
IN THE CONGRESS OF THE UNITED STATES

APRIL 7, 2020

Mr. LESTER (author) and the VITA ADMINISTRATION (for themselves, Mr. COLLIN, Mr. MCKENNA, Mr. DILLON, Mr. HOLBROOK, Mr. HARDER, Mr. PLURIBUS, Mr. BO, Mr. MATTHEW, Mr. TOWARD) introduced the following bill;

A BILL

To direct the Department of Labor to carry out a Federal subsidized employment program, and for other purposes.

SECTION 1. SHORT TITLE.

This bill may be cited as the “Work Opportunity Act of 2020”.

SECTION 2. PURPOSE.

The purpose of this Act is to carry out a program—

(1) to provide access to a job through federally subsidized employment for individuals who are unemployed, underemployed, and jobless but want to work;

(2) to assist such individuals in coping with structural unemployment in their communities, job displacement resulting from deindustrialization, trade, automation, and artificial intelligence, as well as societal barriers that separate the most vulnerable jobless from employment;

(3) to provide for credentialing and certificates that employers recognize and help provide both low-income and middle-class jobseekers with concrete pathways to good paying, skilled jobs; and

(4) to expand services automatically during economic downturns to address unemployment and stabilize the national economy and State economies.

SECTION 3. Funding.

(a) Federal Subsidized Employment Program.—

(1) STATE ALLOCATIONS.—

(A) IN GENERAL.—From amounts appropriated under subsection (b)(1), the Secretary of Labor shall pay to each State that has an application approved under section 6, for each quarter, beginning with the quarter beginning on or after the date of the enactment of this Act, an amount equal to the Federal percentage of the total amount expended by the State during such quarter under—

(i) the Federal subsidized employment program under section 4;

(ii) the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act;

(iii) any program under the Workforce Innovation and Opportunity Act; and

(iv) any other Federal program under which Federal funding is provided to subsidize employment.

(B) FEDERAL PERCENTAGE.—For purposes of subparagraph (A), the Federal percentage for any State shall be 100 percent less the State percentage, and the State percentage shall be that percentage that bears the same ratio to 45 percent as the square of the per capita income of such State bears to the square of the per capita income of the continental United States, including Alaska and Hawaii, except that the Federal percentage shall in no case be less than 75 percent or more than 100 percent. Such Federal percentage shall be increased each quarter by the year-over-year percentage point increase, if any, in the three-month average unemployment rate of the State.

(2) LOCAL ENTITY ALLOCATIONS.—

(A) IN GENERAL.—From amounts made available under subsection (b)(2), the Secretary of Labor shall award grants, on a competitive basis and in an amount determined under subparagraph (B)—

(i) to local entities to carry out the Federal subsidized employment program under section 4; and

(ii) to not more than 15 local entities to carry out a jobs guarantee program in accordance with section 5.

(B) AMOUNT OF GRANT.—In determining the amount a grant awarded to a local entity under subparagraph (A), the Secretary of Labor shall ensure that the grant amount is adequate to reach each community served by the local entity.

(b) Mandatory Funding.—

(1) IN GENERAL.—Subject to paragraph (2), there are authorized to be appropriated, and there are appropriated (in addition to any other amounts appropriated to carry out this Act and out of any money in the Treasury not otherwise appropriated) such sums as may be necessary to carry out this Act.

(2) COMPETITIVE GRANT PROGRAMS.—The amount of funds that shall be made available for the competitive grants under subsection (a)(2) for a fiscal year shall be equal to the result obtained by multiplying—

(A) the difference between—

(i) the number of individuals counted under the U–6 measure of unemployment and underemployment most recently published by the Bureau of Labor Statistics of the Department of Labor; and

(ii) the number of individuals participating in the program carried out under subsection (a)(1); and

(B) average cost for each participant under such program.

SEC. 4. FEDERAL SUBSIDIZED EMPLOYMENT PROGRAM.

Each grantee receiving funds under paragraph (1) or (2)(A)(i) of section 3(a) shall carry out, or expand, a program that provides access to federally subsidized employment for all eligible individuals as follows:

(1) PARTICIPATING EMPLOYERS.—

(A) AMOUNT OF SUBSIDIES.—A grantee shall provide each participating employer with a subsidy in an amount that—

(i) covers up to 150 percent of the wages that the employer pays to eligible individuals who are employed in a position covered by a collective-bargaining agreement in effect with the employer; and

(ii) covers up to 120 percent of the wages that the employer pays to eligible individuals who are employed under the program in a position not covered by a collective-bargaining agreement in effect with the employer.

(B) HIRING REQUIREMENTS.—

(i) WORKFORCE.—

(I) IN GENERAL.—To remain eligible to receive additional placements of subsidized employees under this Act, a participating employer who seeks to employ, on a cumulative basis, more than 15 eligible individuals under the program shall be required to hire, in an unsubsidized capacity, not less than the greater of 4 employees or 25 percent of the employees who were previously placed with the employer through the subsidized job program.

(II) EXCEPTION.—The requirements of subclause (I) shall not apply during a period that is an economic recession.

(ii) NONDISPLACEMENT OF UNSUBSIDIZED EMPLOYEES.—The grantee may not employ an individual under the program, if—

(I) employing such individual will result in the layoff or partial displacement (such as a reduction in hours, wages, or employee benefits) of an existing employee of the grantee who was not hired under the program, or

will result in infringing upon the promotional opportunities of such existing employee; or

(II) such individual will perform the same or substantially similar work that had previously been performed by such an existing employee who—

(aa) has been laid off or partially displaced; and

(bb) has not been offered by the employer, to be restored to the position the employee had immediately prior to being laid off or partially displaced.

(iii) ELIMINATION OF POSITION.—

(I) IN GENERAL.—Clause (ii) shall not apply to any position that has been eliminated by a grantee.

(II) DESCRIPTION.—For purposes of this clause, a position shall be considered to have been eliminated by a grantee if the position has remained unfilled and the grantee has not sought to fill such position for at least a period of one month.

(iv) NONDISPLACEMENT OF STATE OR LOCAL GOVERNMENT SERVICES.—The grantee may not employ an individual under the program to provide services or functions that are customarily provided by the grantee.

(v) CONSENT OF UNION.—An employer that has a collective-bargaining agreement in effect with a labor organization, or an employer whose employees are represented by a labor organization for purposes of collective bargaining, shall seek the consent of the labor organization representing its employees to participate in the program under this Act.

(vi) OTHER PARTICIPATING EMPLOYERS.—In addition to other entities that may serve as participating employers under this section, nonprofit entities, local government entities (except as provided in clause (iv)), and labor organizations may serve as participating employers, administrators, or intermediaries under this section.

(2) TECHNICAL TRAINING.—

(A) EMPLOYEES IN-DEMAND INDUSTRY SECTORS OR OCCUPATIONS.—With respect to an eligible individual employed under the program by an employer in an in-demand industry sector or occupation, subject to the administrator of the job placement entity selected by the grantee and upon completion of 3 months of satisfactory job performance, the employer may receive additional funds under the program to enable such individual to pursue a general equivalency diploma, or a year of career and technical education that leads to a recognized postsecondary credential required for continued employment in such sector or occupation.

(B) OTHER EMPLOYEES.—With respect to an eligible individual employed under the program who is not employed in an industry sector or occupation described in subparagraph (A), subject to the administrator of the job placement entity selected by the grantee and upon completion of 3 months of satisfactory job performance, such individual may be provided with an opportunity to pursue up to a year of career and technical education.

(3) ELIGIBLE INDIVIDUAL.—To participate in the program an individual shall—

(A) be at least 18 years of age; and

(B) (i) have been unemployed for more than 90 days by demonstrating to the program administrator selected by the grantee involved—

(I) that the individual has been registered as unemployed for more than 90 days under a State unemployment insurance system; or

(II) through submission of a self-affidavit that demonstrates that the individual has been so unemployed; or

(ii) have had earnings for the previous 6 months that are below the poverty line.

(4) PLACEMENT LENGTH.—

(A) IN GENERAL.—A period of employment with a participating employer under the program for an individual shall be not longer than 18 months, and not less than 3 months, except that such period—

(i) may be shorter in the case of termination of the individual for unsatisfactory performance;

(ii) may be extended—

(I) for an additional 12-month period in a case in which the eligible individual is pursuing the career and technical education described in paragraph (2); or

(II) in the case of an individual with a barrier to employment; and

(iii) shall not be applicable during a period that is an economic recession.

(B) MAXIMUM PARTICIPATION.—

(i) IN GENERAL.—During a 10-year period, an eligible individual may have not more than 3 separate periods of employment under the program.

(ii) DIFFERENT EMPLOYERS.—Each period of employment shall be with a different participating employer.

(iii) CONTINUED ELIGIBILITY.—An eligible individual shall become eligible for a new period of employment under the program if the individual is unemployed not less than 4 weeks after the conclusion of the individual's previous employment period under the program.

(iv) INAPPLICABILITY.—This subparagraph shall not apply during a period of economic recession or for individuals with barriers to employment.

(5) WRAPAROUND SERVICES.—Any wraparound services (such as screening, matching, and job preparation services, and transportation, childcare, and counseling) provided with funds under this Act shall be minimal and may only be used—

(A) for the individuals with barriers to employment and who shall be made aware of similar opportunities available through local, State, or Federal social welfare programs; and

(B) with an evidence-based approach regarding the impact and importance of such services to the job placement of the individual, as determined by the Secretary of Labor.

(6) OUTREACH.—

(A) GRANTEES.—Each grantee shall make available, on a publicly available website of the grantee, information on program opportunities for potential employees and employers.

(B) WEBSITE.—The Secretary of Labor shall create a publicly available website to provide information connecting prospective employees with program administrators.

SEC. 5. JOBS GUARANTEE PROGRAM.

(a) In General.—The Secretary of Labor shall carry out a pilot program under which the Secretary makes grants, on a competitive basis, to not more than 5 local entities to assist such entities in carrying out a jobs guarantee program as described in subsection (b).

(b) Use Of Funds.—A local entity that receives a grant under subsection (a) shall use the grant to carry out a program that provides jobs that—

(1) are available to all individuals who—

(A) are 18 years of age or older; and

(B) reside in the area served under the program, except that participants in the program may be disciplined, released, or suspended from further participation in jobs under the program if they are found to be negligent, or generally disruptive to the workplace involved under procedures established by the Secretary of Labor that provide for an opportunity for a review of such determinations;

(2) are, with respect to individual participants, included as part of an established bargaining unit and covered by any applicable collective bargaining agreement in effect if

similarly situated employees part of such unit and represented by an exclusive bargaining representative;

(3) are available for the duration of the pilot program;

(4) provide a wage of not less than the greater of—

(A) the hourly wage provided for under the provisions of S. 1242 (115th Congress), as introduced;

(B) the prevailing wage in the area involved for a similar job as required by chapter 67 of title 41, United States Code, and other related laws; or

(C) the applicable wage under an applicable collective bargaining agreement as provided for under subparagraph (B);

(5) provide for coverage of the worker under a health insurance program that is comparable to that offered to Federal employees under the Federal Employee Health Benefits Program; and

(6) provide, at a minimum—

(A) paid family leave consistent with the provisions of S. 337 (111th Congress), as introduced, and applicable State law; and

(B) paid sick leave consistent with the provision of S. 1152 (115th Congress), as introduced, and applicable State law.

SEC. 6. APPLICATIONS.

(a) State Applications.—To receive an allocation under this Act a State shall submit to the Secretary of Labor, a plan at such time, in such manner, and containing such information as the Secretary may require, which shall include a description of how the State will use the allocation—

(1) to use funds to carry out the program in areas in the State proportionate to the rates of joblessness, underemployment, and poverty in such areas, as determined by the Secretary; and

(2) to target individuals with barriers to employment.

(b) Local Applications.—

(1) IN GENERAL.—To receive a grant under this Act, a local entity shall submit to the Secretary of Labor, a plan, at such time, in such manner, and containing such information as the Secretary may require, which shall include a demonstration of the local entity's ability to meet the purposes described in section 2.

(2) PRIORITY.—In awarding grants under this Act to local entities, the Secretary of Labor shall give priority to local entities that will use the grant to—

(A) serve areas that are facing acute challenges, including persistent racial unemployment gap, drug addiction epidemics, or high mortality rates, as determined by the Secretary of Labor; and

(B) carry out programs that provide participating individuals with general equivalency diplomas, recognized postsecondary credentials, and paid apprenticeships.

(c) Technical Assistance.—The Secretary of Labor may reserve a portion of the funds appropriated under this Act to provide technical assistance to local entities that seek to apply for a grant under this Act. In providing such technical assistance, the Secretary shall give priority to local entities that the Secretary determines have the greatest need for such assistance.

SEC. 7. EVALUATION AND EXPANSION, AND REPORT.

(a) Evaluation And Expansion.—Not later than 18 months after the date on which the first grant or allocation is awarded under this Act, and annually thereafter, the Secretary of Labor shall—

(1) develop a strategy (which shall include annual, representative, and random surveys of employees and employers under the programs)—

(A) to determine whether the programs under this Act are accomplishing the purposes described in section 2; and

(B) to improve the programs to better accomplish such purposes; and

(2) expand the programs under this Act until a determination is made that equal rates of joblessness in all regions and among all demographic groups have been achieved.

(b) Report.—Not later than 18 months after the first grant is awarded under this Act, and annually thereafter, the Secretary of Labor shall submit to Congress a report that includes the information described in subsection (a) for the purpose of providing Congress with an informed opportunity to update this Act and to effectively achieve the purposes described in section 2.

SEC. 8. REVISIONS TO TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF).

In General.—

- (a) States shall be directed to allocate at least 60 percent of TANF block grant funds directly towards families needing financial assistance (as defined in Section 9).
- (b) The federal government shall allocate an additional \$6,400,000,000 per year to fund TANF. Federal spending on TANF shall increase or decrease with the rate of increase or decrease in the value of the US dollar.

SEC. 9. DEFINITIONS.

In this Act:

(1) CAREER AND TECHNICAL EDUCATION.—The term "career and technical education" means organized educational activities that-

(A) offer a sequence of courses that-

- (i) provides individuals with rigorous academic content and relevant technical knowledge and skills needed to prepare for further education and careers in current or emerging professions, which may include high-skill, high-wage, or in-demand industry sectors or occupations, which shall be, at the secondary level, aligned with the challenging State academic standards adopted by a State under section 6311(b)(1) of this title;
- (ii) provides technical skill proficiency or a recognized postsecondary credential, which may include an industry-recognized credential, a certificate, or an associate degree; and
- (iii) may include prerequisite courses (other than a remedial course) that meet the requirements of this subparagraph;

(B) include competency-based, work-based, or other applied learning that supports the development of academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, employability skills, technical skills, and occupation-specific skills, and knowledge of all aspects of an industry, including entrepreneurship, of an individual;

(C) to the extent practicable, coordinate between secondary and postsecondary education programs through programs of study, which may include coordination through articulation agreements, early college high school programs, dual or concurrent enrollment program opportunities, or other credit transfer agreements that provide postsecondary credit or advanced standing; and

(D) may include career exploration at the high school level or as early as the middle grade

(2) GRANTEE.—The term “grantee” means a State that receives an allocation under section 3(a)(1) or a local entity that receives a grant under section 3(a)(2).

(3) INDIVIDUAL WITH A BARRIER TO EMPLOYMENT.—The term “individual with a barrier to employment” means a member of one or more of the following populations:

(A) Displaced homemakers.

(B) Indians, Alaska Natives, and Native Hawaiians, as such terms are defined in section 166 of the Workforce Innovation and Opportunity Act.

(C) Individuals with disabilities, including youth who are individuals with disabilities.

(D) Older individuals.

(E) Ex-offenders.

(F) Homeless individuals (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6))), or homeless children and youths (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2))).

(G) Individuals who are English language learners, individuals who have low levels of literacy or who have not more than a high school diploma or the equivalent, and individuals facing substantial cultural barriers.

(H) Individuals within 2 years of exhausting lifetime eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(I) Single parents (including single pregnant women).

(J) Long-term unemployed individuals.

(K) Such other groups as the Secretary of Labor determines to have barriers to employment.

(4) LOCAL ENTITY.—The term “local entity” means a unit of general local government or a nonprofit or other organization serving such a unit.

(5) PERIOD OF ECONOMIC RECESSION.—The term “period of economic recession” means not less than a consecutive 3-month period of decline in national payroll employment, which shall be determined to have ended on the date on which the national payroll employment reaches the level reported by the Bureau of Labor Statistics of the Department of Labor in the highest month of national payroll employment prior to such period of decline.

(6) WIOA TERMS.—The terms “in-demand industry sector or occupation”, “poverty line”, “recognized postsecondary credential”, “State”, and “unit of general local government” have the meanings given the terms in section 3 of the Workforce Innovation and Opportunity Act.

(7) NEEDY FAMILIES: Families with incomes at or below the federal poverty line.