

111TH CONGRESS
2^D SESSION

S. _____

To amend the Workforce Investment Act of 1998 to strengthen the United States workforce development system through innovation in, and alignment and improvement of, employment, training, and education programs in the United States, and to promote individual and national economic growth, and for other purposes.

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice
and referred to the Committee on _____

A BILL

To amend the Workforce Investment Act of 1998 to strengthen the United States workforce development system through innovation in, and alignment and improvement of, employment, training, and education programs in the United States, and to promote individual and national economic growth, and for other purposes.

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Workforce Investment Act of 2011”.

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

Sec. 1. Short title; table of contents.

3 **【To be supplied when all titles are complete.】**

4 **SEC. 2. PURPOSES.**

5 The purposes of this Act are the following:

6 (1) To increase, for individuals in the United
7 States, particularly those individuals with barriers to
8 employment, access to and opportunities for the em-
9 ployment, education, training, and support services
10 they need to succeed in the labor market.

11 (2) To support the alignment of workforce in-
12 vestment, education, and economic development sys-
13 tems in support of a comprehensive, accessible, and
14 high-quality workforce development system in the
15 United States.

16 (3) To improve the quality and labor market
17 relevance of workforce investment, education, and
18 economic development efforts to provide America's
19 workers with the skills and credentials necessary to
20 secure and advance in employment with family-sus-
21 taining wages and to provide America's employers
22 with the skilled workers the employers need to suc-
23 ceed in a global economy.

24 (4) To promote improvement in the structure of
25 and delivery of services through the United States

1 workforce development system to better address the
2 employment and skill needs of—

3 (A) workers and jobseekers; and

4 (B) employers.

5 (5) To increase the prosperity of workers and
6 employers in the United States, the economic growth
7 of communities, regions, and States, and the global
8 competitiveness of the United States.

9 **TITLE I—SYSTEM ALIGNMENT**
10 **AND INNOVATION**

11 **SEC. 101. DEFINITIONS.**

12 In this Act, and the core program provisions that are
13 not in this Act, except as otherwise expressly provided:

14 (1) ADULT.—Except in sections 227 and 232,
15 the term “adult” means an individual who is age 18
16 or older.

17 (2) ADULT EDUCATION; ADULT EDUCATION
18 AND LITERACY ACTIVITIES.—The terms “adult edu-
19 cation” and “adult education and literacy activities”
20 have the meanings given the terms in section 303.

21 (3) AREA CAREER AND TECHNICAL EDUCATION
22 SCHOOL.—The term “area career and technical edu-
23 cation school” has the meaning given the term in
24 section 3 of the Carl D. Perkins Career and Tech-
25 nical Education Act of 2006 (20 U.S.C. 2302).

1 (4) BASIC SKILLS DEFICIENT.—The term
2 “basic skills deficient” means, with respect to an in-
3 dividual—

4 (A) who is a youth, that the individual has
5 English reading, writing, or computing skills at
6 or below the 8th grade level on a generally ac-
7 cepted standardized test; or

8 (B) who is a youth or adult, that the indi-
9 vidual is unable to compute or solve problems,
10 or read, write, or speak English at a level nec-
11 essary to function on the job, in the individual’s
12 family, or in society.

13 (5) CAREER AND TECHNICAL EDUCATION.—The
14 term “career and technical education” has the
15 meaning given the term “career and technical edu-
16 cation” in section 3 of the Carl D. Perkins Career
17 and Technical Education Act of 2006 (20 U.S.C.
18 2302).

19 (6) CAREER PATHWAY.—

20 (A) IN GENERAL.—The term “career path-
21 way” means a set of rigorous, engaging, and
22 high-quality education, training, and other serv-
23 ices to prepare individuals to meet a set of ca-
24 reer-related objectives as referenced in para-
25 graph (C).

1 (B) SERVICES.—The services referred to in
2 subparagraph (A) shall be—

3 (i) aligned with the skill needs of in-
4 dustries in the State or regional economy
5 involved; and

6 (ii) designed to increase an individ-
7 ual’s educational and skill attainment, and
8 improve the individual’s employment out-
9 comes and ability to meet career-related
10 objectives, by—

11 (I) preparing individuals for the
12 full range of secondary or postsec-
13 ondary education options, including
14 apprenticeships registered under the
15 Act of August 16, 1937 (commonly
16 known as the “National Apprentice-
17 ship Act”; 50 Stat. 664, chapter 663;
18 29 U.S.C. 50 et seq.) (referred to in-
19 dividually in this Act as an “appren-
20 ticeship”, except in section 273);

21 (II) including counseling to sup-
22 port individuals in achieving their
23 education and career goals; and

24 (III) including, as appropriate for
25 an individual, education offered con-

1 currently with and in the same con-
2 text as workforce preparation activi-
3 ties and training for a specific occupa-
4 tion or occupational cluster.

5 (C) OBJECTIVES.—The objectives referred
6 to in subparagraph (A) include—

7 (i) enabling a worker to attain a sec-
8 ondary school diploma or its recognized
9 equivalent, and at least 1 recognized post-
10 secondary credential; and

11 (ii) helping a worker enter or advance
12 within a specific occupation or occupational
13 cluster.

14 (7) CAREER PLANNING.—The term “career
15 planning” means the provision of a client-centered
16 approach in the delivery of services, designed—

17 (A) to prepare and coordinate comprehen-
18 sive employment plans, such as service strate-
19 gies, for participants to ensure access to nec-
20 essary workforce investment activities and sup-
21 portive services, using, where feasible, com-
22 puter-based technologies; and

23 (B) to provide job, education, and career
24 counseling, as appropriate during program par-
25 ticipation and after job placement.

1 (8) CHIEF ELECTED OFFICIAL.—The term
2 “chief elected official” means—

3 (A) the chief elected executive officer of a
4 unit of general local government in a local area;
5 and

6 (B) in a case in which a local area includes
7 more than 1 unit of general local government,
8 the individuals designated under the agreement
9 described in section 117(c)(1)(B).

10 (9) COMMUNITY-BASED ORGANIZATION.—The
11 term “community-based organization” means a pri-
12 vate nonprofit organization (including a faith-based
13 organization), that is representative of a community
14 or a significant segment of a community and that
15 has demonstrated expertise and effectiveness in the
16 field of workforce development.

17 (10) COMPETITIVE INTEGRATED EMPLOY-
18 MENT.—The term “competitive integrated employ-
19 ment” has the meaning given the term in section 7
20 of the Rehabilitation Act of 1973 (29 U.S.C. 705),
21 for individuals with disabilities.

22 (11) CORE PROGRAM.—The term “core pro-
23 grams” means a program authorized under a core
24 program provision.

1 (12) CORE PROGRAM PROVISION.—The term
2 “core program provision” means—

3 (A) chapter 2 and 3 of subtitle B of title
4 II (relating to youth workforce investment ac-
5 tivities and adult and dislocated worker employ-
6 ment and training activities);

7 (B) title III (relating to adult education
8 and literacy activities);

9 (C) sections 1 through 13 of the Wagner-
10 Peyser Act (29 U.S.C. 49 et seq.) (relating to
11 employment services); and

12 (D) title I of the Rehabilitation Act of
13 1973 (29 U.S.C. 701 et seq.), other than sec-
14 tion 112 or part C of that title (29 U.S.C. 732,
15 741) (relating to vocational rehabilitation serv-
16 ices).

17 (13) CUSTOMIZED TRAINING.—The term “cus-
18 tomized training” means training—

19 (A) that is designed to meet the specific
20 requirements of an employer (including a group
21 of employers);

22 (B) that is conducted with a commitment
23 by the employer to employ an individual upon
24 successful completion of the training; and

25 (C) for which the employer pays—

1 (A)(i) has been terminated or laid off, or
2 who has received a notice of termination or lay-
3 off, from employment;

4 (ii)(I) is eligible for or has exhausted enti-
5 tlement to unemployment compensation; or

6 (II) has been employed for a duration suf-
7 ficient to demonstrate, to the appropriate entity
8 at a one-stop center referred to in section
9 221(e), attachment to the workforce, but is not
10 eligible for unemployment compensation due to
11 insufficient earnings or having performed serv-
12 ices for an employer that were not covered
13 under a State unemployment compensation law;
14 and

15 (iii) is unlikely to return to a previous in-
16 dustry or occupation;

17 (B)(i) has been terminated or laid off, or
18 has received a notice of termination or layoff,
19 from employment as a result of any permanent
20 closure of, or any substantial layoff at, a plant,
21 facility, or enterprise;

22 (ii) is employed at a facility at which the
23 employer has made a general announcement
24 that such facility will close within 180 days; or

1 (iii) for purposes of eligibility to receive
2 services other than training services described
3 in section 234(c)(4), intensive services described
4 in section 234(c)(3), or supportive services, is
5 employed at a facility at which the employer
6 has made a general announcement that such fa-
7 cility will close;

8 (C) was self-employed (including employ-
9 ment as a farmer, a rancher, or a fisherman)
10 but is unemployed as a result of general eco-
11 nomic conditions in the community in which the
12 individual resides or because of natural disas-
13 ters;

14 (D) is a displaced homemaker; or

15 (E)(i) is the spouse of a member of the
16 Armed Forces on active duty (as defined in sec-
17 tion 101(d)(1) of title 10, United States Code),
18 and who has experienced a loss of employment
19 as a direct result of relocation to accommodate
20 a permanent change in duty station of such
21 member; or

22 (ii) is the spouse of a member of the
23 Armed Forces on active duty and who meets
24 the criteria described in paragraph (15)(B).

1 (15) DISPLACED HOMEMAKER.—The term “dis-
2 placed homemaker” means an individual who has
3 been providing unpaid services to family members in
4 the home and who—

5 (A)(i) has been dependent on the income of
6 another family member but is no longer sup-
7 ported by that income;

8 (ii) is the dependent spouse of a member
9 of the Armed Forces on active duty (as defined
10 in section 101(d)(1) of title 10, United States
11 Code) and whose family income is significantly
12 reduced because of a deployment (as defined in
13 section 991(b) of title 10, United States Code,
14 or pursuant to paragraph (4) of such section),
15 a call or order to active duty pursuant to a pro-
16 vision of law referred to in section
17 101(a)(13)(B) of title 10, United States Code,
18 a permanent change of station, or the service-
19 connected (as defined in section 101(16) of title
20 38, United States Code) death or disability of
21 the member; or

22 (iii) is a parent whose youngest dependent
23 child will become ineligible to receive assistance
24 under part A of title IV of the Social Security
25 Act (42 U.S.C. 601 et seq.) not later than 2

1 years after the date on which the parent applies
2 for assistance under such title; and

3 (B) is unemployed or underemployed and
4 is experiencing difficulty in obtaining or up-
5 grading employment.

6 (16) ECONOMIC DEVELOPMENT AGENCY.—The
7 term “economic development agency” includes a
8 local planning or zoning commission or board, a
9 community development agency, and another local
10 agency or institution responsible for regulating, pro-
11 moting, or assisting in local economic development.

12 (17) ECONOMIC SELF-SUFFICIENCY.—The term
13 “economic self-sufficiency” means economic self-suf-
14 ficiency within the meaning of subsections
15 (a)(3)(A)(xii) and (d)(1)(A)(xii) of section 234.

16 (18) ELIGIBLE YOUTH.—Except as provided in
17 subtitles C and D of title II, the term “eligible
18 youth” means an in-school or out-of-school youth.

19 (19) EMPLOYMENT AND TRAINING ACTIVITY.—
20 The term “employment and training activity” means
21 an activity described in section 234 that is carried
22 out for an adult or dislocated worker.

23 (20) ENGLISH LANGUAGE ACQUISITION PRO-
24 GRAM.—The term “English language acquisition

1 program” has the meaning given the term in section
2 303.

3 (21) ENGLISH LANGUAGE LEARNER.—The term
4 “English language learner” has the meaning given
5 the term in section 303.

6 (22) GOVERNOR.—The term “Governor” means
7 the chief executive of a State or an outlying area.

8 (23) IN-DEMAND INDUSTRY SECTOR OR OCCU-
9 PATION.—

10 (A) IN GENERAL.—The term “in-demand
11 industry sector or occupation” means—

12 (i) an industry sector that—

13 (I) has a substantial current or
14 potential impact on the regional econ-
15 omy overall, including attracting or
16 retaining businesses or quality jobs
17 (including, at a minimum, jobs that
18 lead to economic self-sufficiency and
19 opportunities for advancement) in the
20 region;

21 (II) contributes to the growth of
22 other supporting businesses, or the
23 growth of other industry sectors with-
24 in the region;

15

1 (III) provides workers with jobs
2 that have competitive, family-sus-
3 taining wages and benefits; and

4 (IV) includes occupations that
5 provide opportunities for career ad-
6 vancement; or

7 (ii) an occupation that—

8 (I) has a significant presence in
9 an industry sector;

10 (II) has a shortage of available
11 skilled workers;

12 (III) pays competitive, family-
13 sustaining wages and benefits that en-
14 able workers to achieve economic self-
15 sufficiency, or can reasonably be ex-
16 pected to lead to a position with such
17 wages and benefits;

18 (IV) provides opportunities for
19 career advancement; and

20 (V) has a significant impact in a
21 region's economy.

22 (B) DETERMINATION.—The determination
23 of whether an industry sector or occupation is
24 an in-demand industry sector or occupation
25 under this paragraph shall be made using State

1 or regional business and labor market projec-
2 tions, including the use of labor market infor-
3 mation.

4 (24) INDIVIDUAL WITH A BARRIER TO EMPLOY-
5 MENT.—The term “individual with a barrier to em-
6 ployment” means a member of 1 or more of the fol-
7 lowing populations:

8 (A) Displaced homemakers.

9 (B) Low-income individuals.

10 (C) Indians, Alaska Natives, and Native
11 Hawaiians as defined in section 266.

12 (D) Individuals with disabilities, including
13 youth who are individuals with disabilities.

14 (E) Older individuals.

15 (F) Ex-offenders.

16 (G) Individuals who are homeless (as de-
17 fined in section 103 of the McKinney-Vento
18 Homeless Assistance Act (42 U.S.C. 11302)).

19 (H) Youth who are in or have aged out of
20 the foster care system.

21 (I) Individuals who are English language
22 learners, individuals who have low levels of lit-
23 eracy, and individuals facing substantial cul-
24 tural barriers.

1 (J) Eligible migrant and seasonal farm-
2 workers, as defined in section 267(i).

3 (K) Individuals within 2 years of exhaust-
4 ing lifetime eligibility under part A of title IV
5 of the Social Security Act (42 U.S.C. 601 et
6 seq.).

7 (L) Single parents (including single preg-
8 nant women).

9 (M) Such other groups as the Governor in-
10 volved determines to have barriers to employ-
11 ment.

12 (25) INDIVIDUAL WITH A DISABILITY.—

13 (A) IN GENERAL.—The term “individual
14 with a disability” means an individual with a
15 disability as defined in section 3 of the Ameri-
16 cans with Disabilities Act of 1990 (42 U.S.C.
17 12102).

18 (B) INDIVIDUALS WITH DISABILITIES.—
19 The term “individuals with disabilities” means
20 more than 1 individual with a disability.

21 (26) INDUSTRY OR SECTOR PARTNERSHIP.—

22 The term “industry or sector partnership” means a
23 workforce collaborative, lead by a State board or
24 local board, that—

1 (A) organizes key stakeholders in an indus-
2 try cluster into a working group that focuses on
3 the shared goals and human resources needs of
4 the industry cluster and that includes, at the
5 appropriate stage of development of the part-
6 nership—

7 (i) representatives of multiple busi-
8 nesses or other employers in the industry
9 cluster, including small and medium-sized
10 employers when practicable;

11 (ii) 1 or more representatives of a rec-
12 ognized State labor organization or central
13 labor council, or another labor representa-
14 tive, as appropriate; and

15 (iii) 1 or more representatives of an
16 institution of higher education with, or an-
17 other provider of, education or training
18 programs that support the industry clus-
19 ter; and

20 (B) may include representatives of—

21 (i) State or local government;

22 (ii) State or local economic develop-
23 ment agencies;

24 (iii) State boards or local boards, as
25 appropriate;

- 1 (iv) a State workforce agency or other
2 entity providing employment services;
3 (v) other State or local agencies;
4 (vi) business or trade associations;
5 (vii) economic development organiza-
6 tions;
7 (viii) nonprofit organizations, commu-
8 nity-based organizations, or intermediaries;
9 (ix) philanthropic organizations;
10 (x) industry associations; and
11 (xi) other organizations, as deter-
12 mined to be necessary by the members
13 comprising the industry or sector partner-
14 ship.

15 (27) IN-SCHOOL YOUTH.—The term “in-school
16 youth” means a youth described in section
17 229(a)(1)(C).

18 (28) INSTITUTION OF HIGHER EDUCATION.—
19 The term “institution of higher education” has the
20 meaning given the term in section 101, and subpara-
21 graphs (A) and (B) of section 102(a)(1), of the
22 Higher Education Act of 1965 (20 U.S.C. 1001,
23 1002(a)(1)).

1 (29) INTEGRATED EDUCATION AND TRAIN-
2 ING.—The term “integrated education and training”
3 has the meaning given the term in section 303.

4 (30) LABOR MARKET AREA.—The term “labor
5 market area” means an economically integrated geo-
6 graphic area within which individuals can reside and
7 find employment within a reasonable distance or can
8 readily change employment without changing their
9 place of residence. Such an area shall be identified
10 in accordance with criteria used by the Bureau of
11 Labor Statistics of the Department of Labor in de-
12 fining such areas or similar criteria established by a
13 Governor.

14 (31) LITERACY.—The term “literacy” has the
15 meaning given the term in section 303.

16 (32) LOCAL AREA.—The term “local area”
17 means a local workforce investment area designated
18 under section 116, subject to sections
19 116(c)(1)(A)(v), 117(c)(4)(B)(i), and 289(i).

20 (33) LOCAL BOARD.—The term “local board”
21 means a local workforce development board estab-
22 lished under section 117, subject to section
23 117(c)(4)(B)(i).

24 (34) LOCAL EDUCATIONAL AGENCY.—The term
25 “local educational agency” has the meaning given

1 the term in section 9101 of the Elementary and Sec-
2 ondary Education Act of 1965 (20 U.S.C. 7801).

3 (35) LOCAL PLAN.—The term “local plan”
4 means a plan submitted under section 118, subject
5 to section 116(c)(1)(A)(v).

6 (36) LOW-INCOME INDIVIDUAL.—The term
7 “low-income individual” means an individual who—

8 (A) receives, or in the past 6 months has
9 received, or is a member of a family that is re-
10 ceiving or in the past 6 months has received,
11 assistance through the supplemental nutrition
12 assistance program established under the Food
13 and Nutrition Act of 2008 (7 U.S.C. 2011 et
14 seq.), the program of block grants to States for
15 temporary assistance for needy families pro-
16 gram under part A of title IV of the Social Se-
17 curity Act (42 U.S.C. 601 et seq.), or the sup-
18 plemental security income program established
19 under title XVI of the Social Security Act (42
20 U.S.C. 1381 et seq.), or State or local income-
21 based public assistance;

22 (B) is in a family with gross income below
23 150 percent of the poverty line;

1 (C) is homeless, as defined in section 103
2 of the McKinney-Vento Homeless Assistance
3 Act (42 U.S.C. 11302);

4 (D) receives or is eligible to receive a free
5 or reduced price lunch under the Richard B.
6 Russell National School Lunch Act (42 U.S.C.
7 1751 et seq.);

8 (E) is a foster child on behalf of whom
9 State or local government payments are made;
10 or

11 (F) is an individual with a disability whose
12 own income meets the income requirement of
13 subparagraph (B), but who is a member of a
14 family whose income does not meet this require-
15 ment.

16 (37) NONTRADITIONAL EMPLOYMENT.—The
17 term “nontraditional employment” refers to occupa-
18 tions or fields of work, for which individuals from
19 the gender involved comprise less than 25 percent of
20 the individuals employed in each such occupation or
21 field of work.

22 (38) OFFENDER.—The term “offender” means
23 an adult or juvenile—

1 (A) who is or has been subject to any stage
2 of the criminal justice process, and for whom
3 services under this Act may be beneficial; or

4 (B) who requires assistance in overcoming
5 artificial barriers to employment resulting from
6 a record of arrest or conviction.

7 (39) OLDER INDIVIDUAL.—The term “older in-
8 dividual” means an individual age 55 or older.

9 (40) ONE-STOP CENTER.—The term “one-stop
10 center” means a center described in section
11 221(e)(2).

12 (41) ONE-STOP OPERATOR.—The term “one-
13 stop operator” means 1 or more entities designated
14 or certified under section 221(d).

15 (42) ONE-STOP PARTNER.—The term “one-stop
16 partner” means—

17 (A) an entity described in section
18 221(b)(1); and

19 (B) an entity described in section
20 221(b)(2) that is participating, with the ap-
21 proval of the local board and chief elected offi-
22 cial, in the operation of a one-stop delivery sys-
23 tem.

24 (43) ONE-STOP PARTNER PROGRAM.—The term
25 “one-stop partner program” means a program or ac-

1 activities described in section 221(b) of a one-stop
2 partner.

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

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

9 (B) is made available through a program
10 that provides reimbursement to the employer of
11 up to 50 percent of the wage rate of the partici-
12 pant, except as provided in section
13 234(c)(4)(H), for the extraordinary costs of
14 providing the training and additional super-
15 vision related to the training; and

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

22 (45) OUTLYING AREA.—The term “outlying
23 area” means—

1 (A) American Samoa, Guam, the Common-
2 wealth of the Northern Mariana Islands, the
3 United States Virgin Islands; and

4 (B) the Republic of Palau, except during
5 any period for which the Secretary of Labor
6 and the Secretary of Education determine that
7 a Compact of Free Association is in effect and
8 contains provisions for training and education
9 assistance prohibiting the assistance provided
10 under this Act.

11 (46) OUT-OF-SCHOOL YOUTH.—The term “out-
12 of-school youth” means a youth described in section
13 229(a)(1)(B).

14 (47) PLANNING REGION.—The term “planning
15 region” means a planning region as described in sec-
16 tion 116(c)(1)(A)(ii)(II).

17 (48) POVERTY LINE.—The term “poverty line”
18 means the poverty line (as defined by the Office of
19 Management and Budget, and revised annually in
20 accordance with section 673(2) of the Community
21 Services Block Grant Act (42 U.S.C. 9902(2))) ap-
22 plicable to a family of the size involved.

23 (49) PUBLIC ASSISTANCE.—The term “public
24 assistance” means Federal, State, or local govern-

1 ment cash payments for which eligibility is deter-
2 mined by a needs or income test.

3 (50) RAPID RESPONSE ACTIVITY.—The term
4 “rapid response activity” means an activity provided
5 by a State, or by an entity designated by a State,
6 with funds provided by the State under section
7 234(a)(1)(A), in the case of a permanent closure or
8 mass layoff at a plant, facility, or enterprise, or a
9 natural or other disaster, that results in mass job
10 dislocation, in order to assist dislocated workers in
11 obtaining reemployment as soon as possible, with
12 services including—

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

15 (i) immediately after the State is noti-
16 fied of a current or projected permanent
17 closure or mass layoff; or

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

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

1 (C) assistance in establishing a labor-man-
2 agement committee, voluntarily agreed to by
3 labor and management, with the ability to de-
4 vise and implement a strategy for assessing the
5 employment and training needs of dislocated
6 workers and obtaining services to meet such
7 needs;

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

11 (E) the provision of assistance to the local
12 community in developing a coordinated response
13 and in obtaining access to State economic devel-
14 opment assistance.

15 (51) **RECOGNIZED POSTSECONDARY CREDEN-**
16 **TIAL.**—The term “recognized postsecondary creden-
17 tial” means a credential consisting of an industry-
18 recognized certificate, a certificate of completion of
19 an apprenticeship, or an associate or baccalaureate
20 degree.

21 (52) **REGION.**—The term “region”, used with-
22 out further description, means a region identified
23 under section 116(c), subject to section
24 117(a)(4)(B)(i).

1 (53) SCHOOL DROPOUT.—The term “school
2 dropout” means an individual who is no longer at-
3 tending any school and who has not received a sec-
4 ondary school diploma or its recognized equivalent.

5 (54) SECONDARY SCHOOL.—The term “sec-
6 ondary school” has the meaning given the term in
7 section 9101 of the Elementary and Secondary Edu-
8 cation Act of 1965 (20 U.S.C. 7801).

9 (55) STATE.—The term “State” means each of
10 the several States of the United States, the District
11 of Columbia, and the Commonwealth of Puerto Rico.

12 (56) STATE BOARD.—The term “State board”
13 means a State workforce development board estab-
14 lished under section 111.

15 (57) STATE PLAN.—The term “State plan”,
16 used without further description, means a unified
17 plan under section 112 or a combined plan under
18 section 113.

19 (58) SUPPORTIVE SERVICES.—The term “sup-
20 portive services” means services such as transpor-
21 tation, child care, dependent care, housing, and
22 needs-related payments, that are necessary to enable
23 an individual to participate in activities authorized
24 under this Act.

1 (59) TRAINING SERVICES.—The term “training
2 services” means services described in section
3 234(c)(4).

4 (60) UNEMPLOYED INDIVIDUAL.—The term
5 “unemployed individual” means an individual who is
6 without a job and who wants and is available for
7 work. The determination of whether an individual is
8 without a job, for purposes of this paragraph, shall
9 be made in accordance with the criteria used by the
10 Bureau of Labor Statistics of the Department of
11 Labor in defining individuals as unemployed.

12 (61) UNIT OF GENERAL LOCAL GOVERN-
13 MENT.—The term “unit of general local govern-
14 ment” means any general purpose political subdivi-
15 sion of a State that has the power to levy taxes and
16 spend funds, as well as general corporate and police
17 powers.

18 (62) VETERAN; RELATED DEFINITION.—

19 (A) VETERAN.—The term “veteran” has
20 the meaning given the term in section 101 of
21 title 38, United States Code.

22 (B) RECENTLY SEPARATED VETERAN.—
23 The term “recently separated veteran” means
24 any veteran who applies for participation under
25 this Act within 48 months after the discharge

1 or release from active military, naval, or air
2 service.

3 (63) VOCATIONAL REHABILITATION PRO-
4 GRAM.—The term “vocational rehabilitation pro-
5 gram” means a program authorized under a provi-
6 sion described in paragraph (12)(D).

7 (64) WORKFORCE DEVELOPMENT ACTIVITY.—
8 The term “workforce development activity” means
9 an activity carried out through a workforce develop-
10 ment program.

11 (65) WORKFORCE DEVELOPMENT PROGRAM.—
12 The term “workforce development program” means
13 a program made available through a workforce de-
14 velopment system.

15 (66) WORKFORCE DEVELOPMENT SYSTEM.—
16 The term “workforce development system” means a
17 system that makes available the core programs, the
18 other one-stop partner programs, and any other pro-
19 grams providing employment and training services
20 as identified by a State board or local board.

21 (67) WORKFORCE INVESTMENT ACTIVITY.—The
22 term “workforce investment activity” means an em-
23 ployment and training activity, and a youth work-
24 force investment activity.

1 (68) WORKFORCE PREPARATION ACTIVITIES.—

2 The term “workforce preparation activities” has the
3 meaning given the term in section 303.

4 (69) WORKPLACE LEARNING ADVISOR.—The

5 term “workplace learning advisor” means an indi-
6 vidual employed by an organization who has the
7 knowledge and skills necessary to advise other em-
8 ployees of that organization about the education,
9 skill development, job training, career counseling
10 services, and credentials, including services provided
11 through the workforce development system, required
12 to progress toward career goals of such employees in
13 order to meet employer requirements related to job
14 openings and career advancements that support eco-
15 nomic self-sufficiency.

16 (70) YOUTH WORKFORCE INVESTMENT ACTIV-

17 ITY.—The term “youth workforce investment activ-
18 ity” means an activity described in section 229 that
19 is carried out for eligible youth (or as described in
20 section 229(a)(3)(A)).

1 **Subtitle A—Workforce Boards and**
2 **Plans**

3 **CHAPTER 1—STATE PROVISIONS**

4 **SEC. 111. STATE WORKFORCE DEVELOPMENT BOARDS.**

5 (a) IN GENERAL.—The Governor of a State shall es-
6 tablish a State workforce development board to carry out
7 the functions described in subsection (d).

8 (b) MEMBERSHIP.—

9 (1) IN GENERAL.—The State board shall in-
10 clude—

11 (A) the Governor;

12 (B) 2 members of each chamber of the
13 State legislature (to the extent consistent with
14 State law), appointed by the appropriate pre-
15 siding officers of such chamber; and

16 (C) members appointed by the Governor,
17 of which—

18 (i) $\frac{1}{3}$ shall be representatives of busi-
19 nesses in the State, who—

20 (I) are owners of businesses,
21 chief executives or operating officers
22 of businesses, or other business execu-
23 tives or employers with optimum pol-
24 icymaking or hiring authority, and
25 who, in addition, may be members of

1 a local board described in section
2 117(b)(2)(A)(i);

3 (II) represent businesses (includ-
4 ing small businesses and nonprofit en-
5 tities (such as hospitals)), or organi-
6 zations representing businesses de-
7 scribed in this subclause, with employ-
8 ment opportunities that reflect the ex-
9 isting and emerging employment op-
10 portunities in the State; and

11 (III) are appointed from among
12 individuals nominated by State busi-
13 ness organizations and business trade
14 associations;

15 (ii) $\frac{1}{3}$ shall be representatives of the
16 workforce within the State, who—

17 (I) shall include representatives
18 of labor organizations, who have been
19 nominated by State labor federations;

20 (II) may include representatives
21 of community-based organizations
22 that have demonstrated experience
23 and expertise in addressing the em-
24 ployment, training, or education needs
25 of individuals with barriers to employ-

1 ment, including organizations that
2 provide or support competitive, inte-
3 grated employment for individuals
4 with disabilities; and

5 (III) may include representatives
6 of organizations that have dem-
7 onstrated experience and expertise in
8 addressing the employment, training
9 or education needs of eligible youth,
10 including representatives of organiza-
11 tions that serve out-of-school youth;
12 and

13 (iii) $\frac{1}{3}$ shall be representatives of gov-
14 ernment, who—

15 (I) shall include the lead State
16 officials with primary responsibility
17 for the core programs;

18 (II) shall include 1 or more chief
19 elected officials; and

20 (III) may include such other rep-
21 resentatives and officials as the Gov-
22 ernor may designate, such as the
23 State agency officials from agencies
24 that are one-stop partners not speci-
25 fied in subclause (I) (including addi-

1 tional one-stop partners whose pro-
2 grams are covered by the State plan,
3 if any), and State agency officials re-
4 sponsible for economic development or
5 juvenile justice programs in the State,
6 individuals who represent an Indian
7 tribe or tribal organization, as such
8 terms are defined in section 266(b),
9 and State agency officials responsible
10 for education programs in the State,
11 including chief executive officers of
12 community colleges and other institu-
13 tions of higher education.

14 (2) DIVERSE AND DISTINCT REPRESENTA-
15 TION.—The members of the State board shall rep-
16 resent diverse geographic areas of the State, includ-
17 ing urban, rural, and suburban areas.

18 (3) NO REPRESENTATION OF MULTIPLE CAT-
19 EGORIES.—No person shall serve as a member for
20 more than 1 of—

21 (A) the category described in paragraph
22 (1)(C)(i); or

23 (B) 1 category described in a subclause of
24 clause (ii) or (iii) of paragraph (1)(C).

1 (c) CHAIRPERSON.—The members of the State board
2 shall select a chairperson for the State board from among
3 the members appointed by the Governor under subsection
4 (b)(1)(C).

5 (d) FUNCTIONS.—The State board shall assist the
6 Governor in—

7 (1) the development, implementation, and modi-
8 fication of the State plan, including the periodic as-
9 sessment and development of recommendations re-
10 garding the implementation of the State plan;

11 (2) consistent with paragraph (1), the review of
12 statewide policies and programs and development of
13 recommendations on actions that should be taken by
14 the State to align core programs and other programs
15 in the State in a manner that supports a comprehen-
16 sive State workforce development system that will
17 result in meeting the workforce needs of the State,
18 its regions, and its local areas;

19 (3) the review of and provision of comments on
20 the State plans, if any, for activities and programs
21 of one-stop partners that are not core programs, in
22 order to provide strategic leadership and to align to
23 the extent practicable such non-core programs with
24 the core programs, and with the strategy described
25 in the State plan under section 112 or 113;

1 (4) the development of guidance for the imple-
2 mentation and continuous improvement of a work-
3 force development system within the State that in-
4 cludes guidance on—

5 (A) the identification of and means for re-
6 moving barriers to coordination of, alignment
7 of, and nonduplication among the programs and
8 activities carried out through the system;

9 (B) the development of career pathways by
10 using workforce development programs aligned
11 for the purpose of providing individuals, includ-
12 ing low-skilled adults and youth, with the em-
13 ployment, training, education, and supportive
14 services the individuals need to attain the nec-
15 essary credentials to secure and advance in em-
16 ployment;

17 (C) the development and expansion of in-
18 novative strategies for meeting the needs of
19 workers and jobseekers, and employers, includ-
20 ing initiatives relating to in-demand industry
21 sectors and occupations;

22 (D) coordinating planning between the
23 local boards and State entities carrying out rel-
24 evant State-administered programs;

1 (E) the identification of regions, including
2 planning regions, for the purposes of section
3 116(c);

4 (F) the provision of technical assistance to
5 local boards, one-stop partners, one-stop opera-
6 tors, and providers, as appropriate, in local
7 areas concerning planning and delivering serv-
8 ices; and

9 (G) strategies to support staff training and
10 awareness across programs supported under
11 workforce development systems in local areas;

12 (5) the development and update of comprehen-
13 sive State performance accountability measures, in-
14 cluding State adjusted levels of performance, to as-
15 sess the effectiveness of the core programs in the
16 State as required under subtitle B;

17 (6) the identification and dissemination of in-
18 formation on best practices, including best practices
19 for—

20 (A) the effective operation of one-stop cen-
21 ters, relating to the use of business outreach,
22 partnerships, and service delivery strategies (in-
23 cluding strategies for effectively serving individ-
24 uals with barriers to employment), and other

1 practices relevant to workforce development;
2 and

3 (B) the development of effective local
4 boards, which may include information on those
5 factors that contribute to enabling local boards
6 to exceed negotiated levels of performance, sus-
7 tain fiscal integrity, and achieve other measures
8 of effectiveness;

9 (7) the development and review of statewide
10 policies affecting the coordinated provision of serv-
11 ices through the State's one-stop delivery system de-
12 scribed in section 221(e), including—

13 (A) the development of objective criteria
14 and procedures for use by local boards in as-
15 sessing the effectiveness and continuous im-
16 provement of one-stop centers described in such
17 section;

18 (B) the development of guidance for the al-
19 location of one-stop center infrastructure funds
20 under section 221(h);

21 (C) the development of—

22 (i) statewide policies relating to the
23 appropriate roles and contributions of enti-
24 ties carrying out one-stop partner pro-
25 grams within the one-stop delivery system,

1 including approaches to facilitating equi-
2 table and efficient cost allocation in the
3 one-stop delivery system;

4 (ii) strategies for providing effective
5 outreach to and improved access for indi-
6 viduals and employers who could benefit
7 from services provided through the one-
8 stop delivery system;

9 (iii) strategies for technological im-
10 provements to facilitate access to, and im-
11 prove the quality of, services provided
12 through the one-stop delivery system (in-
13 cluding access for individuals with disabil-
14 ities and individuals residing in remote
15 areas), which strategies may be utilized
16 throughout the State; and

17 (iv) strategies for aligning technology
18 and data systems across one-stop partner
19 programs, to the extent practicable, to en-
20 hance service delivery and improve effi-
21 ciencies in reporting on performance ac-
22 countability measures; and

23 (D) the development of such other policies
24 as may promote statewide objectives for, and

1 enhance the performance of, the one-stop deliv-
2 ery system;

3 (8) the development of allocation formulas for
4 the distribution of funds for employment and train-
5 ing activities for adults, and youth workforce invest-
6 ment activities, to local areas as permitted under
7 sections 228(b)(3) and 233(b)(3);

8 (9) the preparation of the annual report to the
9 Secretary described in paragraphs (1) and (2) of
10 section 131(d); and

11 (10) the development of the statewide workforce
12 and labor market information system described in
13 section 15(e) of the Wagner-Peyser Act (29 U.S.C.
14 491-2(e)).

15 (e) ALTERNATIVE ENTITY.—

16 (1) IN GENERAL.—For the purposes of com-
17 plying with subsections (a), (b), and (c), a State
18 may use any State entity (including a State council,
19 State workforce development board (within the
20 meaning of the Workforce Investment Act of 1998),
21 combination of regional workforce development
22 boards, or similar entity) that—

23 (A) was in existence on the day before the
24 date of enactment of the Workforce Investment
25 Act of 1998;

1 (B) is substantially similar to the State
2 board described in subsections (a) through (c);
3 and

4 (C) includes representatives of business in
5 the State and representatives of labor organiza-
6 tions in the State.

7 (2) REFERENCES.—A reference in this Act, or
8 a core program provision that is not in this Act, to
9 a State board shall be considered to include such an
10 entity.

11 (f) CONFLICT OF INTEREST.—A member of a State
12 board may not—

13 (1) vote on a matter under consideration by the
14 State board—

15 (A) regarding the provision of services by
16 such member (or by an entity that such mem-
17 ber represents); or

18 (B) that would provide direct financial
19 benefit to such member or the immediate family
20 of such member; or

21 (2) engage in any other activity determined by
22 the Governor to constitute a conflict of interest as
23 specified in the State plan.

24 (g) SUNSHINE PROVISION.—The State board shall
25 make available to the public, on a regular basis through

1 open meetings, information regarding the activities of the
2 State board, including information regarding the State
3 plan, or a modification to the State plan, prior to submis-
4 sion of the plan or modification of the plan, respectively,
5 information regarding membership, and, on request, min-
6 utes of formal meetings of the State board.

7 (h) **AUTHORITY TO HIRE STAFF.**—

8 (1) **IN GENERAL.**—The State board may hire a
9 director and other staff to assist in carrying out the
10 functions described in subsection (d) using funds
11 available as described in section 229(b)(2) or
12 234(a)(3)(B)(i). The director shall be an individual
13 determined to meet the qualifications established
14 under section 121.

15 (2) **LIMITATION ON RATE.**—The director and
16 staff described in paragraph (1) shall be subject to
17 the limitations on the payment of salary and bo-
18 nuses described in section 294(15).

19 **SEC. 112. UNIFIED STATE PLAN.**

20 (a) **PLAN.**—For a State to be eligible to receive allot-
21 ments for the core programs, the Governor shall submit
22 to the Secretary of Labor and the Secretary of Education
23 for consideration by the Secretaries, a unified State plan.
24 The unified State plan shall outline a 4-year strategy for

1 the core programs of the State and meet the requirements
2 of this section.

3 (b) CONTENTS.—

4 (1) STRATEGIC PLANNING ELEMENTS.—The
5 unified State plan shall include strategic planning
6 elements consisting of—

7 (A) an analysis of the economic conditions
8 in the State, including—

9 (i) existing and emerging in-demand
10 industry sectors and occupations; and

11 (ii) the employment needs of employ-
12 ers in those industries and occupations;

13 (B) an analysis of the knowledge and skills
14 needed to meet the employment needs of the
15 employers in the State, including employment
16 needs in in-demand industry sectors and occu-
17 pations;

18 (C) an analysis of the workforce in the
19 State, including current labor force employment
20 and unemployment data, and information on
21 labor market trends, and the educational and
22 skill levels of the workforce, including individ-
23 uals with barriers to employment (including in-
24 dividuals with disabilities);

1 (D) an analysis of the workforce develop-
2 ment activities (including education and train-
3 ing) in the State, including an analysis of the
4 strengths and weaknesses of such services, and
5 the capacity of State entities to provide such
6 services, in order to address the identified edu-
7 cation and skill needs of the workforce and the
8 employment needs of employers in the State;

9 (E) a description of the State's strategic
10 vision and goals for preparing an educated and
11 skilled workforce (including preparing youth
12 and individuals with barriers to employment),
13 including goals relating to performance account-
14 ability measures based on primary indicators of
15 performance described in section 131(b)(2)(A),
16 in order to support economic growth and eco-
17 nomic self-sufficiency; and

18 (F) taking into account analyses described
19 in subparagraphs (A) through (D), a strategy
20 for aligning the core programs, as well as other
21 resources available to the State, to achieve the
22 strategic vision and goals described in subpara-
23 graph (E).

24 (2) OPERATIONAL PLANNING ELEMENTS.—

1 (A) IN GENERAL.—The unified State plan
2 shall include the operational planning elements
3 contained in this paragraph, which shall sup-
4 port the strategy described in paragraph (1)(F).

5 (B) IMPLEMENTATION OF STATE STRAT-
6 EGY.—The unified State plan shall describe
7 how the lead State agency with responsibility
8 for the administration of a core program will
9 implement the strategy described in paragraph
10 (1)(F), including a description of—

11 (i) the activities that will be funded by
12 the entities carrying out the respective pro-
13 grams to implement the strategy and how
14 such activities will be aligned across the
15 programs and among the entities admin-
16 istering the programs;

17 (ii) how the activities described in
18 clause (i) will be aligned with activities
19 provided under employment, training, edu-
20 cation, and human services programs not
21 covered by the plan, as appropriate, to as-
22 sist in implementing the strategy, includ-
23 ing coordinating intake, eligibility deter-
24 minations, and assessment activities;

1 (iii)(I) how the entities carrying out
2 the respective core programs will coordi-
3 nate activities to provide comprehensive,
4 high-quality services to individuals, includ-
5 ing using co-enrollment and other strate-
6 gies;

7 (II) how the entities carrying out the
8 programs under title II or under the Wag-
9 ner-Peyser Act (29 U.S.C. 49 et seq.) will
10 provide employment-related services or
11 training-related services to individuals re-
12 ceiving education services under title III or
13 vocational rehabilitation services under
14 title I of the Rehabilitation Act of 1973
15 (29 U.S.C. 701 et seq.), other than section
16 112 or part C of that title (29 U.S.C. 732,
17 741), and how the entities carrying out
18 adult education and literacy activities
19 under title III or programs of such voca-
20 tional rehabilitation services will provide
21 education services or vocational rehabilita-
22 tion services to individuals receiving em-
23 ployment-related services or training-re-
24 lated services under title II or under the
25 Wagner-Peyser Act; and

1 (III) how the entities carrying out
2 programs serving youth under title II will
3 carry out the programs in collaboration
4 with entities carrying out activities under
5 title III and entities carrying out programs
6 of such vocational rehabilitation services;

7 (iv) how the entities carrying out the
8 respective programs will develop and imple-
9 ment career pathways and education (of-
10 fered concurrently with and in the same
11 context as workforce preparation activities
12 and training for a specific occupation or
13 occupational cluster), including how such
14 pathways and education will be made avail-
15 able to individuals with disabilities;

16 (v) how the entities carrying out the
17 respective programs will strengthen the
18 provision of support services through co-
19 ordination of activities with Federal, State,
20 and local providers of such services, in
21 order to facilitate increased participation
22 and persistence of individuals in employ-
23 ment, education, and training programs;

24 (vi) how technology will be used,
25 through distance education and other

1 methods, by entities carrying out the re-
2 spective programs to provide education and
3 training activities, activities to enhance
4 technological literacy and accelerate the ac-
5 quisition of skills and recognized postsec-
6 ondary credentials by participants, and ac-
7 tivities to strengthen the professional de-
8 velopment of providers and workforce pro-
9 fessionals, and how the entities will ensure
10 such technology is accessible to individuals
11 with disabilities; and

12 (vii) the methods used for joint plan-
13 ning and coordination of the core pro-
14 grams.

15 (C) STATE OPERATING SYSTEMS AND
16 POLICIES.—The unified State plan shall de-
17 scribe the State operating systems and policies
18 that will support the implementation of the
19 strategy described in paragraph (1)(F), includ-
20 ing a description of—

21 (i) State actions to assist local boards,
22 one-stop partners, and one-stop operators,
23 as appropriate, in local areas, in devel-
24 oping, refining, changing, or otherwise im-
25 plementing the one-stop delivery system in

1 those areas, including assisting with train-
2 ing and establishing qualifications for one-
3 stop delivery system staff and members of
4 local boards;

5 (ii) the State board, including the ac-
6 tivities conducted to train and develop
7 members of the State board and the staff
8 of such board to carry out the functions of
9 the State board effectively (but funds for
10 such activities may not be used for long-
11 distance travel expenses for training or de-
12 velopment activities available locally or re-
13 gionally);

14 (iii) the common data collection and
15 reporting processes used for the one-stop
16 partner programs in the system;

17 (iv)(I) how the respective core pro-
18 grams will be assessed each year, including
19 an assessment of the quality, effectiveness,
20 and improvement of programs (analyzed by
21 local area, or by provider), based on State
22 performance accountability measures de-
23 scribed in section 131(b); and

24 (II) how other one-stop partner pro-
25 grams will be assessed each year;

1 (v) the results of an assessment of the
2 effectiveness of the core programs and
3 other one-stop partner programs during
4 the preceding 2-year period;

5 (vi) the methods and factors the State
6 will use in distributing funds under the
7 core programs, in accordance with the pro-
8 visions authorizing such distributions;

9 (vii)(I) how the lead State agencies
10 with responsibility for the administration
11 of the core programs will align and inte-
12 grate available workforce and education
13 data on core programs, unemployment in-
14 surance programs, and education through
15 postsecondary education;

16 (II) how such agencies will use the
17 system to assess the progress of partici-
18 pants that are exiting core programs in en-
19 tering, persisting in, and completing post-
20 secondary education, or entering or re-
21 maining in employment; and

22 (III) the privacy safeguards incor-
23 porated in such system, including safe-
24 guards required by section 444 of the Gen-

1 eral Education Provisions Act (20 U.S.C.
2 1232g) and other applicable Federal laws;
3 (viii) how the entity carrying out a
4 core program will carry out the activities
5 to provide outreach to populations, includ-
6 ing youth, and individuals with barriers to
7 employment (including youth with disabil-
8 ities and other individuals with disabil-
9 ities), who can benefit from one-stop part-
10 ner programs;
11 (ix) how the State will implement the
12 priority of service provisions for veterans
13 in accordance with the requirements of sec-
14 tion 4215 of title 38, United States Code;
15 (x) how the one-stop delivery system,
16 including one-stop operators and the one-
17 stop partners, will comply with section 288
18 and applicable provisions of the Americans
19 with Disabilities Act of 1990 (42 U.S.C.
20 12101 et seq.) regarding the physical and
21 programmatic accessibility of facilities,
22 programs, services, technology, and mate-
23 rials, for individuals with disabilities, in-
24 cluding complying through providing staff

1 training and support for addressing the
2 needs of individuals with disabilities; and

3 (xi) such other operational planning
4 elements as the Secretary of Labor and
5 Secretary of Education determine to be
6 necessary for effective State operating sys-
7 tems and policies.

8 (D) PROGRAM-SPECIFIC REQUIREMENTS.—

9 The unified State plan shall include—

10 (i) with respect to activities carried
11 out under title II, a description of—

12 (I) State-imposed requirements,
13 such as statewide policies or guidance,
14 for the statewide workforce develop-
15 ment system;

16 (II) the State's policies and strat-
17 egies for use of State funds for work-
18 force investment activities;

19 (III) the local areas designated in
20 the State, including the process used
21 for designating local areas, and the
22 process used for identifying any plan-
23 ning regions under section 116(e);

1 (IV) the appeals process referred
2 to in section 116(a)(4) relating to des-
3 ignation of local areas;

4 (V) the appeal process referred to
5 in section 221(h)(2)(E), relating to
6 determinations for infrastructure
7 funding; and

8 (VI) with respect to youth work-
9 force investment activities authorized
10 in section 229, information identifying
11 the criteria to be used by local boards
12 in awarding grants for youth work-
13 force investment activities, including
14 criteria that the Governor and local
15 boards will use to identify effective
16 and ineffective youth workforce invest-
17 ment activities and providers of such
18 activities;

19 (ii) with respect to activities carried
20 out under title III, a description of—

21 (I) how the eligible agency will, if
22 applicable, align content standards for
23 adult education with State adopted
24 standards for college and career readi-
25 ness;

1 (II) how the State will fund local
2 activities using considerations speci-
3 fied in section 331(e) for—

4 (aa) activities under section
5 331(b);

6 (bb) programs for correc-
7 tions education under section
8 325; and

9 (cc) integrated education
10 and training;

11 (III) how the State will use the
12 funds to carry out activities under
13 section 323;

14 (IV) how the eligible agency will
15 provide technical assistance and use
16 incentives and sanctions to improve el-
17 igible provider performance; and

18 (V) how the eligible agency will
19 assess the quality of providers of adult
20 education and literacy activities under
21 title III and take actions to improve
22 such quality, including providing the
23 activities described in section
24 323(a)(1)(B);

1 (iii) with respect to programs carried
2 out under title I of the Rehabilitation Act
3 of 1973 (29 U.S.C. 701 et seq.), other
4 than section 112 or part C of that title (29
5 U.S.C. 732, 741), the information de-
6 scribed in section 101(a) of that Act (29
7 U.S.C. 721(a)); and

8 (iv) information on such additional
9 specific requirements for a program ref-
10 erenced in any of clauses (i) through (iii)
11 or the Wagner-Peyser Act (29 U.S.C. 49
12 et seq.) as the Secretary of Labor and the
13 Secretary of Education determine are nec-
14 essary to administer that program but can-
15 not reasonably be applied across all such
16 programs.

17 (E) ASSURANCES.—The unified State plan
18 shall include assurances—

19 (i) that the State has established a
20 policy identifying circumstances that may
21 present a conflict of interest for a State
22 board or local board member, or the entity
23 or class of officials that the member rep-
24 represents, and procedures to resolve such
25 conflicts;

1 (ii) that the State has established a
2 policy to provide to the public (including
3 individuals with disabilities) access to
4 meetings of State boards and local boards,
5 and information regarding activities of
6 State boards and local boards, such as
7 data on board membership and minutes;

8 (iii)(I) that the lead State agencies
9 with responsibility for the administration
10 of core programs reviewed and commented
11 on the appropriate operational planning
12 elements of the unified State plan, and ap-
13 proved the elements as serving the needs of
14 the populations served by such programs;
15 and

16 (II) that the State obtained input into
17 the development of the unified State plan
18 and provided an opportunity for comment
19 on the plan by representatives of local
20 areas, businesses, labor organizations, in-
21 stitutions of higher education, other pri-
22 mary stakeholders, and the general public
23 and that the unified State plan is available
24 and accessible to the general public;

1 (iv) that the State has established, in
2 accordance with section 131(i), fiscal con-
3 trol and fund accounting procedures that
4 may be necessary to ensure the proper dis-
5 bursement of, and accounting for, funds
6 paid to the State through allotments made
7 for adult, dislocated worker, and youth
8 programs to carry out workforce invest-
9 ment activities under chapters 2 and 3 of
10 subtitle B of title II;

11 (v) that the State will annually mon-
12 itor local areas to ensure compliance with
13 the uniform administrative requirements
14 under section 284(a)(3);

15 (vi) that the State has taken appro-
16 priate action to secure compliance with
17 uniform administrative requirements in
18 this Act;

19 (vii) that the State has taken the ap-
20 propriate actions to be in compliance with
21 section 288;

22 (viii) that the funds received to carry
23 out a core program will not be expended
24 for any purpose other than for activities

1 authorized with respect to such funds
2 under that core program;

3 (ix) that the eligible agency under
4 title III will—

5 (I) expend the funds appro-
6 priated to carry out that title only in
7 a manner consistent with fiscal re-
8 quirements under section 341(a) (re-
9 garding supplement and not supplant
10 provisions); and

11 (II) ensure that there is at least
12 1 eligible provider serving each local
13 area;

14 (x) that the State will pay an appro-
15 priate share (as defined by the State
16 board) of the costs of carrying out subtitle
17 B, from funds made available through each
18 of the core programs; and

19 (xi) regarding such other matters as
20 the Secretary of Labor and the Secretary
21 of Education determine to be necessary for
22 the administration of the core programs.

23 (c) PLAN SUBMISSION AND APPROVAL.—

24 (1) SUBMISSION.—

1 (A) INITIAL PLAN.—The initial unified
2 State plan under this section (after the date of
3 enactment of this Act) shall be submitted not
4 later than 120 days prior to the commencement
5 of the second full program year after the date
6 of enactment of that Act.

7 (B) SUBSEQUENT PLANS.—Except as pro-
8 vided in subparagraph (A), a unified State plan
9 shall be submitted not later than 120 days prior
10 to the end of the 4-year period covered by the
11 preceding unified State plan.

12 (2) APPROVAL.—A unified State plan shall be
13 subject to the approval of both the Secretary of
14 Labor and the Secretary of Education, after ap-
15 proval of the Commissioner of the Rehabilitation
16 Services Administration for the portion of the plan
17 described in subsection (b)(2)(D)(iii). The unified
18 State plan shall be considered to be approved at the
19 end of the 90-day period beginning on the day the
20 plan is submitted, unless the Secretary of Labor or
21 the Secretary of Education makes a written deter-
22 mination, during the 90-day period, that the plan is
23 inconsistent with the provisions of this section or the
24 provisions authorizing the core programs, as appro-
25 priate.

1 (3) MODIFICATIONS.—

2 (A) MODIFICATIONS.—At the end of the
3 first 2-year period of any 4-year unified State
4 plan, the State board shall review the unified
5 State plan, and the Governor shall submit
6 modifications to the plan to reflect changes in
7 labor market and economic conditions or in
8 other factors affecting the implementation of
9 the unified State plan.

10 (B) APPROVAL.—A modified unified State
11 plan submitted for the review required under
12 subparagraph (A) shall be subject to the ap-
13 proval requirements described in paragraph (2).
14 A Governor may submit a modified unified
15 State plan at such other times as the Governor
16 determines to be appropriate, and such modi-
17 fied unified State plan shall also be subject to
18 the approval requirements described in para-
19 graph (2).

20 (4) EARLY IMPLEMENTERS.—The Secretary of
21 Labor and the Secretary of Education shall establish
22 a process for approving and may approve unified
23 State plans that meet the requirements of this sec-
24 tion and are submitted to cover periods commencing

1 prior to the second full program year described in
2 paragraph (1).

3 **SEC. 113. COMBINED STATE PLAN.**

4 (a) IN GENERAL.—

5 (1) AUTHORITY TO SUBMIT PLAN.—A State
6 may develop and submit to the appropriate Secre-
7 taries a combined State plan for the core programs
8 and 1 or more of the programs and activities de-
9 scribed in paragraph (2) in lieu of submitting 2 or
10 more plans, for the programs and activities and the
11 core programs.

12 (2) PROGRAMS.—The programs and activities
13 referred to in paragraph (1) are as follows:

14 (A) Career and technical education pro-
15 grams at the postsecondary level authorized
16 under the Carl D. Perkins Career and Tech-
17 nical Education Act of 2006 (20 U.S.C. 2301
18 et seq.).

19 (B) Programs authorized under part A of
20 title IV of the Social Security Act (42 U.S.C.
21 601 et seq.).

22 (C) Programs authorized under section
23 6(d)(4) of the Food and Nutrition Act of 2008
24 (7 U.S.C. 2015(d)(4)).

1 (D) Work programs authorized under sec-
2 tion 6(o) of the Food and Nutrition Act of
3 2008 (7 U.S.C. 2015(o)).

4 (E) Activities authorized under chapter 2
5 of title II of the Trade Act of 1974 (19 U.S.C.
6 2271 et seq.).

7 (F) Activities authorized under chapter 41
8 of title 38, United States Code.

9 (G) Programs authorized under State un-
10 employment compensation laws (in accordance
11 with applicable Federal law).

12 (H) Programs authorized under title V of
13 the Older Americans Act of 1965 (42 U.S.C.
14 3056 et seq.).

15 (I) Employment and training activities car-
16 ried out by the Department of Housing and
17 Urban Development.

18 (J) Employment and training activities
19 carried out under the Community Services
20 Block Grant Act (42 U.S.C. 9901 et seq.).

21 (K) Programs authorized under section
22 212 of the Second Chance Act of 2007 (42
23 U.S.C. 17532).

24 (b) REQUIREMENTS.—

1 (1) IN GENERAL.—The portion of a combined
2 plan covering the core programs shall be subject to
3 the requirements of section 112 (including section
4 112(c)(3)). The portion of such plan covering a pro-
5 gram or activity described in subsection (a)(2) shall
6 be subject to the requirements, if any, applicable to
7 a plan or application for assistance for that program
8 or activity, under the Federal law authorizing the
9 program or activity. At the election of the State, sec-
10 tion 112(c)(3) may apply to that portion.

11 (2) ADDITIONAL SUBMISSION NOT REQUIRED.—
12 A State that submits a combined plan that is ap-
13 proved under subsection (c) shall not be required to
14 submit any other plan or application in order to re-
15 ceive Federal funds to carry out the core programs
16 or the program or activities described in subsection
17 (a)(2) that are covered by the combined plan.

18 (3) COORDINATION.—A combined plan shall in-
19 clude—

20 (A) a description of the methods used for
21 joint planning and coordination of the core pro-
22 grams and the other programs and activities
23 covered by the combined plan; and

24 (B) an assurance that the methods in-
25 cluded an opportunity for the entities respon-

1 sible for planning or administering the core pro-
2 grams and the other programs and activities to
3 review and comment on all portions of the com-
4 bined plan.

5 (c) APPROVAL BY THE APPROPRIATE SECRE-
6 TARIES.—

7 (1) JURISDICTION.—The appropriate Secretary
8 shall have the authority to approve the cor-
9 responding portion of a combined plan as described
10 in subsection (d). On the approval of the appropriate
11 Secretary, that portion of the combined plan, relat-
12 ing to a program or activity, shall be implemented
13 by the State pursuant to that portion of the com-
14 bined plan, and the Federal law authorizing the pro-
15 gram or activity.

16 (2) APPROVAL OF CORE PROGRAMS.—No por-
17 tion of the plan relating to a core program shall be
18 implemented until the appropriate Secretary ap-
19 proves the corresponding portions of the plan for all
20 core programs.

21 (3) TIMING OF APPROVAL.—

22 (A) IN GENERAL.—Except as provided in
23 subparagraphs (B) and (C), a portion of the
24 combined State plan covering the core programs
25 or a program or activity described in subsection

1 (a)(2) shall be considered to be approved by the
2 appropriate Secretary at the end of the 90-day
3 period beginning on the day the plan is sub-
4 mitted.

5 (B) PLAN APPROVED BY 3 OR MORE AP-
6 PROPRIATE SECRETARIES.—If an appropriate
7 Secretary other than the Secretary of Labor or
8 the Secretary of Education has authority to ap-
9 prove a portion of a combined plan, that por-
10 tion of the combined plan shall be considered to
11 be approved by the appropriate Secretary at the
12 end of the 120-day period beginning on the day
13 the plan is submitted.

14 (C) DISAPPROVAL.—The portion shall not
15 be considered to be approved if the appropriate
16 Secretary makes a written determination, dur-
17 ing the 90-day period (or the 120-day period,
18 for an appropriate Secretary covered by sub-
19 paragraph (B)), that the portion is not con-
20 sistent with the requirements of the Federal law
21 authorizing or applicable to the program or ac-
22 tivity involved, including the criteria for ap-
23 proval of a plan or application, if any, under
24 such law, or the plan is not consistent with the
25 requirements of this section.

1 (4) SPECIAL RULE.—In paragraph (3), the
2 term “criteria for approval of a plan or application”,
3 with respect to a State and a core program or a pro-
4 gram under the Carl D. Perkins Career and Tech-
5 nical Education Act of 2006 (20 U.S.C. 2301 et
6 seq.), includes a requirement for agreement between
7 the State and the appropriate Secretaries regarding
8 State performance accountability measures or State
9 performance measures, as the case may be, including
10 levels of performance.

11 (d) APPROPRIATE SECRETARY.—In this section, the
12 term “appropriate Secretary” means—

13 (1) with respect to the portion of a combined
14 plan relating to any of the core programs (including
15 a description, and an assurance concerning that pro-
16 gram, specified in subsection (b)(3)), the Secretary
17 of Labor and the Secretary of Education; and

18 (2) with respect to the portion of a combined
19 plan relating to a program or activity described in
20 subsection (a)(2) (including a description, and an
21 assurance concerning that program or activity, speci-
22 fied in subsection (b)(3)), the head of the Federal
23 agency who exercises plan or application approval
24 authority for the program or activity under the Fed-
25 eral law authorizing the program or activity, or, if

1 there are no planning or application requirements
2 for such program or activity, exercises administra-
3 tive authority over the program or activity under
4 that Federal law.

5 **CHAPTER 2—LOCAL PROVISIONS**

6 **SEC. 116. LOCAL WORKFORCE DEVELOPMENT AREAS.**

7 (a) DESIGNATION OF AREAS.—

8 (1) IN GENERAL.—

9 (A) PROCESS.—Except as provided in sub-
10 section (b), and consistent with paragraphs (2)
11 and (3), in order for a State to receive an allot-
12 ment under section 227 or 232, the Governor of
13 the State shall designate local workforce devel-
14 opment areas within the State—

15 (i) through consultation with the
16 State board; and

17 (ii) after consultation with chief elect-
18 ed officials and after consideration of com-
19 ments received through the public com-
20 ment process as described in section
21 112(b)(2)(E)(iii)(II).

22 (B) CRITERIA.—The Governor shall des-
23 ignate local areas (except for those local areas
24 described in paragraphs (2) and (3)), based on
25 criteria consisting of—

1 (i) the extent to which the areas are
2 consistent with labor market areas in the
3 State;

4 (ii) the extent to which the areas are
5 consistent with regional economic develop-
6 ment areas in the State; and

7 (iii) whether the areas have available
8 the Federal and non-Federal resources
9 necessary to effectively administer activi-
10 ties under title II and other applicable pro-
11 visions of this Act, including whether the
12 areas have the appropriate education and
13 training providers, such as institutions of
14 higher education and area career and tech-
15 nical education schools.

16 (C) RULE OF CONSTRUCTION.—For pur-
17 poses of subparagraph (B)(ii), the definition of
18 the term “region” in section 101 shall not be
19 applicable.

20 (2) AUTOMATIC DESIGNATION.—

21 (A) INITIAL PERIOD.—For the second full
22 program year that commences after the date of
23 enactment of this Act, any area that was des-
24 ignated as a local area under section 116 of the
25 Workforce Investment Act of 1998, as in effect

1 on the day before the date of enactment of this
2 Act, and was so designated for the 2-year pe-
3 riod preceding that day, shall be designated as
4 a local area by the Governor under this sub-
5 paragraph—

6 (i) if such area so requests; and

7 (ii) if such local area—

8 (I) performed successfully; and

9 (II) sustained fiscal integrity.

10 (B) SUBSEQUENT DESIGNATION.—For the
11 third full program year that commences after
12 the date of enactment of this Act and there-
13 after, the Governor shall designate as a local
14 area under this subparagraph any area that
15 was designated as a local area under subpara-
16 graph (A)—

17 (i) if such local area so requests;

18 (ii) if such local area—

19 (I) performed successfully; and

20 (II) sustained fiscal integrity;

21 and

22 (iii) in the case of a local area that is
23 part of a consortium of local areas in a
24 planning region under subsection (c), if

1 such local area met each of the following
2 implementation conditions:

3 (I) Participated in preparing a
4 regional plan under subsection
5 (c)(1)(A)(iv) and in implementing the
6 plan.

7 (II) Developed and implemented
8 regional service strategies and activi-
9 ties, such as industry and sector-
10 based strategies (including establish-
11 ment of industry partnerships), in ac-
12 cordance with the regional plan.

13 (C) DEFINITIONS.—For purposes of this
14 paragraph:

15 (i) PERFORMED SUCCESSFULLY.—The
16 term “performed successfully”, used with
17 respect to a local area, means the local
18 area met or exceeded the adjusted levels of
19 performance for primary indicators of per-
20 formance described in section 131(b)(2)(A)
21 (or, if applicable, core indicators of per-
22 formance described in section 136(b)(2)(A)
23 of the Workforce Investment Act of 1998,
24 as in effect the day before the date of en-
25 actment of this Act) for each of the last 2

1 consecutive years for which data are avail-
2 able preceding the determination of per-
3 formance under this clause.

4 (ii) SUSTAINED FISCAL INTEGRITY.—
5 The term “sustained fiscal integrity”, used
6 with respect to a local area, means that
7 the Secretary has not made a formal deter-
8 mination, during either of the last 2 con-
9 secutive years preceding the determination
10 regarding such integrity, that either the
11 grant recipient or the administrative entity
12 of the area misexpended funds provided
13 under title II (or, if applicable, title I of
14 the Workforce Investment Act of 1998 as
15 in effect prior to the effective date of such
16 title II) due to willful disregard of the re-
17 quirements of the title involved, gross neg-
18 ligence, or failure to comply with accepted
19 standards of administration.

20 (3) DESIGNATION ON RECOMMENDATION OF
21 STATE BOARD.—The Governor may approve a re-
22 quest from any unit of general local government (in-
23 cluding a combination of such units) for designation
24 as a local area if the State board determines, based
25 on the factors described in paragraph (1)(B), and

1 recommends to the Governor, that such area should
2 be so designated.

3 (4) APPEALS.—A unit of general local govern-
4 ment (including a combination of such units) or
5 grant recipient that requests but is not granted des-
6 ignation of an area as a local area under paragraph
7 (2) may submit an appeal to the State board under
8 an appeal process established in the State plan. If
9 the appeal does not result in such a designation, the
10 Secretary of Labor, after receiving a request for re-
11 view from the unit or grant recipient and on deter-
12 mining that the unit or grant recipient was not ac-
13 corded procedural rights under the appeal process
14 described in the State plan, as specified in section
15 112(b)(2)(D)(i), or that the area meets the require-
16 ments of paragraph (2), may require that the area
17 be designated as a local area under such paragraph.

18 (b) SINGLE STATE LOCAL AREAS.—

19 (1) CONTINUATION OF PREVIOUS DESIGNA-
20 TION.—The Governor of any State that was a single
21 State local area for purposes of title I of the Work-
22 force Investment Act of 1998, as in effect on July
23 1, 2011, may designate the State as a single State
24 local area for purposes of this title and title II if the

1 Governor identifies the State as a local area in the
2 State plan.

3 (2) REDESIGNATION.—The Governor of a State
4 not described in paragraph (1) may designate the
5 State as a single local area if, prior to the submis-
6 sion of the State plan or modification to such plan
7 so designating the State, no local area meeting the
8 requirements for automatic designation under sub-
9 section (a)(2) requests such designation as a sepa-
10 rate local area.

11 (3) COMPOSITION OF STATE BOARD.—

12 (A) CONTINUATION OF PREVIOUS DES-
13 IGNATION.—For a State that is designated as a
14 single State local area under paragraph (1), the
15 composition of the State board shall—

16 (i) be consistent with the composition
17 of the State board for such State for pur-
18 poses of title I of the Workforce Invest-
19 ment Act of 1998, as in effect on the day
20 before the date of enactment of this Act;
21 or

22 (ii)(I) include the members described
23 in subparagraphs (A) and (B) of section
24 111(b)(1);

1 (II) include, as a majority of the
2 members, the representatives described in
3 section 111(b)(1)(C)(i);

4 (III) include, as members other than
5 the members described in subparagraphs
6 (A), (B), and (C)(i) of section 111(b)(1),
7 an equal number of—

8 (aa) representatives described in
9 subparagraph (C)(ii) of that section;
10 and

11 (bb) representatives described in
12 subparagraph (C)(iii) of that section;
13 and

14 (IV) include as chairperson an indi-
15 vidual elected from among the members
16 described in section 111(b)(1)(C)(i).

17 (B) REDESIGNATION.—For a State that is
18 designated as a single State local area under
19 paragraph (2), the composition of the State
20 board shall be consistent with the requirements
21 described in subparagraph (A)(ii).

22 (4) EFFECT ON LOCAL PLAN AND LOCAL FUNC-
23 TIONS.—In any case in which a State is designated
24 as a local area pursuant to this subsection, the local
25 plan prepared under section 118 for the area shall

1 be submitted for approval as part of the State plan.
2 In such a State, the State board shall carry out the
3 functions of a local board, as specified in this Act
4 or the provisions authorizing a core program, but
5 the State shall not be required to meet and report
6 on a set of local performance accountability meas-
7 ures.

8 (c) REGIONAL PLANNING AND SERVICE DELIV-
9 ERY.—

10 (1) IN GENERAL.—

11 (A) PLANNING.—

12 (i) IDENTIFICATION.—Before the first
13 day of the second full program year that
14 commences after the date of enactment of
15 this Act, as part of the process for devel-
16 oping the State plan, a State shall identify
17 regions in the State. The State shall iden-
18 tify regions after consultation with the
19 local boards and chief elected officials in
20 the affected local areas and consistent with
21 the criteria described in subsection
22 (a)(1)(B).

23 (ii) TYPES OF REGIONS.—For pur-
24 poses of this Act, the State shall identify—

1 (I) which regions are comprised
2 of 1 local area that is aligned with the
3 region; and

4 (II) which regions are comprised
5 of 2 or more local areas that are (col-
6 lectively) aligned with the region.

7 (iii) PLANNING FOR COOPERATIVE
8 INITIATIVES AND ARRANGEMENTS.—In the
9 regions comprised of 2 or more local areas,
10 the State shall require regional planning,
11 including planning for regional service de-
12 livery, by local boards in those regions.
13 The State shall require the local boards in
14 a planning region to participate in a re-
15 gional planning process for cooperative ini-
16 tiatives and arrangements that result in—

17 (I) the establishment of regional
18 service strategies and activities, in-
19 cluding service delivery cooperative ar-
20 rangements and regional approaches
21 to address the employment and train-
22 ing needs of individuals with barriers
23 to employment;

24 (II) as appropriate, the develop-
25 ment and implementation of initia-

1 tives involving in-demand industry
2 sectors or occupations;

3 (III) the collection and analysis
4 of regional labor market data (in con-
5 junction with the State); and

6 (IV) the establishment of admin-
7 istrative cost arrangements, as appro-
8 priate.

9 (iv) REGIONAL PLANS.—The State,
10 after consultation with the local boards
11 and chief elected officials for the planning
12 region, shall require the local boards and
13 officials to collaborate in order to prepare,
14 submit, and obtain approval of a single re-
15 gional plan. Such plan shall include a de-
16 scription of the cooperative initiatives and
17 arrangements developed pursuant to clause
18 (iii) and incorporate local plans for each of
19 the local areas in the planning region (as
20 required under section 118), which shall
21 contain strategies that are consistent and
22 aligned with each other.

23 (v) REFERENCES.—In this Act, and
24 the core program provisions that are not in
25 this Act:

1 (I) LOCAL AREA.—Except as pro-
2 vided in section 111(d)(8), this sec-
3 tion, paragraph (1)(B) or (4) of sec-
4 tion 117(c), or section 117(d)(12)(B),
5 or in any text that provides an accom-
6 panying provision specifically for a
7 planning region, the term “local area”
8 in a provision includes a reference to
9 a planning region for purposes of im-
10 plementation of that provision by the
11 corresponding local areas in the re-
12 gion.

13 (II) LOCAL PLAN.—Except as
14 provided in subsection (b)(4) or this
15 subsection, the term “local plan” in-
16 cludes a reference to the portion of a
17 regional plan developed with respect
18 to the corresponding local area within
19 the region, and any regionwide provi-
20 sion of that plan that impacts or re-
21 lates to the local area.

22 (B) ASSISTANCE FOR LOCAL AREAS.—

23 (i) IN GENERAL.—The State shall
24 provide technical assistance and labor mar-
25 ket information to local boards in planning

1 regions to assist such local boards with re-
2 gional planning and subsequent service de-
3 livery efforts, and with the alignment of
4 programs consistent with the alignment en-
5 visioned in the State and local plans.

6 (ii) REDESIGNATION ASSISTANCE.—

7 On the request of all of the local areas in
8 a planning region, the State shall provide
9 funding from funds made available under
10 sections 228(a) and 233(a)(1) to assist the
11 local areas in carrying out activities to fa-
12 cilitate the redesignation of the local areas
13 as a single local area.

14 (2) INFORMATION SHARING.—The State shall
15 require the local boards for a planning region to
16 share, consistent with State law, employment statis-
17 tics, information about employment opportunities
18 and trends, information about the skill requirements
19 of existing and emerging in-demand industry sectors
20 and occupations, information on the skills and work-
21 force development activities, and any skill or services
22 gaps, in the planning region, and other types of in-
23 formation that would assist in improving the per-
24 formance of all local areas in the planning region on

1 the performance accountability measures established
2 under section 131(c).

3 (3) COORDINATION OF SERVICES.—The State
4 shall require the local boards for a planning region
5 to coordinate—

6 (A) the provision of workforce investment
7 activities with the activities of the other one-
8 stop partner programs, including the provision
9 of transportation and other supportive services,
10 so that services provided through such pro-
11 grams may be provided across the boundaries of
12 local areas within the planning region; and

13 (B) the provision of such activities with re-
14 gional economic development services and strat-
15 egies.

16 (4) INTERSTATE REGIONS.—Two or more
17 States that contain an interstate region that is a
18 labor market area, economic development region, or
19 other appropriate contiguous subarea of the States
20 may designate the area as a planning region for pur-
21 poses of this subsection, and jointly exercise the
22 State functions described in this Act (including
23 paragraphs (1) through (3)).

1 **SEC. 117. LOCAL WORKFORCE DEVELOPMENT BOARDS.**

2 (a) ESTABLISHMENT.—Except as provided in sub-
3 section (c)(2)(A), there shall be established, and certified
4 by the Governor of the State, a local workforce develop-
5 ment board in each local area of a State to carry out the
6 functions described in subsection (d) (and any functions
7 specified for the local board under this Act or the provi-
8 sions establishing a core program) for such area.

9 (b) MEMBERSHIP.—

10 (1) STATE CRITERIA.—The Governor, in part-
11 nership with the State board, shall establish criteria
12 for use by chief elected officials in the local areas for
13 appointment of members of the local boards in such
14 local areas in accordance with the requirements of
15 paragraph (2).

16 (2) COMPOSITION.—Such criteria shall require
17 that, at a minimum, of the membership of each local
18 board—

19 (A) a majority shall be representatives of
20 business in the local area, who—

21 (i) are owners of businesses, chief ex-
22 ecutives or operating officers of businesses,
23 or other business executives or employers
24 with optimum policymaking or hiring au-
25 thority;

1 individuals with barriers to employment, in-
2 cluding organizations that provide or sup-
3 port competitive, integrated employment
4 for individuals with disabilities; and

5 (iii) may include representatives of or-
6 ganizations that have demonstrated experi-
7 ence and expertise in addressing the em-
8 ployment, training, or education needs of
9 eligible youth, including representatives of
10 organizations that serve out-of-school
11 youth;

12 (C) not less than 10 percent shall be rep-
13 resentatives of entities administering education
14 and training activities in the local area, who—

15 (i) shall include a representative of el-
16 igible providers administering adult edu-
17 cation and literacy activities under title
18 III;

19 (ii) shall include a representative of
20 institutions of higher education providing
21 workforce investment activities (including
22 community colleges); and

23 (iii) may include representatives of
24 local educational agencies, and of commu-
25 nity-based organizations with demonstrated

1 transportation, housing, and public assist-
2 ance; and

3 (v) may include representatives of
4 philanthropic organizations serving the
5 local area; and

6 (E) may include such other individuals or
7 representatives of entities as the chief elected
8 official in the local area may determine to be
9 appropriate.

10 (3) CHAIRPERSON.—The members of the local
11 board shall elect a chairperson for the local board
12 from among the representatives described in para-
13 graph (2)(A).

14 (4) STANDING COMMITTEES.—

15 (A) IN GENERAL.—The local board shall
16 designate and direct the activities of standing
17 committees to provide information and to assist
18 the local board in carrying out activities under
19 this section. Such standing committees shall be
20 chaired by a member of the local board, may in-
21 clude other members of the local board, and
22 shall include other individuals appointed by the
23 local board who are not members of the local
24 board and who the local board determines have
25 appropriate experience and expertise. At a min-

1 imum, the local board shall designate each of
2 the following:

3 (i) A standing committee, which shall
4 provide information and assist with oper-
5 ational and other issues relating to the
6 one-stop delivery system, and which may
7 include as members representatives of the
8 one-stop partners.

9 (ii) A standing committee to provide
10 information and to assist with operational
11 and other issues relating to the provision
12 of services to youth.

13 (iii) A standing committee to provide
14 information and to assist with operational
15 and other issues relating to the provision
16 of services to individuals with disabilities,
17 including issues relating to compliance
18 with section 288 and applicable provisions
19 of the Americans with Disabilities Act of
20 1990 (42 U.S.C. 12101 et seq.) regarding
21 providing programmatic and physical ac-
22 cess to the services, programs, and activi-
23 ties of the one-stop delivery system, as well
24 as appropriate training for staff on pro-
25 viding supports for or accommodations to,

1 and finding employment opportunities for,
2 individuals with disabilities.

3 (B) ADDITIONAL COMMITTEES.—The local
4 board may designate standing committees in
5 addition to the standing committees specified in
6 subparagraph (A).

7 (C) DESIGNATION OF ENTITY.—Nothing in
8 this paragraph shall be construed to prohibit
9 the designation of an existing (as of the date of
10 enactment of this Act) entity to fulfill the re-
11 quirements of this paragraph as long as the en-
12 tity meets the requirements of this paragraph.

13 (5) AUTHORITY OF BOARD MEMBERS.—Mem-
14 bers of the board that represent organizations, agen-
15 cies, or other entities shall be individuals with opti-
16 mum policymaking authority within the organiza-
17 tions, agencies, or entities. The members of the
18 board shall represent diverse geographic areas within
19 the local area.

20 (6) SPECIAL RULE.—If there are multiple eligi-
21 ble providers serving the local area by administering
22 adult education and literacy activities under title III,
23 or multiple institutions of higher education serving
24 the local area by providing workforce investment ac-
25 tivities, each representative on the local board de-

1 scribed in clause (i) or (ii) of paragraph (2)(C), re-
2 spectively, shall be appointed from among individ-
3 uals nominated by local providers representing such
4 providers or institutions, respectively.

5 (c) APPOINTMENT AND CERTIFICATION OF BOARD.—

6 (1) APPOINTMENT OF BOARD MEMBERS AND
7 ASSIGNMENT OF RESPONSIBILITIES.—

8 (A) IN GENERAL.—The chief elected offi-
9 cial in a local area is authorized to appoint the
10 members of the local board for such area, in ac-
11 cordance with the State criteria established
12 under subsection (b).

13 (B) MULTIPLE UNITS OF LOCAL GOVERN-
14 MENT IN AREA.—

15 (i) IN GENERAL.—In a case in which
16 a local area includes more than 1 unit of
17 general local government, the chief elected
18 officials of such units may execute an
19 agreement that specifies the respective
20 roles of the individual chief elected offi-
21 cials—

22 (I) in the appointment of the
23 members of the local board from the
24 individuals nominated or rec-
25 ommended to be such members in ac-

1 cordance with the criteria established
2 under subsection (b); and

3 (II) in carrying out any other re-
4 sponsibilities assigned to such officials
5 under this title or subtitle A of title
6 II.

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

14 (C) CONCENTRATED EMPLOYMENT PRO-
15 GRAMS.—In the case of an area that was des-
16 ignated as a local area in accordance with sec-
17 tion 116(a)(2)(B) of the Workforce Investment
18 Act of 1998 (as in effect on the day before the
19 date of enactment of this Act), and that re-
20 mains a local area on that date, the governing
21 body of the concentrated employment program
22 involved shall act in consultation with the chief
23 elected official in the local area to appoint
24 members of the local board, in accordance with
25 the State criteria established under subsection

1 (b), and to carry out any other responsibility
2 relating to workforce investment activities as-
3 signed to such official under this Act.

4 (2) CERTIFICATION.—

5 (A) IN GENERAL.—The Governor shall,
6 once every 2 years, certify 1 local board for
7 each local area in the State.

8 (B) CRITERIA.—Such certification shall be
9 based on criteria established under subsection
10 (b), and for a second or subsequent certifi-
11 cation, the extent to which the local board has
12 ensured that workforce investment activities
13 carried out in the local area have enabled the
14 local area to meet the corresponding perform-
15 ance accountability measures and achieve sus-
16 tained fiscal integrity, as defined in section
17 116(a)(2)(C).

18 (C) FAILURE TO ACHIEVE CERTIFI-
19 CATION.—Failure of a local board to achieve
20 certification shall result in appointment and
21 certification of a new local board for the local
22 area pursuant to the process described in para-
23 graph (1) and this paragraph.

24 (3) DECERTIFICATION.—

1 (A) FRAUD, ABUSE, FAILURE TO CARRY
2 OUT FUNCTIONS.—Notwithstanding paragraph
3 (2), the Governor shall have the authority to
4 decertify a local board at any time after pro-
5 viding notice and an opportunity for comment,
6 for—

7 (i) fraud or abuse; or

8 (ii) failure to carry out the functions
9 specified for the local board in subsection
10 (d).

11 (B) NONPERFORMANCE.—Notwithstanding
12 paragraph (2), the Governor may decertify a
13 local board if a local area fails to meet the local
14 performance accountability measures for such
15 local area in accordance with section 131(c) for
16 2 consecutive program years.

17 (C) REORGANIZATION PLAN.—If the Gov-
18 ernor decertifies a local board for a local area
19 under subparagraph (A) or (B), the Governor
20 may require that a new local board be ap-
21 pointed and certified for the local area pursuant
22 to a reorganization plan developed by the Gov-
23 ernor, in consultation with the chief elected offi-
24 cial in the local area and in accordance with the
25 criteria established under subsection (b).

1 (4) SINGLE STATE LOCAL AREA.—

2 (A) STATE BOARD.—Notwithstanding sub-
3 section (b) and paragraphs (1) and (2), if a
4 State described in section 116(b) indicates in
5 the State plan that the State will be treated as
6 a single State local area, for purposes of the ap-
7 plication of this Act or the provisions author-
8 izing a core program, the State board shall
9 carry out any of the functions of a local board
10 under this Act or the provisions authorizing a
11 core program, including the functions described
12 in subsection (d).

13 (B) REFERENCES.—

14 (i) IN GENERAL.—Except as provided
15 in clauses (ii) and (iii), with respect to
16 such a State, a reference in this Act or a
17 core program provision to a local board
18 shall be considered to be a reference to the
19 State board, and a reference in the Act or
20 provision to a local area or region shall be
21 considered to be a reference to the State.

22 (ii) PLANS.—The State board shall
23 prepare a local plan under section 118 for
24 the State, and submit the plan for ap-
25 proval as part of the State plan.

1 (iii) PERFORMANCE ACCOUNTABILITY
2 MEASURES.—The State shall not be re-
3 quired to meet and report on a set of local
4 performance accountability measures.

5 (d) FUNCTIONS OF LOCAL BOARD.—Consistent with
6 section 118, the functions of the local board shall include
7 the following:

8 (1) LOCAL PLAN.—The local board, in partner-
9 ship with the chief elected official for the local area
10 involved, shall develop and submit a local plan to the
11 Governor that meets the requirements in section
12 118. If the local area is part of a planning region
13 that includes other local areas, the local board shall
14 collaborate with the other local boards and chief
15 elected officials from such other local areas in the
16 development and submission of the local plan as de-
17 scribed in section 116(c)(1)(A).

18 (2) WORKFORCE RESEARCH AND REGIONAL
19 LABOR MARKET ANALYSIS.—In order to assist in the
20 development and implementation of the local plan,
21 the local board shall—

22 (A) carry out analyses of the economic
23 conditions in the region, the needed knowledge
24 and skills for the region, the workforce in the
25 region, and workforce development activities

1 (including education and training) in the region
2 described in section 118(b)(1)(D), and regularly
3 update such information;

4 (B) assist the Governor in developing the
5 statewide workforce and labor market informa-
6 tion system described in section 15(e) of the
7 Wagner-Peyser Act (29 U.S.C. 491-2(e)), spe-
8 cifically in the collection, analysis, and utiliza-
9 tion of workforce and labor market information
10 for the region; and

11 (C) conduct such other research, data col-
12 lection, and analysis related to the workforce
13 needs of the regional economy as the board,
14 after receiving input from a wide array of
15 stakeholders, determines to be necessary to
16 carry out its functions.

17 (3) CONVENING, BROKERING, LEVERAGING.—
18 The local board shall convene local workforce devel-
19 opment system stakeholders to assist in the develop-
20 ment of the local plan under section 118 and in
21 identifying non-Federal expertise and resources to
22 leverage support for workforce development activi-
23 ties. The local board, including standing committees,
24 may engage such stakeholders in carrying out the
25 functions described in this subsection.

1 (4) EMPLOYER ENGAGEMENT.—The local board
2 shall lead efforts to engage with a diverse range of
3 employers and with entities in the region involved—

4 (A) to promote business representation
5 (particularly representatives with optimal pol-
6 icymaking or hiring authority from employers
7 whose employment opportunities reflect existing
8 and emerging employment opportunities in the
9 region) on the local board;

10 (B) to develop effective linkages (including
11 the use of intermediaries) with employers in the
12 region to support employer utilization of the
13 local workforce development system and to sup-
14 port local workforce investment activities;

15 (C) to ensure that workforce investment
16 activities meet the needs of employers and sup-
17 port economic growth in the region, by enhanc-
18 ing communication, coordination, and collabora-
19 tion among employers, economic development
20 entities, and service providers; and

21 (D) to develop and implement proven or
22 promising strategies for meeting the employ-
23 ment and skill needs of workers and employers
24 (such as the establishment of industry and sec-
25 tor partnerships), that provide the skilled work-

1 force needed by employers in the region, and
2 that expand employment and career advance-
3 ment opportunities for workforce development
4 system participants in in-demand industry sec-
5 tors or occupations.

6 (5) CAREER PATHWAYS DEVELOPMENT.—The
7 local board shall lead efforts in the local area to de-
8 velop and implement career pathways within the
9 local area by aligning the employment, training, edu-
10 cation, and supportive services that are needed by
11 adults and youth, particularly individuals with bar-
12 riers to employment.

13 (6) PROVEN AND PROMISING PRACTICES.—The
14 local board shall lead efforts in the local area to—

15 (A) identify and promote proven and prom-
16 ising strategies and initiatives for meeting the
17 needs of employers, and workers and jobseekers
18 (including individuals with barriers to employ-
19 ment) in the local workforce development sys-
20 tem, including providing physical and pro-
21 grammatic accessibility, in accordance with sec-
22 tion 288 and applicable provisions of the Ameri-
23 cans with Disabilities Act of 1990 (42 U.S.C.
24 12101 et seq.), to the one-stop delivery system;
25 and

1 (B) identify and disseminate information
2 on proven and promising practices carried out
3 in other local areas for meeting such needs.

4 (7) TECHNOLOGY.—The local board shall de-
5 velop strategies for using technology to maximize the
6 accessibility and effectiveness of the local workforce
7 development system for employers, and workers and
8 jobseekers, by—

9 (A) facilitating connections among the re-
10 porting systems of the one-stop partner pro-
11 grams to support a comprehensive workforce
12 development system in the local area;

13 (B) facilitating access to services provided
14 through the one-stop delivery system involved,
15 including facilitating the access in remote areas;

16 (C) identifying strategies for better meet-
17 ing the needs of individuals with barriers to em-
18 ployment, including strategies that augment
19 traditional service delivery, and increase access
20 to services and programs of the one-stop deliv-
21 ery system; and

22 (D) leveraging resources and capacity
23 within the local workforce development system,
24 including resources and capacity for services for
25 individuals with barriers to employment.

1 (8) PROGRAM OVERSIGHT.—The local board, in
2 partnership with the chief elected official for the
3 local area, shall—

4 (A) conduct oversight for local youth work-
5 force investment activities authorized under sec-
6 tion 229, local employment and training activi-
7 ties authorized under section 234, and the one-
8 stop delivery system in the local area; and

9 (B) ensure the appropriate use and man-
10 agement of the funds provided under this title
11 and title II for the activities and system de-
12 scribed in subparagraph (A).

13 (9) NEGOTIATION OF LOCAL PERFORMANCE AC-
14 COUNTABILITY MEASURES.—The local board, the
15 chief elected official, and the Governor shall nego-
16 tiate and reach agreement on local performance ac-
17 countability measures as described in section 131(c).

18 (10) SELECTION OF OPERATORS AND PRO-
19 VIDERS.—

20 (A) SELECTION OF ONE-STOP OPERA-
21 TORS.—Consistent with section 221(d), the
22 local board, with the agreement of the chief
23 elected official for the local area—

1 (i) shall designate or certify one-stop
2 operators as described in section
3 221(d)(2)(A); and

4 (ii) may terminate for cause the eligi-
5 bility of such operators.

6 (B) SELECTION OF YOUTH PROVIDERS.—

7 Consistent with section 223, the local board—

8 (i) shall identify eligible providers of
9 youth workforce investment activities in
10 the local area by awarding grants or con-
11 tracts on a competitive basis (except as
12 provided in section 223(b)), based on the
13 recommendations of the youth standing
14 committee established under section
15 117(b)(4); and

16 (ii) may terminate for cause the eligi-
17 bility of such providers.

18 (C) IDENTIFICATION OF ELIGIBLE PRO-

19 VIDERS OF TRAINING SERVICES.—Consistent

20 with section 222, the local board shall identify

21 eligible providers of training services in the

22 local area.

23 (D) IDENTIFICATION OF ELIGIBLE PRO-

24 VIDERS OF INTENSIVE SERVICES.—If the one-

25 stop operator does not provide intensive services

1 in a local area, the local board shall identify eli-
2 gible providers of intensive services described in
3 section 234(c)(3) in the local area by awarding
4 contracts.

5 (E) CONSUMER CHOICE REQUIREMENTS.—
6 Consistent with section 222 and paragraphs (3)
7 and (4) of section 234(c), the local board shall
8 work with the State to ensure there are suffi-
9 cient numbers and types of providers of inten-
10 sive services and training services (including eli-
11 gible providers with expertise in assisting indi-
12 viduals with disabilities and eligible providers
13 with expertise in assisting adults in need of
14 adult education and literacy activities) serving
15 the local area and providing the services in-
16 volved in a manner that maximizes consumer
17 choice, as well as providing opportunities that
18 lead to competitive, integrated employment for
19 individuals with disabilities.

20 (11) COORDINATION WITH EDUCATION PRO-
21 VIDERS.—

22 (A) IN GENERAL.—The local board shall
23 coordinate activities with and facilitate coordi-
24 nation of activities among education and train-
25 ing providers in the local area, including pro-

1 providers of workforce investment activities, pro-
2 viders of adult education and literacy activities
3 under title III, providers of career and technical
4 education (as defined in section 3 of the Carl
5 D. Perkins Career and Technical Education Act
6 of 2006 (20 U.S.C. 2302)) and local agencies
7 administering plans under title I of the Reha-
8 bilitation Act of 1973 (29 U.S.C. 720 et seq.),
9 other than section 112 or part C of that title
10 (29 U.S.C. 732, 741).

11 (B) APPLICATIONS AND AGREEMENTS.—

12 The coordination described in subparagraph (A)
13 shall include—

14 (i) consistent with section 332—

15 (I) reviewing the applications to
16 provide adult education and literacy
17 activities under title III for the local
18 area, submitted under such section to
19 the eligible agency by eligible pro-
20 viders, to determine whether such ap-
21 plications are consistent with the local
22 plan; and

23 (II) making recommendations to
24 the eligible agency to promote align-
25 ment with such plan; and

1 (ii) replicating cooperative agreements
2 in accordance with subparagraph (B) of
3 section 101(a)(11) of the Rehabilitation
4 Act of 1973 (29 U.S.C. 721(a)(11)), and
5 implementing cooperative agreements in
6 accordance with that section with the local
7 agencies administering plans under title I
8 of that Act (other than section 112 or part
9 C of that title (29 U.S.C. 732, 741) and
10 subject to section 221(f)), with respect to
11 efforts that will enhance the provision of
12 services to individuals with disabilities and
13 other individuals, such as cross training of
14 staff, technical assistance, use and sharing
15 of information, cooperative efforts with em-
16 ployers, and other efforts at cooperation,
17 collaboration, and coordination.

18 (C) COOPERATIVE AGREEMENT.—In this
19 paragraph, the term “cooperative agreement”
20 means an agreement entered into by a State
21 designated agency or State designated unit
22 under subparagraph (A) of section 101(a)(11)
23 of the Rehabilitation Act of 1973.

24 (12) BUDGET AND ADMINISTRATION.—

1 (A) BUDGET.—The local board shall de-
2 velop a budget for the activities of the local
3 board in the local area, consistent with the local
4 plan and the duties of the local board under
5 this section, subject to the approval of the chief
6 elected official.

7 (B) ADMINISTRATION.—

8 (i) GRANT RECIPIENT.—

9 (I) IN GENERAL.—The chief
10 elected official in a local area shall
11 serve as the local grant recipient for,
12 and shall be liable for any misuse of,
13 the grant funds allocated to the local
14 area under sections 228 and 233, un-
15 less the chief elected official reaches
16 an agreement with the Governor for
17 the Governor to act as the local grant
18 recipient and bear such liability.

19 (II) DESIGNATION.—In order to
20 assist in administration of the grant
21 funds, the chief elected official or the
22 Governor, where the Governor serves
23 as the local grant recipient for a local
24 area, may designate an entity to serve
25 as a local grant subrecipient for such

1 funds or as a local fiscal agent. Such
2 designation shall not relieve the chief
3 elected official or the Governor of the
4 liability for any misuse of grant funds
5 as described in subclause (I).

6 (III) DISBURSAL.—The local
7 grant recipient or an entity designated
8 under subclause (II) shall disburse the
9 grant funds for workforce investment
10 activities at the direction of the local
11 board, pursuant to the requirements
12 of this title and title II. The local
13 grant recipient or entity designated
14 under subclause (II) shall disburse the
15 funds immediately on receiving such
16 direction from the local board.

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

22 (iii) TAX-EXEMPT STATUS.—For pur-
23 poses of carrying out duties under this
24 Act, local boards may incorporate, and
25 may operate as entities described in section

1 (2) LIMITATION ON RATE.—The director and
2 staff described in paragraph (1) shall be subject to
3 the limitations on the payment of salaries and bo-
4 nuses described in section 294(15).

5 (g) LIMITATIONS.—

6 (1) TRAINING SERVICES.—

7 (A) IN GENERAL.—Except as provided in
8 subparagraph (B), no local board may provide
9 training services.

10 (B) WAIVERS OF TRAINING PROHIBI-
11 TION.—The Governor of the State in which a
12 local board is located may, pursuant to a re-
13 quest from the local board, grant a written
14 waiver of the prohibition set forth in subpara-
15 graph (A) (relating to the provision of training
16 services) for a program of training services, if
17 the local board—

18 (i) submits to the Governor a pro-
19 posed request for the waiver that in-
20 cludes—

21 (I) satisfactory evidence that
22 there is an insufficient number of eli-
23 gible providers of such a program of
24 training services to meet local demand
25 in the local area;

1 (II) information demonstrating
2 that the board meets the requirements
3 for an eligible provider of training
4 services under section 222; and

5 (III) information demonstrating
6 that the program of training services
7 prepares participants for an industry
8 sector or occupation that is in demand
9 in the local area;

10 (ii) makes the proposed request avail-
11 able to eligible providers of training serv-
12 ices and other interested members of the
13 public for a public comment period of not
14 less than 30 days; and

15 (iii) includes, in the final request for
16 the waiver, the evidence and information
17 described in clause (i) and the comments
18 received pursuant to clause (ii).

19 (C) DURATION.—A waiver granted to a
20 local board under subparagraph (B) shall apply
21 for a period that shall not exceed the duration
22 of the local plan. The waiver may be renewed
23 for additional periods under subsequent local
24 plans, not to exceed the durations of such sub-
25 sequent plans, pursuant to requests from the

1 local board, if the board meets the requirements
2 of subparagraph (B) in making the requests.

3 (D) REVOCATION.—The Governor shall
4 have the authority to revoke the waiver during
5 the appropriate period described in subpara-
6 graph (C) if the Governor determines the waiv-
7 er is no longer needed or that the local board
8 involved has engaged in a pattern of inappro-
9 priate referrals to training services operated by
10 the local board.

11 (2) CORE SERVICES; INTENSIVE SERVICES; DES-
12 IGNATION OR CERTIFICATION AS ONE-STOP OPERA-
13 TORS.—A local board may provide core services de-
14 scribed in section 234(c)(2) or intensive services de-
15 scribed in section 234(c)(3) through a one-stop de-
16 livery system or be designated or certified as a one-
17 stop operator only with the agreement of the chief
18 elected official in the local area and the Governor.

19 (3) LIMITATION ON AUTHORITY.—Nothing in
20 this Act shall be construed to provide a local board
21 with the authority to mandate curricula for schools.

22 (h) CONFLICT OF INTEREST.—A member of a local
23 board, or a member of a standing committee, may not—

24 (1) vote on a matter under consideration by the
25 local board—

1 (A) regarding the provision of services by
2 such member (or by an entity that such mem-
3 ber represents); or

4 (B) that would provide direct financial
5 benefit to such member or the immediate family
6 of such member; or

7 (2) engage in any other activity determined by
8 the Governor to constitute a conflict of interest as
9 specified in the State plan.

10 (i) ALTERNATIVE ENTITY.—

11 (1) IN GENERAL.—For purposes of complying
12 with subsections (a), (b), and (c), a State may use
13 any local entity (including a local council, regional
14 workforce development board, or similar entity)
15 that—

16 (A) is established to serve the local area
17 (or the service delivery area that most closely
18 corresponds to the local area);

19 (B) was in existence on August 7, 1998,
20 pursuant to State law; and

21 (C) includes—

22 (i) representatives of business in the
23 local area; and

24 (ii)(I) representatives of labor organi-
25 zations (for a local area in which employ-

1 ees are represented by labor organiza-
2 tions), nominated by local labor federa-
3 tions; or

4 (II) other representatives of employees
5 in the local area (for a local area in which
6 no employees are represented by such or-
7 ganizations).

8 (2) REFERENCES.—A reference in this Act or a
9 core program provision to a local board, shall include
10 a reference to such an entity.

11 **SEC. 118. LOCAL PLAN.**

12 (a) IN GENERAL.—Each local board shall develop
13 and submit to the Governor a comprehensive 4-year local
14 plan, in partnership with the chief elected official. The
15 local plan shall support the strategy described in the State
16 plan in accordance with section 112(b)(1)(F), and other-
17 wise be consistent with the State plan. If the local area
18 is part of a planning region, the local board shall comply
19 with section 116(c)(1)(A) in the preparation and submis-
20 sion of a regional plan. At the end of the first 2-year pe-
21 riod of the 4-year local plan, each local board shall review
22 the local plan and the local board, in partnership with the
23 chief elected official, shall prepare and submit modifica-
24 tions to the local plan to reflect changes in labor market

1 and economic conditions or in other factors affecting the
2 implementation of the local plan.

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

4 (1) a description of the strategic planning ele-
5 ments consisting of—

6 (A) an analysis of the regional economic
7 conditions including—

8 (i) existing and emerging in-demand
9 industry sectors and occupations; and

10 (ii) the employment needs of employ-
11 ers in those industry sectors and occupa-
12 tions;

13 (B) an analysis of the knowledge and skills
14 needed to meet the employment needs of the
15 employers in the region, including employment
16 needs in in-demand industry sectors and occu-
17 pations;

18 (C) an analysis of the workforce in the re-
19 gion, including current labor force employment
20 (and unemployment) data, and information on
21 labor market trends, and the educational and
22 skill levels of the workforce in the region, in-
23 cluding individuals with barriers to employment;

24 (D) an analysis of the workforce develop-
25 ment activities (including education and train-

1 ing) in the region, including an analysis of the
2 strengths and weaknesses of such services, and
3 the capacity to provide such services, to address
4 the identified education and skill needs of the
5 workforce and the employment needs of employ-
6 ers in the region;

7 (E) a description of the local board's stra-
8 tegic vision and goals for preparing an educated
9 and skilled workforce (including youth and indi-
10 viduals with barriers to employment), including
11 goals relating to the performance accountability
12 measures based on primary indicators of per-
13 formance described in section 131(b)(2)(A) in
14 order to support regional economic growth and
15 economic self-sufficiency; and

16 (F) taking into account analyses described
17 in subparagraphs (A) through (D), a strategy
18 to work with the entities that carry out the core
19 programs to align resources available to the
20 local area, to achieve the strategic vision and
21 goals described in subparagraph (E);

22 (2) a description of the workforce development
23 system in the local area that identifies the programs
24 that are included in that system and how the local
25 board will work with the entities carrying out core

1 programs and other workforce development pro-
2 grams to support alignment to provide services that
3 support the strategy identified in the State plan
4 under paragraph (1)(F);

5 (3) a description of how the local board, work-
6 ing with the entities carrying out core programs, will
7 expand access to employment, training, education,
8 and supportive services for eligible individuals, par-
9 ticularly eligible individuals with barriers to employ-
10 ment, including how the local board will facilitate
11 the development of career pathways and co-enroll-
12 ment, as appropriate, in core programs;

13 (4) a description of the strategies and services
14 that will be used in the local area—

15 (A) in order to—

16 (i) facilitate engagement of employers,
17 including small employers and employers in
18 in-demand industry sectors and occupa-
19 tions, in workforce development programs;

20 (ii) support a local workforce develop-
21 ment system that meets the needs of busi-
22 nesses in the local area;

23 (iii) better coordinate workforce devel-
24 opment programs and economic develop-
25 ment; and

1 (iv) strengthen linkages between the
2 one-stop delivery system and unemploy-
3 ment insurance programs; and

4 (B) that may include the implementation
5 of initiatives such as incumbent worker training
6 programs, on-the-job training programs, cus-
7 tomized training programs, industry and sector
8 strategies, career pathways initiatives, utiliza-
9 tion of effective business intermediaries, and
10 other business services and strategies, designed
11 to meet the needs of employers in the cor-
12 responding region in support of the strategy de-
13 scribed in paragraph (1)(F);

14 (5) a description of how the local board will co-
15 ordinate workforce investment activities carried out
16 in the local area with economic development activi-
17 ties carried out in the region in which the local area
18 is located (or planning region), and promote entre-
19 preneurial skills training and microenterprise serv-
20 ices;

21 (6) a description of the one-stop delivery system
22 in the local area, including—

23 (A) a description of how the local board
24 will ensure the continuous improvement of eligi-
25 ble providers of services through the system and

1 ensure that such providers meet the employ-
2 ment needs of local employers, and workers and
3 jobseekers;

4 (B) a description of how the local board
5 will facilitate access to services provided
6 through the one-stop delivery system, including
7 in remote areas, through the use of technology
8 and through other means;

9 (C) a description of how entities within the
10 one-stop delivery system, including one-stop op-
11 erators and the one-stop partners, will comply
12 with section 288 and applicable provisions of
13 the Americans with Disabilities Act of 1990 (42
14 U.S.C. 12101 et seq.) regarding the physical
15 and programmatic accessibility of facilities, pro-
16 grams and services, technology, and materials
17 for individuals with disabilities, including pro-
18 viding staff training and support for addressing
19 the needs of individuals with disabilities; and

20 (D) a description of the roles and resource
21 contributions of the one-stop partners;

22 (7) a description and assessment of the type
23 and availability of adult and dislocated worker em-
24 ployment and training activities in the local area;

1 (8) a description of how the local board will co-
2 ordinate workforce investment activities carried out
3 in the local area with statewide rapid response ac-
4 tivities, as defined in section 201, as appropriate;

5 (9) a description and assessment of the type
6 and availability of youth workforce investment activi-
7 ties in the local area, including activities for youth
8 who are individuals with disabilities, which descrip-
9 tion and assessment shall include an identification of
10 successful models of such youth workforce invest-
11 ment activities;

12 (10) a description of how the local board will
13 coordinate education and workforce investment ac-
14 tivities carried out in the local area with relevant
15 secondary and postsecondary education programs
16 and activities to coordinate strategies, enhance serv-
17 ices, and avoid duplication of services;

18 (11) a description of how the local board will
19 coordinate workforce investment activities carried
20 out under this title or title II in the local area with
21 the provision of transportation, including public
22 transportation, and other appropriate supportive
23 services in the local area;

24 (12) a description of plans and strategies for,
25 and assurances concerning, maximizing coordination

1 of services provided by the State employment service
2 under the Wagner-Peyser Act (29 U.S.C. 49 et seq.)
3 and services provided in the local area through the
4 one-stop delivery system, to improve service delivery
5 and avoid duplication of services;

6 (13) a description of how the local board will
7 coordinate workforce investment activities carried
8 out under this title or title II in the local area with
9 the provision of adult education and literacy activi-
10 ties under title III in the local area, including a de-
11 scription of how the local board will carry out, con-
12 sistent with subparagraphs (A) and (B)(i) of sec-
13 tions 117(d)(11) and section 332, the review of local
14 applications submitted under title III;

15 (14) a description of the replicated cooperative
16 agreements (as defined in section 117(d)(11)) be-
17 tween the local board or other local entities de-
18 scribed in section 101(a)(11)(B) of the Rehabilita-
19 tion Act of 1973 (29 U.S.C. 721(a)(11)(B)) and the
20 local office of a designated State agency or des-
21 ignated State unit administering programs carried
22 out under title I of such Act (29 U.S.C. 720 et seq.)
23 (other than section 112 or part C of that title (29
24 U.S.C. 732, 741) and subject to section 221(f) in
25 accordance with section 101(a)(11) of such Act (29

1 U.S.C. 721(a)(11)) with respect to efforts that will
2 enhance the provision of services to individuals with
3 disabilities and to other individuals, such as cross
4 training of staff, technical assistance, use and shar-
5 ing of information, cooperative efforts with employ-
6 ers, and other efforts at cooperation, collaboration,
7 and coordination;

8 (15) an identification of the entity responsible
9 for the disbursement of grant funds described in section
10 117(d)(12)(B)(i)(III), as determined by the chief
11 elected official or the Governor under section
12 117(d)(12)(B)(i);

13 (16) a description of the competitive process to
14 be used to award the subgrants and contracts in the
15 local area for activities carried out under title I or
16 title II;

17 (17) a description of the local levels of perform-
18 ance negotiated with the Governor and chief elected
19 official pursuant to section 131(c), to be used to
20 measure the performance of the local area and to be
21 used by the local board for measuring the perform-
22 ance of the local fiscal agent (where appropriate), el-
23 igible providers under title II, and the one-stop deliv-
24 ery system, in the local area;

1 (18) a description of the actions the local board
2 will take toward becoming or remaining a high-per-
3 forming board, consistent with the factors developed
4 by the State board pursuant to section 111(d)(6);

5 (19) a description of how training services
6 under chapter 3 of subtitle B of title II will be pro-
7 vided in accordance with section 234(c)(4)(G), in-
8 cluding, if contracts for the training services will be
9 used, how the use of such contracts will be coordi-
10 nated with the use of individual training accounts
11 under that chapter and how the local board will en-
12 sure informed customer choice in the selection of
13 training programs regardless of how the training
14 services are to be provided;

15 (20) a description of the process used by the
16 local board, consistent with subsection (c), to provide
17 an opportunity for public comment, including com-
18 ment by representatives of businesses and comment
19 by representatives of labor organizations, and input
20 into the development of the local plan, prior to sub-
21 mission of the plan; and

22 (21) such other information as the Governor
23 may require.

1 (c) PROCESS.—Prior to the date on which the local
2 board submits a local plan under this section, the local
3 board shall—

4 (1) make available copies of a proposed local
5 plan to the public through electronic and other
6 means, such as public hearings and local news
7 media;

8 (2) allow members of the public, including rep-
9 resentatives of business and representatives of labor
10 organizations, to submit to the local board comments
11 on the proposed local plan, not later than the end
12 of the 30-day period beginning on the date on which
13 the proposed local plan is made available; and

14 (3) include with the local plan submitted to the
15 Governor under this section any such comments that
16 represent disagreement with the plan.

17 (d) PLAN SUBMISSION AND APPROVAL.—A local plan
18 submitted to the Governor under this section (including
19 a modification to such a local plan) shall be considered
20 to be approved by the Governor at the end of the 90-day
21 period beginning on the day the Governor receives the plan
22 (including such a modification), unless the Governor
23 makes a written determination during the 90-day period
24 that—

1 (1) deficiencies in activities carried out under
2 this title or subtitle A of title II have been identified,
3 through audits conducted under section 284 or oth-
4 erwise, and the local area has not made acceptable
5 progress in implementing corrective measures to ad-
6 dress the deficiencies;

7 (2) the plan does not comply with the applicable
8 provisions of this Act; or

9 (3) the plan does not align with the State plan,
10 including failing to provide for alignment of the core
11 programs to support the strategy identified in the
12 State plan in accordance with section 112(b)(1)(F).

13 **CHAPTER 3—GENERAL PROVISIONS**

14 **SEC. 121. QUALIFICATIONS FOR DIRECTORS.**

15 (a) QUALIFICATIONS.—

16 (1) COVERAGE.—Beginning on the first day of
17 the third full program year after the date of enact-
18 ment of this Act, this section shall cover individuals
19 seeking to occupy the position of director for a State
20 board or local board—

21 (A) who, if successful, will be newly hired
22 or appointed on or after that day; or

23 (B) whose term of employment for such
24 position will become subject to renewal on or
25 after such day.

1 (2) CONDITION.—In order to be eligible to oc-
2 cupy, or continue to occupy, such position, such an
3 individual shall be determined to meet the qualifica-
4 tions established under this section.

5 (b) DEVELOPMENT OF QUALIFICATIONS.—

6 (1) ESTABLISHMENT AND COMPOSITION OF
7 TASK FORCE.—

8 (A) ESTABLISHMENT.—Not later than 6
9 months after the date of enactment of this Act,
10 the Secretary of Labor, in consultation with the
11 Secretary of Education, shall establish, and ap-
12 point the members of, a task force to develop
13 and recommend to the Secretary of Labor
14 qualifications for the position of director of
15 State boards and local boards.

16 (B) COMPOSITION.—The task force shall
17 be composed of—

18 (i) representatives of Federal, State,
19 regional, and local officials responsible for
20 the administration of one-stop partner pro-
21 grams, as well as other workforce develop-
22 ment programs the Secretary determines
23 are appropriate;

1 (ii) representatives of State boards
2 and local boards, including representatives
3 of the directors of such boards; and

4 (iii) individuals with relevant expertise
5 in workforce development, including exper-
6 tise in serving individuals with barriers to
7 employment, representing entities such as
8 national associations and organizations,
9 academic and research organizations, labor
10 organizations, businesses and business or-
11 ganizations, economic development entities,
12 institutions of higher education, commu-
13 nity-based organizations and inter-
14 mediaries, and philanthropic organizations.

15 (C) DIVERSE AND DISTINCT REPRESENTA-
16 TION.—The members of the task force shall
17 represent diverse geographic areas, including
18 urban, rural, and suburban areas.

19 (2) DUTIES.—

20 (A) ANALYSIS OF QUALIFICATIONS.—In
21 developing qualifications for the directors of
22 State boards and local boards under this sec-
23 tion, the task force shall analyze and determine
24 the requisite knowledge, skills, and abilities nec-
25 essary to assist the boards in carrying out the

1 functions described in, as appropriate, sections
2 111(d) and 117(d) and necessary for under-
3 standing and leadership of workforce develop-
4 ment systems in areas such as—

5 (i) workforce development programs,
6 (including the core programs and the other
7 one-stop partner programs), economic de-
8 velopment programs, and other education
9 and training programs;

10 (ii) methods to facilitate the establish-
11 ment and maintenance of public and pri-
12 vate partnerships and the leveraging of re-
13 sources for such partnerships and systems;

14 (iii) strategies relating to in-demand
15 industry sectors and occupations, career
16 pathways, and regional growth and devel-
17 opment;

18 (iv) the needs of the customers served
19 by the boards, including workers and job-
20 seekers, and employers, and the range of
21 services available to address such needs;

22 (v) relevant financial and performance
23 reporting requirements, and the utilization
24 of information from such reports to im-

1 prove the services provided through the
2 systems; and

3 (vi) the management of staff, fi-
4 nances, operations, and systems that are
5 necessary for the effective administration
6 of State board and local board activities.

7 (B) RECOMMENDATIONS.—Not later than
8 1 year after the establishment of the task force,
9 the task force shall submit recommendations to
10 the Secretary relating to the qualifications for
11 the directors of State boards and local boards.

12 (C) SUNSET PROVISIONS.—The task force
13 shall terminate not later than 1 year after the
14 task force submits the recommendations de-
15 scribed in subparagraph (B).

16 (3) PERSONNEL.—

17 (A) TRAVEL EXPENSES.—The members of
18 the task force shall not receive compensation
19 for the performance of services for the task
20 force, but shall be allowed travel expenses, in-
21 cluding per diem in lieu of subsistence, at rates
22 authorized for employees of agencies under sub-
23 chapter I of chapter 57 of title 5, United States
24 Code, while away from their homes or regular
25 places of business in the performance of serv-

1 ices for the task force. Notwithstanding section
2 1342 of title 31, United States Code, the Sec-
3 retary may accept the voluntary and uncompen-
4 sated services of members of the task force.

5 (B) DETAIL OF GOVERNMENT EMPLOY-
6 EES.—Any Federal Government employee may
7 be detailed to the task force without reimburse-
8 ment, and such detail shall be without interrup-
9 tion or loss of civil service status or privilege.

10 (c) ESTABLISHMENT OF QUALIFICATIONS.—After re-
11 ceiving and fully considering the recommendations de-
12 scribed under subsection (b)(2)(B), the Secretary of
13 Labor, in consultation with the Secretary of Education,
14 shall establish the qualifications the Secretary of Labor
15 determines are appropriate for the directors of State
16 boards and local boards.

17 (d) PERIODIC REVIEW.—

18 (1) REVIEW.—

19 (A) GRANT.—The Secretary of Labor, in
20 consultation with the Secretary of Education,
21 shall make a grant, on a competitive basis, to
22 an appropriate national entity that represents
23 the workforce development system agencies or
24 entities to review the qualifications established
25 under subsection (c). The Secretary of Labor

1 shall make the grant for a period of not less
2 than 3 years and not more than 5 years.

3 (B) COMPOSITION OF REVIEW PANEL.—

4 The entity shall annually convene a review
5 panel composed as described in subsection
6 (b)(2).

7 (C) DUTIES.—

8 (i) ANALYSIS.—The review panel shall
9 conduct the analysis described in sub-
10 section (b)(2)(A) and shall obtain feedback
11 from appropriate parties, in reviewing the
12 qualifications.

13 (ii) RECOMMENDATIONS.—The review
14 panel shall make recommendations to the
15 Secretary regarding revisions to the quali-
16 fications.

17 (D) PERSONNEL.—The review panel may
18 use funds made available through the grant to
19 carry out subparagraph (C), including paying
20 for travel expenses (including per diem ex-
21 penses) for members of the review panel, and
22 paying for staff for the review panel.

23 (2) REVISION.—After receiving and fully con-
24 sidering any such recommended revisions, the Sec-
25 retary of Labor, in consultation with the Secretary

1 of Education, may make revisions to such qualifica-
2 tions.

3 **SEC. 122. FUNDING OF STATE AND LOCAL BOARDS.**

4 (a) STATE BOARDS.—In funding a State board under
5 this subtitle, a State—

6 (1) shall use funds available as described in sec-
7 tion 229(b)(2) or 234(a)(3)(B); or

8 (2) may use non-Federal funds available to the
9 State that the State determines are appropriate and
10 available for that use.

11 (b) LOCAL BOARDS.—In funding a local board under
12 this subtitle, the chief elected official and local board for
13 the local area—

14 (1) shall use funds available as described in sec-
15 tion 228(b)(4); or

16 (2) may use non-Federal funds available to the
17 local area that the chief elected official and local
18 board determine are appropriate and available for
19 that use.

20 **Subtitle B—Workforce Develop-**
21 **ment Performance Account-**
22 **ability System**

23 **SEC. 131. PERFORMANCE ACCOUNTABILITY SYSTEM.**

24 (a) PURPOSE.—The purpose of this section is to es-
25 tablish performance accountability measures that apply—

1 (1) across the core programs to assess the ef-
2 fectiveness of States in achieving positive outcomes
3 for individuals served by those programs; and

4 (2) across the title II core programs to assess
5 the effectiveness of local areas in achieving positive
6 outcomes for individuals served by those programs.

7 (b) STATE PERFORMANCE ACCOUNTABILITY MEAS-
8 URES.—

9 (1) IN GENERAL.—For each State, the perform-
10 ance accountability measures for the core programs
11 shall consist of—

12 (A)(i) the primary indicators of perform-
13 ance described in paragraph (2)(A); and

14 (ii) the additional indicators of perform-
15 ance (if any) identified by the State under
16 paragraph (2)(B); and

17 (B) a State adjusted level of performance
18 for each indicator described in subparagraph
19 (A).

20 (2) INDICATORS OF PERFORMANCE.—

21 (A) PRIMARY INDICATORS OF PERFORM-
22 ANCE.—

23 (i) IN GENERAL.—The State primary
24 indicators of performance for activities
25 provided under the adult and dislocated

1 worker programs authorized under chapter
2 3 of subtitle B of title II, the program of
3 adult education and literacy activities au-
4 thorized under title III, the employment
5 services program authorized under sections
6 1 through 13 of the Wagner-Peyser Act
7 (29 U.S.C. 49 et seq.) (except that sub-
8 clauses (IV) and (V) shall not apply to
9 such program), and the program author-
10 ized under title I of the Rehabilitation Act
11 of 1973 (29 U.S.C. 720 et seq.), other
12 than section 112 or part C of that title (29
13 U.S.C. 732, 741), shall consist of—

14 (I) the percentage of program
15 participants who are employed during
16 the first or second full calendar quar-
17 ter after exit from the program;

18 (II) the percentage of program
19 participants who are employed during
20 the 2 full calendar quarters subse-
21 quent to the earliest full calendar
22 quarter during which the participant
23 was employed as described in sub-
24 clause (I);

1 (III) the median earnings of pro-
2 gram participants who are employed
3 during the 2 subsequent full calendar
4 quarters described in subclause (II);

5 (IV) the percentage of program
6 participants who obtain a recognized
7 postsecondary credential, or a sec-
8 ondary school diploma or its recog-
9 nized equivalent (subject to clause
10 (iii)), during participation in or within
11 1 year after exit from the program;

12 (V) the percentage of program
13 participants who, during the second
14 full calendar quarter after exit from
15 the program, are in an education or
16 training program that leads to a rec-
17 ognized postsecondary credential; and

18 (VI) the indicators of effective-
19 ness in serving employers established
20 pursuant to clause (iv).

21 (ii) PRIMARY INDICATORS FOR ELIGI-
22 BLE YOUTH.—The primary indicators of
23 performance for the youth program au-
24 thorized under chapter 2 of subtitle B of
25 title II shall consist of—

1 (I) the percentage of program
2 participants who are in education or
3 training activities, or employed, dur-
4 ing the first or second full calendar
5 quarter after exit from the program;

6 (II) the percentage of program
7 participants who are in education or
8 training activities, or employed, dur-
9 ing the 2 full calendar quarters subse-
10 quent to the earliest full calendar
11 quarter during which the participant
12 was in education or training activities,
13 or employed, as described in subclause
14 (I);

15 (III) the median earnings of pro-
16 gram participants who are employed
17 during the 2 subsequent full calendar
18 quarters described in subclause (II);

19 (IV) the percentage of program
20 participants who obtain a recognized
21 postsecondary credential described in
22 clause (i)(IV), or a secondary school
23 diploma or its recognized equivalent
24 subject to clause (iii), during partici-

1 pation in or within 1 year after exit
2 from the program; and

3 (V) the indicators of effectiveness
4 in serving employers established pur-
5 suant to clause (iv).

6 (iii) INDICATOR RELATING TO CRE-
7 DENTIAL.—For purposes of clause (i)(IV)
8 or (ii)(IV), program participants who ob-
9 tain a secondary school diploma or its rec-
10 ognized equivalent shall be included in the
11 percentage counted as meeting the cri-
12 terion under such clause only if such par-
13 ticipants, in addition to obtaining such di-
14 ploma or its recognized equivalent, have
15 obtained employment or are in an edu-
16 cation or training program leading to a
17 recognized postsecondary credential de-
18 scribed in clause (i)(IV) within 1 year after
19 exit from the program.

20 (iv) INDICATOR FOR SERVICES TO EM-
21 PLOYERS.—Prior to the commencement of
22 the second full program year after the date
23 of enactment of this Act, for purposes of
24 clauses (i)(VI) and (ii)(V), the Secretary of
25 Labor and the Secretary of Education,

1 after consultation with the representatives
2 described in subsection (h)(2), shall jointly
3 develop and establish, for purposes of this
4 subparagraph, 1 or more primary indica-
5 tors of performance that indicate the effec-
6 tiveness of the core programs in serving
7 employers.

8 (B) ADDITIONAL INDICATORS.—A State
9 may identify in the State plan additional per-
10 formance accountability indicators.

11 (3) LEVELS OF PERFORMANCE.—

12 (A) STATE ADJUSTED LEVELS OF PER-
13 FORMANCE FOR PRIMARY INDICATORS.—

14 (i) IN GENERAL.—For each State sub-
15 mitting a State plan, there shall be estab-
16 lished, in accordance with this subpara-
17 graph, levels of performance for each of
18 the corresponding primary indicators of
19 performance described in paragraph (2) for
20 each of the programs described in clause
21 (ii).

22 (ii) INCLUDED PROGRAMS.—The pro-
23 grams included under clause (i) are—

1 (I) the youth program authorized
2 under chapter 2 of subtitle B of title
3 II;

4 (II) the adult program authorized
5 under chapter 3 of subtitle B of title
6 II;

7 (III) the dislocated worker au-
8 thorized under chapter 3 of subtitle B
9 of title II;

10 (IV) the program of adult edu-
11 cation and literacy activities author-
12 ized under title III;

13 (V) the employment services pro-
14 gram authorized under sections 1
15 through 13 of the Wagner-Peyser Act
16 (29 U.S.C. 49 et seq.); and

17 (VI) the program authorized
18 under title I of the Rehabilitation Act
19 of 1973 (29 U.S.C. 720 et seq.), other
20 than section 112 or part C of that
21 title (29 U.S.C. 732, 741).

22 (iii) IDENTIFICATION IN STATE
23 PLAN.—Each State shall identify, in the
24 State plan, expected levels of performance
25 for each of the corresponding primary indi-

1 cators of performance for each of the pro-
2 grams described in clause (ii) for the first
3 2 program years covered by the State plan.

4 (iv) AGREEMENT ON STATE AD-
5 JUSTED LEVELS OF PERFORMANCE.—

6 (I) FIRST 2 YEARS.—The State
7 shall reach agreement with the Sec-
8 retary of Labor and the Secretary of
9 Education on levels of performance
10 for each indicator described in clause
11 (iii) for each of the programs de-
12 scribed in clause (ii) for each of the
13 first 2 program years covered by the
14 State plan. In reaching the agree-
15 ment, the State and Secretaries shall
16 take into account the levels identified
17 in the State plan under clause (iii)
18 and the factors described in clause
19 (v). The levels agreed to shall be con-
20 sidered to be the State adjusted levels
21 of performance for the State for such
22 program years and shall be incor-
23 porated into the State plan prior to
24 the approval of such plan.

1 (II) THIRD AND FOURTH
2 YEAR.—The State and the Secretaries
3 shall reach agreement, prior to the
4 third program year covered by the
5 State plan, on levels of performance
6 for each indicator described in clause
7 (iii) for each of the programs de-
8 scribed in clause (ii) for each of the
9 third and fourth program years cov-
10 ered by the State plan. In reaching
11 the agreement, the State and Secre-
12 taries shall take into account the fac-
13 tors described in clause (v). The levels
14 agreed to shall be considered to be the
15 State adjusted levels of performance
16 for the State for such program years
17 and shall be incorporated into the
18 State plan as a modification to the
19 plan.

20 (v) FACTORS.—In reaching the agree-
21 ments described in clause (iv), the State
22 and Secretaries shall—

23 (I) take into account how the lev-
24 els involved compare with the State

1 adjusted levels of performance estab-
2 lished for other States;

3 (II) ensure that the levels in-
4 volved are adjusted, using the objec-
5 tive statistical model established by
6 the Secretaries pursuant to clause
7 (viii), based on—

8 (aa) the differences among
9 States in economic conditions (in-
10 cluding differences in unemploy-
11 ment rates and job losses or
12 gains in particular industries);
13 and

14 (bb) the characteristics of
15 participants when the partici-
16 pants entered the program in-
17 volved, including indicators of
18 poor work history, lack of work
19 experience, lack of educational or
20 occupational skills attainment,
21 dislocation from high-wage and
22 high-benefit employment, low lev-
23 els of literacy or English pro-
24 ficiency, disability status, home-

1 lessness, ex-offender status, and
2 welfare dependency);

3 (III) take into account the extent
4 to which the levels involved promote
5 continuous improvement in perform-
6 ance accountability on the perform-
7 ance accountability measures by such
8 State and ensure optimal return on
9 the investment of Federal funds; and

10 (IV) take into account the extent
11 to which the levels involved will assist
12 the State in meeting the goals de-
13 scribed in clause (vi).

14 (vi) GOALS.—In order to promote en-
15 hanced performance outcomes and to facili-
16 tate the process of reaching agreements
17 with the States under clause (iv), the Sec-
18 retary of Labor and the Secretary of Edu-
19 cation shall establish performance goals for
20 the core programs, in accordance with the
21 Government Performance and Results Act
22 of 1993 and in consultation with States
23 and other appropriate parties. Such goals
24 shall be long-term goals for the adjusted
25 levels of performance to be achieved by

1 each of the programs described in clause
2 (ii) regarding the corresponding primary
3 indicators of performance described in
4 paragraph (2)(A).

5 (vii) REVISIONS BASED ON ECONOMIC
6 CONDITIONS AND INDIVIDUALS SERVED
7 DURING THE PROGRAM YEAR.—The Sec-
8 retary of Labor and the Secretary of Edu-
9 cation shall, in accordance with the objec-
10 tive statistical model developed pursuant to
11 clause (viii), revise the State adjusted lev-
12 els of performance applicable for each of
13 the programs described in clause (ii), for a
14 program year and a State, to reflect the
15 economic conditions and characteristics of
16 participants (as described in clause (v)(II))
17 in that program during such program year
18 in such State.

19 (viii) STATISTICAL ADJUSTMENT
20 MODEL.—The Secretary of Labor and the
21 Secretary of Education, after consultation
22 with the representatives described in sub-
23 section (h)(2), shall develop and dissemi-
24 nate an objective statistical model that will
25 be used to make the adjustments in the

1 State adjusted levels of performance for
2 economic conditions and characteristics of
3 participants under clauses (v) and (vii).

4 (B) LEVELS OF PERFORMANCE FOR ADDI-
5 TIONAL INDICATORS.—The State may identify,
6 in the State plan, State levels of performance
7 for each of the additional indicators identified
8 under paragraph (2)(B). Such levels shall be
9 considered to be State adjusted levels of per-
10 formance for purposes of this section.

11 (c) LOCAL PERFORMANCE ACCOUNTABILITY MEAS-
12 URES FOR TITLE II.—

13 (1) IN GENERAL.—For each local area in a
14 State designated under section 116, the local per-
15 formance accountability measures for each of the
16 programs described in subclauses (I) through (III)
17 of subsection (b)(3)(A)(ii) shall consist of—

18 (A)(i) the primary indicators of perform-
19 ance described in subsection (b)(2)(A) that are
20 applicable to such programs; and

21 (ii) additional indicators of performance, if
22 any, identified by the State for such programs
23 under subsection (b)(2)(B); and

24 (B) the local level of performance for each
25 indicator described in subparagraph (A).

1 (2) LOCAL LEVEL OF PERFORMANCE.—The
2 local board, the chief elected official, and the Gov-
3 ernor shall negotiate and reach agreement on local
4 levels of performance based on the State adjusted
5 levels of performance established under subsection
6 (b)(3)(A).

7 (3) ADJUSTMENT FACTORS.—In negotiating the
8 local levels of performance, the local board, the chief
9 elected official, and the Governor shall make adjust-
10 ments for the expected economic conditions and the
11 expected characteristics of participants to be served
12 in the local area, using the statistical adjustment
13 model developed pursuant to subsection
14 (b)(3)(A)(viii). In addition, the negotiated local lev-
15 els of performance applicable to a program year
16 shall be revised to reflect the economic conditions ex-
17 perience and the characteristics of the populations
18 served in the local area during such program year
19 using the statistical adjustment model.

20 (d) PERFORMANCE REPORTS.—

21 (1) IN GENERAL.—Not later than ____, the
22 Secretary of Labor and the Secretary of Education
23 shall jointly develop a template for performance re-
24 ports that shall be used by States, local boards, and
25 eligible providers of training services under section

1 222 to report on outcomes achieved by the core pro-
2 grams.

3 (2) CONTENTS OF STATE PERFORMANCE RE-
4 PORTS.—The performance report for a State shall
5 include, subject to paragraph (5)(C)—

6 (A) information specifying the levels of
7 performance achieved with respect to the pri-
8 mary indicators of performance described in
9 subsection (b)(2)(A) for each of the programs
10 described in subsection (b)(3)(A)(ii) and the
11 State adjusted levels of performance with re-
12 spect to such indicators for each program;

13 (B) information specifying the levels of
14 performance achieved with respect to the pri-
15 mary indicators of performance described in
16 subsection (b)(2)(A) for each of the programs
17 described in subsection (b)(3)(A)(ii) with re-
18 spect to individuals with barriers to employ-
19 ment, disaggregated by each subpopulation of
20 such individuals;

21 (C) the total number of participants served
22 by each of the programs described in subsection
23 (b)(3)(A)(ii), and the types of services provided;

24 (D) the number of individuals with bar-
25 riers to employment served by each of the pro-

1 grams described in subsection (b)(3)(A)(ii),
2 disaggregated by each subpopulation of such in-
3 dividuals;

4 (E) the number of participants who are en-
5 rolled in more than 1 of the programs described
6 in subsection (b)(3)(A)(ii); and

7 (F) other information that facilitates com-
8 parisons of programs with programs in other
9 States.

10 (3) CONTENTS OF LOCAL AREA PERFORMANCE
11 REPORTS.—The performance reports for a local area
12 shall include, subject to paragraph (5)(C)—

13 (A) information specifying the levels of
14 performance achieved with respect to the pri-
15 mary indicators of performance described in
16 subsection (b)(2)(A) for each of the programs
17 described in subclauses (I) through (III) of sub-
18 section (b)(3)(A)(ii), and the local adjusted lev-
19 els of performance with respect to such indica-
20 tors for each program;

21 (B) information specifying the levels of
22 performance achieved with respect to the pri-
23 mary indicators of performance described in
24 subsection (b)(2)(A) for each of the programs
25 described in subclauses (I) through (III) of sub-

1 section (b)(3)(A)(ii) with respect to individuals
2 with barriers to employment, disaggregated by
3 each subpopulation of such individuals;

4 (C) the total number of participants served
5 by each of the programs described in subclauses
6 (I) through (III) of subsection (b)(3)(A)(ii),
7 and the types of services provided;

8 (D) the number of individuals with bar-
9 riers to employment served by each of the pro-
10 grams described in subclauses (I) through (III)
11 of subsection (b)(3)(A)(ii), disaggregated by
12 each subpopulation of such individuals;

13 (E) the number of participants who are en-
14 rolled in any of the programs described in sub-
15 clauses (I) through (III) of subsection
16 (b)(3)(A)(ii) who are enrolled in more than 1
17 program described in subsection (b)(3)(A)(ii);
18 and

19 (F) other information that facilitates com-
20 parisons of programs with programs in other
21 local areas (or planning regions, as appro-
22 priate).

23 (4) CONTENTS OF ELIGIBLE TRAINING PRO-
24 VIDERS PERFORMANCE REPORTS.—The performance
25 report for an eligible provider of training services

1 under section 222 shall include, subject to para-
2 graph (5)(C), with respect to each program of train-
3 ing services of such provider—

4 (A) information specifying the levels of
5 performance achieved with respect to the pri-
6 mary indicators of performance described in
7 subclauses (I) through (IV) of subsection
8 (b)(2)(A)(i) with respect to participants served
9 under the adult and dislocated worker programs
10 under chapter 3 of subtitle B of title II; and

11 (B) the number of participants served
12 under each of the adult and dislocated worker
13 programs under chapter 3 of subtitle B of title
14 II and the number of individuals with barriers
15 to employment served under each of such pro-
16 grams, disaggregated by each subpopulation of
17 such individuals.

18 (5) PUBLICATION.—

19 (A) STATE PERFORMANCE REPORTS.—The
20 Secretary of Labor and the Secretary of Edu-
21 cation shall annually make available, including
22 by electronic means, the performance reports
23 for States containing the information described
24 in paragraph (2).

1 (B) LOCAL AREA AND ELIGIBLE TRAINING
2 PROVIDER PERFORMANCE REPORTS.—The
3 State shall make available, including by elec-
4 tronic means, the performance reports for the
5 local areas containing the information described
6 in paragraph (3) and the performance reports
7 for eligible providers of training services con-
8 taining the information described in paragraph
9 (4).

10 (C) RULES FOR REPORTING OF DATA.—
11 The disaggregation of data under this sub-
12 section shall not be required when the number
13 of participants in a category is insufficient to
14 yield statistically reliable information or when
15 the results would reveal personally identifiable
16 information about an individual participant.

17 (D) DISSEMINATION TO CONGRESS.—The
18 Secretary of Labor and the Secretary of Edu-
19 cation shall make available, including through
20 electronic means, a summary of the reports,
21 and the reports, required under this subsection
22 to the Committee on Education and the Work-
23 force of the House of Representatives and the
24 Committee on Health, Education, Labor, and
25 Pensions of the Senate.

1 (e) EVALUATION OF STATE PROGRAMS.—

2 (1) IN GENERAL.—Using funds authorized
3 under a core program and made available to carry
4 out this section, the State, in coordination with local
5 boards in the State and the State agencies respon-
6 sible for the administration of the core programs,
7 shall conduct ongoing evaluations of activities car-
8 ried out in the State under such programs. The
9 State, local boards, and State agencies shall conduct
10 the evaluations in order to promote, establish, imple-
11 ment, and utilize methods for continuously improv-
12 ing core program activities in order to achieve high-
13 level performance within, and high-level outcomes
14 from, the workforce development system. To the
15 maximum extent practicable, the State shall coordi-
16 nate the evaluations with the evaluations provided
17 for by the Secretary of Labor and the Secretary of
18 Education under section 172, section 343(b)(3)(E),
19 section 10(b) of the Wagner-Peyser Act (29 U.S.C.
20 49i(b)), and sections 12(a)(5), 14, and 107 of the
21 Rehabilitation Act of 1973 (29 U.S.C. 709(a)(5),
22 711, 727) (applied with respect to programs carried
23 out under title I of that Act).

24 (2) DESIGN.—The evaluations conducted under
25 this subsection shall be designed in conjunction with

1 the State board, State agencies responsible for the
2 administration of the core programs, and local
3 boards and shall include analysis of customer feed-
4 back and outcome and process measures in the
5 statewide workforce development system. The eval-
6 uations may include the use of control groups.

7 (3) RESULTS.—The State shall periodically pre-
8 pare, submit to the State board and local boards in
9 the State, and make available to the public, includ-
10 ing by electronic means, reports containing the re-
11 sults of evaluations conducted under this subsection,
12 to promote the efficiency and effectiveness of the
13 workforce development system.

14 (f) SANCTIONS FOR STATE FAILURE TO MEET
15 STATE PERFORMANCE ACCOUNTABILITY MEASURES.—

16 (1) STATES.—

17 (A) TECHNICAL ASSISTANCE.—If a State
18 fails to meet the State adjusted levels of per-
19 formance relating to indicators described in
20 subsection (b)(2)(A) for a program for any pro-
21 gram year, the Secretary of Labor and the Sec-
22 retary of Education shall, upon request, provide
23 technical assistance, including assistance in the
24 development of a performance improvement
25 plan.

1 (B) REDUCTION IN AMOUNT OF GRANT.—

2 If such failure continues for a second consecu-
3 tive year, or if a State fails to submit a report
4 under subsection (d) for any program year, the
5 Secretary of Labor or the Secretary of Edu-
6 cation, as appropriate, may reduce by not more
7 than 5 percent, the amount of the allotment
8 that would (in the absence of this paragraph)
9 be payable to the State under such program for
10 the immediately succeeding program year. Such
11 penalty shall be based on the degree of failure
12 to meet State adjusted levels of performance.

13 (2) FUNDS RESULTING FROM REDUCED ALLOT-
14 MENTS.—The Secretary of Labor or the Secretary of
15 Education, as appropriate, shall use any amount re-
16 tained, as a result of a reduction in an allotment to
17 a State made under paragraph (1)(B), to provide
18 technical assistance to the States the Secretaries de-
19 termine to be appropriate to improve the perform-
20 ance of their core programs.

21 (g) SANCTIONS FOR LOCAL AREA FAILURE TO MEET
22 LOCAL PERFORMANCE ACCOUNTABILITY MEASURES.—

23 (1) TECHNICAL ASSISTANCE.—If a local area
24 fails to meet local performance accountability meas-
25 ures established under subsection (c) for the youth,

1 adult, or dislocated worker program authorized
2 under chapter 2 or 3 of subtitle B of title II for a
3 program described in subsection (d)(2)(A) for any
4 program year, the Governor, or upon request by the
5 Governor, the Secretary of Labor, shall provide tech-
6 nical assistance, which may include assistance in the
7 development of a performance improvement plan, or
8 the development of a modified local plan (or regional
9 plan).

10 (2) CORRECTIVE ACTIONS.—

11 (A) IN GENERAL.—If such failure con-
12 tinues for a second consecutive year, the Gov-
13 ernor shall take corrective actions, which may
14 include development of a reorganization plan
15 through which the Governor may—

16 (i) require the appointment and cer-
17 tification of a new local board, consistent
18 with the criteria established under section
19 117(b)(1);

20 (ii) prohibit the use of eligible pro-
21 viders and one-stop partners identified as
22 achieving a poor level of performance;

23 (iii) redesignate the local area in ac-
24 cordance with section 116; or

1 (iv) take such other actions as the
2 Governor determines are appropriate.

3 (B) APPEAL BY LOCAL AREA.—

4 (i) APPEAL TO GOVERNOR.—The local
5 board and chief elected official for a local
6 area that is subject to a reorganization
7 plan under subparagraph (A) may, not
8 later than 30 days after receiving notice of
9 the reorganization plan, appeal to the Gov-
10 ernor to rescind or revise such plan. In
11 such case, the Governor shall make a final
12 decision not later than 30 days after the
13 receipt of the appeal.

14 (ii) SUBSEQUENT ACTION.—The local
15 board and chief elected official for a local
16 area may, not later than 30 days after re-
17 ceiving a decision from the Governor pur-
18 suant to clause (i), appeal such decision to
19 the Secretary of Labor. In such case, the
20 Secretary shall make a final decision not
21 later than 30 days after the receipt of the
22 appeal.

23 (C) EFFECTIVE DATE.—The decision made
24 by the Governor under subparagraph (B)(i)
25 shall become effective at the time the Governor

1 issues the decision pursuant to such clause.
2 Such decision shall remain effective unless the
3 Secretary of Labor rescinds or revises such plan
4 pursuant to subparagraph (B)(ii).

5 (h) DEFINITIONS OF INDICATORS OF PERFORM-
6 ANCE.—

7 (1) IN GENERAL.—In order to ensure nation-
8 wide comparability of performance data, the Sec-
9 retary of Labor and the Secretary of Education,
10 after consultation with representatives described in
11 paragraph (2), shall issue definitions for the indica-
12 tors described in subsection (b)(2).

13 (2) REPRESENTATIVES.—The representatives
14 referred to in paragraph (1) are representatives of
15 States and political subdivisions, business and indus-
16 try, employees, eligible providers of activities carried
17 out through the core programs, educators, research-
18 ers, participants, the lead State agency officials with
19 responsibility for the programs carried out through
20 the core programs, individuals with expertise in serv-
21 ing individuals with barriers to employment, and
22 other interested parties.

23 (i) FISCAL AND MANAGEMENT ACCOUNTABILITY IN-
24 FORMATION SYSTEMS.—

1 (1) IN GENERAL.—Using funds authorized
2 under a core program and made available to carry
3 out this subtitle, the Governor, in coordination with
4 the State board, the State agencies administering
5 the core programs, local boards, and chief elected of-
6 ficials in the State, shall establish and operate a fis-
7 cal and management accountability information sys-
8 tem based on guidelines established by the Secretary
9 of Labor and the Secretary of Education after con-
10 sultation with the Governors of States, chief elected
11 officials, and one-stop partners. Such guidelines
12 shall promote efficient collection and use of fiscal
13 and management information for reporting and
14 monitoring the use of funds authorized under the
15 core programs and for preparing the annual report
16 described in subsection (d).

17 (2) WAGE RECORDS.—In measuring the
18 progress of the State on State and local performance
19 accountability measures, a State shall utilize quar-
20 terly wage records, consistent with State law. The
21 Secretary of Labor shall make arrangements, con-
22 sistent with State law, to ensure that the wage
23 records of any State are available to any other State
24 to the extent that such wage records are required by
25 the State in carrying out the State plan of the State

1 or completing the annual report described in sub-
2 section (d).

3 (3) CONFIDENTIALITY.—In carrying out the re-
4 quirements of this Act, the State shall comply with
5 section 444 of the General Education Provisions Act
6 (20 U.S.C. 1232g).

7 (j) SYSTEM-WIDE MEASURES.—

8 (1) PROGRAM.—The Secretary of Labor and
9 the Secretary of Education, after consultation with
10 the representatives described in subsection (h)(2),
11 shall enter into arrangements with not more than 5
12 States to test the development and implementation
13 of system-wide measures that are not performance
14 accountability measures based on the primary indi-
15 cators of performance as described in subsection (b).

16 (2) OBJECTIVES FOR MEASURES.—Such sys-
17 tem-wide measures shall measure the collective effec-
18 tiveness of the workforce development system, in-
19 cluding the alignment and coordination of the core
20 programs and other one-stop partner programs, as
21 appropriate, in providing transitions between the
22 programs described in this paragraph for partici-
23 pants in the education, training, and employment
24 services provided under those programs.

1 (3) CONTENT OF MEASURES.—Such system-
2 wide measures may have indicators that include—

3 (A) the number and percentage of partici-
4 pants concurrently enrolled in 2 or more one-
5 stop partner programs;

6 (B) the number and percentage of partici-
7 pants who were referred from 1 one-stop part-
8 ner program to another one-stop partner pro-
9 gram and participated in the second program;

10 (C) measures addressing how services pro-
11 vided to youth under the core programs are co-
12 ordinated with other education services that are
13 designed to increase the percentage of youth at-
14 taining a secondary school diploma or its recog-
15 nized equivalent and increase access to and per-
16 sistence in postsecondary education;

17 (D) the number and percentage of individ-
18 uals with disabilities who were served by local
19 agencies providing services under title I of the
20 Rehabilitation Act of 1973, other than section
21 112 or part C of that title (29 U.S.C. 732,
22 741), and who received services concurrently
23 from other partners in the one-stop delivery
24 system;

1 (E) the percentage and number of employ-
2 ers that use the services of one-stop partner
3 programs that provide training services, includ-
4 ing on-the-job training and customized training;

5 (F) the percentage and number of employ-
6 ers who use the services of one-stop partner
7 programs more than once, such as by hiring
8 workers exiting from the programs;

9 (G) the number and percentage of employ-
10 ers who use the services of one-stop partner
11 programs in local areas, industries, or sectors;

12 (H) the number and percentage of individ-
13 uals on a list relating to order of selection, as
14 described in section 101(a)(5)(A) of the Reha-
15 bilitation Act of 1973 (29 U.S.C. 721(a)(5)(A))
16 for vocational rehabilitation services under title
17 I of such Act (29 U.S.C. 720 et seq.), who were
18 referred to a core program under another Fed-
19 eral law;

20 (I) the total number and percentage of
21 participants who received employment, training,
22 and education services under a core program;
23 and

24 (J) the total number and percentage of
25 exiters from core programs who either received

1 or were referred to training services through a
2 core program, including through on-the-job
3 training, training services provided through in-
4 dividual training accounts, customized training,
5 and training services funded through Federal fi-
6 nancial aid.

7 (4) NO IMPACT ON PERFORMANCE ACCOUNT-
8 ABILITY MEASURES.—The establishment of meas-
9 ures under the program conducted under this section
10 shall not affect the performance accountability meas-
11 ures of any State, or local area within the State.

12 (5) REPORT.—After the program is conducted,
13 the Secretary of Labor and the Secretary of Edu-
14 cation shall prepare and submit a report to the
15 Committee on Education and the Workforce of the
16 House of Representatives and the Committee on
17 Health, Education, Labor, and Pensions of the Sen-
18 ate. Such report shall address the feasibility and
19 utility of systemwide measures and make such rec-
20 ommendations as the Secretaries determine to be ap-
21 propriate.

22 **Subtitle C—Workforce Innovation** 23 **and Replication Grants**

24 **SEC. 141. PURPOSES.**

25 The purposes of this subtitle are—

1 (1) IN GENERAL.—Subject to paragraph (2),
2 from funds reserved under paragraphs (1)(B)(i) and
3 (2)(B)(i) of section 232(a), section 311(a)(2), sec-
4 tion 6(c) of the Wagner-Peyser Act (29 U.S.C.
5 49e(c)), and section 110(e) of the Rehabilitation Act
6 of 1973 (29 U.S.C. 730(e)), the Secretary of Labor
7 and the Secretary of Education, in accordance with
8 section 145, shall—

9 (A) for the first program year that begins
10 after the date of enactment of the Workforce
11 Investment Act of 2011, award transition
12 grants in accordance with section 144; and

13 (B) with funds not awarded for transition
14 grants under subparagraph (A) for the first
15 program year that begins after the date of en-
16 actment of the Workforce Investment Act of
17 2011, and with the funds reserved for each pro-
18 gram year thereafter, award workforce innova-
19 tion and replication grants to eligible entities in
20 accordance with subsection (b).

21 (2) FUNDING SUBJECT TO ALL PROGRAMS
22 REACHING LEVELS.—Funds shall be available for
23 grants under paragraph (1) for a program year only
24 if funds are reserved for such purpose under each of
25 the provisions described in the language preceding

1 subparagraph (A) of paragraph (1) for such pro-
2 gram year.

3 (b) WORKFORCE INNOVATION AND REPLICATION
4 GRANTS TO ELIGIBLE ENTITIES.—

5 (1) IN GENERAL.—From funds described in
6 subsection (a)(1)(B), the Secretary of Labor and the
7 Secretary of Education shall award workforce inno-
8 vation and replication grants on a competitive basis
9 to eligible entities.

10 (2) USE OF FUNDS.—The grants awarded
11 under this subsection shall be used to support inno-
12 vative new strategies and activities, or the replica-
13 tion and expansion of effective evidence-based strate-
14 gies and activities, that are designed to align pro-
15 grams and strengthen the workforce development
16 system in a State or region, consistent with the
17 workforce development plans under this Act for such
18 State or region, in order to substantially improve the
19 education and employment outcomes for adults and
20 youth served by such system and the services pro-
21 vided to employers under such system.

22 (3) ELIGIBLE ENTITIES.—

23 (A) IN GENERAL.—To be eligible to receive
24 a grant under this subsection, a State partner-
25 ship or regional entity shall meet the require-

1 ments of this paragraph and submit an applica-
2 tion in accordance with paragraph (4).

3 (B) STATE PARTNERSHIP.—For a State
4 partnership to be eligible for funding under this
5 subsection, a Governor of a State shall—

6 (i) submit the application in partner-
7 ship with the State board and with 1 or
8 more regional entities in the State de-
9 scribed in subparagraph (C); and

10 (ii) demonstrate that the State has—

11 (I) aligned the core programs;

12 (II) made significant progress to-
13 wards aligning the core programs with
14 other workforce development pro-
15 grams; and

16 (III) achieved the alignments de-
17 scribed in subclauses (I) and (II) con-
18 sistent with the State plan.

19 (C) REGIONAL ENTITIES.—To be identified
20 as a regional entity and to be eligible for fund-
21 ing under this subsection, a local board for a
22 local area that is aligned with a region, or all
23 of the local boards for local areas that comprise
24 a planning region under section 116(c), shall
25 demonstrate that—

1 (i) the application has been developed
2 in consultation with the State and is not
3 duplicative of other applications under this
4 subsection submitted by a State partner-
5 ship; and

6 (ii) the local board, or all of the local
7 boards for the planning region, has—

8 (I) worked with the core pro-
9 grams to achieve alignment of such
10 programs in the region;

11 (II) made significant progress to-
12 wards aligning the core programs with
13 other workforce development pro-
14 grams in the region; and

15 (III) achieved the alignments de-
16 scribed in subclauses (I) and (II) con-
17 sistent with the State plan.

18 (4) APPLICATION.—An eligible entity seeking to
19 receive a grant under this subsection shall submit to
20 the Secretary of Labor and the Secretary of Edu-
21 cation an application at such time, in such manner,
22 and containing such information, consistent with
23 this paragraph, as the Secretaries may require. Each
24 such application shall describe the innovation and
25 replication strategies and activities, and any waivers,

1 in accordance with appropriate authorizing statutes,
2 necessary to implement such strategies and activi-
3 ties, that the eligible entity will carry out to
4 strengthen the workforce development system in the
5 State or region in order to substantially improve the
6 education and employment outcomes for individuals
7 served by such system and the services provided to
8 employers under such system, including—

9 (A) a description of the region in the State
10 or the State, as appropriate, that will be the
11 focus of grant activities, including analyses of
12 economic conditions, skill needs, the workforce,
13 and the workforce development services (includ-
14 ing the strengths and weaknesses of such serv-
15 ices and the capacity to provide such services)
16 that are relevant to the proposed strategies and
17 activities that would be carried out under the
18 grant;

19 (B) a description of the populations to be
20 served, including individuals with barriers to
21 employment, and the skill needs of those popu-
22 lations;

23 (C) a description of the promising strate-
24 gies and activities the eligible entity is pro-
25 posing to demonstrate, or the evidence-based

1 strategies and activities that the eligible entity
2 is proposing to expand or replicate;

3 (D) a description of how, in carrying out
4 such strategies and activities, the entity will—

5 (i) collaborate to leverage resources
6 among strategic partners to achieve the
7 purposes of the grant, and to provide the
8 matching share described in paragraph
9 (5)(B); and

10 (ii) ensure the sustainability of the
11 programs and activities supported by the
12 grant after grant funds are no longer
13 available;

14 (E) a description of how the strategies and
15 activities will be aligned with the State plan and
16 the local plans in the region of the State that
17 will be the focus of grant activities;

18 (F) a description of the outcomes, includ-
19 ing outcomes for the performance accountability
20 measures based on indicators described in sec-
21 tion 131(b)(2)(A)(i), to be achieved by the pro-
22 posed strategies and activities; and

23 (G) a description of how the eligible entity
24 will—

25 (i) use technology;

- 1 (ii) collect data;
- 2 (iii) make data publicly available; and
- 3 (iv) use technology and data to im-
- 4 prove program delivery, activities, and ad-
- 5 ministration.

6 (5) MATCHING REQUIREMENTS; SUPPLEMENT,
7 NOT SUPPLANT.—

8 (A) INNOVATION FUND SHARE.—The
9 amount of the share of the funds provided
10 under paragraph (1) shall be not greater than
11 50 percent of the cost of the programs and ac-
12 tivities that are carried out under the grant.

13 (B) MATCHING SHARE.—

14 (i) IN GENERAL.—

15 (I) AMOUNT.—The amount of
16 the matching share under this sub-
17 section for a program year may not be
18 less than 50 percent of the costs of
19 the programs and activities that are
20 carried out under the grant.

21 (II) IN CASH OR IN KIND.—The
22 matching share may be in cash or in
23 kind (fairly evaluated).

24 (III) SOURCES OF MATCHING
25 SHARE.—

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1 (aa) IN GENERAL.—Not
2 more than 50 percent of the
3 matching share required under
4 this subsection may be provided
5 from Federal resources, of which
6 not less than 50 percent shall be
7 provided from Federal resources
8 from the partner programs iden-
9 tified in the application other
10 than resources provided under
11 the core programs.

12 (bb) NON-FEDERAL
13 SOURCES.—Non-Federal sources
14 for the matching share may in-
15 clude State resources, local re-
16 sources, contributions from pri-
17 vate organizations, or a combina-
18 tion of such resources and con-
19 tributions.

20 (ii) FINANCIAL HARDSHIP WAIVER.—
21 The Secretary of Labor and the Secretary
22 of Education may waive or reduce the
23 matching share of an eligible entity that
24 has submitted an application under this
25 subsection if such entity demonstrates a

1 need for such waiver or reduction due to
2 extreme financial hardship as jointly de-
3 fined by the Secretary of Labor and the
4 Secretary of Education.

5 (C) SUPPLEMENT, NOT SUPPLANT.—The
6 Federal and matching share required by this
7 subsection shall be used to supplement and not
8 supplant other Federal and State funds used to
9 carry out activities described in this subsection.

10 (6) GRANT PERIOD.—Grants awarded under
11 this subsection shall be awarded for periods of not
12 more than 3 years in duration and may not be re-
13 newed.

14 (7) REPORTING.—The Secretary of Labor and
15 the Secretary of Education are authorized to estab-
16 lish appropriate reporting requirements for grantees
17 under this subsection.

18 (8) TECHNICAL ASSISTANCE AND EVALUA-
19 TION.—For each program year for which funds are
20 available to carry out this section, the Secretary of
21 Labor and the Secretary of Education may reserve
22 not more than 5 percent of the amount available to
23 carry out this subsection to provide technical assist-
24 ance to applicants and grantees under this sub-
25 section, and to evaluate projects carried out under

1 this subsection. The Secretaries shall ensure that the
2 results of the evaluations are publicly available, in-
3 cluding through electronic means.

4 **SEC. 143. YOUTH INNOVATION AND REPLICATION GRANTS.**

5 (a) PROGRAM AUTHORIZED.—

6 (1) IN GENERAL.—Subject to paragraph (2),
7 from funds reserved under section 227(a)(2)(A), the
8 Secretary of Labor and the Secretary of Education
9 in accordance with section 145, shall—

10 (A) for the first program year that begins
11 after the date of enactment of the Workforce
12 Investment Act of 2011, award transition
13 grants in accordance with section 144; and

14 (B) with funds not awarded for transition
15 grants under paragraph (1) for the first pro-
16 gram year that begins after the date of enact-
17 ment of the Workforce Investment Act of 2011,
18 and with the funds reserved for each program
19 year thereafter, award youth innovation and
20 replication grants to eligible entities in accord-
21 ance with subsection (b).

22 (2) FUNDING SUBJECT TO ALL PROGRAMS
23 REACHING LEVELS.—Funds shall be available for
24 grants under paragraph (1)(A) for a program year
25 only if funds are reserved under each of the provi-

1 sions described in the language preceding subpara-
2 graph (A) of section 142(a)(1) for such program
3 year.

4 (b) YOUTH INNOVATION AND REPLICATION GRANTS
5 TO ELIGIBLE ENTITIES.—

6 (1) IN GENERAL.—From funds described in
7 subsection (a)(2), the Secretary of Labor and the
8 Secretary of Education shall award youth innovation
9 and replication grants on a competitive basis to eligi-
10 ble entities.

11 (2) USE OF FUNDS.—The grants awarded
12 under this subsection shall be used to support the
13 demonstration of innovative new strategies and ac-
14 tivities, or the replication and expansion of effective
15 evidence-based strategies and activities, that are de-
16 signed to substantially improve education and em-
17 ployment outcomes for eligible youth. Such strate-
18 gies and activities shall include—

19 (A) establishing career pathways in in-de-
20 mand industry sectors and occupations for eligi-
21 ble youth, in collaboration with other Federal,
22 State, and local programs, and public and pri-
23 vate entities;

24 (B) developing and implementing a com-
25 prehensive strategy, for an area of high poverty,

1 that provides education and training programs,
2 resources, and other activities that prepare
3 youth for postsecondary education and training
4 and for employment that leads to economic self-
5 sufficiency;

6 (C) developing and implementing strategies
7 and activities that provide opportunities for
8 youth with disabilities to receive education,
9 training, and employment services that lead to
10 a recognized postsecondary credential or inte-
11 grated, competitive employment;

12 (D) developing and implementing evidence-
13 based strategies and activities, such as—

14 (i) education offered concurrently and
15 contextually with workforce preparation
16 and training for a specific occupation or
17 occupational cluster;

18 (ii) career academies;

19 (iii) dropout prevention and recovery
20 strategies;

21 (iv) paid or unpaid work experience,
22 including summer employment opportuni-
23 ties and employment opportunities avail-
24 able throughout the school year, combined

1 with academic learning leading to a recog-
2 nized postsecondary credential; or

3 (v) innovative programs for youth fac-
4 ing multiple barriers to employment that
5 arrange for the provision of or provide sup-
6 portive services combined with education,
7 training, or employment activities; or

8 (E) other evidence-based strategies or ac-
9 tivities designed to improve the education and
10 employment outcomes for youth.

11 (3) ELIGIBLE ENTITIES.—

12 (A) IN GENERAL.—To be eligible to receive
13 a grant under this subsection, an eligible entity
14 shall—

15 (i) meet the requirements of this
16 paragraph; and

17 (ii) submit an application in accord-
18 ance with paragraph (4).

19 (B) ELIGIBLE ENTITY DEFINED.—An eli-
20 gible entity shall include—

21 (i)(I) the Governor of a State in co-
22 ordination with the State board and with a
23 local board for a local area that is aligned
24 with a region, or with all local boards for
25 local areas that comprise a planning re-

1 gion, under section 116(c), in consultation
2 with the standing committee on youth as-
3 sociated with the local board; or

4 (II) a local board for a local area that
5 is aligned with a region, or all local boards
6 for local areas that comprise a planning re-
7 gion, under section 116(c), in consultation
8 with the standing committee on youth as-
9 sociated with the local board; and

10 (ii) one or more of the following:

11 (I) A State educational agency.

12 (II) A local educational agency.

13 (III) A nonprofit organization
14 with expertise serving eligible youth,
15 including a community-based organi-
16 zation or an intermediary.

17 (IV) An institution of higher edu-
18 cation, including a community college.

19 (V) A joint labor-management
20 partnership.

21 (4) APPLICATION.—To be eligible to receive a
22 grant under this subsection, an eligible entity shall
23 submit an application to the Secretary of Labor and
24 the Secretary of Education at such time, in such
25 manner, and containing such information, consistent

1 with this paragraph, as the Secretaries may require.
2 Each such application shall describe the innovation
3 and replication strategies and activities that the eli-
4 gible entity will carry out to strengthen the work-
5 force development system in the State or region in
6 order to substantially improve education and em-
7 ployment outcomes for youth, such as youth with
8 disabilities, served by such system, and shall in-
9 clude—

10 (A) a description of the region in the State
11 or the State, as applicable, that will be the
12 focus of grant activities, including analyses of
13 economic conditions, skill needs, the workforce,
14 and the workforce development services (includ-
15 ing the strengths and weaknesses of such serv-
16 ices and the capacity to provide such services)
17 that are relevant to the proposed strategies and
18 activities that would be carried out under the
19 grant;

20 (B) a description of the youth populations
21 to be served, including individuals with barriers
22 to employment who are youth, and the skill
23 needs of those populations;

24 (C) a description of the promising strate-
25 gies and activities the eligible entity is pro-

1 posing to demonstrate, or the evidence-based
2 strategies and activities that the eligible entity
3 is proposing to expand or replicate;

4 (D) a description of how the eligible entity
5 will meaningfully involve youth in the design
6 and implementation of the proposed strategies
7 and activities;

8 (E) a description of how, in carrying out
9 such strategies and activities, the eligible entity
10 will—

11 (i) collaborate to leverage resources
12 among strategic partners to achieve the
13 purposes of the grant, and to provide the
14 matching share described in paragraph
15 (5)(B); and

16 (ii) ensure the sustainability of the
17 programs and activities supported by the
18 grant after grant funds are no longer
19 available;

20 (F) a description of how the strategies and
21 activities will be aligned with the State plan and
22 the local plans in the region of the State that
23 will be the focus of grant activities;

24 (G) a description of the outcomes, includ-
25 ing outcomes for the performance accountability

1 measures based on indicators of performance
2 described in section 131(b)(2)(A)(ii), to be
3 achieved by the proposed strategies and activi-
4 ties; and

5 (H) a description of how the eligible entity
6 will—

7 (i) use technology;

8 (ii) collect data;

9 (iii) make data publicly available; and

10 (iv) use technology and data to im-
11 prove program delivery, activities, and ad-
12 ministration.

13 (5) MATCHING REQUIREMENTS; SUPPLEMENT,
14 NOT SUPPLANT.—

15 (A) INNOVATION FUND SHARE.—The
16 amount of the share of the funds provided
17 under paragraph (1) shall be not greater than
18 50 percent of the cost of the programs and ac-
19 tivities that are carried out under the grant.

20 (B) MATCHING SHARE.—

21 (i) IN GENERAL.—

22 (I) AMOUNT.—The amount of
23 the matching share under this sub-
24 section for a program year may not be
25 less than 50 percent of the costs of

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1 the programs and activities that are
2 carried out under the grant.

3 (II) IN CASH OR IN KIND.—The
4 matching share may be in cash or in
5 kind (fairly evaluated).

6 (III) SOURCES OF MATCHING
7 SHARE.—

8 (aa) IN GENERAL.—Not
9 more than 50 percent of the
10 matching share required under
11 this subsection may be provided
12 from Federal resources, of which
13 not less than 50 percent shall be
14 provided from Federal resources
15 from the partner programs iden-
16 tified in the application other
17 than resources provided under
18 the core programs.

19 (bb) NON-FEDERAL
20 SOURCES.—Non-Federal sources
21 for the matching share may in-
22 clude State resources, local re-
23 sources, contributions from pri-
24 vate organizations, or a combina-

1 tion of such resources and con-
2 tributions.

3 (ii) FINANCIAL HARDSHIP WAIVER.—

4 The Secretary of Labor and the Secretary
5 of Education may waive or reduce the
6 matching share of an eligible entity that
7 has submitted an application under this
8 subsection if such entity demonstrates a
9 need for such waiver or reduction due to
10 extreme financial hardship as defined by
11 the Secretary of Labor and the Secretary
12 of Education.

13 (C) SUPPLEMENT, NOT SUPPLANT.—The
14 Federal and matching share required by this
15 subsection shall be used to supplement and not
16 supplant other Federal and State funds used to
17 carry out activities described in this subsection.

18 (6) GRANT PERIOD.—Grants awarded under
19 this subsection shall be awarded for periods of not
20 more than 3 years in duration and may not be re-
21 newed.

22 (7) REPORTING.—The Secretary of Labor and
23 the Secretary of Education are authorized to estab-
24 lish appropriate reporting requirements for grantees
25 under this subsection.

1 (8) TECHNICAL ASSISTANCE AND EVALUA-
2 TION.—For each program year for which funds are
3 available to carry out this section, the Secretary of
4 Labor and the Secretary of Education may reserve
5 not more than 5 percent of the amount available to
6 carry out this subsection to provide technical assist-
7 ance to applicants and grantees under this sub-
8 section, and to evaluate projects carried out under
9 this subsection. The Secretaries shall ensure that the
10 results of the evaluations are publicly available, in-
11 cluding through electronic means.

12 **SEC. 144. TRANSITION GRANTS TO STATES.**

13 (a) IN GENERAL.—For the program year described
14 in section 142(a)(1)(A), from the funds allocated for
15 awards described in section 142(a)(1)(A) and section
16 143(a)(1)(A), the Secretary of Labor and the Secretary
17 of Education shall award, on a competitive basis, transi-
18 tion grants to States. The Secretaries, to the extent prac-
19 ticable and consistent with the purposes of the transition
20 grants under this section, shall award transition grants
21 in a manner that maximizes the number of States benefit-
22 ting from such grants.

23 (b) APPLICATION.—To be eligible to receive a grant
24 under this section, the Governor of a State, in coordina-
25 tion with the State board and in consultation with the

1 local boards, shall submit an application to the Secretary
2 of Labor and the Secretary of Education, at such time,
3 in such manner, and containing such information, con-
4 sistent with this subsection, as the Secretaries may re-
5 quire, including—

6 (1) a description of how the grant funds will be
7 used to carry out the transition activities described
8 in subsection (d);

9 (2) a description of the process by which the
10 State will award funds to local areas in accordance
11 with subsection (d)(2); and

12 (3) assurances that all the entities carrying out
13 core programs in the State will participate in the ac-
14 tivities.

15 (c) GRANT PERIOD.—Grants awarded under this
16 subsection shall be awarded for periods of not more than
17 2 years in duration and may not be renewed.

18 (d) USES OF FUNDS.—A State that receives a grant
19 under this section—

20 (1) may reserve not more than 40 percent of
21 the grant funds for transition activities to assist in
22 the development of the State plan under section 112
23 or 113; and

24 (2) shall use not less than 60 percent of the
25 grant funds to award subgrants to local areas for

1 transition activities to assist in the development of
2 local and regional plans under sections 116(c) and
3 118, with a priority in making such awards to local
4 areas most in need of resources to make the transi-
5 tion to meeting the requirements of the Workforce
6 Investment Act of 2011.

7 (e) LIMITATIONS.—No State may—

8 (1) receive more than 1 grant under this sec-
9 tion; and

10 (2) receive a grant under this section concur-
11 rently with a grant under section 142 or 143 for the
12 first program year that commences after the date of
13 enactment of the Workforce Investment Act of 2011.

14 **SEC. 145. INTERAGENCY AGREEMENT.**

15 (a) INTERAGENCY AGREEMENT.—The Secretary of
16 Education and the Secretary of Labor shall jointly develop
17 policies for the administration of this subtitle in accord-
18 ance with such terms as the Secretaries shall set forth in
19 an interagency agreement. Such interagency agreement, at
20 a minimum, shall include a description of the respective
21 roles and responsibilities of the Secretaries in carrying out
22 this subtitle (both jointly and separately), including how—

23 (1) the funds available under this subtitle will
24 be obligated and disbursed and compliance with ap-
25 plicable laws (including regulations) will be ensured,

1 as well as how the grantees will be selected and
2 monitored, and a peer review process for selection of
3 grantees that includes program practitioners and na-
4 tional experts will be carried out;

5 (2) evaluations and research will be conducted
6 on the effectiveness of grants awarded under this
7 subtitle in addressing the education and employment
8 needs of job seekers and workers, youth, and em-
9 ployers;

10 (3) technical assistance will be provided to ap-
11 plicants and grant recipients;

12 (4) information will be disseminated, including
13 through electronic means, on best practices and ef-
14 fective strategies and service delivery models for ac-
15 tivities carried out under this subtitle; and

16 (5) policies and processes critical to the success-
17 ful achievement of the education, training, and em-
18 ployment goals of this subtitle will be established.

19 (b) **TRANSFER AUTHORITY.**—The Secretary of Labor
20 and the Secretary of Education shall have the authority
21 to transfer funds between the Department of Labor and
22 the Department of Education to carry out this subtitle in
23 accordance with the agreement described in subsection (a).

24 (c) **REPORTS.**—The Secretary of Labor and the Sec-
25 retary of Education shall jointly develop and submit a bi-

1 enial report to the Committee on Health, Education,
2 Labor, and Pensions of the Senate and the Committee on
3 Education and the Workforce of the House of Representa-
4 tives, describing—

5 (1) actions the Departments have taken to—

6 (A) assess the effectiveness of the projects
7 carried out under this subtitle; and

8 (B) facilitate the coordination of the pro-
9 grams carried out through the grants awarded
10 with other education, employment, and training
11 programs;

12 (2) barriers that impede effectiveness of
13 projects carried out under this subtitle;

14 (3) the best practices and effective strategies
15 and service delivery models that the Departments
16 have identified pursuant to this subtitle and actions
17 the Departments have taken to promptly dissemi-
18 nate information, including through electronic
19 means, on such best practices, service delivery mod-
20 els, and effective strategies; and

21 (4) the actions the Departments have taken to
22 leverage resources provided under Federal law other
23 than this subtitle and non-Federal resources, to im-
24 prove the workforce development system nationwide,

- 1 including in States, regions, and local areas that
- 2 have not received funds under this subtitle.