

American Jobs Act of 2011

Summary of Key Workforce Provisions

September 19, 2011

On September 8, President Obama announced the American Jobs Act of 2011, a \$447 billion proposal designed to address the nation's unemployment challenges through tax benefits and other federal investments, including significant new funding for job training and employment programs. This short summary provides an overview of key provisions relating to job training and postsecondary education.

The American Jobs Act includes four titles:

Title I – Tax Relief for Workers and Businesses, which includes temporary payroll tax relief for workers and employers, as well as other tax relief provisions for businesses.

Title II – Putting Workers Back on the Job While Rebuilding and Modernizing America, which, among other things, includes funds for states and localities to preserve education and first responder jobs; funds for modernization and repair of elementary and secondary schools, and community colleges; and immediate investments in transportation infrastructure and neighborhood revitalization projects.

Title III - Assistance for the Unemployed and Pathways Back to Work, which, among other things, extends federal unemployment insurance benefits; establishes a \$4 billion "Reemployment NOW" program to support reemployment and training programs for the long-term unemployed; supports state "work-sharing" programs; and creates a \$5 billion "Pathways Back to Work Fund" to support subsidized employment and other training strategies.

Title IV – Offsets, which raises revenues to cover the costs of hiring incentives and other investments under Titles I-III, and would amend the Budget Control Act of 2011 to increase the deficit reduction target of the Joint Select Committee on Deficit Reduction (the "Super Committee") created under that law.

Page references in this summary are drawn from the [legislative text](#) released by the White House on September 12, 2011.



Title II – Putting Workers Back on the Job While Rebuilding and Modernizing America

Title II includes six subtitles, generally focused on state fiscal relief and infrastructure investments. While the bulk of this title does not address workforce development, section 241 of the bill does include training opportunities linked to infrastructure investments.

Section 241. Immediate Transportation Infrastructure Investments. Provides \$50 billion to support transportation infrastructure investments. Includes two references to job training:

Highway Transportation Training Programs. Subsection (c) provides \$27 billion to the Department of Transportation to support highway restoration, repair, and construction programs, of which \$50 million is set aside for competitive awards to support transportation training, including apprenticeship, skill development, and skill improvement programs, and summer transportation institutes. Funds may be transferred to, or administered in partnership with, the Secretary of Labor. Applicants must demonstrate program outcomes including: (i) impact on areas with transportation workforce shortages; (ii) diversity of training participants; (iii) number of participants obtaining certifications or credentials required for specific types of employment; (iv) employment outcome metrics, such as job placement and job retention rates, established in consultation with the Secretary of Labor and consistent with metrics under the Workforce Investment Act; (v) evidence that participation in training did not preclude workers from being referred to, or hired on, projects funded under Title II; and (vi) identification of areas of collaboration with DOL programs, including co-enrollment.

States seeking an award under this subsection must certify that at least 0.1 percent of amounts apportioned under the federal Surface Transportation and Bridge programs will be obligated in the first fiscal year after enactment for job training activities. (p. 29)

Local Hiring Provisions. Subsection (i) generally provides that, for projects funded under sec. 241, the Secretary of Transportation may establish standards under which certain construction contracts may include requirements for employment of individuals residing in or adjacent to areas in which the project is performed. Subsection (i)(2)(B) includes provisions requiring the Secretary to make available workforce development and training programs, though the bill makes references to other sections that do not appear to be included in the draft legislation. (pp. 35-36)

Title III – Assistance for the Unemployed and Pathways Back to Work

Title III includes four subtitles relating to unemployed workers. Subtitles A and C include provisions on workforce development and related activities.

Subtitle A – Supporting Unemployed Workers



Part I – Extension of Emergency Unemployment Compensation and Certain Extended Benefits Provisions, and Establishment of Self-Employment Assistance Program.

Section 311. Extension of Emergency Unemployment Compensation Program. The Emergency Unemployment Compensation (EUC) program provides up to four “tiers” of unemployment benefits to individuals who have exhausted eligibility for state unemployment compensation. The American Jobs Act would extend the program for one year. (pp. 91-92)

Section 312. Temporary Extension of Extended Benefit Provisions. Extended Benefits (EB) are available for individuals in states with high unemployment rates who have exhausted their claims to EUC benefits. The American Jobs Act extends these benefits for one year. (p. 92)

Section 313. Reemployment Services and Reemployment Eligibility and Assessment Activities. Requires that states offering EUC benefits must provide reemployment services and reemployment and eligibility assessment activities to all individuals who establish an EUC account or begin receiving benefits under the second, third, or fourth tiers of EUC. Reemployment services and activities must be provided by staff of the state agency responsible for administration of the state unemployment compensation law or the Wagner-Peyser Employment Service. Wagner-Peyser funds may be used to support such services and activities.

The bill defines required services and activities as (i) the provision of labor market and career information; (ii) individual skills assessment; (iii) orientation to services available at One-Stop Centers established under the Workforce Investment Act (WIA); (iv) job search counseling and the development or review of an individual employment plan (which may include referrals to training); and (v) review of the individual’s EUC eligibility relating to job search activities. Permissible services and activities include comprehensive and specialized assessments, individual and group career counseling, and other reemployment services.

The bill appropriates funds into the employment security administration account, according to a formula that takes into account the total estimated number of individuals who would receive reemployment services, as determined by the Secretary of Labor. Funds would be distributed to states according to the estimated number of individuals in the state who would receive reemployment services. (pp. 92-95)

Section 314. Federal-State Agreements to Administer a Self-Employment Program. Authorizes states to enter into agreements with the Secretary of Labor to establish self-employment assistance programs (SEAs), allowing EUC benefits to be paid in the form of self-employment allowances. (pp. 95-96)



Part II – Reemployment NOW Program.

Section 321. Establishment of Reemployment NOW Program. Establishes a Reemployment NOW program, administered by the Secretary of Labor, to support the reemployment of individuals receiving EUC benefits. Appropriates \$4 billion to support the program in Fiscal Year (FY) 2012. (p. 97)

Section 322. Distribution of Funds. Allows the Secretary to reserve up to one percent of appropriated funds for administration and evaluation. Remaining funds must be allotted to states with approved state plans (under section 323), according to a formula that allots two-thirds of funds based on the number of unemployed individuals in each state, relative to all states, and one-third on the basis of the number of individuals in the state who have been unemployed for 27 weeks or longer, relative to all states. Provides for reallocation of funds for states that fail to submit a state plan or to implement activities in a timely manner, as determined by the Secretary. (pp. 97-98)

Section 323. State Plan. Requires states seeking an allotment under section 322 to submit a plan to the Secretary of Labor that includes, at minimum: (1) a description of the activities to be carried out by the state, and an estimate of how the state intends to allocate funding for such activities; (2) a description of performance outcomes to be achieved by the state, including employment outcomes; (3) a description of how activities will be coordinated with activities under Title I of WIA, Wagner-Peyser, and other federal programs; (4) a timeline for implementation and quarterly estimates of participation in such activities; (5) assurances that the state will participate in evaluation activities carried out by the Secretary of Labor; (6) assurances that the state will provide appropriate reemployment services to any EUC claimant who participates in program activities; and (7) assurances that the state will report information on fiscal, performance, and other matters. Plans must be submitted within 30 days after the Secretary issues guidance on plan submission. (pp. 98-99)

Section 324. Bridge to Work Program. Authorizes states to use Reemployment NOW funds to establish Bridge to Work programs, which provide EUC claimants with short-term work placements with eligible employers. Participants in Bridge to Work programs would receive EUC benefits as wages for work performed and, in cases where such wages are insufficient to equal or exceed federal or state minimum wage requirements, augmented wages to make up the difference. Participants may also receive compensation from an employer or the state in addition to EUC and any augmented wages.

Program Eligibility and Other Requirements. Individuals participating in Bridge to Work programs for at least 25 hours per week are not subject to EUC work search requirements, or to disqualifying income requirements with respect to wages earned through the program. In addition, state requirements relating to employment status may not render the individual



ineligible for participation in the program. Acceptance of a long-term employment offer from a participating employer may not render the individual ineligible for the program. (pp. 99-100)

A Bridge to Work program must be structured so that individuals may participate for up to eight weeks, and 38 hours per week. Participants must be covered under a workers compensation program. (p. 100)

Certification of Eligible Employers. The bill prohibits employers from participating in the Bridge to Work program if the employer (i) is a federal, state or local government entity; (ii) would provide work relating to government contracts (except for supply contracts); (iii) is delinquent on federal or state unemployment taxes or contributions; (iv) is engaged in the business of supplying workers to other employers, and would participate in the program for purposes of supplying workers to other employers; or (v) has participated in the program previously and failed to meet requirements. Employers must provide assurances that they have not displaced existing workers. (pp. 100-101)

Authorized Activities. Provides that funds allotted to a state must be used for a range of required activities, including: recruiting employers; reviewing and certifying employers identified by individuals seeking to participate in the program; ensuring that reemployment and counseling services are available to participants; establishing and implementing processes to monitor participant progress and performance; preventing misuse of the program; and paying augmented wages where applicable. Provides that funds may be used for other purposes, including payment of workers compensation insurance premiums for participants, supportive services such as transportation and child care, and program administration. (p. 101)

Wages paid under this program may not be considered as income for determining eligibility for federal or federally-assisted needs-based programs, and must not be construed so as to render participants ineligible for EUC. (p. 102)

Employers may not displace current employees, including through partial displacement. Employers that, after 24 weeks of participation in the program, have not made an offer of long-term employment to any participant in the program, are barred from continued participation. Employers may also be barred from participation upon state determination that the employer has violated program requirements. (pp. 102-103)

Participants may opt to discontinue the program and continue to receive EUC benefits. (p. 103)

Section 325. Wage Insurance. States may use Reemployment NOW funds to support a wage insurance program for EUC claimants. Payments may be made to eligible workers to cover up to fifty percent of the difference between wages at separation and reemployment wages, for a period of no more than two years. Eligible participants must be EUC recipients who are at least 50 years of age, are reemployed full-time with an employer who was not the employer from



whom the worker last separated, and earn no more than \$50,000 from reemployment. States must establish maximum payment amounts per individual. Employers are prohibited from paying eligible workers less than regular workers in the same or equivalent positions. (pp. 103-104)

Section 326. Enhanced Reemployment Strategies. States may use Reemployment NOW funds to provide enhanced reemployment services to EUC claimants, and unemployed individuals who have exhausted EUC eligibility. Services must be more intensive than reemployment services offered prior to receipt of Reemployment NOW allotments.

Services may include assessments, counseling, and other intensive services; comprehensive assessments designed to identify alternative career paths; case management; and other services. (p.104)

Section 327. Self-Employment Programs. States may use Reemployment NOW funds to support self-employment assistance programs (SEAs). (p. 104)

Section 328. Additional Innovative Programs. States may use Reemployment NOW funds for other innovative activities designed to facilitate reemployment of EUC claimants and unemployed individuals who have exhausted EUC eligibility. The activities must directly benefit EUC claimants or other eligible individuals, and may not reduce the duration or amount of EUC benefits; reduce the duration, amount, or eligibility for regular compensation or extended benefits; be used to displace current employees, or to allow a program participant to perform certain work activities relating to displacement or infringement of worker opportunities; or violate any federal, state, or local law. (pp. 104-105)

Section 329. Guidance and Additional Requirements. Authorizes the Secretary of Labor to issue guidance establishing such additional requirements as are determined necessary to ensure fiscal integrity, effective monitoring, and appropriate implementation of the program. Can include reporting requirements on employment outcomes. (p. 105)

Section 330. Report of Information and Evaluations to Congress and the Public. Requires the Secretary of Labor to provide information and evaluations to Congress and the public. (p.105)

Part III – Short-Time Compensation Program.

Section 341. Treatment of Short-Time Compensation Programs. Defines short-time compensation programs as programs under which:

- (1) Employer participation is voluntary;
- (2) The employer reduces the number of hours worked by employees in lieu of layoffs;
- (3) Workers whose workweeks have been reduced by at least ten percent, and no more than sixty percent, are eligible for employment compensation;



- (4) The amount of unemployment compensation payable to employees is a pro rata portion of the unemployment compensation that would be available if the employee were totally unemployed;
- (5) Employees meet the availability for work and work search test requirements while collecting short-time compensation benefits;
- (6) Eligible employees may participate, as appropriate, in state-approved training (including employer-sponsored training or training under WIA) to enhance job skills;
- (7) The state agency requires employers to certify that if they provide health and retirement benefits, such benefits will continue to be provided to participating employees as though the workweek had not been reduced, or to the same extent as other employees not participating in short-time compensation programs;
- (8) The state agency requires employers to submit written plans describing the manner in which the short-time compensation plan will be implemented, together with an estimate of the number of layoffs averted by the short-term compensation program and such other information as required by the Secretary of Labor.
- (9) In the case of employees represented by a union, the appropriate official of the union has agreed to the employer's written plan and implementation is consistent with federal laws; and
- (10) Upon request by the state and approval by the Secretary of Labor, such other provisions of state law that are determined to be appropriate for purposes of the program. (pp. 106-107)

Provides a transition period of no more than two years and six months for states that are already operating short-time compensation programs, but which are inconsistent with the above provisions.

Section 342. Temporary Financing of Short-Time Compensation Payments in States with Programs in Law. Provides for 100 percent federal funding of short-time compensation programs, made payable as reimbursements to states in such amounts as the Secretary of Labor estimates the state is entitled to receive for each calendar month. Payments may be made with respect to individual workers for up to 26 weeks, and may not be made for individuals employed on a seasonal, temporary, or intermittent basis. Payments are available to states for no more than 156 weeks.

Appropriates such sums as may be necessary to carry out this section. (pp. 107-108)

Section 343. Temporary Financing of Short-Time Compensation Agreements. Provides that states without short-time compensation programs may enter into agreements with the Secretary of Labor to allow state agencies to provide payments of short-time compensation under a plan approved by the state. State-approved plans may permit payment of short-time compensation for individual workers for up to 26 weeks, and may not provide payments to individuals employed on a seasonal, temporary or intermittent basis.



States may receive up to one-half of the costs of short-time compensation paid to individuals (plus administrative costs), with the other half paid by participating employers. Payments may be made to states for no more than 104 weeks.

States that enter into agreements and subsequently enact laws establishing short-time compensation programs are no longer eligible for funding under section 343, but are eligible for funding under section 342.

Appropriates such sums as may be necessary to carry out this section. (pp. 109-110)

Section 344. Grants for Short-Time Compensation Programs. Appropriates \$700 million for grants to states that enact short-time compensation programs. Of funds awarded to a state, one-third must be used to support implementation and improved administration of such programs, and two-thirds must be used to promote, and enroll employers in, such programs.

Eligible states must be administering a short-time compensation program as defined under section 341. States seeking a grant must submit an application to the Secretary of Labor at such time, in such manner, and with such information as the Secretary may require. No grant may be awarded with respect to any application submitted after December 31, 2014.

The Secretary of Labor is authorized to use $\frac{1}{4}$ of one percent of funds for outreach and to share best practices. The Secretary must also establish a process to recoup funds from states that, during the five-year period following the grant award, terminate their short-time compensation program or otherwise fail to meet appropriate requirements. (pp. 110-112)

Section 345. Assistance and Guidance in Implementing Programs. Requires the Secretary of Labor to develop model legislative language which may be used by states in developing and enacting short-time compensation programs; provide technical assistance to states; and establish reporting requirements, including reporting on the number of estimated averted layoffs, the number of participating employers and workers, and other items. (p. 113)

Section 346. Reports. Requires the Secretary of Labor to submit to Congress and the President a report on the implementation of the Act, within four years of enactment. The report must include a description of best practices, an analysis of challenges to state implementation, and surveys of employers in states without short-time compensation programs to gauge interest in such programs. Appropriates \$1.5 million for carrying out this section. (pp. 113-114)



Subtitle C – Pathways Back to Work

Section 362. Establishment of Pathways Back to Work Fund. This provision establishes a Pathways Back to Work Fund in the U.S. Treasury, and appropriates \$5 billion to the Fund to be used by the Secretary of Labor to carry out activities under this subtitle.

Section 363. Availability of Funds. Provides that, of the \$5 billion appropriated to the Pathways Back to Work Fund, the Secretary must allot:

- \$2 billion for subsidized employment programs under section 364;
- \$1.5 billion for summer and year-round youth employment programs under section 365; and
- \$1.5 billion for competitive grants to local entities for work-based training and other strategies under section 366.

The Secretary may reserve not more than one percent of funds for technical assistance, evaluations, and administration. Funding is available for obligation by the Secretary until December 31, 2012, and available for expenditure by grantees and subgrantees until September 30, 2013. (pp. 116-117)

Section 364. Subsidized Employment for Unemployed, Low-Income Adults.

In General. Provides that funds made available for this program must be allotted by formula to states and outlying areas. Requires the Secretary of Labor, in coordination with the Secretary of Health and Human Services, to issue guidance on the implementation of this section within 30 days of enactment, which must include procedures for submission and approval of state and local plans, and allotment and allocation of funds. (p. 117)

State Allotments. Of the \$2 billion made available for this program, the Secretary must reserve not more than 0.25 percent for outlying areas, and 1.5 percent for grantees of Native American programs under WIA. The Secretary must then allot funds to states according to a formula that takes into account (A) the relative number of unemployed individuals in areas of substantial unemployment in each state, compared to all states; (B) the relative excess number of unemployed individuals in each state, compared to all states; and (C) the relative number of disadvantaged adults and youth in each state, compared to all states. (pp. 117-118)

If a state fails to submit a state plan, or if a state plan is not approved within the timeframe specified under the law, the funds that would have been available to that state must be transferred within the Fund to support the competitive grants described under section 366.

State Plan. To receive an allotment under this section, a state must submit to the Secretary of Labor a state plan in such form and containing such information as the Secretary may require, including a description of:



- (A) Strategies and activities to be carried out by the state, in conjunction with employers, to provide subsidized employment opportunities to unemployed, low-income adults;
- (B) Requirements a state will apply relating to eligibility of unemployed, low-income adults, which may include criteria to target assistance to particular categories of such adults;
- (C) How funds will be administered in the state and local areas;
- (D) Performance outcomes to be achieved by the state, and the processes the state will use to track performance, consistent with guidance provided by the Secretary of Labor and reporting requirements under section 367.
- (E) How activities under this section will be coordinated with activities under WIA Title I, TANF, and other federal and state programs; and
- (F) Timelines for implementation, and the estimated number of unemployed, low-income adults that will be placed in subsidized employment by quarter.

A state must also provide in their state plan assurances that:

- (G) The state will report such information as the Secretary of Labor requires relating to fiscal, performance, and other matters; and
- (H) The state will ensure compliance with labor standards and protections under section 367.

State plans may be submitted in conjunction with funding requests made under section 365, and may be submitted as a modification to an approved state WIA plan. States must submit plans within 75 days of enactment, and the Secretary of Labor must approve or disapprove plans within 45 days of submission. If a plan is approved, the Secretary must allot funds within 30 days of approval. (pp. 118-119)

Administration within the State. States may administer funds under this section through the state and local entities responsible for administering the WIA Adult program, the entities responsible for administering TANF, or a combination of the two.

States may reserve up to five percent of state allotments for administration and technical assistance. Of the remaining funds, states may allocate funds to local workforce investment areas using the same formula used for state allotments, or to TANF entities in such manner as the state determines appropriate. If funds are allocated to local workforce investment areas, no more than ten percent of funds may be used by the local area for administration.

If the state elects to administer the subsidized employment program through local workforce investment areas, the local workforce investment boards must submit local plans to the governor, containing the same information required under the state plan, within 30 days of submission of the state plan. The state must approve or disapprove local plans within 30 days of submission or within 30 days of state plan approval, whichever is later. If a local area does not



submit a plan or is not approved within the specified timeframe, the funds they would have received must be reallocated to other eligible areas. (pp. 119-121)

Use of Funds. Provides that funds must be used to provide subsidized employment for unemployed, low-income adults. States and localities may use a variety of strategies in recruiting employers and identifying employment opportunities, but must prioritize employment opportunities that are likely to lead to unsubsidized employment in emerging or in-demand occupations in the local area. Funds may be used to provide support services such as transportation and child care. (p. 121)

States and localities are responsible for determining the percentage of wages and costs for which employers may receive subsidies under this program, and the duration of such subsidies.

Coordination of Federal Administration. Requires the Secretary of Labor to administer the program in coordination with the Secretary of Health and Human Services. (p. 121)

Section 365. Summer Employment and Year-Round Employment Opportunities for Low-Income Youth. Provides that the Secretary of Labor must allot funds made available for this program to states and outlying areas by formula. Requires that the Secretary issue guidance regarding implementation of this section not later than 20 days after enactment, which must include procedures for submission and approval of state and local plans, and allotment and allocation of funds. (pp. 121-122)

State Allotments. Of the \$1.5 billion made available for this program, the Secretary must reserve not more than 0.25 percent for outlying areas, and 1.5 percent for grantees of Native American programs under WIA. Of the remainder, the Secretary must make allotments to states using the same formula as used for allotments under section 364. If a state fails to submit a state plan, or if a state plan is not approved within the timeframe specified under the law, the funds that would have been available to that state must be transferred within the Fund to support the competitive grants described under section 366. (p. 122)

State Plan Modification. To receive an allotment under this section, a state must submit a modification to an approved WIA state plan (or other funding requests identified by the Secretary) in such form and containing such information as the Secretary may require, including a description of:

- (A) Strategies and activities to be carried out to provide summer and year-round employment opportunities for low-income youth, including linkages to educational activities;
- (B) Requirements the state will apply relating to eligibility of low-income youth, which may include criteria to target assistance to particular categories of low-income youth;



- (C) Performance outcomes to be achieved by the state and processes the state will use to track performance, consistent with guidance provided by the Secretary of Labor and reporting requirements under section 367;
- (D) Timelines for implementation, and the estimated number of low-income youth that will be placed in summer and year-round employment opportunities, respectively, by quarter;

A state must also provide in their state plan modification assurances that the state will:

- (E) Report such information as the Secretary of Labor requires relating to fiscal, performance, and other matters; and
- (F) Ensure compliance with labor standards and protections under section 367.

The state must submit the state plan modification or other funding request within 30 days of the issuance of guidance by the Secretary of Labor, and the Secretary must approve or disapprove the plan within 30 days of submission. If the Secretary has not made a determination within 30 days, the plan is considered approved. The Secretary must allot funds to the state within 30 days of plan approval. (pp. 122-123)

Within-State Allocation and Administration. States may reserve up to five percent of funds for administration. States must allocate the remaining funds to local workforce investment areas according to the same formula used to calculate state allotments. No more than ten percent of funds allocated to a local area may be used for administration.

Local workforce investment areas must submit modifications to local plans or other funding requests to states within 30 days of submission of the state plan modification. If the state has not made a determination within 30 days, the plan is considered approved. The state must allocate funds to local areas within 30 days of local plan approval. If a local area does not submit a plan or is not approved within the specified timeframe, the funds they would have received must be reallocated to other eligible areas. (pp. 123-124)

Use of Funds. Funds may be used (A) to provide summer employment opportunities for low-income youth, ages 16 to 24, with direct linkages to academic and occupational learning, including provision of supportive services; and (B) to provide year round employment opportunities for low-income youth, ages 16 to 24, with a priority on out-of-school youth who are (i) high school dropouts or (ii) recipients of a secondary school diploma or equivalent but who are basic skills deficient, unemployed, or underemployed.

In administering funds under this program, priority must be given to (A) identifying employment opportunities that are (i) in emerging or in-demand occupations in the local workforce area or (ii) in the public or nonprofit sector that meet community needs; and (B)



linking year-round program participants to training and educational activities that lead to an industry-recognized certificate or credential.

For activities under this section, the Secretary of Labor may require states and local areas to provide reports regarding performance outcomes described in section 367 in lieu of WIA performance requirements. (pp. 124-125)

Section 366. Work-Based Employment Strategies of Demonstrated Effectiveness. Requires the Secretary of Labor to use the \$1.5 billion made available for this program to award competitive grants to eligible entities to carry out work-based strategies of demonstrated effectiveness.

Use of Funds. Grants must be used to support strategies and activities that are designed to provide unemployed, low-income adults or low-income youth with the skills that will lead to employment as part of or upon completion of participation in such activities. Such activities may include:

- (1) On-the-job training, registered apprenticeship programs, or other programs that combine work with skills development;
- (2) Sector-based training programs that have been designed to meet the specific requirements of an employer or group of employers in that sector, and where employers are committed to hiring individuals upon successful completion of training;
- (3) Training that supports an industry sector or an employer-based or labor-management committee industry partnership which includes a significant work-experience component;
- (4) Acquisition of industry-recognized credentials in a field identified by the state or local workforce investment area as a growth sector or demand industry in which there are likely to be significant job opportunities in the short-term;
- (5) Connections to immediate work opportunities, including subsidized employment opportunities, or summer employment for youth, that includes concurrent skills training and other supports;
- (6) Career academies that provide students with the academic preparation and training, including paid internships and concurrent enrollment in community colleges or other postsecondary institutions, needed to pursue a career pathway that leads to postsecondary credentials and high-demand jobs; and
- (7) Adult basic education and integrated basic education and training models for low-skilled adults, hosted at community colleges or at other sites, to prepare individuals for jobs in demand in a local area. (p. 125)

Eligible Entity. Provides that eligible entities must include local chief elected officials, in collaboration with local workforce investment boards (including partnerships of such officials and boards in the region and in the state), or entities eligible to apply for Indian or Native American grants under section 166 of WIA. In addition, the eligible entity may include



employers or employer associations; adult education providers and postsecondary educational institutions, including community colleges; community-based organizations; joint labor-management committees; work-related intermediaries; or other appropriate organizations. (pp. 125-126)

Application. An eligible entity seeking funds under this section must submit an application to the Secretary of Labor at such time, in such manner, and containing such information as the Secretary may require. At a minimum, the application must describe:

- (1) Strategies and activities of demonstrated effectiveness that the eligible entity will carry out;
- (2) Requirements that will apply relating to the eligibility of unemployed, low-income adults or low-income youth, for activities carried out under this section, which may include criteria to target assistance to particular categories of such adults or youth;
- (3) How the strategies and activities address the needs of the target populations and the needs of employers in the local area;
- (4) Expected outcomes to be achieved by implementing the strategies and activities; and
- (5) How the strategies and activities will be coordinated with other federal, state, and local programs providing employment, education, and supportive activities.

The application must also provide:

- (6) Evidence that the funds provided may be expended expeditiously and effectively;
- (7) Evidence of employer commitment to participate in the activities, including identification of anticipated occupational and skill needs;
- (8) Assurances that the grant recipient will report such information as the Secretary of Labor requires relating to fiscal, performance, and other matters; and
- (9) Assurances that the use of funds will comply with labor standards and protections under section 367. (p. 126)

Priority in Awards. In awarding grants, the Secretary must give priority to applications submitted by eligible entities from areas of high poverty and high unemployment, as defined by the Secretary. (p. 126)

Coordination of Federal Administration. Requires the Secretary of Labor to administer this program in coordination with the Secretaries of Education and Health and Human Services, and other appropriate agency heads. (p. 127)

Section 367. General Requirements.

Labor Standards and Protections. Activities funded under sections 364, 365, or 366 are subject to the requirements and restrictions, including labor standards, described in section 181 of WIA,



and to the non-discrimination provisions of section 188 of WIA, as well as other applicable federal laws. (p. 127)

Reporting. Provides that the Secretary of Labor may require reporting of information relating to fiscal, performance, and other matters necessary to effectively monitor activities carried out under the Act. At a minimum, grantees and subgrantees must report on:

- (1) The number of individuals participating in activities funded under the Act, and the number of individuals who have completed participation;
- (2) The expenditures of funds provided under the Act;
- (3) The number of jobs created pursuant to activities carried out under the Act;
- (4) The demographic characteristics of participants;
- (5) The performance outcomes of participants, including:
 - (A) For adults participating in subsidized employment programs under section 364, (i) entry into unsubsidized employment; (ii) retention in unsubsidized employment; and (iii) earnings in unsubsidized employment.
 - (B) For low-income youth participating in summer employment activities under sections 365 and 366, (i) work readiness skill attainment using an employer validated checklist; and (ii) placement in or return to secondary or postsecondary education or training, or entry into unsubsidized employment.
 - (C) For low-income youth participating in year-round employment activities under sections 365 or 366, (i) placement in or return to postsecondary education; (ii) attainment of a high school diploma or equivalent; (iii) attainment of industry-recognized credentials; and (iv) entry into unsubsidized employment, retention, and earnings.
 - (D) For unemployed, low-income adults participating in activities under section 366, (i) entry into unsubsidized employment, retention, and earnings, and (ii) the attainment of industry-recognized credentials. (p. 127)

Funds used under this Act may only be used for activities that are in addition to activities that would otherwise be available in the state or local area. (p. 128)

The Secretary of Labor must provide Congress and the public with the information collected under this section and the results of evaluations carried out pursuant to section 363. (p. 128)