 1973 (29
5 U.S.C. 701(a)) is amended—

6 (1) in paragraph (5), by striking “and” at the
7 end;

8 (2) in paragraph (6), by striking the period and
9 inserting “; and”; and

10 (3) by adding at the end the following:

11 “(7) there is a substantial need to improve and
12 expand services for students with disabilities under
13 this Act.”.

14 **SEC. 502. REHABILITATION SERVICES ADMINISTRATION.**

15 (a) REHABILITATION SERVICES ADMINISTRATION.—
16 The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.)
17 is amended—

1 (1) in section 3(a) (29 U.S.C. 702(a))—

2 (A) by striking “Office of the Secretary”
3 and inserting “Department of Education”;

4 (B) by striking “President by and with the
5 advice and consent of the Senate” and inserting
6 “Secretary”; and

7 (C) by striking “, and the Commissioner
8 shall be the principal officer,”;

9 (2) by striking “Commissioner” each place it
10 appears (except in section 21) and inserting “Direc-
11 tor”;

12 (3) in the heading for subparagraph (B) of sec-
13 tion 100(d)(2), by striking “COMMISSIONER” and in-
14 serting “DIRECTOR”;

15 (4) in the heading for section 706, by striking
16 “**COMMISSIONER**” and inserting “**DIRECTOR**”;

17 (5) in the heading for paragraph (3) of section
18 723(a), by striking “COMMISSIONER” and inserting
19 “DIRECTOR”; and

20 (6) in section 21 (29 U.S.C. 718)—

21 (A) in subsection (b)(1)—

22 (i) by striking “Commissioner” the
23 first place it appears and inserting “Direc-
24 tor of the Rehabilitation Services Adminis-
25 tration”; and

1 (ii) by striking “(referred to in this
2 subsection as the ‘Director’)”;

3 (B) by striking “the Commissioner and the
4 Director” each place it appears and inserting
5 “both such Directors”; and

6 (C) by striking “The Commissioner and
7 the Director” and inserting “Both such Direc-
8 tors”.

9 (b) EFFECTIVE DATE; APPLICATION.—The amend-
10 ments made by subsection (a) shall—

11 (1) take effect on the date of the enactment of
12 this Act; and

13 (2) apply with respect to the appointments of
14 Directors of the Rehabilitation Services Administra-
15 tion made on or after the date of enactment of this
16 Act, and the Directors so appointed.

17 **SEC. 503. DEFINITIONS.**

18 Section 7 of the Rehabilitation Act of 1973 (29
19 U.S.C. 705) is amended—

20 (1) by redesignating paragraphs (35) through
21 (39) as paragraphs (36) through (40), respectively;

22 (2) in subparagraph (A)(ii) of paragraph (36)
23 (as redesignated by paragraph (1)), by striking
24 “paragraph (36)(C)” and inserting “paragraph
25 (37)(C)”; and

1 (3) by inserting after paragraph (34) the fol-
2 lowing:

3 “(35)(A) The term ‘student with a disability’
4 means an individual with a disability who—

5 “(i) is not younger than 16 and not
6 older than 21;

7 “(ii) has been determined to be eligi-
8 ble under section 102(a) for assistance
9 under this title; and

10 “(iii)(I) is eligible for, and is receiv-
11 ing, special education under part B of the
12 Individuals with Disabilities Education Act
13 (20 U.S.C. 1411 et seq.); or

14 “(II) is an individual with a disability,
15 for purposes of section 504.

16 “(B) The term ‘students with disabilities’
17 means more than 1 student with a disability.”.

18 **SEC. 504. STATE PLAN.**

19 Section 101(a) of the Rehabilitation Act of 1973 (29
20 U.S.C. 721(a)) is amended—

21 (1) in paragraph (11)—

22 (A) in subparagraph (D)(i), by inserting
23 before the semicolon the following: “, which
24 may be provided using alternative means of

1 meeting participation (such as video conferences
2 and conference calls)”; and

3 (B) by adding at the end the following:

4 “(G) COORDINATION WITH ASSISTIVE
5 TECHNOLOGY PROGRAMS.—The State plan shall
6 include an assurance that the designated State
7 unit and the lead agency or implementing entity
8 responsible for carrying out duties under the
9 Assistive Technology Act of 1998 (29 U.S.C.
10 3001 et seq.) have developed working relation-
11 ships and coordinate their activities.”;

12 (2) in paragraph (15)—

13 (A) in subparagraph (A)—

14 (i) in clause (i)—

15 (I) in subclause (II), by striking
16 “and” at the end;

17 (II) in subclause (III), by adding
18 “and” at the end; and

19 (III) by adding at the end the
20 following:

21 “(IV) students with disabilities,
22 including their need for transition
23 services;”;

1 (ii) by redesignating clauses (ii) and
2 (iii) as clauses (iii) and (iv), respectively;
3 and

4 (iii) by inserting after clause (i) the
5 following:

6 “(ii) include an assessment of the
7 transition services provided under this Act,
8 and coordinated with transition services
9 under the Individuals with Disabilities
10 Education Act, as to those services meet-
11 ing the needs of individuals with disabil-
12 ities;”; and

13 (B) in subparagraph (D)—

14 (i) by redesignating clauses (iii), (iv),
15 and (v) as clauses (iv), (v), and (vi), re-
16 spectively; and

17 (ii) by inserting after clause (ii) the
18 following:

19 “(iii) the methods to be used to im-
20 prove and expand vocational rehabilitation
21 services for students with disabilities, in-
22 cluding the coordination of services de-
23 signed to facilitate the transition of such
24 students from the receipt of educational
25 services in school to the receipt of voca-

1 tional rehabilitation services under this
2 title or to postsecondary education or em-
3 ployment;”;

4 (3) in paragraph (22)—

5 (A) by striking “carrying out part B of
6 title VI, including”; and

7 (B) by striking “that part to supplement
8 funds made available under part B of”;

9 (4) in paragraph (24)(A), by striking “part A
10 of title VI” and inserting “section 109A”; and

11 (5) by adding at the end the following:

12 “(25) COLLABORATION WITH INDUSTRY.—The
13 State plan shall describe how the designated State
14 agency will carry out the provisions of section 109A,
15 including—

16 “(A) the criteria such agency will use to
17 award grants under such section; and

18 “(B) how the activities carried out under
19 such grants will be coordinated with other serv-
20 ices provided under this title.

21 “(26) SERVICES FOR STUDENTS WITH DISABIL-
22 ITIES.—The State plan shall provide an assurance
23 satisfactory to the Secretary that the State—

24 “(A) has developed and implemented strat-
25 egies to address the needs identified in the as-

1 sessment described in paragraph (15), and
2 achieve the goals and priorities identified by the
3 State, to improve and expand vocational reha-
4 bilitation services for students with disabilities
5 on a statewide basis in accordance with para-
6 graph (15); and

7 “(B) from funds reserved under section
8 110A, shall carry out programs or activities de-
9 signed to improve and expand vocational reha-
10 bilitation services for students with disabilities
11 that—

12 “(i) facilitate the transition of stu-
13 dents with disabilities from the receipt of
14 educational services in school, to the re-
15 ceipt of vocational rehabilitation services
16 under this title, including, at a minimum,
17 those services specified in the interagency
18 agreement required in paragraph (11)(D);

19 “(ii) improve the achievement of post-
20 school goals of students with disabilities,
21 including improving the achievement
22 through participation (as appropriate when
23 career goals are discussed) in meetings re-
24 garding individualized education programs
25 developed under section 614 of the Individ-

1 uals with Disabilities Education Act (20
2 U.S.C. 1414);

3 “(iii) provide career guidance, career
4 exploration services, job search skills and
5 strategies, and technical assistance to stu-
6 dents with disabilities;

7 “(iv) support the provision of training
8 and technical assistance to State and local
9 educational agencies and designated State
10 agency personnel responsible for the plan-
11 ning and provision of services to students
12 with disabilities; and

13 “(v) support outreach activities to stu-
14 dents with disabilities who are eligible for,
15 and need, services under this title.”.

16 **SEC. 505. SCOPE OF SERVICES.**

17 Section 103 of the Rehabilitation Act of 1973 (29
18 U.S.C. 723) is amended—

19 (1) in subsection (a), by striking paragraph
20 (15) and inserting the following:

21 “(15) transition services for students with dis-
22 abilities, that facilitate the achievement of the em-
23 ployment outcome identified in the individualized
24 plan for employment, including services described in
25 clauses (i) through (iii) of section 101(a)(26)(B);”;

1 (2) in subsection (b), by striking paragraph (6)
2 and inserting the following:

3 “(6)(A)(i) Consultation and technical assistance
4 services to assist State and local educational agen-
5 cies in planning for the transition of students with
6 disabilities from school to post-school activities, in-
7 cluding employment.

8 “(ii) Training and technical assistance de-
9 scribed in section 101(a)(26)(B)(iv).

10 “(B) Services for groups of individuals with dis-
11 abilities who meet the requirements of clauses (i)
12 and (iii) of section 7(35)(A), including services de-
13 scribed in clauses (i), (ii), (iii), and (v) of section
14 101(a)(26)(B), to assist in the transition from
15 school to post-school activities.”; and

16 (3) in subsection (b) by inserting at the end,
17 the following:

18 “(7) The establishment, development, or im-
19 provement of assistive technology demonstration,
20 loan, reutilization, or financing programs in coordi-
21 nation with activities authorized under the Assistive
22 Technology Act of 1998 (29 U.S.C. 3001) to pro-
23 mote access to assistive technology for individuals
24 with disabilities and employers.”.

1 **SEC. 506. STANDARDS AND INDICATORS.**

2 Section 106(a) of the Rehabilitation Act of 1973 (29
3 U.S.C. 726(a)) is amended—

4 (1) by striking subsection (a) and inserting the
5 following:

6 “(a) STANDARDS AND INDICATORS.—The perform-
7 ance standards and indicators for the vocational rehabili-
8 tation program carried out under this title—

9 “(1) shall be subject to paragraphs (2)(A) and
10 (3) of section 136(b) of the Workforce Investment
11 Act of 1998; and

12 “(2) may, at a State’s discretion, include addi-
13 tional indicators identified in the State plan sub-
14 mitted under section 101.”; and

15 (2) in subsection (b)(2)(B), by striking clause
16 (i) and inserting the following:

17 “(i) on a biannual basis, review the
18 program improvement efforts of the State
19 and, if the State has not improved its per-
20 formance to acceptable levels, as deter-
21 mined by the Director, direct the State to
22 make revisions to the plan to improve per-
23 formance; and”.

24 **SEC. 507. COLLABORATION WITH INDUSTRY.**

25 The Rehabilitation Act of 1973 is amended by insert-
26 ing after section 109 (29 U.S.C. 729) the following:

1 **“SEC. 109A. COLLABORATION WITH INDUSTRY.**

2 “(a) **AUTHORITY.**—A State shall use not less than
3 one-half of one percent of the payment the State receives
4 under section 111 for a fiscal year to award grants to eligi-
5 ble entities to create practical job and career readiness and
6 training programs, and to provide job placements and ca-
7 reer advancement.

8 “(b) **APPLICATION.**—To receive a grant under this
9 section, an eligible entity shall submit an application to
10 a designated State agency at such time, in such manner,
11 and containing such information as such agency shall re-
12 quire. Such application shall include, at a minimum—

13 “(1) a plan for evaluating the effectiveness of
14 the program;

15 “(2) a plan for collecting and reporting the
16 data and information described under subparagraphs
17 (A) through (C) of section 101(a)(10), as deter-
18 mined appropriate by the designated State agency;
19 and

20 “(3) a plan for providing for the non-Federal
21 share of the costs of the program.

22 “(c) **ACTIVITIES.**—An eligible entity receiving a grant
23 under this section shall use the grant funds to carry out
24 a program that provides one or more of the following:

1 “(1) Job development, job placement, and ca-
2 reer advancement services for individuals with dis-
3 abilities.

4 “(2) Training in realistic work settings in order
5 to prepare individuals with disabilities for employ-
6 ment and career advancement in the competitive
7 market.

8 “(3) Providing individuals with disabilities with
9 such support services as may be required in order to
10 maintain the employment and career advancement
11 for which the individuals have received training.

12 “(d) AWARDS.—Grants under this section shall—

13 “(1) be awarded for a period not to exceed 5
14 years; and

15 “(2) be awarded competitively.

16 “(e) ELIGIBLE ENTITY DEFINED.—For the purposes
17 of this section, the term ‘eligible entity’ means a for-profit
18 business, alone or in partnership with one or more of the
19 following:

20 “(1) Community rehabilitation program pro-
21 viders.

22 “(2) Indian tribes.

23 “(3) Tribal organizations.

1 “(f) FEDERAL SHARE.—The Federal share of a pro-
2 gram under this section shall not exceed 80 percent of the
3 costs of the program.

4 “(g) ELIGIBILITY FOR SERVICES.—An individual
5 shall be eligible for services provided under a program
6 under this section if the individual is determined under
7 section 102(a)(1) to be eligible for assistance under this
8 title.”.

9 **SEC. 508. RESERVATION FOR EXPANDED TRANSITION**
10 **SERVICES.**

11 The Rehabilitation Act of 1973 is amended by insert-
12 ing after section 110 (29 U.S.C. 730) the following:

13 **“SEC. 110A. RESERVATION FOR EXPANDED TRANSITION**
14 **SERVICES.**

15 “Each State shall reserve not less than 10 percent
16 of the funds allotted to the State under section 110(a)
17 to carry out programs and activities under sections
18 101(a)(26)(B) and 103(b)(6).”.

19 **SEC. 509. CLIENT ASSISTANCE PROGRAM.**

20 Section 112(e)(1) of the Rehabilitation Act of 1973
21 (29 U.S.C. 732(e)(1)) is amended by redesignating sub-
22 paragraph (D) as subparagraph (E) and inserting after
23 subparagraph (C) the following:

24 “(D) The Secretary shall make grants to
25 the protection and advocacy system serving the

1 American Indian Consortium to provide services
2 in accordance with this section. The amount of
3 such grants shall be the same as provided to
4 territories under this subsection.”.

5 **SEC. 510. TITLE III REPEALS.**

6 Title III of the Rehabilitation Act of 1973 (29 U.S.C.
7 771 et seq.) is amended—

8 (1) in section 301(a)—

9 (A) in paragraph (2), by inserting “and”
10 at the end;

11 (B) by striking paragraphs (3) and (4);
12 and

13 (C) by redesignating paragraph (5) as
14 paragraph (3);

15 (2) in section 302(g)—

16 (A) in the heading, by striking “**AND IN-**
17 **SERVICE TRAINING**”; and

18 (B) by striking paragraph (3);

19 (3) by striking sections 304 and 305; and

20 (4) by redesignating section 306 as section 304.

21 **SEC. 511. REPEAL OF TITLE VI.**

22 The Rehabilitation Act of 1973 (29 U.S.C. 701 et
23 seq.) is amended by repealing title VI.

1 **SEC. 512. CHAIRPERSON.**

2 Section 705(b)(5) of the Rehabilitation Act of 1973
3 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

4 “(5) CHAIRPERSON.—The Council shall select a
5 chairperson from among the voting membership of
6 the Council.”.

7 **SEC. 513. AUTHORIZATIONS OF APPROPRIATIONS.**

8 The Rehabilitation Act of 1973 (29 U.S.C. 701 et
9 seq.) is further amended—

10 (1) in section 100(b)(1) (29 U.S.C. 720(b)(1)),
11 by striking “such sums as may be necessary for fis-
12 cal years 1999 through 2003” and inserting
13 “\$3,121,712,000 for fiscal year 2013 and each of
14 the 5 succeeding fiscal years”;

15 (2) in section 110(c) (29 U.S.C. 730(c)), by
16 amending paragraph (2) to read as follows:

17 “(2) The sum referred to in paragraph (1) shall
18 be, as determined by the Secretary, not less than 1
19 percent and not more than 1.5 percent of the
20 amount referred to in paragraph (1) for each of fis-
21 cal years 2013 through 2018.”;

22 (3) in section 112(h) (29 U.S.C. 732(h)) by
23 striking “such sums as may be necessary for fiscal
24 years 1999 through 2003” and inserting
25 “\$12,240,000 for fiscal year 2013 and each of the
26 5 succeeding fiscal years”;

1 (4) by amending subsection (a) of section 201
2 (29 U.S.C. 761(a)) to read as follows:

3 “(a) There are authorized to be appropriated
4 \$108,817,000 for fiscal year 2013 and each of the 5 suc-
5 ceeding fiscal years to carry out this title.”;

6 (5) in section 302(i) (29 U.S.C. 772(i)) by
7 striking “such sums as may be necessary for each of
8 the fiscal years 1999 through 2003” and inserting
9 “\$35,515,000 for fiscal year 2013 and each of the
10 5 succeeding fiscal years”;

11 (6) in section 303(e) (29 U.S.C. 773(e)) by
12 striking “such sums as may be necessary for fiscal
13 years 1999 through 2003” and inserting
14 “\$5,325,000 for fiscal year 2013 and each of the 5
15 succeeding fiscal years”;

16 (7) in section 405 (29 U.S.C. 785) by striking
17 “such sums as may be necessary for each of the fis-
18 cal years 1999 through 2003” and inserting
19 “\$3,258,000 for fiscal year 2013 and each of the 5
20 succeeding fiscal years”;

21 (8) in section 502(j) (29 U.S.C. 792(j)) by
22 striking “such sums as may be necessary for each of
23 the fiscal years 1999 through 2003” and inserting
24 “\$7,400,000 for fiscal year 2013 and each of the 5
25 succeeding fiscal years”;

1 (9) in section 509(l) (29 U.S.C. 794e(l)) by
2 striking “such sums as may be necessary for each of
3 the fiscal years 1999 through 2003” and inserting
4 “\$18,031,000 for fiscal year 2013 and each of the
5 5 succeeding fiscal years”;

6 (10) in section 714 (29 U.S.C. 796e–3), by
7 striking “such sums as may be necessary for each of
8 the fiscal years 1999 through 2003” and inserting
9 “\$23,359,000 for fiscal year 2013 and each of the
10 5 succeeding fiscal years”;

11 (11) in section 727 (29 U.S.C. 796f–6), by
12 striking “such sums as may be necessary for each of
13 the fiscal years 1999 through 2003” and inserting
14 “\$79,953,000 for fiscal year 2013 and each of the
15 5 succeeding fiscal years”; and

16 (12) in section 753 (29 U.S.C. 7961), by strik-
17 ing “such sums as may be necessary for each of the
18 fiscal years 1999 through 2003” and inserting
19 “\$34,018,000 for fiscal year 2013 and each of the
20 5 succeeding fiscal years”.

21 **SEC. 514. CONFORMING AMENDMENTS.**

22 Section 1(b) of the Rehabilitation Act of 1973 is
23 amended—

24 (1) by inserting after the item relating to sec-
25 tion 109 the following:

“Sec. 109A. Collaboration with industry.”;

1 (2) by inserting after the item relating to sec-
2 tion 110 the following:

“Sec. 110A. Reservation for expanded transition services.”;

3 (3) by striking the item related to section 304
4 and inserting the following:

“Sec. 304. Measuring of project outcomes and performance.”;

5 (4) by striking the items related to sections 305
6 and 306; and

7 (5) by striking the items related to title VI.

