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(Original Signature of Member)

112TH CONGRESS
2D SESSION

H. R.

To reform and strengthen the workforce investment system of the Nation to put Americans back to work and make the United States more competitive in the 21st Century.

IN THE HOUSE OF REPRESENTATIVES

Ms. FOXX (for herself, Mr. MCKEON, and Mr. HECK) introduced the following bill; which was referred to the Committee on

A BILL

To reform and strengthen the workforce investment system of the Nation to put Americans back to work and make the United States more competitive in the 21st Century.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Workforce Investment
5 Improvement Act of 2012”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 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

- Sec. 101. Definitions.
- 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.
- Sec. 116. Technical assistance.
- Sec. 117. Evaluations.
- Sec. 118. Amendments to section 173.
- Sec. 119. Requirements and restrictions.
- Sec. 120. Prompt allocation of funds.
- Sec. 121. Fiscal controls; Sanctions.
- Sec. 122. Reports to congress.
- Sec. 123. Administrative provisions.
- Sec. 124. State legislative authority.
- Sec. 125. Continuation of State activities and policies.
- Sec. 126. General program requirements.
- Sec. 127. 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 **SEC. 101. DEFINITIONS.**

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

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

18 (2) by redesignating paragraphs (1) through

19 (12) as paragraphs (3) through (14), and para-

1 graphs (14) through (23) as paragraphs (15)
2 through (24), respectively;

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

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

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

17 “(2) ADMINISTRATIVE COSTS.—The term ‘ad-
18 ministrative costs’ means expenditures incurred by
19 State and local workforce investment boards, direct
20 recipients (including State grant recipients under
21 subtitle B and recipients of awards under subtitle
22 D), local grant recipients, local fiscal agents or local
23 grant subrecipients, and one-stop operators in the
24 performance of administrative functions and in car-
25 rying out activities under this title which are not re-

1 lated to the direct provision of workforce investment
2 services (including services to participants and em-
3 ployers). Such costs include both personnel and non-
4 personnel and both direct and indirect.”;

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

8 (6) by amending paragraph (5) (as so redesign-
9 nated) to read as follows:

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

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

19 (8) in paragraph (10)(C) (as so redesignated),
20 by striking “not less than 50 percent of the cost of
21 the training” and inserting “a significant portion of
22 the cost of training, as determined by the local
23 board (or, in the case of an employer in multiple
24 local areas in the State, as determined by the Gov-
25 ernor), taking into account the size of the employer

1 and such other factors as the local board determines
2 to be appropriate”;

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

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

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

11 (C) in subparagraph (C), by striking “or”
12 after the semicolon;

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

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

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

24 “(ii) is the spouse of a member of the
25 Armed Forces on active duty who meets

1 the criteria described in paragraph
2 (12)(B).”;

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

6 (B) by striking “(A)” and inserting
7 “(A)(i)”;

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

9 “(ii) is the dependent spouse of a
10 member of the Armed Forces on active
11 duty for a period of more than 30 days (as
12 defined in section 101(d)(2) of title 10,
13 United States Code) whose family income
14 is significantly reduced because of a de-
15 ployment (as defined in section 991(b) of
16 title 10, United States Code, or pursuant
17 to paragraph (4) of such section), a call or
18 order to active duty pursuant to a provi-
19 sion of law referred to in section
20 101(a)(13)(B) of title 10, United States
21 Code, a permanent change of station, or
22 the service-connected (as defined in section
23 101(16) of title 38, United States Code)
24 death or disability of the member; and”;

1 (11) in paragraph (13) (as so redesignated), by
2 inserting “or regional” after “local” each place it
3 appears;

4 (12) in paragraph (14) (as so redesignated)—

5 (A) in subparagraph (A), by striking “sec-
6 tion 122(e)(3)” and inserting “section 122”;
7 and

8 (B) by striking subparagraph (B), and in-
9 serting the following:

10 “(B) work ready services, means a provider
11 who is identified or awarded a contract as de-
12 scribed in section 134(c)(2);” and

13 (C) by striking subparagraph (C);

14 (13) in paragraph (15), by striking “adult or
15 dislocated worker” and inserting “individual”;

16 (14) in paragraph (25)—

17 (A) in subparagraph (B), by striking
18 “higher of—” and all that follows through
19 clause (ii) and inserting “poverty line for an
20 equivalent period;”;

21 (B) by redesignating subparagraphs (D)
22 through (F) as subparagraphs (E) through (G),
23 respectively; and

24 (C) by inserting after subparagraph (C)
25 the following:

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

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

8 (16) by striking paragraph (33) and redesign-
9 nating paragraphs (34) through (53) as paragraphs
10 (33) through (52), respectively;

11 (17) by striking “134(a)(1)(A)” and replacing
12 with “134(a)(1)(B)”

13 (18) by amending paragraph (48) (as so redes-
14 ignated) to read as follows:

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

18 (19) by amending paragraph (49) (as so redes-
19 ignated) to read as follows:

20 “(49) CAREER AND TECHNICAL EDUCATION.—
21 The term ‘career and technical education’ has the
22 meaning given the term in section 3 of the Carl D.
23 Perkins Career and Technical Education Act of
24 2006 (20 U.S.C. 2302).”;

1 (20) in paragraph (51) by striking “, and youth
2 activity.”.

3 **SEC. 102. PURPOSE.**

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

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

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

12 (1) in subsection (b)—

13 (A) in paragraph (1)—

14 (i) by striking subparagraph (B);

15 (ii) by redesignating subparagraph

16 (C) as subparagraph (B); and

17 (iii) in subparagraph (B) (as so reded-
18 ignated)—

19 (I) by amending clause (i)(I), by

20 striking “section 117(b)(2)(A)(i)” and

21 inserting “section 117(b)(2)(A)”;

22 (II) by amending clause (i)(II) to

23 read as follows:

24 “(II) represent businesses, in-

25 cluding large and small businesses,

1 with immediate and long-term employ-
2 ment opportunities in in-demand in-
3 dustries and other occupations impor-
4 tant to the State economy; and”;

5 (III) by striking clause (iii) and
6 inserting the following:

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

9 (IV) by striking clauses (iv)
10 through (vi);

11 (V) by amending clause (vii) to
12 read as follows:

13 “(vii) such other representatives and
14 State agency officials as the Governor may
15 designate.”; and

16 (VI) by redesignating clause (vii)
17 (as so amended) as clause (iv); and

18 (B) by amending paragraph (3) to read as
19 follows:

20 “(3) MAJORITY.—A 2/3 majority of the mem-
21 bers of the board shall be representatives described
22 in paragraph (1)(B)(i).”;

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

1 (3) by amending subsection (d) to read as fol-
2 lows:

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

5 “(1) STATE PLAN.—Consistent with section
6 112, develop a State plan.

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

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

23 “(4) BUSINESS ENGAGEMENT.—Develop strate-
24 gies across local areas that meet the needs of busi-
25 nesses and support economic growth in the State by

1 enhancing communication, coordination, and collabo-
2 ration among businesses, economic development enti-
3 ties, and service providers.

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

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

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

13 “(A) Reviewing and approving local plans
14 under section 118.

15 “(B) Ensuring the appropriate use of man-
16 agement of the funds provided for State em-
17 ployment and training activities authorized
18 under section 134.

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

21 “(8) DEVELOPMENT OF PERFORMANCE MEAS-
22 URES.—Develop and ensure continuous improvement
23 of comprehensive State performance measures, in-
24 cluding State adjusted levels of performance, as de-
25 scribed under section 136(b).”;

1 (4) by striking subsection (e) and redesignating
2 subsection (f) as subsection (e);

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

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

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

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

12 **SEC. 104. STATE PLAN.**

13 Section 112 (29 U.S.C. 2822)—

14 (1) in subsection (a)—

15 (A) by striking “127 or”; and

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

18 (2) in subsection (b)—

19 (A) by amending paragraph (4) to read as
20 follows:

21 “(4) information describing—

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

23 “(B) the immediate and long-term skilled
24 workforce needs of in-demand industries and

1 other occupations important to the State econ-
2 omy;

3 “(C) the knowledge and skills of the work-
4 force in the State; and

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

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

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

15 (C) by amending paragraph (8) to read as
16 follows:

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

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

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

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

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

14 (E) in paragraph (11), by striking “under
15 sections 127 and 132” and inserting “under
16 section 132;”;

17 (F) by striking paragraph (12);

18 (G) by redesignating paragraphs (13)
19 through (18) as paragraphs (12) through (17),
20 respectively;

21 (H) by amending paragraph (12) (as so re-
22 designated) by striking “(111)(f) and 117(g)”
23 and inserting “111(e) and 117(f);”;

1 (I) by amending paragraph (13) (as so re-
2 designated) by striking “134(c)” and inserting
3 “121(e)”;

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

7 (K) in paragraph (16) (as so redesign-
8 nated)—

9 (i) in subparagraph (A)—

10 (I) in clause (ii), by striking “to
11 dislocated workers”;

12 (II) in clause (iii), by striking
13 “134(d)(4)” and inserting
14 “134(e)(4)”;

15 (III) by striking “and” at the
16 end of clause (iii);

17 (IV) by amending clause (iv) to
18 read as follows:

19 “(iv) how the State will serve the em-
20 ployment and training needs of dislocated
21 workers (including displaced homemakers),
22 low-income individuals (including recipients
23 of public assistance such as the Supple-
24 mental Nutrition Assistance Program),
25 English learners, homeless individuals, in-

1 individuals training for nontraditional em-
2 ployment, youth, older workers, ex-offend-
3 ers, migrant and seasonal farmworkers,
4 refugee and entrants, veterans (including
5 disabled and homeless veterans), and Na-
6 tive Americans; and”;

7 (V) by adding at the end the fol-
8 lowing new clause:

9 “(v) how the State will—

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

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

24 (ii) in subparagraph (B), by striking
25 “to the extent practicable” and inserting

1 “in accordance with the requirements of
2 the Jobs for Veterans Act (Public Law
3 107–288) and the amendments made by
4 such Act”; and

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

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

9 “(A) to more fully engage businesses, in-
10 cluding businesses in in-demand industries and
11 occupations important to the State economy;

12 “(B) to meet the needs of businesses in the
13 State; and

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

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

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

1 “(B) to address the immediate and long-
2 term skilled, workforce needs of in-demand in-
3 dustries and other occupations important to the
4 State economy, and

5 “(C) to address critical skill gaps within
6 and across industries;

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

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

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

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

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

4 “(B) the formula for allocating such infra-
5 structure funds to local areas under section
6 121(h)(3).”;

7 (3) in subsection (c), by striking “period,
8 that—” all that follows through paragraph (2) and
9 inserting “period, that the plan is inconsistent with
10 the provisions of this title.”; and

11 (4) in subsection (d), by striking “5-year” and
12 inserting “3-year”.

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

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

15 (1) in subsection (a)—

16 (A) in paragraph (1)—

17 (i) in subparagraph (A)—

18 (I) by striking “Except as pro-
19 vided in subsection (b), and consistent
20 with paragraphs (2), (3), and (4), in”
21 and inserting “In”; and

22 (II) by striking “127 or”; and

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

1 “(B) CONSIDERATIONS.—In making the
2 designation of local areas, the Governor shall
3 take into consideration the following:

4 “(i) The extent to which such local
5 areas are consistent with labor market
6 areas.

7 “(ii) The extent to which labor market
8 areas align with economic development re-
9 gions.

10 “(iii) Whether such local areas have
11 the appropriate education and training
12 providers to meet the needs of the local
13 workforce.

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

17 (B) by amending paragraph (2) to read as
18 follows:

19 “(2) TECHNICAL ASSISTANCE.—The Secretary
20 shall, if requested by the Governor of a State, pro-
21 vide the State with technical assistance in making
22 the determinations required under paragraph (1).
23 The Secretary shall not issue regulations governing
24 determinations to be made under paragraph (1).”;
25 and

1 (C) by striking paragraph (3) and insert-
2 ing the following:

3 “(3) DESIGNATION ON RECOMMENDATION OF
4 STATE BOARD.—The Governor may approve a re-
5 quest from any unit of general local government (in-
6 cluding a combination of such units) for designation
7 as a local area under paragraph (1) if the State
8 board determines, taking into account the factors
9 described in clauses (i) through (iv) of paragraph
10 (1)(B), and recommends to the Governor, that such
11 area shall be so designated.”;

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

13 (E) by redesignating paragraph (5) as
14 paragraph (4); and

15 (2) by amending subsection (b) to read as fol-
16 lows:

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

20 (3) in subsection (c)—

21 (A) in paragraph (1), by adding at the end
22 the following: “The State may require the local
23 boards for the designated region to prepare a
24 single regional plan that incorporates the ele-
25 ments of the local plan under section 118 and

1 that is submitted and approved in lieu of sepa-
2 rate local plans under such section.”; and

3 (B) in paragraph (2), by striking “employ-
4 ment statistics” and inserting “workforce and
5 labor market information”.

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

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

8 (1) in subsection (b)—

9 (A) in subparagraph (A) of paragraph
10 (2)—

11 (i) by striking “include—” and all
12 that follows through “representatives” and
13 inserting “include representatives”;

14 (ii) by striking clauses (ii) through
15 (vi);

16 (iii) by redesignating subclauses (I)
17 through (III) as clauses (i) through (iii),
18 respectively;

19 (iv) by striking clause (ii) (as so re-
20 designated) and inserting the following:
21 “(ii) represent businesses, including large
22 and small businesses, with immediate and
23 long-term employment opportunities in in-
24 demand industries and other occupations
25 important to the local economy; and”;

1 (v) by striking the semicolon at the
2 end of clause (iii) (as so redesignated) and
3 inserting “; and”; and

4 (B) in paragraph (4)—

5 (i) by striking “A majority” and in-
6 serting “A 2/3 majority”; and

7 (ii) by striking “(2)(A)(i)” and insert-
8 ing “(2)(A)”;

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

11 (D) by striking subsection (c)(1)(C).

12 (2) by amending subsection (d) to read as fol-
13 lows:

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

16 “(1) LOCAL PLAN.—Consistent with section
17 118, each local board, in partnership with the chief
18 elected official for the local area involved, shall de-
19 velop and submit a local plan to the Governor.

20 “(2) WORKFORCE RESEARCH AND REGIONAL
21 LABOR MARKET ANALYSIS.—

22 “(A) IN GENERAL.—The local board
23 shall—

24 “(i) conduct, and regularly update, an
25 analysis of—

1 “(I) the economic conditions in
2 the local area;

3 “(II) the immediate and long-
4 term skilled workforce needs of in-de-
5 mand industries and other occupa-
6 tions important to the local economy;

7 “(III) the knowledge and skills of
8 the workforce in the local area; and

9 “(IV) workforce development ac-
10 tivities (including education and train-
11 ing) in the local area; and

12 “(ii) assist the Governor in developing
13 the statewide workforce and labor market
14 information system described in section
15 15(e) of the Wagner-Peyser Act.

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

20 “(3) BUSINESS ENGAGEMENT.—The local
21 Board shall meet the needs of business and support
22 economic growth in the local area by enhancing com-
23 munication, coordination, and collaboration among
24 businesses, economic development agencies, and
25 service providers.

1 “(4) BUDGET AND ADMINISTRATION.—

2 “(A) BUDGET.—

3 “(i) IN GENERAL.—The local board
4 shall develop a budget for the activities of
5 the local board in the local area, consistent
6 with the requirements of this subsection.

7 “(ii) TRAINING RESERVATION.—In de-
8 veloping a budget under clause (i), the
9 local board shall reserve a percentage of
10 funds to carry out the activities specified
11 in section 134(c)(4). The local board shall
12 use the analysis conducted under para-
13 graph (2)(A)(i) to determine the appro-
14 priate percentage of funds to reserve under
15 this clause.

16 “(B) ADMINISTRATION.—

17 “(i) GRANT RECIPIENT.—

18 “(I) IN GENERAL.—The chief
19 elected official in a local area shall
20 serve as the local grant recipient for,
21 and shall be liable for any misuse of,
22 the grant funds allocated to the local
23 area under section 133, unless the
24 chief elected official reaches an agree-
25 ment with the Governor for the Gov-

1 error to act as the local grant recipi-
2 ent and bear such liability.

3 “(II) DESIGNATION.—In order to
4 assist in administration of the grant
5 funds, the chief elected official or the
6 Governor, where the Governor serves
7 as the local grant recipient for a local
8 area, may designate an entity to serve
9 as a local grant subrecipient for such
10 funds or as a local fiscal agent. Such
11 designation shall not relieve the chief
12 elected official or the Governor of the
13 liability for any misuse of grant funds
14 as described in subclause (I).

15 “(III) DISBURSAL.—The local
16 grant recipient or an entity designated
17 under subclause (II) shall disburse the
18 grant funds for workforce investment
19 activities at the direction of the local
20 board, pursuant to the requirements
21 of this title. The local grant recipient
22 or entity designated under subclause
23 (II) shall disburse the funds imme-
24 diately on receiving such direction
25 from the local board.

1 “(ii) STAFF.—The local board may
2 employ staff to assist in carrying out the
3 functions described in this subsection.

4 “(iii) GRANTS AND DONATIONS.—The
5 local board may solicit and accept grants
6 and donations from sources other than
7 Federal funds made available under this
8 Act.

9 “(5) SELECTION OF OPERATORS AND PRO-
10 VIDERS.—

11 “(A) SELECTION OF ONE-STOP OPERA-
12 TORS.—Consistent with section 121(d), the
13 local board, with the agreement of the chief
14 elected official—

15 “(i) shall designate or certify one-stop
16 operators as described in section
17 121(d)(2)(A); and

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

20 “(B) IDENTIFICATION OF ELIGIBLE TRAIN-
21 ING SERVICE PROVIDERS.—Consistent with this
22 subtitle, the local board shall identify eligible
23 providers of training services described in sec-
24 tion 134(c)(4), in the local area.

1 “(C) IDENTIFICATION OF ELIGIBLE PRO-
2 VIDERS OF WORK READY SERVICES.—If the
3 one-stop operator does not provide the services
4 described in section 134(c)(2) in the local area,
5 the local board shall identify eligible providers
6 of such services in the local area by awarding
7 contracts.

8 “(6) PROGRAM OVERSIGHT.—The local board,
9 in partnership with the chief elected official, shall be
10 responsible for—

11 “(A) ensuring the appropriate use of man-
12 agement of the funds provided for local employ-
13 ment and training activities authorized under
14 section 134(b); and

15 “(B) conducting oversight of the one-stop
16 delivery system in the local area authorized
17 under section 121.

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

23 “(8) TECHNOLOGY IMPROVEMENTS.—The local
24 board shall develop strategies for technology im-
25 provements to facilitate access to services authorized

1 under this subtitle and carried out in the local area,
2 including in remote areas.”;

3 (3) in subsection (e)—

4 (A) by inserting “electronic means and”
5 after “regular basis through”; and

6 (B) by striking “and the award of grants
7 or contracts to eligible providers of youth activi-
8 ties,”;

9 (4) in subsection (f), by striking paragraph (2)
10 and inserting the following:

11 “(2) WORK READY SERVICES, DESIGNATION, OR
12 CERTIFICATION AS ONE-STOP OPERATORS.—A local
13 board may provide work ready services described in
14 section 134(c)(2) through a one-stop delivery system
15 described in section 121 or be designated or certified
16 as a one-stop operator only with the agreement of
17 the chief elected official and the Governor.”;

18 (5) in subsection (g)(1), by inserting “or par-
19 ticipate in action taken” after “vote”; and

20 (6) by striking subsections (h) and (i).

21 **SEC. 107. LOCAL PLAN.**

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

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

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

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

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

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

11 “(A) a description of how the local board
12 will ensure—

13 “(i) the continuous improvement of el-
14 igible providers of services through the sys-
15 tem; and

16 “(ii) that such providers meet the em-
17 ployment needs of local businesses and
18 participants; and

19 “(B) a description of how the local board
20 will facilitate access to services provided
21 through the one-stop delivery system consistent
22 with section 117(d)(8);

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

1 “(A) to more fully engage businesses, in-
2 cluding businesses in in-demand industries and
3 occupations important to the local economy;

4 “(B) to meet the needs of businesses in the
5 local area; and

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

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

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

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

22 “(C) to address critical skill gaps within
23 and across industries;

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

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

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

9 “(A) coordinate activities with the local
10 area’s disability community to make available
11 comprehensive, high-quality services to individ-
12 uals with disabilities;

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

17 “(C) consistent with sections 504 and 508
18 of the Rehabilitation Act of 1973, include the
19 provision of outreach, intake, assessments, and
20 service delivery, the development of perform-
21 ance measures, the training of staff, and other
22 aspects of accessibility to programs and services
23 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, older workers, ex-offenders, mi-
22 grant and seasonal farmworkers, refugee and en-
23 trants, veterans (including disabled veterans and
24 homeless veterans), and Native Americans;

1 “(11) an identification of the entity responsible
2 for the disbursement 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; and

6 “(12) such other information as the Governor
7 may require.”;

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

10 (4) in subsection (c)(2), by striking “, including
11 representatives of business and representatives of
12 labor organizations,”.

13 **SEC. 108. ESTABLISHMENT OF ONE-STOP DELIVERY SYS-**
14 **TEM.**

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

16 (1) in subsection (b)—

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

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

23 “(i) provide access through the one-
24 stop delivery system to the programs and
25 activities carried out by the entity, includ-

1 ing making the work ready services de-
2 scribed in section 134(c)(2) that are appli-
3 cable to the program of the entity available
4 at the one-stop centers (in addition to any
5 other appropriate locations);

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

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

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

24 (B) in paragraph (1)(B)—

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

1 (ii) by redesignating clauses (vii)
2 through (xii) as clauses (vi) through (xi),
3 respectively; and

4 (C) in paragraph (2)(B)—

5 (i) by striking clause (ii) and (v); and

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

9 (iii) by adding at the end the fol-
10 lowing:

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

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

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

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

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

25 “(A) provisions describing—

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

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

15 “(iii) methods of referral of individ-
16 uals between the one-stop operator and the
17 one-stop partners for appropriate services
18 and activities; and

19 “(iv) the duration of the memo-
20 randum of understanding and the proce-
21 dures for amending the memorandum dur-
22 ing the term of the memorandum, and as-
23 surances that such memorandum shall be
24 reviewed not less than once every 2-year

1 period to ensure appropriate funding and
2 delivery of services; and”;

3 (3) in subsection (d)—

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

8 (B) in paragraph (2)—

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

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

13 “(A) shall be designated or certified as a
14 one-stop operator through a competitive pro-
15 cess; and”; and

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

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

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

24 “(e) ESTABLISHMENT OF ONE-STOP DELIVERY SYS-
25 TEM.—

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

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

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

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

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

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

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

23 “(A) shall make each of the programs,
24 services, and activities described in paragraph

1 (1) accessible at not less than one physical cen-
2 ter in each local area of the State; and

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

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

10 “(ii) through a network of eligible
11 one-stop partners—

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

19 “(II) that assures individuals
20 that information on the availability of
21 the work ready services will be avail-
22 able regardless of where the individ-
23 uals initially enter the statewide work-
24 force investment system, including in-
25 formation made available through an

1 access point described in subclause
2 (I).

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

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

7 “(g) CERTIFICATION OF ONE-STOP CENTERS.—

8 “(1) IN GENERAL.—

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

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

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

20 “(ii) meeting minimum standards re-
21 lating to the scope and degree of service
22 integration achieved by the centers involv-
23 ing the programs provided by the one-stop
24 partners; and

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

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

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

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

15 “(1) PARTNER CONTRIBUTIONS.—

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

1 ernor by such programs to carry out this sub-
2 section.

3 “(B) DETERMINATION OF GOVERNOR.—

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

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

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

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

18 “(C) LIMITATIONS.—

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

1 respect to the portion of funds under such
2 programs that may be used for administra-
3 tion.

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

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

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

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

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

14 “(i) OTHER FUNDS.—

15 “(1) IN GENERAL.—In addition to the funds
16 provided to carry out subsection (h), a portion of
17 funds made available under Federal law authorizing
18 the one-stop partner programs described in sub-
19 section (b)(1)(B) and participating additional part-
20 ner programs described in subsection (b)(2)(B), or
21 the noncash resources available under such pro-
22 grams shall be used to pay the costs relating to the
23 operation of the one-stop delivery system that are
24 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.—During
17 the development of the criteria, procedures, requirements
18 for information, and the list of eligible providers required
19 under this section, the Governor shall provide an oppor-
20 tunity for interested members of the public to submit com-
21 ments regarding such criteria, procedures, and informa-
22 tion.

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”;

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 2 percent of the total amount ap-
9 propriated under section 137 for a fiscal year, of
10 which—

11 “(A) not less than 90 percent shall be used
12 for national emergency grants under section
13 173;

14 “(B) not more than 5 percent may be used
15 to provide technical assistance under section
16 170; and

17 “(C) not more than 5 percent may be used
18 for evaluations under section 172;

19 “(2) reserve not more than 1 percent of the
20 total amount appropriated under section 137 for a
21 fiscal year to make grants to, and enter into con-
22 tracts or cooperative agreements with Indian tribes,
23 tribal organizations, Alaska-Native entities, Indian-
24 controlled organizations serving Indians, or Native

1 Hawaiian organizations to carry out employment
2 and training activities; and

3 “(3) from the remaining amount appropriated
4 under section 137 for a fiscal year (after reserving
5 funds under paragraphs (1) and (2)), make allot-
6 ments in accordance with subsection (b) of this sec-
7 tion.”.

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)(3) for a
14 fiscal year, the Secretary shall reserve not more
15 than 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 subparagraph (A),
6 the Secretary shall allot the remainder of the
7 amount referred to in subsection (a)(3) 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 a fiscal year that is less than 90 per-
19 cent of the allotment percentage of the
20 State for the preceding fiscal year.

21 “(ii) MAXIMUM PERCENTAGE.—Sub-
22 ject to clause (i), the Secretary shall en-
23 sure that no State shall receive an allot-
24 ment under this subparagraph for a fiscal
25 year that is more than 130 percent of the

1 allotment percentage of the State for the
2 preceding fiscal year.

3 “(D) SMALL STATE MINIMUM ALLOT-
4 MENT.—Subject to subparagraph (C), the Sec-
5 retary shall ensure that no State shall receive
6 an allotment under this subparagraph for a fis-
7 cal year that is less than 2/10 of 1 percent of
8 the remainder described in subparagraph (A)
9 for the fiscal year.

10 “(E) DEFINITIONS.—For the purpose of
11 the formula specified in this subparagraph:

12 “(i) ALLOCATION PERCENTAGE.—The
13 term ‘allocation percentage’—

14 “(I) used with respect to fiscal
15 year 2012, means the percentage of
16 the amounts allocated to local areas
17 under title I of this Act, title V of the
18 Older Americans Act of 1965, and
19 sections 1 through 13 of the Wagner
20 Peyser Act of 1933, as such provi-
21 sions were in effect on the day before
22 the date of enactment of the Work-
23 force Investment Improvement Act of
24 2012, that is received under such pro-

1 visions by the local area involved for
2 fiscal year 2012; and

3 “(II) used with respect to fiscal
4 year 2013 or a subsequent year,
5 means the percentage of the funds de-
6 scribed in subclause (I) that is re-
7 ceived through an allocation made
8 under this clause for the fiscal year.

9 “(ii) DISADVANTAGED YOUTH.—The
10 term ‘disadvantaged youth’ means an indi-
11 vidual who is not less than age 16 and not
12 more than age 24 who receives an income,
13 or is a member of a family that received a
14 total family income, that in relation to
15 family size, does not exceed the higher
16 of—

17 “(I) the poverty line; or

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

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

23 **SEC. 112. WITHIN STATE ALLOCATIONS.**

24 Section 133 is amended—

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

3 “(a) RESERVATIONS FOR STATEWIDE EMPLOYMENT
4 AND TRAINING ACTIVITIES.—

5 “(1) IN GENERAL.—The Governor of a State
6 shall reserve up to 5 percent of the total amount al-
7 lotted to the State under section 132(b)(2) for a fis-
8 cal year to carry out the statewide activities de-
9 scribed in paragraphs (2) and (3) of section 134(a).

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

15 “(3) STATEWIDE YOUTH CHALLENGE
16 GRANTS.—The Governor of a State shall reserve up
17 to 18 percent of the total amount allotted to the
18 State under section 132(b)(2) for a fiscal year to
19 carry out statewide activities described in section
20 134(a)(5).

21 “(4) STATEWIDE ADULTS WITH BARRIERS TO
22 EMPLOYMENT GRANTS.—The Governor of a State
23 shall reserve 2 percent of the total amount allotted
24 to the State under section 132(b)(2) for a fiscal year

1 to carry out statewide activities described in section
2 134(a)(6).”.

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);

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); and

18 “(C) award the funds that are reserved by
19 the State under subsection (a)(4) through com-
20 petitive grants to eligible entities, in accordance
21 with section 134(a)(1)(D).

22 “(2) FORMULA ALLOCATIONS FOR THE WORK-
23 FORCE INVESTMENT FUND.—

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

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

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

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

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

12 “(B) MINIMUM AND MAXIMUM PERCENT-
13 AGES.—

14 “(i) MINIMUM PERCENTAGE.—The
15 State shall ensure that no local area shall
16 receive an allotment under this paragraph
17 for a fiscal year that is less than 90 per-
18 cent of the allocation percentage of the
19 local area for the preceding fiscal year.

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

1 130 percent of the allocation percentage of
2 the local area for the preceding fiscal year.

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

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

18 “(ii) used with respect to fiscal year
19 2013 or a subsequent year, means the per-
20 centage of the funds described in clause (i)
21 that is received through an allocation made
22 under this clause for the fiscal year.”.

23 (3) in subsection (c)—

24 (A) by amending paragraph (1) to read as
25 follows:

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

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

11 (C) by amending paragraph (3) to read as
12 follows:

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

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

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

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

9 **SEC. 113. USE OF FUNDS FOR EMPLOYMENT AND TRAINING**
10 **ACTIVITIES.**

11 Section 134 is amended—

12 (1) by amending subsection (a) to read as fol-
13 lows:

14 “(a) STATEWIDE EMPLOYMENT AND TRAINING AC-
15 TIVITIES.—

16 “(1) IN GENERAL.—

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

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

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

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

6 “(C) STATEWIDE YOUTH CHALLENGE
7 GRANTS.—Funds reserved by a Governor for a
8 State as described in section 133(a)(3) shall be
9 used to carry out the Statewide Youth Chal-
10 lenge Grant competition described in paragraph
11 (5).

12 “(D) STATEWIDE ADULTS WITH BARRIERS
13 TO EMPLOYMENT GRANTS.—Funds reserved by
14 a Governor for a State as described in section
15 133(a)(4) shall be used to carry out the State-
16 wide Adults with Barriers to Employment
17 Grant competition described in paragraph (6).

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

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

1 “(B) implementing innovative programs
2 and strategies designed to meet the needs of all
3 businesses in the State, including small busi-
4 nesses, which may include incumbent worker
5 training programs, sectoral and industry cluster
6 strategies and partnerships, including regional
7 skills alliances, sectoral skills partnerships (in
8 which representatives of multiple employers for
9 a specific industry sector or group of related oc-
10 cupations, economic development agencies, pro-
11 viders of training services described in sub-
12 section (c)(4), labor federations, and other enti-
13 ties that can provide needed supportive services
14 tailored to the needs of workers in that sector
15 or group, for a local area or region, identify
16 gaps between the current and expected demand
17 and supply of labor and skills in that sector or
18 group for that area or region and develop a
19 strategic skills gap action plan), career ladder
20 programs, micro-enterprise and entrepreneurial
21 training and support programs, utilization of ef-
22 fective business intermediaries, activities to im-
23 prove linkages between the one-stop delivery
24 system in the State and all employers (includ-
25 ing small employers) in the State, and other

1 business services and strategies that better en-
2 gage employers in workforce investment activi-
3 ties and make the workforce investment system
4 more relevant to the needs of State and local
5 businesses, consistent with the objectives of this
6 title; and

7 “(C) conducting evaluations under section
8 136(e) of activities authorized under this chap-
9 ter in coordination with evaluations carried out
10 by the Secretary under section 172.

11 “(3) ALLOWABLE STATEWIDE EMPLOYMENT
12 AND TRAINING ACTIVITIES.—A State may use funds
13 reserved as described in section 133(a)(1) to carry
14 out statewide employment and training activities
15 which may include—

16 “(A) providing incentive grants to local
17 areas for regional cooperation among local
18 boards (including local boards in a designated
19 region as described in section 116(c)), for local
20 coordination of activities carried out under this
21 Act, and for exemplary performance by local
22 areas on the local performance measures;

23 “(B) providing technical assistance and ca-
24 pacity building to local areas, one-stop opera-
25 tors, one-stop partners, and eligible providers,

1 including the development and training of staff,
2 the development of exemplary program activi-
3 ties, and the provision of technical assistance to
4 local areas that fail to meet local performance
5 measures;

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

8 “(D) carrying out monitoring and over-
9 sight of activities carried out under this chap-
10 ter;

11 “(E) developing strategies for effectively
12 integrating programs and services among one-
13 stop partners; and

14 “(F) carrying out activities to facilitate re-
15 mote access to services provided through a one-
16 stop delivery system, including facilitating ac-
17 cess through the use of technology.

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

22 “(A) provision of rapid response activities,
23 carried out in local areas by the State or by an
24 entity designated by the State, working in con-

1 junction with the local boards and the chief
2 elected officials in the local areas; and

3 “(B) provision of additional assistance to
4 local areas that experience disasters, mass lay-
5 offs or plant closings, or other events that pre-
6 cipitate substantial increases in the number of
7 unemployed individuals, carried out in local
8 areas by the State or by an entity designated
9 by the State, working in conjunction with the
10 local boards and the chief elected officials in the
11 local areas.

12 “(5) STATEWIDE YOUTH CHALLENGE
13 GRANTS.—

14 “(A) IN GENERAL.—Of the funds reserved
15 as described in section 133(a)(3), the Governor
16 of a State—

17 “(i) may reserve up to 5 percent to
18 provide technical assistance to, and con-
19 duct evaluations as described in section
20 136(e) of the programs and activities car-
21 ried out under this paragraph; and

22 “(ii) using the remainder, shall award
23 grants, on a competitive basis, to eligible
24 entities to carry out programs and activi-
25 ties authorized under this paragraph to as-

1 sist eligible youth in acquiring the edu-
2 cation and skills, credentials, and employ-
3 ment experience necessary to succeed in
4 the labor market.

5 “(B) ELIGIBLE ENTITY DEFINED.—For
6 purposes of this paragraph, the term ‘eligible
7 entity’ means—

8 “(i) a local board or a consortium of
9 local boards;

10 “(ii) a nonprofit entity, for-profit enti-
11 ty, or a consortium of nonprofit or for-
12 profit entities with a demonstrated record
13 of—

14 “(I) placing youth into year-
15 round employment;

16 “(II) successfully implementing
17 dropout recovery activities, or

18 “(III) successfully implementing
19 intensive and fully supervised pro-
20 grams of education, career training,
21 and work experience; or

22 “(iii) a consortium of the entities de-
23 scribed in clauses (i) and (ii).

24 “(C) GRANT PERIOD.—

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

4 “(ii) GRANT RENEWAL.—A Governor
5 of a State may renew, for up to 4 addi-
6 tional 1-year periods, a grant awarded
7 under this paragraph.

8 “(D) AUTHORITY TO REQUIRE MATCH.—A
9 Governor of a State may require that eligible
10 entities receiving grants under this paragraph
11 provide a non-Federal share of the cost of ac-
12 tivities carried out under this paragraph.

13 “(E) ELIGIBLE YOUTH.—To be eligible to
14 participate in activities under this paragraph,
15 an individual shall be a youth between the ages
16 16 and 24 as of the time the eligibility deter-
17 mination is made by the Governor of the State
18 who is—

19 “(i) a secondary school dropout;

20 “(ii) a member of a low-income fam-
21 ily;

22 “(iii) a youth in foster care (including
23 youth aging out of foster care);

24 “(iv) a youth offender;

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

3 “(vi) a child of incarcerated parents;
4 or

5 “(vii) a migrant youth.

6 “(F) USE OF FUNDS.—An eligible entity
7 receiving a grant under this paragraph shall use
8 such funds for activities that are designed to
9 assist eligible youth in acquiring the education
10 and skills, credentials, and employment experi-
11 ence that are necessary to succeed in the labor
12 market by carrying out at least one of the fol-
13 lowing:

14 “(i) Training and internships for out-
15 of-school youth in in-demand industries or
16 occupations important to the State and
17 local economy.

18 “(ii) Dropout recovery activities that
19 are designed to lead to the attainment of
20 a secondary school diploma, General Edu-
21 cation Development (GED) credential, or
22 other State-recognized equivalent (includ-
23 ing recognized alternative standards for in-
24 dividuals with disabilities).

1 “(iii) Activities designed to assist spe-
2 cial youth populations, such as court-in-
3 volved youth, homeless youth, foster-child-
4 dren, young parents, and youth with dis-
5 abilities.

6 “(iv) Activities combining remediation
7 of academic skills, work readiness training,
8 and work experience, and including link-
9 ages to postsecondary education and train-
10 ing, apprenticeships, and career-ladder em-
11 ployment.

12 “(v) Operating a residential center,
13 such as a Job Corps Center described in
14 subparagraph (I) if the requirements de-
15 scribed in clause (iii) of such subparagraph
16 are met, that shall be operated so as to
17 provide enrollees, in a well-supervised set-
18 ting, with access to activities described in
19 this subparagraph.

20 “(vi) Other evidence-based strategies
21 or activities designed to improve the edu-
22 cation and employment outcomes for
23 youth.

24 “(G) APPLICATIONS.—To be eligible to re-
25 ceive a grant under this paragraph, an eligible

1 entity shall submit an application to a State at
2 such time, in such manner, and containing such
3 information as the State may require, includ-
4 ing—

5 “(i) a description of how the strate-
6 gies and activities will be aligned with the
7 State plan submitted under section 112
8 and the local plans submitted under sec-
9 tion 118 with respect to the areas of the
10 State that will be the focus of grant activi-
11 ties under this paragraph;

12 “(ii) a description of the educational
13 and skills training programs and activities
14 the eligible entity will provide to eligible
15 youth under this paragraph;

16 “(iii) how the eligible entity will col-
17 laborate with State and local workforce in-
18 vestment systems established under this
19 title in the provision of such programs and
20 activities;

21 “(iv) a description of the programs of
22 demonstrated effectiveness on which the
23 provision of such educational and skills
24 training programs and activities are based,
25 and a description of how such programs

1 and activities will improve the education
2 and skills training for eligible youth;

3 “(v) a description of youth popu-
4 lations to be served and the skill needs of
5 those populations, and the manner in
6 which eligible youth will be recruited and
7 selected as participants;

8 “(vi) a description of the private and
9 public, and local and State resources that
10 will be leveraged, in addition to the grant
11 funds provided under this paragraph, to
12 provide the programs and activities under
13 this paragraph, and how the entity will en-
14 sure the sustainability of such programs
15 and activities after grant funds are no
16 longer available;

17 “(vii) a description of the extent of
18 the involvement of employers in such pro-
19 grams and activities;

20 “(viii) a description of the levels of
21 performance the eligible entity expects to
22 achieve with respect to the indicators of
23 performance for youth specified in section
24 136(b)(2)(A)(ii); and

1 “(ix) a detailed budget and a descrip-
2 tion of the system of fiscal controls, and
3 auditing and accountability procedures
4 that will be used to ensure fiscal soundness
5 for the programs and activities provided
6 under this paragraph.

7 “(H) FACTORS FOR AWARD.—

8 “(i) IN GENERAL.—In awarding
9 grants under this paragraph, a State shall
10 consider—

11 “(I) the quality of the proposed
12 programs and activities;

13 “(II) the goals to be achieved;

14 “(III) the likelihood of successful
15 implementation;

16 “(IV) the extent to which the
17 proposed programs and activities—

18 “(aa) are based on proven
19 strategies or demonstrated re-
20 sults; or

21 “(bb) will expand the edu-
22 cation and skills training for eli-
23 gible youth;

24 “(V) the extent of collaboration
25 with the State and local workforce in-

1 vestment systems in carrying out the
2 proposed programs and activities;

3 “(VI) the extent of employer in-
4 volvement in the proposed programs
5 and activities;

6 “(VII) whether there are other
7 Federal and non-Federal funds avail-
8 able for similar activities to the pro-
9 posed programs and activities, and the
10 additional State, local, and private re-
11 sources that will be provided to carry
12 out the proposed programs and activi-
13 ties;

14 “(VIII) the quality of the pro-
15 posed programs and activities in meet-
16 ing the needs of the eligible youth to
17 be served; and

18 “(IX) the extent to which the
19 proposed programs and activities will
20 expand on the work ready and train-
21 ing services provided to individuals be-
22 tween 16 and 24 years of age pro-
23 vided under section 134.

24 “(ii) **EQUITABLE GEOGRAPHIC DIS-**
25 **TRIBUTION.**—In awarding grants under

1 this paragraph the State shall ensure an
2 equitable distribution of such grants across
3 geographically diverse areas.

4 “(I) USE OF FUNDS FOR JOB CORPS CEN-
5 TERS.—

6 “(i) IN GENERAL.—If the require-
7 ments described in clause (iii) are met, an
8 eligible entity may use a grant received
9 under this paragraph to operate a Job
10 Corps Center that was established under
11 subtitle C, as in effect on the day before
12 the enactment of the Workforce Invest-
13 ment Improvement Act of 2012, and that
14 is in existence on the day before the enact-
15 ment of such Act to—

16 “(I) provide work-based learning
17 throughout the enrollment of the en-
18 rollees of such Center; and

19 “(II) assist the enrollees in ob-
20 taining meaningful unsubsidized em-
21 ployment, participating in secondary
22 or postsecondary education programs,
23 enrolling in other suitable career
24 training programs, or satisfying

1 Armed Forces requirements, on com-
2 pletion of their enrollment.

3 “(ii) LIMITATION.—An eligible entity
4 may use not more than 10 percent of the
5 grant funds received under this paragraph
6 for construction and facilities improvement
7 of a Job Corps Center.

8 “(iii) REQUIREMENTS.—In order for
9 an eligible entity to operate a Job Corps
10 Center under clause (i), the following re-
11 quirements shall be met:

12 “(I) The State has submitted to
13 the Secretary, a written request for
14 the appropriate title and deed for
15 such Job Corps Center, and has been
16 granted such title and deed under
17 clause (iv)(I).

18 “(II) The State agency, or appro-
19 priate agency responsible for inspect-
20 ing public buildings and safeguarding
21 the health of disadvantaged students,
22 has conducted an in-person review of
23 the physical condition and health-re-
24 lated activities of the Job Corps Cen-
25 ter. Such review shall include a pass-

1 ing rate of occupancy under State and
2 local ordinances.

3 “(III) The State has dem-
4 onstrated, as part of the State plan in
5 section 112, that it has developed and
6 will enforce professional standards of
7 conduct.

8 “(iv) SECRETARIAL ACTIONS.—

9 “(I) IN GENERAL.—Upon receiv-
10 ing a written request from a State
11 under clause (iii)(I), the Secretary, in
12 coordination with the Administrator
13 of the General Services Administra-
14 tion, shall transfer the title and deed
15 for the appropriate Job Corps Center
16 to the State within 30 days. The Sec-
17 retary shall be prohibited from impos-
18 ing any requirement on a State in ex-
19 change for such title and deed.

20 “(II) TRANSITION.—After 365
21 calendar days after the date of enact-
22 ment of the Workforce Investment
23 Improvement Act of 2012, the Sec-
24 retary shall transfer all Job Corps
25 Centers with respect to which the Sec-

1 retary has not received a written re-
2 quest under clause (iii)(I) to the Ad-
3 ministrator of the General Services
4 Administration for disposal of excess
5 Federal real property.

6 “(6) STATEWIDE GRANTS FOR ADULTS WITH
7 BARRIERS TO EMPLOYMENT.—

8 “(A) IN GENERAL.—Of the funds reserved
9 as described in section 133(a)(4), the Governor
10 of a State—

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

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

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

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

19 “(i) a description of how the strate-
20 gies and activities will be aligned with the
21 State plan submitted under section 112
22 and the local plans submitted under sec-
23 tion 118 with respect to the areas of the
24 State that will be the focus of grant activi-
25 ties under this paragraph;

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

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

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

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

22 “(vi) a description of the private and
23 public, and local and State resources that
24 will be leveraged, in addition to the grant
25 funds provided under this paragraph to

1 provide the programs and activities under
2 this paragraph, and how the entity will en-
3 sure the sustainability of such programs
4 and activities after grant funds are no
5 longer available;

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

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

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

20 “(x) a description of the estimated
21 savings that would result from the im-
22 proved outcomes, including to other pro-
23 grams or units of government; 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, to receive an award an
9 eligible entity shall—

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 “(7) 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 activities
10 carried 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 section
19 (c); and

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

22 (3) by striking subsection (c);

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

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

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

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

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

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

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

14 (B) in paragraph (2)—

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

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

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

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

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

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

11 “(D) labor exchange services, including—

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

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

22 “(iii) reemployment services provided
23 to unemployment claimants, including
24 claimants identified as in need of such
25 services under the worker profiling system

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

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

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

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

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

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

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

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

24 “(K) the provision of information from of-
25 ficial publications of the Internal Revenue Serv-

1 ice regarding Federal tax credits available to in-
2 dividuals relating to education, job training and
3 employment;

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

7 “(i) diagnostic testing and use of
8 other assessment tools; and

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

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

17 “(N) group counseling;

18 “(O) individual counseling and career plan-
19 ning;

20 “(P) case management;

21 “(Q) short-term pre-career services, includ-
22 ing development of learning skills, communica-
23 tions skills, interviewing skills, punctuality, per-
24 sonal maintenance skills, and professional con-

1 duct, to prepare individuals for unsubsidized
2 employment or training;

3 “(R) internships and work experience;

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

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

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

16 “(3) DELIVERY OF SERVICES.—The work ready
17 services described in section 132(c)(2) shall be pro-
18 vided through the one-stop delivery system and may
19 be provided through contracts with public, private
20 for-profit, and private nonprofit service providers,
21 approved by the local board.”;

22 (D) in paragraph (4)—

23 (i) by amending subparagraph (A) to
24 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 reded-
6 icated)—

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 disabil-
15 ities.”;

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 support to navigate
8 among multiple services and activities for
9 special participant populations that face
10 multiple barriers to employment, including
11 individuals with disabilities;

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

18 “(v) activities to facilitate remote ac-
19 cess to services provided through a one-
20 stop delivery system, including facilitating
21 access through the use of technology; and

22 “(vi) activities to carry out business
23 services and strategies that meet the work-
24 force investment needs of local area busi-
25 nesses, as determined by the local board,

1 consistent with the local plan under section
2 118, which services—

3 “(I) may be provided through ef-
4 fective business intermediaries work-
5 ing in conjunction with the local
6 board, and may also be provided on a
7 fee-for-service basis or through the
8 leveraging of economic development
9 and other resources as determined ap-
10 propriate by the local board; and

11 “(II) may include—

12 “(aa) identifying and dis-
13 seminating to business, edu-
14 cators, and job seekers, informa-
15 tion related to the workforce, eco-
16 nomic and community develop-
17 ment needs, and opportunities of
18 the local economy;

19 “(bb) development and deliv-
20 ery of innovative workforce in-
21 vestment services and strategies
22 for area businesses, which may
23 include sectoral, industry cluster,
24 regional skills alliances, career
25 ladder, skills upgrading, skill

1 standard development and certifi-
2 cation, apprenticeship, and other
3 effective initiatives for meeting
4 the workforce investment needs
5 of area employers and workers;

6 “(cc) participation in semi-
7 nars and classes offered in part-
8 nership with relevant organiza-
9 tions focusing on the workforce-
10 related needs of area employers
11 and job seekers;

12 “(dd) training consulting,
13 needs analysis, and brokering
14 services for area businesses, in-
15 cluding the organization and ag-
16 gregation of training (which may
17 be paid for with funds other than
18 those provided under this title),
19 for individual employers and coa-
20 litions of employers with similar
21 interests, products, or workforce
22 needs;

23 “(ee) assistance to area em-
24 ployers in the aversion of layoffs
25 and in managing reductions in

1 workforce in coordination with
2 rapid response activities;

3 “(ff) the marketing of busi-
4 ness services offered under this
5 title, to appropriate area employ-
6 ers, including small and mid-
7 sized employers;

8 “(gg) information referral
9 on concerns affecting local em-
10 ployers; and

11 “(hh) other business services
12 and strategies designed to better
13 engage employers in workforce
14 investment activities and to make
15 the workforce investment system
16 more relevant to the workforce
17 investment needs of area busi-
18 nesses, as determined by the local
19 board to be consistent with the
20 objectives of this title.”.

21 (B) by striking paragraphs (2) and (3);

22 and

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

24 “(2) INCUMBENT WORKER TRAINING PRO-
25 GRAMS.—

1 “(A) IN GENERAL.—The local board may
2 use funds allocated to a local area under section
3 133(b)(2) to carry out incumbent worker train-
4 ing programs in accordance with this para-
5 graph.

6 “(B) TRAINING ACTIVITIES.—The training
7 programs for incumbent workers under this
8 paragraph shall be carried out by the local area
9 in conjunction with the employers of such work-
10 ers for the purpose of assisting such workers in
11 obtaining the skills necessary to retain employ-
12 ment and avert layoffs.

13 “(C) EMPLOYER MATCH REQUIRED.—

14 “(i) IN GENERAL.—Employers partici-
15 pating in programs under this paragraph
16 shall be required to pay a proportion of the
17 costs of providing the training to the in-
18 cumbent workers of the employers. The
19 State board, in consultation with the local
20 board as appropriate, shall establish the
21 required portion of such costs, which may
22 include in-kind contributions. The required
23 portion shall not be less than 50 percent of
24 the costs.

1 “(ii) CALCULATION OF MATCH.—The
2 wages paid by an employer to a worker
3 while they are attending training may be
4 included as part of the required payment
5 of the employer.”; and

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

7 “(e) PRIORITY FOR PLACEMENT IN PRIVATE SECTOR
8 JOBS.—In providing employment and training activities
9 authorized under this section, the State and local board
10 shall give priority to placing participants in jobs in the
11 private sector.”.

12 **SEC. 114. PERFORMANCE ACCOUNTABILITY SYSTEM.**

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

14 (1) in subsection (b)—

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

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

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

21 “(ii) additional indicators of performance
22 (if any) identified by the State under paragraph
23 (2)(B); and

1 “(B) a State adjusted level of performance
2 for each indicator described in subparagraph
3 (A).

4 “(2) INDICATORS OF PERFORMANCE.—

5 “(A) CORE INDICATORS OF PERFORM-
6 ANCE.—

7 “(i) IN GENERAL.—The core indica-
8 tors of performance for the program of em-
9 ployment and training activities authorized
10 under section 134, the program of adult
11 education and literacy activities authorized
12 under title II, and the program authorized
13 under title I of the Rehabilitation Act of
14 1973 (29 U.S.C. 720 et seq.), other than
15 section 112 or part C of that title (29
16 U.S.C. 732, 741), shall consist of—

17 “(I) the percentage and number
18 of program participants who are in
19 unsubsidized employment during the
20 second full calendar quarter after exit
21 from the program;

22 “(II) the percentage and number
23 of program participants who are in
24 unsubsidized employment during the

1 fourth full calendar quarter after exit
2 from the program;

3 “(III) the median earnings of
4 program participants who are in un-
5 subsidized employment during the sec-
6 ond full calendar quarter after exit
7 from the program compared to the
8 median earnings of such participants
9 prior to the training received under
10 such program;

11 “(IV) the percentage and number
12 of program participants who obtain a
13 recognized postsecondary credential,
14 including a registered apprenticeship,
15 or a regular secondary school diploma
16 or its recognized equivalent (subject to
17 clause (iii)), during participation in or
18 within 1 year after exit from program;

19 “(V) the percentage and number
20 of program participants who, during a
21 program year—

22 “(aa) are in an education or
23 training program that leads to a
24 recognized postsecondary creden-
25 tial, including a registered ap-

1 prenticeship or on-the-job train-
2 ing program, a regular secondary
3 school diploma or its recognized
4 equivalent, or unsubsidized em-
5 ployment; and

6 “ (bb) are achieving measur-
7 able basic skill gains toward such
8 a credential or employment; and

9 “ (VI) the percentage and number
10 of program participants who obtain
11 unsubsidized employment in the field
12 relating to the training services de-
13 scribed in section 134(c)(4) that such
14 participants received.

15 “ (ii) CORE INDICATORS FOR ELIGIBLE
16 YOUTH.—The core indicators of perform-
17 ance for the program of youth activities
18 authorized under section 134(a)(5), shall
19 include—

20 “ (I) the percentage and number
21 of program participants who are in
22 education or training activities in un-
23 subsidized employment, or in the mili-
24 tary service, during the first full cal-

1 endar quarter after exit from the pro-
2 gram;

3 “(II) the percentage and number
4 of program participants who are in
5 education or training activities, in un-
6 subsidized employment, or in the mili-
7 tary service, during the fourth full cal-
8 endar quarter after exit from the pro-
9 gram;

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

17 “(IV) the percentage and number
18 of program participants who obtain a
19 recognized postsecondary credential
20 described in clause (i)(IV), or a reg-
21 ular secondary school diploma or its
22 recognized equivalent (subject to
23 clause (iii)), during participation in or
24 within 1 year after exit from the pro-
25 gram;

1 “(V) the percentage and number
2 of program participants who, during a
3 program year, are in an education or
4 training program that leads to a rec-
5 ognized postsecondary credential or a
6 regular secondary school diploma or
7 its recognized equivalent, or unsub-
8 sidized employment and who are
9 achieving measurable basic skill gains
10 toward such a credential or employ-
11 ment; and

12 “(VI) the percentage and number
13 of program participants who obtain
14 unsubsidized employment in the field
15 relating to the training services de-
16 scribed in section 134(c)(4) that such
17 participants received.

18 “(iii) INDICATOR RELATING TO CRE-
19 DENTIAL.—For purposes of clause (i)(IV)
20 and (ii)(IV), program participants who ob-
21 tain a regular secondary school diploma or
22 its recognized equivalent shall be included
23 in the percentage counted as meeting the
24 criterion under such clause only if such
25 participants, in addition to obtaining such

1 diploma or its recognized equivalent, have,
2 within 1 year after exit from the program,
3 obtained or retained employment, have
4 been removed from public assistance, or
5 are in an education or training program
6 leading to a recognized postsecondary cre-
7 dential described in clause (i)(IV).

8 “(B) ADDITIONAL INDICATORS.—A State
9 may identify in the State plan additional indica-
10 tors for workforce investment activities author-
11 ized under this subtitle.”;

12 (B) in paragraph (3)—

13 (i) in subparagraph (A)—

14 (I) in the heading, by striking
15 “AND CUSTOMER SATISFACTION INDI-
16 CATOR”;

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

20 (III) in clause (ii), by striking
21 “and the customer satisfaction indi-
22 cator of performance, for the first 3”
23 and inserting “, for the first 2”;

24 (IV) in clause (iii)—

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

4 (bb) by striking “and the
5 customer satisfaction indicator of
6 performance, for the first 3 pro-
7 gram years” and inserting “for
8 the first 2 program years”;

9 (V) in clause (iv)—

10 (aa) by striking subclause
11 (I) and redesignating subclauses
12 (II) and (III) as subclauses (I)
13 and (II), respectively; and

14 (bb) in subclause (I) (as so
15 redesignated)—

16 (AA) by striking “tak-
17 ing into account” and in-
18 serting “which shall be ad-
19 justed based on”;

20 (BB) by inserting “,
21 such as unemployment rates
22 and job losses or gains in
23 particular industries” after
24 “economic conditions”; and

1 (CC) by inserting “,
2 such as indicators of poor
3 work experience, dislocation
4 from high-wage employment,
5 low levels of literacy or
6 English proficiency, dis-
7 ability status, including the
8 number of veterans with dis-
9 abilities, and welfare de-
10 pendency” after “program”;
11 (VI) by striking clause (v) and
12 redesignating clause (vi) as clause (v);
13 and
14 (VII) in clause (v) (as so redesign-
15 nated),
16 (aa) by striking “described
17 in clause (iv)(II)” and inserting
18 “described in clause (iv)(I)”; and
19 (bb) striking “or (v)”; and
20 (ii) in subparagraph (B), by striking
21 “paragraph (2)(C)” and inserting “para-
22 graph (2)(B)”;
23 (2) in subsection (c)(1)(A)—
24 (A) by amending clause (i) to read as fol-
25 lows:

1 “(i) the core indicators of perform-
2 ance described in subsection (b)(2)(A) for
3 activities described in such subsections,
4 other than statewide workforce investment
5 activities; and”;

6 (B) in clause (ii), by striking “(b)(2)(C)”
7 and inserting “(b)(2)(B)”;

8 (C) by amending paragraph (3) to read as
9 follows:

10 “(3) DETERMINATIONS.—In determining such
11 local levels of performance, the local board, the chief
12 elected official, and the Governor shall ensure such
13 levels are adjusted based on the specific economic
14 characteristics (such as unemployment rates and job
15 losses or gains in particular industries), demographic
16 characteristics, or other characteristics of the popu-
17 lation to be served in the local area, such as poor
18 work history, lack of work experience, dislocation
19 from high-wage employment, low levels of literacy or
20 English proficiency, disability status, including the
21 number of veterans with disabilities, and welfare de-
22 pendency.”.

23 (3) in subsection (d)—

24 (A) in paragraph (1)—

25 (i) by striking “127 or”;

1 (ii) by striking “and the customer sat-
2 isfaction indicator” each place it appears;
3 (B) in paragraph (2)—

4 (i) in subparagraph (A), by striking
5 “section 134(d)(4)” and inserting “section
6 134(c)(4)”;

7 (ii) in subparagraph (E), by striking
8 “(excluding participants who received only
9 self-service and information activities);
10 and” and inserting a semicolon;

11 (iii) by striking “and” at the end of
12 subparagraph (E);

13 (iv) by striking the period at the end
14 of subparagraph (F) and inserting “; and”;
15 and

16 (v) by adding at the end, the fol-
17 lowing:

18 “(G) with respect to each local area in the
19 State—

20 “(i) the number of individuals who re-
21 ceived work ready services described under
22 section 134(c)(2) and the number of indi-
23 viduals who received training services de-
24 scribed under section 134(c)(4) during the
25 most recent program year and fiscal year,

1 and the preceding 5 program years, and
2 where the individuals received the training,
3 disaggregated by the type of entity that
4 provided the training;

5 “(ii) the number of individuals who
6 successfully exited out of work ready serv-
7 ices described under section 134(c)(2) and
8 the number of individuals who exited out
9 of training services described under section
10 134(c)(4) during the most recent program
11 year and fiscal year, and the preceding 5
12 program years, and where the individuals
13 received the training, disaggregated by the
14 type of entity that provided the training;
15 and

16 “(iii) the average cost per participant
17 of those individuals who received work
18 ready services described under section
19 134(c)(2) and the average cost per partici-
20 pant of those individuals who received
21 training services described under section
22 134(c)(4) during the most recent program
23 year and fiscal year, and the preceding 5
24 programs years, and where the individuals
25 received the training, disaggregated by the

1 type of entity that provided the training.”;

2 and

3 (C) in paragraph (3), by striking “through
4 publication” and inserting “through electronic
5 means”;

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

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

12 (4) in subsection (g)—

13 (A) in subsection (g)(1)(A), by striking “or
14 (B)”;

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

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

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

25 (5) in subsection (h)(1), by striking “or (B)”;

1 (6) in subsection (h)(2)—

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

4 “(A) IN GENERAL.—If such failure con-
5 tinues for a second consecutive year, the Gov-
6 ernor shall take corrective actions, including the
7 development of a reorganization plan. Such
8 plan shall—”;

9 (B) by redesignating subparagraphs (B)
10 and (C) as subparagraphs (C) and (D), respec-
11 tively;

12 (C) by inserting after subparagraph (A),
13 the following:

14 “(B) REDUCTION IN THE AMOUNT OF
15 GRANT.—If such failure continues for a third
16 consecutive year, the Governor of a State shall
17 reduce the amount of the grant that would (in
18 the absence of this subparagraph) be payable to
19 the local area under such program for the pro-
20 gram year after such third consecutive year.
21 Such penalty shall be based on the degree of
22 failure to meet local levels of performance.”;

23 (D) in subparagraph (C)(i) (as so redesign-
24 nated), by striking “a reorganization plan
25 under subparagraph (A) may, not later than 30

1 days after receiving notice of the reorganization
2 plan, appeal to the Governor to rescind or re-
3 vise such a plan” and inserting “corrective ac-
4 tions under subparagraphs (A) and (B) may,
5 not later than 30 days after receiving notice of
6 the actions, appeal to the Governor to rescind
7 or revise such actions”; and

8 (E) in subparagraph (D) (as so redesign-
9 nated), by striking “subparagraph (B)” each
10 place it appears and inserting “subparagraph
11 (C)”;

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

14 (8) in subsection (i)(1)(B), by striking “sub-
15 section (b)(2)(C)” and inserting “subsection
16 (b)(2)(B)”;

17 (9) by adding at the end the following sub-
18 section:

19 “(j) USE OF CORE INDICATORS FOR OTHER PRO-
20 GRAMS.—In addition to the programs carried out under
21 chapter 5, and consistent with the requirements of the ap-
22 plicable authorizing laws, the Secretary shall use the core
23 indicators of performance described in subsection
24 (b)(2)(A) to assess the effectiveness of the programs de-

1 scribed under section 121(b)(1)(B) that are carried out
2 by the Secretary.”.

3 **SEC. 115. AUTHORIZATION OF APPROPRIATIONS.**

4 Section 137 is amended to read as follows:

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

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

10 **SEC. 116. TECHNICAL ASSISTANCE.**

11 Section 170 (29 U.S.C. 2915) is amended—

12 (1) by striking subsection (b);

13 (2) by striking:

14 “(a) GENERAL TECHNICAL ASSISTANCE.—”;

15 (3) by redesignating paragraphs (1), (2), and
16 (3) as subsections (a), (b), and (c) respectively, and
17 moving such subsections 2 ems to the left;

18 (4) in subsection (a) (as so redesignated)—

19 (A) by inserting “the training of staff pro-
20 viding rapid response services, the training of
21 other staff of recipients of funds under this
22 title, assistance regarding accounting and pro-
23 gram operation practices (when such assistance
24 would not be duplicative to assistance provided
25 by the State), technical assistance to States

1 that do not meet State performance measures
2 described in section 136,” after “localities,”;
3 and

4 (B) by striking “from carrying out activi-
5 ties” and all that follows up to the period and
6 inserting “to implement the amendments made
7 by the Workforce Investment Improvement Act
8 of 2011”; and

9 (5) in subsection (b) (as so redesignated) by
10 striking “, or recipient of financial assistance under
11 any of section 166 through 169,”;

12 (6) by inserting, after subsection (c) (as redesi-
13 gnated by paragraph (3)), the following:

14 “(d) BEST PRACTICES COORDINATION.—The Sec-
15 retary shall—

16 “(1) establish a system through which States
17 may share information regarding best practices with
18 regard to the operation of workforce investment ac-
19 tivities under this Act; and

20 “(2) evaluate and disseminate information re-
21 garding best practices and identify knowledge
22 gaps.”.

23 **SEC. 117. EVALUATIONS.**

24 Section 172 is amended—

1 (1) in subsection (a), by striking “the Secretary
2 shall provide for the continuing evaluation of the
3 programs and activities, including those programs
4 and activities carried out under section 171” and in-
5 serting “the Secretary, through grants, contracts, or
6 cooperative agreements, shall conduct, at least once
7 every 5 years, an independent evaluation of the pro-
8 grams and activities funded under this Act”; and

9 (2) in subsection (a)(4) is amended to read as
10 follows:

11 “(4) the impact of receiving services and not re-
12 ceiving services under such programs and activities
13 on the community, businesses, and individuals;”.

14 (3) in subsection (c) is amended to read as fol-
15 lows:

16 “(c) **TECHNIQUES.**—Evaluations conducted under
17 this section shall utilize appropriate and rigorous method-
18 ology and research designs, including the use of control
19 groups chosen by scientific random assignment methodolo-
20 gies, quasi-experimental methods, impact analysis and the
21 use of administrative data. The Secretary shall conduct
22 an impact analysis, as described in subsection (a)(4), of
23 the formula grant program under subtitle B not later than
24 2014, and thereafter shall conduct such an analysis not
25 less than once every four years.”.

1 (4) in subsection (e) is amended by striking
2 “the Committee on Labor and Human Resources of
3 the Senate” and inserting “the Committee on
4 Health, Education, Labor, and Pensions of the Sen-
5 ate”.

6 (5) by adding at the end, the following:

7 “(g) PUBLIC AVAILABILITY.—The results of the eval-
8 uations conducted under this section shall be made pub-
9 licly available, including by posting such results on the De-
10 partment’s website.”.

11 **SEC. 118. AMENDMENTS TO SECTION 173.**

12 Section 173 (29 U.S.C. 2918) is amended—

13 (1) by amending the heading for section 173 to
14 read as follows: “**NATIONAL DISLOCATED WORK-**
15 **ER GRANTS**”;

16 (2) in subsection (a)—

17 (A) by striking “national emergency
18 grants” in the matter preceding paragraph (1)
19 and inserting “national dislocated worker
20 grants”;

21 (B) in paragraph (1), by striking “sub-
22 section (c)” and inserting “subsection (b)”; and

23 (C) in paragraph (4)—

24 (i) in subparagraph (A)—

1 (I) by striking “section
2 173(c)(1)(B)” and inserting “section
3 173(h)(1)(B)”;

4 (II) by striking “subsection (f)”
5 and inserting “subsection (d)”;

6 (ii) in subparagraph (B), by striking
7 “subsection (g)” and inserting “subsection
8 (e)”;

9 (3) by striking subsections (b) and (e) and re-
10 designating subsections (c), (d), (f), and (g) as sub-
11 sections (b) through (e), respectively;

12 (4) in subsection (b)(1)(B) as so redesignated),
13 by striking “in section 166(c)” and replacing with
14 “132(a)(2)”, and other entities” and all that follows
15 and inserting a period;

16 (5) in subsection (b)(2)(A) (as so redesign-
17 nated)—

18 (A) in the matter preceding clause (i), by
19 striking “national emergency grant” and insert-
20 ing “national dislocated worker grant”;

21 (B) in clause (iii), by striking “; or” and
22 inserting a semicolon;

23 (C) in clause (iv)(IV) by striking the pe-
24 riod and inserting “; or”;

25 (D) by inserting at the end the following:

1 “(v) is the spouse of a member of the
2 Armed Forces who is on active duty or
3 full-time National Guard duty, or who was
4 recently separated from such duties, and
5 such spouse is in need of employment and
6 training assistance to obtain or retain em-
7 ployment.”;

8 (6) in subsection (b)(2)(C) (as so redesignated),
9 by striking “national emergency grant” and insert-
10 ing “national dislocated worker grants”;

11 (7) in subsection (d)(2) (as so redesignated), by
12 striking “subsection (g)” and inserting “subsection
13 (e)”;

14 (8) strike subsection (d)(3)(B) (as so redesign-
15 ated);

16 (9) in subsection (d)(5) (as so redesignated), by
17 striking “subsection (g)” and inserting “subsection
18 (e)”;

19 (10) in subsection (d)(6) (as so redesignated),
20 by striking “subsection (g)” and inserting “sub-
21 section (e)”;

22 (11) in subsection (e)(1)(A) (as so redesign-
23 ated), by striking “subsection (f)(1)(A)” and in-
24 serting “subsection (d)(1)(A)”;

1 (12) strike subsection (e)(4)(B) (as so redesignig-
2 nated).

3 **SEC. 119. REQUIREMENTS AND RESTRICTIONS.**

4 Section 181 (29 U.S.C. 2931) is amended—

5 (1) in subsection (b)(6), by striking “, including
6 representatives of businesses and labor organiza-
7 tions”;

8 (2) in subsection (c)(2)(A), in the matter pre-
9 ceding clause (i), by striking “shall” and inserting
10 “may”;

11 (3) in subsection (e)—

12 (A) by striking “training for” and insert-
13 ing “the entry into employment, retention in
14 employment, or increases in earnings of”;

15 (B) by striking “under subtitle B” and in-
16 serting “this Act”; and

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

18 “(g) **SALARY AND BONUS LIMITATION.**—No funds
19 provided under this title shall be used by a recipient or
20 subrecipient of such funds to pay the salary and bonuses
21 of an individual, either as direct costs or indirect costs,
22 at a rate in excess of Level II of the Federal Executive
23 Pay Schedule (5 U.S.C. 5313). This limitation shall not
24 apply to vendors providing goods and services as defined
25 in OMB Circular A–133. Where States are recipients of

1 such funds, States may establish a lower limit for salaries
2 and bonuses of those receiving salaries and bonuses from
3 subrecipients of such funds, taking into account factors
4 including the relative cost-of-living in the State, the com-
5 pensation levels for comparable State or local government
6 employees, and the size of the organizations that admin-
7 ister the programs.

8 “(h) GENERAL AUTHORITY.—

9 “(1) IN GENERAL.—The Employment and
10 Training Administration of the U.S. Department of
11 Labor (hereinafter in this Act referred to as the ‘Ad-
12 ministration’) shall administer all programs author-
13 ized under title I and III of this Act. The Adminis-
14 tration shall be headed by an Assistant Secretary
15 appointed by the President by and with the advice
16 and consent of the Senate. Except for titles II and
17 IV, the Administration shall be the principal agency,
18 and the Assistant Secretary shall be the principal of-
19 ficer, of such Department for carrying out this Act.

20 “(2) QUALIFICATIONS.—The Assistant Sec-
21 retary shall be an individual with substantial experi-
22 ence in workforce development and in workforce de-
23 velopment management. The Assistant Secretary
24 shall also, to the maximum extent possible, possess
25 knowledge and have worked in or with the State or

1 local workforce investment system or have been a
2 member of the business community. In the perform-
3 ance of the functions of the office, the Assistant Sec-
4 retary shall be directly responsible to the Secretary
5 or the Under Secretary as designed by the Sec-
6 retary. The functions of the Assistant Secretary
7 shall not be delegated to any officer not directly re-
8 sponsible, both with respect to program operation
9 and administration, to the Assistant Secretary. Any
10 reference in this Act to duties to be carried out by
11 the Assistant Secretary shall be considered to be a
12 reference to duties to be carried out by the Secretary
13 acting through the Assistant Secretary.”.

14 **SEC. 120. PROMPT ALLOCATION OF FUNDS.**

15 Section 182 (29 U.S.C. 2932) is amended—

16 (1) in subsection (c), by striking “127 or”; and

17 (2) in subsection (e)—

18 (A) by striking “sections 128 and 133”

19 and inserting “section 133”; and

20 (B) by striking “127 or”.

21 **SEC. 121. FISCAL CONTROLS; SANCTIONS.**

22 Section 184(a)(2) (29 U.S.C. 2934(a)(2)) is amended
23 by striking subparagraph (B).

24 **SEC. 122. REPORTS TO CONGRESS.**

25 Section 185 (29 U.S.C. 2935) is amended—

1 (1) in subsection (c)—

2 (A) in paragraph (2), by striking “and”
3 after the semicolon;

4 (B) in paragraph (3), by striking the pe-
5 riod and inserting “; and”; and

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

7 “(4) shall have the option to submit or dissemi-
8 nate electronically any reports, records, plans, or any
9 other data that are required to be collected or dis-
10 seminated under this title.”; and

11 (2) in subsection (e)(2), by inserting “and the
12 Secretary shall submit to the Committee on Edu-
13 cation and the Workforce of the House of Rep-
14 resentatives and the Committee on Health, Edu-
15 cation, Labor, and Pensions of the Senate,” after
16 “Secretary,”.

17 **SEC. 123. ADMINISTRATIVE PROVISIONS.**

18 Section 189 (29 U.S.C. 2939) is amended—

19 (1) in subsection (g)—

20 (A) by amending paragraph (1) to read as
21 follows:

22 “(1) IN GENERAL.—Appropriations for any fis-
23 cal year for programs and activities carried out
24 under this title shall be available for obligation only
25 on the basis of a program year. The program year

1 shall begin on July 1 in the fiscal year for which the
2 appropriation is made.”; and

3 (B) in paragraph (2)—

4 (i) by striking “each State” and in-
5 sserting “each recipient”; and

6 (ii) by striking “171 or”;

7 (2) in subsection (i)(4)—

8 (A) in subparagraph (A)—

9 (i) by striking “requirements of sub-
10 paragraph (B)” and all that follows
11 through “any of the statutory or regu-
12 latory requirements of subtitle B” and in-
13 sserting “requirements of subparagraph (B)
14 or (D), any of the statutory or regulatory
15 requirements of subtitle B”; and

16 (ii) by striking clause (ii); and

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

18 “(D) EXPEDITED PROCESS FOR EXTEND-
19 ING APPROVED WAIVERS TO ADDITIONAL
20 STATES.—In lieu of the requirements of sub-
21 paragraphs (B) and (C), the Secretary may es-
22 tablish an expedited procedure for the purpose
23 of extending to additional States the waiver of
24 statutory or regulatory requirements that have
25 been approved for a State pursuant to a request

1 under subparagraph (B). Such procedure shall
2 ensure that the extension of such waivers to ad-
3 ditional States are accompanied by appropriate
4 conditions relating the implementation of such
5 waivers.”.

6 **SEC. 124. STATE LEGISLATIVE AUTHORITY.**

7 Section 191(a) (29 U.S.C. 2941(a)) is amended—

8 (1) by striking “consistent with the provisions
9 of this title” and inserting “consistent with State
10 law and the provisions of this title”; and

11 (2) by striking “consistent with the terms and
12 conditions required under this title” and inserting
13 “consistent with State law and the terms and condi-
14 tions required under this title”.

15 **SEC. 125. CONTINUATION OF STATE ACTIVITIES AND POLI-
16 CIES.**

17 Section 194 (20 U.S.C. 2944) is amended—

18 (1) in subsection (a)(1)(A), by striking “127
19 or”;

20 (2) in subsection (a)(1)(B), by striking “127
21 or”; and

22 (3) in subsection (a)(2), by striking “127 or”.

23 **SEC. 126. GENERAL PROGRAM REQUIREMENTS.**

24 Section 195 (29 U.S.C. 2945) is amended—

1 (1) in paragraph (7), by inserting at the end
2 the following:

3 “(D) Funds received by a public or private
4 nonprofit entity that are not described in para-
5 graph (B), such as funds privately raised from
6 philanthropic foundations, businesses, or other
7 private entities, shall not be considered to be in-
8 come under this title and shall not be subject
9 to the requirements of this section.”; and

10 (2) by adding at the end the following new
11 paragraphs:

12 “(14) Funds provided under this title shall not
13 be used to establish or operate stand-alone fee-for-
14 service enterprises that compete with private sector
15 employment agencies within the meaning of section
16 701(c) of the Civil Rights Act of 1964 (42 U.S.C.
17 2000e(c)), except that for purposes of this para-
18 graph, such an enterprise does not include one-stop
19 centers.

20 “(15) Any report required to be submitted to
21 Congress, or to a Committee of Congress, under this
22 title shall be submitted to both the chairmen and
23 ranking minority members of the Committee on
24 Education and the Workforce of the House of Rep-

1 representatives and the Committee on Health, Edu-
2 cation, Labor, and Pensions of the Senate.”.

3 **SEC. 127. STATE UNIFIED PLAN.**

4 Section 501 (20 U.S.C. 9271) is amended—

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

7 “(b) STATE UNIFIED PLAN.—

8 “(1) IN GENERAL.—A State may develop and
9 submit to the appropriate Secretaries a State unified
10 plan for 2 or more of the activities or programs set
11 forth in paragraph (2). The State unified plan shall
12 cover one or more of the activities set forth in sub-
13 paragraphs (A) and (B) of paragraph (2) and may
14 cover one or more of the activities set forth in sub-
15 paragraphs (C) through (N) of paragraph (2). For
16 purposes of this paragraph, the activities and pro-
17 grams described in subparagraphs (A) and (B) of
18 paragraph (2) shall not be considered to be 2 or
19 more activities or programs for purposes of the uni-
20 fied plan. Such activities or programs shall be con-
21 sidered to be 1 activity or program.

22 “(2) ACTIVITIES AND PROGRAMS.—The activi-
23 ties and programs referred to in paragraph (1) are
24 as follows:

1 “(A) Programs and activities authorized
2 under title I.

3 “(B) Programs and activities authorized
4 under title II.

5 “(C) Programs authorized under the Reha-
6 bilitation Act of 1973.

7 “(D) Secondary career education programs
8 authorized under the Carl D. Perkins Career
9 and Applied Technology Education Act.

10 “(E) Postsecondary career education pro-
11 grams authorized under the Carl D. Perkins
12 Career and Applied Technology Education Act.

13 “(F) Programs and activities authorized
14 under title II of the Trade Act of 1974.

15 “(G) National Apprenticeship Act of 1937.

16 “(H) Programs authorized under the Com-
17 munity Services Block Grant Act.

18 “(I) Programs authorized under the part A
19 of title IV of the Social Security Act.

20 “(J) Programs authorized under State un-
21 employment compensation laws (in accordance
22 with applicable Federal law).

23 “(K) Work programs authorized under sec-
24 tion 6(o) of the Food Stamp Act of 1977.

1 “(L) Programs and activities authorized
2 title I of the Housing and Community Develop-
3 ment Act of 1974.

4 “(M) Programs and activities authorized
5 under the Public Workers and Economic Devel-
6 opment Act of 1965.

7 “(N) Activities as defined under chapter
8 41 of title 38, United States Code.”; and
9 (2) by adding at the end, the following:

10 “(e) AUTHORITY TO CONSOLIDATE FUNDS INTO
11 WORKFORCE INVESTMENT FUND.—

12 “(1) IN GENERAL.—A State may consolidate
13 funds allotted to a State under an approved applica-
14 tion under subsection (d) into the Workforce Invest-
15 ment Fund under section 132(b) in order to reduce
16 inefficiencies in the administration of federally-fund-
17 ed State and local employment and training pro-
18 grams.

19 “(2) TREATMENT OF FUNDS.—

20 “(A) IN GENERAL.—Notwithstanding sub-
21 section (c), a State with an approved applica-
22 tion under subsection (d) may treat any and all
23 funds consolidated into the Workforce Invest-
24 ment Fund as if they were original funds allot-
25 ted to a State under section 132(b).

1 “(B) APPLICABILITY.—Such a State shall
2 continue to make reservations, except the res-
3 ervation under section 133(a)(1), and allot-
4 ments in accordance with section 133(b)(2).

5 “(3) SPECIAL RULE.—A State may not consoli-
6 date funds allocated to the State under the Carl D.
7 Perkins Career and Technical Education Act of
8 2006.”.

9 **TITLE II—ADULT EDUCATION**
10 **AND FAMILY LITERACY EDU-**
11 **CATION**

12 **SEC. 201. AMENDMENT.**

13 Title II (29 U.S.C. 2901 et seq.) is amended to read
14 as follows:

15 **“TITLE II—ADULT EDUCATION**
16 **AND FAMILY LITERACY EDU-**
17 **CATION**

18 **“SEC. 201. SHORT TITLE.**

19 “‘This title may be cited as the ‘Adult Education and
20 Family Literacy Education Act’.

21 **“SEC. 202. PURPOSE.**

22 “‘It is the purpose of this title to provide instructional
23 opportunities for adults seeking to improve their literacy
24 skills, including their basic reading, writing, speaking, and
25 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—

11 “(A) a local educational agency;

12 “(B) a community-based or faith-based or-
13 ganization of demonstrated effectiveness;

14 “(C) a volunteer literacy organization of
15 demonstrated effectiveness;

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 duration to make sus-
3 tainable changes in a family, is evidence-based,
4 and, for the purpose of substantially increasing
5 the ability of parents and children to read,
6 write, 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 reallocation 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-

1 cluding any rule or policy based on a State or outlying
2 area interpretation of a Federal statute, regulation, or
3 guideline), the State or outlying area shall identify, to eli-
4 gible providers, the rule or policy as being imposed by the
5 State or outlying area.

6 **“SEC. 224. STATE PLAN.**

7 “(a) 3-YEAR PLANS.—

8 “(1) IN GENERAL.—Each eligible agency desir-
9 ing a grant under this title for any fiscal year shall
10 submit to, or have on file with, the Secretary a 3-
11 year State plan.

12 “(2) STATE UNIFIED PLAN.—The eligible agen-
13 cy may submit the State plan as part of a State uni-
14 fied plan described in section 501.

15 “(b) PLAN CONTENTS.—The eligible agency shall in-
16 clude in the State plan or any revisions to the State plan—

17 “(1) an objective assessment of the needs of in-
18 dividuals in the State or outlying area for adult edu-
19 cation and family literacy education programs, in-
20 cluding individuals most in need or hardest to serve;

21 “(2) a description of the adult education and
22 family literacy education programs that will be car-
23 ried 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; and

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 who are low-income or have
24 minimal reading, writing, speaking, and math skills,
25 or are English learners;

1 “(4) the program is of sufficient intensity and
2 duration for participants to achieve substantial
3 learning gains;

4 “(5) educational practices are evidence-based;

5 “(6) the activities of the eligible provider effec-
6 tively employ advances in technology, and delivery
7 systems including distance education;

8 “(7) the activities provide instruction in real-life
9 contexts, including integrated education and training
10 when appropriate, to ensure that an individual has
11 the skills needed to compete in the workplace and
12 exercise the rights and responsibilities of citizenship;

13 “(8) the activities are staffed by well-trained in-
14 structors, counselors, and administrators who meet
15 minimum qualifications established by the State;

16 “(9) the activities are coordinated with other
17 available resources in the community, such as
18 through strong links with elementary schools and
19 secondary schools, postsecondary educational institu-
20 tions, local workforce investment boards, one-stop
21 centers, job training programs, community-based
22 and faith-based organizations, and social service
23 agencies;

24 “(10) the activities offer flexible schedules and
25 support services (such as child care and transpor-

1 tation) that are necessary to enable individuals, in-
2 cluding individuals with disabilities or other special
3 needs, to attend and complete programs;

4 “(11) the activities include a high-quality infor-
5 mation management system that has the capacity to
6 report measurable participant outcomes (consistent
7 with section 136) and to monitor program perform-
8 ance;

9 “(12) the local communities have a dem-
10 onstrated need for additional English language ac-
11 quisition programs, and integrated education and
12 training programs;

13 “(13) the capacity of the eligible provider to
14 produce valid information on performance results,
15 including enrollments and measurable participant
16 outcomes;

17 “(14) adult education and family literacy edu-
18 cation programs offer rigorous reading, writing,
19 speaking, and math content that are evidence based;
20 and

21 “(15) applications of technology, and services to
22 be provided by the eligible providers, are of sufficient
23 intensity and duration to increase the amount and
24 quality of learning and lead to measurable learning
25 gains within specified time periods.

1 “(e) SPECIAL RULE.—Eligible providers may use
2 grant funds under this title to serve children participating
3 in family literacy programs assisted under this part, pro-
4 vided that other sources of funds available to provide simi-
5 lar services for such children are used first.

6 **“SEC. 232. LOCAL APPLICATION.**

7 “Each eligible provider desiring a grant or contract
8 under this title shall submit an application to the eligible
9 agency containing such information and assurances as the
10 eligible agency may require, including—

11 “(1) a description of how funds awarded under
12 this title will be spent consistent with the require-
13 ments of this title;

14 “(2) a description of any cooperative arrange-
15 ments the eligible provider has with other agencies,
16 institutions, or organizations for the delivery of
17 adult education and family literacy education pro-
18 grams; and

19 “(3) each of the demonstrations required by
20 section 231(d).

21 **“SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.**

22 “(a) IN GENERAL.—Subject to subsection (b), of the
23 amount that is made available under this title to an eligi-
24 ble provider—

1 “(1) at least 95 percent shall be expended for
2 carrying out adult education and family literacy edu-
3 cation programs; and

4 “(2) the remaining amount shall be used for
5 planning, administration, personnel and professional
6 development, development of measurable goals in
7 reading, writing, speaking, and math, and inter-
8 agency coordination.

9 “(b) SPECIAL RULE.—In cases where the cost limits
10 described in subsection (a) are too restrictive to allow for
11 adequate planning, administration, personnel develop-
12 ment, and interagency coordination, the eligible provider
13 may negotiate with the eligible agency in order to deter-
14 mine an adequate level of funds to be used for noninstruc-
15 tional purposes.

16 **“Subtitle D—GENERAL**
17 **PROVISIONS**

18 **“SEC. 241. ADMINISTRATIVE PROVISIONS.**

19 “Funds made available for adult education and fam-
20 ily literacy education programs under this title shall sup-
21 plement and not supplant other State or local public funds
22 expended for adult education and family literacy education
23 programs.

1 **“SEC. 242. NATIONAL ACTIVITIES.**

2 “The Secretary shall establish and carry out a pro-
3 gram of national activities that may include the following:

4 “(1) Providing technical assistance to eligible
5 entities, on request, to—

6 “(A) improve their fiscal management, re-
7 search-based instruction, and reporting require-
8 ments to carry out the requirements of this
9 title;

10 “(B) improve its performance on the core
11 indicators of performance described in section
12 136;

13 “(C) provide adult education professional
14 development; and

15 “(D) use distance education and improve
16 the application of technology in the classroom,
17 including instruction in English language acqui-
18 sition for English learners.

19 “(2) Providing for the conduct of research on
20 national literacy basic skill acquisition levels among
21 adults, including the number of adult English learn-
22 ers functioning at different levels of reading pro-
23 ficiency.

24 “(3) Improving the coordination, efficiency, and
25 effectiveness of adult education and workforce devel-

1 opment services at the national, State, and local lev-
2 els.

3 “(4) Determining how participation in adult
4 education, English language acquisition, and family
5 literacy education programs prepares individuals for
6 entry into and success in postsecondary education
7 and employment, and in the case of prison-based
8 services, the effect on recidivism.

9 “(5) Evaluating how different types of pro-
10 viders, including community and faith-based organi-
11 zations or private for-profit agencies measurably im-
12 prove the skills of participants in adult education,
13 English language acquisition, and family literacy
14 education programs.

15 “(6) Identifying model integrated basic and
16 workplace skills education programs, including pro-
17 grams for English learners coordinated literacy and
18 employment services, and effective strategies for
19 serving adults with disabilities.

20 “(7) Initiating other activities designed to im-
21 prove the measurable quality and effectiveness of
22 adult education, English language acquisition, and
23 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 striking sections 1 through 13;

7 (2) in section 14 by inserting “of Labor” after
8 “Secretary”; and

9 (3) by amending section 15 to read as follows:

10 **“SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION**
11 **SYSTEM.**

12 “(a) SYSTEM CONTENT.—

13 “(1) IN GENERAL.—The Secretary of Labor, in
14 accordance with the provisions of this section, shall
15 oversee the development, maintenance, and contin-
16 uous improvement of a nationwide workforce and
17 labor market information system that includes—

18 “(A) statistical data from cooperative sta-
19 tistical survey and projection programs and
20 data from administrative reporting systems
21 that, taken together, enumerate, estimate, and
22 project employment opportunities and condi-
23 tions at national, State, and local levels in a
24 timely manner, including statistics on—

1 “(i) employment and unemployment
2 status of national, State, and local popu-
3 lations, including self-employed, part-time,
4 and seasonal workers;

5 “(ii) industrial distribution of occupa-
6 tions, as well as current and projected em-
7 ployment opportunities, wages, benefits
8 (where data is available), and skill trends
9 by occupation and industry, with particular
10 attention paid to State and local condi-
11 tions;

12 “(iii) the incidence of, industrial and
13 geographical location of, and number of
14 workers displaced by, permanent layoffs
15 and plant closings; and

16 “(iv) employment and earnings infor-
17 mation maintained in a longitudinal man-
18 ner to be used for research and program
19 evaluation;

20 “(B) information on State and local em-
21 ployment opportunities, and other appropriate
22 statistical data related to labor market dynam-
23 ics, which—

24 “(i) shall be current and comprehen-
25 sive;

1 “(ii) shall meet the needs identified
2 through the consultations described in sub-
3 paragraphs (A) and (B) of subsection
4 (e)(2); and

5 “(iii) shall meet the needs for the in-
6 formation identified in section 121;

7 “(C) technical standards (which the Sec-
8 retary shall publish annually) for data and in-
9 formation described in subparagraphs (A) and
10 (B) that, at a minimum, meet the criteria of
11 chapter 35 of title 44, United States Code;

12 “(D) procedures to ensure compatibility
13 and additivity of the data and information de-
14 scribed in subparagraphs (A) and (B) from na-
15 tional, State, and local levels;

16 “(E) procedures to support standardization
17 and aggregation of data from administrative re-
18 porting systems described in subparagraph (A)
19 of employment-related programs;

20 “(F) analysis of data and information de-
21 scribed in subparagraphs (A) and (B) for uses
22 such as—

23 “(i) national, State, and local policy-
24 making;

1 “(ii) implementation of Federal poli-
2 cies (including allocation formulas);

3 “(iii) program planning and evalua-
4 tion; and

5 “(iv) researching labor market dynam-
6 ics;

7 “(G) wide dissemination of such data, in-
8 formation, and analysis in a user-friendly man-
9 ner and voluntary technical standards for dis-
10 semination mechanisms; and

11 “(H) programs of—

12 “(i) training for effective data dis-
13 semination;

14 “(ii) research and demonstration; and

15 “(iii) programs and technical assist-
16 ance.

17 “(2) INFORMATION TO BE CONFIDENTIAL.—

18 “(A) IN GENERAL.—No officer or em-
19 ployee of the Federal Government or agent of
20 the Federal Government may—

21 “(i) use any submission that is fur-
22 nished for exclusively statistical purposes
23 under the provisions of this section for any
24 purpose other than the statistical purposes
25 for which the submission is furnished;

1 “(ii) disclose to the public any publi-
2 cation or media transmittal of the data
3 contained in the submission described in
4 clause (i) that permits information con-
5 cerning an individual subject to be reason-
6 ably inferred by either direct or indirect
7 means; or

8 “(iii) permit anyone other than a
9 sworn officer, employee, or agent of any
10 Federal department or agency, or a con-
11 tractor (including an employee of a con-
12 tractor) of such department or agency, to
13 examine an individual submission described
14 in clause (i),
15 without the consent of the individual, agency, or
16 other person who is the subject of the submis-
17 sion or provides that submission.

18 “(B) IMMUNITY FROM LEGAL PROCESS.—
19 Any submission (including any data derived
20 from the submission) that is collected and re-
21 tained by a Federal department or agency, or
22 an officer, employee, agent, or contractor of
23 such a department or agency, for exclusively
24 statistical purposes under this section shall be
25 immune from the legal process and shall not,

1 without the consent of the individual, agency, or
2 other person who is the subject of the submis-
3 sion or provides that submission, be admitted
4 as evidence or used for any purpose in any ac-
5 tion, suit, or other judicial or administrative
6 proceeding.

7 “(C) RULE OF CONSTRUCTION.—Nothing
8 in this section shall be construed to provide im-
9 munity from the legal process for such submis-
10 sion (including any data derived from the sub-
11 mission) if the submission is in the possession
12 of any person, agency, or entity other than the
13 Federal Government or an officer, employee,
14 agent, or contractor of the Federal Government,
15 or if the submission is independently collected,
16 retained, or produced for purposes other than
17 the purposes of this Act.

18 “(b) SYSTEM RESPONSIBILITIES.—

19 “(1) IN GENERAL.—The workforce and labor
20 market information system described in subsection
21 (a) shall be planned, administered, overseen, and
22 evaluated through a cooperative governance struc-
23 ture involving the Federal Government and States.

24 “(2) DUTIES.—The Secretary, with respect to
25 data collection, analysis, and dissemination of work-

1 force and labor market information for the system,
2 shall carry out the following duties:

3 “(A) Assign responsibilities within the De-
4 partment of Labor for elements of the work-
5 force and labor market information system de-
6 scribed in subsection (a) to ensure that all sta-
7 tistical and administrative data collected is con-
8 sistent with appropriate Bureau of Labor Sta-
9 tistics standards and definitions.

10 “(B) Actively seek the cooperation of other
11 Federal agencies to establish and maintain
12 mechanisms for ensuring complementarity and
13 nonduplication in the development and oper-
14 ation of statistical and administrative data col-
15 lection activities.

16 “(C) Eliminate gaps and duplication in
17 statistical undertakings, with the systemization
18 of wage surveys as an early priority.

19 “(D) In collaboration with the Bureau of
20 Labor Statistics and States, develop and main-
21 tain the elements of the workforce and labor
22 market information system described in sub-
23 section (a), including the development of con-
24 sistent procedures and definitions for use by the
25 States in collecting the data and information

1 described in subparagraphs (A) and (B) of sub-
2 section (a)(1).

3 “(E) Establish procedures for the system
4 to ensure that—

5 “(i) such data and information are
6 timely;

7 “(ii) paperwork and reporting for the
8 system are reduced to a minimum; and

9 “(iii) States and localities are fully in-
10 volved in the development and continuous
11 improvement of the system at all levels.

12 “(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE
13 SERVICES.—The Secretary is authorized to assist in the
14 development of national electronic tools that may be used
15 to facilitate the delivery of work ready services described
16 in section 134(c)(2) and to provide workforce information
17 to individuals through the one-stop delivery systems de-
18 scribed in section 121 and through other appropriate de-
19 livery systems.

20 “(d) COORDINATION WITH THE STATES.—

21 “(1) IN GENERAL.—The Secretary, working
22 through the Bureau of Labor Statistics and the Em-
23 ployment and Training Administration, shall regu-
24 larly consult with representatives of State agencies
25 carrying out workforce information activities regard-

1 ing strategies for improving the workforce and labor
2 market information system.

3 “(2) FORMAL CONSULTATIONS.—At least twice
4 each year, the Secretary, working through the Bu-
5 reau of Labor Statistics, shall conduct formal con-
6 sultations regarding programs carried out by the
7 Bureau of Labor Statistics with representatives of
8 each of the Federal regions of the Bureau of Labor
9 Statistics, elected (pursuant to a process established
10 by the Secretary) from the State directors affiliated
11 with State agencies that perform the duties de-
12 scribed in subsection (e)(2).

13 “(e) STATE RESPONSIBILITIES.—

14 “(1) IN GENERAL.—In order to receive Federal
15 financial assistance under this section, the Governor
16 of a State shall—

17 “(A) be responsible for the management of
18 the portions of the workforce and labor market
19 information system described in subsection (a)
20 that comprise a statewide workforce and labor
21 market information system and for the State’s
22 participation in the development of the annual
23 plan;

24 “(B) establish a process for the oversight
25 of such system;

1 “(C) consult with State and local employ-
2 ers, participants, and local workforce invest-
3 ment boards about the labor market relevance
4 of the data to be collected and disseminated
5 through the statewide workforce and labor mar-
6 ket information system;

7 “(D) consult with State educational agen-
8 cies and local educational agencies concerning
9 the provision of employment statistics in order
10 to meet the needs of secondary school and post-
11 secondary school students who seek such infor-
12 mation;

13 “(E) collect and disseminate for the sys-
14 tem, on behalf of the State and localities in the
15 State, the information and data described in
16 subparagraphs (A) and (B) of subsection
17 (a)(1);

18 “(F) maintain and continuously improve
19 the statewide workforce and labor market infor-
20 mation system in accordance with this section;

21 “(G) perform contract and grant respon-
22 sibilities for data collection, analysis, and dis-
23 semination for such system;

24 “(H) conduct such other data collection,
25 analysis, and dissemination activities as will en-

1 sure an effective statewide workforce and labor
2 market information system;

3 “(I) actively seek the participation of other
4 State and local agencies in data collection, anal-
5 ysis, and dissemination activities in order to en-
6 sure complementarity, compatibility, and useful-
7 ness of data;

8 “(J) participate in the development of the
9 annual plan described in subsection (c); and

10 “(K) utilize the quarterly records described
11 in section 136(f)(2) to assist the State and
12 other States in measuring State progress on
13 State performance measures.

14 “(2) RULE OF CONSTRUCTION.—Nothing in
15 this section shall be construed as limiting the ability
16 of a Governor to conduct additional data collection,
17 analysis, and dissemination activities with State
18 funds or with Federal funds from sources other than
19 this section.

20 “(f) NONDUPLICATION REQUIREMENT.—None of the
21 functions and activities carried out pursuant to this sec-
22 tion shall duplicate the functions and activities carried out
23 under the Carl D. Perkins Career and Technical Edu-
24 cation Act of 2006 (20 U.S.C. 2301 et seq.).

1 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to carry out this section
3 \$63,473,000 for fiscal year 2013 and each of the 5 suc-
4 ceeding fiscal years.

5 “(h) DEFINITION.—In this section, the term ‘local
6 area’ means the smallest geographical area for which data
7 can be produced with statistical reliability.”.

8 **TITLE IV—REPEALS AND** 9 **CONFORMING AMENDMENTS**

10 **SEC. 401. REPEALS.**

11 The following provisions are repealed:

12 (1) Chapter 4 of subtitle B of title I, subtitle
13 C of title I, and sections 166, 167, 168, 169, 171,
14 173A, 174, 192, 502, 503, 506 of the Workforce In-
15 vestment Act of 1998.

16 (2) Title V of the Older Americans Act of 1965.

17 (3) Sections 1 through 13 of the Wagner-
18 Peysner Act of 1933.

19 (4) Section 428 of the H-1B Visa Reform Act
20 of 2004.

21 (5) Youth Conservation Corps Act of 1970 (16
22 U.S.C. 1701 et seq.).

23 (6) Section 1151 of title 20, United States
24 Code (Grants to States for workplace and commu-
25 nity transition training for incarcerated individuals).

1 (7) Section 412 of the Immigration and Nation-
2 ality Act (8 U.S.C. 1522) and section 501(a) of the
3 Refugee Education Assistance Act of 1980 (94 Stat.
4 1809; 8 U.S.C. 1522 note).

5 (8) Section 231 of the Second Chance Act of
6 2007 (Public Law 110–199).

7 (9) Chapter 27 of title 29, United States Code
8 (Women in Apprenticeship and Nontraditional Occu-
9 pations).

10 **SEC. 402. AMENDMENT TO THE COMPREHENSIVE ENVIRON-**
11 **MENTAL RESPONSE, COMPENSATION, AND LI-**
12 **ABILITY ACT OF 1980.**

13 Section 104(k)(6) of the Comprehensive Environ-
14 mental Response, Compensation, and Liability Act of
15 1980 (42 U.S.C. 9604) is amended by striking “, train-
16 ing,”.

17 **SEC. 403. AMENDMENTS TO THE FOOD AND NUTRITION ACT**
18 **OF 2008.**

19 (a) DEFINITION.—Section 3(t) of the Food and Nu-
20 trition Act of 2008 (7 U.S.C. 2012(t)) is amended—

21 (1) by striking “and (2)” and inserting “(2)”,
22 and

23 (2) by inserting before the period at the end the
24 following:

1 “, and (3) when referencing employment and training ac-
2 tivities under section 6(d)(4), a State board as defined in
3 section 101 of the Workforce Investment Act of 1998 (29
4 U.S.C. 2801)”.

5 (b) ELIGIBLE HOUSEHOLDS.—Section 5 of the Food
6 and Nutrition Act of 2008 (7 U.S.C. 2014) is amended—

7 (1) in subsection (d)(14) by striking “section
8 (d)(4)(I)” and inserting “section (d)(4)(C)”, and

9 (2) in subsection (g)(3) by striking “consti-
10 tuting adequate participation in an employment and
11 training program under section 6(d)” and inserting
12 “allows the individual to participate in employment
13 and training activities under section 6(d)(4)”.

14 (c) ELIGIBILITY DISQUALIFICATIONS.—Section
15 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C.
16 2015(d)(4)) is amended to read as follows:

17 “(4) EMPLOYMENT AND TRAINING.—

18 “(A) IMPLEMENTATION.—Each State
19 agency shall provide employment and training
20 services authorized under section 134 of the
21 Workforce Investment Act of 1998 (29 U.S.C.
22 2864) to eligible members of households partici-
23 pating in the supplemental nutrition assistance
24 program in gaining skills, training, work, or ex-

1 perience that will increase their ability to obtain
2 regular employment.

3 “(B) STATEWIDE WORKFORCE DEVELOP-
4 MENT SYSTEM.—Consistent with subparagraph
5 (A), employment and training services shall be
6 provided through the statewide workforce devel-
7 opment system, including the One-Stop delivery
8 system, authorized by the Workforce Invest-
9 ment Act of 1998 (29 U.S.C. 2801 et seq.).

10 “(C) REIMBURSEMENTS.—

11 “(i) ACTUAL COSTS.—The State agen-
12 cy may provide payments or reimburse-
13 ment to participants served under this
14 paragraph for—

15 “(I) the actual costs of transpor-
16 tation and other actual costs (other
17 than dependent care costs) that are
18 reasonably necessary and directly re-
19 lated to the individual participating in
20 employment and training activities;
21 and

22 “(II) the actual costs of such de-
23 pendent care expenses that are deter-
24 mined by the State agency to be nec-
25 essary for the individual to participate

1 in employment and training activities
2 (other than an individual who is the
3 caretaker relative of a dependent in a
4 family receiving benefits under part A
5 of title IV of the Social Security Act
6 (42 U.S.C. 601 et seq.) in a local area
7 where an employment, training, or
8 education program under title IV of
9 such Act is in operation), except that
10 no such payment or reimbursement
11 shall exceed the applicable local mar-
12 ket rate.

13 “(ii) SERVICE CONTRACTS AND
14 VOUCHERS.—In lieu of providing reim-
15 bursements or payments for dependent
16 care expenses under clause (i), a State
17 agency may, at its option, arrange for de-
18 pendent care through providers by the use
19 of purchase of service contracts or vouch-
20 ers or by providing vouchers to the house-
21 hold.

22 “(iii) VALUE OF REIMBURSEMENTS.—
23 The value of any dependent care services
24 provided for or arranged under clause (ii),

1 or any amount received as a payment or
2 reimbursement under clause (i), shall—

3 “(I) not be treated as income for
4 the purposes of any other Federal or
5 federally assisted program that bases
6 eligibility for, or the amount of bene-
7 fits on, need; and

8 “(II) not be claimed as an em-
9 ployment-related expense for the pur-
10 poses of the credit provided under sec-
11 tion 21 of the Internal Revenue Code
12 of 1986 (26 U.S.C. 21).”.

13 (d) ADMINISTRATION.—Section 11(e)(19) of the
14 Food and Nutrition Act of 2008 (7 U.S.C. 2020(e)(11))
15 is amended to read as follows:

16 “(19) the plans of the State agency for providing em-
17 ployment and training services under section 6(d)(4);”.

18 (e) ADMINISTRATIVE COST-SHARING AND QUALITY
19 CONTROL.—Section 16(h) of the Food and Nutrition Act
20 of 2008 (7 U.S.C. 2025) is amended—

21 (1) in paragraph (1)—

22 (A) in subparagraph (A) by striking “carry
23 out employment and training programs” and
24 inserting “provide employment and training

1 services to eligible households under section
2 6(d)(4)”, and

3 (B) in subparagraph (D) by striking “op-
4 erating an employment and training program”
5 and inserting “providing employment and train-
6 ing services consistent with section 6(d)(4)”,

7 (2) in paragraph (3) by striking “related to
8 participation in an employment and training pro-
9 gram” and inserting “the individual participating in
10 employment and training activities”,

11 (3) in paragraph (4) by striking “for operating
12 an employment and training program” and inserting
13 “to provide employment and training services”, and

14 (4) by amending paragraph (5) to read as fol-
15 lows:

16 “(5) MONITORING.—The Secretary, in conjunc-
17 tion with the Secretary of Labor, shall monitor each
18 State agency responsible for administering employ-
19 ment and training services under section 6(d)(4) to
20 ensure funds are being spent effectively and effi-
21 ciently. Each program of employment and training
22 receiving funds under section 6(d)(4) shall be sub-
23 ject to the requirements of the performance account-
24 ability system, including having to meet the state

1 performance measures included in section 136 of the
2 Workforce Investment Act (29 U.S.C. 2871).”.

3 (f) RESEARCH, DEMONSTRATION, AND EVALUA-
4 TIONS.—Section 17 of the Food and Nutrition Act of
5 2008 (7 U.S.C. 2026) is amended—

6 (1) in subsection (b) by striking paragraph (3),
7 and

8 (2) in subsection (g)—

9 (A) by inserting “, in conjunction with the
10 Secretary of Labor,” after “Secretary”, and

11 (B) by striking “programs established”
12 and inserting “activities provided to eligible
13 households”.

14 (g) MINNESOTA FAMILY INVESTMENT PROJECT.—
15 Section 22(b)(4) of the Food and Nutrition Act of 2008
16 (7 U.S.C. 2031(b)(4)) is amended by striking “equivalent
17 to those offered under the employment and training pro-
18 gram”.

19 **SEC. 404. CONFORMING AMENDMENT TO TABLE OF CON-**
20 **TENTS.**

21 The table of contents in section 1(b) is amended to
22 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—[Repealed]

“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. National emergency grants.

“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.

“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—

18 (1) in section 3(a) (29 U.S.C. 702(a))—

19 (A) by striking “Office of the Secretary”
20 and inserting “Department of Education”;

21 (B) by striking “President by and with the
22 advice and consent of the Senate” and inserting
23 “Secretary”; and

24 (C) by striking “, and the Commissioner
25 shall be the principal officer,”;

1 (2) by striking “Commissioner” each place it
2 appears (except in section 21) and inserting “Direc-
3 tor”;

4 (3) in the heading for subparagraph (B) of sec-
5 tion 100(d)(2), by striking “COMMISSIONER” and in-
6 serting “DIRECTOR”;

7 (4) in the heading for section 706, by striking
8 “**COMMISSIONER**” and inserting “**DIRECTOR**”;

9 (5) in the heading for paragraph (3) of section
10 723(a), by striking “COMMISSIONER” and inserting
11 “DIRECTOR”; and

12 (6) in section 21 (29 U.S.C. 718)—

13 (A) in subsection (b)(1)—

14 (i) by striking “Commissioner” the
15 first place it appears and inserting “Direc-
16 tor of the Rehabilitation Services Adminis-
17 tration”; and

18 (ii) by striking “(referred to in this
19 subsection as the ‘Director’)”;

20 (B) by striking “the Commissioner and the
21 Director” each place it appears and inserting
22 “both such Directors”; and

23 (C) by striking “The Commissioner and
24 the Director” and inserting “Both such Direc-
25 tors”.

1 (b) EFFECTIVE DATE; APPLICATION.—The amend-
2 ments made by subsection (a) shall—

3 (1) take effect on the date of the enactment of
4 this Act; and

5 (2) apply with respect to the appointments of
6 Directors of the Rehabilitation Services Administra-
7 tion made on or after the date of enactment of this
8 Act, and the Directors so appointed.

9 **SEC. 503. DEFINITIONS.**

10 Section 7 of the Rehabilitation Act of 1973 (29
11 U.S.C. 705) is amended—

12 (1) by redesignating paragraphs (35) through
13 (39) as paragraphs (36) through (40), respectively;

14 (2) in subparagraph (A)(ii) of paragraph (36)
15 (as redesignated by paragraph (1)), by striking
16 “paragraph (36)(C)” and inserting “paragraph
17 (37)(C)”; and

18 (3) by inserting after paragraph (34) the fol-
19 lowing:

20 “(35)(A) The term ‘student with a disability’
21 means an individual with a disability who—

22 “(i) is not younger than 16 and not
23 older than 21;

1 “(ii) has been determined to be eligi-
2 ble under section 102(a) for assistance
3 under this title; and

4 “(iii)(I) is eligible for, and is receiv-
5 ing, special education under part B of the
6 Individuals with Disabilities Education Act
7 (20 U.S.C. 1411 et seq.); or

8 “(II) is an individual with a disability,
9 for purposes of section 504.

10 “(B) The term ‘students with disabilities’
11 means more than 1 student with a disability.”.

12 **SEC. 504. STATE PLAN.**

13 Section 101(a) of the Rehabilitation Act of 1973 (29
14 U.S.C. 721(a)) is amended—

15 (1) in paragraph (11)—

16 (A) in subparagraph (D)(i), by inserting
17 before the semicolon the following: “, which
18 may be provided using alternative means of
19 meeting participation (such as video conferences
20 and conference calls)”;

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

22 “(G) COORDINATION WITH ASSISTIVE
23 TECHNOLOGY PROGRAMS.—The State plan shall
24 include an assurance that the designated State
25 unit and the lead agency responsible for car-

1 rying out duties under the Assistive Technology
2 Act of 1998 (29 U.S.C. 3001 et seq.) have de-
3 veloped working relationships and coordinate
4 their activities.”;

5 (2) in paragraph (15)—

6 (A) in subparagraph (A)—

7 (i) in clause (i)—

8 (I) in subclause (II), by striking
9 “and” at the end;

10 (II) in subclause (III), by adding
11 “and” at the end; and

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

14 “(IV) students with disabilities,
15 including their need for transition
16 services;”;

17 (ii) by redesignating clauses (ii) and
18 (iii) as clauses (iii) and (iv), respectively;
19 and

20 (iii) by inserting after clause (i) the
21 following:

22 “(ii) include an assessment of the
23 transition services provided under this Act,
24 and coordinated with transition services
25 under the Individuals with Disabilities

1 Education Act, as to those services meet-
2 ing the needs of individuals with disabili-
3 ties;” and

4 (B) in subparagraph (D)—

5 (i) by redesignating clauses (iii), (iv),
6 and (v) as clauses (iv), (v), and (vi), re-
7 spectively; and

8 (ii) by inserting after clause (ii) the
9 following:

10 “(iii) the methods to be used to im-
11 prove and expand vocational rehabilitation
12 services for students with disabilities, in-
13 cluding the coordination of services de-
14 signed to facilitate the transition of such
15 students from the receipt of educational
16 services in school to the receipt of voca-
17 tional rehabilitation services under this
18 title or to postsecondary education or em-
19 ployment;”;

20 (3) in paragraph (22)—

21 (A) by striking “carrying out part B of
22 title VI, including”; and

23 (B) by striking “that part to supplement
24 funds made available under part B of”;

1 (4) in paragraph (24)(A), by striking “part A
2 of title VI” and inserting “section 109A”; and

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

4 “(25) COLLABORATION WITH INDUSTRY.—The
5 State plan shall describe how the designated State
6 agency will carry out the provisions of section 109A,
7 including—

8 “(A) the criteria such agency will use to
9 award grants under such section; and

10 “(B) how the activities carried out under
11 such grants will be coordinated with other serv-
12 ices provided under this title.

13 “(26) SERVICES FOR STUDENTS WITH DISABIL-
14 ITIES.—The State plan shall provide an assurance
15 satisfactory to the Secretary that the State—

16 “(A) has developed and implemented strat-
17 egies to address the needs identified in the as-
18 sessment described in paragraph (15), and
19 achieve the goals and priorities identified by the
20 State, to improve and expand vocational reha-
21 bilitation services for students with disabilities
22 on a statewide basis in accordance with para-
23 graph (15); and

24 “(B) from funds reserved under section
25 110A, shall carry out programs or activities de-

1 signed to improve and expand vocational reha-
2 bilitation services for students with disabilities
3 that—

4 “(i) facilitate the transition of stu-
5 dents with disabilities from the receipt of
6 educational services in school, to the re-
7 ceipt of vocational rehabilitation services
8 under this title, including, at a minimum,
9 those services specified in the interagency
10 agreement required in paragraph (11)(D);

11 “(ii) improve the achievement of post-
12 school goals of students with disabilities,
13 including improving the achievement
14 through participation (as appropriate when
15 career goals are discussed) in meetings re-
16 garding individualized education programs
17 developed under section 614 of the Individ-
18 uals with Disabilities Education Act (20
19 U.S.C. 1414);

20 “(iii) provide career guidance, career
21 exploration services, job search skills and
22 strategies, and technical assistance to stu-
23 dents with disabilities;

24 “(iv) support the provision of training
25 and technical assistance to State and local

1 educational agencies and designated State
2 agency personnel responsible for the plan-
3 ning and provision of services to students
4 with disabilities; and

5 “(v) support outreach activities to stu-
6 dents with disabilities who are eligible for,
7 and need, services under this title.”.

8 **SEC. 505. SCOPE OF SERVICES.**

9 Section 103 of the Rehabilitation Act of 1973 (29
10 U.S.C. 723) is amended—

11 (1) in subsection (a), by striking paragraph
12 (15) and inserting the following:

13 “(15) transition services for students with dis-
14 abilities, that facilitate the achievement of the em-
15 ployment outcome identified in the individualized
16 plan for employment, including services described in
17 clauses (i) through (iii) of section 101(a)(26)(B);”;

18 (2) in subsection (b), by striking paragraph (6)
19 and inserting the following:

20 “(6)(A)(i) Consultation and technical assistance
21 services to assist State and local educational agen-
22 cies in planning for the transition of students with
23 disabilities from school to post-school activities, in-
24 cluding employment.

1 “(ii) Training and technical assistance de-
2 scribed in section 101(a)(26)(B)(iv).

3 “(B) Services for groups of individuals with dis-
4 abilities who meet the requirements of clauses (i)
5 and (iii) of section 7(35)(A), including services de-
6 scribed in clauses (i), (ii), (iii), and (v) of section
7 101(a)(26)(B), to assist in the transition from
8 school to post-school activities.”; and

9 (3) in subsection (b) by inserting at the end,
10 the following:

11 “(7) The establishment, development, or im-
12 provement of assistive technology demonstration,
13 loan, reutilization, or financing programs in coordi-
14 nation with activities authorized under the Assistive
15 Technology Act of 1998 (29 U.S.C. 3001) to pro-
16 mote access to assistive technology for individuals
17 with disabilities and employers.”.

18 **SEC. 506. STANDARDS AND INDICATORS.**

19 Section 106(a) of the Rehabilitation Act of 1973 (29
20 U.S.C. 726(a)) is amended—

21 (1) by striking subsection (a) and inserting the
22 following:

23 “(a) **STANDARDS AND INDICATORS.**—The perform-
24 ance standards and indicators for the vocational rehabili-
25 tation program carried out under this title—

1 “(1) shall be subject to paragraphs (2)(A) and
2 (3) of section 136(b) of the Workforce Investment
3 Act of 1998; and

4 “(2) may, at a State’s discretion, include addi-
5 tional indicators identified in the State plan sub-
6 mitted under section 101.”; and

7 (2) in subsection (b)(2)(B), by striking clause
8 (i) and inserting the following:

9 “(i) on a biannual basis, review the
10 program improvement efforts of the State
11 and, if the State has not improved its per-
12 formance to acceptable levels, as deter-
13 mined by the Director, direct the State to
14 make revisions to the plan to improve per-
15 formance; and”.

16 **SEC. 507. COLLABORATION WITH INDUSTRY.**

17 The Rehabilitation Act of 1973 is amended by insert-
18 ing after section 109 (29 U.S.C. 729) the following:

19 **“SEC. 109A. COLLABORATION WITH INDUSTRY.**

20 “(a) **AUTHORITY.**—A State shall use not less than
21 one-half of one percent of the payment the State receives
22 under section 111 for a fiscal year to award grants to eligi-
23 ble entities to create practical job and career readiness and
24 training programs, and to provide job placements and ca-
25 reer advancement.

1 “(b) APPLICATION.—To receive a grant under this
2 section, an eligible entity shall submit an application to
3 a designated State agency at such time, in such manner,
4 and containing such information as such agency shall re-
5 quire. Such application shall include, at a minimum—

6 “(1) a plan for evaluating the effectiveness of
7 the program;

8 “(2) a plan for collecting and reporting the
9 data and information described under subparagraphs
10 (A) through (C) of section 101(a)(10), as deter-
11 mined appropriate by the designated State agency;
12 and

13 “(3) a plan for providing for the non-Federal
14 share of the costs of the program.

15 “(c) ACTIVITIES.—An eligible entity receiving a grant
16 under this section shall use the grant funds to carry out
17 a program that provides one or more of the following:

18 “(1) Job development, job placement, and ca-
19 reer advancement services for individuals with dis-
20 abilities.

21 “(2) Training in realistic work settings in order
22 to prepare individuals with disabilities for employ-
23 ment and career advancement in the competitive
24 market.

1 “(3) Providing individuals with disabilities with
2 such support services as may be required in order to
3 maintain the employment and career advancement
4 for which the individuals have received training.

5 “(d) AWARDS.—Grants under this section shall—

6 “(1) be awarded for a period not to exceed 5
7 years; and

8 “(2) be awarded competitively.

9 “(e) ELIGIBLE ENTITY DEFINED.—For the purposes
10 of this section, the term ‘eligible entity’ means a for-profit
11 business, alone or in partnership with one or more of the
12 following:

13 “(1) Community rehabilitation providers.

14 “(2) Indian tribes.

15 “(3) Tribal organizations.

16 “(f) FEDERAL SHARE.—The Federal share of a pro-
17 gram under this section shall not exceed 80 percent of the
18 costs of the program.

19 “(g) ELIGIBILITY FOR SERVICES.—An individual
20 shall be eligible for services provided under a program
21 under this section if the individual is determined under
22 section 102(a)(1) to be eligible for assistance under this
23 title.”.

1 **SEC. 508. RESERVATION FOR EXPANDED TRANSITION**
2 **SERVICES.**

3 The Rehabilitation Act of 1973 is amended by insert-
4 ing after section 110 (29 U.S.C. 730) the following:

5 **“SEC. 110A. RESERVATION FOR EXPANDED TRANSITION**
6 **SERVICES.**

7 “Each State shall reserve not less than 10 percent
8 of the funds allotted to the State under section 110(a)
9 to carry out programs and activities under sections
10 101(a)(26)(B) and 103(b)(6).”.

11 **SEC. 509. CLIENT ASSISTANCE PROGRAM.**

12 Section 112(e)(1) of the Rehabilitation Act of 1973
13 (29 U.S.C. 732(e)(1)) is amended by redesignating sub-
14 paragraph (D) as subparagraph (E) and inserting after
15 subparagraph (C) the following:

16 “(D) The Secretary shall make grants to
17 the protection and advocacy system serving the
18 American Indian Consortium to provide services
19 in accordance with this section. The amount of
20 such grants shall be the same as provided to
21 territories under this subsection.”.

22 **SEC. 510. TITLE III REPEALS.**

23 Title III of the Rehabilitation Act of 1973 (29 U.S.C.
24 771 et seq.) is amended—

25 (1) in section 301(a)—

1 (A) in paragraph (2), by inserting “and”
2 at the end;

3 (B) by striking paragraphs (3) and (4);
4 and

5 (C) by redesignating paragraph (5) as
6 paragraph (3);

7 (2) in section 302(g)—

8 (A) in the heading, by striking “**AND IN-**
9 **SERVICE TRAINING**”; and

10 (B) by striking paragraph (3);

11 (3) by striking sections 304 and 305; and

12 (4) by redesignating section 306 as section 304.

13 **SEC. 511. REPEAL OF TITLE VI.**

14 The Rehabilitation Act of 1973 (29 U.S.C. 701 et
15 seq.) is amended by repealing title VI.

16 **SEC. 512. CHAIRPERSON.**

17 Section 705(b)(5) of the Rehabilitation Act of 1973
18 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

19 “(5) CHAIRPERSON.—The Council shall select a
20 chairperson from among the voting membership of
21 the Council.”.

22 **SEC. 513. AUTHORIZATIONS OF APPROPRIATIONS.**

23 The Rehabilitation Act of 1973 (29 U.S.C. 701 et
24 seq.) is further amended—

1 (1) in section 100(b)(1) (29 U.S.C. 720(b)(1)),
2 by striking “such sums as may be necessary for fis-
3 cal years 1999 through 2003” and inserting
4 “\$3,121,712,000 for fiscal year 2013 and each of
5 the 5 succeeding fiscal years”;

6 (2) in section 110(c) (29 U.S.C. 730(c)), by
7 amending paragraph (2) to read as follows:

8 “(2) The sum referred to in paragraph (1) shall
9 be, as determined by the Secretary, not less than 1
10 percent and not more than 1.5 percent of the
11 amount referred to in paragraph (1) for each of fis-
12 cal years 2013 through 2018.”;

13 (3) in section 112(h) (29 U.S.C. 732(h)) by
14 striking “such sums as may be necessary for fiscal
15 years 1999 through 2003” and inserting
16 “\$12,240,000 for fiscal year 2013 and each of the
17 5 succeeding fiscal years”;

18 (4) by amending subsection (a) of section 201
19 (29 U.S.C. 761(a)) to read as follows:

20 “(a) There are authorized to be appropriated
21 \$108,817,000 for fiscal year 2013 and each of the 5 suc-
22 ceeding fiscal years to carry out this title.”;

23 (5) in section 302(i) (29 U.S.C. 772(i)) by
24 striking “such sums as may be necessary for each of
25 the fiscal years 1999 through 2003” and inserting

1 “\$35,515,000 for fiscal year 2013 and each of the
2 5 succeeding fiscal years”;

3 (6) in section 303(e) (29 U.S.C. 773(e)) by
4 striking “such sums as may be necessary for fiscal
5 years 1999 through 2003” and inserting
6 “\$5,325,000 for fiscal year 2013 and each of the 5
7 succeeding fiscal years”;

8 (7) in section 405 (29 U.S.C. 785) by striking
9 “such sums as may be necessary for each of the fis-
10 cal years 1999 through 2003” and inserting
11 “\$3,258,000 for fiscal year 2013 and each of the 5
12 succeeding fiscal years”;

13 (8) in section 502(j) (29 U.S.C. 792(j)) by
14 striking “such sums as may be necessary for each of
15 the fiscal years 1999 through 2003” and inserting
16 “\$7,400,000 for fiscal year 2013 and each of the 5
17 succeeding fiscal years”;

18 (9) in section 509(l) (29 U.S.C. 794e(l)) by
19 striking “such sums as may be necessary for each of
20 the fiscal years 1999 through 2003” and inserting
21 “\$18,031,000 for fiscal year 2013 and each of the
22 5 succeeding fiscal years”;

23 (10) in section 714 (29 U.S.C. 796e-3), by
24 striking “such sums as may be necessary for each of
25 the fiscal years 1999 through 2003” and inserting

1 “\$23,359,000 for fiscal year 2013 and each of the
2 5 succeeding fiscal years”;

3 (11) in section 727 (29 U.S.C. 796f-6), by
4 striking “such sums as may be necessary for each of
5 the fiscal years 1999 through 2003” and inserting
6 “\$79,953,000 for fiscal year 2013 and each of the
7 5 succeeding fiscal years”; and

8 (12) in section 753 (29 U.S.C. 7961), by strik-
9 ing “such sums as may be necessary for each of the
10 fiscal years 1999 through 2003” and inserting
11 “\$34,018,000 for fiscal year 2013 and each of the
12 5 succeeding fiscal years”.

13 **SEC. 514. CONFORMING AMENDMENTS.**

14 Section 1(b) of the Rehabilitation Act of 1973 is
15 amended—

16 (1) by inserting after the item relating to sec-
17 tion 109 the following:

“Sec. 109A. Collaboration with industry.”;

18 (2) by inserting after the item relating to sec-
19 tion 110 the following:

“Sec. 110A. Reservation for expanded transition services.”;

20 (3) by striking the item related to section 304
21 and inserting the following:

“Sec. 304. Measuring of project outcomes and performance.”;

22 (4) by striking the items related to sections 305
23 and 306; and

1 (5) by striking the items related to title VI.