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JOB CORPS CELEBRATES 25 YEARS OF COMMUNITY SERVICE

The U.S. Job Corps, which recently celebrated its 25th anniversary, is a unique partnership of Federal, state and local governments, of private enterprise, trade unions, universities social agencies and community groups.

Created in 1964 in the heyday of the Great Society period when Lyndon Johnson was president, the Job Corps was and remains a "voluntary program of human renewal and work readiness" for poor and otherwise disadvantaged youth. The program is administered by the U.S. Department of Labor.

Job Corps vocational instruction takes place in over 100 centers across the United States which are administered by the federal government, although most are run under contract by private firms including some of the giants of American industry such as General Electric and International Telephone and Telegraph.

The program, which has served about 2 million disadvantaged youth in the past 25 years, emphasizes hands-on job training, remedial classroom instruction, counseling and dormitory living.

Most Job Corps participants are teenagers and come from poor or disadvantaged families. They normally stay in a Job Corps center until they have learned a marketable skill to get and hold a job. This process takes on the average from six months to one year, though participants may stay in the program up to two years.

was no exception. As the war wound down, theirs was an alliance in decline, but it was also an alliance that had been victorious.

Winston Churchill and Franklin Roosevelt are central characters in any book that touches on international relations in World War II, although there is no comprehensive study of their relationship. The places to start reading are Churchill's six-volume *History of the Second World War* (Boston: Houghton Mifflin Co., 1943-53), James MacGregor Burns, *Roosevelt: Soldier of Freedom* (New York: Harcourt Brace Jovanovich, 1970), Martin Gilbert's official biography of Churchill, being published in the United States by Houghton Mifflin Co., and Warren F. Kimball, ed., *Churchill and Roosevelt, the Complete Correspondence*, 3 vols. (Princeton: Princeton University Press, 1984).

WARREN F. KIMBALL

See also Atlantic Conference and Charter; Atomic Bomb; Cairo Conference; Casablanca Conference; Colonialism; de Gaulle, Charles; Foreign Policy; Lend-Lease; Personal Diplomacy; Quebec Conferences; Stalin, Joseph, and the Soviet Union; Teheran Conference; World War II; Yalta Conference; Zionism

Civil Aeronautics Authority

Short-lived airlines regulatory body. On 23 June 1938, Congress created the Civil Aeronautics Authority, invested with powers of economic and safety regulation in the field of commercial aviation. E. J. Noble, a liberal Republican and founder of the Life Savers confectionery company, was appointed chairman of the five-member authority. The new agency replaced the controversial Bureau of Air Commerce, created in 1926, under the jurisdiction of the Department of Commerce.

The 1938 legislation also established an office of administrator, who was to be responsible for the executive and operational functions of the authority; Roosevelt selected Clinton Hester, formerly general counsel of the Treasury Department to fill this position. An Air Safety Board, charged with accident investigatory functions, was also created.

The complex regulatory arrangement stemmed from a five-year political struggle among Roosevelt, Congress, and the airlines industry. Earlier, in his message to Congress on 31 January 1935, Roosevelt had stated he did not approve of the concept of a permanent aviation commission, but rather that he wanted the Interstate Commerce Commission to be given full authority. By 1938, however, FDR had come to favor the formation of such an agency. The phenomenal growth of the new industry had helped convince him: whereas in 1932 the annual total of passenger miles flown by scheduled domestic airlines was 127,000, by 1938 this total had jumped to 560 million.

The Civil Aeronautics Authority had little time, however, to establish a record by which to judge its accomplishments, for Roosevelt announced a plan to transfer the functions of the administrator back to the Department of Commerce, effective 30 June 1940.

The authority and the Air Safety Board were combined into a separate agency, the Civil Aeronautics Board. The reorganization sparked bitter opposition, with major aeronautical and congressional leaders criticizing the plan as a step backward. The brief history of the authority and the Air Safety Board were extolled, and the earlier record of the Department of Commerce in the field of aviation was recalled. Critics believed the new arrangement would result in a loss of efficiency and a greater tendency for regulatory staff to be involved in partisan politics.

In making the change, Roosevelt remarked that it was part of a program for improving the organization of the government by reducing the number of administrative agencies and streamlining the task of executive management. The work of the agency is now carried out by the Federal Aviation Administration and the Civil Aeronautics Board.

There are many accounts of the birth and demise of the Civil Aeronautics Authority, but none gives much attention to Roosevelt's involvement with the agency. See Robert E. Cushman, *The Independent Regulatory Commissions* (New York: Oxford University Press, 1941) for a thorough analysis of the administrative framework. Other books contain historical background on the authority and place it in the context of earlier and later federal agencies regulating airlines, airports, and pilots: Robert Burkhardt, *The Federal Aviation Administration* (New York: Frederick A. Praeger, 1967), Donald R. Whitnah, *Safer Skyways: Federal Control of Aviation, 1926-1966* (Ames: Iowa State University Press, 1966), and John H. Frederick, *Commercial Air Transportation* (Chicago: Richard D. Irwin, 1946).

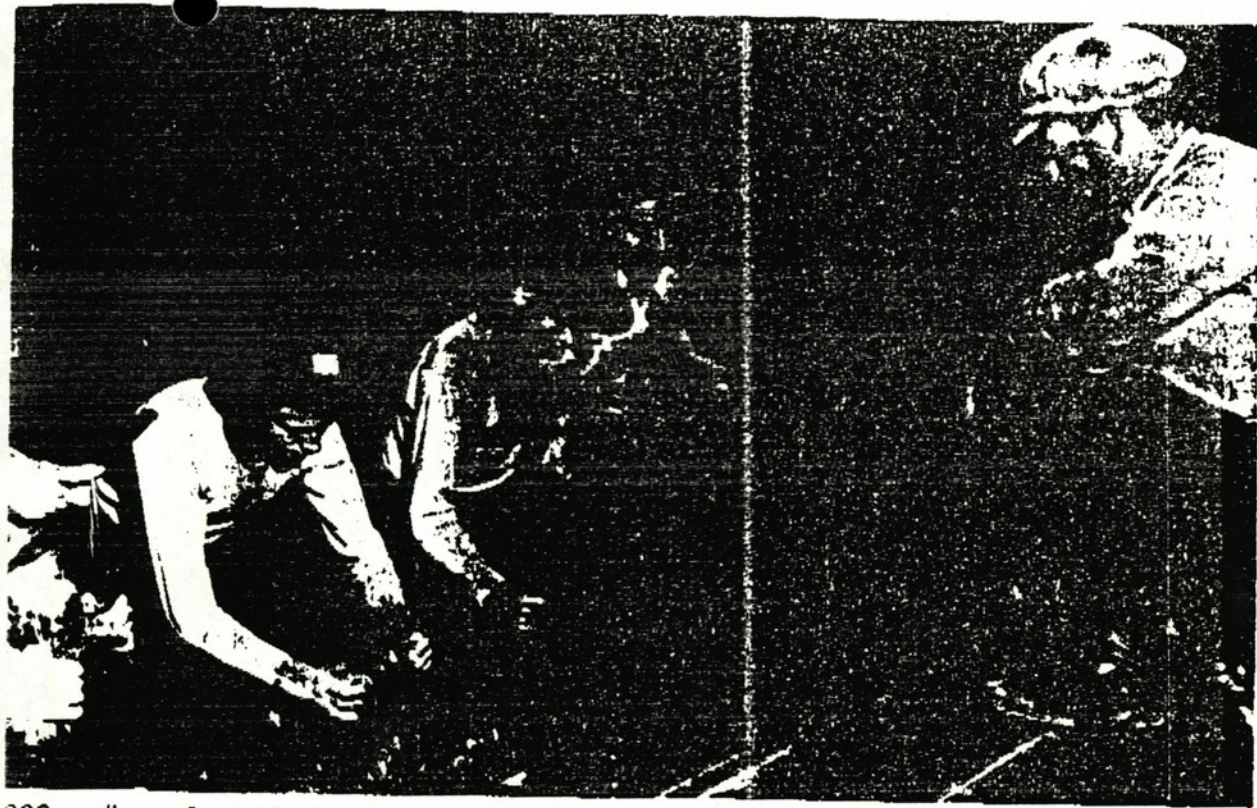
GREGORY KING

Civil Rights

See Bethune, Mary McLeod; Black Cabinet; Black, Hugo Lafayette; Civil Liberties in Wartime; Internment of Japanese-Americans; National Association for the Advancement of Colored People; Negroes; Randolph, Asa Philip; Roosevelt, Anna Eleanor; Supreme Court of the United States; Thomas, Norman Mattoon

* Civilian Conservation Corps

Of the myriad creations of Franklin Roosevelt's New Deal, it was the Civilian Conservation Corps (CCC) that most obviously bore his personal stamp. The CCC was aimed at one of the most urgent problems facing the new president in March 1933, that of the hopelessness and despair of American young people caught in the maelstrom of depression. It was a problem starkly symbolized by the estimated 250,000 young people simply drifting about the country, "the boy and girl tramps of America," the writer Thomas Minehan called them. Roosevelt had long been concerned over the waste of American natural resources that had occurred in the previous fifty years. The depression gave him the chance to use another wasted



CCC enrollees at Camp #7-1, Halsey, Nebraska, pulling seedling ponderosa pine from the nursery, 28 October 1940.

(National Archives.)

resource, the nation's unemployed young men, in order to do something about it. The result was the CCC. Hurriedly thrown together in the first frenetic weeks of the New Deal, it lasted until 1942, perhaps the most universally applauded of all the agencies created in those years.

The basic idea of the CCC was extremely simple. Unemployed young men between eighteen and twenty-five years of age could volunteer to be placed in camps or companies of two hundred men and then put to work restoring the national domain. Because of the need for speed, it was decided to work as far as possible through existing federal departments, with a CCC director to coordinate the enterprise. The Labor Department selected the enrollees, the War Department transported them to camps, which it administered, and the Agricultural and Interior departments supervised the actual conservation projects. Each enrollee enlisted for an initial six-month period, renewable for up to two years, and was paid \$30 monthly, \$25 of which was sent home to his family. This basic organizational structure remained unaltered until the corps was disbanded in 1942.

The president's choice for CCC director was Robert Fechner, the conservative, southern-born vice-president of the AFL. Far from the archetypal New Dealer—he once described his position in the glistening Harvard-oriented New Deal constellation as being like that of “a potato bug among dragonflies”—Fechner nevertheless coordinated activities well enough, as well as disarming critics of the CCC's low wage rates from within the ranks of organized labor. His was an astute appointment.

The CCC quickly caught the public imagination. It grew rapidly, until at its peak, in 1935, there were more than half a million young men, plus several thousand unemployed veterans of World War I in about 2,500 camps, the bulk of which were west of the Mississippi River. Its enrollees were engaged in a multiplicity of conservation tasks, erosion control, wildlife protection, the development of national parks, the preservation and restoration of historical sites, and dam construction. By far the greatest number, however, were engaged in simple reforestation projects, and it was here that the CCC made its greatest contribution. Of all the trees planted in the United States up until 1942, 75 percent were planted by the CCC. Its importance in the history of American conservation is without question.

From 1938 till its termination, the numbers enrolled in the CCC were steadily reduced, and from 1941, its functions were narrowed to those deemed essential to the war effort. It was ended in July 1942, despite the president's vigorous dissent, a casualty of the drive to cut all federal agencies save those deemed essential to the winning of the war. By this time, more than 3 million young men, plus a quarter of a million veterans, had passed through its ranks.

Why was the CCC so popular, given its emergency nature and the fact that it could provide no permanent answer to the problems of unemployed young people in an industrial urban society? There were several reasons for this, in addition to the obvious one that it provided immediate relief for the enrollees and their families. First, it was popular in the camp localities. Camps were usually established near

a small village or town, and the amount they spent in the local market provided such places with a real economic boost. Also, the benefits of CCC work were tangible, obvious, and immediate. Most people found it easy to accept the value of the tasks performed. Moreover, they liked its image. Run by the army as they were, the camps were seen as "safe," the enrollees free from the dangers of subversive ideas or unsettling attitudes. Fechner never challenged traditional racial patterns. Most CCC camps were rigidly segregated. Finally, people responded to the corps because of its links with the past. At a time when the nation was becoming distinctly urban in tone, there was something about these young men going out to work with their hands in the wilderness that appealed profoundly to romantic and nostalgic elements in the national imagination.

Though an emergency measure, the CCC lasted to become one of the New Deal's most important creations. As Arthur M. Schlesinger, Jr., has written, it "left its monuments in the preservation and purification of the land, the water, the forests, and the young men of America."

The only scholarly study of the CCC is John Salmond, *The Civilian Conservation Corps, 1933-1942: A New Deal Case Study* (Durham, N.C.: Duke University Press, 1967). Kenneth Holland and Frank E. Hill, *Youth in the CCC* (Washington: American Council of Education, 1942), is of some value, as is Conrad L. Wirth, *The Civilian Conservation Corps Program of the Department of the Interior* (Chicago: Merchandise Mart, 1944). George P. Rawick's dissertation, "The New Deal and Youth: The Civilian Conservation Corps, the National Youth Administration, the American Youth Congress" (University of Wisconsin, 1957) is also helpful. The quotation from Arthur Schlesinger, Jr., comes from the second volume of *The Age of Roosevelt, The Coming of the New Deal* (Boston: Houghton Mifflin Co., 1959), p. 340.

JOHN SALMOND

See also Conservation; Relief



CCC enrollees with felled trees. (National Archives.)

Civil Liberties in Wartime

A much less repressive civil liberties atmosphere prevailed in the World War II period than had existed in either World War I or the Civil War. Several factors explain this changed environment. Government officials and American citizens in general had learned a lesson from the earlier excesses of curtailment of free expression. The actions of contemporary European dictatorships also provided a negative example, which Americans were determined to avoid. Several months before Pearl Harbor, President Roosevelt told the press that "suppression of opinion and censorship of news are among the mortal weapons that dictatorships direct against their own peoples. . . . It would be a shameful use of patriotism to suggest that opinion should be stifled in its service."

The president's appointments to the Supreme Court and to the position of attorney general also contributed to a more liberal treatment of civil liberties. Frank Murphy, a lawyer and former governor of Michigan, set up a Civil Liberties Unit in the Justice Department to prosecute violators of civil rights statutes. When the president elevated Murphy to the increasingly civil-liberties-conscious Supreme Court in 1940, he named Francis Biddle, another committed civil libertarian, to replace him in the attorney general post.

The pro-civil liberties atmosphere was also enhanced by emphasis on federal rather than state regulation of aliens and alleged subversives. Both the president and the attorney general were afraid that attempts to deal with these issues by states or local governments would result in confusion and open the door to vigilante activities on the part of overzealous private citizens as had happened in World War I. Here Congress took the initiative, passing in 1940 an Alien Registration Act, popularly known as the Smith Act, which required the registration and fingerprinting of noncitizens. Attorney General Biddle frequently remarked publicly that these procedures would be carried out as humanely as possible. In 1941 the Supreme Court sanctioned such federal regulation of alien activity in *Hines v. Davidowitz* (312 U.S. 52), a decision that overturned a Pennsylvania statute requiring aliens to register and carry identification. In a related area, the Court in *Goldman v. United States* (316 U.S. 129 [1942]), also sanctioned the use by the FBI of presidentially suggested wiretaps as that body investigated questions relating to national security.

Roosevelt was generally more pragmatic than resolute. As James MacGregor Burns has written: "Like Jefferson in earlier days, he was all for civil liberties in general, but easily found exceptions in particular. . . . To be sure, Roosevelt's civil liberties derelictions were not numerous, but certainly the wartime White House was not dependably a source of strong and sustained support for civil liberties in specific situations." One such situation concerned Roosevelt's view of criticism of his wartime policies which appeared in the press. Francis Biddle, in his autobiography, recalled that in 1942 the president asked him

members of the board were Frederick A. Delano, Charles P. Merriam, and Wesley C. Mitchell (succeeded by George Yantes), and the staff was headed by Charles W. Eliot II.

The NPB performed this function, but the board members became increasingly aware of the lack of information necessary for the wise use of the nation's resources. Accordingly, the NPB recommended that a permanent, broadly based planning agency be established. President Roosevelt agreed and in 1934 established the National Resources Board (NRB) as an independent cabinet committee responsible directly to him. The NRB expanded its activities well beyond those of its predecessor. Because it was an independent agency, it was able to establish study committees representing many government agencies and private interests, thus tapping the talents and knowledge of the best experts in the country. The NRB produced important reports on the use of water and land resources, but its most important contribution was its final report, which was the first national inventory of the country's resources and their associated problems.

In 1935 the NRB lost its legislative authority when the Supreme Court invalidated the National Industrial Recovery Act. The president, however, desirous of continuing the agency, reconstituted it as the National Resources Committee (NRC) under the authority of the Emergency Relief Appropriations Act. In 1939, the NRC was specifically excluded from the act, and again Roosevelt saved the agency. Using the power given him under the Reorganization Act of 1939, he consolidated the NRC and the moribund Federal Employment Stabilization Board into the National Resources Planning Board (NRPB) and placed it in the Executive Office of the President.

The NRPB continued to expand its areas of interest. From a limited perspective of improving natural resources use, the NRPB moved to a primary concern for the human condition. Such interests took the agency into the area of social policy and the controversies surrounding it. By the late 1930s the NRPB was undertaking studies and issuing reports concerned exclusively with social and economic issues.

When the Second World War began, the NRPB found that an increasing amount of its work was committed to the war effort. The board made valuable contributions to more effective resource use, improved industrial location, and the relief of urban congestion. The role of the NRPB was limited largely, however, to furnishing data and expert advice. As the war agencies gained experience, they relied more on their own staffs and less on the NRPB.

Beginning in 1940, the NRPB began to examine the problems of reconversion and the postwar period. It expected serious dislocations and in a series of pamphlets urged the use of countercyclical spending to prevent a boom-and-bust economy. The acceptance of Keynesian economics earned for the NRPB the enmity of traditionalists.

In March 1943, the two most famous and provocative reports of the NRPB appeared: *Post-War Plan and Program* and *Security, Work, and Relief Policies*. The reports included discussions of natural

resources, but of far more importance were the sections on health, education, welfare, and economic policy. The board was endorsing a smooth and, if necessary, regulated conversion, a more equitable distribution of income, government responsibility for full employment, and countercyclical economic policies. All eventually became government policy, but at the time they provoked bitter criticism.

Almost at the same time that the controversy over the postwar reports was raging, the NRPB was engaged in a losing fight for its life. The board had had appropriations difficulties since it lost its legislative authorization in 1939, and by 1943 other issues had surfaced. One was that the NRPB was only duplicating the functions of other agencies. Roosevelt pointed out that the coordinating function of the board actually prevented duplication, but to no avail. Congress seemed most eager to end planning by the executive branch. Planning, especially the overall control made possible by a central planning agency, tended to make the president more effective, and Congress was already unhappy with the secondary role it had played since 1933. The NRPB was only one of several agencies ended in 1943 in a broad conservative effort to cut back on the New Deal.

Although there has been no central planning agency since the NRPB, some of its functions have been taken over by the Council of Economic Advisers, the Office of Management and Budget, and private research organizations.

Those interested in a more detailed account should consult Marion Clawson, *New Deal Planning: The NRPB* (Baltimore: Johns Hopkins University Press, 1981) or Philip W. Warken, *A History of the National Resources Planning Board, 1933-1943* (New York: Garland Publishing, 1979). The records of the NRPB are held by the National Archives and constitute Record Group 187.

PHILIP W. WARKEN

See also Conservation; New Deal; Office of the Presidency; Planning; Rural Electrification Administration; Tennessee Valley Authority

National Union for Social Justice

See Coughlin, Charles Edward; New Deal

* National Youth Administration

"I have moments of real terror," remarked Mrs. Eleanor Roosevelt in May 1934, "when I think we might be losing this generation." There was good reason for her fear, for the question of unemployed and unemployable young people was a crucial concern in depression America. Though the statistics on youth unemployment are incomplete, those that do exist point to the conclusion that nearly 30 percent of Americans between sixteen and twenty-four years of age who were in the labor market were totally unemployed. Youth were among the cruelest casualties of economic collapse. The country was in danger of

producing a whole generation of misfits, unskilled and untrained, lacking in self-esteem, incapable of becoming the productive adults upon whom recovery would depend.

The Roosevelt administration moved swiftly to combat the problem. Within weeks of its taking office, the Civilian Conservation Corps (CCC) had been established, and thousands of young men were already working in the woods. The accomplishments of the CCC were genuinely impressive, and it soon became enormously popular. But it was not an adequate answer to the problems of young people in depression America. It catered to the most desperate cases only and was in any event an all-male enterprise. There was a need for a much more wide-ranging youth program, one based in the home community, one that would impart skills of permanent value, one that would employ young women as well as men. The National Youth Administration (NYA) was an attempt to meet this need.

Created on 26 June 1935 by executive order as part of the new Works Progress Administration (WPA), the NYA had its origins in a number of existing federal programs. One was a plan by the Federal Emergency Relief Administration (FERA) to enable needy college students to stay in school; a second was a FERA transient scheme; a third was administration efforts to stimulate vocational training. The NYA coordinated these existing schemes, but it also expanded them beyond recognition.

There were always two divisions in the NYA. One involved student work. College and high school students, mainly from relief families, were to be given grants in return for work to enable them to stay in school, grants, it was hoped, that would bridge the gap between the students' own resources and what was needed to keep studying. The intent was twofold—to develop the talents of young people as fully as possible and to keep them out of the swollen labor market.

The second function was the more difficult one of providing assistance for those young people who were no longer in school but were out of work. The NYA needed to give them both relief and job training of permanent value. Consequently, programs had to be developed that were of relevance both to the individual and his or her community.

To head the new agency, Roosevelt selected Aubrey Williams, the WPA's deputy director, a southerner, a former social worker, and an outspoken liberal, who was already closely identified with the New Deal's left wing. Williams had no desire to run a tightly centralized agency, believing that the NYA would succeed only if local supervisors and directors were given the widest possible latitude in program development, assisted by an advisory council of local citizens. He perceived the job of the national office, therefore, as being little more than to set the broadest policy guidelines, leaving state and local officials to fill in the details.

The student work program was relatively easy to get going. By early 1937, more than 400,000 young people were receiving assistance, and the monthly

number rarely dropped below 300,000 thereafter. By the time the program was terminated in 1943, more than 2 million young people had received assistance. The educational institutions ran the scheme themselves; it was the responsibility of the college president or school principal to see that the money was equitably distributed, that NYA regulations were complied with, and that the students performed some work around the campus in return. Student work was the most popular component of the NYA's program. It worked well from its inception and caused Williams and his officers very few worries indeed.

More difficult to develop was the program for out-of-school youth. Given the need to get as many youth working as possible, plus the importance of creating community goodwill, the first projects tended to involve high-labor, low-capital-outlay content. By the beginning of 1936, youths all over the nation were developing parks and other recreation areas, cleaning up public buildings, and performing similar tasks. No doubt this approach was of benefit to communities, but it scarcely gave the enrollees the training they needed to find jobs at the end of the emergency.

In any event, the approach was abandoned by 1937 in favor of a policy that only projects involving a substantial degree of training were to be approved. The emphasis on acquiring skills, then, had been firmly established. Other developments had occurred, too, that helped give the NYA a more solid look. The NYA had begun to establish residence centers in order to accommodate youth from rural counties for whom community-based programs were not appropriate. It had developed its own job placement offices. And, in keeping with Williams's commitment to the cause of racial justice in America, it had developed a special Negro program, headed by the redoubtable black educator, Mary McLeod Bethune. It was one of the very few New Deal agencies to concern itself particularly with the problems of America's most disadvantaged group.

In 1939 Williams began to shift the emphasis of the agency toward training youth for defense industry work, and this trend was accelerated once World War II broke out. From mid-1940, its nondefense functions were progressively shed until by 1942 it was involved solely in the war effort. The NYA introduced its enrollees to machines, gave them basic shop training, and then poured them into the nation's industrial plants. It combed the country looking for young people to train; it transported them to areas of labor shortage, found them jobs, and acclimatized them before letting them go. It was particularly concerned to bring black and female enrollees into the industrial mainstream. The enthusiastic testimony of thousands of businessmen from all over the nation was compelling evidence of its importance to the general defense effort.

Yet the agency was abolished in 1943, despite President Roosevelt's attempts to save it, a victim of the drive to prune federal expenditures to the bone by eliminating all agencies not considered vital to the war effort. Its accomplishments had been numerous.

It had enabled millions of young Americans to complete an education that would otherwise have been denied them, it gave millions more vocational training of lasting value, it was a vital contributor to the nation's defense effort, it allowed minority groups to participate in some approximation to need, and it provided community amenities of permanent value. Of the many New Deal agencies, it is one of the best examples of what can be accomplished when enlightened, committed people, if only for a short time, receive a measure of public support.

There is no standard history of the NYA. Still the best detailed discussion of its early history and accomplishments is Ernest K. Lindley and Betty Lindley, *A New Deal for Youth: The Story of the National Youth Administration* (New York: Viking, 1938). Other useful contemporary discussion can be found in Paul B. Jacobson, "Youth at Work," *Bulletin of the National Association of Secondary School Principals* 25 no. 99 (May 1941), and in the NYA's *Final Report* (Washington: U.S. Government Printing Office, 1944). The most recent evaluation of its activities can be found in John A. Salmond's biography of Aubrey Williams, *A Southern Rebel, the Life and Times of Aubrey Willis Williams, 1890-1965* (Chapel Hill: University of North Carolina Press, 1983). There is also useful material in George P. Rawick "The New Deal and Youth" (Ph.D. diss., University of Wisconsin, 1957).

JOHN SALMOND

See also Bethune, Mary McLeod; Hopkins, Harry L.; Relief; Roosevelt, Anna Eleanor; Williams, Aubrey Willis

Native Americans

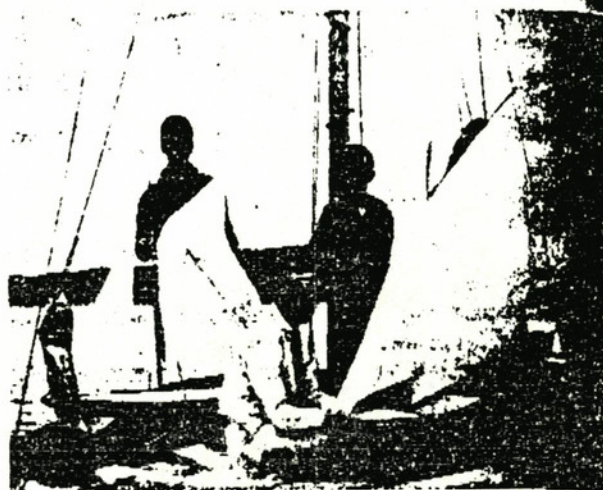
See Indian Policy

Naval Collection

Though best remembered as a stamp collector, Franklin Roosevelt was above all a serious collector of materials on the history of the American navy. He began the collection in his youth and added to it throughout his life, even during the busy presidential years. At his death it contained more than 1,000 prints and paintings, 2,500 books, and hundreds of pamphlets, documents, letters, log books, ship models, and miscellaneous memorabilia.

He collected most actively during his years as assistant secretary of the navy (1913-20) and the agonizing years he spent recuperating from polio (1921-28). Of this latter period, he once said that he owed his life to his hobbies. In those years of enforced leisure, he cataloged his books, writing out in long hand some nine hundred catalog cards, and started to write a biography of John Paul Jones, whose career had long fascinated him. Unfortunately for posterity, he lost interest in the project, and only a few pages in long hand on ruled paper remain.

Roosevelt was well known to dealers who sent him items on approval and lists and catalogs from which he ordered. He went to auctions before the ar-



Model boats were a lifelong interest of FDR, seen here with sons James (left) and Elliott (right) on board the *Vireo*, 27 July 1920. (Courtesy FDR Library.)

rack of polio, but when he could no longer do so his secretary, Louis McHenry Howe, went in his stead, armed with catalogs that FDR had marked with a system of one to four check marks and the price Howe should bid. Howe's instructions were: "On single check marks don't go over bid." The more check marks, the more FDR wanted the item, and permitted Howe a certain leeway in bidding. A frugal man, FDR was a conservative buyer. He bought many of the books, pamphlets, and documents for less than a dollar and paid as little as ten cents for letters from unknown sailors. But he would not haggle over price when a truly unique item came his way. The most celebrated part of the collection consists of 1,200 prints and paintings of ships, actions, and naval officers, ranging from items of great rarity or artistic merit to illustrations cut from eighteenth- and nineteenth-century publications. FDR's favorites were "eyewitness" drawings because, though often naive, he believed them historically accurate. His concern was history, not technique. Outstanding among such works is a scrapbook of watercolors by William H. Meyers, a gunner aboard the *USS Dale* during the California operations in the war with Mexico. FDR paid \$900 for the scrapbook, the most he ever paid for an item in the collection.

He bought few prints after 1939 because, as he plaintively wrote a dealer, "I have no more wall space." Naval prints covered the walls of his Hyde Park and New York City houses and his private quarters in the White House. When the Franklin D. Roosevelt Library opened in 1941, he transferred a large part of the collection there, and at his death the library—and the American people—was bequeathed the rest, except for some eighty prints which hang in his Hyde Park house as they did in his lifetime. Although an entire gallery in the FDR Library is devoted to the collection, only a fraction can be displayed at one time. But items are often loaned to other museums, and the entire collection is open to research.

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other jobseekers with job placement and other employment services and for providing employers with recruitment services and referrals of job-seeking applicants.

The Service administers the Work Incentive (WIN) program, which was authorized by the Social Security Amendments of 1967 (42 U.S.C. 1305 note) and 1971 (85 Stat. 802). WIN is jointly administered by the Departments of Labor and Health and Human Services and is designed to help persons receiving Aid to Families with Dependent Children (AFDC) become self-supporting.

The Service, through the State public employment service system, also provides subsidiary services which include:

- certifying aliens who seek to enter the United States for permanent employment as immigrants or as temporary workers;
- providing specialized recruitment assistance to employers;
- determining classifications of labor surplus area annually and for exceptional circumstance petitions;
- providing labor surplus area information to the general public and to other Federal or State agencies to meet various program responsibilities;
- disseminating labor market information;
- providing individuals with guidance, counseling, testing referral, and job opportunities;
- reviewing rural industrialization loan and grant certification applications under the Rural Development Act of 1972 (7 U.S.C. 1921);
- distributing airline job opening information for rehiring under the Airline Deregulation Act (49 U.S.C. app. 1301); and
- providing supportive services to employers and applicants through the Federal bonding program:

For further information, call 202-535-0157.

Office of Work-Based Learning The Office administers activities under several Federal laws regarding worker training and retraining. These include the dislocated worker program under the Economic Dislocation and Worker

Adjustment Assistance Act (EDWAA) (Title III of the Job Training Partnership Act (JTPA)); Federal activities under the Worker Adjustment and Retraining Notification Act (WARN); Federal activities under the Apprenticeship Act; and the Trade Adjustment Assistance Program under the Trade Act. In addition, the Office carries out research and demonstration programs.

For further information, call 202-535-0540.

Office of Worker Retraining and Adjustment Programs The Office performs dislocated worker programs functions under the Economic Dislocation and Worker Adjustment Assistance Act (Title III of JTPA), and Federal activities under the Worker Adjustment and Retraining Notification Act.

For further information, call 202-535-0525.

Office of Trade Adjustment Assistance The Office administers the Trade Adjustment Assistance program provisions of the Trade Act of 1974, as amended (19 U.S.C. 2101 *et seq.*), through agreements with the States. The program provides reemployment services such as training, job search and relocation allowances, and weekly cash payments to U.S. workers who are separated from employment because of foreign imports.

The Office receives petitions for adjustment assistance from either adversely affected workers, a duly recognized union, or an authorized representative of the workers and conducts factfinding investigations to develop necessary data on which certification determinations can be based. Determinations may involve approval, denial, or termination of worker groups' eligibility for trade adjustment assistance benefits.

The Office develops policies and prepares program directives to regional offices and State agencies on the administration and funding of reemployment services, and develops and maintains a system for allocating funds to those offices and agencies for reemployment services. It also directs

and conducts industry studies of the number of workers in a domestic industry likely to be certified as eligible for adjustment assistance and of the extent to which existing training and employment programs may facilitate the workers' adjustment to import competition when an industry petitions the Federal Government that it is being injured because of import competition.

For further information, call 202-523-0555.

Bureau of Apprenticeship and Training The National Apprenticeship Act (29 U.S.C. 50) was passed in 1937 to enable the Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices and cooperate with the States in the promotion of such standards and to bring together employers and labor for the formulation of programs of apprenticeship.

Sponsors and potential sponsors are encouraged and assisted in the development, expansion, and improvement of apprenticeship and other forms of allied industrial training. Technical information on training methods, public training facilities, and successfully executed systems are made available to industry. Through field representatives in States, the Bureau works closely with employers, labor unions, vocational schools, community planning groups, and others concerned with apprenticeship.

Programs must meet standards established by the Bureau or a recognized State Apprenticeship Council to be registered. Field compliance reviews are conducted to determine conformity with Federal equal employment opportunity and other standards for apprenticeship and training.

For further information, call 202-535-0540.

Job Training Partnership Act

The Office of Job Training Programs is responsible for the development and issuance of Federal procedures and policies pertaining to the operation of the Job Training Partnership Act (29 U.S.C. 1501 note) programs.

Under the act, the Secretary of Labor makes block grants to the 50 States, Guam, the Virgin Islands, Puerto Rico, the Commonwealth of the Northern Marianas, American Samoa, Republic of the Marshall Islands, Republic of Palau, Federated States of Micronesia, and the District of Columbia.

The goal of the act is to train or retrain and place eligible individuals in permanent, unsubsidized employment, preferably in the private sector. Eligible individuals are primarily economically disadvantaged individuals, in particular economically disadvantaged youth, dislocated workers, and others who face significant barriers to employment. The act also provides that a fixed percentage of the block grant be used for programs for older individuals.

The Job Training Partnership Act may be used for a variety of purposes including classroom instruction in occupational skills and other job-related training; on-the-job training; recruitment; orientation; counseling; testing; and placements and supportive services. In addition to the block grants, the act provides for national programs for special target groups such as Native Americans and migrant and seasonal farmworkers. It also provides authority for the Job Corps, a residential training program for disadvantaged youth.

The act is open-ended legislation and was signed into law on October 13, 1982. Implementing regulations for the act issued by the Department of Labor are contained in title 20 of the *Code of Federal Regulations*, Parts 626-636 and 675-684.

For further information, call 202-535-0236.

Senior Community Service Employment Program Authorized by title V of the Older Americans Act (42 U.S.C. 3056), the program makes subsidized, part-time job opportunities in community service activities available to low-income persons aged 55 and above. Project grants are made to national-level public and private nonprofit agencies and to units of State government. The distribution of funds among the States is

fe and destiny face to

poem does not run
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f the stubborn tradition
s affliction and the re-
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ie poem is framed in a
an epilogue (42:7-17).
: (1) the arguments of
ends, Eliphaz the Tem-
s, and Zophar the Naa-
speaks three times (ex-
aks twice), and to each
the speeches of Elihu
) the dialogue between
-42:6). Whether the
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serted by an author who
to the arguments of Eli-
es to be a matter of dis-

described as a prosper-
ple of piety. He is the
ss, the father of a large
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earth." Satan, or the
Job's piety is due to his
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b, first by destroying his
nd his family. Yet Job
ters by saying that Job's
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hee to thy face" (2:4-5).
e apply his test, except
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d the trial of his piety

le. There are few liter-
to equal Job's desire for
et forth in 3:20-26. To
ife urges him to "curse
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st current doctrine. Of
to be a "noble, sincere
ands our respect." Bil-
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they differ somewhat in
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but to confess and sub-

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from his friends instead
trary to accepted opin-

ion God does at times give prosperity to the
wicked. Job maintains that he is innocent. He
gradually realizes that these self-appointed
friends will give him no real answer to his prob-
lem. He pleads with God for mercy. Finding
no justice in human affairs and no satisfaction in
traditional wisdom, he must look to God and
speak directly with him. From the wisdom of
man, Job turns to the wisdom of God.

The arguments of the three friends slowly
deteriorate through the three cycles of their pre-
sentation. At first they challenge Job to submit
to God, to confess his sins, and to preserve his
faith. When he persists in maintaining his inno-
cence, they try to frighten him into a confession.
Failing this, they charge him openly with "gross
iniquity." None of these approaches offers Job
any help.

The unfolding of his inner life through these
three cycles of discussion is interesting to watch.
Job refuses to accept the traditional answer that
all suffering comes of sin. The wicked do prosper,
and the righteous do suffer. Pursuing his
lone quest through the darkness, Job seeks an
answer not from men but from God. Job's quest
is for a satisfying conception of God that the the-
ology of his day did not provide. His defense of
himself is of no avail; help from his friends is not
forthcoming.

Once in this painful pilgrimage he catches a
glimpse of a solution: in God's own good time he
will be vindicated. It may not be in this life, but
vindication will certainly come. He knows that
his "Redeemer lives," and that "at last he will
stand upon the earth." Then "I shall see God"
(19:25-26). "If a man die, shall he live again?"
(14:14). Perhaps the solution to tragic suffering
must await the compensations of fulfillment and
vindication in the future.

Interpretation. The speech of Elihu, which
some scholars have regarded as a later addition,
proposes a new view of Job's suffering. Afflic-
tions, Elihu argues, are sometimes to be consid-
ered disciplines that strengthen and purify the
children of God. They represent the chastening
influences of a loving Father. Job is willing to
accept this view. The way is prepared for Jeho-
vah to speak and show that man is too finite to
understand the mysteries of His providential
governance of things.

The climax of the book is reached in chapters
38-41, when God finally addresses Job. Job is
humbled by the majesty and power of God, and
his perspective is thereby enlarged. The glory
and the greatness of God are such as to make his
affliction seem insignificant. The very revela-
tion of God reassures Job. No longer does he
know God by hearing. His eyes have "seen"
God, and he is satisfied. His problem was not
solved as he had expected. Rather, it was seen
from a higher vantage ground. The problem of
suffering may not be dissolved by a divine fiat or
by intellectual arguments, however logical and
orthodox. Rather it is solved by simple faith and
trust in a gracious God whose personal friend-
ship for and counsel of his child are of greater
value than all the "miserable comforters" or
counselors who think they are defending God,
but who are in reality only defending themselves
and the stereotyped traditions and habits of
thought of their time.

The author of the Book of Job set out to
present several great truths in the form of a po-
etic drama. In some ways these truths were

rather radical for the time. Centering the prob-
lem in a great legendary representative of right-
eousness who was universally known, the author
expresses current views on the subject through
Eliphaz, Bildad, Zophar, and Elihu. Job, the
rebellious sufferer, challenges these views with
pathos and even with vigorous counterargument.
The mystery of suffering exposes the rigidity, the
pride of knowledge, and the complacency of the
piety of the day.

Man's afflictions are not always the result of
his sins. On the human plane there is no solu-
tion to the problem. Only in the gracious visita-
tion of God, in his wisdom and power, do suffer-
ing men find the assurance that will assuage
their pain and lead them from outgrown tradi-
tional doctrines to that communion with him that
is the highest joy of a man. The ultimate aim of
the book may be not to offer a solution to unde-
served suffering, but to present the revelation to
suffering mankind of the unmerited grace of God
by which he visits and comforts his humble and
faithful people.

E. G. HOMRIGHAUSEN, Author of
"Choose Ye This Day: A Study of Decision and
Commitment in Christian Personality"

Further Reading: Ewing, Ward B., *Job: The Vision of
God* (Seabury 1976); Johnson, L. D., *Out of the Whirlwind:
The Major Message of Job* (Broadman 1971); Wiesel, Elie,
Messengers of God (Pocket Books 1977).

JOB ACTION, a concerted stoppage or slowdown
of work. It is often used by public employees—
who may be legally forbidden to strike—as a
means of exerting pressure on an employer. See
LABOR UNION; STRIKE.

JOB CORPS, a U. S. government organization that
provides training in marketable skills for disad-
vantaged youths between the ages of 16 and 21.
The corps was established by the Economic Op-
portunity Act of 1964, reauthorized by the Com-
prehensive Employment and Training Act of
1973, and continued by the Job Training Part-
nership Act of 1983. The Job Corps is administered
by the U.S. Department of Labor, under the Of-
fice of Comprehensive Employment and Train-
ing, which works with other federal agencies and
state employment and training offices in provid-
ing training.

The Job Corps provides direction and guid-
ance for the administration of a nationwide train-
ing program. The purpose of the program is to
prepare disadvantaged youths for responsible
citizenship and to increase the employability of
such youths by basic education, vocational train-
ing, and useful work in rural or urban centers.
Job Corps centers offer residential facilities for
most enrollees.

Recruiting for the Job Corps is primarily
through state employment services. Enrollees
may spend up to two years in the corps, but six
months to one year is usually sufficient to de-
velop or improve their employable skills. State
employment services and private organizations
assist enrollees in finding jobs after completion
of their training program. There are more than
42,000 youths in the Job Corps.

JOCASTA, jō-kas'ta, in Greek legend, the wife of
Laius and mother of Oedipus. She married Oe-
dipus unaware he was her son and had killed
Laius. When the truth came out, she killed her-
self and he blinded himself. See also OEDIPUS.

LABOR DEPARTMENT The Department of Labor has undergone reorganization in several areas in recent years. The Employment and Training Administration has added a sixth office. In addition, the functions of the Labor Management Services Administration have been reassigned to other offices, some of them newly created.

Employment and Training Administration Within the Employment and Training Administration (ETA), the Office of Job Training Programs has replaced the Office of Comprehensive Employment and Training (OCET). The OCET was terminated after fiscal year 1982 when authorization for appropriations expired. In addition, a new office, the Office of Program and Fiscal Integrity has been added to the administration.

Office of Job Training Programs The Office of Job Training Programs is responsible for the development and issuance of Federal procedures and policies pertaining to programs authorized by the Job Training Partnership Act (JTPA) (96 Stat. 1322; 29 U.S.C.A. § 1501 note). Under the JTPA, the secretary of labor makes block grants to the fifty states, Guam, the Virgin Islands, Puerto Rico, the Commonwealth of the Northern Marianas, American Samoa, the Trust Territory of the Pacific Islands, and the District of Columbia.

The goal of the JTPA programs is to train or retrain and place eligible individuals in permanent, unsubsidized employment, preferably in the private sector. Eligible individuals are primarily economically disadvantaged individuals, in particular economically disadvantaged youth, who have been or are about to be displaced from their employment. The JTPA also provides that a fixed percentage of the block grant be used for programs for older individuals.

JTPA grants may be used for a variety of purposes including classroom instruction in occupational skills and other job-related training; on-the-job training; recruitment; orientation; counseling; testing; and placements and supportive services.

In addition to the block grants, JTPA provides for national programs for special target groups such as Native Americans and migrant and seasonal farmworkers. It also provides authority for the Job Corps, a residential training program for disadvantaged youth.

The JTPA is open-ended legislation, which was signed into law on October 13, 1982. Implementing regulations for JTPA issued by the Department of Labor are contained in title 20 of the Code of Federal Regulations, parts 626-638 and 675-684.

Office of Program and Fiscal Integrity The Office of Program and Fiscal Integrity (OPFI) directs the development, implementation, and administration of functions concerning the operational and financial integrity of ETA programs. Through its debt-management and audit-resolution staff, the OPFI resolves audits, closes out contracts and grants, and seeks to satisfy extraordinary monetary claims and apply sanctions against grantees and contractors who violate ETA-administered laws or regulations. The OPFI's special review staff conducts inquiries, assessments, and reviews, including intra-agency and interagency investigations for the assistant secretary. In addition, the OPFI coordinates all activities associated with reviews of the OPFI by the General Accounting Office, the inspector general of the Department of Labor, the Department of Justice, and other agencies.

The OPFI's internal control staff administers the Federal Managers' Financial

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Integrity Act of 1982 (96 Stat. 814; 31 U.S.C.A. § 65 note) to ensure the adoption of safeguards to protect ETA resources, produce information that is accurate and reliable, and promote adherence to laws, regulations, and policy governing operational efficiency and economy. Preaward clearance screening, internal control review of selected administrative and program activities, and administration of vulnerability assessments are the key responsibilities of this office.

Office of Labor-Management Standards The Office of Labor-Management Standards (OLMS), formerly the Office of Labor-Management Standards Enforcement within the Labor-Management Services Administration, was created by Secretary's Order No. 3-84 of May 3, 1984, and is headed by the assistant secretary for labor-management standards.

The OLMS administers provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) (73 Stat. 519; U.S.C.A. § 401 note), Section 1209 of the Postal Reorganization Act (84 Stat. 759), and Section 7120 of the Civil Service Reform Act (CSRA) (92 Stat. 1210; 5 U.S.C.A. § 7120), which regulate certain internal union procedures and protect the rights of members in approximately 50,000 unions. These provisions govern the handling of union funds; the reporting and disclosure of certain financial transactions and administrative practices of unions, union officers and employees, surety companies, employers, and labor relations consultants; the election of union officers; the imposition and administration of trusteeships; and other matters.

Labor organizations in the private sector and labor organizations composed of postal service employees are subject to the LMRDA. Labor organizations composed of employees of most agencies of the executive branch of the Federal government and certain other Federal agencies are subject to similar standards of conduct under provisions of the CSRA.

Through technical assistance, OLMS seeks to obtain voluntary compliance with the requirements of the law by labor organizations, employers, and other affected entities and individuals. Enforcement through the Federal courts also is available under the LMRDA, while the standards of conduct are enforced by administrative action with a final decision by the assistant secretary.

Pension and Welfare Benefits Administration Pensions and welfare benefits, which were formerly overseen by the now-abolished Labor-Management Services Administration, are now within the jurisdiction of the Pension and Welfare Benefits Administration (PWBA). Administrators of private pension plans are required to file summaries of their plans with the Office of Pension and Welfare Benefits Administration. The PWBA enforces the strict fiduciary responsibility standards that plan administrators must meet. Vesting, participation, and funding standards for pension plans are still, for the most part, administered by the Internal Revenue Service.

Labor-Management Relations and Cooperative Programs The recently created Bureau of Labor-Management Relations and Cooperative Programs (BLMRCP) offers a wide range of information and technical-assistance services to employers, unions, academics, third-party neutrals, and other organizations and individuals sharing common interests in improving the practice of industrial relations, especially through joint labor and management efforts. The bureau's activities include sponsoring conferences and other meetings on contemporary issues, publishing special reports on organizational experiences, preparing educational and training materials, and conducting research and evaluation studies in the areas of cooperative labor relations, collective bargaining, and quality-of-work-life programs. The bureau gathers and disseminates information about innovative policies and programs developed to enhance employee participation in shared decision-making on issues such as work organization,

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the work environment, technological change, and plant closings and dislocated worker assistance.

The bureau also reports on current and potentially critical disputes, analyzes collective bargaining data, and provides staff assistance to presidential emergency boards and other boards and commissions dealing with major labor-management disputes.

In the field of labor-management policy development and research, the bureau reviews collective bargaining relationships and their contribution to meeting the economic needs of the parties involved as well as the general public. The bureau helps to develop policy for legislation and executive orders, studies the impact of collective bargaining agreements, and coordinates labor-management relations research activities.

The bureau enforces employee protection provisions of various laws to ensure that employment conditions of workers will not be adversely affected by government actions.

Veterans' Employment and Training Service The Veterans' Employment and Training Service (VETS), formerly part of the old Labor-Management Services Administration, is now a separate division. The service is administered by the assistant secretary for veterans' employment and training; he or she is responsible for seeing that the policies of the secretary of labor regarding National Employment and Training programs for veterans are carried out by local public employment services and private-sector contractors. The assistant secretary is also responsible for promulgating policies, procedures, and regulations that provide the maximum employment and training opportunities mandated by legislation to veterans and other eligible persons, with priority services given to disabled and Vietnam-era veterans.

Through a nationwide field staff, functional supervision and technical assistance is provided to state job services and private contractors to ensure that legislatively required priority services of counseling, refer-

ral, and placement are provided to all veterans and to other eligible persons. Service to disabled and Vietnam-era veterans is further mandated by legislation and provided through the operation of the Disabled Veterans' Outreach program (DVOP) specialists and Local Veterans' Employment Representatives (LVERs) who are stationed in many local offices throughout the state job service system.

Veterans' reemployment rights are provided for in title 38, chapter 42 of the United States Code Annotated. The VETS and the Office of Veterans' Reemployment Rights (OVR) assist veterans, reservists, members of the National Guard components, and rejectees to exercise reinstatement rights to the job they left to enter military service and the right to any increased wages or benefits added during their absence. Cooperative agreements with the Veterans Administration provide other services and benefits to veterans.

Source: *The United States Government Manual 1986/87.*

LABOR-MANAGEMENT RELATIONS The economic difficulties and uncertainties that have plagued many U.S. industries in recent years have also affected labor-management relations. One question of major concern has been the conditions under which a company in Chapter 11 bankruptcy proceedings can void its labor contracts. In many other companies that have not entered bankruptcy proceedings but are nonetheless financially troubled, workers have become increasingly worried about keeping their jobs. In the face of competition from foreign imports and the willingness of U.S. companies to shift their operations overseas to take advantage of lower labor costs, job security has replaced increases in wages and benefits as the primary goal of many workers.

Rejection of labor contracts The conditions under which a company in Chapter 11 bankruptcy proceedings can annul its labor contracts has been a matter of major

2 A CHALLENGE TO THE UNITED STATES: JOB CREATION AND EMPLOYMENT SECURITY

Douglas A. Fraser

A job for every American who is willing and able to work—this remains an unmet challenge for the 1980s. The challenge of job creation and job security must be met if America's economic and social progress is to continue.

To meet this challenge, we must do better with people-oriented, human-resource-improving, productivity-raising health, education, training, and retraining. We must do better with work-environment-improving, productivity-raising labor-management cooperation. And we must do better with realistic, co-ordinated economic policies, including adjustment to technological change, trade policy, and industrial policy.

For the last 15 years the United States has had a deteriorating situation in terms of both the unemployment and productivity growth. We need policies at both the micro- and macroeconomic levels to improve our performance in both creating more jobs and making those jobs more productive.

In the 1970s, we had the paradox of rising unemployment rates even as employment climbed at an historically rapid rate. That happened because the labor force was growing even faster than employment. The "baby boom" was entering working age. Women of all

ages, particularly married women, were participating in the labor force at escalating rates.

Unemployment rates may continue to rise in the 1980s even though the labor force will be growing at a slower rate. (The "baby bust" is now entering the work force.) Employment will grow enough only if we can achieve sustainable growth in the economic output. But the current monetary and fiscal mix cannot assure sustained economic growth.

It has become commonplace to point to the challenges of international trade and new technology. Analysts too often praise change in both these arenas as if all change is for the better. Although trade and new technology are necessary to improve our standard of living, unbridled change can be destructive. Technological change that far outstrips attrition or import penetration that forces a wave of plant closings in a region can impose fiscal and social costs that far exceed their benefits. In many cases, moderated change can permit people to adapt to new circumstances by learning new skills and thus to maintain more stable personal lives.

Employment security goes hand in hand with enhancing workers' contribution to quality and efficiency. So long as workers fear that their contribution will only line the company's pockets or will risk making their jobs redundant, they will understandably hold back.

Of course, greater employer commitment to employment security needs to be backstopped by government providing a more stable economic environment. With our economy so cyclically volatile and so subject to import surges, employers here cannot make the same kind of commitments as major employers in Japan do for their permanent employees.

X Rising living standards, economic progress, social stability and social progress, and, indeed, national economic strength and national security all depend on a healthy, full-employment economy. To meet our critical national goals, we must use our full human resource potential.

All our social goals—including equal opportunity, rebuilding the cities, upgrading the educational attainment of inner city youth—can be achieved only with the greatest difficulty, if at all, under conditions of high unemployment, pressure on government budgets, and a loss of hope itself for those, especially the young, surrounded by neighbors unable to find work.

The means of achieving full employment in America are not beyond

our ability. We can do it with the right policies and the right national leadership. There is a big and important role for the private sector. But there is also an indispensable role for our national government in achieving healthy, balanced economic growth and full employment.

UNEMPLOYMENT: A SERIOUS PROBLEM

Unemployment in America has become a national disgrace, rising ever higher across each recession since the mid-1960s. And each temporary recovery from these ever deeper recessions has left the United States farther from the goal of full employment.

The Humphrey-Hawkins Full Employment and Balanced Growth Act of 1978 set an interim goal of cutting unemployment to 4 percent. America is still a long way from this goal.

In 1983, a year of so-called economic recovery, unemployment averaged 10.7 million workers a month, with an average unemployment rate for the year of 9.6 percent. In 1984, another "recovery" year, unemployment averaged 8.5 million workers, an average of 7.5 percent. A more accurate measure of unemployment including discouraged workers and part-time workers who want full-time jobs would raise the number of workers fully or partially unemployed to 15 million for a "true" unemployment rate of 13 percent.

The economic costs of unemployment can be stated fairly precisely, and they are enormous. Every 1 percent of unemployment costs the federal budget some \$30 billion in lost tax revenues and higher outlays for unemployment compensation, food stamps, and welfare. And each 1 percent in unemployment means the loss of about 2.5 percent of national output, about \$90 billion in lost goods and services.

The human costs of unemployment are far greater, although these costs cannot be put into simple dollars and cents terms. The loss of human dignity that comes from not being able to find a job or provide for your family cannot be measured. And you cannot put a dollar value on the very real and indeed measurable increases in suicide, crime, drug and alcohol dependence, and spouse and child abuse that comes with high levels of unemployment. The loss of hope for young Americans who have lost the realistic motivation for serious, studious school work—the prospect for a decent job after graduation—is beyond counting.

Unemployment hits some vulnerable groups of workers particularly

hard. Black workers and particularly black young people suffer very high rates of joblessness, as do young workers generally, Hispanic workers, and women heads of families. In some industries like automobiles, steel, apparel and textiles, and construction, unemployment is serious and persistent. And unemployment is serious and persistent in some states like Michigan, Alabama, West Virginia, Mississippi, and Pennsylvania.

The point I want to stress here is that unemployment does not disappear with so-called economic recovery. Unemployment remains a serious problem for millions of Americans who want and do not have full-time, decent-pay jobs, a serious problem for the nation which endures intolerably high economic and social costs from persistent high unemployment.

A news story in the *Chicago Tribune* of October 31, 1984, "Lay-off study shows costly human toll," described the serious problems of former employees of the U.S. Steel Corporation's South Works who had been laid off an average of three years. The Hull House Association report found workers "victimized by chilling levels of emotional stress and physical illness, coupled with a sharp decline in living standards." Responses from 900 workers were "dominated by depression, anxiety, family strife, increased drinking, insomnia in addition to feelings of guilt, anger and violence."

Key findings of the report, according to the *Chicago Tribune* story, included the following:

- Median income was down from \$20,000-\$24,000 to \$10,000-\$14,000 since 1979.
- Unemployment was currently 47 percent with 30 percent for whites and 60 percent for blacks, with only 31 percent having found full-time jobs.
- 24 percent had been forced to move because of reduced income; 38 percent were behind on monthly payments, 10 percent had been evicted from their homes.
- 26 percent were forced to sell their automobiles, 14 percent had their automobiles repossessed.
- 30 percent looked for emergency food assistance.
- 42 percent had no health insurance; 59 percent postponed medical treatment for financial reasons.
- A sharp increase in self-reported health and emotional problems was attributed to layoff, including increased alcoholism, weight

gain, loss of appetite, feelings of guilt and anger; 78 percent reported a sense of depression; 10 percent of the males sought treatment at mental health clinics.

LABOR-MARKET POLICY

Even under the optimistic assumptions, hundreds of thousands of workers will remain permanently displaced from many of our nation's basic industries. Many have high seniority and nontransferable job skills, and they are trapped in economically depressed communities and regions because of homeownership obligations and family ties. Many more will be displaced in the future as industries restructure to compete more effectively, introducing powerful new technologies and methods of manufacturing. America will waste valuable resources if these displaced workers are denied the chance to make a productive contribution.

As a first step, the nation needs a policy to minimize undesirable economic dislocation. This means, among other things, that comprehensive plant closing legislation will be necessary. Such legislation would establish a code of corporate conduct in plant shutdown and relocation situations. It would require adequate advance notice of intended shutdown decisions, mandatory opportunities for meaningful worker and public input to reverse those decisions or to minimize their impact if they cannot be reversed, minimum levels of severance pay and fringe benefit continuation, transfer rights with relocation assistance, special protection for older workers, and assistance to the community to offset the impact of the shutdown on local community tax revenues.

We also need a bill of rights for displaced workers and dislocated workers. It is just plain wrong and wasteful to toss displaced workers out on the junk heap. Victims of economic change need a truly adequate social safety net and guaranteed access to various forms of assistance, including job search and relocation assistance, health care, home sale assistance in some cases, and retraining with adequate stipend and fringe benefits.

Achieving the goals of this new bill of rights will require creating joint, tripartite industrial, regional, and local labor-market boards. Among the tasks of these boards should be mandatory job vacancy listing and greatly expanded computerized job matching services

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583 nationwide, with increased and upgraded staffing at our public employment services. The labor-market boards should have close links with national and regional development banks to be created under pending industrial policy legislation, and labor-market policy should be integrated with the nation's reindustrialization effort.

These labor-market boards should be authorized to administer a major new program of flexible public service employment and public works jobs. In conjunction with state and local governments, these boards should develop a "standby shelf" of community projects that could be started up quickly to provide displaced workers with "transition" jobs and to support modernization and reindustrialization goals such as construction or repair of roads and bridges.

Unfortunately, the new federal job training system under the Job Training Partnership Act, enacted in October 1982, is seriously inadequate in a number of respects. Funds available under JTPA fall far short of existing needs for training, retraining, and job search assistance. One positive feature of JTPA is the "dislocated workers" program to help laid-off workers. In spite of the limitations of this program, the United Auto Workers and other labor organizations are cooperating in an effort to make the JTPA operate more effectively to benefit displaced, disadvantaged, unemployed, and underemployed workers.

TECHNOLOGY

Technological change has been the basis for rising living standards, more and better goods and services, and more leisure, with less human effort and danger. Under the right conditions, new technologies can be a means to improve the quality of work life and improve earnings and job security. However, there are costs as well as benefits.

In the current environment of economic stagnation and depressed demand, large productivity increases result in more unemployment, which will in turn undercut economic recovery. Society cannot forego the promise of rising productivity, but neither can it accept joblessness and attendant individual distress and social turmoil.

Planning for industrial revitalization and full employment should recognize that advancing technology requires that the work week be reduced over the long run, and that a flexible public employment program be available to absorb those who are displaced from the work force.

The use of robotics, microelectronics, advanced computer technology, and other forms of electronic automation to cut costs, increase

profits, and raise productivity is growing. Such technologies have already become a pervasive force in many industries, occupations, and jobs.

These new applications affect not only production and maintenance workers, but office and clerical workers as well. In offices, word processing and data management systems have already changed and have the potential to revolutionize the nature of work. In plants, computer-assisted manufacturing devices and highly sophisticated robots permit ever higher productivity. Moreover, computer monitoring of the plant processes results in broader control over workers' activities and over product quality with fewer workers.

Robots alone will change the industrial landscape. These electronically programmed machines are capable of performing a multitude of mechanical tasks and they can do so 24 hours a day, on holidays and on weekends. Indeed, at one factory in Japan, a series of robots perform all the production on the graveyard shift. Some estimates foresee 120,000 robots installed in the United States by 1990. And in the years beyond, estimates project 3 million jobs in manufacturing lost to machines.

Although the pace of the introduction of robots was slowed somewhat by excess industrial capacity caused by recent recessions, it is imperative that private sector labor-management action produce contractual protections now. It is also imperative that America pursue public policies for full employment in anticipation of more serious technological and job content problems in the years ahead.

The September 1984 UAW-General Motors agreement contains important worker protections including a job security program with the far-reaching protections against job loss due to the introduction of new technology.

Workers have reasonable, legitimate, just, and equitable claims to full consideration when management implements new technologies. Workers have invested their lives and careers, as well as their sweat, in the enterprise. The corporate revenues which permit capital expenditure are generated by these efforts. Accordingly, workers should not be discarded simply because a new technology reduces the number needed to make a given product. Rather, management must provide fully for these workers' continued job and income security.

Firms in other developed nations have emphasized the importance of human factors in capital improvement. French, West German, Scandinavian, and Japanese employers have recognized that their commitment to their workers survives modernization programs.

They have met that commitment in a variety of ways. Some com-

panies have created new jobs, both within and outside their firms, to replace the jobs lost due to the adoption of new techniques of production. Others have trained their workers in the new techniques or retrained them for new careers. These employers have recognized the need to provide employment and income security to those for whom no job can be found. Labor unions in these countries have played an important role in the development and implementation of such programs.

Just as public policy in the United States seeks to encourage technological progress and rising productivity, public policy should make whole those workers who are adversely affected by technological change. Retraining, income support, job programs, and health and safety protections for workers should receive at least as much attention as incentives for investment in labor-saving automation. The bill of rights for displaced workers that I mentioned earlier must also deal with specific problems affecting workers displaced by technological progress.

For example, workers and their unions seek specific contractual language on technological change providing for prenotification with full disclosure of system capabilities, training or retraining in the new technology, wage protections, attrition with no layoffs, and the prevention of erosion of bargaining unit skills.

To create more job opportunities as new technology is introduced, workers and their unions continue to press through legislation and through collective bargaining for reduced work time—more holidays, longer vacations, other paid absence allowances, earlier retirement at full benefits, shorter work shifts, and less overtime.

The UAW is supporting a range of actions through collective bargaining and through national legislation to help members obtain the employment training and retraining they need to gain new jobs and seeks a range of national employment programs so that workers losing jobs at one plant will, in fact, have job opportunities at other plants.

A DISLOCATED WORKER PROGRAM

What should be included in a comprehensive program to help dislocated and displaced workers? The following paragraphs describe some of the key elements for an effective program.

Advance Notice. When a plant is about to close or a permanent lay-off take place, adequate lead time is essential if appropriate programs to assist affected workers are to be successfully developed and implemented. Yet, the United States is virtually alone among the major industrialized countries in not requiring advance notice of major plant shutdown or permanent layoff.

Labor Market Information. In order to develop activities which will enable dislocated workers to secure good, long-term jobs, accurate information about current and future labor market conditions is needed. Without such information a dislocated worker program cannot efficiently translate a job opportunity in an equitable manner into a job for a displaced worker.

Federal Program with Adequate Funds. Any program can only be truly effective and equitable, and be assured of reaching its objective—to provide meaningful training, job search assistance, and other services which will lead to good long-term job opportunities—if it is a federal program. Once the need for such assistance is fully and properly evaluated, funds necessary to totally meet that need must be committed. Some estimates have been made which establish that an adequate level of funding would be in the \$2 billion range.

Flexible and Comprehensive Assistance. The overall effort must be flexible so that programs can be tailored to the specific needs of the dislocated. A full range of programs should be available. This would include the types of services currently provided under the negotiated joint UAW-Ford and UAW-GM programs, which range from career counseling and skills assessment to specially created retraining programs. In addition, there should be income and social services support as outlined below.

Income Maintenance. Adequate stipends for those enrolled in training programs are necessary; without them many workers would lack the financial resources to support themselves and families while in training. At a minimum, workers should be entitled to receive unemployment insurance benefits along with training benefits.

Medical and Life Insurance. Higher rates of unemployment are associated with drastic increases in stress-related illness. Yet, at a time

when many workers have a rising need for health protection, they have lost their health insurance as well. In most cases they also lose life insurance protection. These protections should be provided.

Other Financial Assistance. There are other financial problems associated with job loss, such as mortgage and rent difficulties. Help with such problems should be available.

Crisis Intervention. Since unemployment is a profoundly traumatic experience, availability of coordinated crisis intervention and counseling services often is a precondition for success of other forms of assistance.

Relocation. Relocation to another area may be a viable alternative for some of the dislocated. In those cases, workers should be provided assistance with moving-related costs including the cost of a visit to the new location before the move and expenses associated with selling and buying a home or terminating a lease and renting another apartment.

Union Involvement. If programs are to meet workers' needs, labor participation is a necessity. As stated previously, because of their vast experience with assisting workers and helping to resolve worker problems, labor unions are in a unique position to provide meaningful input in training and related programs.

Labor Standards. There must be standards to protect workers' interests and prevent employer abuse. Guarantees regarding wages, benefits, working conditions, and protections against displacement of regular workers are necessary to assure equity for those participating in the programs, and to protect currently employed workers.

Performance Standards. A system of reporting and performance standards is needed to determine which training approaches work best. This information will make it possible to assess the broader policy implications of employment and training programs future policy directions. Development of performance standards should be sensitive to, and realistic about, differing economic conditions within areas of the country. Moreover, they should not be constructed so as to encourage providing help to only those workers who are the closest to

being "job ready" and not to workers whose needs may be greater or more complex.

Targeted Employment Creation. Often, displaced workers are trapped in aging industrial communities which have undergone massive erosion of their economic base. Relocation to other areas will be a solution for only a small minority of the workers—the most mobile, and highly skilled—which compounds the problems of the community left behind. Building a new economic base requires creating alternative employment.

A program developed around these points will be an effective employment and training program for dislocated workers.

EDUCATION AND TRAINING

Education and training have an important role in preparing young people and adult workers for good citizenship, for self-development, and for meeting the nation's job opportunities. There is a close connection between the strength of America's educational system and economic growth. Research shows that private investment has accounted for only 15 percent of the nation's long-term economic growth, whereas 40 percent of that growth resulted from the general advance of knowledge, much of which is the product of public investment in research, education, and training.

Providing the highest standard of education for all Americans is a continuous process. The nation's schools must adapt to new conditions in the fields of technology, economic understanding, traditional learning, and in providing equal access to educational opportunities for all Americans. Increasing complexities in the American way of life and the demands of a rapidly changing society require even greater vigilance on the part of all Americans to make sure that schools are equipped and staffed to be effective in their vital role in the education and training of all Americans.

I am happy to note that the 1984 vocational education law calls for action to provide vocational education services to train, retrain, and upgrade employed and unemployed workers in new skills for which there is a demand. The law provides for training and retraining in high-technology programs to help displaced and dislocated workers

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and calls for better coordination of Job Training Partnership Act programs and vocational education.

In the national effort to strengthen job training opportunities for dislocated workers, disadvantaged workers, young people entering the work force, and indeed, all workers, both employed and unemployed, it is clear to us in the labor movement that unions should have a key role. The experience and input of labor union people can help assure that training is realistically geared to the labor market so that workers do not go through training only to end up unable to find a job.

The United Auto Workers have given training and retraining a high priority in collective bargaining. They provide training, retraining, and development opportunities for laid-off workers and also for currently employed workers, the UAW in early 1982 established important new programs with the Ford Motor Company and the General Motors Corporation. (Financing for both programs comes from 5 cents per hour worked.) In plant closing situations, special assistance has included working with government and community agencies, counseling and assessment, and formal vocational retraining programs.

Early experience with the negotiated programs has been positive. Laid-off members are receiving training and other services to help them regain employment. Programs underway for currently employed members are enhancing their current qualifications for job upgrading and their future employability. One important by-product of these programs is providing a forum in which to exchange ideas with management on how to develop better and more advanced ways to satisfy our members' training needs.

The 1984 UAW-General Motors-Ford agreements continues and expands skill development and training efforts and commits significant financial resources to make sure that eligible workers can take advantage of training, skill development, and educational opportunities.

The true potential of these programs will be realized when dislocation situations are identified ahead of time through these forums so that training can be initiated in time to update old skills and develop new ones before the jobs are lost. Identifying dislocation situations ahead of time would mean that workers could remain on the job or make lateral or upward job moves without having to suffer the trauma of unemployment. I cannot overstate the importance of advance notice and adequate lead time, especially in view of the rapidly changing technology in the nation's plants and offices. In the automobile

industry alone, a tenfold increase in the robot population is expected by 1990, with a potential for displacing 40,000 workers.

PROPOSALS FOR TRAINING

Training should be freely and easily available to all workers, employed or unemployed. Our existing system of public vocational schools, community colleges, technical institutes, and similar institutions has an important role to play in supplementing on-the-job training and upgrading programs and negotiated plans like those I discussed earlier.

There have been a number of proposals in Congress in recent years to address the training needs of dislocated workers or potentially dislocated workers. One proposal for an individual training account (ITA) would involve workers and employers contributing up to \$2,000 each into an ITA. Contributions would be tax deductible and the use of ITA funds for training a relocation would not be taxed.

While the purpose is praiseworthy, there is a fundamental equity problem since such a program would provide greater benefits to those less likely to need them. Higher paid workers would be more able *and* more likely to benefit from them than middle- and lower wage earners. Furthermore, because the account would be deductible from income, higher income taxpayers would reap a greater benefit from the same sum of money set aside than lower income taxpayers. In addition, hourly workers are less likely to benefit from employer contributions since employers probably would treat such contributions as part of the fringe benefit package, a package that generally contains fewer benefits for hourly than for salaried workers.

There are serious problems with the bill's "incentives" for employer contributions. Businesses offering ITAs would be able to deduct from their taxes 125 percent of their premium cost as well as have their unemployment insurance FUTA (Federal Unemployment Tax Act) tax reduced. Providing employers with an additional 25 percent deduction would be a windfall and a further erosion of an already diminished corporate income tax base. Indeed, the loss of revenues to no worthwhile end is a key feature of the bill. Moreover, this additional deduction could serve to undermine private training efforts already underway—such as union-negotiated programs—as tax treatment of employers' contributions to ITAs would be more favorable. As for the reduction in FUTA tax, ways should be found to strengthen

the unemployment system, not ways to weaken it by promoting plans that would siphon off revenues.

The attractive tax treatment of ITAs, plus the fact that there would be no obligation to use the accumulated funds for retraining indicates that many people would simply use them to enlarge their retirement fund. It has been estimated that workers who did not use funds could build up \$35,000 through interest by the time of retirement.

Another recent proposal would allow unemployed workers to withdraw funds from their Individual Retirement Accounts (IRAs) without interest penalty to pay retraining costs. In addition, it would establish a new employer tax credit for training.

This proposal unfortunately would do little in the way of providing help to dislocated workers. Jobless displaced workers in all likelihood do not have IRAs. Any who may have managed to establish accounts probably have very small balances on which to draw. IRAs large enough to finance any training will be held largely by workers who have not been displaced from the work force. Establishing legislation to allow dislocated workers to draw of IRAs without penalty will not provide meaningful assistance to workers in need of training.

With regard to the 25 percent credit for training expenditures, this would simply create yet another business subsidy under the tax structure. One problem with this aspect of the proposal is similar to the problem with the special ITA deduction: It would provide companies with a windfall and further erode the corporate income tax base.

TRADE POLICY AND JOBS

To make job programs and worker protection programs fully effective, we must thoroughly overhaul the nation's policies regarding international trade and investment. Every other nation uses trade policy in support of its domestic economic and employment goals. Only in the United States is "free trade" upheld as a principle from which domestic economic and employment goals must be derived. Many industries in the United States are operating at a disadvantage because their foreign competitors benefit from subsidies and other forms of targeted government aid.

As a nation, we have become especially vulnerable to import surges at the worst possible time: during periods of recession when workers are unemployed and product demand is low. By law or custom, cor-

porations in other industrialized nations must often treat their workers as a fixed cost of production, while corporations in the United States typically treat their workers as a variable cost. Therefore, during periods of recession and weak demand, foreign producers cut prices and push exports, while the reaction of American business firms is to cut back production and to lay workers off.

The United States should use trade policy as necessary—sooner, more forcefully, less legalistically, and where appropriate in conjunction with negotiation of "quid pro quos" with the U.S. industries which are getting help—in support of employment stabilization and other industrial policy goals.

The specific trade policies that are most appropriate will vary by sector. In the automobile industry, for example, domestic content requirements would be appropriate, since that assures continued domestic investment, employment, and productive capability; curbs foreign sourcing; and keeps the industry competitive by encouraging U.S. production by foreign companies. In other sectors, different approaches will be appropriate, and should be developed within the context of national industrial policy.

INDUSTRIAL POLICY

Industrial policy should be developed on the basis of wide public debate in field hearings and in Congress. There should be adequate safeguards so that decisions that affect the entire society are not made by an elite of technocrats which is not accountable to the public or to Congress.

Too much of the public debate about industrial policy has been the case in misleading framework which seeks to choose between "sunrise" and "sunset" sectors. There cannot be a dynamic economy unless it sustains and promotes high-growth sectors, such as the computer industry. But neither can the basic, mature industries be thrown away. They are linked to many other sectors. They ensure the nation's economic independence. They are central to employment and regional balance.

This does not mean that all industries should grow or contract at the same rate. The nation can afford to have some experience gradual employment losses—through attrition and other humane mechanisms—while other industries enjoy gains in employment. But we

... these industries, communities, and regions to shrink at an uncontrolled rate while boom towns elsewhere struggle to provide sewers, water, housing, and other services.

To have a democratic industrial policy, we must develop the appropriate institutions. An overall policy board with tripartite representation from labor, business, and government should be supplemented by tripartite industry committees and should be backed up with a national development bank which would help put together the financial support for those companies, industries, cities, and regions where the board has determined that help is needed.

Of course, job opportunities and job training programs must be key elements in the nation's industrial policy. Trade adjustment assistance is essential for workers losing jobs to imports. With such job creation, job training, and adjustment assistance programs in place as part of a comprehensive, realistic, and humane industrial policy, the United States can strengthen the domestic economy, improve national security and international competitiveness, and also enhance human values in a fair and prosperous society.

3 EMPLOYMENT AND INDUSTRIAL RELATIONS

Ray Marshall

Close relationships exist between an industrial relations system, price stability, and employment. After all, an enterprise's productivity, competitiveness, and ability to adapt to change depend heavily on the relationship between workers and managers within the enterprise. By the same token, there are close relationships between public policies and the competitiveness of enterprises. Public policies set the external rules for the industrial relations system; affect the cost of capital, labor, and raw materials; help determine exchange rates, the quality of the work force, and the prices of goods and services in domestic and international markets; and influence the ability of labor and other resources to adjust to changing demand and the flexibility of wages and prices. There are therefore close relationships between industrial relations systems, the economic viability of enterprises, workers' security, and economic competitiveness, productivity, stability, and growth. Indeed, international and historical experiences make it very clear that economic policy which ignores labor and industrial relations will be incomplete and ineffective, if not counterproductive.

This chapter outlines some of the basic relationships between the industrial relations systems and economic activity, especially employment and unemployment. My main theme is that the industrial relations system and supporting domestic and international economic

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THE JOBS CHALLENGE

Pressures and Possibilities

Economic Policy Council of the UNA-USA

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Subsec. (c)(4)(D). Pub. L. 95-214, § 1(a)(5), substituted "June 30, 1979" for "December 31, 1977".
Subsecs. (d), (e). Pub. L. 95-214, § 1(b), added subsecs. (d) and (e).

CHANGE OF NAME

The name of the Committee on Human Resources of the Senate was changed to the Committee on Labor and Human Resources effective Mar. 7, 1979, by Senate Resolution 30, 96th Congress. See, also, Rule XXV of the Standing Rules of the Senate adopted Nov. 14, 1979.

The Committee on Labor and Public Welfare of the Senate was abolished and replaced by the Committee on Human Resources of the Senate, effective Feb. 11, 1977. See Rule XXV of the Standing Rules of the Senate, as amended by Senate Resolution 4 (popularly cited as the "Committee System Reorganization Amendments of 1977"), approved Feb. 4, 1977.

ACTIONS TAKEN BEFORE REGULATIONS ARE PRESCRIBED

Section 405 of Pub. L. 96-364 provided that:
"(a) Except as otherwise provided in the amendments made by this Act [see Short Title of 1980 Amendment note set out under section 1001 of this title] and in subsection (b), if the way in which any such amendment will apply to a particular circumstance is to be set forth in regulations, any reasonable action during the period before such regulations take effect shall be treated as complying with such regulations for such period.

"(b) Subsection (a) shall not apply to any action which violates any instruction issued, or temporary rule prescribed, by the agency having jurisdiction but only if such instruction or rule was published, or furnished to the party taking the action, before such action was taken."

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CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 49a, 49f, 49g, 795a of this title; title 18 section 665; title 20 sections 1013, 1014, 1070e-1, 1119a-1, 1211c, 2306, 2307, 2391, 3842.

§ 1501. Congressional declaration of purpose

It is the purpose of this chapter to establish programs to prepare youth and unskilled adults for entry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment, who are in special need of such training to obtain productive employment.

(Pub. L. 97-300, § 2, Oct. 13, 1982, 96 Stat. 1324.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out below and Tables.

SHORT TITLE

Section 1 of Pub. L. 97-300 provided that: "This Act [enacting this chapter and sections 49e, 49f, 49g, and 49h-1 of this title, amending sections 49, 49a, 49b, 49d, 49g, 49h, 49i, and 49j of this title, section 665 of Title 18, Crimes and Criminal Procedure, and sections 602, 632, and 633 of Title 42, The Public Health and Welfare, repealing chapter 17 (§ 801 et seq.) of this title, and enacting provisions set out as notes under sections 49 and 801 of this title] may be cited as the 'Job Training Partnership Act'."

§ 1502. Authorization of appropriations

(a)(1) There are authorized to be appropriated to carry out part A of subchapter II of this chapter and subchapter IV of this chapter (other than part B of such subchapter) such sums as may be necessary for fiscal year 1983 and for each succeeding fiscal year.

(2) From the amount appropriated pursuant to paragraph (1) for any fiscal year, an amount equal to not more than 7 percent of the total amount appropriated pursuant to this section shall be available: to carry out parts A, C, D, E, F, and G of subchapter IV of this chapter.

(3) Of the amount so reserved under paragraph (2)—

(A) 5 percent shall be available for part C of

(B) \$2,000,000 shall be available for part F of subchapter IV of this chapter.

(b) There are authorized to be appropriated to carry out part B of subchapter II of this chapter such sums as may be necessary for fiscal year 1983 and for each succeeding fiscal year.

(c) There are authorized to be appropriated to carry out subchapter III of this chapter such sums as may be necessary for fiscal year 1983 and for each succeeding fiscal year.

(d) There are authorized to be appropriated \$618,000,000 for fiscal year 1983, and such sums as may be necessary for each succeeding fiscal year, to carry out part B of subchapter IV of this chapter.

(e) The authorizations of appropriations contained in this section are subject to the program year provisions of section 1571 of this title.

(Pub. L. 97-300, § 3, Oct. 13, 1982, 96 Stat. 1324.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1601, 1631 of this title.

§ 1503. Definitions

For the purposes of this chapter, the following definitions apply:

(1) The term "academic credit" means credit for education, training, or work experience applicable toward a secondary school diploma, a postsecondary degree, or an accredited certificate of completion, consistent with applicable State law and regulation and the requirements of an accredited educational agency or institution in a State.

(2) The term "administrative entity" means the entity designated to administer a job training plan under section 1513(b)(1)(B) of this title.

(3) The term "area of substantial unemployment" means any area of sufficient size and scope to sustain a program under part A of subchapter II of this chapter and which has an average rate of unemployment of at least 6.5 percent for the most recent twelve months as determined by the Secretary. Determinations of areas of substantial unemployment shall be made once each fiscal year.

(4) The term "chief elected official" includes—

(A) in the case of a State, the Governor;

(B) in the District of Columbia, the mayor; and

(C) in the case of a service delivery area designated under section 1511(a)(4)(A)(iii) of this title, the governing body.

(5) The term "community-based organizations" means private nonprofit organizations which are representative of communities or significant segments of communities and which provide job training services (for example, Opportunities Industrialization Centers, the National Urban League, SER-Jobs for Progress, United Way of America, Mainstream, the National Puerto Rican Forum, National Council of La Raza, 70,001, Jobs for

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programs, neighborhood groups and organizations, community action agencies, community development corporations, vocational rehabilitation organizations, rehabilitation facilities (as defined in section 7(10) of the Rehabilitation Act of 1973 [29 U.S.C. 706(10)]), agencies serving youth, agencies serving the handicapped, agencies serving displaced homemakers, union-related organizations, and employer-related nonprofit organizations), and organizations serving nonreservation Indians (including the National Urban Indian Council), as well as tribal governments and Native Alaskan groups.

(6) Except as otherwise provided therein, the term "council" means the private industry council established under section 1512 of this title.

(7) The term "economic development agencies" includes local planning and zoning commissions or boards, community development agencies, and other local agencies and institutions responsible for regulating, promoting, or assisting in local economic development.

(8) The term "economically disadvantaged" means an individual who (A) receives, or is a member of a family which receives, cash welfare payments under a Federal, State, or local welfare program; (B) has, or is a member of a family which has, received a total family income for the six-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level; (C) is receiving food stamps pursuant to the Food Stamp Act of 1977 [7 U.S.C. 2011 et seq.]; (D) is a foster child on behalf of whom State or local government payments are made; or (E) in cases permitted by regulations of the Secretary, is an adult handicapped individual whose own income meets the requirements of clause (A) or (B), but who is a member of a family whose income does not meet such requirements.

(9) The term "Governor" means the chief executive of any State.

(10) The term "handicapped individual" means any individual who has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment.

(11) The term "Hawaiian native" means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

(12) The term "institution of higher education" means any institution of higher education as that term is defined in section 1201(a) of the Higher Education Act of 1965 [20 U.S.C. 1141(a)].

(13) The term "labor market area" means an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without

changing their place of residence. Such areas shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by a Governor.

(14) The term "local educational agency" means such an agency as defined in section 195(10) of the Vocational Education Act of 1963 [20 U.S.C. 2461(10)].

(15) The term "low-income level" means \$7,000 with respect to income in 1969, and for any later year means that amount which bears the same relationship to \$7,000 as the Consumer Price Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest \$1,000.

(16) The term "lower living standard income level" means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary based on the most recent "lower living family budget" issued by the Secretary.

(17) The term "offender" means any adult or juvenile who is or has been subject to any stage of the criminal justice process for whom services under this chapter may be beneficial or who requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction.

(18) The term "postsecondary institution" means an institution of higher education as that term is defined in section 481(a)(1) of the Higher Education Act of 1965 [20 U.S.C. 1088(a)(1)].

(19) The term "private sector" means, for purposes of the State job training councils and private industry councils, persons who are owners, chief executives or chief operating officers of private for-profit employers and major nongovernmental employers, such as health and educational institutions or other executives of such employers who have substantial management or policy responsibility.

(20) The term "public assistance" means Federal, State, or local government cash payments for which eligibility is determined by a needs or income test.

(21) The term "Secretary" means the Secretary of Labor.

(22) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(23) The term "State educational agency" means such an agency as defined in section 195(11) of the Vocational Education Act of 1963 [20 U.S.C. 2461(11)].

(24) The term "supportive services" means services which are necessary to enable an individual eligible for training under this chapter, but who cannot afford to pay for such services, to participate in a training program funded under this chapter. Such supportive services may include transportation, health care, special services, and materials for the handicapped, child care, meals, temporary

PART A—SERVICE DELIVERY SYSTEM

§ 1511. Establishment of service delivery areas

(a) Proposals; proposed designations; requests

(1) The Governor shall, after receiving the proposal of the State job training coordinating council, publish a proposed designation of service delivery areas for the State each of which—

(A) is comprised of the State or one or more units of general local government;

(B) will promote effective delivery of job training services; and

(C)(i) is consistent with labor market area or standard metropolitan statistical areas, but this clause shall not be construed to require designation of an entire labor market area; or

(ii) is consistent with areas in which related services are provided under other State or Federal programs.

(2) The Council shall include in its proposal a written explanation of the reasons for designating each service delivery area.

(3) Units of general local government (and combinations thereof), business organizations and other affected persons or organizations shall be given an opportunity to comment on the proposed designation of service delivery areas and to request revisions thereof.

(4)(A) The Governor shall approve any request to be a service delivery area from—

(i) any unit of general local government with a population of 200,000 or more;

(ii) any consortium of contiguous units of general local government with an aggregate population of 200,000 or more which serves a substantial part of a labor market area; and

(iii) any concentrated employment program grantee for a rural area which served as a prime sponsor under the Comprehensive Employment and Training Act.

(B) The Governor may approve a request to be a service delivery area from any unit of general local government or consortium of contiguous units of general local government, without regard to population, which serves a substantial portion of a labor market area.

(C) If the Governor denies a request submitted under subparagraph (A) and the entity making such request alleges that the decision of the Governor is contrary to the provisions of this section, such entity may appeal the decision to the Secretary, who shall make a final decision within 30 days after such appeal is received.

(b) Final designation by Governor

The Governor shall make a final designation of service delivery areas within the State. Before making a final designation of service delivery areas for the State, the Governor shall review the comments submitted under subsection (a)(3) of this section and requests submitted under subsection (a)(4) of this section.

(c) Redesignations

(1) In accordance with subsection (a) of this section, the Governor may redesignate service delivery areas no more frequently than ever

shelter, financial counseling, and other reasonable expenses required for participation in the training program and may be provided in-kind or through cash assistance.

(25) The term "unemployed individuals" means individuals who are without jobs and who want and are available for work. The determination of whether individuals are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining individuals as unemployed.

(26) The term "unit of general local government" means any general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers.

(27)(A) The term "veteran" means an individual who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

(B) The term "disabled veteran" means (i) a veteran who is entitled to compensation under laws administered by the Veterans' Administration, or (ii) an individual who was discharged or released from active duty because of service-connected disability.

(28) The term "vocational education" has the meaning provided in section 195(1) of the Vocational Education Act of 1963 [20 U.S.C. 2461(1)].

(Pub. L. 97-300, § 4, Oct. 13, 1982, 96 Stat. 1325.)

REFERENCES IN TEXT

The Food Stamp Act of 1977, referred to in par. (8)(C), is Pub. L. 88-525, Aug. 31, 1964, 78 Stat. 703, as amended, which is classified generally to chapter 51 (§ 2011 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of Title 7 and Tables.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1513 of this title.

§ 1504. Enforcement of Military Selective Service Act

The Secretary shall insure that each individual participating in any program established under this chapter, or receiving any assistance or benefit under this chapter, has not violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not presenting and submitting to registration as required pursuant to such section. The Director of the Selective Service System shall cooperate with the Secretary in carrying out this section.

(Pub. L. 97-300, title V, § 504, Oct. 13, 1982, 96 Stat. 1399.)

SUBCHAPTER I—JOB TRAINING AND EMPLOYMENT ASSISTANCE SYSTEM

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in sections 1634, 1652

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not later than 4 months before the beginning of a program year.

(2) Subject to paragraph (1), the Governor shall make such a redesignation if a petition to do so is filed by an entity specified in subsection (a)(4)(A) of this section.

(3) The provisions of this subsection are subject to section 1515(c) of this title.

(Pub. L. 97-300, title I, § 101, Oct. 13, 1982, 96 Stat. 1327.)

REFERENCES IN TEXT

The Comprehensive Employment and Training Act, referred to in subsec. (a)(4)(A)(iii), is Pub. L. 93-203, Dec. 28, 1973, 87 Stat. 839, as amended, which was classified generally to chapter 17 (§ 801 et seq.) of this title, and was repealed by section 184(a)(1) of the Job Training Partnership Act, Pub. L. 97-300, title I, Oct. 13, 1982, 96 Stat. 1357, which is classified principally to this chapter. Provisions of the Comprehensive Employment and Training Act relating to prime sponsors were classified to section 811 of this title prior to its repeal.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1503, 1512, 1513, 1515, 1518, 1578, 1601, 1602 of this title.

§ 1512. Private industry councils

(a) Establishment; membership

There shall be a private industry council for every service delivery area established under section 1511 of this title, to be selected in accordance with this subsection. Each council shall consist of—

(1) representatives of the private sector, who shall constitute a majority of the membership of the council and who shall be owners of business concerns, chief executives or chief operating officers of nongovernmental employers, or other private sector executives who have substantial management or policy responsibility; and

(2) representatives of educational agencies (representative of all educational agencies in the service delivery area), organized labor, rehabilitation agencies, community-based organizations, economic development agencies, and the public employment service.

(b) Chairman

The Chairman of the council shall be selected from among members of the council who are representatives of the private sector.

(c) Nomination and recommendation of individuals

(1)(A) Private sector representatives on the council shall be selected from among individuals nominated by general purpose business organizations after consulting with, and receiving recommendations from, other business organizations in the service delivery area. The number of such nominations shall be at least 150 percent of the number of individuals to be appointed under subsection (a)(1) of this section. Such nominations, and the individuals selected from such nominations, shall reasonably represent the industrial and demographic composition of the business community. Whenever possible, at least one-half of such business and industry representatives shall be representatives of small business including minority busi-

(B) For the purpose of this paragraph, the term—

(i) "general purpose business organizations" means organizations which admit to membership any for-profit business operating within the service delivery area; and

(ii) "small business" means private for-profit enterprises employing 500 or fewer employees.

(2) Education representatives on the council shall be selected from among individuals nominated by local educational agencies, vocational education institutions, institutions of higher education, or general organizations of such agencies or institutions, and by private and proprietary schools or general organizations of such schools, within the service delivery area.

(3) The remaining members of the council shall be selected from individuals recommended by interested organizations. Labor representatives shall be recommended by recognized State and local labor organizations or appropriate building trades councils.

(d) Appointment of members

(1) In any case in which there is only one unit of general local government with experience in administering job training programs within the service delivery area, the chief elected official of that unit shall appoint members to the council from the individuals nominated or recommended under subsection (c) of this section.

(2) In any case in which there are two or more such units of general local government in the service delivery area, the chief elected officials of such units shall appoint members to the council from the individuals so nominated or recommended in accordance with an agreement entered into by such units of general local government. In the absence of such an agreement, the appointments shall be made by the Governor from the individuals so nominated or recommended.

(e) Number of members

The initial number of members of the council shall be determined—

(1) by the chief elected official in the case described in subsection (d)(1) of this section,

(2) by the chief elected officials in accordance with the agreement in the case described in subsection (d)(2) of this section, or

(3) by the Governor in the absence of such agreement.

Thereafter, the number of members of the council shall be determined by the council.

(f) Terms of office; removal for cause

Members shall be appointed for fixed and staggered terms and may serve until their successors are appointed. Any vacancy in the membership of the council shall be filled in the same manner as the original appointment. Any member of the council may be removed for cause in accordance with procedures established by the council.

(g) Certification

The Governor shall certify a private industry council if the Governor determines that its

with the provisions of this subsection. Such certification shall be made or denied within 30 days after the date on which a list of members and necessary supporting documentation are submitted to the Governor. When the Governor certifies the council, it shall be convened within 30 days by the official or officials who made the appointments to such council under subsection (d) of this section.

(h) Reconstitution of State job training coordinating councils

In any case in which the service delivery area is a State, the State job training coordinating council or a portion of such council may be reconstituted to meet the requirements of this section.

(Pub. L. 97-300, title I, § 102, Oct. 13, 1982, 96 Stat. 1328.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1503, 1515, 1574, 1591, 1781 of this title.

§ 1513. Functions of private industry councils

(a) Policy guidance and oversight

It shall be the responsibility of the private industry council to provide policy guidance for, and exercise oversight with respect to, activities under the job training plan for its service delivery area in partnership with the unit or units of general local government within its service delivery area.

(b) Development of job training plan; selection of grant recipient and administering entity

(1) The council, in accordance with an agreement or agreements with the appropriate chief elected official or officials specified in subsection (c) of this section, shall—

(A) determine procedures for the development of the job training plan, which may provide for the preparation of all or any part of the plan (i) by the council, (ii) by any unit of general local government in the service delivery area, or by an agency thereof, or (iii) by such other methods or institutions as may be provided in such agreement; and

(B) select as a grant recipient and entity to administer the job training plan (which may be separate entities), (i) the council, (ii) a unit of general local government in its service delivery area, or an agency thereof, (iii) a non-profit private organization or corporation, or (iv) any other agreed upon entity or entities.

(2) The council is authorized to provide oversight of the programs conducted under the job training plan in accordance with procedures established by the council. In order to carry out this paragraph, the council shall have access to such information concerning the operations of such programs as is necessary.

(c) Appropriate chief elected official or officials

For purposes of subsection (b) of this section, the appropriate chief elected official or officials means—

(1) the chief elected official of the sole unit of general local government in the service delivery area,

¹ So in original. Probably should be "an".

(2) the individual or individuals selected by the chief elected officials of all units of general local government in such area as their authorized representative, or

(3) in the case of a service delivery area designated under section 1511(a)(4)(A)(iii) of this title, the representative of the chief elected official for such area (as defined in section 1503(4)(C) of this title).

(d) Submission of job training plan to Governor

No job training plan prepared under section 1514 of this title may be submitted to the Governor unless (1) the plan has been approved by the council and by the appropriate chief elected official or officials specified in subsection (c) of this section, and (2) the plan is submitted jointly by the council and such official or officials.

(e) Budget; staff; incorporation; contributions and grant funds

In order to carry out its functions under this chapter, the council—

(1) shall, in accordance with the job training plan, prepare and approve a budget for itself, and

(2) may hire staff, incorporate, and solicit and accept contributions and grant funds (from other public and private sources).

(f) "Oversight" defined

As used in this section, the term "oversight" means reviewing, monitoring, and evaluating.

(Pub. L. 97-300, title I, § 103, Oct. 13, 1982, 96 Stat. 1330; Pub. L. 97-404, § 1(a), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (e), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

AMENDMENTS

1982—Subsec. (c)(3). Pub. L. 97-404 substituted reference to section 1511(a)(4)(A)(iii) of this title for reference to section 1514(a)(4)(A)(iii) of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1503, 1514, 1515, 1591 of this title.

§ 1514. Job training plan

(a) Two-year program plan requirement

No funds appropriated for any fiscal year may be provided to any service delivery area under this chapter except pursuant to a job training plan for two program years which is prepared in accordance with section 1513 of this title and which meets the requirements of this section.

(b) Contents of plan

Each job training plan shall contain—

(1) identification of the entity or entities which will administer the program and be the grant recipient of funds from the State;

(2) a description of the services to be provided, including the estimated duration of service and the estimated training cost per participant;

(3) procedures for identifying and selecting participants and for eligibility determination and verification;

(4) performance goals established in accordance with standards prescribed under section 1516 of this title;

(5) procedures, consistent with section 1517 of this title, for selecting service providers which take into account past performance in job training or related activities, fiscal accountability, and ability to meet performance standards;

(6) the budget for two program years and any proposed expenditures for the succeeding two program years, in such detail as is determined necessary by the entity selected to prepare this portion of the plan pursuant to section 1513(b)(1)(B) of this title and to meet the requirements of section 1518 of this title;

(7) a description of methods of complying with the coordination criteria contained in the Governor's coordination and special services plan;

(8) if there is more than one service delivery area in a single labor market area, provisions for coordinating particular aspects of individual service delivery area programs, including—

(A) assessments of needs and problems in the labor market that form the basis for program planning;

(B) provisions for ensuring access by program participants in each service delivery area to skills training and employment opportunities throughout the entire labor market; and

(C) coordinated or joint implementation of job development, placement, and other employer outreach activities;

(9) fiscal control, accounting, audit and debt collection procedures to assure the proper disbursement of, and accounting for, funds received under this subchapter; and

(10) procedures for the preparation and submission of an annual report to the Governor which shall include—

(A) a description of activities conducted during the program year;

(B) characteristics of participants; and

(C) the extent to which the activities exceeded or failed to meet relevant performance standards.

(c) Modification of the plan

If changes in labor market conditions, funding, or other factors require substantial deviation from an approved job training plan, the private industry council and the appropriate chief elected official or officials (as described in section 1513(c) of this title) shall submit a modification of such plan (including modification of the budget under subsection (b)(6) of this section), which shall be subject to review in accordance with section 1515 of this title.

(Pub. L. 97-300, title I, § 104, Oct. 13, 1982, 96 Stat. 1331.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1513, 1515, 1531, 1534 of this title.

§ 1515. Review and approval of plan

(a) Times for publication of plan and modifications

(1) Not less than 120 days before the beginning of the first of the two program years covered by the job training plan—

(A) the proposed plan or summary thereof shall be published; and

(B) such plan shall be made available for review and comment to—

(i) each house of the State legislature for appropriate referral;

(ii) appropriate local educational and other public agencies in the service delivery area; and

(iii) labor organizations in the area which represent employees having the skills in which training is proposed; and

(C) such plan shall be reasonably available to the general public through such means as public hearings and local news facilities.

(2) The final plan, or a summary thereof, shall be published not later than 80 days before the first of the two program years and shall be submitted to the Governor in accordance with section 1513(d)(2) of this title. Any modification shall be published not later than 80 days before it is effective and shall be submitted to the Governor in accordance with such section.

(b) Governor's approval of plan: criteria, time, and petitions opposing

(1) The Governor shall approve the job training plan or modification thereof unless he finds that—

(A) corrective measures for deficiencies found in audits or in meeting performance standards from previous years have not been taken or are not acceptably underway;

(B) the entity proposed to administer the program does not have the capacity to administer the funds;

(C) there are inadequate safeguards for the protection of funds received;

(D) the plan (or modification) does not comply with a particular provision or provisions of this chapter or of regulations of the Secretary under this chapter; or

(E) the plan (or modification) does not comply with the criteria under section 1531(b) of this title for coordinating activities under this chapter with related program activities.

(2) The Governor shall approve or disapprove a job training plan (or modification) within 30 days after the date that the plan (or modification) is submitted, except that if a petition is filed under paragraph (3) such period shall be extended to 45 days. Any disapproval by the Governor may be appealed to the Secretary, who shall make a final decision of whether the Governor's disapproval complies with paragraph (1) of this subsection within 45 days after receipt of the appeal.

(3)(A) Interested parties may petition the Governor within 15 days of the date of submission for disapproval of the plan or modification thereof if—

(i) the party can demonstrate that it represents a substantial client interest,

(ii) the party took appropriate steps to present its views and seek resolution of disputed issues prior to submission of the plan to the Governor, and

(iii) the request for disapproval is based on a violation of statutory requirements.

(B) If the Governor approves the plan (or modification), the Governor shall notify the petitioner in writing of such decision and the reasons therefor.

(c) Redesignation of service delivery areas and private industry councils

(1) If a private industry council and the appropriate chief elected official or officials fail to reach the agreement required under section 1513(b) or (d) of this title and, as a consequence, funds for a service delivery area may not be made available under section 1514 of this title, then the Governor shall redesignate, without regard to sections 1511(a)(4) and (c)(1) of this title, the service delivery areas in the State to merge the affected area into one or more other service delivery areas, in order to promote the reaching of agreement.

(2) In any State in which service delivery areas are redesignated under paragraph (1), private industry councils shall, to the extent necessary for the redesignation, be reconstituted and job training plans modified as required to comply with sections 1512 and 1513 of this title. Services under an approved plan shall not be suspended while the council is reconstituted and the plan is modified.

(d) Authority of Secretary in single plan States

In any case in which the service delivery area is a State, the plan (or modification) shall be submitted to the Secretary for approval. For the purpose of this subsection, the Secretary shall have the same authority as the Governor has under this section.

(Pub. L. 97-300, title I, § 105, Oct. 13, 1982, 96 Stat. 1332.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1511, 1514, 1578 of this title.

§ 1516. Performance standards

(a) Congressional findings

The Congress recognizes that job training is an investment in human capital and not an expense. In order to determine whether that investment has been productive, the Congress finds that—

(1) it is essential that criteria for measuring the return on this investment be developed; and

(2) the basic return on the investment is to be measured by the increased employment and earnings of participants and the reductions in welfare dependency.

*So in original. Probably should be "section".

(b) Performance criteria for adult training programs, youth programs; general standards; standards relating expenditure to performance

(1) The basic measure of performance for adult training programs under subchapter II of this chapter is the increase in employment and earnings and the reductions in welfare dependency resulting from participation in the program. In order to determine whether these basic measures are achieved, the Secretary shall prescribe standards on the basis of appropriate factors which may include (A) placement in unsubsidized employment, (B) retention in unsubsidized employment, (C) the increase in earnings, including hourly wages, and (D) reduction in the number of individuals and families receiving cash welfare payments and the amounts of such payments.

(2) In prescribing standards under this section the Secretary shall also designate factors for evaluating the performance of youth programs which, in addition to appropriate utilization of the factors described in paragraph (1), shall be (A) attainment of recognized employment competencies recognized by the private industry council, (B) elementary, secondary, and postsecondary school completion, or the equivalent thereof, and (C) enrollment in other training programs or apprenticeships, or enlistment in the Armed Forces.

(3) The standards shall include provisions governing—

(A) the base period prior to program participation that will be used;

(B) a representative period after termination from the program that is a reasonable indicator of postprogram earnings and cash welfare payment reductions; and

(C) cost-effective methods for obtaining such data as is necessary to carry out this section, which, notwithstanding any other provision of law, may include access to earnings records, State employment security records, Federal Insurance Contributions Act [26 U.S.C. 3101 et seq.] records, State aid to families with dependent children records, statistical sampling techniques, and similar records or measures.

(4) The Secretary shall prescribe performance standards relating gross program expenditures to various performance measures.

(c) Initial performance standards

Within six months after October 13, 1982, the Secretary shall establish initial performance standards which are designed to contribute to the achievement of the performance goals set forth in subsection (b)(1) of this section, based upon data accumulated under the Comprehensive Employment and Training Act, from the National Commission for Employment Policy, and from other appropriate sources. In the development of the initial standards under this subsection, the Secretary shall relate gross program expenditures to the accomplishment of program goals set forth in subsection (b)(1) of this section.

(d) Later performance standards; report to Congress; variations for special populations and report

(1) The Secretary shall, not later than January 31, 1984, prescribe performance standards for the first program year under this chapter to measure the results of the participation in the program to achieve the goals set forth in subsection (b)(1) of this section based upon the initial standards established in subsection (c) of this section.

(2) The Secretary, not later than six months after the completion of the first two program years, shall prepare and submit a report to the Congress containing the performance standards established under paragraph (1) of this subsection, together with an analysis of the manner in which the performance standards contribute to the achievement of the goals set forth in subsection (b)(1) of this section, including the relative importance of each standard to the accomplishment of such goals.

(3) The Secretary shall prescribe variations in performance standards for special populations to be served, including Native Americans, migrant and seasonal farmworkers, and offenders, taking into account their special circumstances.

(4)(A) The Secretary may modify the performance standards under this subsection not more often than once every two program years and such modifications shall not be retroactive.

(B) The Secretary shall prepare and submit a report to the Congress containing any modifications established under subparagraph (A), and the reasons for such modifications.

(e) Parameters for variations prescribed by Governor

Each Governor may prescribe, within parameters established by the Secretary, variations in the standards under this subsection based upon specific economic, geographic, and demographic factors in the State and in service delivery areas within the State, the characteristics of the population to be served, and the type of services to be provided.

(f) Review of standards by National Commission for Employment Policy

The National Commission for Employment Policy shall (1) advise the Secretary in the development of performance standards under this section for measuring results of participation in job training and in the development of parameters for variations of such standards referred to in subsection (e) of this section, (2) evaluate the usefulness of such standards as measures of desired performance, and (3) evaluate the impacts of such standards (intended or otherwise) on the choice of who is served, what services are provided, and the cost of such services in service delivery areas.

(g) Performance standards

The Secretary shall prescribe performance standards for programs under subchapter III of this chapter based on placement and retention in unsubsidized employment.

(h) Failure to meet performance standards; alternate administrative entities

(1) The Governor shall provide technical assistance to programs which do not meet performance criteria. If the failure to meet per-

formance standards persists for a second year, the Governor shall impose a reorganization plan. Such plan may restructure the private industry council, prohibit the use of designated service providers or make such other changes as the Governor deems necessary to improve performance. The Governor may also select an alternate entity to administer the program for the service delivery area.

(2) The alternate administrative entity may be a newly formed private industry council or any agency jointly selected by the Governor and the chief elected official of the largest unit of general local government in the service delivery area.

(3) No change may be made under this subsection without an opportunity for a hearing before a hearing officer.

(4) The decision of the Governor may be appealed to the Secretary, who shall make a final decision within 60 days of the receipt of the appeal.

(Pub. L. 97-300, title I, § 106, Oct. 13, 1982, 96 Stat. 1333; Pub. L. 97-404, § 1(b), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

The Federal Insurance Contributions Act, referred to in subsec. (b)(3)(C), is act Aug. 16, 1954, ch. 736, §§ 3101, 3102, 3111, 3112, 3121 to 3126, 68A Stat. 415, as amended, which is classified generally to chapter 21 (§ 3101 et seq.) of Title 26, Internal Revenue Code. For complete classification of this Act to the Code, see section 3126 of Title 26 and Tables.

The Comprehensive Employment and Training Act, referred to in subsec. (c), is Pub. L. 93-203, Dec. 28, 1973, 87 Stat. 839, as amended, which was classified generally to chapter 17 (§ 801 et seq.) of this title, and was repealed by section 184(a)(1) of the Job Training Partnership Act, Pub. L. 97-300, title I, Oct. 13, 1982, 96 Stat. 1357, which is classified principally to this chapter.

AMENDMENTS

1982—Subsec. (d)(3). Pub. L. 97-404 substituted "offenders" for "ex-offenders" after "seasonal farmworkers, and".

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1514, 1518, 1591, 1671, 1672 of this title.

§ 1517. Selection of service providers

(a) Effectiveness in terms of plan primary consideration

The primary consideration in selecting agencies or organizations to deliver services within a service delivery area shall be the effectiveness of the agency or organization in delivering comparable or related services based on demonstrated performance, in terms of the likelihood of meeting performance goals, cost, quality of training, and characteristics of participants. In complying with this subsection, proper consideration shall be given to community-based organizations as service providers.

(b) No needless duplication of local facilities or services

Funds provided under this chapter shall not be used to duplicate facilities or services available in the area (with or without reimburse-

ment) from Federal, State, or local sources, unless it is demonstrated that alternative services or facilities would be more effective or more likely to achieve the service delivery area's performance goals.

(c) Opportunity for local educational agencies

Appropriate education agencies in the service delivery area shall be provided the opportunity to provide educational services, unless the administrative entity demonstrates that alternative agencies or organizations would be more effective or would have greater potential to enhance the participants' continued occupational and career growth.

(d) Skills training program to meet private industry council guidelines

The administrative entity shall not fund any occupational skills training program unless the level of skills provided in the program are in accordance with guidelines established by the private industry council.

(Pub. L. 97-300, title I, § 107, Oct. 13, 1982, 96 Stat. 1335.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1514, 1531, 1591 of this title.

§ 1518. Limitation on certain costs

(a) Limit on funds for administration; definition

Not more than 15 percent of the funds available to a service delivery area for any fiscal year for programs under part A of subchapter II of this chapter may be expended for the cost of administration. For purposes of this paragraph, costs of program support (such as counseling) which are directly related to the provision of education or training and such additional costs as may be attributable to the development of training described in section 1604(28) of this title shall not be counted as part of the cost of administration.

(b) Joint limitation on administrative and work experience expenditures; definitions

(1) Not more than 30 percent of the funds available to a service delivery area for any fiscal year for programs under part A of subchapter II of this chapter may be expended for administrative costs (as defined under subsection (a) of this section) and costs specified in paragraph (2).

(2)(A) For purposes of paragraph (1), the costs specified in this paragraph are—

(i) 50 percent of any work experience expenditures which meet the requirements of paragraph (3);

(ii) 100 percent of the cost of any work experience program expenditures which do not meet the requirements of paragraph (3);

(iii) supportive services; and

(iv) needs-based payments described in section 1604(27) of this title

(B) For purposes of paragraph (1), the costs specified in this paragraph do not include expenditures for tryout employment which meets the requirements of section 1605(d)(3)(B) of this title.

(3) For purposes of paragraph (2), a work experience expenditure meets the requirements of this paragraph if—

(A) the work experience is of not more than 6 months' duration and is combined with a classroom or other training program;

(B) an individual participant is prohibited from participating in any other work experience program following participation in a program meeting the requirements of this paragraph;

(C) the classroom or other training program component is specified in a preemployment contract or meets established academic standards; and

(D) wages paid in the work experience program do not exceed the prevailing entry-level wage for the same occupation in the same labor market area.

(c) Exceptions: private industry council request for special circumstances; inclusion in plan; not reviewable by Governor

(1) Notwithstanding subsection (b) of this section, expenditures may be made in excess of the limitation contained in such subsection if such expenditures are made in accordance with the requirements of this subsection.

(2) Expenditures may be made in excess of the limitation contained in subsection (b) of this section in any service delivery area if—

(A) the private industry council for such area initiates a request for such excess costs; and

(B) excess costs are due to one or more of the following conditions in such area:

(i) an unemployment rate (in the service delivery area or that portion within which services resulting in excess costs are to be provided) which exceeds the national average unemployment rate by at least 3 percentage points, and the ratio of current private employment to population in such area or portion is less than the national average of such ratio;

(ii) the job training plan for such area proposes to serve a disproportionately high number of participants from groups requiring exceptional supportive service costs, such as handicapped individuals, offenders, and single heads of households with dependent children;

(iii) the cost of providing necessary child care exceeds one-half of the costs specified in paragraph (2) of subsection (b) of this section;

(iv) the costs of providing necessary transportation exceeds one-third of the costs specified in paragraph (2) of subsection (b) of this section; or

(v) a substantial portion of the participants in programs in the service delivery area are in training programs of 9 months' duration or more.

(3) Expenditures may be made in excess of the limitation contained in subsection (b) of this section if the need for and the amount of the excess is stated in the job training plan (or modification thereof) for the service delivery area and such plan demonstrates that adminis-

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trative costs comply with subsection (a) of this section.

(4) The provisions of this subsection shall not be available to the extent that supportive services provided under the job training plan duplicate services provided by any other public or private source that are available to participants without cost.

(5) The Governor shall not disapprove any plan (or modification thereof) on the basis of any statement of the need for and amount of excess costs in the job training plan if such plan or modification meets the requirements of this subsection.

(d) Limitations inapplicable

The provisions of this section do not apply to any service delivery area designated pursuant to section 1511(a)(4)(A)(iii) of this title.

(e) No exemption from performance standards

This section shall not be construed to exempt programs under an approved plan from the performance standards established under section 1516 of this title.

(Pub. L. 97-300, title I, § 108, Oct. 13, 1982, 96 Stat. 1336; Pub. L. 97-404, § 1(c), Dec. 31, 1982, 96 Stat. 2026.)

AMENDMENTS

1982—Subsec. (b)(2)(A)(iv). Pub. L. 97-404 substituted "payments" for "projects" after "needs-based".

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1514 of this title.

PART B—ADDITIONAL STATE RESPONSIBILITIES

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in section 1551 of this title.

§ 1531. Governor's coordination and special services plan

(a) Annual planning report; two-year coordination and special services plan financial assistance requirement

(1) The Governor shall annually prepare a statement of goals and objectives for job training and placement programs within the State to assist in the preparation of the plans required under section 1514 of this title and section 8 of the Act of June 6, 1933 (known as the Wagner-Peyser Act) [29 U.S.C. 49g].

(2) Any State seeking financial assistance under this chapter shall submit a Governor's coordination and special services plan for two program years to the Secretary describing the use of all resources provided to the State and its service delivery areas under this chapter and evaluating the experience over the preceding two years.

(b) Plan coordination with State and local services and resources; State goals and criteria; reports of modifications to Secretary

(1) The plan shall establish criteria for coordinating activities under this chapter (including subchapter III of this chapter) with programs and services provided by State and local education and training agencies (including vocational education agencies), public assistance

agencies, the employment service, rehabilitation agencies, postsecondary institutions, economic development agencies, and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the State. Such criteria shall not affect local discretion concerning the selection of eligible participants or service providers in accordance with the provisions of sections 1517 and 1603 of this title.

(2) The plan shall describe the projected use of resources, including oversight and support activities, priorities and criteria for State incentive grants, and performance goals for State supported programs.

(3) The Governor shall report to the Secretary the adjustments made in the performance standards and the factors that are used in making the adjustments.

(4) If major changes occur in labor market conditions, funding, or other factors during the two-year period covered by the plan, the State shall submit a modification to the Secretary describing these changes.

(c) Governor's coordination and special services activities

Governor's coordination and special services activities may include—

(1) making available to service delivery areas, with or without reimbursement and upon request, appropriate information and technical assistance to assist in developing and implementing plans and programs;

(2) carrying out special model training and employment programs and related services (including programs receiving financial assistance from private sources);

(3) providing programs and related services for offenders and other individuals whom the Governor determines require special assistance;

(4) providing financial assistance for special programs and services designed to meet the needs of rural areas outside major labor market areas;

(5) providing training opportunities in the conservation and efficient use of energy, and the development of solar energy sources as defined in section 3 of the Solar Energy Research, Development and Demonstration Act of 1974 [42 U.S.C. 5552];

(6) industry-wide training;

(7) activities under subchapter III of this chapter;

(8) developing and providing to service delivery areas information on a State and local area basis regarding economic, industrial, and labor market conditions;

(9) providing preservice and inservice training for planning, management, and delivery staffs of administrative entities and private industry councils, as well as contractors for State supported programs; and

(10) providing statewide programs which provide for joint funding of activities under this chapter with services and activities under other Federal, State, or local employment-related programs.

(d) Approval by Secretary

A Governor's coordination and special services plan shall be approved by the Secretary unless the Secretary determines that the plan does not comply with specific provisions of this chapter.

(Pub. L. 97-300, title I, § 121, Oct. 13, 1982, 96 Stat. 1337.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(2), (b)(1), (c)(10), and (d), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1515, 1533, 1602, 1658 of this title.

§ 1532. State job training coordinating council

(a) Requirement; appointments; composition; meetings; support personnel; limitations; approval by Governor; State Employment and Training and State Manpower Services Councils

(1) Any State which desires to receive financial assistance under this chapter shall establish a State job training coordinating council (hereinafter in this section referred to as the "State council"). Funding for the council shall be provided pursuant to section 1602(b)(4) of this title.

(2) The State council shall be appointed by the Governor, who shall designate one non-governmental member thereof to be chairperson. In making appointments to the State council, the Governor shall ensure that the membership of the State council reasonably represents the population of the State.

(3) The State council shall be composed as follows:

(A) One-third of the membership of the State council shall be representatives of business and industry (including agriculture, where appropriate) in the State, including individuals who are representatives of business and industry on private industry councils in the State.

(B) Not less than 20 percent of the membership of the State council shall be representatives of the State legislature and State agencies and organizations, such as the State educational agency, the State vocational education board, the State advisory council on vocational education, the State board of education (when not otherwise represented), State public assistance agencies, the State employment security agency, the State rehabilitation agency, the State occupational information coordinating committee, State postsecondary institutions, the State economic development agency, State veterans' affairs agencies or equivalent, and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the State.

(C) Not less than 20 percent of the membership of the State council shall be representa-

tives of the units or consortia of units of general local government in such State (including those which are administrative entities or grantees under this chapter) which shall be nominated by the chief elected officials of the units or consortia of units of general local government; and

(D) Not less than 20 percent of the membership of the State council shall be representatives of the eligible population and of the general public, representatives of organized labor, representatives of community-based organizations, and representatives of local educational agencies (nominated by local educational agencies).

(4) The State council shall meet at such times and in such places as it deems necessary. The meetings shall be publicly announced, and, to the extent appropriate, open and accessible to the general public.

(5) The State council is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to carry out its functions under this chapter.

(6) In order to assure objective management and oversight, the State council shall not operate programs or provide services directly to eligible participants, but shall exist solely to plan, coordinate, and monitor the provision of such programs and services.

(7) The plans and decisions of the State council shall be subject to approval by the Governor.

(8) For purposes of section 105 of the Vocational Education Act of 1963 [20 U.S.C. 2305], the State council shall be considered to be the same as either the State Manpower Services Council referred to in that section or the State Employment and Training Council authorized under the Comprehensive Employment and Training Act.

(b) Duties

The State council shall—

(1) recommend a Governor's coordination and special services plan;

(2) recommend to the Governor substate service delivery areas, plan resource allocations not subject to section 1602(a) of this title, provide management guidance and review for all programs in the State, develop appropriate linkages with other programs, coordinate activities with private industry councils, and develop the Governor's coordination and special services plan and recommend variations in performance standards;

(3) advise the Governor and local entities on job training plans and certify the consistency of such plans with criteria under the Governor's coordination and special services plan for coordination of activities under this chapter with other Federal, State, and local employment-related programs, including programs operated in designated enterprise zones;

(4) review the operation of programs conducted in each service delivery area, and the availability, responsiveness, and adequacy of State services, and make recommendations to the Governor, appropriate chief elected offi-

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cials, and private industry councils, service providers, the State legislature, and the general public with respect to ways to improve the effectiveness of such programs or services;

(5) review and comment on the State plan developed for the State employment service agency;

(6) make an annual report to the Governor which shall be a public document, and issue such other studies, reports, or documents as it deems advisable to assist service delivery areas in carrying out the purposes of this chapter;

(7)(A) identify, in coordination with the appropriate State agencies, the employment and training and vocational education needs throughout the State, and assess the extent to which employment and training, vocational education, rehabilitation services, public assistance, economic development, and other Federal, State, and local programs and services represent a consistent, integrated, and coordinated approach to meeting such needs; and

(B) comment at least once annually on the reports required pursuant to section 105(d)(3) of the Vocational Education Act of 1963 [20 U.S.C. 2305(d)(3)]; and

(8) review plans of all State agencies providing employment, training, and related services, and provide comments and recommendations to the Governor, the State legislature, the State agencies, and the appropriate Federal agencies on the relevancy and effectiveness of employment and training and related service delivery systems in the State.

(c) Transferability of functions

In addition to the functions described in subsection (b) of this section, the Governor may, to the extent permitted by applicable law, transfer functions which are related to functions under this chapter to the council established under this section from any State coordinating committee for the work incentive program under title IV of the Social Security Act [42 U.S.C. 601 et seq.] or any advisory council established under the Wagner-Peyser Act [29 U.S.C. 49 et seq.].

(Pub. L. 97-300, title I, § 122, Oct. 13, 1982, 96 Stat. 1339; Pub. L. 97-404, § 1(d), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

The State Manpower Services Council, referred to in subsec. (a)(8), was established pursuant to former section 817 of this title, which was eliminated in the general amendment of the Comprehensive Employment and Training Act, Pub. L. 93-203, Dec. 28, 1973, 87 Stat. 839, by Pub. L. 95-524, Oct. 27, 1978, 92 Stat. 1912, which provided for the establishing of State Employment and Training Councils in section 820 of this title. The Comprehensive Employment and Training Act, which was classified generally to chapter 17 (§ 801 et seq.) of this title, was repealed by section 184(a)(1) of the Job Training Partnership Act, Pub. L. 97-300, title I, Oct. 13, 1982, 96 Stat. 1357, which is classified principally to this chapter.

The Social Security Act, referred to in subsec. (c), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title IV of such Act is classified generally to sub-

Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Wagner-Peyser Act, referred to in subsec. (c), is act June 6, 1933, ch. 49, 48 Stat. 113, as amended, which is classified principally to chapter 4B (§ 49 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 49 of this title and Tables.

AMENDMENTS

1982—Subsec. (a)(3)(C). Pub. L. 97-404 substituted "elected officials" for "executive officers" after "chief".

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 491, 1602 of this title.

§ 1533. State education coordination and grants

(a) Financial assistance to State education agency for services through cooperative agreements

The sums available for this section pursuant to section 1602(b)(1) of this title shall be used by the Governor to provide financial assistance to any State education agency responsible for education and training—

(1) to provide services for eligible participants through cooperative agreements between such State education agency or agencies, administrative entities in service delivery areas in the State, and (where appropriate) local educational agencies; and

(2) to facilitate coordination of education and training services for eligible participants through such cooperative agreements.

(b) Matching contributions for cooperative agreements

The cooperative agreements described in subsection (a) of this section shall provide for the contribution by the State agency or agencies, and the local educational agency (if any), of a total amount equal to the amount provided, pursuant to subsection (a)(1) of this section, in the grant subject to such agreement. Such matching amount shall not be provided from funds available under this chapter, but may include the direct cost of employment or training services provided by State or local programs.

(c) Required proportions of contribution use

(1) Funds available under this section may be used to provide education and training, including vocational education services, and related services to participants under subchapter II of this chapter. Such services may include services for offenders and other individuals whom the Governor determines require special assistance.

(2)(A) Not more than 20 percent of the funds available under this section may be spent for activities described in clause (2) of subsection (a) of this section.

(B) At least 80 percent of the funds available under this section shall be used for clause (1) of subsection (a) of this section for the Federal share of the cost of carrying out activities described in clause (1). For the purpose of this subparagraph, the Federal share shall be the amount provided for in the cooperative agree-

of this section

(3) Not less than 75 percent of the funds available for activities under clause (1) of subsection (a) of this section shall be expended for activities for economically disadvantaged individuals.

(d) Alternative availability to Governor

If no cooperative agreement is reached on the use of funds under this section, the funds shall be available to the Governor for use in accordance with section 1531 of this title.

(Pub. L. 97-300, title I, § 123, Oct. 13, 1982, 96 Stat. 1341.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1602 of this title.

§ 1534. Training programs for older individuals

(a) Authorization to Governor

From funds available for use under section 1602(b)(2) of this title, the Governor is authorized to provide for job training programs which are developed in conjunction with service delivery areas within the State and which are consistent with the plan for the service delivery area prepared and submitted in accordance with the provisions in section 1514 of this title, and designed to assure the training and placement of older individuals in employment opportunities with private business concerns.

(b) Consultations and agreements with Governor

In carrying out this section, the Governor shall, after consultation with appropriate private industry councils and chief elected officials, enter into agreements with public agencies, nonprofit private organizations, and private business concerns.

(c) Growth industry and new technology skill programs

The Governor shall give consideration to assisting programs involving training for jobs in growth industries and jobs reflecting the use of new technological skills.

(d) Age and economic eligibility

An individual shall be eligible to participate in a job training program under this section only if the individual is economically disadvantaged and has attained 55 years of age.

(Pub. L. 97-300, title I, § 124, Oct. 13, 1982, 96 Stat. 1341.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1602 of this title.

§ 1535. State labor market information programs

(a) Oversight unit requirement; design of information and distribution system

In order to be eligible for Federal financial assistance for State labor market information programs under this chapter from funds made available under section 1602(b)(4) of this title and section 1751(b) of this title, the Governor shall designate the State occupational information coordinating committee or other organizational unit to be responsible for oversight and

labor market and occupational supply and demand information system, which shall—

(1) design a comprehensive cost-efficient labor market and occupational supply and demand information system which—

(A) is responsive to the economic demand and education and training supply support needs of the State and areas within the State, and

(B) meets the Federal standards under chapter 35 of title 44 and other appropriate Federal standards established by the Bureau of Labor Statistics;

(2) standardize available Federal and State multi-agency administrative records and direct survey data sources to produce an employment and economic analysis with a published set of projections for the State and designated areas within the State which, at the minimum, includes—

(A) identification of geographic and occupational areas of potential growth or decline; and

(B) an assessment of the potential impact of such growth or decline on individuals, industries, and communities, including occupational supply and demand characteristics data;

(3) assure, to the extent feasible, that—

(A) automated technology will be used by the State;

(B) administrative records have been designed to reduce paperwork; and

(C) multiple survey burdens on the employers of the State have been reduced;

(4) publish and disseminate labor market and occupational supply and demand information and individualized career information to State agencies, area public agencies, libraries, and private not-for-profit users, and individuals who are in the process of making career decision choices; and

(5) conduct research and demonstration projects designed to improve any aspect of the statewide information system.

(b) Goals of system; nonduplication; public domain

(1) The analysis required under clause (2) of subsection (a) of this section shall be used to contribute in carrying out the provisions of this chapter, the Vocational Education Act of 1963 [20 U.S.C. 2301 et seq.], and the Act of June 6, 1933, known as the Wagner-Peyser Act [29 U.S.C. 49 et seq.].

(2) The assurance required by clause (3) of subsection (a) of this section shall also include that the State will, to the maximum extent possible, assure consolidation of available administrative data and surveys to reduce duplication of recordkeeping of State and local agencies, including secondary and postsecondary educational institutions.

(3) If any Federal funds are used to carry out clause (5) of subsection (a) of this section, access to and information on the results will

(c) Reimbursement and limitation

The Secretary through the National Occupational Information Coordinating Committee shall reimburse the States the costs of carrying out the provisions of this section but the aggregate reimbursements in any fiscal year shall not exceed the amount available under part E of subchapter IV of this chapter for this section.

(d) State consolidation of Federal administrative management information reporting requirements

No provision of this part or any other provision of Federal law shall be construed to prohibit any State from combining or consolidating Federal administrative management information reporting requirements relating to employment, productivity, or training, if notice is transmitted by the Governor to the head of each appropriate Federal and State agency responsible for the laws governing the Federal reporting requirements. The notice shall specify the intent to combine or consolidate such requirements. The head of each appropriate Federal agency shall approve the combination or consolidation unless, within sixty days after receiving the notice, the Federal agency can demonstrate that the combination or consolidation will not meet the essential purposes of the affected Federal law.

(Pub. L. 97-300, title I, § 125, Oct. 13, 1982, 96 Stat. 1342; Pub. L. 97-404, § 1(e), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

The Vocational Education Act of 1963, referred to in subsec. (b)(1), is title I of Pub. L. 88-210, Dec. 18, 1963, 77 Stat. 403, which was classified to chapter 32 (§ 1241 et seq.) of Title 20, Education, was completely amended and reorganized by the Education Amendments of 1976, Pub. L. 94-482, title II, § 202(a), Oct. 12, 1976, 90 Stat. 2169, and is classified generally to chapter 44 (§ 2301 et seq.) of Title 20. For complete classification of this Act to the Code, see Short Title note set out under section 2301 of Title 20 and Tables. For additional details, see also the Codification note preceding section 1241 of Title 20.

The Wagner-Peyser Act, referred to in subsec. (b)(1), is act June 6, 1933, ch. 49, 48 Stat. 113, as amended, which is classified principally to chapter 4B (§ 49 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 49 of this title and Tables.

AMENDMENTS

1982—Subsec. (c). Pub. L. 97-404 substituted "section" for "subsection" after "of this chapter for this".

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1751, 1753, 1754 of this title.

§ 1536. Authority of State legislature

Nothing in this chapter shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with the provisions of this chapter, of the programs assisted under this chapter.

(Pub. L. 97-300, title I, § 126, Oct. 13, 1982, 96 Stat. 1343.)

§ 1537. Interstate agreements

In the event that compliance with provisions of this chapter would be enhanced by cooperative agreements between States, the consent of Congress is hereby given to such States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

(Pub. L. 97-300, title I, § 127, Oct. 13, 1982, 96 Stat. 1343.)

PART C—PROGRAM REQUIREMENTS FOR SERVICE DELIVERY SYSTEM

§ 1551. General program requirements

Except as otherwise provided, the following conditions are applicable to all programs under this chapter:

(a) Useful, needed, and equitable opportunity distribution

Each job training plan shall provide employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities and shall make efforts to provide equitable services among substantial segments of the eligible population.

(b) No duplication of services

Funds provided under this chapter shall only be used for activities which are in addition to those which would otherwise be available in the area in the absence of such funds.

(c) Establishment relocation limitation

No funds may be used to assist in relocating establishments, or parts thereof, from one area to another unless the Secretary determines that such relocation will not result in an increase in unemployment in the area of original location or in any other area.

(d) Employment opportunity-directed training; competitive purchases of training packages

(1) Training provided with funds made available under this chapter shall be only for occupations for which there is a demand in the area served or in another area to which the participant is willing to relocate, and consideration in the selection of training programs may be given to training in occupations determined to be in sectors of the economy which have a high potential for sustained demand or growth.

(2) Efforts shall be made to develop programs which contribute to occupational development, upward mobility, development of new careers, and overcoming sex-stereotyping in occupations traditional for the other sex.

(3) Commercially available training packages, including advanced learning technology, may be purchased for off-the-shelf prices and without requiring a breakdown of the cost components of the package if such packages are purchased competitively and include performance criteria.

(e) Area eligibility; limited exceptions

Only eligible individuals residing in the service delivery area may be served by employment and training activities funded under subchapter IV of this chapter except that the job training

plan may provide for limited exceptions to this requirement.

(f) Council member conflict of interest

No member of any council under this chapter shall cast a vote on the provision of services by that member (or any organization which that member directly represents) or vote on any matter which would provide direct financial benefit to that member.

(g) Payments to employers: proportion and characterization

Payments to employers for on-the-job training shall not, during the period of such training, average more than 50 percent of the wages paid by the employer to such participants, and payments in such amount shall be deemed to be in compensation for the extraordinary costs associated with training participants under this chapter and in compensation for the costs associated with the lower productivity of such participants.

(h) No needless duplication of governmental facilities or services

Funds provided under this chapter shall not be used to duplicate facilities or services available in the area (with or without reimbursement) from Federal, State, or local sources, unless the plan establishes that alternative services or facilities would be more effective or more likely to achieve performance goals.

(i) Responsibility of administrative entity for oversight

Each administrative entity shall be responsible for the allocation of funds and the eligibility of those enrolled in its programs and shall have responsibility to take action against its subcontractors, subgrantees, and other recipients to eliminate abuses in the programs they are carrying out, and to prevent any misuse of funds by such subcontractors, subgrantees, and other recipients. Administrative entities may delegate the responsibility for determination of eligibility under reasonable safeguards, including provisions for reimbursement of cost incurred because of erroneous determinations made with insufficient care, if such an arrangement is included in an approved job training plan.

(j) Free training program placement requirement

No person or organization may charge an individual a fee for the placement or referral of such individual in or to a training program under this chapter.

(k) Requirements for subsidized youth employment

No funds may be provided under this chapter for any subsidized employment with any private for-profit employer unless the individual employed is a youth aged 16 to 21, inclusive, who is economically disadvantaged and the employment is provided in accordance with section 1605(d)(3)(B) of this title.

(l) Political activity exclusion

The Secretary shall not provide financial assistance for any program under this chapter

(m) Use of program generated income to continue program

Pursuant to regulations of the Secretary income generated under any program may be retained by the recipient to continue to carry out the program, notwithstanding the expiration of financial assistance for that program.

(n) Notification of service delivery area activity

The Secretary shall notify the Governor and the appropriate private industry councils and chief elected officials of, and consult with the Governor and such councils and officials concerning, any activity to be funded by the Secretary under this chapter within the State or service delivery area; and the Governor shall notify the appropriate private industry councils and chief elected officials of, and consult with such concerning, any activity to be funded by the Governor under this chapter within the service delivery area.

(o) State and local education standards applicable

(1) All education programs for youth supported with funds provided under subchapter II of this chapter shall be consistent with applicable State and local educational standards.

(2) Standards and procedures with respect to the awarding of academic credit and certifying educational attainment in programs conducted under such title shall be consistent with the requirements of applicable State and local law and regulation.

(p) Public service employment exclusion

No funds available under part B of this subchapter or part A of subchapter II of this chapter may be used for public service employment.

(Pub. L. 97-300, title I, § 141, Oct. 13, 1982, 96 Stat. 1343; Pub. L. 97-404, § 1(f), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

This chapter, referred to in provision preceding subsec. (a) and in subssecs. (b), (d)(1), (f), (g), (h), (j), (k), (l), and (n), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

AMENDMENTS

1982—Subsec. (c). Pub. L. 97-404, § 1(f)(1), added "the Secretary determines that" after "unless".

Subsec. (g). Pub. L. 97-404, § 1(f)(2), struck out "which" after "on-the-job training" and substituted reference to this chapter for reference to this subchapter.

§ 1552. Benefits

(a) Payments; compensation; wages

(a) Except as otherwise provided in this chapter, the following provisions shall apply to all activities financed under this chapter:

(1) A trainee shall receive no payments for training activities in which the trainee fails to participate without good cause.

(2) Individuals in on-the-job training shall

rates, including periodic increases, as similarly situated employees or trainees and in accordance with applicable law, but in no event less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 [29 U.S.C. 206(a)(1)] or the applicable State or local minimum wage law.

(3) Individuals employed in activities authorized under this chapter shall be paid wages which shall not be less than the highest of (A) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 [29 U.S.C. 206(a)(1)], (B) the minimum wage under the applicable State or local minimum wage law, or (C) the prevailing rates of pay for individuals employed in similar occupations by the same employer.

(b) Allowances, earnings, and payments as income

Allowances, earnings and payments to individuals participating in programs under this chapter shall not be considered as income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than programs under the Social Security Act [42 U.S.C. 301 et seq.].

(Pub. L. 97-300, title I, § 142, Oct. 13, 1982, 96 Stat. 1345; Pub. L. 97-404, § 1(g), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended, which is classified generally to chapter 7 (§ 301 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

AMENDMENTS

1982—Subsec. (b). Pub. L. 97-404 added “furnished under any Federal or federally assisted program based on need” after “aid”.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 20 section 2415.

§ 1553. Labor standards

(a) Employment conditions; local standards; workers' compensation; workplace comparability; retirement plan exclusion

(1) Conditions of employment and training shall be appropriate and reasonable in light of such factors as the type of work, geographical region, and proficiency of the participant.

(2) Health and safety standards established under State and Federal law, otherwise applicable to working conditions of employees, shall be equally applicable to working conditions of participants. With respect to any participant in a program conducted under this chapter who is engaged in activities which are not covered by health and safety standards under the Occupational Safety and Health Act of 1970 [29 U.S.C. 651 et seq.], the Secretary shall prescribe, by regulation, such standards as may be necessary to protect the health and safety of such participants.

(3) To the extent that a State workers' com-

tion benefits in accordance with such law shall be available with respect to injuries suffered by participants. To the extent that such law is not applicable, each recipient of funds under this chapter shall secure insurance coverage for injuries suffered by such participants, in accordance with regulations prescribed by the Secretary.

(4) All individuals employed in subsidized jobs shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

(5) No funds available under this chapter may be used for contributions on behalf of any participant to retirement systems or plans.

(b) Nondisplacement of local workers; existing collective bargaining agreements; nonavailability for layoff replacement; noninfringement of promotion opportunity

(1) No currently employed worker shall be displaced by any participant (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits).

(2) No program shall impair existing contracts for services or collective bargaining agreements, except that no program under this chapter which would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

(3) No participant shall be employed or job opening filled (A) when any other individual is on layoff from the same or any substantially equivalent job, or (B) when the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized under this chapter.

(4) No jobs shall be created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals.

(c) Labor organizations

(1) Each recipient of funds under this chapter shall provide to the Secretary assurances that none of such funds will be used to assist, promote, or deter union organizing.

(2) Where a labor organization represents a substantial number of employees who are engaged in similar work or training in the same area as that proposed to be funded under this chapter, an opportunity shall be provided for such organization to submit comments with respect to such proposal.

(d) Applicability of Federal labor standards

All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating, of projects, buildings, and works which are federally assisted under this chapter, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act of March 3, 1931 (40 U.S.C.

276a-276a-5), popularly known as the Davis-Bacon Act. The Secretary shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 276c of title 40. The provisions of this subsection shall not apply to a bona fide trainee in a training program under this chapter. The provisions of section 1577(a)(4) of this title shall apply to such trainees.

(Pub. L. 97-300, title I, § 143, Oct. 13, 1982, 96 Stat. 1345; Pub. L. 97-404, § 1(h), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

The Occupational Safety and Health Act of 1970, referred to in subsec. (a)(2), is Pub. L. 91-596, Dec. 29, 1970, 84 Stat. 1590, as amended, which is classified principally to chapter 15 (§ 651 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 651 of this title and Tables.

The Act of March 3, 1931, known as the Davis-Bacon Act, referred to in subsec. (d), is act Mar. 3, 1931, ch. 411, 46 Stat. 1494, as amended, which is classified generally to sections 276a to 276a-5 of Title 40, Public Buildings, Property, and Works. For complete classification of this Act to the Code, see Short Title note set out under section 276a of Title 40 and Tables.

Reorganization Plan Numbered 14 of 1950, referred to in subsec. (d), is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS

1982—Subsec. (d). Pub. L. 97-404 substituted “1931” for “1921” after “Act of March 3”.

§ 1554. Grievance procedure

(a) Maintenance and timing

Each administrative entity, contractor, and grantee under this chapter shall establish and maintain a grievance procedure for grievances or complaints about its programs and activities from participants, subgrantees, subcontractors, and other interested persons. Hearings on any grievance shall be conducted within 30 days of filing of a grievance and decisions shall be made not later than 60 days after the filing of a grievance. Except for complaints alleging fraud or criminal activity, complaints shall be made within one year of the alleged occurrence.

(b) Requirement for recipient grievance procedure

Each recipient of financial assistance under this chapter which is an employer of participants under this chapter shall continue to operate or establish and maintain a grievance procedure relating to the terms and conditions of employment.

(c) Investigation by Secretary

Upon exhaustion of a recipient's grievance procedure without decision, or where the Secretary has reason to believe that the recipient is failing to comply with the requirements of this chapter or the terms of the job training plan, the Secretary shall investigate the allegation or belief and determine within 120 days after receiving the complaint whether such allegation or complaint is true.

(Pub. L. 97-300, title I, § 144, Oct. 13, 1982, 96 Stat. 1346.)

§ 1555. Federal control of education prohibited

No provision of this chapter shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

(Pub. L. 97-300, title I, § 145, Oct. 13, 1982, 96 Stat. 1347.)

PART D—FEDERAL AND FISCAL ADMINISTRATIVE PROVISIONS

§ 1571. Program year

(a) Basis for availability of appropriations

Beginning with fiscal year 1985 and thereafter, appropriations for any fiscal year for programs and activities under this chapter shall be available for obligation only on the basis of program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(b) Expending of obligated funds

Funds obligated for any program year may be expended by each recipient during that program year and the two succeeding program years and no amount shall be deobligated on account of a rate of expenditure which is consistent with the job training plan.

(c) Transition to program year funding

(1) Appropriations for fiscal year 1984 shall be available both to fund activities for the period between October 1, 1983, and July 1, 1984, and for the program year beginning July 1, 1984.

(2) There are authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this subsection for the transition to program year funding.

(Pub. L. 97-300, title I, § 161, Oct. 13, 1982, 96 Stat. 1347.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 97-300, Oct. 1, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1502, 1572 of this title.

§ 1572. Prompt allocation of funds

(a) Use of most recent data

All allotments and allocations under this chapter shall be based on the latest available data and estimates satisfactory to the Secretary. All data relating to economically disadvantaged and low-income persons shall be based on 1980 Census or later data.

(b) Publication in Federal Register

Whenever the Secretary allots and allocates funds required to be allotted or allocated by formula under this chapter, the Secretary shall publish in a timely fashion in the Federal Register the proposed amount to be distributed to each recipient.

(c) Distribution after appropriation

All funds required to be distributed by formula under this chapter shall be allotted within 45 days after enactment of the appropriations, except that, if such funds are appropriated in advance as authorized by section 1571 of this title, such funds shall be allotted not later than the March 31 preceding the program year for which such funds are to be available for obligation.

(d) Publication of allotment formula

Whenever the Secretary utilizes a formula to allot or allocate funds made available for distribution at the Secretary's discretion under this chapter, the Secretary shall, not later than 30 days prior to such allotment or allocation, publish such formula in the Federal Register for comments along with the rationale for the formula and the proposed amounts to be distributed to each State and area. After consideration of any comments received, the Secretary shall publish final allotments and allocations in the Federal Register.

(e) Distribution to grant recipient

Funds shall be made available to the grant recipient for the service delivery area not later than 30 days after the date they are made available to the Governor or 7 days after the date the plan is approved, whichever is later.

(Pub. L. 97-300, title I, § 162, Oct. 13, 1982, 96 Stat. 1347.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1602 of this title.

§ 1573. Monitoring**(a) Compliance with law and regulations**

The Secretary is authorized to monitor all recipients of financial assistance under this chapter to determine whether they are complying with the provisions of this chapter and the regulations issued under this chapter.

(b) Investigations

The Secretary may investigate any matter the Secretary deems necessary to determine compliance with this chapter and regulations issued under this chapter. The investigations authorized by this subsection may include examining records (including making certified copies thereof), questioning employees, and entering any premises or onto any site in which any part of a program of a recipient is conducted or in which any of the records of the recipient are kept.

(c) Witnesses; books, papers, and documents

For the purpose of any investigation or hearing under this chapter, the provisions of section 9 of the Federal Trade Commission Act (15

U.S.C. 49) (relating to the attendance of witnesses and the production of books, papers, and documents) are made applicable to the Secretary.

(Pub. L. 97-300, title I, § 163, Oct. 13, 1982, 96 Stat. 1348.)

§ 1574. Fiscal controls; sanctions**(a) Establishment of State controls; independent audit and exemption; Federal audit standards**

(1) Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of, and accounting for, Federal funds paid to the recipient under subchapters II and III of this chapter. The Director of the Office of Management and Budget, in consultation with the Comptroller General of the United States, shall establish guidance for the proper performance of audits. Such guidance shall include a review of fiscal controls and fund accounting procedures established by States under this section.

(2) At least once every two years, the State shall prepare or have prepared an independent financial and compliance audit of each recipient of funds under subchapters II and III of this chapter. Under criteria established by the Director of the Office of Management and Budget, and upon application by the Governor, the Secretary may exempt designated recipients from all or part of the requirements of this section, except that any such exemption shall not apply to the State administering agency, the entity which is the administrative entity for the job training plan for a service delivery area, or a private industry council. Any exemption under this section may be withdrawn by the Secretary in consultation with the Director of the Office of Management and Budget.

(3) Each audit shall be conducted in accordance with applicable auditing standards set forth in the financial and compliance element of the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the Comptroller General of the United States.

(b) Noncompliance and Governor's approval revocation notice

(1) Whenever, as a result of financial and compliance audits or otherwise, the Governor determines that there is a substantial violation of a specific provision of this chapter or the regulations, and corrective action has not been taken, the Governor may issue a notice of intent to revoke approval of all or part of the plan affected. Such notice may be appealed to the Secretary under the same terms and conditions as the disapproval of the plan and shall not become effective until (A) the time for appeal has expired or (B) the Secretary has issued a decision.

(2) The Governor shall withdraw the notice if the appropriate corrective action has been taken.

(c) Comptroller General's evaluation; report to Congress; Comptroller's access to records

(1) The Comptroller General of the United States shall, on a selective basis, evaluate the

expenditures by the recipients of grants under this chapter in order to assure that expenditures are consistent with the provisions of this chapter and to determine the effectiveness of each recipient in accomplishing the purposes of this chapter. The Comptroller General shall conduct the evaluations whenever he determines it necessary and he shall periodically report to the Congress on the findings of such evaluations.

(2) Nothing in this chapter shall be deemed to relieve the Inspector General of the Department of Labor of his responsibilities under the Inspector General Act.

(3) For the purpose of evaluating and reviewing programs established or provided for by this chapter, the Comptroller General shall have access to and the right to copy any books, accounts, records, correspondence, or other documents pertinent to such programs that are in the possession, custody, or control of the State, a private industry council established under section 1512 of this title, any recipient of funds under this chapter, or any subgrantee or contractor of such recipients.

(d) Recipient's liability for noncomplying expenditures

Every recipient shall repay to the United States amounts found not to have been expended in accordance with this chapter. The Secretary may offset such amounts against any other amount to which the recipient is or may be entitled under this chapter unless he determines that such recipient should be held liable pursuant to subsection (e) of this section. No such action shall be taken except after notice and opportunity for a hearing have been given to the recipient.

(e) Conditions for recipient's liability; conditions for recipient's liability for subgrantee noncompliance; Secretary's discretion

(1) Each recipient shall be liable to repay such amounts, from funds other than funds received under this chapter, upon a determination that the misexpenditure of funds was due to willful disregard of the requirements of this chapter, gross negligence, or failure to observe accepted standards of administration. No such finding shall be made except after notice and opportunity for a fair hearing.

(2) In determining whether to impose any sanction authorized by this section against a recipient for violations by a subgrantee of such recipient under this chapter or the regulations under this chapter, the Secretary shall first determine whether such recipient has adequately demonstrated that it has—

(A) established and adhered to an appropriate system for the award and monitoring of contracts with subgrantees which contains acceptable standards for ensuring accountability;

(B) entered into a written contract with such subgrantee which established clear goals and obligations in unambiguous terms;

(C) acted with due diligence to monitor the implementation of the subgrantee contract, including the carrying out of the appropriate monitoring activities (including audits) at reasonable intervals; and

(D) taken prompt and appropriate corrective action upon becoming aware of any evidence of a violation of this chapter or the regulations under this chapter by such subgrantee.

(3) If the Secretary determines that the recipient has demonstrated substantial compliance with the requirements of paragraph (2), the Secretary may waive the imposition of sanctions authorized by this section upon such recipient. The Secretary is authorized to impose any sanction consistent with the provisions of this chapter and any applicable Federal or State law directly against any subgrantee for violation of this chapter or the regulations under this chapter.

(f) Emergency situations and immediate termination

In emergency situations, if the Secretary determines it is necessary to protect the integrity of the funds or ensure the proper operation of the program, the Secretary may immediately terminate or suspend financial assistance, in whole or in part, if the recipient is given prompt notice and the opportunity for a subsequent hearing within 30 days after such termination or suspension. The Secretary shall not delegate any of the functions or authority specified in this subsection, other than to an officer whose appointment was required to be made by and with the advice and consent of the Senate.

(g) Secretary's action against harassment of complainants

If the Secretary determines that any recipient under this chapter has discharged or in any other manner discriminated against a participant or against any individual in connection with the administration of the program involved, or against any individual because such individual has filed any complaint or instituted or caused to be instituted any proceeding under or related to this chapter, or has testified or is about to testify in any such proceeding or investigation under or related to this chapter, or otherwise unlawfully denied to any individual a benefit to which that individual is entitled under the provisions of this chapter or the Secretary's regulations, the Secretary shall, within thirty days, take such action or order such corrective measures, as necessary, with respect to the recipient or the aggrieved individual, or both.

(h) Remedies not exclusive

The remedies under this section shall not be construed to be exclusive remedies.

(Pub. L. 97-300, title I, § 164, Oct. 13, 1982, 96 Stat. 1348.)

REFERENCES IN TEXT

The Inspector General Act, referred to in subsection (c)(2), probably means the Inspector General Act of 1978, Pub. L. 95-452, Oct. 12, 1978, 92 Stat. 1101, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1578 of this title.

§ 1575. Reports, recordkeeping, and investigations**(a) Sufficiency of records; frequency**

(1) Recipients shall keep records that are sufficient to permit the preparation of reports required by this chapter and to permit the tracing of funds to a level of expenditure adequate to insure that the funds have not been spent unlawfully.

(2) Every recipient shall maintain such records and submit such reports, in such form and containing such information, as the Secretary requires regarding the performance of its programs. Such records and reports shall be submitted to the Secretary but shall not be required to be submitted more than once each quarter unless specifically requested by the Congress or a committee thereof.

(b) Investigations

(1)(A) In order to evaluate compliance with the provisions of this chapter, the Secretary shall conduct, in several States, in each fiscal year investigations of the use of funds received by recipients under this chapter.

(B) In order to insure compliance with the provisions of this chapter, the Comptroller General of the United States may conduct investigations of the use of funds received under this chapter by any recipient.

(2) In conducting any investigation under this chapter, the Secretary or the Comptroller General of the United States may not request the compilation of any new information not readily available to such recipient.

(c) Reporting and recordkeeping duties of States, designated administrative entities, and recipients

Each State, each administrative entity designated under this subchapter, and each recipient (other than a subrecipient, grantee or contractor of a recipient) receiving funds under this chapter shall—

(1) make such reports concerning its operations and expenditures as shall be prescribed by the Secretary, and

(2) prescribe and maintain a management information system, in accordance with guidelines prescribed by the Secretary, designed to facilitate the uniform compilation and analysis of programmatic and financial data, on statewide and service delivery area bases, necessary for reporting, monitoring, and evaluating purposes.

(Pub. L. 97-300, title I, § 165, Oct. 13, 1982, 96 Stat. 1350.)

§ 1576. Administrative adjudication**(a) Hearing after denial of assistance or sanction by Secretary**

Whenever any applicant for financial assistance under this chapter is dissatisfied because the Secretary has made a determination not to award financial assistance in whole or in part to such applicant, the applicant may request a hearing before an administrative law judge of the Department of Labor. A similar hearing may also be requested by any recipient upon whom a corrective action or a sanction has been imposed by the Secretary. Except to the extent provided for in section 1577 of this title, all

other disputes arising under this chapter shall be adjudicated under grievance procedures established by the recipient or under applicable law other than this chapter.

(b) Time for filing exceptions; final action by Secretary

The decision of the administrative law judge shall constitute final action by the Secretary unless, within 20 days after receipt of the decision of the administrative law judge, a party dissatisfied with the decision or any part thereof has filed exceptions with the Secretary specifically identifying the procedure, fact, law, or policy to which exception is taken. Any exception not specifically urged shall be deemed to have been waived. Thereafter the decision of the administrative law judge shall become the final decision of the Secretary unless the Secretary, within 30 days of such filing, has notified the parties that the case has been accepted for review.

(c) Time for Secretary's review

Any case accepted for review by the Secretary shall be decided within one hundred and eighty days of such acceptance. If not so decided, the decision of the administrative law judge shall become the final decision of the Secretary.

(d) Judicial review

The provisions of section 1578 of this title shall apply to any final action of the Secretary under this section.

(Pub. L. 97-300, title I, § 166, Oct. 13, 1982, 96 Stat. 1351.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1578 of this title.

§ 1577. Nondiscrimination**(a) Applicability of equal protection provisions; prohibition of construction of religious facility; nondiscrimination against funded activity participants; participant citizenship**

(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], on the basis of handicap under section 504 of the Rehabilitation Act [20 U.S.C. 794], on the basis of sex under title IX of the Education Amendments of 1972 [20 U.S.C. 1681 et seq.], or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], programs and activities funded or otherwise financially assisted in whole or in part under this chapter are considered to be programs and activities receiving Federal financial assistance.

(2) No individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any such program because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

(3) Participants shall not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for

sectarian instruction or as a place for religious worship.

(4) With respect to terms and conditions affecting, or rights provided to, individuals who are participants in activities supported by funds provided under this chapter, such individuals shall not be discriminated against solely because of their status as such participants.

(5) Participation in programs and activities financially assisted in whole or in part under this chapter shall be open to citizens and nationals of the United States, lawfully admitted permanent resident aliens, lawfully admitted refugees and parolees, and other individuals authorized by the Attorney General to work in the United States.

(b) Recipient noncompliance and Secretary's action

Whenever the Secretary finds that a State or other recipient has failed to comply with a provision of law referred to in subsection (a)(1) of this section, with paragraph (2), (3), (4), or (5) of subsection (a) of this section, or with an applicable regulation prescribed to carry out such paragraphs, the Secretary shall notify such State or recipient and shall request it to comply. If within a reasonable period of time, not to exceed sixty days, the State or recipient fails or refuses to comply, the Secretary may—

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], or section 794 of this title, as may be applicable; or

(3) take such other action as may be provided by law.

(c) Civil action by Attorney General

When a matter is referred to the Attorney General pursuant to subsection (b)(1) of this section, or whenever the Attorney General has reason to believe that a State or other recipient is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) of this section or in violation of paragraph (2), (3), (4), or (5) of subsection (a) of this section, the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

(d) Job Corps members ultimate beneficiaries

For purposes of this section, Job Corps members shall be considered as the ultimate beneficiaries of Federal financial assistance.

(Pub. L. 97-300, title I, § 167, Oct. 13, 1982, 96 Stat. 1352.)

REFERENCES IN TEXT

The Age Discrimination Act of 1975, referred to in subsections (a)(1) and (b)(2), is title III of Pub. L. 94-135, Nov. 28, 1975, 89 Stat. 728, as amended, which is classified generally to chapter 76 (§ 6101 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of Title 42 and Tables.

The Education Amendments of 1972, referred to in subsection (a)(1), is Pub. L. 92-318, June 23, 1972, 86 Stat. 235, as amended. Title IX of the Education Amend-

ments of 1972 is classified principally to chapter 38 (§ 1681 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.

The Civil Rights Act of 1964, referred to in subsections (a)(1) and (b)(2), is Pub. L. 88-352, July 2, 1964, 78 Stat. 241, as amended. Title VI of the Civil Rights Act of 1964 is classified generally to subchapter V (§ 2000d et seq.) of chapter 21 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of Title 42 and Tables.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1553, 1576 of this title.

§ 1578. Judicial review**(a) Review by Court of Appeals of Secretary's final order; review petition, final order record, expeditious review; scope of review**

(1) With respect to any final order by the Secretary under section 1576 of this title whereby the Secretary determines to award, to not award, or to only conditionally award, financial assistance, with respect to any final order of the Secretary under section 1576 of this title with respect to a corrective action or sanction imposed under section 1574 of this title, and with respect to a denial of an appeal under section 1511(4)(C) of this title or 1515(b)(2) of this title, any party to a proceeding which resulted in such final order may obtain review of such final order in the United States Court of Appeals having jurisdiction over the applicant or recipient of funds, by filing a review petition within 30 days of such final order.

(2) The clerk of the court shall transmit a copy of the review petition to the Secretary who shall file the record upon which the final order was entered as provided in section 2112 of title 28. Review petitions unless ordered by the court, shall not stay the Secretary's order. Petitions under this chapter shall be heard expeditiously, if possible within ten days of the filing of a reply brief.

(3) No objection to the order of the Secretary shall be considered by the court unless the objection shall have been specifically and timely urged before the Secretary. Review shall be limited to questions of law and the Secretary's findings of fact shall be conclusive if supported by substantial evidence.

(b) Jurisdiction of Court of Appeals; review by Supreme Court

The court shall have jurisdiction to make and enter a decree affirming, modifying, or setting aside the order of the Secretary in whole or in part. The court's judgment shall be final, subject to certiorari review by the Supreme Court of the United States as provided in section 1254(1) of title 28.

(Pub. L. 97-300, title I, § 168, Oct. 13, 1982, 96 Stat. 1353.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1576 of this

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§ 1579. Administrative provisions

(a) Secretary's prescription of regulations; publication in Federal Register

The Secretary may, in accordance with chapter 5 of title 5, prescribe such rules and regulations (including performance standards) as the Secretary deems necessary. Such rules and regulations may include adjustments authorized by section 6504 of title 31. All such rules and regulations shall be published in the Federal Register at least thirty days prior to their effective date. Copies of all such rules and regulations shall be transmitted to the appropriate committees of the Congress at the same time and shall contain, with respect to each material provision of such rules and regulations, citations to the particular substantive section of law which is the basis therefor.

(b) Acceptance of gift

The Secretary is authorized, in carrying out this chapter, to accept, purchase, or lease in the name of the department, and employ or dispose of in furtherance of the purposes of this chapter, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise, and to accept voluntary and uncompensated services notwithstanding the provisions of section 1342 of title 31.

(c) Secretary's discretion

The Secretary may make such grants, contracts, or agreements, establish such procedures and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds under this chapter as necessary to carry out this chapter, including (without regard to the provisions of section 4774(d) of title 10) expenditures for construction, repairs, and capital improvements, and including necessary adjustments in payments on account of overpayments or underpayments.

(d) Annual report to Congress

The Secretary shall prepare and submit to the Congress an annual report for employment and training programs. The Secretary shall include in such report—

- (1) a summary of the achievements, failures, and problems of the programs authorized in this chapter in meeting the objective of this chapter;
- (2) a summary of major findings from research, evaluation, pilot projects, and experiments conducted in the previous fiscal year;
- (3) recommendations for program modifications based upon analysis of such findings; and
- (4) such other recommendations for legislative or administrative action as the Secretary deems appropriate.

(e) Annual report on impact of energy development and conservation on employment

The Secretary shall develop methods to ascertain, and shall ascertain annually, energy development and conservation employment impact data by type and scale of energy technologies used. The Secretary shall present the best

available data to the Secretary of Energy, the Secretary of Housing and Urban Development, and the Director of the Office of Management and Budget as part of the budgetary process and to the appropriate Committees of Congress annually.

(Pub. L. 97-300, title I, § 169, Oct. 13, 1982, 96 Stat. 1353.)

REFERENCES IN TEXT

Section 4774(d) of title 10, referred to in subsec. (c), was redesignated as entire section 4774 by Pub. L. 93-166, title V, § 509(c), Nov. 29, 1973, 87 Stat. 677, and subsequently was repealed by Pub. L. 97-214, § 7(1), July 12, 1982, 96 Stat. 173.

CODIFICATION

In subsecs. (a) and (b), "section 6504 of title 31" was substituted for "section 204 of the Intergovernmental Cooperation Act of 1968 [42 U.S.C. 4214]" and "section 1342 of title 31" was substituted for "section 3679(b) of the Revised Statutes of the United States [31 U.S.C. 665(b)]", respectively, on authority of Pub. L. 97-258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1591 of this title.

§ 1580. Utilization of services and facilities

The Secretary is authorized, in carrying out this chapter, and to the extent permitted by law other than this chapter, to accept and use the services and facilities of departments, agencies, and establishments of the United States. The Secretary is also authorized to accept and use the services and facilities of the agencies of any State or political subdivision of a State, with its consent.

(Pub. L. 97-300, title I, § 170, Oct. 13, 1982, 96 Stat. 1354.)

§ 1581. Obligational authority

Notwithstanding any other provision of this chapter, no authority to enter into contracts or financial assistance agreements under this chapter shall be effective except to such extent or in such amount as are provided in advance in appropriation Acts.

(Pub. L. 97-300, title I, § 171, Oct. 13, 1982, 96 Stat. 1354.)

PART E—MISCELLANEOUS PROVISIONS

§ 1591. Transition

(a) Continuity with Comprehensive Employment and Training Act funding

Except as otherwise provided in this section, the Secretary, from funds appropriated pursuant to this chapter or pursuant to the Comprehensive Employment and Training Act, shall provide financial assistance under this chapter in the same manner that such assistance was provided under the Comprehensive Employment and Training Act (as in effect on the day before October 13, 1982) until September 30, 1983.

(b) Continuity with Comprehensive Employment and Training Act Commission

The Commission established by title V of the Comprehensive Employment and Training Act shall continue to be authorized until September 30, 1983, and on such date the personnel, property, and records of such Commission shall be transferred to the Commission established by part F of subchapter IV of this chapter.

(c) Authorization for consolidation of former programs and measures for orderly transition

Notwithstanding the provisions of subsection (a) of this section, Governors, prime sponsors, and other recipients of financial assistance under this chapter, or under the Comprehensive Employment and Training Act, may expend funds received under this chapter, or under the Comprehensive Employment and Training Act, prior to October 1, 1983, in order to—

- (1) administer consolidated programs formed by the combining of programs previously administered under different titles, parts, and subparts of the Comprehensive Employment and Training Act;
- (2) establish for new participants, in accordance with the eligibility criteria for subchapter II of this chapter, uniform eligibility criteria and other provisions relating to participation for programs consolidated pursuant to paragraph (1);
- (3) conduct planning for any program or activity authorized under this chapter; and
- (4) conduct any other activity deemed necessary by the recipient to provide for an orderly transition to the operation, as of October 1, 1983, of programs under this chapter.

(d) Continuation of regulations, etc.

All orders, determinations, rules, regulations, permits, grants, contracts, certificates, licenses, and privileges, which have been issued under the Comprehensive Employment and Training Act (as in effect on the date before October 13, 1982), or which are issued under that Act on or before September 30, 1983, shall continue in effect until modified or revoked by the Secretary, by a court of competent jurisdiction, or by operation of law other than this chapter.

(e) Continuation of judicial proceedings

The provisions of this chapter shall not affect administrative or judicial proceedings pending on October 13, 1982, or begun between October 13, 1982, and September 30, 1984, under the Comprehensive Employment and Training Act.

(f) Promulgation of regulations governing job training coordinating councils and private industry councils; effect of modifications; discretionary funds for private industry councils

- (1) By January 1, 1983, the Secretary shall have published in the Federal Register final regulations governing the establishment of the State job training coordinating councils and the designation of service delivery areas.
- (2) By January 15, 1983, the Secretary shall have published in the Federal Register final regulations governing the establishment of private industry councils.
- (3) By March 15, 1983, the Secretary shall have published in the Federal Register final

regulations governing all aspects of programs under subchapter II of this chapter not described in paragraphs (1) and (2) of this subsection.

(4) All other regulations for programs under this chapter shall take effect no later than October 1, 1983.

(5) Pursuant to section 1579(a) of this title the rules described in paragraphs (1), (2), and (3) of this subsection shall take effect thirty days after publication. In promulgating the rules described in paragraphs (1), (2), and (3), the Secretary shall be exempt from all requirements of law regarding rulemaking procedures except that such rules, prior to their publication in final form, shall be published in the Federal Register for comment for thirty days in the case of rules under paragraphs (2) and (3) and twenty days in the case of rules under paragraph (1).

(6) The Secretary may subsequently modify rules issued pursuant to paragraphs (1), (2), and (3) but, with respect to the program period October 1, 1983, to June 30, 1984, such subsequent rules shall not affect the legitimacy of any State job training coordinating council or private industry council, or the composition of any service delivery area, established under the rules issued pursuant to paragraphs (1) or (2). In addition, with respect to the program period October 1, 1983, to June 30, 1984, no modifications of the rules published pursuant to paragraph (3) shall be effective unless they are published in final form by May 15, 1983.

(7) Upon the certification of any private industry council under section 1512(g) of this title the Secretary, from discretionary funds appropriated under this chapter or Comprehensive Employment Training Act, for fiscal year 1983, may provide up to \$80,000 to each such council to assist it in performing its functions under section 1513 of this title.

(g) Transfer to administering entity of right to take title to nonexpendable property

Notwithstanding any other provision of law, any real or nonexpendable personal property, which was acquired on or before September 30, 1983, by prime sponsors (including by their contractors or subrecipients) with funds under the Comprehensive Employment and Training Act or under this chapter, and with respect to which the Secretary reserved the right to take title, shall be transferred, as of October 1, 1983, from such prime sponsors to the custody of the entity which is administering programs under subchapter II of this chapter in the geographic area in which such property is located. Such transfer shall be subject to the Secretary's rights in such property, which shall continue unchanged.

(h) Continuing availability of area allocated unobligated funds

Funds for fiscal year 1982 allocated to areas served by prime sponsors or to other recipients under the Comprehensive Employment and Training Act, which were not obligated by the prime sponsor or other recipient prior to the

¹ So in original. Probably should be "paragraph".

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end of such fiscal year, shall remain available for obligation by the prime sponsor or other recipient during fiscal year 1983. No reduction shall be made in the allocation for any area served by such a prime sponsor from appropriations to carry out this chapter for fiscal year 1983 on account of the carryover of such funds from fiscal year 1982 to fiscal year 1983.

(i) Use of fiscal 1983 funds

The amendments made by sections 501 and 502 shall be effective October 1, 1983, but, the Secretary is authorized to use funds appropriated for fiscal year 1983 to plan for the orderly implementation of such amendments.

(j) Applicability of time limits to planning; interim procedures; no penalty for noncompliance with performance standards in initial program period

(1) In order to facilitate the development of a service delivery area's job training plan for the program period October 1, 1983, to June 30, 1984, the various time limits contained in this chapter which pertain to the planning process shall not be applicable, except that the job training plan must be submitted to the Governor by August 31, 1983. This provision shall apply only to the time limits and shall not apply to any of the required planning procedures, or to the required chronological order of such procedures except that the job training plan and budget need only be for the October 1, 1983 to June 30, 1984 program period.

(2) In order to facilitate planning for the program period October 1, 1983, to June 30, 1984, the local agreement or agreements between the private industry council and the appropriate chief elected official or officials may provide for interim procedures applicable only to that program. Such interim agreements may also, notwithstanding the provisions of section 1517 of this title, authorize service deliverers under the Comprehensive Employment and Training Act or under this chapter during fiscal year 1983 to continue as service deliverers under the program as established by this chapter for such period.

(3) The performance standards described in section 1516 of this title shall apply to service delivery areas for the program period October 1, 1983, to June 30, 1984. No service delivery area, however, shall suffer a penalty for not meeting such standards during that initial program period.

(k) Eligibility of current Comprehensive Employment and Training Act participants

All participants who are in programs funded under this chapter, or under the Comprehensive Employment and Training Act, on September 30, 1983, shall be eligible to continue to participate in such programs, provided such programs have been approved for funding under the service delivery area's newly effective job training plan.

(Pub. L. 97-300, title I, § 181, Oct. 13, 1982, 96 Stat. 1354; Pub. L. 97-404, § 1(d), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96

Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

The Comprehensive Employment and Training Act, referred to in text, is Pub. L. 93-203, Dec. 28, 1973, 87 Stat. 839, as amended, which was classified generally to chapter 17 (§ 801 et seq.) of this title, and was repealed by section 184(a)(1), of the Job Training Partnership Act, Pub. L. 97-300, title I, Oct. 13, 1982, 96 Stat. 1357. Title V of the Comprehensive Employment and Training Act was classified to subchapter V (§ 951 et seq.) of chapter 17 of this title to its repeal.

The amendments made by sections 501 and 502, referred to in subsec. (i), are the amendments made by sections 501 and 502 of Pub. L. 97-300, title V, Oct. 13, 1982, 96 Stat. 1392, 1397, which enacted sections 49e, 49f, 49i, and 49j-1 of this title, amended sections 49, 49a, 49b, 49d, 49g, 49h, 49i, and 49j of this title and sections 632 and 633 of Title 42, The Public Health and Welfare, and enacted provisions set out as a note under section 49 of this title.

AMENDMENTS

1982—Subsec. (f)(5). Pub. L. 97-404 substituted "this subsection" for "this section" after "(1), (2), and (3) of".

§ 1592. Statutory references to Comprehensive Employment and Training Act

Effective on October 13, 1982, all references in any other statute other than this chapter, and other than in section 665 of title 18, to the Comprehensive Employment and Training Act [29 U.S.C. 801 et seq.] shall be deemed to refer to the Job Training Partnership Act [29 U.S.C. 1501 et seq.].

(Pub. L. 97-300, title I, § 183, Oct. 13, 1982, 96 Stat. 1357.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

The Comprehensive Employment and Training Act, referred to in text, is Pub. L. 93-203, Dec. 28, 1973, 87 Stat. 839, as amended, which was classified generally to chapter 17 (§ 801 et seq.) of this title, and was repealed by section 184(a)(1), of the Job Training Partnership Act, Pub. L. 97-300, title I, Oct. 13, 1982, 96 Stat. 1357.

The Job Training Partnership Act, referred to in text, is Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended. See note above.

SUBCHAPTER II—TRAINING SERVICES FOR THE DISADVANTAGED

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in sections 1516, 1533, 1551, 1574, 1591, 1694 of this title.

PART: A—ADULT AND YOUTH PROGRAMS

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1502, 1503, 1518, 1551, 1634, 1671, 1672 of this title.

§ 1601. Allotment

(a) Limitation for insular possessions

Not more than \$5,000,000 of the amount appropriated pursuant to section 1502(a)(1) of this title for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

(b) Percentage of unemployed and economically disadvantaged as share criteria; minimum State share; maximum State share reduction; definitions

(1) Subject to the provisions of paragraph (2), of the remainder of the amount available for this part for each fiscal year—

(A) 33½ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all the States;

(B) 33½ percent shall be allotted on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States;

(C) 33½ percent shall be allotted on the basis of the relative number of economically disadvantaged individuals within the State compared to the total number of economically disadvantaged individuals in all States, except that, for the allotment for any State in which there is any service delivery area described in section 1511(a)(4)(A)(iii) of this title, the allotment shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged individuals in such area.

(2)(A) No State shall receive less than one-quarter of 1 percent of the amounts available for allotment under this subsection for each such fiscal year.

(B) No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made. For the purpose of this subparagraph, the allotment percentage for each State for the fiscal year 1982 is the percent that each State received in 1982, pursuant to the formula allocations made under the Comprehensive Employment and Training Act, of the total such formula allocations for all States made under that Act in fiscal year 1982. For each succeeding fiscal year, the allotment percentage of a State shall be the percentage which the State received of all allotments pursuant to this subsection.

(3) For purposes of paragraph (1)—

(A) the term "excess number" means the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State, or the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State; and

(B) the term "economically disadvantaged" means an individual who has, or is a member of a family which has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level.

(Pub. L. 97-300, title II, § 201, Oct. 13, 1982, 96 Stat. 1358.)

REFERENCES IN TEXT

The Comprehensive Employment and Training Act, referred to in subsec. (b)(2)(B), is Pub. L. 93-203, Dec. 28, 1973, 87 Stat. 839, as amended, which was classified generally to chapter 17 (§ 801 et seq.) of this title, and was repealed by section 184(a)(1) of the Job Training Partnership Act, Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1357, which is classified principally to this chapter.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1602, 1631 of this title.

§ 1602. Within State allocation

(a) Percentages of unemployed and economically disadvantaged as share criteria; definitions

(1) The Governor shall, in accordance with section 1572 of this title, allocate 78 percent of the allotment of the State (under section 1601(b) of this title) for such fiscal year among service delivery areas within the State in accordance with paragraph (2).

(2) Of the amount allocated under this subsection—

(A) 33½ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

(B) 33½ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in the State;

(C) 33½ percent shall be allocated on the basis of the relative number of economically disadvantaged individuals within each service delivery area compared to the total number of economically disadvantaged individuals in the State, except that the allocation for any service delivery area described in section 1511(a)(4)(A)(iii) of this title shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged individuals in such area.

(3) For the purpose of this section—

(A) the term "excess number" means the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area or the number which represents the number of unemployed individuals in excess

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of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area; and

(B) the term "economically disadvantaged" means an individual who has, or is a member of a family which has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level.

(b) Minimum shares: State education programs, programs relating to training older individuals, incentive grants for programs exceeding performance standards and serving hard-to-serve individuals, auditing and administration

(1) Eight percent of the allotment of each State (under section 1601(b) of this title) for each fiscal year shall be available to carry out section 1533 of this title, relating to State education programs under this chapter.

(2) Three percent of such allotment of each State for each fiscal year shall be available to carry out section 1534 of this title, relating to training programs for older individuals.

(3)(A) Six percent of such allotment of each State for each fiscal year shall be available to carry out subparagraph (B) of this paragraph.

(B) The amount reserved under subparagraph (A) of this paragraph shall be used by the Governor to provide incentive grants for programs exceeding performance standards, including incentives for serving hard-to-serve individuals. The incentive grants made under this subparagraph shall be distributed among service delivery areas within the State exceeding their performance standards in an equitable proportion based on the degree by which the service delivery areas exceed their performance standards. If the full amount reserved under subparagraph (A) of this paragraph is not needed to make incentive grants under this subparagraph, the Governor shall use the amount not so needed for technical assistance to service delivery areas in the State which do not qualify for incentive grants under this subparagraph.

(4) Five percent of such allotment of the State for each fiscal year shall be available to the Governor of the State to be used for the cost of auditing activities, for administrative activities, and for other activities under sections 1531 and 1532 of this title.

(Pub. L. 97-300, title II, § 202, Oct. 13, 1982, 96 Stat. 1359.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(1), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1532, 1533, 1534, 1535, 1631 of this title.

§ 1603. Eligibility for services

(a) Economic disadvantage or employment barriers as participation requirements

(1) Except as provided in paragraph (2), an individual shall be eligible to participate in programs receiving assistance under this subchapter only if such individual is economically disadvantaged.

(2) Up to 10 percent of the participants in all programs in a service delivery area receiving assistance under this part may be individuals who are not economically disadvantaged if such individuals have encountered barriers to employment. Such individuals may include, but are not limited to, those who have limited English-language proficiency, or are displaced homemakers, school dropouts, teenage parents, handicapped, older workers, veterans, offenders, alcoholics, or addicts.

(b) Youth services minimum; ratio to disadvantaged adults; equitable treatment for recipients of aid to families with dependent children and eligible school dropouts; proportion of public to private sector employment

(1) Funds provided under this part shall be used in accordance with the job training plan to provide authorized services to disadvantaged youth and adults. Except as provided in paragraph (2), not less than 40 percent of the funds available for such services shall be expended to provide such services to eligible youth.

(2) To the extent that the ratio of economically disadvantaged youth to economically disadvantaged adults in the service delivery area differs from the ratio of such individuals nationally (as published by the Secretary), the amount which shall be required to be expended for services for youth under paragraph (1) shall be reduced or increased proportionately in accordance with regulations prescribed by the Secretary.

(3) Recipients of payments made under the program of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] who are required to, or have, registered under section 402(a)(19) of that Act [42 U.S.C. 602(a)(19)] and eligible school dropouts shall be served on an equitable basis, taking into account their proportion of economically disadvantaged persons sixteen years of age or over in the area. For purposes of this paragraph, a school dropout is an individual who is neither attending any school nor subject to a compulsory attendance law and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

(4) In each service delivery area the ratio of participants in on-the-job training assisted under this subchapter in the public sector to participants in such training in the private sector shall not exceed the ratio between civilian governmental employment and nongovernmental employment in such area.

(c) Definitions

For purposes of this subchapter—

(1) the term "youth" means an individual who is aged 16 through 21, and

(2) the term "adult" means an individual who is 22 years of age or older.

(Pub. L. 97-300, title II, § 203, Oct. 13, 1982, 96 Stat. 1360; Pub. L. 97-404, § 2, Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b)(3), is Act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part A of title IV of the Social Security Act is classified generally to part A (§ 601 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

AMENDMENTS

1982—Subsec. (a)(1). Pub. L. 97-404, § 2(a), substituted "participate" for "participate" after "shall be eligible to".

Subsec. (b)(2). Pub. L. 97-404, § 2(b), substituted "be expended" for "expend" after "shall be required to".

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1531, 1781 of this title.

§ 1604. Use of funds

Services which may be made available to youth and adults with funds provided under this subchapter may include, but need not be limited to—

- (1) job search assistance,
- (2) job counseling,
- (3) remedial education and basic skills training,
- (4) institutional skill training,
- (5) on-the-job training,
- (6) programs of advanced career training which provide a formal combination of on-the-job and institutional training and internship assignments which prepare individuals for career employment,
- (7) training programs operated by the private sector, including those operated by labor organizations or by consortia of private sector employers utilizing private sector facilities, equipment, and personnel to train workers in occupations for which demand exceeds supply,
- (8) outreach to make individuals aware of, and encourage the use of employment and training services,
- (9) specialized surveys not available through other labor market information sources,
- (10) programs to develop work habits and other services to individuals to help them obtain and retain employment,
- (11) supportive services necessary to enable individuals to participate in the program and to assist them in retaining employment for not to exceed 6 months following completion of training,
- (12) upgrading and retraining,
- (13) education-to-work transition activities,
- (14) literacy training and bilingual training,
- (15) work experience,
- (16) vocational exploration,
- (17) attainment of certificates of high school equivalency,

(18) job development,

(19) employment generating activities to increase job opportunities for eligible individuals in the area,

(20) pre-apprenticeship programs,

(21) disseminating information on program activities to employers,

(22) use of advanced learning technology for education, job preparation, and skills training,

(23) development of job openings,

(24) on-site industry-specific training programs supportive of industrial and economic development,

(25) followup services with participants placed in unsubsidized employment,

(26) coordinated programs with other Federal employment-related activities,

(27) needs-based payments necessary to participation in accordance with a locally developed formula or procedure, and

(28) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of that training.

(Pub. L. 97-300, title II, § 204, Oct. 13, 1982, 96 Stat. 1361.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1518, 1605 of this title.

§ 1605. Exemplary youth programs

(a) Optional programs

In addition to the services for youth which may be available in accordance with section 1604 of this title, the job training plan may, at the option of those responsible for its preparation, elect to include one or more of the exemplary youth programs described in subsections (b) through (e) of this section, each of which may be modified by the plan to accommodate local conditions.

(b) Education for employment program; locations; local educational criteria; priority for existing projects

(1) The job training plan may provide for the conduct of an "education for employment program" for eligible youth who have not attained a high school diploma or who have educational deficiencies despite the attainment of a diploma, with priority given to high school dropouts.

(2) The education for employment programs may provide for the maintenance of a network of learning centers offering individualized or group instruction in convenient locations, such as schools, neighborhood organizations, libraries, and other sites, including mobile vans in rural areas.

(3) The curricula provided by such network shall be designed to prepare the student to meet State and locally determined general education diploma and basic education competency requirements.

(4) For purposes of this section, priority shall be given in the selection of service providers to previously funded in-school and community based organization projects which are both cost-effective and of demonstrated success, and

which otherwise meet criteria under this chapter.

(c) **Preemployment skills training program; maximum hours; activities**

(1) The job training plan may provide for the conduct of a "preemployment skills training program" for youth, and individuals aged 14 and 15, with priority being given to those individuals who do not meet established levels of academic achievement and who plan to enter the full-time labor market upon leaving school.

(2) The preemployment skill training program may provide youth up to 200 hours of instruction and activities.

(3) The instruction and activities may include—

- (A) assessment, testing, and counseling;
- (B) occupational career and vocational exploration;
- (C) job search assistance;
- (D) job holding and survival skills training;
- (E) basic life skills training;
- (F) remedial education;
- (G) labor market information; and
- (H) job-seeking skills training.

(d) **Entry employment experience program; unemployment and education requirements; maximum hours; types of experience**

(1) The job training plan may provide for the conduct of an "entry employment experience program" for youth who—

(A) have completed preemployment skills training or its equivalent;

(B) have not recently held a regular part-time or summer job for more than 250 hours of paid employment, except that this paragraph may be waived in accordance with criteria established in the job training plan; and

(C) are enrolled in a secondary school or an institution offering a certified high school equivalency program and are meeting or have met the minimum academic and attendance requirements of that school or education program during the current or most recent term,

with priority given to youth who do not plan to continue on to postsecondary education.

(2) Entry employment experiences may be up to 20 hours weekly during the school year or full time during the summer and holidays, for a total of not to exceed 500 hours of entry employment experience for any individual. Such experiences shall be appropriately supervised, including the maintenance of standards of attendance and worksite performance.

(3) Entry employment experiences may be one of the following types:

(A) Full-time employment opportunities in public and private nonprofit agencies during the summer and on a part-time basis in combination with education and training activities. These jobs shall provide community improvement services that complement local expenditures.

(B) Tryout employment at private for-profit worksites, or at public and private nonprofit worksites when private for-profit worksites are not available. Compensation in lieu of wages for tryout employment shall be paid by the grant recipient, but the length of any assignment to a tryout employment position shall not exceed 250 hours. Tryout employment positions shall be ones for which participants would not usually be hired (because of lack of experience or other barriers to employment), and vacancies in such positions may not be refilled if the previous participant completed the tryout employment but was not hired by the employer.

(C) Cooperative education programs to coordinate educational programs with work in the private sector.

(e) **School-to-work transition assistance program; high school seniors and dropouts eligible; services; referral to other programs**

(1) The job training plan may provide for the conduct of a "school-to-work transition assistance program" for youth who are—

(A) high school seniors who plan to enter the full-time labor market upon graduation, with priority to seniors in high schools having a predominance of students from families with incomes below 70 percent of the lower living standard income level; and

(B) dropouts, with followup as immediately as possible after leaving school.

(2) Transition services include—

- (A) provision of occupational information;
- (B) short-duration job search assistance;
- (C) job clubs;
- (D) placement and job development; and
- (E) followup.

(3) Seniors and dropouts who are eligible for and in need of training activities may be provided information and, where appropriate, referred to—

- (A) preemployment skills training, entry employment experience, and remedial education;
- (B) adult training activities; and
- (C) the Job Corps.

(Pub. L. 97-300, title II, § 205, Oct. 13, 1982, 96 Stat. 1362.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1518, 1551 of this title.

PART B—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS

§ 1631. Funding

(a) **Allocation to insular possessions and Native American programs**

From the funds appropriated under section 1502(b) of this title, the Secretary shall first allocate to Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, the Northern Mariana Islands, and entities eligible under section 1671 of this title the same percentage of funds as were available to such areas and entities for the summer youth program in the fiscal year preceding the fiscal year for which the determination is made.

(b) **Allotment among States; allocation among service delivery areas**

The remainder of sums appropriated pursuant to section 1502(b) of this title shall be allotted among States in accordance with section 1601(b) of this title and allocated among service delivery areas within States in accordance with section 1602(a)(2) and (3) of this title.

(Pub. L. 97-300, title II, § 251, Oct. 13, 1982, 96 Stat. 1364.)

§ 1632. Use of funds

Funds available under this part may be used for—

- (1) basic and remedial education, institutional and on-the-job training, work experience programs, employment counseling, occupational training preparation for work, outreach and enrollment activities, employability assessment, job referral and placement, job search and job club activities, and any other employment or job training activity designed to give employment to eligible individuals or prepare them for, and place them in, employment; and
- (2) supportive services necessary to enable such individuals to participate in the program.

(Pub. L. 97-300, title II, § 252, Oct. 13, 1982, 96 Stat. 1364.)

§ 1633. Limitations

(a) **Summer operation**

Programs under this part shall be conducted during the summer months.

(b) **Economically disadvantaged youth**

Except as provided in subsection (c) of this section, individuals eligible under this part shall be economically disadvantaged youth.

(c) **Individuals aged 14 or 15 eligible**

Eligible individuals aged 14 or 15 shall, if appropriate and set forth in the job training plan, be eligible for summer youth programs under this part.

(Pub. L. 97-300, title II, § 253, Oct. 13, 1982, 96 Stat. 1364.)

§ 1634. Applicable provisions

Private industry councils established under subchapter I of this chapter, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this part as private industry councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of this subchapter.

(Pub. L. 97-300, title II, § 254, Oct. 13, 1982, 96 Stat. 1364.)

SUBCHAPTER III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in sections 1502, 1516, 1531, 1574 of this title.

§ 1651. Allocation of funds

(a) **Reserved portion of allocation**

From the amount appropriated to carry out this subchapter for any fiscal year, the Secretary may reserve up to 25 percent of such amount for use by the States in accordance with subsection (c) of this section.

(b) **Allocations for various proportions of unemployed**

The Secretary shall allot the remainder of the amount appropriated to carry out this subchapter for any fiscal year among the States as follows:

(1) One-third of the remainder of such amount shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all the States.

(2) One-third of the remainder of such amount shall be allotted among the States on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States. For purposes of this paragraph, the term "excess number" means the number which represents unemployed individuals in excess of 4.5 percent of the civilian labor force in the State.

(3) One-third of the remainder of such amount shall be allotted among the States on the basis of the relative number of individuals who have been unemployed for fifteen weeks or more and who reside in each State as compared to the total number of such individuals in all the States.

(c) **Training and assistance for individuals affected by mass unemployment**

The Secretary shall make available the sums reserved under subsection (a) of this section for the purpose of providing training, retraining, job search assistance, placement, relocation assistance, and other aid (including any activity authorized by section 1653 of this title) to individuals who are affected by mass layoffs, natural disasters, Federal Government actions (such as relocations of Federal facilities), or who reside in areas of high unemployment or designated enterprise zones. In order to qualify for assistance from funds reserved by the Secretary under subsection (a) of this section, a State shall, in accordance with regulations promulgated by the Secretary establishing criteria for awarding assistance from such funds, submit an application identifying the need for such assistance and the types of, and projected results expected from, activities to be conducted with such funds.

(d) **Authorization for reallocation of State share unobligated within a year**

The Secretary is authorized to reallocate any amount of any allotment to a State to the extent that the Secretary determines that the State will not be able to obligate such amount within one year of allotment.

(Pub. L. 97-300, title III, § 301, Oct. 13, 1982, 96 Stat. 1364.)

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SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1654, 1657 of this title.

§ 1652. Identification of dislocated workers

(a) Authorization to establish procedures; definition

Each State is authorized to establish procedures to identify substantial groups of eligible individuals who—

(1) have been terminated or laid-off or who have received a notice of termination or lay-off from employment, are eligible for or have exhausted their entitlement to unemployment compensation, and are unlikely to return to their previous industry or occupation;

(2) have been terminated, or who have received a notice of termination of employment, as a result of any permanent closure of a plant or facility; or

(3) are long-term unemployed and have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individuals reside, including any older individuals who may have substantial barriers to employment by reason of age.

(b) Assistance by private industry council

The State may provide for the use of the private industry councils established under subchapter I of this chapter to assist in making the identification established under subsection (a) of this section.

(c) Determination of job opportunities for eligible individuals; determination of local training opportunities

(1) Whenever a group of eligible individuals is identified under subsection (a) of this section, the State, with the assistance of the private industry council, shall determine what, if any, job opportunities exist within the local labor market area or outside the labor market area for which such individuals could be retrained.

(2) The State shall determine whether training opportunities for such employment opportunities exist or could be provided within the local labor market area.

(d) Acceptance of local training as unemployment benefits

Whenever training opportunities pursuant to subsection (c) of this section are identified, information concerning the opportunities shall be made available to the individuals. The acceptance of training for such opportunities shall be deemed to be acceptance of training with the approval of the State within the meaning of any other provision of Federal law relating to unemployment benefits.

(Pub. L. 97-300, title III, § 302, Oct. 13, 1982, 96 Stat. 1365.)

§ 1653. Authorized activities

(a) Assistance for obtaining unsubsidized employment

Financial assistance provided to States under this section may be used to assist eligible

through training and related employment services which may include, but are not limited to—

(1) job search assistance, including job clubs,

(2) job development,

(3) training in jobs skills for which demand exceeds supply,

(4) supportive services, including commuting assistance and financial and personal counseling,

(5) pre-layoff assistance,

(6) relocation assistance, and

(7) programs conducted in cooperation with employers or labor organizations to provide early intervention in the event of closures of plants or facilities.

(b) Relocation assistance and conditions

Relocation assistance may be provided if the State determines (1) that the individual cannot obtain employment within the individual's commuting area, and (2) that the individual has secured suitable long-duration employment or obtained a bona fide job offer in a relocation area in a State.

(Pub. L. 97-300, title III, § 303, Oct. 13, 1982, 96 Stat. 1366.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1651 of this title.

§ 1654. Matching requirement

(a) Demonstration of State assistance matching; reduction of matching requirement in high unemployment States; Secretary's annual determination of average rate of unemployment

(1) In order to qualify for financial assistance under this subchapter, a State shall demonstrate, to the satisfaction of the Secretary, that it will expend for purposes of services assisted under this subchapter, an amount from public or private non-Federal sources equal to the amount made available to that State under section 1651(b) of this title.

(2) Whenever the average rate of unemployment for a State is higher than the average rate of unemployment for all States, the non-Federal matching funds described in paragraph (1) required to be provided by such State for that fiscal year shall be reduced by 10 percent for each 1 percent, or portion thereof, by which the average rate of unemployment for that State is greater than the average rate of unemployment for all States.

(3) The Secretary shall determine the average rate of unemployment for a State and the average rate of unemployment for all States for each fiscal year on the basis of the most recent twelve-month period prior to that fiscal year.

(b) Scope of non-Federal matching funds; unemployment benefits to trainees as matching funds

(1) Such non-Federal matching funds shall include the direct cost of employment or training services under this subchapter provided by State or local programs (such as vocational education), private nonprofit organizations, or private employers.

(2) Funds expended from a State fund to provide unemployment insurance benefits to an eligible individual for purposes of this subchapter and who is enrolled in a program of training or retraining under this subchapter may be credited for up to 50 percent of the funds required to be expended from non-Federal sources as required by this section.

(Pub. L. 97-300, title III, § 304, Oct. 13, 1982, 96 Stat. 1366.)

§ 1655. Program review

Except for programs of assistance operated on a statewide or industry-wide basis, no program of assistance conducted with funds made available under this subchapter may be operated within any service delivery area without a 30-day period for review and recommendation by the private industry council and appropriate chief elected official or officials for such area. The State shall consider the recommendation of such private industry council and chief elected official or officials before granting final approval of such program, and in the event final approval is granted contrary to such recommendation, the State shall provide the reasons therefor in writing to the appropriate private industry council and chief elected official or officials.

(Pub. L. 97-300, title III, § 305, Oct. 13, 1982, 96 Stat. 1367.)

§ 1656. Consultation with labor organizations

Any assistance program conducted with funds made available under this subchapter which will provide services to a substantial number of members of a labor organization shall be established only after full consultation with such labor organization.

(Pub. L. 97-300, title III, § 306, Oct. 13, 1982, 96 Stat. 1367.)

§ 1657. Limitations

(a) Portion of funds available for administration

Except as provided in subsection (b) of this section, there shall be available for supportive services, wages, allowances, stipends, and costs of administration, not more than 30 percent of the Federal funds available under this subchapter in each State.

(b) Nonapplicability to certain reserved funds

The funds to which the limitation described in subsection (a) of this section applies shall not include the funds referred to in section 1651(a) of this title. In no event shall such limitation apply to more than 50 percent of the total amount of Federal and non-Federal funds available to a program.

(Pub. L. 97-300, title III, § 307, Oct. 13, 1982, 96 Stat. 1367.)

§ 1658. State plans; coordination with other programs

Any State which desires to receive financial assistance under this subchapter shall submit to the Secretary a plan for the use of such assistance which shall include appropriate provisions for the coordination of programs conduct-

ed with such assistance with low-income weatherization and other energy conservation programs, and social services, in accordance with the provisions of section 1531 of this title.

(Pub. L. 97-300, title III, § 308, Oct. 13, 1982, 96 Stat. 1367; Pub. L. 97-404, § 3, Dec. 31, 1982, 96 Stat. 2026.)

AMENDMENTS

1982—Pub. L. 97-404 substituted "with" for "as described in section 1531 of this title," after "with such assistance" and "in accordance with the provisions of section 1531 of this title".

SUBCHAPTER IV—FEDERALLY ADMINISTERED PROGRAMS

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in section 1502 of this title.

PART A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS AND MIGRANT AND SEASONAL FARMWORKERS

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in section 1502 of this title.

§ 1671. Native American programs

(a) Congressional findings

The Congress finds that (1) serious unemployment and economic disadvantages exist among members of Indian, Alaskan Native, and Hawaiian Native communities; (2) there is a compelling need for the establishment of comprehensive training and employment programs for members of those communities; and (3) such programs are essential to the reduction of economic disadvantages among individual members of those communities and to the advancement of economic and social development in the communities consistent with their goals and lifestyles.

(b) Congressional declaration of guidelines

The Congress therefore declares that, because of the special relationship between the Federal Government and most of the individuals to be served by the provisions of this section, (1) such programs shall be administered at the national level; (2) such programs shall be available to federally recognized Indian tribes, bands, and groups and to other groups and individuals of Native American descent; and (3) such programs shall be administered in such a manner as to maximize the Federal commitment to support growth and development as determined by representatives of the communities and groups served by this section.

(c) Operation through Native American organizations where possible

(1)(A) In carrying out responsibilities under this section, the Secretary shall, wherever possible, utilize Indian tribes, bands, or groups on Federal or State reservations, Oklahoma Indians, and including for the purpose of this chapter, Alaska Native villages or groups as defined in the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.], having a governing body for the provision of employment and training

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services under this section. When the Secretary determines that such tribe, band, or group has demonstrated the capability to effectively administer a comprehensive employment and training program, the Secretary shall require such tribe, band, or group to submit a comprehensive plan meeting such requirements as the Secretary prescribes.

(B) The Secretary shall arrange for programs to meet the employment and training needs of Hawaiian natives through such organizations as the Secretary determines will best meet their needs.

(2) In carrying out responsibilities under this section, the Secretary shall make arrangements with organizations (meeting requirements prescribed by the Secretary) serving nonreservation Native Americans for programs and projects designed to meet the needs of such Native Americans for employment and training and related services.

(d) Alternative operation through approved organizations

Whenever the Secretary determines not to utilize Indian tribes, bands, or groups for the provision of employment and training services under this section, the Secretary shall, to the maximum extent feasible, enter into arrangements for the provision of such services with organizations which meet with the approval of the tribes, bands, or groups to be served.

(e) Monitoring of programs

The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the selection, administration, monitoring, and evaluation of Native American employment and training programs authorized under this chapter.

(f) Availability of funds for other job training activities

Funds available for this section shall be expended for programs and activities consistent with the purposes of this section including but not limited to such programs and activities carried out by recipients under other provisions of this chapter.

(g) Continuation of Federal trust responsibilities

No provision of this section shall abrogate in any way the trust responsibilities of the Federal Government to Native American bands, tribes, or groups.

(h) Consultation with Native Americans in prescription of regulations; performance goals

(1) The Secretary shall, after consultation with representatives of Indians and other Native Americans, prescribe such rules, regulations, and performance standards relating to Native American programs under this section as may be required to meet the special circumstances under which such programs operate.

(2) Recipients of funds under this section shall establish performance goals, which shall, to the extent required by the Secretary, comply with performance standards established by the Secretary pursuant to section 1516 of this title.

(i) Technical assistance to Native American organizations

The Secretary shall provide technical assistance as necessary to tribes, bands, and groups eligible for assistance under this section.

(j) Reservation of funds for purposes of this section

For the purpose of carrying out this section, the Secretary shall reserve, from funds available for this subchapter (other than part B of this subchapter) for any fiscal year, an amount equal to 3.3 percent of the amount available for part A of subchapter II of this chapter for such fiscal year.

(Pub. L. 97-300, title IV, § 401, Oct. 13, 1982, 96 Stat. 1368; Pub. L. 97-404, § 4(a), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (c)(1)(A), (e), (f), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

The Alaska Native Claims Settlement Act, referred to in subsec. (c)(1)(A), is Pub. L. 92-203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 33 (§ 1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.

AMENDMENTS

1982—Subsec. (h)(2). Pub. L. 97-404 substituted reference to section 1516 of this title for reference to section 1513 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1631, 1781 of this title.

§ 1672. Migrant and seasonal farmworker programs

(a) Congressional findings

The Congress finds and declares that—

(1) chronic seasonal unemployment and underemployment in the agricultural industry, aggravated by continual advancements in technology and mechanization resulting in displacement, constitute a substantial portion of the Nation's rural employment problem and substantially affect the entire national economy; and

(2) because of the special nature of farmworker employment and training problems, such programs shall be centrally administered at the national level.

(b) Monitoring of programs for migrant and seasonal employment

The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the selection, administration, monitoring, and evaluation of migrant and seasonal employment and training programs authorized under this chapter.

(c) Operation through experienced organizations; use of procedures consistent with competitive procurement policies; grantees designated for two years; goals of programs; recipient performance goals; section programs not exclusive of other kinds of aid

(1) The Secretary shall provide services to meet the employment and training needs of migrant and seasonal farmworkers through such public agencies and private nonprofit organizations as the Secretary determines to have an understanding of the problems of migrant and seasonal farmworkers, a familiarity with the area to be served, and a previously demonstrated capability to administer effectively a diversified employability development program for migrant and seasonal farmworkers. In awarding any grant or contract for services under this section, the Secretary shall use procedures consistent with standard competitive Government procurement policies.

(2) The Secretary may approve the designation of grantees under this section for a period of two years.

(3) Programs and activities supported under this section, including those carried out under other provisions of this chapter, shall enable farmworkers and their dependents to obtain or retain employment, to participate in other program activities leading to their eventual placement in unsubsidized agricultural or nonagricultural employment, and to participate in activities leading to stabilization in agricultural employment, and shall include related assistance and supportive services.

(4) Recipients of funds under this section shall establish performance goals, which shall, to the extent required by the Secretary, comply with performance standards established by the Secretary pursuant to section 1516 of this title.

(5) No programs and activities supported under this section shall preclude assistance to farmworkers under any other provision of this chapter.

(d) Consultation with State and local officials

In administering programs under this section, the Secretary shall consult with appropriate State and local officials.

(e) Monitoring of programs for migrant and seasonal farmworker's employment

The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the selection, administration, monitoring, and evaluation of migrant and seasonal farmworker's employment and training programs authorized under this chapter.

(f) Reservation of funds for purposes of this section

For the purpose of carrying out this section, the Secretary shall reserve, from funds available for this subchapter (other than part B of this subchapter) for any fiscal year, an amount equal to 3.2 percent of the amount available for part A of subchapter II of this chapter for such fiscal year.

(Pub. L. 97-300, title IV, § 402, Oct. 13, 1982, 96 Stat. 1369; Pub. L. 97-404, § 4(b), Dec. 31, 1982, 96 Stat. 2026.)

AMENDMENTS

1982—Subsec. (a)(2). Pub. L. 97-404, § 4(b)(1), added "the special nature of" after "because of".

Subsec. (c)(4). Pub. L. 97-404, § 4(b)(2), substituted reference to section 1516 of this title for reference to section 1513 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1781 of this title; title 20 section 2762.

PART B—JOB CORPS

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1502, 1672 of this title.

§ 1691. Congressional declaration of purpose

This part maintains a Job Corps for economically disadvantaged young men and women which shall operate exclusively as a distinct national program, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential and nonresidential centers in which enrollees will participate in intensive programs of education, vocational training, work experience, counseling and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. The purpose of this part is to assist young individuals who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens; and to do so in a way that contributes, where feasible, to the development of national, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

(Pub. L. 97-300, title IV, § 421, Oct. 13, 1982, 96 Stat. 1370.)

§ 1692. Establishment of the Job Corps

There shall be within the Department of Labor a "Job Corps".

(Pub. L. 97-300, title IV, § 422, Oct. 13, 1982, 96 Stat. 1370.)

§ 1693. Individuals eligible for the Job Corps

To become an enrollee in the Job Corps, a young man or woman must be an eligible youth who—

(1) has attained age 14 but not attained age 22 at the time of enrollment, except that such maximum age limitation may be waived, in accordance with regulations of the Secretary, in the case of any handicapped individual;

(2) is economically disadvantaged or is a member of a family which is economically disadvantaged, and who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular school work, qualify for other suitable training programs, or satisfy Armed Forces requirements;

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(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorienting conditions as to substantially impair prospects for successful participation in other programs providing needed training, education, or assistance;

(4) is determined, after careful screening as provided for in sections 1694 and 1695 of this title to have the present capabilities and aspirations needed to complete and secure the full benefit of the Job Corps and to be free of medical and behavioral problems so serious that the individual could not adjust to the standards of conduct, discipline, work, and training which the Job Corps involves; and

(5) meets such other standards for enrollment as the Secretary may prescribe and agrees to comply with all applicable Job Corps rules and regulations.

(Pub. L. 97-300, title IV, § 423, Oct. 13, 1982, 96 Stat. 1370.)

§ 1694. Screening and selection of applicants: general provisions

(a) Prescription of standards and procedures; implementation through experienced organizations; consultation with concerned agencies and individuals; interview with applicant

The Secretary shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps. To the extent practicable, these rules shall be implemented through arrangements with agencies and organizations such as community action agencies, public employment offices, entities administering programs under subchapter II of this chapter, professional groups, labor organizations, and agencies and individuals having contact with youth over substantial periods of time and able to offer reliable information as to their needs and problems. The rules shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. The rules shall also provide for the interviewing of each applicant for the purpose of—

- (1) determining whether the applicant's educational and vocational needs can best be met through the Job Corps or an alternative program in the applicant's home community;
- (2) obtaining from the applicant pertinent data relating to background, needs, and interests for determining eligibility and potential assignment; and
- (3) giving the applicant a full understanding of the Job Corps and what will be expected of an enrollee in the event of acceptance.

(b) Authorization of payment for active recruiting

The Secretary is authorized to make payments to individuals and organizations for the cost of the recruitment, screening, and selection of candidates, as provided for in this part. The Secretary shall make no payments to any individual or organization solely as compensation for referring the names of candidates for Job Corps.

(c) Rural enrollees; residential facilities

The Secretary shall assure that Job Corps enrollees include an appropriate number of candidates selected from rural areas, taking into account the proportions of eligible youth who reside in rural areas and the need to provide residential facilities for such youth.

(Pub. L. 97-300, title IV, § 424, Oct. 13, 1982, 96 Stat. 1371.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1693 of this title.

§ 1695. Screening and selection: special limitations

(a) Disciplinary standards for enrollees

No individual shall be selected as an enrollee unless there is reasonable expectation that the individual can participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the center to which the individual might be assigned and surrounding communities, and unless the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe those rules.

(b) Enrollees on probation or parole; contact with criminal justice system no bar

An individual on probation or parole may be selected only if release from the supervision of the probation or parole officials is satisfactory to those officials and the Secretary and does not violate applicable laws or regulations. No individual shall be denied a position in the Job Corps solely on the basis of that individual's contact with the criminal justice system.

(Pub. L. 97-300, title IV, § 425, Oct. 13, 1982, 96 Stat. 1372.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1693 of this title.

§ 1696. Enrollment and assignment

(a) Maximum enrollment period

No individual may be enrolled in the Job Corps for more than two years, except in any case in which completion of an advanced career program under section 1698 of this title would require an individual to participate in excess of two years, or except as the Secretary may authorize in special cases.

(b) Military obligation unaffected

Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(c) Proximity of center to enrollee's home

After the Secretary has determined that an enrollee is to be assigned to a Job Corps center, the enrollee shall be assigned to the center which is closest to the enrollee's home, except

that the Secretary may waive this requirement for good cause, including to ensure an equitable opportunity for youth from various sections of the Nation to participate in the program, to prevent undue delays in assignment, to adequately meet the educational or other needs of an enrollee, and for efficiency and economy in the operation of the program.

(Pub. L. 97-300, title IV, § 426, Oct. 13, 1982, 96 Stat. 1372.)

REFERENCES IN TEXT

The Military Selective Service Act, referred to in subsec. (b), is act June 24, 1948, ch. 625, 62 Stat. 604, as amended, which is classified principally to section 451 et seq. of Title 50, App., War and National Defense. For complete classification of this Act to the Code, see References in Text note set out under section 451 of Title 50 App. and Tables.

§ 1697. Job Corps centers

(a) Operation through existing agencies and organizations; center functions; Civilian Conservation Centers; training centers; limit on nonresidential participants

(1) The Secretary may make agreements with Federal, State, or local agencies, including a State board or agency designated pursuant to section 104(a)(1) of the Vocational Education Act of 1963 [20 U.S.C. 2304(a)(1)] which operates or wishes to develop area vocational education school facilities or residential vocational schools (or both) as authorized by such Act [20 U.S.C. 2301 et seq.], or private organizations for the establishment and operation of Job Corps centers. Job Corps centers may, subject to paragraph (2), be residential or nonresidential in character, or both, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling, and other services appropriate to their needs. The centers shall include Civilian Conservation Centers, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest. The centers shall also include training centers located in either urban or rural areas which shall provide activities including training and other services for specific types of skilled or semiskilled employment.

(2) In any year, not more than 10 percent of the individuals enrolled in the Job Corps may be nonresidential participants.

(b) Availability of center opportunities to participants in other programs

To the extent feasible, Job Corps centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in other programs under this chapter. Such opportunities may be offered on a reimbursable basis or through such other arrangements as the Secretary may specify.

(Pub. L. 97-300, title IV, § 427, Oct. 13, 1982, 96 Stat. 1372.)

REFERENCES IN TEXT

The Vocational Education Act of 1963, referred to in subsec. (a)(1), is title I of Pub. L. 88-210, Dec. 18, 1963, 77 Stat. 403, which was classified to chapter 32 (§ 1241 et seq.) of Title 20, Education, was completely amended and reorganized by the Education Amendments of 1976, Pub. L. 94-482, title II, § 202(a), Oct. 12, 1976, 90 Stat. 2169, and is classified generally to chapter 44 (§ 2301 et seq.) of Title 20. For complete classification of this Act to the Code, see Short Title note set out under section 2301 of Title 20 and Tables. For additional details, see also the Codification note preceding section 1241 of Title 20.

This chapter, referred to in subsec. (b), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

§ 1698. Program activities

(a) Center programs: training; counseling; center maintenance

Each Job Corps center shall provide enrollees with an intensive, well-organized, and fully supervised program of education, vocational training, work experience, planned vocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program shall include activities to assist enrollees in choosing realistic career goals, coping with problems they may encounter in home communities, or in adjusting to new communities, and planning and managing their daily affairs in a manner that will best contribute to long-term upward mobility. Center programs shall include required participation in center maintenance work to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

(b) Use of existing educational agencies providing substantially equivalent training

The Secretary may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes, whenever such institutions provide training substantially equivalent in cost and quality to that which the Secretary could provide through other means.

(c) High school equivalency certificates

To the extent feasible, arrangements for education, both at the center and at other locations, shall provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school. The Secretary, with the concurrence of the Secretary of Education, shall develop certificates to be issued to each enrollee who satisfactorily completes service in the Job Corps and which will reflect the enrollee's level of educational attainment.

(d) Advanced career training: postsecondary institutions; company-sponsored training programs; availability of benefits; demonstration of reasonable program completion and placement

(1) The Secretary may arrange for programs of advanced career training for selected Corps enrollees in which they may continue to participate for a period not to exceed one year in addition to the period of participation to which Corps enrollees would otherwise be limited.

(2) Advanced career training may be provided for in postsecondary institutions for Corps enrollees who have attained a high school diploma or its equivalent, have demonstrated commitment and capacity in their previous Job Corps participation, and have an identified occupational goal.

(3) The Secretary may contract with private for-profit businesses and labor unions to provide intensive training in company-sponsored training programs, combined with internships in work settings.

(4) During the period of participation in advanced career training programs, Corps enrollees shall be eligible for full Job Corps benefits or a monthly stipend equal to the average value of residential support, food, allowances, and other benefits in residential Job Corps centers, except that the total amount for which an enrollee shall be eligible shall be reduced by the amount of any scholarship or other educational grant assistance received by such enrollee.

(5) After an initial period of time, determined to be reasonable by the Secretary, any Job Corps center seeking to enroll new Corps enrollees in any advanced career training program shall demonstrate that such program has achieved a reasonable rate of completion and placement in training-related jobs before such new enrollments may occur.

(Pub. L. 97-300, title IV, § 428, Oct. 13, 1982, 96 Stat. 1373.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1696 of this title.

§ 1699. Allowances and support

(a) Subsistence; rates of allowances; incentive and disciplinary variations

The Secretary shall provide enrollees with such personal, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, and other expenses as he may deem necessary or appropriate to their needs. For the fiscal year ending September 30, 1983, personal allowances shall be established at a rate not to exceed \$65 per month during the first six months of an enrollee's participation in the program and not to exceed \$110 per month thereafter, except that allowances in excess of \$65 per month, but not exceeding \$110 per month, may be provided from the beginning of an enrollee's participation if it is expected to be of less than six months' duration and the Secretary is authorized to pay personal allowances in excess of the rates specified in this subsection in unusual circumstances as determined by him. Such allowances shall be graduated up to the maximum so

as to encourage continued participation in the program, achievement and the best use by the enrollee of the funds so provided and shall be subject to reduction in appropriate cases as a disciplinary measure. To the degree reasonable, enrollees shall be required to meet or contribute to costs associated with their individual comfort and enjoyment from their personal allowances.

(b) Rules governing leave

The Secretary shall prescribe rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least six months' service in the Job Corps.

(c) Termination readjustment allowance: minimum period; advances; misconduct penalty; payment in case of death

The Secretary may provide each former enrollee upon termination, a readjustment allowance at a rate not to exceed, for the fiscal year ending September 30, 1983, \$110 for each month of satisfactory participation in the Job Corps. No enrollee shall be entitled to a readjustment allowance unless he has remained in the program at least 90 days, except in unusual circumstances as determined by the Secretary. The Secretary may, from time to time, advance to or on behalf of an enrollee such portions of his readjustment allowances as the Secretary deems necessary to meet extraordinary financial obligations incurred by that enrollee. The Secretary is authorized, pursuant to rules or regulations, to reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5.

(d) Remittance to dependents; supplement

Such portion of the readjustment allowance as prescribed by the Secretary may be paid monthly during the period of service of the enrollee directly to a spouse or child of an enrollee, or to any other relative who draws substantial support from the enrollee, and any amount so paid shall be supplemented by the payment of an equal amount by the Secretary.

(Pub. L. 97-300, title IV, § 429, Oct. 13, 1982, 96 Stat. 1374.)

§ 1700. Standards of conduct

(a) Stringent enforcement; dismissal or transfer

Within Job Corps centers standards of conduct shall be provided and stringently enforced. If violations are committed by enrollees, dismissal from the Corps or transfers to other locations shall be made if it is determined that their retention in the Corps, or in the particular center, will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees.

(b) Disciplinary measures by center directors; appeal to Secretary

To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees, including dismissal from the Job Corps, subject to expeditious appeal to the Secretary.

(Pub. L. 97-300, title IV, § 430, Oct. 13, 1982, 96 Stat. 1375.)

§ 1701. Community participation

The Secretary shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers and nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Youth shall be represented on the advisory council and separate youth councils may be established composed of enrollees and young people from the communities. The Secretary shall assure that each center is operated with a view to achieving, so far as possible, objectives which shall include—

(1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may affect or be of interest to the community;

(2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees;

(3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community;

(4) encouraging the fullest practicable participation of enrollees in programs for community improvement or betterment, with appropriate advance consultation with business, labor, professional, and other interested community groups;

(5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together;

(6) providing community residents with opportunities to work with enrollees directly as part-time instructors, tutors, or advisers, either in the center or in the community;

(7) developing, where feasible, job or career opportunities for enrollees in the community; and

(8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and community schools and libraries, educational institutions, agencies serving young people and recipients of funds under this chapter.

(Pub. L. 97-300, title IV, § 431, Oct. 13, 1982, 96 Stat. 1375.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1703 of this title.

§ 1702. Counseling and placement

(a) Regular counseling and testing

The Secretary shall counsel and test each enrollee at regular intervals to measure progress in educational and vocational programs.

(b) Counseling and testing prior to scheduled termination; placement assistance; use of public employment service system

The Secretary shall counsel and test enrollees prior to their scheduled terminations to determine their capabilities and shall make every effort to place them in jobs in the vocation for which they are trained or to assist them in attaining further training or education. In placing enrollees in jobs, the Secretary shall utilize the public employment service system to the fullest extent possible.

(c) Provision for further education, training, and counseling

The Secretary shall determine the status and progress of enrollees scheduled for termination and make every effort to assure that their needs for further education, training, and counseling are met.

(d) Payment of readjustment allowance to former enrollees

The Secretary shall arrange for the readjustment allowance to be paid to former enrollees (who have not already found employment) at the State employment service office nearest the home of any such former enrollee who is returning home, or at the nearest such office where the former enrollee has indicated an intent to reside. If the Secretary uses any other public agency or private organization in lieu of the public employment service system, the Secretary shall arrange for that organization or agency to pay the readjustment allowance.

(Pub. L. 97-300, title IV, § 432, Oct. 13, 1982, 96 Stat. 1376.)

§ 1703. Experimental and developmental projects and coordination with other programs

(a) Authorization for efficiency studies; young adult pilot projects; violent or delinquent youth pilot projects; consultation with similarly concerned State and Federal agencies; funding from substantially similar projects; discretion to waive provisions; inclusion in annual report to Congress

(1) The Secretary is authorized to undertake experimental, research, or demonstration projects to develop or test ways of better using facilities, encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in their period of enrollment, reducing transportation and support costs, or otherwise promoting greater efficiency and effectiveness in the program. These projects shall include one or more projects providing youth with education, training, and other supportive services on a combined residential and nonresidential basis.

(2) The Secretary is authorized to undertake one or more pilot projects designed to determine the value of Job Corps participation for young adults aged 22 to 24, inclusive.

(3) The Secretary is authorized to undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavioral aberrations.

(4) Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects and with the administrative entity in the communities where the projects will be carried out. They may be undertaken jointly with other Federal or federally assisted programs, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available for projects under this section to the extent they include the same or substantially similar activities. The Secretary is authorized to waive any provision of this part which the Secretary finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. The Secretary shall, in the annual report of the Secretary, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

(b) Model community vocational education schools and skill centers

In order to determine whether upgraded vocational education schools could eliminate or substantially reduce the school dropout problem, and to demonstrate how communities could make maximum use of existing educational and training facilities, the Secretary, in cooperation with the Secretary of Education, is authorized to enter into one or more agreements with State educational agencies to pay the cost of establishing and operating model community vocational education schools and skill centers.

(c) Dissemination of information gained from Job Corps experience; testing of efficacy of various activities and dissemination of results

(1) The Secretary, through the Job Corps and activities authorized under sections 1732 and 1735 of this title, shall develop and implement activities designed to disseminate information gained from Job Corps program experience which may be of use in the innovation and improvement of related programs. To carry out this purpose, the Secretary may enter into appropriate arrangements with any Federal or State agency.

(2) The Secretary is authorized to develop Job Corps programs to test at various centers the efficacy of selected education or training activities authorized under this chapter or any other Act and to appropriately disseminate the results of such tests. To carry out this purpose,

the Secretary may enter into appropriate arrangements with any Federal or State agency.

(d) Pilot projects to prepare youth for military service; cooperation with the Secretary of Defense; establishment of permanent programs; reimbursement of certain costs by Secretary of Defense in funds, materials, or services

The Secretary is authorized to enter into appropriate arrangements with the Secretary of Defense for the development of pilot projects at Job Corps centers to prepare youth to qualify for military service. In the event that the Secretary of Labor and the Secretary of Defense agree that such pilot projects should be expanded into permanent programs, the Secretary may establish such permanent programs within the Job Corps, if the Secretary of Defense agrees (1) to provide 50 percent of the costs attributable to such permanent programs, and (2) to reimburse the Secretary of Labor for an additional amount if more than 50 percent of the enrollees in such programs become members of the Armed Forces. Such additional amount shall be equal to a percentage of such costs which is the percentage by which more than 50 percent of such enrollees become such members. In addition to the provision of funds, such reimbursement may include the provision of equipment, materials, transportation, technical assistance, or other assistance, as specified by the Secretary.

(e) Pilot projects using community-based organizations

In order to determine whether community participation as required under section 1701 of this title can be improved through the closer involvement of community-based organizations, the Secretary is authorized to undertake one or more pilot projects utilizing community-based organizations of demonstrated effectiveness for Job Corps center operation. For purposes of such pilot projects, the term "community-based organizations" may include nonprofit educational foundations organized on a State or local basis.

(Pub. L. 97-300, title IV, § 433, Oct. 13, 1982, 96 Stat. 1376.)

§ 1704. Advisory boards and committees

The Secretary is authorized to make use of advisory committees in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever the Secretary determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities.

(Pub. L. 97-300, title IV, § 434, Oct. 13, 1982, 96 Stat. 1378.)

§ 1705. Participation of the States

(a) Consultation with State agencies on State law enforcement, discipline, development of meaningful work experience, and coordination with State programs

The Secretary shall take action to facilitate the effective participation of States in the Job Corps programs, including consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

(b) Authorization to participate in and subsidize related State programs

The Secretary is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Secretary is authorized, pursuant to regulations, to pay part or all of the costs of such programs to the extent such costs are attributable to carrying out the purpose of this part.

(c) Notice to Governor of Job Corps center establishment; thirty days to disapprove

No Job Corps center or other similar facility designed to carry out the purpose of this part shall be established within a State unless a notice setting forth such proposed establishment has been submitted to the Governor, and the establishment has not been disapproved by the Governor within thirty days of such submission.

(d) Concurrent criminal jurisdiction for Job Corps centers

All property which would otherwise be under exclusive Federal legislative jurisdiction shall be under concurrent jurisdiction with the appropriate State and locality with respect to criminal law enforcement as long as a Job Corps center is operated on such property.

(Pub. L. 97-300, title IV, § 435, Oct. 13, 1982, 96 Stat. 1378.)

§ 1706. Application of provisions of Federal law

(a) Enrollees not deemed Federal employees; exceptions: Federal tax provisions; survivor and disability benefits; work injuries and terms of compensation; tort claims

Except as otherwise provided in this subsection and in section 8143(a) of title 5, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.) enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(2) For purposes of subchapter I of chapter 81 of title 5 (relating to compensation to Fed-

eral employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5 and the provisions of that subchapter shall apply except—

(A) the term "performance of duty" shall not include any act of an enrollee while absent from the assigned post of duty of such enrollee, except while participating in an activity (including an activity while on pass or during travel to or from such post or duty) authorized by or under the direction and supervision of the Job Corps;

(B) in computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS-2 employee, and sections 8113(a) and (b) of title 5 shall apply to enrollees; and

(C) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

(3) For purposes of the Federal tort claims provisions in title 28, enrollees shall be considered employees of the Government.

(b) Adjustment and settlement of claims

Whenever the Secretary finds a claim for damages to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, the Secretary is authorized to adjust and settle it in an amount not exceeding \$1,500.

(c) Status of uniformed services personnel

Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade in such services.

(Pub. L. 97-300, title IV, § 436, Oct. 13, 1982, 96 Stat. 1378.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (a)(1), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title II of the Social Security Act is classified generally to subchapter II (§ 401 et seq.) of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Federal tort claim provisions in title 28, referred to in subsec. (a)(3), are the provisions of the Federal Tort Claims Act, which is classified generally to section 1346(b) and to chapter 171 (§ 2671 et seq.) of Title 28, Judiciary and Judicial Procedure.

§ 1707. Special provisions

(a) Enrollment of women

The Secretary shall immediately take steps to achieve an enrollment of 50 percent women in the Job Corps consistent with (1) efficiency and

¹So in original. Probably should be "section".

economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

(b) Job Corps documents and data to be United States property

The Secretary shall assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the Job Corps program shall become the property of the United States.

(c) Job Corps center transactions not gross receipts

Transactions conducted by private for-profit contractors for Job Corps centers which they are operating on behalf of the Secretary shall not be considered as generating gross receipts.

(Pub. L. 97-300, title IV, § 437, Oct. 13, 1982, 96 Stat. 1379.)

§ 1708. General provisions

The Secretary is authorized to—

(1) disseminate, with regard to the provisions of section 3204 of title 39, data and information in such forms as the Secretary shall deem appropriate, to public agencies, private organizations, and the general public;

(2) collect or compromise all obligations to or held by the Secretary and all legal or equitable rights accruing to the Secretary in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection; and

(3) expend funds made available for purposes of this part—

(A) for printing and binding, in accordance with applicable law and regulation; and

(B) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by the Secretary, except that the Secretary shall not utilize the authority contained in this subparagraph—

(i) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this part, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form or under the conditions in which it is needed; and

(ii) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of the Secretary's intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority.

(Pub. L. 97-300, title IV, § 438, Oct. 13, 1982, 96 Stat. 1379.)

§ 1709. Donations

The Secretary is authorized to accept on behalf of the Job Corps or individual Job Corps centers charitable donations of cash or other assistance, including but not limited to, equipment and materials, if such donations are available for appropriate use for the purposes set forth in this part.

(Pub. L. 97-300, title IV, § 439, Oct. 13, 1982, 96 Stat. 1380.)

PART C—VETERANS' EMPLOYMENT PROGRAMS

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in section 1502 of this title.

§ 1721. Programs authorized

(a) Programs for disabled, Vietnam era, and recent veterans; operation through experienced agencies; enhancement of services; employment and training services; outreach and public information

(1) The Secretary shall conduct, directly or through grant or contract, programs to meet the employment and training needs of service-connected disabled veterans, veterans of the Vietnam era, and veterans who are recently separated from military service.

(2) Programs supported under this part may be conducted through public agencies and private nonprofit organizations, including recipients under other provisions of this chapter that the Secretary determines have an understanding of the unemployment problems of such veterans, familiarity with the area to be served, and the capability to administer effectively a program of employment and training assistance for such veterans.

(3) Programs supported under this part shall include, but not be limited to—

(A) activities to enhance services provided veterans by other providers of employment and training services funded by Federal, State, or local government;

(B) activities to provide employment and training services to such veterans not adequately provided by other public employment and training service providers; and

(C) outreach and public information activities to develop and promote maximum job and job training opportunities for such veterans and to inform such veterans about employment, jobtraining, on-the-job training and educational opportunities under this chapter, under title 38, and under other provisions of law.

(b) Administration through Assistant Secretary for Veterans' Employment; fiscal management; consultation with Administrator of Veterans' Affairs and coordination with related programs

(1) The Secretary shall administer programs supported under this part through the Assistant Secretary for Veterans' Employment.

(2) In carrying out responsibilities under this part, the Assistant Secretary for Veterans' Employment shall—

(A) be responsible for the awarding of grants and the distribution of funds under

this part and for the establishment of appropriate fiscal controls, accountability, and program-performance standards for grant recipients under this part; and

(B) consult with the Administrator of Veterans' Affairs and take steps to ensure that programs supported under this part are coordinated, to the maximum extent feasible, with related programs and activities conducted under title 38, including programs and activities conducted under subchapter IV of chapter 3 of such title, chapters 31 and 34 of such title, and sections 612A, 620A, 1787, and 2003A of such title.

(Pub. L. 97-300, title IV, § 441, Oct. 13, 1982, 96 Stat. 1380.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(2), (3), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

PART D—NATIONAL ACTIVITIES

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in section 1502 of this title.

§ 1731. Multistate programs

(a) National programs and services

Funds available to carry out this section shall be used for job training programs or services (as authorized under any other provision of this chapter) which are most appropriately administered at the national level and which are operated in more than one State.

(b) Types of national programs

Programs which are most appropriately administered at the national level include programs such as—

(1) programs addressed to industry-wide skill shortages;

(2) programs designed to train workers for employment opportunities located in another State;

(3) regional or nationwide efforts to develop a labor force with skills that promote the use of renewable energy technologies, energy conservation, and the weatherization of homes occupied by low-income families;

(4) programs designed to develop information networks among local programs with similar objectives under this chapter; and

(5) programs which require technical expertise available at the national level and which serve specialized needs of particular client groups, including offenders, individuals of limited English language proficiency, handicapped individuals, women, single parents, displaced homemakers, youth, older workers, individuals who lack education credentials, public assistance recipients, and other individuals whom the Secretary determines require special assistance.

(Pub. L. 97-300, title IV, § 451, Oct. 13, 1982, 96 Stat. 1381.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b)(4), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

§ 1732. Research and demonstration

(a) Employment and training research; areas for study

To assist the Nation in expanding work opportunities and assuring access to those opportunities for all who desire it, the Secretary shall establish a comprehensive program of employment and training research, utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the Nation's employment and training problems. The program under this section may include studies concerning the development or improvement of Federal, State, local, and privately supported employment and training programs; labor market processes and outcomes; policies and programs to reduce unemployment and the relationships thereof with price stability and other national goals; productivity of labor; improved means of forecasting and using forecasts of labor supply and demand at the national and subnational levels; methods of improving the wages and employment opportunities of low-skilled and disadvantaged workers; measuring and developing policies to eliminate worker shortages; and easing the transition from school to work, from transfer payment receipt to self-sufficiency, from one job to another, and from work to retirement.

(b) Experimental, developmental, and demonstration projects; areas for study; cooperation with Secretary of Defense

The Secretary shall establish a program of experimental, developmental, and demonstration projects, through grants or contracts, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting employment and training problems. Research activities may include studies, experiments, demonstrations, and pilot projects in such areas as easing the transition from school to work, assessing the changing demographics of the American work-force and addressing the short-term and long-term impact of the changes, increasing employment of skilled workers critical to defense readiness and, subject to the last sentence of this subsection, projects developed in conjunction with the Secretary of Defense to meet civilian manpower needs on military installations and in the private sector, and eliminating artificial barriers to employment. The Secretary may pay not to exceed 60 percent of the costs of projects developed in conjunction with the Secretary of Defense described in the preceding sentence, and the contributions of the Department of Defense may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

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(Pub. L. 97-300, title IV, § 452, Oct. 13, 1982, 96 Stat. 1381.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1703 of this title.

§ 1733. Pilot projects

- (a) Projects for persons requiring special assistance; projects addressing skill shortages affecting critical national objectives

From funds made available under this part, the Secretary may provide financial assistance for pilot projects which meet the employment-related needs of persons including the handicapped and displaced homemakers who face particular disadvantages in specific and general labor markets or occupations and other persons whom the Secretary determines require special assistance, and projects designed to address skill shortages that affect other critical national objectives, including national security.

- (b) Elimination of employment barriers

Each pilot project assisted under this section shall be designed to assist in eliminating artificial and other employment barriers faced by such persons.

- (c) Three-year financial assistance limit

No project under this section shall be financially assisted for more than three years under this chapter.

- (d) Special consideration for community-based organizations, labor unions, and trade associations

In selecting recipients under this section, the Secretary shall give special consideration to applications submitted by community-based organizations of demonstrated effectiveness, as well as to labor unions, and trade associations and their affiliates that address nationwide concerns through programs operating in more than one State.

(Pub. L. 97-300, title IV, § 453, Oct. 13, 1982, 96 Stat. 1382.)

§ 1734. Evaluation

- (a) Continuing study of program impact

The Secretary shall provide for the continuing evaluation of all programs, activities, and research and demonstration projects conducted pursuant to this chapter, including their cost-effectiveness in achieving the purposes of this chapter, their impact on communities and participants, their implication for related programs, the extent to which they meet the needs of persons by age, sex, race, and national origin, and the adequacy of the mechanism for the delivery of services.

- (b) Study of program effectiveness

The Secretary shall evaluate the effectiveness of programs authorized under this chapter and part C of title IV of the Social Security Act (42 U.S.C. 630 et seq.) with respect to the statutory goals, the performance standards established by the Secretary, and of increases in employment and earnings for participants, reduced income support costs, increased tax revenues, duration in training and employment situa-

tions, information on the post-enrollment labor market experience of program participants for at least a year following their termination from such programs, and comparable information on other employees or trainees of participating employers.

(Pub. L. 97-300, title IV, § 454, Oct. 13, 1982, 96 Stat. 1383; Pub. L. 97-404, § 4(c), Dec. 31, 1982, 96 Stat. 2026.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part C of title IV of the Social Security Act is classified generally to part C (§ 630 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

AMENDMENTS

1982—Subsec. (b). Pub. L. 97-404 substituted "title IV" for "title II" after "part C of".

§ 1735. Training and technical assistance

- (a) Personnel training; use of existing facilities

The Secretary, in consultation with appropriate officials, shall provide directly or through grants, contracts, or other arrangements, appropriate preservice and inservice training for specialized, supportive, supervisory, or other personnel, including job skills teachers, and appropriate technical assistance (including technical assistance to training programs for housing for migrant and seasonal farmworkers) with respect to programs under this chapter, including the development and attainment of performance goals. Such activities may include the utilization of training and technical assistance capabilities which exist at the State and service delivery area level.

- (b) Dissemination of exemplary program information

The Secretary shall establish a national clearinghouse to disseminate materials and information gained from exemplary program experience which may be of use in the innovation or improvement of other programs conducted pursuant to this chapter.

(Pub. L. 97-300, title IV, § 455, Oct. 13, 1982, 96 Stat. 1383.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1703 of this title.

PART E—LABOR MARKET INFORMATION

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1502, 1535 of this title.

§ 1751. Labor market information; availability of funds

- (a) Publicly accessible labor market information system

The Secretary shall set aside, out of sums available to the Department for any fiscal year including sums available for this subchapter, such sums as may be necessary to maintain a comprehensive system of labor market informa-

tion on a national, regional, State, local, or other appropriate basis, which shall be made publicly available in a timely fashion.

- (b) Availability of funds for State labor market information

Funds available for purposes of this part shall also be available for purposes of section 1535 of this title (relating to State labor market information).

- (c) Funds available from other programs

Notwithstanding any other provision of law, funds available to other Federal agencies for carrying out chapter 35 of title 44, the Vocational Education Act of 1963 [20 U.S.C. 2301 et seq.], and the Act of June 6, 1933 (popularly known as the Wagner-Peyser Act) [29 U.S.C. 49 et seq.], may be made available by the head of each such agency to assist in carrying out the provisions of this part.

(Pub. L. 97-300, title IV, § 461, Oct. 13, 1982, 96 Stat. 1383.)

REFERENCES IN TEXT

The Vocational Education Act of 1963, referred to in subsec. (c), is title I of Pub. L. 88-210, Dec. 18, 1963, 77 Stat. 403, which was classified to chapter 32 (§ 1241 et seq.) of Title 20, Education, was completely amended and reorganized by the Education Amendments of 1976, Pub. L. 94-482, title II, § 202(a), Oct. 12, 1976, 90 Stat. 2169, and is classified generally to chapter 44 (§ 2301 et seq.) of Title 20. For complete classification of this Act to the Code, see Short Title note set out under section 2301 of Title 20 and Tables. For additional details, see also the Codification note preceding section 1241 of Title 20.

The Act of June 6, 1933 (popularly known as the Wagner-Peyser Act), referred to in subsec. (c), is act June 6, 1933, ch. 49, 48 Stat. 113, as amended, which is classified principally to chapter 4B (§ 49 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 49 of this title and Tables.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1535 of this title.

§ 1752. Cooperative labor market information program

- (a) Maintenance of current multilevel employment data

The Secretary shall develop and maintain for the Nation, State, and local areas, current employment data by occupation and industry, based on the occupational employment statistics program, including selected sample surveys, and projections by the Bureau of Labor Statistics of employment and openings by occupation.

- (b) Maintenance of job descriptions and requirements

The Secretary shall maintain descriptions of job duties, training and education requirements, working conditions, and characteristics of occupations.

- (c) Elimination of departmental data systems overlap; coordination with Federal reporting services; use of standard definitions

In carrying out the provisions of this section, the Secretary shall assure that—

(1) departmental data collecting and processing systems are consolidated to eliminate overlap and duplication;

(2) the criteria of chapter 35 of title 44 are met; and

(3) standards of statistical reliability and national standardized definitions of employment, unemployment, and industrial and occupational definitions are used.

- (d) Annual measure of labor market related economic hardship; multilevel measure of cost of living; annual labor force and income report

(1) The Secretary is authorized to develop data for an annual statistical measure of labor market related economic hardship in the Nation. Among the factors to be considered in developing such a measure are unemployment, labor force participation, involuntary part-time employment, and full-time employment at wages less than the poverty level.

(2) The Secretary is authorized to develop and maintain, on national, State, local, and other appropriate bases, household budget data at different levels of living, including a level of adequacy, to reflect the differences of household living costs in regions and localities, both urban and rural.

(3) The Secretary shall publish, at least annually, a report relating labor force status to earnings and income.

- (e) Maintenance of permanent layoff and plant closing data

The Secretary shall develop and maintain statistical data relating to permanent lay-offs and plant closings. The Secretary shall publish a report based upon such data, as soon as practicable, after the end of each calendar year. Among the data to be included are—

- (1) the number of such closings;
- (2) the number of workers displaced;
- (3) the location of the affected facilities; and
- (4) the types of industries involved.

(Pub. L. 97-300, title IV, § 462, Oct. 13, 1982, 96 Stat. 1384.)

§ 1753. Special Federal responsibilities

- (a) Interdepartmental cooperation; review and coordination of national data systems; standardized national definitions; aid for State labor and occupational opportunity information systems

The Secretary, in cooperation with the Secretary of Commerce, the Secretary of Defense, the Secretary of the Treasury, the Secretary of Education, and the Director of the Office of Management and Budget, through the National Occupational Information Coordinating Committee established under section 161(b) of the Vocational Education Act of 1963 [20 U.S.C. 2391(b)], shall—

- (1) review the need for and the application of all operating national data collection and processing systems related to labor market information in order to identify gaps, overlap and duplications, and integrate at the national level currently available data sources in order to improve the management of information systems;

(2) maintain, assure timely review, and implement national standardized definitions with respect to terms, geographic areas, timing of collection, and coding measures related to labor market information, to the maximum extent feasible; and

(3) provide technical assistance to the States in the development, maintenance, and utilization of labor market/occupational supply and demand information systems and projections of supply and demand as described in section 1535 of this title, with special emphasis on assistance in the utilization of cost-efficient automated systems and improving access of individuals to career opportunities information in local and State labor markets.

(b) Integrated occupational opportunity information system; Armed Forces career opportunities

The Secretary, in cooperation with the Secretary of Defense, shall assure the development of an integrated occupational supply and demand information system to be used by States and, in particular, in secondary and post-secondary educational institutions in order to assure young persons adequate information on career opportunities in the Armed Forces.

(c) Sufficient funds for Federal level coordinating staff

The Secretary and the Director of the Office of Management and Budget shall assure that, from the funds reserved for this part, sufficient funds are available to provide staff at the Federal level to assure the coordination functions described in this section.

(Pub. L. 97-300, title IV, § 463, Oct. 13, 1982, 96 Stat. 1384; Pub. L. 97-404, § 4(d), Dec. 31, 1982, 96 Stat. 2027.)

AMENDMENTS

1982—Subsec. (a)(1). Pub. L. 97-404, § 4(d)(1), added "related to labor market information" after "processing systems".

Subsec. (a)(2). Pub. L. 97-404, § 4(d)(2), added "related to labor market information" after "coding measures".

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1754 of this title.

§ 1754. National Occupational Information Coordinating Committee

(a) Authorization limit; membership; support of State occupational information coordinating committees

(1) Of the amounts available for this part for each fiscal year, not more than \$5,000,000 is authorized to be reserved for the National Occupational Information Coordinating Committee (established pursuant to section 161(b) of the Vocational Education Act of 1963 [20 U.S.C. 2391(b)]).

(2) In addition to the members required by such Act [20 U.S.C. 2301 et seq.], the Committee shall include the Assistant Secretary of Commerce for Economic Development and the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics.

(3) Not less than 75 percent of the funds transferred by the Secretary to the National Occupational Information Coordinating Committee shall be used to support State occupational information coordinating committees and other organizational units designated under section 1535 of this title for carrying out State labor market information programs.

(b) Special Federal responsibilities

In addition to its responsibilities under the Vocational Education Act of 1963 [20 U.S.C. 2301 et seq.], the National Occupational Information Coordinating Committee shall—

(1) carry out the provisions of section 1753 of this title;

(2) give special attention to the labor market information needs of youth and adults, including activities such as (A) assisting and encouraging States to adopt methods of translating national occupational outlook information into State and local terms; (B) assisting and encouraging the development of State occupational information systems, including career information delivery systems and the provision of technical assistance for programs of on-line computer systems and other facilities to provide career information at sites such as local schools, public employment service offices, and job training programs authorized under this chapter; (C) in cooperation with educational agencies and institutions, encouraging programs providing career information, counseling, and employment services for postsecondary youth; and (D) in cooperation with State and local correctional agencies, encouraging programs of counseling and employment services for youth and adults in correctional institutions;

(3) provide training and technical assistance, and continuing support to State occupational information coordinating committees, in the development, maintenance, and use of occupational supply and demand information systems, with special emphasis on the use of cost efficient automated systems for delivering occupational information to planners and administrators of education and training programs and on improving the access of such planners and administrators to occupational information systems;

(4) publish at least annually a report on the status of occupational information capabilities at the State and national levels, which may include recommendations for improvement of occupational information production and dissemination capabilities;

(5) conduct research and demonstration projects designed to improve any aspect of occupational and career information systems;

(6) provide technical assistance for programs designed to encourage public and private employers to list all available job opportunities with occupational information and career counseling programs conducted by administrative entities and with local public employment service offices and to encourage cooperation and contact among such employers and such administrative entities and public employment service offices; and

(7) provide assistance to units of general local government and private industry councils to familiarize them with labor market information resources available to meet their needs.

(c) Funds available from other programs

All funds available to the National Occupational Information Coordinating Committee under this chapter, under section 161 of the Vocational Education Act of 1963 [20 U.S.C. 2391], and under section 12 of the Career Education Act [20 U.S.C. 2611] may be used by the Committee to carry out any of its functions and responsibilities authorized by law.

(Pub. L. 97-300, title IV, § 464, Oct. 13, 1982, 96 Stat. 1385; Pub. L. 97-404, § 4(e), Dec. 31, 1982, 96 Stat. 2027.)

REFERENCES IN TEXT

The Vocational Education Act of 1963, referred to in subssecs. (a)(2) and (b), is title I of Pub. L. 88-210, Dec. 18, 1963, 77 Stat. 403, which was classified to chapter 32 (§ 1241 et seq.) of Title 20, Education, was completely amended and reorganized by the Education Amendments of 1976, Pub. L. 94-482, title II, § 202(a), Oct. 12, 1976, 90 Stat. 2169, and is classified generally to chapter 44 (§ 2301 et seq.) of Title 20. For complete classification of this Act to the Code, see Short Title note set out under section 2301 of Title 20 and Tables. For additional details, see also the Codification note preceding section 1241 of Title 20.

This chapter, referred to in subssecs. (b)(2) and (c), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

Section 12 of the Career Education Act [20 U.S.C. 2611], referred to in subsec. (c), was repealed by Pub. L. 97-35, title V, § 587(a)(4), Aug. 13, 1981, 95 Stat. 480.

AMENDMENTS

1982—Subsec. (a)(1). Pub. L. 97-404, § 4(e)(1), added "for each fiscal year" after "part".

Subsec. (b)(7). Pub. L. 97-404, § 4(e)(2), substituted "provide" for "providing" after "(7)".

§ 1755. Job bank program

The Secretary is authorized to establish and carry out a nationwide computerized job bank and matching program (including the listing of all suitable employment openings with local offices of the State employment service agencies by Federal contractors and subcontractors and providing for the affirmative action as required by section 2012(a) of title 38¹ on a regional, State, and local basis, using electronic data processing and telecommunications systems to the maximum extent possible for the purpose of identifying sources of available individuals and job vacancies, providing an expeditious means of matching the qualifications of unemployed, underemployed, and economically disadvantaged individuals with employer requirements and job opportunities, and referring and placing such individuals in jobs. An occupational information file may be developed, containing occupational projections of the numbers

¹So in original. Probably should be followed by a closing parenthesis.

and types of jobs on regional, State, local, and other appropriate bases, as well as labor supply information by occupation.

(Pub. L. 97-300, title IV, § 465, Oct. 13, 1982, 96 Stat. 1386.)

PART F—NATIONAL COMMISSION FOR EMPLOYMENT POLICY

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1502, 1591 of this title; title 20 section 2392.

§ 1771. Statement of purpose

The purpose of this part is to establish a National Commission for Employment Policy which shall have the responsibility for examining broad issues of development, coordination, and administration of employment and training programs, and for advising the President and the Congress on national employment and training issues. For the purpose of providing funds for the Commission, the Secretary shall reserve \$2,000,000 of the sums appropriated for this subchapter for each fiscal year.

(Pub. L. 97-300, title IV, § 471, Oct. 13, 1982, 96 Stat. 1387.)

§ 1772. Establishment

(a) Composition of membership

There is established a National Commission for Employment Policy (hereinafter in this part referred to as the "Commission"). The Commission shall be composed of 15 members, appointed by the President. The members of the Commission shall be individuals who are nationally prominent and the Commission shall be broadly representative of agriculture, business, labor, commerce, education (including elementary, secondary, postsecondary, and vocational and technical education), veterans, current State and local elected officials, community-based organizations, assistance programs, and members of the general public with expertise in human resource development or employment and training policy. One of the members shall be a representative of the National Advisory Council on Vocational Education (established under section 162 of the Vocational Education Act of 1963 [20 U.S.C. 2392]). The membership of the Commission shall be generally representative of significant segments of the labor force, including women and minority groups.

(b) Term of office; unfinished terms; terms of initial members

The term of office of each member of the Commission appointed by the President under subsection (a) of this section shall be three years, except that—

(1) any such member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and

(2) of such members first taking office—

(A) five shall serve for terms of one year; and
(B) five shall serve for terms of two years; and

(C) five shall serve for terms of three years;

as designated by the President at the time of appointment.

(c) Selection of Chairman; frequency of meetings; quorum and voting

(1) The Chairman shall be selected by the President.

(2) The Commission shall meet not fewer than three times each year at the call of the Chairman.

(3) A majority of the members of the Commission shall constitute a quorum, but a lesser number may conduct hearings. Any recommendation may be passed only by a majority of the members present. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

(d) Appointment of Director

The Chairman (with the concurrence of the Commission) shall appoint a Director, who shall be chief executive officer of the Commission and shall perform such duties as are prescribed by the Chairman.

(Pub. L. 97-300, title IV, § 472, Oct. 13, 1982, 96 Stat. 1387.)

§ 1773. Functions

The Commission shall—

(1) identify the employment goals and needs of the Nation, and assess the extent to which employment and training, vocational education, institutional training, vocational rehabilitation, economic opportunity programs, public assistance policies, employment-related tax policies, labor exchange policies, and other policies and programs under this chapter and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs and achieving such goals;

(2) develop and make appropriate recommendations designed to meet the needs and goals described in clause (1);

(3) examine and evaluate the effectiveness of federally assisted employment and training programs (including programs assisted under this chapter), with particular reference to the contributions of such programs to the achievement of objectives sought by the recommendations made under clause (2);

(4) advise the Secretary on the development of national performance standards and the parameters of variations of such standards for programs conducted pursuant to this chapter;

(5) evaluate the impact of tax policies on employment and training opportunities;

(6) examine and evaluate major Federal programs which are intended to, or potentially could, contribute to achieving major objectives of existing employment and training and related legislation or the objectives set forth in the recommendations of the Commission, and particular attention shall be given to the programs which are designed, or could be designed, to develop information and knowledge

about employment and training problems through research and demonstration projects or to train personnel in fields (such as occupational counseling, guidance, and placement) which are vital to the success of employment and training programs;

(7)(A) identify, after consultation with the National Advisory Council on Vocational Education, the employment and training and vocational education needs of the Nation and assess the extent to which employment and training, vocational education, rehabilitation, and other programs assisted under this chapter and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs; and

(B) comment, at least once annually, on the reports of the National Advisory Council on Vocational Education, which comments shall be included in one of the reports submitted by the National Commission pursuant to this subchapter and in one of the reports submitted by the National Advisory Council on Vocational Education pursuant to section 162 of the Vocational Education Act of 1963 (20 U.S.C. 2392);

(8) study and make recommendations on how, through policies and actions in the public and private sectors, the Nation can attain and maintain full employment, with special emphasis on the employment difficulties faced by the segments of the labor force that experience differentially high rates of unemployment;

(9) identify and assess the goals and needs of the Nation with respect to economic growth and work improvements, including conditions of employment, organizational effectiveness and efficiency, alternative working arrangements, and technological changes;

(10) evaluate the effectiveness of training provided with Federal funds in meeting emerging skill needs; and

(11) study and make recommendations on the use of advanced technology in the management and delivery of services and activities conducted under this chapter.

(Pub. L. 97-300, title IV, § 473, Oct. 13, 1982, 96 Stat. 1388.)

REFERENCES IN TEXT

This chapter, referred to in pars. (1), (3), (4), and (11), was in the original "this Act", meaning Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322, as amended, known as the Job Training Partnership Act, which is classified principally to this chapter (§ 1501 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1501 of this title and Tables.

§ 1774. Administrative provisions

(a) Authority of Chairman: rules; staff and compensation; consultants; voluntary services; acceptance of gifts; contracts; studies and hearings; use of governmental facilities; advances and payments

Subject to such rules and regulations as may be adopted by the Commission, the Chairman is authorized to—

(1) prescribe such rules and regulations as may be necessary;

(2) appoint and fix the compensation of such staff personnel as the Chairman deems necessary, and without regard to the provisions of title 5 governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and the General Schedule pay rates, appoint not to exceed five additional professional personnel;

(3) procure the services of experts and consultants in accordance with section 3109 of title 5;

(4) accept voluntary and uncompensated services of professional personnel, consultants, and experts, notwithstanding any other provision of law;

(5) accept in the name of the United States and employ or dispose of gifts or bequests to carry out the functions of the Commission under this subchapter;

(6) enter into contracts and make such other arrangements and modifications, as may be necessary;

(7) conduct such studies, hearings, research activities, demonstration projects, and other similar activities as the Commission deems necessary to enable the Commission to carry out its functions under this subchapter;

(8) use the services, personnel, facilities, and information of any department, agency, and instrumentality of the executive branch of the Federal Government and the services, personnel, facilities, and information of State and local public agencies and private research agencies, with the consent of such agencies, with or without reimbursement therefor; and

(9) make advances, progress, and other payments necessary under this chapter without regard to the provisions of section 3324(a) and (b) of title 31.

(b) Availability of Federal agencies and information

Upon request made by the Chairman of the Commission, each department, agency, and instrumentality of the executive branch of the Federal Government is authorized and directed to make its services, personnel, facilities, and information (including computer-time, estimates, and statistics) available to the greatest practicable extent to the Commission in the performance of its functions under this chapter.

(Pub. L. 97-300, title IV, § 474, Oct. 13, 1982, 96 Stat. 1389.)

CODIFICATION

In subsec. (a)(9) "section 3324(a) and (b) of title 31" was substituted for "section 3648 of the Revised Statutes (31 U.S.C. 529)" on authority of Pub. L. 97-258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

§ 1775. Reports

The Commission shall make at least annually a report of its findings and recommendations to the President and to the Congress. The Commission may make such interim reports or recommendations to the Congress, the President,

the Secretary, or to the heads of other Federal departments and agencies, and in such form, as it may deem desirable. The Commission shall include in any report made under this section any minority or dissenting view submitted by any member of the Commission.

(Pub. L. 97-300, title IV, § 475, Oct. 13, 1982, 96 Stat. 1389.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 20 section 2392.

PART G—TRAINING TO FULFILL AFFIRMATIVE ACTION OBLIGATIONS

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in section 1502 of this title.

§ 1781. Affirmative action

(a) Contractor's obligations; training program contents

A contractor subject to the affirmative action obligations of Executive Order 11246, as amended, issued September 24, 1965, may establish or participate in training programs pursuant to this section for individuals meeting the eligibility criteria established in sections 1603(a)(1), 1671, and 1672 of this title, which are designed to assist such contractors in meeting the affirmative action obligations of such Executive order. To qualify under this section, such a training program shall contain—

(1) a description of the jobs in the contractor's work force or in the service delivery area, for which the contractor has determined there is a need for training;

(2) a description of the recruiting, training, or other functions that the contractor, or the organization that will be engaged to perform the training, will perform and the steps that will be taken to insure that eligible individuals will—

(A) be selected for participation in training,

(B) be trained in necessary skills, and

(C) be referred for job openings,

in accordance with the objectives of such Executive order;

(3) whenever an organization other than the contractor will perform the training, a description of the demonstrated effectiveness of the organization as a provider of employment and training services;

(4) a description of how the contractor will monitor the program to keep an accurate accounting of all trainees, including (A) whether the trainees successfully complete the training program, and (B) whether the trainees are or are not placed; and

(5) an estimation of the cost of the program and an assurance that the contractor will assume all costs of the program or the pro rata share of costs to the contractor of the program.

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(b) Review of community-need directed programs; programs includable in performance accomplishments; determination of affirmative action compliance; notice of compliance; abbreviated affirmative action program; successful performance and presumption of good faith effort; limitation; "successful performance or operation" defined

(1)(A) If the training proposal is designed to meet the needs of the community rather than, or in addition to, the employment needs of the contractor, and has not been approved by another Federal agency, the program shall be submitted to the private industry council established under section 1512 of this title for a determination that there is a need for such training in the community.

(B) Individuals trained under any program satisfying the requirements of this section may be included by the private industry council in its performance accomplishments and the wage gains of such individuals shall be included in determining the compliance of the job training program of the private industry council with applicable standards.

(2) The Director of the Office of Federal Contract Compliance Programs, Department of Labor, shall promulgate regulations setting forth how the Office will determine, during a compliance review, the degree to which a training program will satisfy the contractor's affirmative action obligations. The training and placement of trainees with employers other than the contractor may be considered in evaluating such contractor's overall good faith efforts, but in no event may placement of trainees with employers other than the contractor be permitted to affect that contractor's affirmative action obligations respecting its work force. The content of the training program will not be subject to review or regulation by the Office of Federal Contract Compliance Programs. If during a compliance review the Director of the Office of Federal Contract Compliance Programs determines that a training program does not comply with its regulations, the Director shall—

(A) notify the contractor of the disapproval,
(B) set forth the reasons for the disapproval, and

(C) provide a list of recommendations which, if accepted, will qualify the training program under this section.

(3) A contractor who has a training program which contains the criteria set forth in subsection (a) of this section and which is in accordance with regulations promulgated under paragraph (2) of this subsection shall continue to meet the affirmative action obligations of Executive Order 11246, as amended, but the contractors required to maintain a written affirmative action program need only maintain an abbreviated affirmative action program, the content and length of which shall be determined by the Director of the Office of Federal Contract Compliance Programs, to satisfy the written affirmative action program portion of their obligations under Executive Order 11246, as amended. Successful performance or operation of a training program meeting the criteria set forth in subsection (a) of this section shall create a presumption that the contractor has

made a good faith effort to meet its affirmative action obligations to the degree specified by the Director under paragraph (2) of this subsection, but that presumption shall not be applicable to the satisfaction of other affirmative action obligations not directly related to the training and hiring requirements of this section, or other affirmative action obligations not affected by this section. For the purpose of the preceding sentence, "successful performance or operation" means training and placing in jobs a number of individuals which bears a reasonable relationship to the number of job openings in the contractors' facilities or in the relevant labor market area.

(c) Limitations: compulsory program involvement; exclusive compliance criteria; obligations of non-participating contractors; interference with private industry councils; restriction of Secretary's authority; short form affirmative action plan

Nothing in this section may be interpreted—

(1) to compel contractor involvement in such programs,

(2) to establish the exclusive criteria by which a contractor can be found to have fulfilled its affirmative action obligations,

(3) to provide authority for imposing any additional obligations on contractors not participating in such training activities,

(4) to permit the Office of Federal Contract Compliance Programs to intervene or interfere with the authority and responsibilities of the private industry councils,

(5) to restrict or limit the authority of the Secretary to investigate the employment practices of any Government contractor, to initiate such investigation by the Director, to determine whether any nondiscrimination contractual provisions have been violated, or to enforce Executive Order 11246, or

(6) to prohibit the Secretary or the Director, or other authorized officers of the United States, from requesting or compelling any contractor preparing and maintaining a short form affirmative action plan under subsection (b) of this section to provide information necessary to conduct a compliance review or to provide data necessary to determine whether any violation of Executive Order 11246 has occurred.

(Pub. L. 97-300, title IV, § 481, Oct. 13, 1982, 96 Stat. 1390.)

REFERENCES IN TEXT

Executive Order 11246, as amended, referred to in subsecs. (a), (b)(3), and (c)(5) and (6), is Ex. Ord. No. 11246, Sept. 24, 1965, 30 F.R. 12319, which is set out as a note under section 2000e of Title 42, The Public Health and Welfare.

CHAPTER 20—MIGRANT AND SEASONAL AGRICULTURAL WORKER PROTECTION

- Sec.
1801. Congressional statement of purpose.
1802. Definitions.
1803. Applicability of chapter.

¹So in original.

SUBCHAPTER I—FARM LABOR CONTRACTORS

- Sec.
1811. Certificate of registration required.
(a) Persons engaged in any farm labor contracting activity.
(b) Hire, employ, or use of any individual to perform farm labor contracting activities by farm labor contractor; liability of farm labor contractor for violations.
(c) Possession and exhibition of certificate.
(d) Refusal or failure to produce certificate.
1812. Issuance of certificate of registration.
1813. Registration determinations.
(a) Grounds for refusal to issue or renew, suspension, or revocation of certificate.
(b) Administrative review procedures applicable.
(c) Judicial review procedures applicable.
1814. Transfer or assignment; expiration; renewal.
(a) Transfer or assignment prohibited.
(b) Expiration; renewals.
1815. Notice of address change; amendment of certificate of registration.
1816. Prohibition against employing illegal aliens.
(a) Prohibitions on farm labor contractor.
(b) Compliance by farm labor contractor.

SUBCHAPTER II—MIGRANT AGRICULTURAL WORKER PROTECTIONS

1821. Information and recordkeeping requirements.
(a) Written disclosure requirements imposed upon recruiters.
(b) Posting requirements imposed upon employers.
(c) Posting or notice requirements imposed upon housing providers.
(d) Recordkeeping and information requirements imposed upon employers.
(e) Furnishing of records by farm labor contractor; maintenance of records by recipient.
(f) Prohibition on knowingly providing false or misleading information to workers.
(g) Form and language requirements.
1822. Wages, supplies, and other working arrangements.
(a) Payment of wages.
(b) Purchase of goods or services by worker.
(c) Violation of terms of working arrangement.
1823. Safety and health of housing.
(a) Compliance with substantive Federal and State safety and health standards.
(b) Certification that applicable safety and health standards met; posting of certificate of occupancy; retention of certificate and availability for inspection and review; occupancy prior to inspection.
(c) Applicability to providers of housing on a commercial basis to the general public.

SUBCHAPTER III—SEASONAL AGRICULTURAL WORKER PROTECTIONS

1831. Information and recordkeeping requirements.
(a) Written disclosure requirements im-

- Sec.
(b) Posting requirements imposed upon employers.
(c) Recordkeeping and information requirements imposed upon employers.
(d) Furnishing of records by farm labor contractor; maintenance of records by recipient.
(e) Prohibition on knowingly providing false or misleading information to workers.
(f) Form and language requirements.
1832. Wages, supplies, and other working arrangements.
(a) Payment of wages.
(b) Purchase of goods or services by worker.
(c) Violation of terms of working arrangement.

SUBCHAPTER IV—FURTHER PROTECTIONS FOR MIGRANT AND SEASONAL AGRICULTURAL WORKERS

1841. Motor vehicle safety.
(a) Mode of transportation subject to coverage.
(b) Applicability of standards, licensing, and insurance requirements; promulgation of regulations for standards; criteria, etc., for regulations; amount of insurance required.
(c) Adjustments of insurance requirements in the event of workers' compensation coverage.
(d) Time for promulgation of regulations for standards implementing requirements; revision of standards.
1842. Confirmation of registration.
1843. Information on employment conditions.
1844. Compliance with written agreements.
(a) Applicability to contracting activity or worker protection.
(b) Statutory liability.

SUBCHAPTER V—GENERAL PROVISIONS

PART A—ENFORCEMENT PROVISIONS

1851. Criminal sanctions.
(a) Violations of chapter or regulations.
(b) Violations of section 1816 of this title.
1852. Judicial enforcement.
(a) Injunctive relief.
(b) Control of civil litigation.
1853. Administrative sanctions.
(a) Civil money penalties for violations; criteria for assessment.
(b) Administrative review.
(c) Judicial review.
(d) Failure to pay assessment; maintenance of action.
(e) Payment of penalties into Treasury of United States.
1854. Private right of action.
(a) Maintenance of civil action in district court by aggrieved person.
(b) Appointment of attorney and commencement of action.
(c) Award of damages or other equitable relief; amount; criteria; appeal.
1855. Discrimination prohibited.
(a) Prohibited activities.
(b) Proceedings for redress of violations.

failed by the hundreds; mills and factories were shut down or operating only part-time. Estimates of the unemployed ranged as high as 13,000,000 (one worker in four); many of those employed received only subsistence wages. A quarter of the farmers had lost their farms. In the 1932 election, voters by a wide margin rejected Hoover and voted for the Democratic candidate, Gov. Franklin D. Roosevelt of New York, who promised them a New Deal.

THE NEW DEAL

The first New Deal. The nation was in a state of acute banking crisis when Roosevelt took office. Beginning in Michigan in mid-February 1933, runs on banks had forced state after state to close or limit the activities of its banks. This was the setting in which the new President delivered his inaugural address on March 4. Above all he tried to dispel the fright in peoples' minds; he emphatically stated, "the only thing we have to fear is fear itself."

Roosevelt's first 100 days. In the next several days Roosevelt acted quickly, and rather conservatively, to restore business confidence. In March he submitted to Congress the Emergency Banking Bill, empowering the administration to strengthen and reopen sound banks; Congress enacted the bill in four hours. Within three days three-fourths of the banks within the Federal Reserve system had reopened. There followed an economy act reducing federal salaries and veterans' pensions and legislation legalizing the sale of beer of 3.2 percent alcoholic content. The stock market went up 15 percent.

With the country enthusiastically behind him, Roosevelt kept Congress in special session and piece by piece sent it recommendations that formed the basic recovery program of his first 100 days in office. He expected later to submit to Congress proposals for long-range reform legislation to eliminate maladjustments responsible for the Depression and likely to cause future depressions. Between March 16 and May 17, 1933, he sent messages and draft bills to Congress proposing an agricultural recovery program, unemployment relief, federal supervision of investment securities, creation of a Tennessee Valley Authority, prevention of mortgage foreclosures on homes, railroad recovery legislation, and an industrial recovery program. From March 9 to mid-June 1933, Congress enacted all of Roosevelt's proposals—an unprecedented legislative achievement.

Farm recovery. The passage of the Agricultural Adjustment Act in May 1933 marked the beginning of an era in which the American farmer received aid from the Federal government to improve his economic status. It was an omnibus farm-relief bill embodying the schemes of the major farm organizations to limit crops and of agrarian radicals to inflate the currency. The Agricultural Adjustment Administration (AAA) established by the act put into effect a "domestic allotment" plan to make benefit payments to producers of seven basic commodities, including wheat, cotton, and corn, in return for cutting their output. At first a processing tax upon the commodities provided funds for the benefit payments; but after an adverse Supreme Court decision in 1936, Congress appropriated funds for crop reduction coupled with soil conservation. The AAA program was of only limited help to farmers. Drought in 1933-36 did more than production quotas to cut farm surpluses and increase commodity prices, but most farmers nonetheless favoured the early program. The cash income of farmers nearly doubled between 1932 and 1936 but did not again reach the 1929 level until 1941.

Business recovery. The New Deal sought to bring business recovery through the omnibus National Industrial Recovery Act (NIRA) of June 1933. This act, administered by the National Recovery Administration (NRA), granted businessmen government backing for agreements to stabilize production and prevent price slashing. Labour was to receive wages-and-hours protection and the right to bargain collectively. A large-scale public-works appropriation, administered through the Public Works Administration (PWA), was intended to pour sufficient money into the economy to increase consumer buying power while prices and wages went up.

In practice, the NRA program went awry. While codes were being negotiated, in the summer of 1933, manu-

facturers increased production in anticipation of higher prices and greater demand. Buying power did not keep pace, and in the fall of 1933 the boomlet collapsed. The NRA then became too complicated; by February 1934 it had negotiated far too many codes with even minor industries, covering vast intricacies of regulations—a total of 557 basic codes and 208 supplementary ones. Such a mass of detail proved almost unenforceable. Workingmen felt they obtained little from the codes, although in a few industries, like textiles, child labour was ended and working conditions were improved. The collective bargaining provision in the act led to a strong unionization movement and to numerous strikes against nonunion employers. The National Labor Board in 1933 and its successor, the National Labor Relations Board, dealt with labour disputes but had little power.

The NRA was a failure, despite some achievements in improving wages and hours and in bringing order to chaotic large industries. It was too complicated to be enforceable, it tended to create monopoly conditions, and because public works expenditures were too slow it raised prices without a comparable increase in consumer buying power. When the Supreme Court invalidated the NRA code system in 1935, Congress enacted new laws salvaging parts of it, but the experiment was basically over.

Relief. Relief programs were urgent in the New Deal to provide aid to millions of hungry people for whom states and cities were able to provide only a pittance. The Federal Emergency Relief Administration provided grants to state relief agencies; in return the state agencies had to meet federal standards. The Civilian Conservation Corps (CCC), which employed young men from families on relief in reforestation and similar projects, became one of the most popular New Deal agencies. Several laws aided farmers and homeowners threatened by mortgage foreclosures. The Farm Credit Administration (FCA) was a consolidation of several earlier federal agencies; in 1933-34 it refinanced one-fifth of all farm mortgages. A farm bankruptcy act of June 1934 enabled farmers who had lost their farms to regain them. For homeowners, the Home Owners Loan Corporation refinanced about one-sixth of the mortgages on homes. In 1934 the Federal Housing Administration (FHA), more a recovery than a relief agency, began to insure mortgages upon new construction and home repairs. The Reconstruction Finance Corporation continued to make large recovery loans.

The economic downturn in the fall of 1933 led to new relief and recovery devices. During the winter of 1933-34, the Civil Works Administration (CWA) employed about 4,000,000 people on emergency projects. Roosevelt also experimented with mild currency inflation, devaluing the gold content of the dollar to 59.06 percent of what it had been formerly and beginning in 1934 a silver purchase program (these were the beginnings of America's government management of the currency).

Reform. Early in the New Deal there was some reform legislation. The Glass-Steagall Act of 1933 created the Federal Deposit Insurance Corporation (FDIC), guaranteeing small bank deposits. Later, the Banking Act of 1935 altered and strengthened the Federal Reserve System. Two measures regulated stock exchange: the Truth-in-Securities Act of 1933, requiring corporations to file data on new securities, and the Securities Exchange Act of 1934, establishing a commission to check new securities and to police the stock markets. The most spectacular piece of conservation legislation was the establishment in 1933 of the Tennessee Valley Authority (TVA), which took over the dam at Muscle Shoals and four other existing dams; it also built 20 new dams in the next two decades, regulating floods in an area previously devastated by them, generating cheap electricity, and undertaking the general rehabilitation of a poverty-stricken area. Other power development and irrigation projects were built in the West. The Taylor Grazing Act of 1934 regulated public rangeland; the Indian Reorganization Act of 1934 protected the Indians and their lands.

The second New Deal and the Supreme Court. In reaction to pressures from the left and hostility from the right, the New Deal shifted more toward reform in 1935-36.

Roosevelt's recovery program

Failure of the NRA

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Popular leaders, promising more than Roosevelt, threatened to pull sufficient votes from him in the 1936 election to bring Republican victory. Sen. Huey P. Long of Louisiana was building a national following with a "Share the Wealth" program. The poor in northern cities were attracted to the Roman Catholic priest the Rev. Charles E. Coughlin, who later switched from a program of nationalization and currency inflation to an antidemocratic, anti-Semitic emphasis. Many older people supported Dr. Francis E. Townsend's plan to provide \$200 per month for everyone over age 60. At the same time, conservatives, including such groups as the American Liberty League, founded in 1934, attacked the New Deal as a threat to states' rights, free enterprise, and the open shop.

Roosevelt's response in 1935 was to propose greater aid to the underprivileged and extensive reforms. Congress created the Works Progress Administration (WPA), which replaced direct relief with work relief; between 1935 and 1941 an annual average of 2,100,000 workers were carried on WPA rolls. For younger people there was the National Youth Administration (NYA). Of long-range significance was the Social Security Act of 1935, which provided federal aid for the aged, retirement annuities, unemployment insurance, aid for persons who were blind or crippled, and aid to dependent children; the original act suffered from various inadequacies, but it was the beginning of a permanent, expanding national program. A tax reform law, labelled by newspapers as the "soak the rich tax," fell heavily upon corporations and well-to-do people. The National Labor Relations Act, or Wagner Act, reluctantly accepted by Roosevelt, gave organized labour federal protection in collective bargaining; it prohibited a number of "unfair practices" on the part of employers and created the strong National Labor Relations Board (NLRB) to enforce the law.

While the New Deal was moving toward reform in 1935, the Supreme Court was invalidating several of its earlier key measures. In *Schechter Poultry Corp. v. U.S.* the Court invalidated the NIRA, creating a national sensation; Roosevelt charged the justices with taking a "horse-and-buggy age view" of federal regulatory power. In 1936 Roosevelt, aided by his reform program, defeated the Republican nominee for president, Gov. Alfred ("Alf") M. Landon of Kansas, receiving over 60 percent of the popular vote and the electoral votes of every state except Maine and Vermont.

Viewing his decisive victory as an electoral mandate for continued reform, Roosevelt sought to remove the impediment the Supreme Court seemed to be placing in his way. He felt that the powers involved in such reform legislation as the Wagner Act and Social Security Act, both being challenged before the Supreme Court, were to be found in the Constitution and that the court had been interpreting it too narrowly. In February 1937 he proposed to Congress a reorganization of the court system, which would have included giving him the power to appoint one new justice for each justice who was 70 years of age or older, but not exceeding six new justices in all. Roosevelt's proposal created a furor, especially because he did not state frankly the obvious fact that he wished the court to interpret the Constitution more broadly. Some Democrats and a few liberal Republicans in Congress supported the proposal, but a strong coalition of Republicans and conservative Democrats, backed by much public support, fought the so-called court-packing plan.

Meanwhile the court itself in a new series of decisions began upholding as constitutional measures involving both state and federal economic regulation. In April 1937 it approved the National Labor Relations Act. These decisions, which began an extensive revision of constitutional law concerning governmental regulation, made the reorganization plan unnecessary; the Senate defeated it in July 1937 by a vote of 70 to 22. Roosevelt had suffered a stinging political defeat, even though he no longer had to fear the court. Turnover on the court was rapid as older members retired or died; by 1942 all but two of the justices were Roosevelt appointees.

The culmination of the New Deal. Roosevelt lost further prestige in the summer of 1937, when the nation

plunged into a sharp recession. Economists had feared an inflationary boom as industrial production moved up to within 7.5 percent of 1929. Other indices were high except for a lag in capital investment and continued heavy unemployment. Roosevelt, fearing a boom and eager to balance the budget, cut government spending, which most economists felt had brought the recovery. Between August 1937 and May 1938 the index of production fell from 117 to 76 (on a 1929 base of 100) and unemployment increased by perhaps 4,000,000 persons. Congress voted an emergency appropriation of \$5,000,000,000 for work relief and public works, and by June 1938 recovery once more was under way.

Considerable legislation augmenting and consolidating earlier New Deal measures was passed during the second Roosevelt administration. There was further legislation to reduce farm production and raise crop prices and to alleviate rural poverty. For workers the Fair Labor Standards Act of 1938 established a minimum wage and maximum work week (in later years the minimum wage was repeatedly raised and coverage was broadened). Substantial construction of public housing began with establishment of the U.S. Housing Authority in 1937. Altogether this was a considerable array of legislation; but it had been vigorously opposed by many conservative Democrats in Congress, allied with the Republicans. During the congressional campaign of 1938, Roosevelt intervened in primaries, mostly in the South, trying to defeat conservative Democratic congressional leaders. For the most part he failed; throughout the country the tide of support for the New Deal was ebbing, and the Republicans gained 80 seats in the House and seven in the Senate. Nevertheless, the Democrats still controlled each house by a heavy margin.

Spectacular violence accompanying union organization drives was another factor in the New Deal's waning popularity among middle class Americans. Aided by the Wagner Act, unions had begun organizing vigorously early in the New Deal. A few months after the passage of the Wagner Act, John L. Lewis, president of the United Mine Workers of America, led in forming the Committee for Industrial Organization (CIO) to organize the great mass-production industries, which for the most part had never been unionized. The CIO came into conflict with the American Federation of Labor (AFL), which mounted its own unionization drives. The result was struggle between organizers and industrialists and at times between rival organizers. In bitter fights with the automobile companies the CIO used the sit-down strike, in which the strikers entrenched themselves in the factories and refused to work or to let others in to work; in February 1947 General Motors Corporation recognized the United Automobile Workers, and gradually other manufacturers did the same. The United States Steel Corporation signed union contracts in the spring of 1937 rather than risk strikes, but three "little steel" companies resisted vigorously before finally signing contracts with the CIO. Roosevelt, declining to take sides during the struggle, called down "a plague on both your houses." The organizing drives continued to make headway; union membership, which had been about 3,000,000 in 1932, was about 9,500,000 by 1941.

An assessment of the New Deal. The New Deal established federal responsibility for the welfare of the economy and the American people. At the time, conservative critics, among whom the most notable was former President Hoover, charged it was bringing statism or even socialism. Left-wing critics of a later generation have charged just the reverse—that it bolstered the old order and prevented significant reform. Others have suggested that the New Deal was no more than the extension and culmination of Progressivism.

In its early stages, the New Deal did begin where Progressivism left off and built upon the Hoover program for fighting the Depression. But Roosevelt soon took the New Deal well beyond Hoover and Progressivism, programs came to have more of an element of compulsion in them and were larger in scale. For the first time the federal government assumed responsibility for the social security of the nation's citizens. The Wagner Act fostered unionism, and organized labour became a vital part of the

Decline of
New Deal
support

Growth
of federal
responsi-
bility

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Democratic coalition, contributing both votes and campaign dollars.

New Deal efforts to stimulate prosperity resulted in a trial-and-error approach to economic regulation. National planning failed in the NRA yet continued for decades as a means of reducing production of major farm crops. Management of currency and credit, beginning in 1933, slowly became more sophisticated and came to be a key means by which the government could control inflation or prevent deflation. Government spending, undertaken at first as a means primarily of relief, became the prime device for stimulating the economy. Social Security through automatically providing benefits in time of unemployment became another countercyclical economic stabilizer.

Roosevelt himself, though he adopted some of his proposals, never became a disciple of J.M. Keynes, the contemporary British economic theorist, who advocated spending during a recession; but many of the young New Deal economists were Keynesians by the late 1930s. The New Deal did not achieve complete economic recovery before war intervened, but it had taken the nation well in that direction. (It was also evolving economic devices which after 1945 further developed in both Democratic and Republican administrations as the means of preventing runaway inflation and depression.)

THE IMPACT OF WORLD WAR II

Isolation, neutrality, and the U.S. entry into the war. During the New Deal years the American response to threats of war in other parts of the world was to seek security through isolation. Congress, with the approval of Roosevelt and Secretary of State Cordell Hull, enacted a series of neutrality laws; in order to keep the nation out of a new conflict, these legislated against the factors that supposedly had taken the United States into World War I. As Italy prepared to invade Ethiopia, Congress passed the Neutrality Act of 1935, embargoing shipment of arms to either aggressor or victim. Stronger legislation followed the outbreak of the Spanish Civil War in 1936, even relinquishing the traditional American claim to freedom of seas in wartime.

Threats to American security. The gravest threat seemed to come from Japan. Roosevelt followed the doctrine of nonrecognition of Japan's conquests on the Asiatic mainland, and in 1934, began rebuilding the navy toward treaty strength. When Japan in 1937 began a large-scale drive into north China, Roosevelt did not proclaim neutrality; thus munitions could be sold to both sides. But in October, when Roosevelt suggested that war, like disease, was a contagion that peace-loving nations should quarantine, he created a furor and had to retreat. In December, when Japanese aviators sank the U.S. gunboat "Panay" in the Yangtze River, the United States accepted Japanese apologies and indemnities.

As war continued in Asia and threatened to break out in Europe as a result of German aggressions, Roosevelt tried to develop a policy of collective security. He encountered little opposition as long as he confined himself to working agreements for mutual defense among the nations of the Western Hemisphere—at Buenos Aires in 1936, at Lima in 1938, and with Canada in 1938.

When Germany's invasion of Poland in 1939 touched off World War II, Roosevelt called Congress into special session to revise the Neutrality Act to allow belligerents (in reality only Great Britain and France both on the Allied side) to purchase munitions on a "cash-and-carry" basis. With the fall of France to Germany in 1940, Roosevelt, with heavy public support, threw the resources of the United States behind the British, including the spectacular exchange of 50 overage U.S. destroyers in return for 99-year leases on bases stretching from Newfoundland to British Guiana. In the fall of 1940 Roosevelt also conducted a political campaign for a tradition-breaking third term, running against the Republican Wendell L. Willkie, and was re-elected with over 54 percent of the popular vote.

From the fall of France until the Japanese bombing of the American naval base at Pearl Harbor, Hawaii (December 1941), a great debate stirred the nation as isolation-

ists, especially through a group called the America First Committee, charged that Roosevelt was taking the nation into war, and interventionists complained that he was not moving rapidly enough. While the debate went on, the United States built its defenses and sent supplies to the British. The Burke-Wadsworth Act of 1940 established the first peacetime selective service, or conscription, act in the nation's history. The Lend-Lease Act of 1941, passed after vehement debate, provided the British and their allies with munitions, which could be repaid after the crisis was over. In August 1941 Roosevelt met with British prime minister Winston Churchill off the coast of Newfoundland and then announced a set of war aims known as the Atlantic Charter. It called for national self-determination, larger economic opportunities, freedom from fear and want, freedom of the seas, and disarmament.

American military involvement. In September a German submarine attacked an American destroyer, and Roosevelt issued orders to "shoot on sight." In October another destroyer was sunk, and the United States embarked on an undeclared naval war against Germany.

For a decade the relations of the United States with Japan had grown less friendly. In January 1940 the United States abrogated its commercial treaty of 1911 with Japan, yet Americans continued to sell Japan materials used in its war against China. When Japanese armies invaded French Indochina in September 1940 with the apparent purpose of establishing bases for an attack on the East Indies, the United States placed an embargo on scrap iron and steel. Japan retaliated by signing a triple alliance agreement with Germany and Italy (September 1940). Japan was close to war with the United States, but it entered into negotiations in the spring of 1941, which continued into December. The United States, to try to thwart an expected Japanese thrust into the East Indies, placed tight economic sanctions upon Japan in July. The Japanese reaction was to prepare for war in case negotiations failed. Neither nation would make serious concessions over China, and by the end of November the United States (through intercepted Japanese messages) knew that a military attack was likely. Roosevelt and his military advisers, expecting it to be against the East Indies and possibly the Philippines, were caught by surprise when Japanese planes struck at Pearl Harbor on December 7, 1941. They destroyed or damaged 15 ships and 188 airplanes and inflicted 3,435 casualties.

On December 8, 1941, Congress with only one dissenting vote declared war against Japan. Three days later Germany and Italy declared war against the United States; and Congress, voting unanimously, reciprocated. As a result of the attack on Pearl Harbor, the previously divided nation entered into the global struggle with virtual unanimity.

The conduct of the war and its domestic effects. Within the United States during World War II, the American people had to produce the enormous quantities of every sort of material of war, clothing, and food with which to defeat the enemies. The war also meant great dislocations as approximately 15,000,000 men and women went into uniform and many additional millions moved to jobs in war plants. The war brought an enormous increase in productivity and a higher living standard than ever before; it also brought continued debates among the American people over the way in which the war was to be conducted and what national policies should be afterward.

Congressional controls. Congress moved to the right during the war. In the 1942 election Republicans gained 47 seats in the House and 10 in the Senate. Democrats still controlled Congress, but conservatives of both parties were able to force dismantling of several New Deal agencies. Congress used its investigatory power to keep a check on war agencies and military expenditures, especially through the Senate War Investigating Committee, headed by Harry S. Truman of Missouri. Congress also became committed to the policy of postwar American cooperation with other nations to preserve the peace.

War production. As the government tried to control war production, government agencies were organized and reorganized repeatedly. In January 1942 the War Production Board replaced an earlier agency, and in 1943 it became subsidiary to the Office of War Mobilization. Agencies

The policy of collective security

Declaration of

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CLINTON COLUMN ON: NATIONAL SERVICE -- NOW
(NYTimes 02/28/93 Bill Clinton column) (1240)

Washington -- Apathy is dead.

Of everything I've learned in my first few weeks in the White House, that's the thing that's made me the happiest. Whether or not the people I've met outside the capital support the changes I have proposed, they're all saying they're ready to rebuild our country.

But they know, as I do, that no economic plan can do it alone. A plan can make vaccines available to children, but alone it will not administer the shots to all of them. It can put security guards in the schools, but alone it will not take gangs off the streets. And it can provide more aid for college, but alone it will not make the costs of college less daunting for the middle class.

That's why I believe we need national service - now. If Congress acts quickly enough, just months from now more than 1,000 young people will start serving our country in a special summer effort. In four years, the successors to these pioneers will multiply a hundredfold. Imagine: an army of 100,000 young people restoring urban and rural communities and giving their labor in return for education and training.

National service is an idea as old as America. Time and again, our people have found new ways to honor citizenship and match the needs of changing times.

Lincoln's Homestead Act rewarded those who had the courage to settle the frontier with the land to raise a family. Franklin D. Roosevelt's Social Security Act insured that Americans who work a lifetime can grow old with dignity. Harry S. Truman's G.I. Bill rewarded the service of my father's generation, transforming youthful veterans into an army of educated civilians that led our nation into a new era.

For my generation, the reality of national service was born 32 years ago tomorrow, when President John F. Kennedy created the Peace Corps. At its peak, the Peace Corps enrolled only 16,000 volunteers yet it changed the way a generation of Americans look at themselves and the world.

Today, the spirit of our people once again can meet head-on the troubles of our times.

The task is as complex as our challenge is great. We must combine the intensity of the post-World War II years with the idealism of the early 1960's - and help young people afford a college education or job training.

In 1993, we'll restore the spirit of service by asking our people to serve here at home. We won't refight the wars we won, but we'll tackle the growing domestic dangers that threaten our future.

Our new initiative will embody the same principles as the old G.I. Bill. It will challenge our people to serve our country and do the work that should - and must - be done. It will, give those who serve the honor and rewards they deserve. It will invest in the future of the quiet heroes who invest in the future of others.

The national service legislation that I will send to Congress shortly will give our people the chance to serve in two basic ways:

First, it will make it easier for young people to hold low-paying public service jobs and still pay off their student loans.

Under our program, Americans will be able to borrow the money they need for college and pay it back as a small percentage of their income over time. By giving graduates the chance to repay loans on an affordable, reasonable schedule, this "income-contingent" program will allow our people to do the work that our communities really need.

Second, our legislation will create new opportunities for Americans to serve our country for a year or two -- and receive financial support for education or training in return.

We'll offer people of different ages and educational levels different ways to serve. And to focus our energies and get the most for our money, we'll direct special attention to a few areas:

-- We'll ask thousands of young people to serve in our schools - some as teachers, others as youth mentors, reading specialists and math tutors. They'll join the effort to insure that our schools offer the best education in the world.

-- We'll send people into medical clinics to help immunize the nation's 2-year-olds. Some participants will be qualified to give the shots, but thousands of others can provide essential support, contacting parents and following up to make sure children get the shots they need.

-- We'll help police forces across the country through a new Police Corps trained to walk beats. We'll also organize others in our communities to keep kids out of gangs and off drugs.

-- We'll put still others to work controlling pollution and recycling waste, to help insure that we pass on to our children a nation that is clean and safe for years to come.

Our national service program will offer more than benefits to individuals. We'll help pay operating costs for community groups with proved track records, providing the support they'll need to grow. And we'll let entrepreneurs compete for venture capital to develop new service programs.

While the Federal Government will provide the seed money for national service, we are determined that the participants - the individuals who serve and the groups that sponsor their service - will guide the process. Spending tens of millions of tax dollars to build a massive bureaucracy would be self-defeating; it would squash the spirit of innovation that national service demands.

By design, our national service program will not happen overnight. Instead, it will grow year by year, with funding reaching \$3 billion in 1997. And as I've said many times, I believe it will be the best money we ever spend.

If Congress gives us the chance, this summer we'll create an eight-week leadership training program. We'll recruit more than 1,000 young people for special projects to meet the needs of children at risk - and to train the first class of full-year participants.

In the first full year of our initiative, we'll launch our flexible loan program and aim to put tens of thousands of people to work. By 1997, more than 100,000 citizens could be serving our country, getting education and training, benefits in return. And hundreds of thousands more people could be doing invaluable work because college loans no longer block the way.

But the best planning and the most ambitious design won't make this vision of national service a reality. That responsibility ultimately rests with the American people.

I am convinced that after 12 years of drifting apart instead of working together we are ready to meet the challenge. From a 14-year-old boy in North Dakota who sent us \$1,000 to help pay off the deficit, to a 92-year-old widower in Kansas who followed his example, people are demonstrating that they want to give something back to their nation.

● National service will exercise our talents and rebuild our communities. it will harness the energy of our youth and attack the problems of our time. It will bring together men and women of every age and race and lift up our nation's spirit. And for all of us, it will rekindle the excitement of being Americans.

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Now You See It...
"National Journal"
Saturday, December 19, 1992
Page 2885

Whatever happened to the targeted jobs tax credit, which gave employers a tax break of as much as \$2,400 each time they hired a disadvantaged youth, welfare recipient or other hard-to-employ applicant? It expired in June, just as unemployment hit a yearly high of 7.8 per cent, but hardly anyone in Washington--or on the campaign trail--was paying attention.

BY ROCHELLE L. STANFIELD

Laura J. Loda, the human resources director at the Marriott Key Bridge Hotel in Northern Virginia, across the Potomac River from Washington, isn't your average headhunter.

She searches for job applicants in such unlikely places as inner-city community organizations that deal with disadvantaged youth in the nation's capital and special-education programs for the disabled in Arlington County, Va.

"There are pockets of terrific people out there who are willing to work, need the work, make great employees, but might not necessarily be the first choice of some of my managers because of problems they've had in their lives or economic disadvantages," Loda said.

Until recently, Loda used the federal targeted jobs tax credit as a bargaining chip to give her recruits an edge with the hotel's managers. The program, which expired on June 30, permitted employers to take a onetime tax credit for 40 per cent of the first \$6,000 in first-year wages paid to new hires in any of seven hard-to-employ categories, including disadvantaged youth, welfare recipients, the handicapped and ex-felons.

"I was able to go to my managers and say, 'Hire this person and we'll get this tax credit, so we'll be able to spend a little extra time on training,'" Loda said. "It worked great. And it opened a lot of managers' eyes about these people."

The question for Congress when it considers renewing the tax credit: Are Loda and other sophisticated spinmeisters putting a humanitarian face on an industry ripoff? Some critics say yes, but they have scanty ammunition.

Even as unemployment and the economy emerged as the issues most important to voters in this year's presidential campaign, the targeted jobs tax credit lived in political limbo through the first half of 1992 and then died a quiet death. And while

President-elect Clinton has called for various tax incentives to get the nation's economy back on track, the tax credit--which was designed specifically to put the poor and disabled to work--apparently isn't on his wish list.

Supporters of the targeted jobs tax credit, who are well organized, rely on heartwarming success stories to make their case. Loda, for example, pointed out a young former welfare recipient, who was hired to chop vegetables in the hotel's kitchen. He's had two promotions so far and is on his way to a culinary career. "He doesn't need public assistance anymore," Loda said.

Loda is part of an articulate, extremely persuasive constituency that will urge Congress, when it convenes next month, to permanently renew the tax credit.

Its chief opponent, the Bush Administration, will be gone. Congress, as it has done periodically over the past decade, voted last session to renew the tax credit as part of the big tax bill. President Bush vetoed the bill on several counts, but singled out this and two other expiring tax provisions as "measures that are very costly and have negligible long-term benefits."

According to the Internal Revenue Service, the targeted jobs tax credit cost the Treasury \$4.5 billion over 10 years. Congress's Joint Taxation Committee estimated that it would cost \$2 billion over the next five years.

The Clinton Administration is expected to be more amenable to the targeted jobs tax credit, although the President-elect hasn't specifically endorsed it. Indeed, an assortment of loosely organized, somewhat ambivalent critics have been urging Clinton not just to acquiesce in renewal but to recommend overhauling the program.

These are mainly economists and academics whose protests over what they see as the deterioration of the tax credit have been muted in recent years. They see the issue as important for the Clinton Administration to tackle because it goes beyond this tax credit to the larger question of how to use the tax code to help the disadvantaged.

To achieve their purposes, tax credits must maintain a delicate balance between regulatory freedom and effective targeting. Critics say that the targeted jobs tax credit, however, became dangerously unbalanced and untargeted.

They acknowledge that the way Loda says she used the targeted jobs tax credit is the way the credit should work. But in most cases, they maintain, the limited objective evidence available shows that's not how it has worked.

"Its concept is a good one, but it has been so changed from its original intent that it hasn't had much impact on the intended targeted groups," said Edward C. Lorenz, who ran the tax credit program in Maryland during the 1980s and studied its implementation in several states for the National Commission for

Employment Policy. (He now teaches political science at Alma College in Michigan.) "Its impact has been mostly to provide a windfall credit for certain users of high-turnover employees."

Lorenz and others contend that the fast-food, retail and personal services industries captured the tax credit and transformed it into a subsidy for hiring the same workers for minimum-wage, dead-end jobs that they would have hired anyway. A 1991 report from the General Accounting Office (GAO) found that while 45 per cent of the firms it studied made a special effort to find and hire eligible workers, 55 per cent took the credit for workers they hired routinely.

This constituency for the credit, the critics argue, linked up with national interest groups for the disabled, ex-offenders and disadvantaged to present a rosy, one-sided picture of the program at congressional hearings.

"Since the mid-'80s, it's been only victims' hearings," said Linda Levine, a specialist in labor economics for the Congressional Research Service. "The people who have done [independent] evaluations of the program have not been asked to testify since then."

Critics want to tighten eligibility requirements, beef up administration and change the credit to encourage employers to hire long-term workers for better jobs.

Supporters of the tax credit contend that the critics have ignored various reforms Congress has enacted over the past several years. Further, they argue, it's the only game in town. Eliminate the tax credit, they say, and employers will have no incentive to hire people in the targeted groups, who generally have lower qualifications than other applicants.

"Is it a perfect program? No. Will some people inevitably be hired that would have been hired anyway? Yes," conceded Washington lobbyist William A. Signer, who helped to draft the original 1978 legislation as an aide to the House Ways and Means Committee and now pushes the tax credit on behalf of corporations that have used it widely. "The question is, have enough of the concerns been ironed out so that the program works well enough and has changed employment practices sufficiently so that the vast majority of people hired through the program are people the companies might not have selected otherwise? I think the answer has to be yes."

ON THE ONE HAND . . .

In the presumed absence of a hostile Administration, the question before the 103rd Congress will be whether the targeted jobs tax credit needs fixing. Signer and his allies respond with a loud chorus of "It ain't broke!"

Signer said it doesn't bother him that most beneficiaries are employed in minimum-wage service jobs. "The main idea here is

to give them a private-sector job history to make them employable," he said. "The largest barrier they face to getting a job is the fact that they have no job history. The job they get with the tax credit is not necessarily going to be their permanent job. It is a first step."

"Would these people normally show up looking for a job? No, they wouldn't," said Larry H. Whitt, the vice president for public affairs of Wichita (Kan.)-based Pizza Hut Inc., which was a big user of the targeted jobs tax credit. The tax credit "provided motivation and incentive for us to change our hiring practices and go out and specifically recruit eligible workers." The company, Whitt said, gave bonuses to managers who hired such workers.

These and other supporters of the tax credit point to a 1989 study by the Progressive Policy Institute, Clinton's favorite Washington think tank, which showed that most minimum-wage workers live in households substantially above the poverty level and tend not to be the heads of households, but second or third earners in multi-income families.

Without the tax credit, the argument goes, managers at Pizza Hut, McDonald's, Marriott hotels and other establishments would hire members of these middle-class families--who, they insist, are both available and eager to work--to flip hamburgers or make beds instead of taking a chance on the disadvantaged or the disabled.

The tax credit's boosters also insist that the program's minimal regulation--in contrast with such heavy-handed government programs as the Job Training Partnership Act--should be maintained to provide the maximum flexibility to users.

Janet M. Tully, Marriott Corp.'s director of community employment and training initiatives, said that she used the tax credit as the basis for a company-wide system of recruitment and training programs for the disadvantaged and disabled. "I started with it in 1979 in the restaurant division and got into more and more creative programs because of it," she said. "The part I like the most about it is that it is so easy to use. We have programs going all over the country that I can honestly tell you I never could have started up if I couldn't have used targeted jobs as an internal marketing tool to help."

Among the tax credit's most aggressive boosters are advocates for the disabled. Although the disabled account for a small minority of eligible jobholders--7 per cent, the 1991 GAO study estimated--the tax credit is crucial in persuading employers to hire them, rehabilitation agencies and special education administrators contend.

"The tax credits mean as much to the people working with handicapped workers as anything," said Robert E. Brabham, the executive director of the National Association of Rehabilitation Facilities. The credit "is disproportionately more important to us than we are to [the employers]."

The 1990 Americans With Disabilities Act (ADA) is supposed to guarantee the disabled equal access to jobs and thus, within that population, obviate the need for the tax credit. Not so, insist the tax credit's supporters. "ADA covers people who are qualified," Tully said. "A lot of people we set up in these programs are people who definitely would not be qualified, and so they're not covered by ADA."

"They work together," Brabham added. "ADA says, 'Don't discriminate.' The tax credit says, 'Here's a little extra incentive to give somebody a chance.'"

Whatever problems the tax credit has had over the years have been fixed, lobbyist Signer insists. He acknowledged, for example, that in the early days of the program, employers could apply for the credit retroactively, months after an employee was on the payroll. That was corrected with legislation requiring employers to apply for certification of eligibility on the day the worker is hired.

"There were some studies and some perceptions that there were windfalls in the program," Signer said. "Since that time, those problems have been corrected."

ON THE OTHER HAND . . .

"Wrong!" say the critics, who insist that the windfalls and other problems with the targeted jobs tax credit weren't fixed.

The biggest obstacle to reform, they say, is the dearth of sound data about how the program has worked and the lack of interest by congressional committees in hearing from independent researchers who might criticize it.

Last year's GAO report--the most recent study of the tax credit--was unusual in that the GAO decided not to make any recommendations.

"We didn't have any basis to say whether it was good and we would encourage it to be made permanent, or whether it was bad and should be done away with because it's not living up to expectations," said Sigurd R. Nilsen, the assistant director of education and employment issues in the GAO's Human Resources Division, who wrote the report. "So we decided that it's really a political decision for Congress."

And Congress has kept it that way, some critics complain. Lorenz, who studied how the tax credit was used for the National Commission for Employment Policy in 1985 and 1988, recently analyzed the witnesses at hearings on the tax credit by the House Ways and Means Committee over the years. By his count, lobbyists and representatives of interest groups outnumbered government officials and researchers by at least 2-1, and by 4-1 at a 1984 hearing.

Lorenz recalled how, during his days as Maryland's coordinator of the targeted jobs tax credit, lobbyists would send a taxicab to Baltimore to pick up a blind factory worker to testify. "What Congressman could attack that kind of stuff?" Lorenz asked. "The last hearing where there was criticism voiced was 1982. Since then, no one managed to slip into the hearing who was negative."

"There have been very, very few evaluations, and those that have been done find it doesn't have much impact over all," Demetra S. Nightingale, the director of welfare and training research programs at the Urban Institute, said. "But what I hear from the field is that local job developers like having it as a tool, but they don't use it very much."

The critics say they are reluctant to speak too harshly about the program because they don't want it abolished, just reformed. They want to change how it is administered, the criteria for eligibility and the credit's incentive structure.

The idea behind the targeted jobs tax credit--and all tax credits--is to keep government regulation at a minimum. But state employment services, which have determined eligibility for the tax credit, at times have been overwhelmed with the paperwork.

"[Reform] would require putting some more people in the employment services throughout the country to follow up on [applications] and do the checking," said Sar A. Levitan, the director of George Washington University's Center for Social Policy Studies. "I don't know what Clinton is going to do, but since 1981, in real money, the federal contribution has been cut by 40 per cent, under Bush by 13 per cent."

Making sure that employers get the credit only when they hire workers they wouldn't hire anyway is a trickier proposition. Attempts to tighten that part of the program didn't make a dent, critics say.

Indeed, employers often don't fill out the applications anyway. The targeted jobs tax credit spawned a breed of consultants: management assistance companies (MACs), which do the paperwork for employers. Most of them offer toll-free telephone numbers. Say, for example, that the manager of a fast-food outlet has interviewed five job applicants. The manager then puts each applicant on the phone with a MAC interviewer, who screens the prospective employee for probable tax credit eligibility.

"In some instances, they've made up their mind and plan to hire that person anyway," Mary S. Horton, the executive vice president of Indianapolis-based CIC Enterprises Inc., the nation's largest MAC, acknowledged. "But in other instances, our screening gives the employer one more tool to make a decision on who to hire."

The best reform, most of the critics agree, would be to make the tax credit less attractive to employers of short-term, minimum-wage workers. Its use could be limited to full-time,

permanent jobs. Or the credit could be reduced and extended beyond a year and to a higher wage base. Instead of being capped at 40 per cent of up to \$6,000 in first-year wages, for example, the credit could be 25 per cent of the first \$10,000 in wages during the first year and 15 per cent of the first \$10,000 during the second. (The tax credit originally was designed along those lines, but in the early 1980s, to keep the program from being abolished, lobbyists gave up the longer-term incentives.)

"It hasn't worked properly," Lorenz said. "But I hate to be the person who says it shouldn't be renewed because I have this hope that with the new Administration, they might really be able to take a new look at this--essentially start over. If it were run well, targeted correctly, I think it could really have a very important impact."

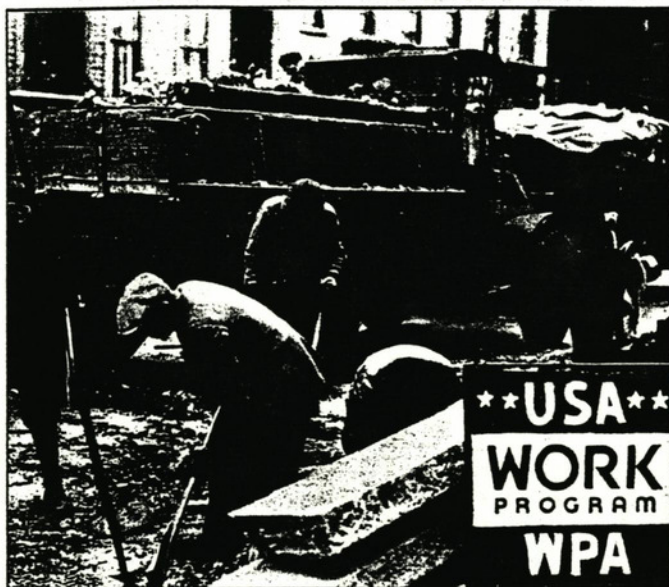
Bailing Out the Jobless

Federal programs have a checkered history

Long before she became a well-known writer, Margaret Walker Alexander walked the streets of Depression-era Chicago, looking for work. After seven months of searching, she pulled down a job with the government's Works Progress Administration in 1936. For three and a half years the make-work program paid her \$85 a month to help write a guidebook to Illinois—and keep food on the table. Today, says the Mississippi novelist, government could do worse than to follow the example of the New Deal. "You see homeless people, families with children, on the streets of every big city in this country. You didn't see this in the '30s. I lived through Hoover, and Hoover was better than this."

Putting America back to work will be Job One for Bill Clinton. Already, the rumor mills in Little Rock and Washington are running overtime speculating about how the new administration will do it. Some Clinton advisers predict a \$60 billion infusion of federal money for public-works projects soon after the Inauguration. Others insist he will stick by his more modest campaign pledge to increase spending on roads, sewage-treatment plants and the like by \$20 billion a year. There's also talk of restoring a tax credit for businesses that buy new equipment, on the theory that more investment means more jobs. Will any of those steps increase employment fast? Easy on the optimism: from Franklin Roosevelt to Jimmy Carter, the history of federal job-creation efforts is mixed at best.

Washington has tried twice to create jobs directly on a large scale. In the 1930s, Franklin Roosevelt's Public Works Administration sped up spending on dams, schools and other projects built by private contractors, while the WPA put 2 million impoverished workers directly onto the federal payroll between 1935 and 1939. More recently, the Comprehensive Employment and Training Act, a Nixon administration idea, financed both public works and 750,000 jobs with



Back to the future? WPA workers widen a street in the 1930s

cities and nonprofit organizations during the 1970s, most of them during Jimmy Carter's presidency.

The New Deal's programs did much besides putting people to work. The WPA's legacy runs from New York's La Guardia Airport to thousands of park shelters and post offices, and much of what it built would have cost far more in times of lower unemployment and higher wages. But there was plenty of downside: staffed largely by unskilled workers and always in a hurry, the agency was plagued by charges of corruption and mismanagement. "They were never able to build as cheaply or as efficiently as private contractors did," says Pace University historian Barbara Blumberg. And while the WPA provided employment, it did little to stimulate business. Most of those who left the rolls could not find work in the stagnant private sector, and many turned to the WPA once again.

CETA's record in creating employment is more dubious. Many CETA jobs weren't new: the money let hard-pressed cities like Cleveland, which employed CETA firemen, hang on to their workers without spending local tax revenue for their salaries. In theory, CETA rolls were supposed to decline as private-sector employment rose, but politics got in the way: by 1979, when the jobless rate fell below

6 percent, city governments and social agencies were so addicted to the free labor that they campaigned against cuts in funding. Political scientist Richard Nathan, a Nixon administration official who oversaw a largely positive study of CETA in 1979, says the biggest problem was the program's sheer size. "Everybody says Ronald Reagan shut down public-service employment," he says. "It was so big and controversial, if Teddy Kennedy had been elected he'd have shut it down."

In favor: Not all employment programs are in disrepute. Policy wonks and politicians of all stripes now favor requiring most welfare recipients to take low-paying government jobs, the concept known as "workfare." But workfare is less a jobs program than a way to make welfare benefits less attractive. "They're never going to be the most essential jobs in society," admits Brookings Institution economist Gary Burtless. "On the other hand, people are doing something for the

benefits they get."

No one in the Clinton camp holds up old-style programs like the WPA or CETA as models for Clinton's new-style thinking. One of the attractions of the investment tax credit is that it avoids bureaucracy, leaving it to the business sector to create the jobs. But the ITC, too, has enjoyed only spotty success in its previous incarnations. And if the lowest interest rates in two decades aren't inducing businesses to invest, will a tax break make that much difference?

Clinton will have some easy, symbolic opportunities to signal his concern about unemployment. About \$4 billion in highway and transit programs around the country are ready for construction as soon as money is available; for a relatively small sum, the new president's name could go up on red, white and blue signboards coast to coast. Luck may enable him to avoid more costly choices. Unemployment is falling, layoffs are down and small businesses are doing more hiring. By Inauguration Day in January, confidence may be on the upswing even without an extra boost from Washington. The pressure for jobs programs would fade—and the Clintonites could get on with the task of putting the economy on a sound footing for the long term.

MARC LEVINSON

choice. Our plan is based on empowering people to get the kind of training they want, not empowering the bureaucracies to hire more people. That is a very different approach than the approach the others are taking toward job training.

The Governor of Arkansas says he's all for free enterprise. Then he proposes right out of the box the largest tax increase in history, much of it on the back of small business. I learned the hard way, holding out my hand to that gridlocked Congress, and they bit it off. Once you make one mistake you don't make it again. I am not going to go forward and go with this program of spending and taxes.

We've literally proposed, and it's before Congress right now, eliminating over 200 programs and 4,000 projects. It's there; it's put down in detail. It's before this gridlocked Congress. We've got to do something about changing the Congress. If we had more people like Gary Franks, we wouldn't have a gridlock problem. But the Congress has been controlled—they have been controlled by the same Party for 38 years. Everything else has changed in the country, not the House of Representatives. Help me change the House. Clean it. Clean the House.

My opponent says he's for fiscal responsibility. He's against a balanced budget amendment. Says he's for a line-item veto, but the gridlocked Congress refuses to give it to the President. I stand for something different. I want to see us cut that Federal spending with the help of a new Congress, get the taxes down so we can get the economy stimulated and let people keep a little more of what they earn. It's a big philosophical difference between the Bush-Quayle ticket on the one hand and Clinton-Gore on the other. Look at it, it is fundamentally different.

Now, in this campaign, we've got to call it as we see it. This year I believe the choice is very clear. We've got two different, fundamentally different approaches. I believe in the Government. You get all this talk: Government, Government, of the Government, by the Government, for the Government. That's not going to get the job done. We are fighting against that because we happen to believe still that the power should flow from

the people. So it's of the people, by the people, and for the people. Really, what's at stake here is the future of this country.

We're in choppy waters. I heard the Reverend. I know it. People that are hurting and can't find jobs when they need it. I'll tell you another area we've got a big difference: on the defense spending. I have cut defense, but we're not going to cut into the muscle of the defense. The other side wants to take \$60 billion more than Colin Powell and Cheney tell me is the right level. We still have a tough world out there. We must still be strong. While you're thinking about it, we don't needlessly need to throw another million defense workers out of work by cutting back on defense below the levels needed for national security.

Let me just tell you, I wish Barbara Bush were here. This would be great for her morale. This would be great for her spirits.

But I'll tell you something. I want to be serious about this one point. When I drove in here today—and I've been here as some of you know many, many times. My dad was a Senator from this State, and we grew up down the way. Leave out the politics for just a minute. When I came in here this morning, a lot of the people out there were waving. I'm sure they were not for me. They were there because I am privileged to be the President of the United States of America.

But you sense something else out there along the highway. You sense this community feeling and this feeling of family. I want to tell you something. The cynics, the liberal theoreticians, they can ridicule me all they want when I talk about family values. But this one transcends Democrat. It transcends Republican. It gets to the heart of what our community is about. The community has been diminished by the decimation and sometimes the decline of the American family.

I saw it today, that family spirit is still strong. And I just want to pledge to you, I am not going to get off talking about that because we must find ways—whether it's welfare reform, whether it's making the fathers that run away stay there, whether it's helping, as Barbara does, hold someone in the arms to demonstrate the compassion and love we feel for our fellow man—we've got

to find ways to strengthen the American family. It is not demagoguery. It's fundamental to America.

She and I will continue to try to do our level-best to set a level of decency and honor and, hopefully, trust there in the Oval Office and there in the White House.

Thank you very much for this wonderful reception. May God bless the Naugatuck Valley, and may God bless the United States of America.

Note: The President spoke at 2:05 p.m. in Warsaw Park Hall. In his remarks, he referred to Michael Pacowta, president, and David Rifkin, chairman, Greater Valley Chamber of Commerce; former Congressman John Rowland; and Father Robert Weiss, pastor, St. Joseph's Church.

White House Fact Sheet: Worker Adjustment Initiative Aug. 24, 1992

The President today announced a new, comprehensive \$10 billion worker adjustment initiative to assure that American workers have the training and skills they need for employment security today and into the next century.

The President's proposal features:

Universal coverage. All dislocated workers would have access to basic transition assistance and training support.

Skill grants. Vouchers of up to \$3,000 would be available to help meet the costs of providing new skills and training for dislocated workers.

\$10 billion in Federal funding. The plan almost triples the resources currently devoted to skill training and worker adjustment—to \$2 billion a year in each of the next 5 years. This level of funding is sufficient to ensure that workers anticipated to need these adjustment services will have access to those services.

The Problem

Three related developments have created the need for a flexible, adaptable, well-

trained, and highly-skilled workforce in the United States.

First, world trade is expanding and promises to continue to expand during the coming decade. The United States has been at the forefront of this effort through the Uruguay round GATT negotiations and the North American free trade agreement. Expanding trade brings with it great opportunities for exports and job creation. But, it also brings with it the need for adjustment as nations concentrate on what they do best.

Second, the pace of technological change has accelerated. Computers and innovations in production technology have sharply increased manufacturing productivity. Technological advances are reducing the need for certain skills and increasing the need for others.

Third, the end of the cold war provides the U.S. with an historic opportunity to re-evaluate and revise its national security requirements. This development inevitably involves redeploying resources, including human resources, from the defense to the civilian economy.

These changes create new opportunities; they also involve adjustments. Adult workers who lose their jobs need the training and skills that will allow them to adjust and adapt in a dynamic economy, to make the transition to new industries and occupations, and to compete successfully in the global marketplace.

The problem and the challenge is how best to facilitate the development of a dynamic, well-trained workforce that will keep the U.S. globally competitive.

The President's Proposal

In January, the President announced a comprehensive, streamlined Federal job training system that provides "one-stop shopping" for job training services in every community. This structure is designed to meet the Nation's workforce needs into the next century.

Building on this plan, the President proposes to complete the restructuring of Federal job training programs by replacing the current dislocated worker adjustment programs under the Economic Dislocation and Worker Adjustment Assistance (EDWAA)

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and Trade Adjustment Assistance (TAA) Acts with a new \$2 billion a year comprehensive retraining and transition assistance program.

The Department of Labor's new Advancing Skills through Education and Training Services (ASETS) program will assist all dislocated workers, including those who may change jobs or careers as a result of the North American free trade agreement (NAFTA), as well as other workers in changing industries who need training in new skills.

The President's proposal would serve: workers who have lost their jobs, workers who have been notified their jobs are being terminated, and workers employed in industries experiencing significant changes and work force adjustments who fear job loss in the future.

Dislocated workers would be eligible to receive three types of assistance: transition assistance, to help them find and secure new employment. This includes: skills assessment, counseling, job search assistance and job referral services; training assistance, in the form of skill grants, for those workers who want and need retraining and skills development; transition income support, where necessary, for workers completing retraining.

Program Funding

The President's program would be funded at \$10 billion over the next 5 years—\$2 billion annually—and structured as a capped mandatory program to ensure continuity of funding. At this funding level, an estimated 1.2 million workers could be served annually. Two-thirds of the total annual funding (\$1.3 billion) would be allocated to the States. These funds would more than triple the resources now available to States through EDWAA to respond to dislocations. States would provide basic transition assistance service and skill grants for training to dislocated workers regardless of the cause of dislocation, including trade and NAFTA-related employment changes, defense adjustments, etc. One-third of the total annual funding (\$670 million) would be retained by the Secretary of Labor for discretionary allocation for uses of national priority. At least \$335 million a year would be reserved specifically to respond to NAFTA-related dis-

locations. The balance would be reserved to respond to multi-state and industry-wide dislocations (e.g., defense-related layoffs and environmental impacts). This triples the existing funding for these programs. If NAFTA-related dislocations require more funding, the Secretary may shift the allocation to as high as the full \$670 million per annum. Likewise, if NAFTA dislocations require less, as is likely to be the case, the Secretary may shift those resources to other priority dislocations.

Transition Assistance

Every dislocated worker would be eligible to receive basic transition assistance, including: an assessment of their current skills, counseling, help in résumé preparation and interviewing skills, job search assistance and job referral services.

Skill Grants for Training

In addition to basic transition assistance, many dislocated workers may need to develop additional skills or upgrade their current skills. The President's proposal would provide dislocated workers with a skill grant in the form of a voucher. Grants would be awarded in amounts up to \$3,000 per year. Workers would be eligible for the grants for up to 2 years. The grant could be redeemed at any qualified college, junior college, community college or public or private trade school or training institution. Workers would have the freedom and flexibility to choose the type of training that would best meet their needs and aspirations.

Funding priority for individuals applying for the skill grants would be: (1) currently dislocated workers; (2) soon-to-be dislocated workers; (3) workers employed in industries experiencing significant work force adjustments who fear future dislocations.

Transition Income Maintenance

Dislocated workers who enter training early in their unemployment, have exhausted their unemployment insurance benefits, and need income support to complete their training will be eligible to receive transitional income maintenance.

White House Fact Sheet: Youth Skills Initiative

August 24, 1992

The President announced today his Youth Skills Initiative, a new strategy to prepare our Nation's non-college-bound youth for success in the rapidly changing workplace. The President's Youth Skills Initiative consists of four major elements:

Youth Training Corps (YTC). A new residential and nonresidential training program for economically and socially disadvantaged youth;

Treat and Train. A comprehensive youth drug treatment program that will tie rehabilitation together with the Youth Training Corps to ensure that rehabilitated kids get the training needed for a new start in life;

National Youth Apprenticeship Program. A comprehensive school-to-work transition training program for high school juniors and seniors.

Junior Reserve Officer Training Corps (JROTC). Doubling the size of the existing voluntary instructional program for high school students that emphasizes self-discipline, family and social values, citizenship, and personal responsibility.

The Problem

Put simply, the United States needs an increasingly better trained and skilled workforce for the remainder of this decade and the next century. International competition, the expansion of new and complex technologies into the workplace, and a dynamic labor market require a well-trained and highly-skilled work force. One of our greatest challenges in creating such a work force is to facilitate the transition from school to work for non-college-bound youth.

Of the students enrolled in the 11th and 12th grades this fall, approximately 40 percent will not immediately go to college. Of those who do attend, half will fail to complete their first year. Moreover, roughly one-fifth of American high school students either drop out or do not complete high school graduation requirements on schedule.

These young Americans need to acquire the vocational training and workplace skills

that will allow them to compete successfully in the job marketplace.

The President's Proposal

In January, the President announced a comprehensive initiative to streamline the Federal job training system designed to implement "one-stop shopping" for job training in every community. Building upon this concept, the President has proposed a comprehensive plan to expand and improve job training for non-college-bound youth.

The President's Youth Skills Initiative consists of four major elements:

Youth Training Corps (YTC)

The Youth Training Corps will provide economically and socially disadvantaged youth with intensive vocational training and workplace skills. This training will be combined with community service and conservation work in rural areas and on public lands.

The Youth Training Corps will create 25 new YTC centers patterned after the Job Corps' 30 existing Civilian Conservation Corps (CCC) centers to create a total of 55 residential YTC centers nationwide.

These residential centers, located primarily in rural areas, will utilize converted Department of Defense facilities, where appropriate.

Hiring preference for YTC staff will be given to individuals leaving military service. This will allow the YTC to take advantage of the military's high level of leadership and training expertise.

The President's proposal will add 29,600 new training slots that will help 43,000 additional kids each year. Of these additional slots: 16,600 slots will be residential, located at the 25 new YTC centers; 13,000 slots will be non-residential, located at existing Job Corps centers.

The President's proposals will serve an additional 43,000 disadvantaged youths (ages 16 to 21) annually. This will bring the total number of youths served annually by both the YTC and Job Corps to 113,000: 18,700 additional youths would be served at the 25 new YTC centers; 24,300 additional youths would be served on a non-residential basis at new or existing centers.

The YTC will utilize an expanded Job Corps model, relying on a combination of re-

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medial education, technical training, life-skills training, counseling, and other support services.

The YTC participants will spend an average of 7 months as a resident at the Youth Training Corps center and receive both applied learning experiences and basic job training. Participants will work to help improve parks, recreation, or community facilities, and public/low-income housing.

The YTC would have an initial, start-up cost of \$200 million (FY 1994 and FY 1995), expanding to \$385 million per year when fully in place.

Treat and Train Program

This initiative will strengthen existing youth drug treatment programs and complement the Youth Training Corps. The President's proposal will fund 10,000 new drug treatment slots at intensive drug rehabilitation centers. Two-thirds of the new slots will be residential. Participants stay in the residential centers an average 9 months. One-third of the new slots will be outpatient. The President's proposal will serve an additional 28,000 youths annually, increasing the number of youth served by Federally-funded treatment by roughly 30 percent. Successfully completing the treatment program will give participants priority status for admission to the Youth Training Corps (YTC). The program will cost \$150 million per year beginning in FY 1994.

National Youth Apprenticeship Program

This initiative will substantially expand the President's "National Youth Apprenticeship Act of 1992," which was initiated in January as a component of the Job Training 2000 proposal and transmitted to the Congress in May. This plan is a comprehensive, voluntary program for high school juniors and seniors that combines classroom instruction with a structured, paid, work experience program. The Department of Labor will provide community organization funding, planning, and curriculum design using the current six-State demonstration program as a model to expand the program to all 50 States. Students who successfully complete the program receive a high school diploma and a widely-recognized certificate of skill competency. Students will also have the opportunity to continue train-

ing at the post-secondary level. The Targeted Jobs Tax Credit will be available to employers to cover participating students that meet current TJTC economically disadvantaged eligibility criteria. The National Youth Apprenticeship program will cost \$100 million per year beginning in FY 1994. The TJTC expansion will cost an estimated \$10 million in FY 1994 and \$160 million over 5 years.

Junior Reserve Officer Training Corps (JROTC)

This initiative will more than double the size of the present JROTC program, a very successful and popular partnership between the military services and the public and private schools. JROTC emphasizes self-discipline, values, citizenship, personal responsibility, and staying in school among high school students, and provides an alternative to drugs and gangs. The President's proposal will add 1,500 new JROTC units to the present 1,482 units, and will include as many as 225,000 more high school students. The program will emphasize increasing the number of inner city high school JROTC programs initially, but plans call for JROTC to be made available to every high school across the country that requests it and qualifies. The goal is to establish 2,900 units by 1994. JROTC is a low-cost education program that provides those who participate in it with positive incentives to stay in school. Well-trained, highly motivated former military personnel serve as instructors. This initiative will provide job opportunities for highly qualified personnel retiring from military service. The Department of Defense will help local school systems absorb some of the costs for the new inner-city school JROTC programs.

Excerpts of Remarks by Press Secretary Fitzwater on Disaster Assistance for Florida Following Hurricane Andrew

August 24, 1992

The President has ordered Federal assistance to the State of Florida to help in the disaster relief efforts going on there. He has just signed the declaration declaring three counties, Dade, Broward, and Monroe, as eli-

gible for disaster assistance. We probably will have other counties come in later.

The President talked to the Governor this morning by telephone and expressed that he wanted to make sure he knew that he would have the full support of the Federal Government in this effort.

We will be going to Florida within an hour or two. We will probably step up the pace of this event a little bit and depart here at around 3 p.m. to 3:20 p.m. for Florida.

Wallace Stickney, who is the head of the FEMA, Federal Emergency Management Agency, and Senator Connie Mack will be joining us, and we will fly to Opa Locka, Florida, arriving there probably a couple of hours after we depart here.

We don't have very much information at the moment. The initial damage estimates, the requests for assistance cover about \$50 million, but the initial reports of damage could go as high as \$6 billion to \$8 billion.

So this is just the beginning, but we want to get on the scene quickly and start making available funds for housing particularly and for cleanup and for other emergency needs.

Note: Press Secretary Fitzwater spoke to reporters at 2 p.m. in Warsaw Park Hall in Ansonia, CT. The remarks also contained schedule and departure information for the press.

Appointment of Robert B. Zoellick as Deputy Chief of Staff to the President

August 24, 1992

The President today announced the appointment of Robert B. Zoellick, of the District of Columbia, to be Deputy Chief of Staff to the President.

Since 1991, Mr. Zoellick has served as Under Secretary of State for Economic and Agricultural Affairs and also as Counselor of the Department of State since 1989. Prior to this, Mr. Zoellick served on the State Department transition, 1988-89. Mr. Zoellick also has served in several capacities at the Department of the Treasury: Counselor to

the Secretary of the Treasury and Executive Secretary, 1988; Executive Secretary and Special Advisor to the Secretary, 1986-87; Deputy Assistant Secretary for Financial Institutions Policy, 1985-86; Acting Deputy Assistant Secretary for Financial Institutions Policy, 1985-86; and Special Assistant to the Deputy Secretary, 1985. In addition, Mr. Zoellick has served as a law clerk for the U.S. Court of Appeals for the District of Columbia Circuit, 1982-83; as a staff assistant in the Office of the Assistant Attorney General in the Criminal Division at the Department of Justice, 1978-79; and as a research assistant for the Council on Wage and Price Stability in the Executive Office of the President, 1975-76.

Mr. Zoellick graduated from Swarthmore College (B.A., 1975), Harvard University's Kennedy School of Government (M.P.P., 1981), and Harvard Law School (J.D., 1981). He was born July 25, 1953, in Evergreen Park, IL. Mr. Zoellick is married and resides in Washington, DC.

Appointment of Margaret DeBardeleben Tutwiler as Assistant to the President for Communications August 24, 1992

The President today announced the appointment of Margaret DeBardeleben Tutwiler as Assistant to the President for Communications.

Since 1989, Miss Tutwiler has served as Assistant Secretary of State for Public Affairs and Department Spokesman. Prior to this, Miss Tutwiler served as deputy to the chairman of the Bush-Quayle '88 campaign and as Assistant Secretary for Public Affairs and Public Liaison at the U.S. Department of the Treasury, 1985-88. Prior to her work at Treasury, Miss Tutwiler was a member of President Reagan's senior White House staff, serving as Deputy Assistant to the President for Political Affairs, 1984-85. Following President Reagan's reelection in 1984, Miss Tutwiler was Director of Public Liaison for the 50th American Presidential Inaugural; and from 1980 to 1984, Special Assistant to the President and Executive Assistant to the Chief of Staff. In 1985, Miss Tutwiler served

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Accession Number: 270041

Date: 03/02/93

100,000 AMERICANS EXPECTED IN NATIONAL SERVICE PROGRAM
By Eric Green USIA Staff Writer

WASHINGTON -- President Clinton is campaigning hard for adoption of a plan that would enable young Americans to pay for college or job training costs by doing one to two years of public service.

Wrapping up a day of promoting the plan to college audiences in New Jersey, Clinton told young viewers on cable television's MTV rock-music channel that he wanted to make his National Service plan the 1990s domestic equivalent to the Peace Corps, which was authorized 32 years ago on March 1. The Peace Corps sends American volunteers overseas on two-year public service assignments.

Clinton told MTV March 1 that he expects about 30,000 positions such as tutors, health care aides, police cadets or anti-pollution workers to be available for young Americans in the first year of the program, costing at the outset \$400 million. By 1997, he said, there will be 100,000 positions costing \$3,400 million.

Clinton said he based his 100,000 figure "on a certain assumption about the division between those who choose to work one year and those who choose to work two (years)."

As an example of the kind of national service program he envisions, Clinton said it would begin with a small demonstration "summer of service" pilot project paid for with \$15 million from the economic stimulus package he has proposed to Congress. The summer program would use existing community service organizations to employ 1,000 students in a variety of service projects, particularly ones oriented toward helping children.

Eli Segal, the presidential aide who is designing the program, said the 100,000 figure came from determining how many students could be served by \$3,400 million. He said there is no national experience to predict how many young people would want to do community service.

Clinton said that if more than 100,000 people want to do national service, he will go back to Congress and try to get more money.

The president said he is not worried about labor unions protesting that their members would be displaced by those doing national

service, saying there will be a non-displacement agreement to prevent that from occurring.

"There'll have to be a showing by a city that (the National Service workers) are not displacing anybody from an existing job, in a police job, or a teaching job," he said.

"I want to try to get as many people in service as we can," Clinton said. "I think after about six or seven years we could be up to about half a million."

Borrowing heavily from the words of President John F. Kennedy, who launched the Peace Corps, Clinton earlier told audiences at Rutgers University that "I came here to ask you to join me in a great national adventure (that) will change America forever, and for the better ... for many in my own generation, the summons to citizenship and service came on this day, 32 years ago."

The president, asked about the Peace Corps, said he wished he had volunteered in that program.

"I wish I'd had a chance to work in another country," Clinton said. "I think if I hadn't gotten a (Rhodes) scholarship to go to England and live, it's something I might well have done. I wanted to live in another country and get involved with people in another country. And I wish now I'd been able to go, particularly to a more distant culture."

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Accession Number: 269834
Date: 03/01/93

CLINTON OFFERS REWARDS FOR NATIONAL SERVICE
(Unofficial text: remarks at Rutgers) (4220)

Piscataway, New Jersey -- President Clinton would provide college education benefits to those who volunteer to meet neglected social needs.

The president traveled to Rutgers University in New Jersey March 1 to celebrate the notion of rewarding voluntary service to the nation in education, crime control, health care and environmental protection. He said he will propose legislation soon to apportion the \$5,800 million dollars set aside for those purposes in his budget.

"Each of us," the president said, "has an obligation to serve, for it is perfectly clear that all of us cannot be what we ought to be until those who can help others -- and that is nearly all of us -- are doing something to help others live up to their potential."

Following is an unofficial text of the president's remarks:

(begin text)

I came here to ask all of you to join me in a great national adventure. Or in the next few weeks, I will ask the U.S. Congress to join me in creating a new system of voluntary national service, something that I believe in the next few years will change America forever and for the better. My parents' generation won new dignity working their way out of the Great Depression, through programs that provided them the opportunity to serve and to survive. Brave men and women in my own generation waged and won peaceful revolutions here at home for civil rights and human rights and began service around the world in the Peace Corps and here at home in VISTA.

Now, Americans of every generation face profound challenges in meeting the needs that have been neglected for too long in this country, from city streets plagued by crime and drugs, to classrooms where girls and boys must learn the skills they need for tomorrow, to hospital wards where patients need more care. All across America, we have problems that demand our common attention. For those who answer the call and meet these challenges, I propose that our country honor your service with new opportunities for education.

National service will be America at its best, building community, offering opportunity, and rewarding responsibility. National

service is a challenge for Americans from every background and walk of life. And it values something far more than money. National service is nothing less than the American way to change America.

It is rooted in the concept of community, the simple idea that none of us on our own will ever have as much to cherish about our own lives if we are out here all alone as we will if we work together, that somehow a society really is an organism in which the whole can be greater than the sum of its parts. And every one of us, no matter how many privileges with which we are born, can still be enriched by the contributions of the least of us, and that we will never fulfill our individual capacities until, as Americans, we can all be what God meant for us to be. If that is so, if that is true, my fellow Americans, and if you believe it, it must therefore follow that each of us has an obligation to serve, for it is perfectly clear that all of us cannot be what we ought to be until those of us who can help others -- and that is nearly all of us -- are doing something to help others live up to their potential.

The concept of community and the idea of service are as old as our history. They began the moment America was literally invented. Thomas Jefferson wrote in the Declaration of Independence, "with a firm Reliance on the Protection of divine Providence, we mutually pledge to each other our lives, our Fortunes and our sacred Honor."

In the midst of the Civil War, President Lincoln signed into law two visionary programs that helped our people come together again and build America up. The Moral Act helped states create new land-grant colleges. This is a land-grant university. The university in my home state was the first land-grant college west of the Mississippi River. In these places, young people learn to make American agriculture and industry the best in the world. The legacy of the Moral Act is not only our great colleges and universities, like Rutgers, but the American tradition that merit and not money should give people a chance for a higher education. Mr. Lincoln also signed the Homestead Act that offered 100 acres of land for families who had the courage to settle the frontier and farm the wilderness. Its legacy is a nation that stretches from coast to coast.

Now we must create a new legacy that gives a new generation of Americans the right and the power to explore the frontiers of science and technology and space, the frontiers of the limitations of our knowledge must be pushed back so that we can do what we need to do. And education is the way to do it, just as surely as it was more than 100 years ago.

Seven decades after the Civil War, in the midst of the Great Depression, President Roosevelt created the Civilian Conservation Corps, which gave 2-1/2 million young people the opportunity to support themselves while working in disaster relief, and maintaining forests, beaches, rivers, and parks. Its legacy is not only the restoration of our natural environment, but the restoration of our national spirit.

Along with the Work Products Administration, the WPA, the civilian conservation corps symbolized government's efforts to provide a nation in depression with the opportunity to work to build the American community through service. And all over America today, you can see projects -- even today in the 1990s -- built by your parents or your grandparents with the WPA plaque on it, the CCC plaque on it, the idea that people should be asked to serve and rewarded for doing it.

In the midst of World War II, President Roosevelt proposed the GI Bill of Rights which offered returning veterans the opportunity for education in respect for their service to our country in the war. Thanks to the GI Bill, which became a living reality in President Truman's time, more than eight million veterans got advanced educations. And half a century later, the enduring legacy of the GI Bill is the strongest economy in the world and the broadest, biggest middle class that any nation has ever enjoyed.

For many in my own generation, the summons to citizenship and service came on this day 32 years ago when President Kennedy created the Peace Corps. With Sargent Shriver and Harris Wofford and other dedicated Americans, he enabled thousands of young men and women to serve on the leading edge of the new frontier, helping people all over the world to become what they ought to be and bringing them the message by their very lives that America was a great country that stood for good values and human progress. At its height, the Peace Corps enrolled 16,000 young men and women. Its legacy is not simply goodwill and good works in countries all across the globe, but a profound and lasting change in the way Americans think about their own country and the world.

Shortly after the Peace Corps, Congress under President Johnson created the Volunteers in Service to America. Senator Jay Rockefeller, whom I introduced a moment ago, and many thousands of other Americans went to the hills and hollows of poor places like West Virginia and Arkansas and Mississippi to lift up Americans through their service.

The lesson of our whole history is that honoring service and rewarding responsibility is the best investment America can

make. And I have seen it today across this great land through the Los Angeles Conservation Corps which took the children who lived in the neighborhoods where the riots occurred and gave them a chance to get out into nature and to clean up their own neighborhood and to lift themselves and their friends in the effort, in Boston with the City Year program, with all these programs represented here in this room today. The spirit of service is sweeping this country and giving us a chance to put the quilt of America together in a way that makes a strength out of diversity, that lifts us up out of our problems, and that keeps our people looking toward a better and brighter future.

National service recognizes a simple but powerful truth: that we make progress not by governmental action alone, but we do best when the people and their government work at the grassroots in genuine partnership. The idea of national service permeates many other aspects of the programs I have sought to bring to America. The economic plan I announced to Congress, for example, will offer every child the chance for a healthy start through immunization and basic health care and to Head Start. But still it depends on parents doing the best they can as parents, and children making the most of their opportunities.

The plan can help to rebuild our cities and our small communities through physical investments that will put people to work. But Americans still must work to restore the social fabric that has been torn in too many communities. Unless people know we can work together in our schools, in our offices, in our factories, unless they believe we can walk the streets safely together, and unless we do that together, governmental action alone is doomed to fail.

The national service plan I propose will be built on the same principles as the old GI Bill. When people give something of invaluable merit to their country, they ought to be rewarded with the opportunity to further their education. National service will challenge our people to do the work that should and, indeed, must be done and cannot be done unless the American people voluntarily give themselves up to that work. It will invest in the future of every person who serves.

And as we rekindle the spirit of national service, I know it won't disappoint many of the students here to know that we also have to reform the whole system of student loans. We should begin by making it easier for young people to pay back their student loans and enabling them to hold jobs that may accomplish much but pay little.

Today, when students borrow money for an education, the repayment plan they make is based largely on how much they have to repay without regard to what the jobs they take themselves pay. It is a powerful incentive, therefore, for young college graduates to do just the reverse of what we might want them to do, to take a job that pays more, even if it is less rewarding, because that is the job that will make the repayment of the loans possible. It is also, unfortunately, a powerful incentive for some not to make their payments at all, which is unforgivable.

So what we seek to do is to enable the American students to borrow the money they need for college and pay it back as a small percentage of their own income over time. This is especially important after a decade in which the cost of a college education has gone up even more rapidly than the cost of health care making a major contribution to one of the more disturbing statistics in America today, which is that the college drop-out rate in this country is now 2-1/2 times the high school drop-out rate. We can do better than that through national service and adequate financing.

The present system is unacceptable not only for students but for the taxpayers as well. It's complicated and it's expensive. It costs the taxpayers of our country about \$4 billion every year to finance the student loan program because of loan defaults and the cost of administering the program. And I believe we can do better.

Beyond reforming this system for financing higher education, the national service program, more importantly, will create new opportunities for Americans to work-off outstanding loans or to build up credits for future education and training opportunities. We'll ask young people all across this country, and some who aren't so young, who want to further their college education, to serve in our schools as teachers or tutors in reading and mathematics.

We'll ask you to help our police forces across the nation, training members for a new police corps that will walk beats and work with neighborhoods and build the kind of community ties that will prevent crime from happening in the first place so that our police officers won't have to spend all their time chasing criminals.

We'll ask young people to work to help control pollution and recycle wastes, to paint darkened buildings, and clean up neighborhood to work with senior citizens and combat homelessness and help children in trouble get out of it and build a better life.

And these are just a few of the things that you will be able to do, for most of the decisions about what you can do will be made by people like those in this room, people who run the programs represented by all of those wearing these different kinds of T-shirts. We don't seek a national bureaucracy. I have spoken often about how we need to reinvent the government to make it more efficient and less bureaucratic, to make it more responsive to people at the grassroots level, and I want national service to do just that. I want it to empower young people and their communities, not to empower yet another government bureaucracy in Washington. This is going to be your program at your level with your people.

And as you well know, that's what's happening all across America today. People are already serving their neighbors and their neighborhoods. Just this morning, I was inspired to see and to speak with students from Rutgers serving their community from mentoring young people as big sisters to helping older people learn new skills. I met a lady today who has 13 grandchildren and five great grandchildren who dropped out of school the year before I was born who is about to become a high school graduate shortly because of the efforts of this program. Is she back there? Stand up.

I'm impressed by the spirit behind the Rutgers civic education and community service program, the understanding that community service enriches education, that students should not only take the lessons they learn in class out into the community, but bring the lessons they learn in the community back into the classroom. In that spirit during this academic year alone, more than 800 students from Rutgers are contributing more than 60,000 hours of community service, in New Brunswick, in Camden, in Newark, throughout this state.

This morning, I also met with members of the New Jersey Youth Corps. Here they are. Stand up. Young people who are looking for a second chance at school and who, in coming back to finish their high school degrees, also serve in their communities. Through this program, more than 6,500 young adults have contributed over 900,000 hours of service to the state of New Jersey. They've done everything from paint senior citizens homes to tutor and mentor children in after-school programs. For the future of our state and nation, we need more young people like those in the New Jersey Youth Corps who exemplify the spirit of service.

That spirit also moves people all across the nation. In my state, there is a young woman named Antoinette Jackson, who is a senior in a small community called Gould, Arkansas. She's a

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member of the Delta Service Corps. The rural Mississippi delta is still the poorest place in America. And in that area, she works with the Lend A Hand program, which runs a thrift shop to provide hungry and homeless people with food and clothing. And in return, the Delta Corps is going to help her attend college so that she can make an even greater contribution.

The spirit of service also moves a young man I met about a year ago named Steven Spalos, who works with the City Year program in Boston. At age 23, he's had some hard times in his life, but as he puts it, City Year gave him a place and the tools to be able to start over. He works as a team leader, a mentor, a tutor, a project manager for a bunch of young people who restore senior citizens homes. And last year, when I visited his project, he literally took his sweatshirt off his back and gave it to me so that I would never forget the kids at City Year, and I still wear it when I go jogging, always remembering what they're doing in Boston to help those kids.

The spirit of service moves Ora Fierman, a graduate of Wesleyan College. As a sophomore in high school, she worked with disadvantaged children in upstate New York. That experience changed her life, and during her high school and college years, she continued to work with children, and now that she's out of college, she has begun what will probably be a lifetime of service by working at a school for emotionally disturbed children in Boston. She wants other people to have the opportunity to serve, and she wrote this: "Service work teaches responsibility and compassion. It fights alienation by proving to young people that they can make a difference. There is no lesson more important than that."

Well, there are stories like this in this room and all across America, and we're going to create thousands of more of them through national service. We'll work with groups with proven track records to serve their community, giving them the support they need, and if you have more good ideas, if you are entrepreneurs of national service, we'll let you compete for our form of venture capital and develop new programs to serve your neighbors. That's how we want the national service program to grow every year, rewarding results, building on success, and bubbling up from the grass roots energy and compassion and intellect of America. I don't want service to wait while this potential is wasted. That's why I want to make this summer a summer of service, when young people can not only serve their communities, but build a foundation for a new national effort.

I've asked Congress to invest in, and I'm asking young people to participate in a special effort in national service and leadership training just this summer. We are going to recruit

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about a thousand young people from every background, from high-school dropouts to college graduates, to send to an intensive leadership training program for national service at the beginning of the summer. Then we'll ask them to work on one of our country's most urgent problems -- helping our children who are in danger of losing their God-given potential. Some of them will tutor, some will work on programs to immunize young children from preventable childhood diseases, some will help to develop and run recreational centers, or reclaim urban parks from dealer and debris. Some will counsel people a few years younger than themselves to help keep them out of gangs and into good activities. And everyone will learn about serving our country and helping our communities.

At the end of this summer, we'll bring all these people together for several days of debriefing and training, and then they'll all join in a youth service summit. I will attend the meeting, and I expect to listen a lot more than I talk. I'll ask leaders from Congress, from business, labor, religious and community groups to attend the youth service summit, too. We'll give those who serve the honor they deserve, and we'll learn a lot more about how to build this national service program. And from the thousand pioneers of this summer, I want the national service to grow 100-fold in the next four years.

But even when hundreds of thousands are serving, I want to maintain the pioneer spirit of this first few months because national service can make America new again. It can help solve our problems, educate our people, and build our communities back together. So if anybody here would like to be one of those 1,000, or if anybody who is listening to this speech by radio or television or reads about it would like to be one of those 1,000, drop me a card at the White House, and just mark it "National Service." We're going to pick them, and I can't promise you'll be selected, but I promise you'll be considered. I want to engage the energies of America in this effort.

I also want to say that you shouldn't wait for the summer or for a new program. We need to begin now. We are going to be looking for the kinds of ideas that we ought to be funding. This is Monday. I ask you, by Friday, every one of you to think about what you think you can do and what we should do to be agents of renewal; to talk with your parents, your clergy, your friends, your teachers, to join the effort to renew our community and to rebuild our country, and to write to me about what you are doing.

It's time for millions of us to change our country block by block, neighborhood by neighborhood, time to return to our roots and excitement in idealism and in energy.

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I have to tell you that there are some among us who do not believe that young Americans will answer a call to action, who believe that our people now measure their success merely in the accumulation of material things. They believe this call to service will go unanswered. But I believe they are dead wrong.

And so, especially to the young Americans here, I ask you to prove that those who doubt you are wrong about your generation. And today I ask all of you who are young in spirit, whether you are a 10-year-old in a service program in our schools who reads to still younger children or a 72-year-old who has become a foster grandparent, I ask you all to believe that you can contribute to your community and your country. And in so doing, you will find the best in yourself, you will learn the lessons about your life that you might not ever learn any other way. You will learn again that each of us has the spark of potential to accomplish something truly and enduringly unique. You will experience the satisfaction of making a connection in a way with another person that you could do in no other way. You will learn that the joy of mastering a new skill or discovering a new insight is exceeded only by the joy of helping someone else do the same thing. You will know the satisfaction of being valued not for what you own or what you earn or what position you hold, but just because of what you have given to someone else. You will understand in personal ways the wisdom of the words spoken years ago by Martin Luther King who said, "Everybody can be great because everybody can serve."

I ask you all, my fellow Americans, to support our proposal for national service and to live a proposal for national service, to learn the meaning of America at its best and to recreate for others America at its best. We are not just another country, we have always been a special kind of community linked by a web of rights and responsibilities, and bound together not by bloodlines but by beliefs. At an age and time when people all across the world are being literally torn apart by racial hatred, by ethnic hatreds, by religious divisions, we are a nation with all of our problems where people can come together across racial and religious lines and hold hands and work together, not just to endure our differences but to celebrate them. I ask you to make America celebrate that again.

I ask you, in closing, to commit yourself to this season of service because America needs it. We need every one of you to live up to the fullest of your potential, and we need you to reach those who are not here and who will never hear this talk and who will never have the future they could otherwise have if not for something that you could do. The great challenge of your generation is to prove that every person here in this great land

can live up to the fullest of their God-given capacity. If we do it, the 21st century will be the American century. The American dream will be kept alive if you will today answer the call to service.

Thank you, and God bless you all.
(end text)

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MISSION:
SELF-HELP

Innovative programs that help the unemployed and people on public assistance start their own businesses are beginning to have an impact. These programs use "micro-lending"—giving modest amounts ranging from \$500 to \$10,000 to would-be entrepreneurs. The loans—which are smaller than most bank loans—are seen as a way to encourage self-sufficiency and create new small businesses.

With 9.1 million workers unemployed in April and more than 13.3 million people on welfare, the number of individuals relying on government help to survive has created problems. But despite distressing numbers, observers says there is hope. "Expanding entrepreneurship is crucial," says Kathy Keeley, policy committee vice chair of the Association for Enterprise Opportunity. "With the economy as it is, we can't keep doing things the old way. In the long run, this approach should get people off government rolls sooner."

A variety of programs have helped people start businesses such as bakeries, clothing stores, and word-processing firms. Here is a short list of programs across the country:

■ The Massachusetts Enterprise Project (MEP) is a three-year pilot program that helps people receiving unemployment benefits in the state start businesses. MEP's 500 participants receive intensive business development training. Normal unemployment benefit guidelines are waived so that participants can continue to receive a stipend equal to their unemployment compensation



Young and Iacocca announce opening.

JOB DEVELOPMENT

CHRYSLER
RAISES HOPES

The Chrysler Corp's decision to build a \$1 billion car manufacturing plant in a depressed Detroit neighborhood may stimulate reinvestment in the nation's urban centers. The hope is that the state-of-the-art Jefferson North assembly plant will lead to job creation and community redevelopment that will benefit mi-

norities and other low-income inner-city residents.

The new 1.75 million square-foot plant assembles Chrysler's Jeep Grand Cherokee sport-utility vehicle, one of its best-selling models. "We didn't want to turn our back on Detroit," says Chrysler Chairman Lee A. Iacocca.

"The city and its people supported us for more than 60 years. Jefferson North is a testament to our loyalty and commitment to the city." The city, which is more than 76% black, has an unemployment rate that regularly hovers around 20%, nearly three times the national average.

Chrysler raised eyebrows among Wall Street analysts by going against the trend of locating manufacturing plants in lower-costing rural areas. An estimated \$280 million in city, state and federal land improvements and tax abatements helped

make the decision to stay in Detroit possible.

The high cost of maintaining the plant's older work force, which has an average age of 51 years, has also raised concern. But Jefferson North plant manager Tom Breneiser says the older workers are a plus because they can be trained faster and, "they're more settled and reliable than a younger group might be."

Benefits from the plant are already apparent. Victoria Park, a new development of 157 single-family homes, has been built three blocks away from the plant. "We see the plant as a stabilizing influence," says Bob Berg, a spokesman for Mayor Coleman A. Young. "You know that if you buy a new home here, you're near something that will be there for a long time. It's not a deteriorating neighborhood."

Observers say that over time, small businesses should open up in the neighborhood to service the workers and the new home owners.

—Trudy Gallant-Stokes

for up to 24 weeks while their business gets off the ground. About 80% of the first year's class was still in business a year later. For more information, call 617-727-1826.

■ The Los Angeles-based Coalition for Women's Economic Development (CWED) sponsors a 12-week micro-business course for low-income women. Participants are taught how to obtain a business license, price, market, advertise and more. "Solidarity circles" are formed, where five women act as a support group, to counsel and assume each other's debt if necessary.

Women can apply for loans of



Ruth Bell started a bakery through DSEP.

up to \$1,500 at 15% interest. If they repay the first loan on time, they can then borrow up to \$5,000. Seventy-five loans have been made with no defaults. For

more information, call 213-489-1202.

■ The Detroit Self Employment Project (DSEP) helps recipients of Aid to Families with Dependent Children (AFDC) start small businesses. After completing an 11-week training program, DSEP offers participants loans of \$500 to \$10,000 through a consortium of local banks. AFDC recipients can continue to receive aid for up to two years while recycling any income they generate back into the business. More than 200 people have completed training since 1988. For more information call 313-577-5693.

—Trudy Gallant-Stokes