

TRADE AND INTERNATIONAL ECONOMIC POLICY REFORM
ACT OF 1987

APRIL 6, 1987.—Ordered to be printed

Mr. HAWKINS, from the Committee on Education and Labor,
submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 3 which on January 6, 1987, was referred jointly to the Committees on Ways and Means, Agriculture, Banking, Finance and Urban Affairs, Education and Labor, Energy and Commerce, and Foreign Affairs]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor to whom was referred the bill (H.R. 3) to enhance the competitiveness of American industry, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out title V and insert in lieu thereof the following:

***TITLE V—EDUCATION AND TRAINING FOR
AMERICAN COMPETITIVENESS***

SEC. 501. SHORT TITLE.

This title may be cited as the "Education and Training for American Competitiveness Act of 1987".

SEC. 502. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the relationship between a strong and vibrant educational system and a healthy national economy is inseparable in an era

in which economic growth is dependent on technology and is imperiled by increased foreign competition;

(2) our Nation's once undisputed pre-eminence in international commerce is facing unprecedented challenges from competitor nations who have given priority to the relationship between education and economic growth in areas such as high technology industries;

(3) our standing in the international marketplace is being further eroded by the presence in the workforce of millions of Americans who are functionally or technologically illiterate or who lack the mathematics, science, foreign language, or vocational skills needed to adapt to the structural changes occurring in the global economy;

(4) our competitive position is also being eroded by declines in the number of students taking advanced courses in mathematics, science, and foreign languages and by the lack of modern technical and laboratory equipment in our educational institutions;

(5) restoring our competitiveness and enhancing our productivity will require that all workers possess basic educational skills and that many others possess highly specific skills in mathematics, science, foreign languages, and vocational areas; and

(6) our Nation must recognize the substantial impact that an investment in human capital will have on increasing productivity.

(b) PURPOSES.—It is therefore the purpose of this Act to establish programs designed—

(1) to enhance ongoing efforts in elementary and secondary education;

(2) to improve our productivity and competitive position by investing in human capital;

(3) to assist out-of-school youth and adults who are functionally illiterate in obtaining the basic skills needed for them to become productive workers in a competitive economy;

(4) to help educational institutions prepare those engaged in work relating to mathematics, science, and foreign languages by improving and expanding instruction in those areas and by modernizing laboratory and technical equipment;

(5) to enhance the skills of workers affected, or about to be affected, by economic change, in order to prevent dislocation within existing industries and to strengthen emerging domestic industries; and

(6) to accomplish such purposes without impairing the availability of funds to carry out existing programs that address the needs of dislocated workers, such as previously authorized education programs.

Subtitle A—Education for American Competitiveness

SEC. 505. DEFINITIONS.

As used in this subtitle—

(1) *The term “institution of higher education” has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965.*

(2) *The terms “local educational agency” and “State educational agency” have the same meaning given such terms under section 198 of the Elementary and Secondary Education Act of 1965.*

(3) *The term “Secretary” means the Secretary of Education.*

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

SEC. 506. GENERAL PROVISIONS.

(a) **GRANT REQUIREMENTS.**—*The Secretary shall ensure, with respect to grants provided under this subtitle, that—*

(1) *services assisted by funds received under such grants shall be made available to historically underrepresented and underserved populations of students, including females, minorities, handicapped individuals, individuals with limited English proficiency, and migrant students;*

(2) *the terms “training” and “instruction” are interpreted to include training and instruction through telecommunications technologies, including the full range of current and new technologies that can be used for educational purposes, such as television broadcasts, closed circuit television systems, cable television, satellite transmissions, computers, VHS, laser discs, and audio by discs, tapes, or broadcast, and such other video and telecommunications technologies that alone or in combination can assist in teaching and learning; and*

(3) *where appropriate, programs funded under this subtitle shall be coordinated with other federally funded education and training programs.*

(b) **ADDITIONAL ELIGIBLE INSTITUTIONS.**—*For purposes of any program authorized by this subtitle, institutions eligible to participate shall include any accredited proprietary institution providing a program of less than six months duration that is otherwise eligible to participate in any program under this subtitle.*

CHAPTER 1—LITERACY PROGRAMS

SEC. 511. WORKPLACE LITERACY PARTNERSHIPS GRANTS.

(a) **ESTABLISHMENT OF GRANT PROGRAM.**—*The Adult Education Act (20 U.S.C. 1201 et seq.) is amended by inserting after section 315 the following new section:*

*"BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR
WORKPLACE LITERACY*

"SEC. 316. (a) GRANTS TO STATES.—(1) The Secretary may make grants to States which have State plans approved by the Secretary under section 306 to pay the Federal share of the cost of adult education programs which teach literacy skills needed in the workplace through partnerships between—

"(A) business, industry, or labor organizations, or private industry councils; and

"(B) State educational agencies, local educational agencies, institutions of higher education, or schools (including employment and training agencies or community-based organizations).

"(2) Grants under paragraph (1) may be used—

"(A) to fund 90 percent of the cost of programs which meet the requirements of subsection (b);

"(B) for administrative costs incurred by State educational agencies and local educational agencies in establishing programs funded under subparagraph (A); and

"(C) for costs incurred by State educational agencies in obtaining evaluations described in paragraph (3)(A)(iii).

"(3) A State shall be eligible to receive its allotment under subsection (e) if it—

"(A) includes in a State plan submitted to the Secretary under section 306 a description of—

"(i) the requirements for State approval of funding of a program;

"(ii) the procedures under which applications for such funding may be submitted; and

"(iii) the method by which the State shall obtain annual third-party evaluation of student achievement in, and overall effectiveness of services provided by, all programs which receive funding out of a grant made to the State under this section; and

"(B) satisfies the requirements of section 306(a).

"(b) PROGRAM REQUIREMENTS.—Programs funded under subsection (a)(2)(A) shall be designed to improve the productivity of the workforce of a State through improvement of literacy skills needed in the workplace by—

"(1) providing adult literacy and other basic skills services and activities;

"(2) providing adult secondary education services and activities which may lead to the completion of a high school diploma or its equivalent;

"(3) meeting the literacy needs of adults with limited English proficiency;

"(4) upgrading or updating basic skills of adult workers in accordance with changes in workplace requirements, technology, products, or processes;

"(5) improving the competency of adult workers in speaking, listening, reasoning, and problem solving; or

"(6) providing education counseling, transportation, and non-working hours child care services to adult workers while they participate in a program funded under subsection (a)(2)(A).

“(c) PROGRAM APPLICATIONS.—An application to receive funding for a program out of a grant made to a State under subsection (a)(1) shall—

“(1) be submitted jointly by—

“(A) a business, industry, or labor organization, or private industry council; and

“(B) a State educational agency, local educational agency, institution of higher education, or school (including an employment and training agency or community-based organization).

“(2) set forth the respective roles of each member of the partnership; and

“(3) be submitted to the State educational agency in the time and manner and contain such additional information as such agency may require, including evidence of the applicant’s experience in providing literacy services to working adults.

“(d) DIRECT GRANTS.—If a State is not eligible for a grant under subsection (a) the Secretary shall use the State’s allotment under subsection (e)(2) to make direct grants to applicants in that State who are qualified to teach literacy skills needed in the workplace.

“(e) STATE ALLOTMENTS.—(1) The Federal share of expenditures for programs in a State funded under subsection (a)(2)(A) shall be paid from a State’s allotment under this subsection.

“(2) From the sum appropriated for each fiscal year under subsection (f), the Secretary shall allot—

“(A) \$25,000 to each of American Samoa, Guam, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands; and

“(B) to each remaining State an amount which bears the same ratio to the remainder of such sum as—

“(i) the number of adults in the State who do not have a certificate of graduation from a school providing secondary education (or its equivalent) and who are not currently required to be enrolled in schools in the State, bears to

“(ii) the number of such adults in all States.

“(3) At the end of each fiscal year the portion of any State’s allotment for that fiscal year which—

“(A) exceeds 10 percent of the total allotment for the State under paragraph (2) for the fiscal year; and

“(B) remains unobligated;

shall be reallocated among the other States in the same proportion as each State’s allocation for such fiscal year under paragraph (2).

“(f) AUTHORIZATION OF APPROPRIATIONS.—(1) For the purpose of making grants under this section, there are authorized to be appropriated \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

“(2) Amounts appropriated under this subsection shall remain available until expended.”

(b) DEFINITIONS.—Section 303 of the the Adult Education Act (20 U.S.C. 1201 et seq.) is amended by adding at the end the following new subsections:

“(k) The term ‘community-based organization’ has the meaning given such term in section 4(5) of the Job Training Partnership Act (21 U.S.C. 1501 et seq.).

"(1) The term 'private industry council' means the private industry council established under section 102 of the Job Training Partnership Act (21 U.S.C. 1501 et seq)."

SEC. 512. ENGLISH LITERACY GRANTS.

(a) ESTABLISHMENT OF GRANT PROGRAM.—The Adult Education Act (20 U.S.C. 1201 et seq.) is amended by inserting after section 316 (as added by section 511) the following new section:

"ENGLISH LITERACY PROGRAM GRANTS

"SEC. 317. (a) GRANTS TO STATES.—(1) The Secretary may make grants to States which have State plans approved by the Secretary under section 306 for the establishment, operation, and improvement of English literacy programs for individuals of limited English proficiency. Such grants may provide for support services for program participants, including child care and transportation costs.

"(2) A State shall be eligible to receive a grant under paragraph (1) if the State includes in a State plan submitted to the Secretary under section 306 a description of—

"(A) the number of individuals of limited English proficiency in the State who need or could benefit from programs assisted under this chapter;

"(B) the activities which would be undertaken under the grant and the manner in which such activities will promote English literacy and enable individuals in the State to participate fully in national life;

"(C) how the activities described in subparagraph (B) will serve individuals of limited English proficiency, including the qualifications and training of personnel who will participate in the proposed activities;

"(D) the resources necessary to develop and operate the proposed activities and the resources to be provided by the State; and

"(E) the specific goals of the proposed activities and how achievement of these goals will be measured.

"(3) Grants under this section shall be available for not more than three years. The Secretary may terminate a grant only if the Secretary determines that—

"(A) the State has not made substantial progress in achieving the specific educational goals set out in the application; or

"(B) there is no longer a need in the State for the activities funded by the grant.

"(b) SET-ASIDE FOR COMMUNITY-BASED ORGANIZATIONS.—A State that is awarded a grant under subsection (a) shall use not less than 50 percent of funds awarded under the grant to fund programs operated by community-based organizations with the demonstrated capability to administer English proficiency programs.

"(c) REPORT.—A State that is awarded a grant under subsection (a) shall submit to the Secretary a report describing the activities funded under the grant for each fiscal year covered by the grant.

"(d) DEMONSTRATION PROGRAM.—The Secretary, subject to the availability of funds appropriated pursuant to this section, shall directly, and through grants and contracts with public and private

nonprofit agencies, institutions, and organizations, carry out a program through the Adult Education Division—

“(1) to develop innovative approaches and methods of literacy education for individuals of limited English proficiency utilizing new instructional methods and technologies; and

“(2) to establish a national clearinghouse on literacy education for individuals of limited English proficiency to collect and disseminate information concerning effective approaches or methods, including coordination with manpower training and other education programs.

“(e) **EVALUATION AND AUDIT.**—The Secretary shall evaluate the effectiveness of programs conducted under this section. Programs funded under this section shall be audited annually.

“(f) **AUTHORIZATION OF APPROPRIATIONS.**—(1) There are authorized to be appropriated for the purposes of this section the sum of \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

“(2) Funds appropriated pursuant to this section shall remain available until expended.

“(3) Not more than 10 percent of funds available under this section shall be used to carry out the purposes of subsection (d).”

(b) **DEFINITIONS.**—Section 303 of the Adult Education Act (20 U.S.C. 1201 et seq.) (as amended by section 511) is amended by adding at the end the following new subsections:

“(m) The term ‘individual of limited English proficiency’ means an adult or out-of-school youth who has limited ability in speaking, reading, writing, or understanding the English language and—

“(1) whose native language is a language other than English;

or

“(2) who lives in a family or community environment where a language other than English is the dominant language.

“(n) The term ‘out-of-school youth’ means an individual who is under sixteen years of age and beyond the age of compulsory school attendance under State law who has not completed high school or the equivalent.

“(o) The term ‘English literacy program’ means a program of instruction designed to help limited English proficient adults, out-of-school youths, or both achieve full competence in the English language.

“(p) The term ‘community-based organization’ means a private nonprofit organization which is representative of a community or significant segments of a community and which provides education, vocational education, job training, or internship services and programs and includes neighborhood groups and organizations, community action agencies, community development corporations, union-related organizations, employer-related organizations, tribal governments, and organizations serving Native Alaskans and Indians.”

SEC. 513. COORDINATION OF LITERACY PROGRAMS.

(a) **FEDERAL LITERACY OFFICE.**—

(1) **ESTABLISHMENT.**—The Secretary shall establish in the Department of Education an office to be known as the Federal Literacy Coordination Office.

(2) *FUNCTIONS.*—*The Federal Literacy Coordination Office shall—*

(A) *coordinate Federal literacy programs, including grant programs administered under this chapter and other grant programs funded under the Adult Education Act (20 U.S.C. 1201 et seq.); and*

(B) *provide information and guidance to States with respect to the establishment of State and local volunteer programs relating to literacy.*

(b) *GRANTS TO STATES.*—

(1) *IN GENERAL.*—*The Secretary may make grants to States for purposes of establishing State and local offices for coordination of literacy programs, including all programs funded under the Adult Education Act (20 U.S.C. 1201 et seq.).*

(2) *STATE PLANS.*—*A State shall be eligible for a grant under paragraph (1) if it submits a State plan to the Secretary and the Secretary approves such plan. The Secretary may not approve a State plan unless it provides for—*

(A) *designation of area offices for coordination of literacy programs, distributed throughout the State so that persons in all areas of the State have access to literacy programs;*

(B) *training of personnel who will operate the area offices;*

(C) *determination of curricula and materials for literacy programs;*

(D) *oversight of area offices;*

(E) *technical assistance to area offices;*

(F) *programs to recruit volunteers and participants;*

(G) *coordination of the programs described in paragraph*

(F) with existing literacy programs; and

(H) *allocation of funds to area offices.*

(c) *AUTHORIZATION OF APPROPRIATIONS.*—*There are authorized to be appropriated for purposes of carrying out this section \$2,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.*

CHAPTER 2—SCIENCE AND MATHEMATICS ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

SEC. 515. DEPARTMENT OF EDUCATION PROGRAM.

(a) *ESTABLISHMENT OF PROGRAM.*—*Title III of the Education for Economic Security Act (20 U.S.C. 3981 et seq.) is amended—*

(1) *by inserting after the title heading the following:*

“PART A—HIGHER EDUCATION PARTNERSHIPS”; AND

(2) *by adding at the end the following new part:*

"PART B—ELEMENTARY AND SECONDARY EDUCATION PARTNERSHIPS

"PURPOSE

"SEC. 321. *It is the purpose of this chapter to supplement State and local resources to—*

"(1) improve the quality of instruction in the fields of mathematics and science in elementary and secondary schools;

"(2) furnish additional resources and support for the acquisition of equipment, and instructional and reference materials and improvement of laboratory facilities in elementary and secondary schools; and

"(3) encourage partnerships in science and mathematics education between the business community, museums, libraries, professional mathematics and scientific associations, private nonprofit organizations, appropriate State agencies and elementary and secondary schools.

"PROGRAMS AUTHORIZED

"SEC. 322. (a) GRANTS.—*The Secretary may make grants to States to pay the Federal share of the cost of the programs described in section 324.*

"(b) AUTHORIZATION OF APPROPRIATIONS.—*There are authorized to be appropriated for purposes of carrying out this chapter \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.*

"AMENDMENT TO STATE APPLICATION

"SEC. 323. (a) APPLICATION.—*A State shall be eligible to receive a grant under this chapter if—*

"(1) the State submits to the Secretary as part of its application under section 209 such information and assurances as the Secretary may require at such time as the Secretary shall establish; and

"(2) the Secretary approves such application.

"(b) APPLICATION REQUIREMENTS.—*The Secretary shall require each application to include—*

"(1) a description of the State's procedures relating to the use of funds from grants received under this chapter, including the approval process for local applications;

"(2) an assurance that not more than 1 percent of the amount received shall be used for administrative expenses;

"(3) an assurance that the State will, to the extent possible, assist local school districts in economically depressed areas to obtain matching funds from business concerns.

"ELIGIBLE PROGRAMS

"SEC. 324. (a) IN GENERAL.—*A State may use funds from grants received in any fiscal year under this chapter for elementary and secondary programs described in this section. The State educational agency shall administer such funds, which shall be awarded to such programs on a competitive basis.*

"(b) USE OF FUNDS.—*Funds from grants received under this chapter may be used for the following:*

“(1) IMPROVEMENT OF ELEMENTARY AND SECONDARY RESOURCES.—Such funds may be used for acquisition of equipment, instructional and reference materials, and partnership in education programs designed to—

“(A) improve instruction in mathematics and science education at the elementary and secondary level;

“(B) improve laboratory facilities, classroom and library resources in elementary and secondary mathematics and science education; and

“(C) attract matching dollars and in kind contributions of equipment, learning resources or shared time from business concerns, libraries, museums, nonprofit private organizations, professional mathematics and scientific associations, and appropriate State agencies.

“(2) ADVANCED PLACEMENT PROGRAMS.—(A) Such funds may be used for advanced placement programs operated by local educational agencies that are designed to allow qualified secondary students to attend college preparatory schools, colleges, or universities on a part-time or full-time basis with respect to science and mathematics instruction.

“(B) A local educational agency that receives funds from a grant under this chapter for an advanced placement program described in subparagraph (A) shall allocate to such program a percentage of funds received from the State on a per student basis according to—

“(i) the number of students participating in the program; and

“(ii) the instruction time such students receive under the program.

“LOCAL APPLICATIONS

“SEC. 325. (a) ELIGIBILITY.—An applicant that desires to receive a grant under this chapter shall submit an application to the State educational agency, at such time, and in such manner, as the State may require. Such application may take the form of an amendment to an assessment submitted by the local educational agency under section 210, if appropriate.

“(b) REQUIREMENTS FOR APPLICATION.—The State shall require each application to include—

“(1) a description of the activities for which assistance under this part is sought;

“(2) assurances that not more than 5 percent of the amount received by the applicant in any fiscal year shall be expended on administrative expenses;

“(3) if the funds are to be used for improvement of elementary and secondary resources as described in subsection (b)(1)—

“(A) an estimate of the amount to be spent on equipment, facilities improvement, library resources, and classroom instructional material;

“(B) an estimate of the number of elementary and secondary students who will be aided by activities and expenditures under the grant;

“(C) assurances that—

“(i) except as provided in subsection (c), a minimum of 25 percent of the funds for each project will be supplied by business concerns within the community;

“(ii) no stipend shall be paid directly to employees of a profitmaking business concern;

“(iii) provision shall be made for the equitable participation in the project of children who are enrolled in private elementary and secondary schools; and

“(iv) consideration will be given to programs and activities designed to meet the needs of educationally disadvantaged and other traditionally underserved populations; and

“(4) if the funds are to be used for advanced placement programs as described in subsection (b)(2), a commitment as to the percentage of funds received from the State on a per student basis that shall be used by the local educational agency to defray costs of the advanced placement program.

“(c) WAIVER.—The State may waive or reduce the amount of matching funds required under subsection (b)(3)(C)(i) if the State determines that—

“(1) substantial need exists in the area served by the applicant for a grant under this part; and

“(2) the required amount of matching funds cannot be made available.

“(d) JOINT APPLICATIONS.—A regional consortium of applicants in two or more local school districts may file a joint application under subsection (a).

“SUBMISSION OF APPLICATIONS

“SEC. 326. An applicant within a State that desires to receive a grant under this chapter shall submit an application prepared in accordance with section 325 to the State educational agency for approval. Each application with respect to funds for improvement of elementary and secondary resources under section 324(b)(1) shall be submitted jointly by the local educational agency and each business concern or other party that is to participate in the activities for which assistance is sought.

“APPROVAL OF APPLICATIONS

“SEC. 327. (a) CRITERIA.—The State shall establish criteria for approval of applications under this section. Such criteria shall include—

“(1) consideration of the local district’s need for, and inability to locally provide for, the activities, equipment, library and instructional materials requested;

“(2) the number and nature of elementary and secondary students who will benefit from the planned program;

“(3) the expressed level of financial and in-kind commitment from other parties to the program.

“(b) APPROVAL PROCEDURES.—The State shall adopt approval procedures designed to ensure that grants are equitably distributed among—

“(1) rural, urban, and suburban areas; and

“(2) small, medium, and large local educational agencies.

“COMPUTATION OF GRANT AMOUNTS

“SEC. 328. (a) PAYMENTS TO GRANTEEES.—

“(1) PAYMENT BY STATE.—The State shall pay to the extent of amounts received by it from the Secretary under this chapter, to each applicant having an application approved under section 327, the Federal share of the cost of the program described in the application.

“(2) AMOUNT.—(A) Except as provided in subparagraph (B), the Federal share for each fiscal year shall be 75 percent.

“(B) In the case of an applicant that receives a waiver under section 325(c), the Federal share for each fiscal year may be as much as 100 percent.

“(3) NON-FEDERAL SHARE.—The non-Federal share of payments under this chapter may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

“(b) PAYMENTS TO STATES.—

“(1) IN GENERAL.—Except as provided in subsection (c), each State shall receive under this chapter the greater of—

“(A) an amount equal to its share of funds appropriated under chapter 1 of the Education Consolidation and Improvement Act; or

“(B) \$225,000.

“(2) LIMITATION.—A State may not use more than 5 percent of funds received by it under this chapter for administrative costs.

“(c) REDUCTION FOR INSUFFICIENT FUNDING.—If sums appropriated to carry out this part are not sufficient to permit the Secretary to pay in full the grants which States may receive under subsection (b), the amount of such grants shall be ratably reduced.”.

(b) CONFORMING AMENDMENTS.—

(1) TITLE HEADING.—The title heading of such title is amended to read as follows:

“TITLE III—PARTNERSHIPS IN EDUCATION FOR MATHEMATICS, SCIENCE, AND ENGINEERING”.

(2) REFERENCES.—Part A of such title (as redesignated by subsection (a)) is amended by striking out “title” each place such term appears and inserting in lieu thereof “part”.

CHAPTER 3—ELEMENTARY AND SECONDARY FOREIGN LANGUAGE PROGRAMS

SEC. 521. PROGRAMS AUTHORIZED.

(a) GRANTS TO STATES.—From the amount reserved for purposes of this section under section 524B(b)(1), the Secretary shall make grants to States for which applications are approved under subsection (c) for purposes of making grants to local educational agencies for purposes of operating model programs designed to commence or

improve and expand foreign language study for students residing within their jurisdictions.

(b) COMPUTATION OF GRANT AMOUNTS.—

(1) **IN GENERAL.**—A State for which an application is approved under subsection (c) shall receive an amount equal to the sum of—

(A) \$50,000; and

(B) the product of—

(i) \$0.04; and

(ii) the population of the State (as determined in accordance with the most recent decennial census).

(2) **RENEWAL.**—The amount described in paragraph (1) shall be made available to the State for two additional years after the first fiscal year during which the State receives a grant under this chapter if the Secretary determines that the funds made available to the State during the first year of funding were used in the manner required under the State's approved application.

(3) **REDUCTION FOR INSUFFICIENT FUNDING.**—If sums made available to carry out this section for any fiscal year are not sufficient to permit the Secretary to pay in full the grants which a State may receive under this subsection, the amount of such grants shall be ratably reduced.

(c) APPLICATIONS.—

(1) **IN GENERAL.**—Any State desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require.

(2) **RESTRICTIONS.**—The Secretary may not approve an application unless the application—

(A) contains a description of model programs designed by local education agencies, and representing a variety of alternative and innovative approaches to foreign language instruction, which were selected by the State educational agency for funding under this section;

(B) provides assurances that all children aged five through seventeen who reside within the school district of the local educational agency shall be eligible to participate in any model program funded under this section (without regard to whether such children attend schools operated by such agency);

(C) provides assurances that, if the application of the State educational agency is approved, each model program described in the application shall have available to it sufficient funds from State and local sources, in addition to any funds under this section to ensure that the program is carried out as described in the application; and

(D) provides that the local educational agency will provide standard evaluations of pupils' proficiency at appropriate intervals in the program, and provide such evaluations to the State education agency.

SEC. 522. PROGRAMS FOR EXCEPTIONAL SECONDARY STUDENTS.

(a) GRANTS TO INSTITUTIONS OF HIGHER EDUCATION.—

(1) *IN GENERAL.*—From the amount reserved for purposes of this section under section 524B(b)(2), the Secretary shall make grants to an institution of higher education (or a consortium of such institutions) in each Federal region whose application is approved under subsection (b) for the purposes of providing assistance for intensive language training in summer institutes for exceptional secondary school students, who show ability in their development of foreign language skills.

(2) *COMPUTATION OF AMOUNT.*—An institution or consortium for which an application is approved under subsection (b) shall receive an amount equal to not more than the sum of

(A) the product of—

(i) \$3,000; and

(ii) the number of students enrolled in such institute, not to exceed 150; and

(B) \$500 for each student enrolled in such institute, which shall be paid to each such student as a stipend.

(3) *REDUCTION FOR INSUFFICIENT FUNDING.*—If sums made available to carry out this section for any fiscal year are not sufficient to permit the Secretary to pay in full the grants which institutions of higher education may receive under paragraph (2), the amount of such grants shall be ratably reduced.

(b) *APPLICATION.*—

(1) *IN GENERAL.*—Any institution of higher education or consortium of such institutions desiring to receive the grant for its region shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require.

(2) *RESTRICTIONS.*—The Secretary may not approve an application unless the application—

(A) contains a description of the proposed program of intensive instruction at the institute;

(B) provides adequate assurance that students from any Federal region who wish to participate will be selected on the basis of—

(i) aptitude in that language, as determined by appropriate testing and verified by their teachers; and

(ii) motivation;

(3) provides assurances that the institution of higher education will seek to enroll at least eighty qualified students in the institute; and

(4) provides assurances that the program of intensive instruction will be developed and operated in close cooperation with secondary school teachers and administrators.

(c) *ENCOURAGEMENT OF DIVERSITY.*—The Secretary shall encourage, to the extent possible, diversity in the languages taught in institutes during any summer within the United States, and shall consider the need to fund programs involving languages of critical importance to the Nation.

(d) *BASIS OF AWARDS.*—Awards under this section shall be made to institutes (or consortia) on the basis of excellence of the program proposed in the application, taking into consideration such elements as library resources, faculty achievement, and language learning facilities.

(e) **ALLOWABLE USES OF FUNDS.**—Funds available to institutes under this section may be used to cover costs associated with enrollment in an institute, including tuition, fees, administration, and living expenses.

SEC. 523. GRANTS FOR PROGRAMS OF STUDY ABROAD FOR ADVANCED SECONDARY FOREIGN LANGUAGE STUDENTS.

(a) **GRANTS TO STATES**—From the amount reserved under section 524B(b)(3) for purposes of this section, the Secretary shall make grants to States for which applications are approved under subsection (c), for the purposes of providing assistance to enable advanced secondary foreign language students in their junior or senior year of high school to develop their language skills and their knowledge of foreign cultures and societies through study abroad in the following areas:

- (1) Latin America for the study of Spanish or Portuguese.
- (2) The Middle East for the study of major languages of that region.
- (3) Japan for the study of Japanese.
- (4) The People's Republic of China or the Republic of China for the study of Chinese.
- (5) The Democratic Republic of Korea for the study of Korean.
- (6) The Union of Soviet Socialist Republics for the study of Russian and other major languages of that region.
- (7) Africa for the study of major languages of that region.
- (8) South Asia for the study of Hindi and other major languages of that region.

(b) **APPLICATION.**—

(1) **IN GENERAL.**—Any State desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. The Secretary may not approve an application unless the application—

(A) contains a description of the proposed program of study abroad;

(B) provides adequate assurance that those who wish to participate will be selected on the basis of demonstrated proficiency in the language, as shown by testing comparable to that conducted by the Foreign Service Institute of the Department of State; and

(C) demonstrates that the program will provide the opportunity to combine language study with the study of journalism, international business, finance, economic development, science, engineering, political science, international studies, or other related areas and is open to high school juniors and seniors demonstrating a significant interest in those areas who are otherwise qualified to participate in the program.

(2) **COMPUTATION OF AMOUNT.**—A State whose application is approved under paragraph (1) shall be eligible to receive a grant in an amount not to exceed one-half the cost of providing the program.

(3) **ALLOWABLE USES OF FUNDS.**—Funds available for study abroad under this section may be used to cover costs associated with enrollment in a foreign educational institute, including tuition, fees, administration, and living expenses.

(c) **REDUCTION FOR INSUFFICIENT FUNDING.**—If sums made available to carry out this section for any fiscal year are not sufficient to permit the Secretary to pay in full the grants which States may receive under subsection (b), the amount of such grants shall be ratably reduced.

SEC. 524. GRANTS FOR ADVANCED PLACEMENT PROGRAMS.

(a) **GRANTS TO STATES.**—From the amount reserved under section 524B(b)(4) for purposes of this section, the Secretary shall make grants to States for which applications are approved under subsection (c) for the purposes of providing assistance to advanced placement programs operated by local educational agencies that are designed to allow qualified secondary students to attend college preparatory schools, colleges, or universities on a part-time or full-time basis with respect to foreign language instruction.

(b) **ALLOCATION OF STATE FUNDS.**—A local educational agency that receives funds from a grant under this section for an advanced placement program described in subsection (a) shall allocate to such program a percentage of funds received from the State on a per student basis according to—

- (1) the number of students participating in the program; and
- (2) the instruction time such students receive under the program.

(c) **APPLICATIONS.**—Any State desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. The Secretary may not approve an application unless the application includes—

- (1) a description of the proposed program; and
- (2) a commitment as to the percentage of funds received from the State on a per student basis that shall be used by the local educational agency to defray costs of the advanced placement program.

SEC. 524A. LIMITATION.

The Secretary may not make grants or enter into contracts under this chapter except to such extent, or in such amounts, as may be provided in appropriation Acts.

SEC. 524B. AUTHORIZATION OF APPROPRIATIONS.

(a) **IN GENERAL.**—There are authorized to be appropriated \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993 for purposes of carrying out this chapter.

(b) **RESERVATION OF AMOUNTS.**—Of amounts made available for any fiscal year under subsection (a)—

- (1) 86 percent shall be available only for purposes of carrying out section 521;
- (2) 6 percent shall be available only for purposes of carrying out section 522;

(3) 4 percent shall be available only for purposes of carrying out section 523; and

(4) 4 percent shall be available only for purposes of carrying out section 524.

CHAPTER 4—BUSINESS-EDUCATION PARTNERSHIPS

SEC. 525. PURPOSE.

It is the purpose of this chapter to encourage the creation of alliances between public schools and the private sector in order to—

(1) *apply the resources of the private and nonprofit sectors of the community to the needs of the elementary and secondary schools in that community;*

(2) *encourage business to work with educationally disadvantaged students and with gifted students;*

(3) *apply the resources of communities for the improvement of elementary and secondary education; and*

(4) *enrich the career awareness of secondary school students to exposures to the private sector and their work.*

SEC. 526. PROGRAM AUTHORIZED.

(a) **GRANTS TO ELIGIBLE ALLIANCES.**—*The Secretary may make grants to eligible alliances to pay the Federal share of the costs of the activities described in section 527.*

(b) **AUTHORIZATION OF APPROPRIATIONS.**—*There are authorized to be appropriated \$5,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993 for purposes of carrying out this chapter.*

SEC. 527. AUTHORIZED ACTIVITIES.

An eligible alliance may use payments received under this chapter in any fiscal year for—

(1) *model cooperative programs designed to apply the resources of the private and nonprofit sectors of the community to the elementary and secondary schools of the local educational agency in that community;*

(2) *projects designed to encourage business concerns and other participants in the eligible alliance, to work with educationally disadvantaged students and with gifted students in the elementary and secondary schools of local educational agencies;*

(3) *projects designed to apply the resources of the community to the elementary and secondary schools of the local educational agency in that community to improve the education of students in such schools;*

(4) *projects designed to enrich the career awareness of secondary school students through exposure to officers and employees of business concerns and other agencies and organizations participating in the eligible alliance for education;*

(5) *projects for statewide activities designed to carry out the purpose of this chapter, including the development of model State statutes for the support of cooperative arrangements between the private sector and the elementary and secondary schools within the State;*

(6) special training projects for staff designed to develop skills necessary to facilitate cooperative arrangements between the private and nonprofit sectors and the elementary and secondary schools of local educational agencies;

(7) academic internship programs, including where possible academic credit, involving activities designed to carry out the purpose of this chapter; and

(8) projects encouraging tutorial and volunteer work in the elementary and secondary schools of local education agencies by personnel assigned from business concerns and other participants in the eligible alliance.

SEC. 528. ALLIANCE FOR EDUCATION BOARD.

(a) **ESTABLISHMENT.**—

(1) **IN GENERAL.**—There is established within the Department of Education an Alliance for Education Board.

(2) The Board shall be composed of 15 members as follows:

(A) Ten members shall be appointed by the President as follows:

(i) Two shall be appointed from among individuals who are representatives of business concerns.

(ii) Three shall be appointed from among individuals who are representative of elementary and secondary school teachers and elementary and secondary school administrators.

(iii) Two shall be appointed from among chief State school officers.

(iv) Three shall be appointed from among members of the general public who by reason of experience or interest are qualified to serve on the Board.

(B) The Secretary of Education.

(C) The Secretary of Commerce.

(D) The Secretary of Labor.

(E) The Chairman of the National Endowment for the Arts.

(F) The Chairman of the National Endowment for the Humanities.

(3) **EX OFFICIO MEMBERS.**—The members of the Board listed in subparagraphs (B) through (F) shall be *ex officio* members of the Board.

(b) **DUTIES OF BOARD.**—The Board shall establish general policies with respect to the functions of the Secretary under this chapter including—

(1) guidelines for the establishment and operation of an eligible alliance under this chapter;

(2) priorities for the approval of applications; and

(3) such other matters as the Secretary may prescribe.

(c) **DESIGNATION OF CHAIRMAN.**—The Chairman of the Board shall be designated by the President from among the appointed members of the Board.

(d) **QUORUM.**—Except as provided in subsection (e)(2), eight appointed members of the Board shall constitute a quorum.

(e) The Board shall meet at the call of the Chairman, except that—

(1) it shall meet not less than four times each year; and

(2) it shall meet whenever one-third of the appointed members request a meeting in writing, in which event seven of the appointed members shall constitute a quorum.

(f) Members of the Board who are not in the regular full-time employ of the United States shall receive, while engaged in the business of the Board, compensation for service at a rate to be fixed by the President. Such rate shall not exceed the rate specified at the time of such service for grade GS-18 set forth in section 5332 of title 5, United States Code, including traveltime. While engaged in the business of the Board away from their homes or regular places of business, members of the Board may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed in Government service.

SEC. 529. APPLICATION.

(a) *IN GENERAL.*—An eligible alliance which desires to receive a grant under this chapter shall submit an application to the Secretary, at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require. Each such application shall—

(1) describe the activities for which assistance under this chapter is sought;

(2) provide evidence that the eligible alliance meets the general guidelines established by the Board pursuant to section 531(b)(1);

(3) provide assurances that the eligible alliance will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources;

(4) provide assurances that the eligible alliance will take such steps as may be available to it to continue the activities for which the eligible alliance is making application after the period for which assistance is sought; and

(5) provide such additional assurances as the Secretary determines to be essential to ensure compliance with the requirements of this chapter.

(b) *JOINT APPLICATION.*—A consortium of eligible alliances may file a joint application under the provisions of subsection (a) of this section.

SEC. 530. APPROVAL OF APPLICATION.

(a) *IN GENERAL.*—The Secretary shall approve applications in accordance with the general policies and guidelines established by the Board under section 528(b).

(b) *RESTRICTION.*—The Secretary may not approve an application if the State educational agency for the State in which the institution is located, or, in the case of a consortium of institutions, in which any institution in the consortium is located, notifies the Secretary that the application is inconsistent with State plans for elementary and secondary education in the State.

SEC. 530A. COMPUTATION OF GRANT AMOUNTS.

(a) *COMPUTATION.*—

(1) *IN GENERAL.*—The Secretary shall pay to each eligible alliance having an application approved under section 530 the Federal share of the cost of the activities described in the application.

(2) *FEDERAL SHARE.*—The Federal share shall be—

- (A) 90 percent for the first year for which an eligible alliance receives assistance under this chapter;
- (B) 75 percent for the second such year;
- (C) 50 percent for the third such year; and
- (D) 33 $\frac{1}{3}$ percent for the fourth such year.

(3) *NON-FEDERAL SHARE.*—The non-Federal share of payments under this chapter may be in cash or in kind fairly evaluated, including planned equipment or services.

(b) *RESTRICTION.*—The total amount of funds paid under this chapter during any fiscal year to eligible alliances in any single State may not be greater than the greater of—

- (1) an amount equal to 15 percent of the funds appropriated under this chapter for that fiscal year; or
- (2) \$1,000,000.

SEC. 530B. EVALUATION AND DISSEMINATION.

(a) *ANNUAL EVALUATION.*—The Secretary shall conduct an annual evaluation of grants made under this chapter to determine—

- (1) the type of activities assisted under this chapter;
- (2) the impact upon the educational characteristics of the elementary and secondary schools from activities assisted under this chapter;
- (3) the extent to which activities assisted under this chapter have improved or expanded the nature of support for elementary and secondary education in the community or in the State; and
- (4) a list of specific activities assisted under this chapter which show promise as model programs to carry out the purpose of this chapter.

(b) *DISSEMINATION OF INFORMATION.*—The Secretary shall disseminate to State and local educational agencies and other participants in the eligible alliance program information relating to the activities assisted under this chapter.

SEC. 530C. DEFINITIONS.

As used in this chapter—

- (1) The term “Board” means the Alliance for Education Board established pursuant to section 528.
- (2) The term “elementary school” has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.
- (3) The term “eligible alliance” means a local educational agency and business concerns, nonprofit private organizations, institutions of higher education, museums, libraries, educational television stations, and if the State agrees to participate, appropriate State agencies.
- (4) The term “secondary school” has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

CHAPTER 5—EDUCATIONAL TELECOMMUNICATIONS

SEC. 531. NATIONAL EDUCATIONAL TELECOMMUNICATIONS DEMONSTRATION PROGRAM.

(a) PROGRAM AUTHORITY.—

(1) GRANTS TO PUBLIC AGENCIES AND NONPROFIT CORPORATIONS.—*The Secretary of Education may provide grant assistance to public agencies and nonprofit corporations to pay the Federal share of the costs of the design, development, and construction, including renovation, of nine model, regional advanced educational telecommunications network and technology resource centers. Such centers shall enable private and public postsecondary educational institutions, elementary and secondary school systems, libraries, and other institutions in the region to share educational resources and improve and expand instruction in mathematics, science, foreign languages, vocational education, continuing education, and basic and remedial educational skills.*

(2) SELECTION OF LOCATIONS.—*In selecting locations for the resource centers, the Secretary shall provide for an equitable geographic distribution of such centers, and shall recognize the need for such centers in sparsely populated areas.*

(b) MATCHING REQUIREMENT.—*Financial assistance made available under this section shall be matched equally by State funds and funds from other sources.*

(c) SEPARATE AUTHORIZATION.—*There are authorized to be appropriated \$10,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993 for purposes of carrying out this section. Funds appropriated pursuant to this section shall remain available until expended.*

CHAPTER 6—TECHNICAL EDUCATION PROGRAMS

SEC. 535. REPLICATION MODELS FOR TECHNICAL EDUCATION PROGRAMS DESIGNED TO IMPROVE THE QUALITY OF EDUCATION FOR AMERICA'S TECHNICALLY TRAINED WORKFORCE.

(a) UNDER FUNDS APPROPRIATED FOR THE NATIONAL DIFFUSION NETWORK.—*The National Diffusion Network established under section 583(c) of the Education Consolidation and Improvement Act of 1981 (20 U.S.C. 3851), in addition to its duties under such Act—*

(1) shall gather, organize, and disseminate information on innovative programs at institutions of postsecondary education and secondary schools designed to—

(A) enhance the development of technical skills needed to improve the competitiveness of American industry;

(B) encourage the development of higher skills among individuals facing or likely to face job dislocation;

(C) encourage the acquisition of basic literacy skills among youth as well as adults; or

(D) involve the business community in the planning and offering of employment opportunities to the trained workforce.

(2) shall gather, organize, and disseminate information on consultative and collaborative efforts by elementary education, secondary education, postsecondary education, business, labor, local, State and Federal governments designed to—

(A) improve the efficiency, productivity, and competitiveness of American business; or

(B) enhance the international competitiveness of American business (such as international trade education and foreign language training for business);

(3) in carrying out the activities described in paragraphs (1) and (2), shall produce a catalog of exemplary consultative and collaborative efforts which have the highest probability of being replicated; and

(4) may provide technical assistance to any institution or entity to facilitate the gathering of information for replication models.

CHAPTER 7—TRANSFER OF EDUCATION AND TRAINING SOFTWARE

SEC. 541. FINDINGS AND PURPOSE.

(a) **FINDINGS.**—The Congress finds that—

(1) Federal agencies, particularly the Department of Defense, have made extensive investments of public funds in the development of knowledge and education and training software;

(2) much knowledge and education and training software is directly useful and transferable to the public and private sector or could be transferable after conversion;

(3) the transfer of education and training software to the public and private sector could properly augment existing Federal programs for the education of existing and new industrial workers or the retraining of workers whose jobs have been disrupted because of technological developments, foreign trade, and changes in consumer requirements; and

(4) the transfer of knowledge and education and training software to the public and private sector would be especially beneficial to business concerns which lack the knowledge or resources to develop such software independently.

(b) **PURPOSE.**—Therefore, it is the purpose of this chapter to facilitate the transfer of knowledge and education and training software from Federal agencies to the public and private sector including State and local education agencies, and educational institutions, in order to support the education, training, and retraining of our workforce.

SEC. 542. ESTABLISHMENT OF OFFICE OF EDUCATION SOFTWARE TRANSFER.

(a) **ESTABLISHMENT.**—There is established in the Office of Educational Research and Improvement of the Department of Education an Office of Education Software Transfer (hereinafter in this chapter referred to as the "Office").

(b) **DIRECTOR.**—The Office shall be headed by a Director, who shall be appointed by the Secretary of Education. The Director shall

be compensated at the rate provided for GS-16 of the General Schedule under section 5332 of title 5, United States Code.

(c) **PERSONNEL.**—To carry out this chapter, the Director shall appoint not less than 15 individuals in accordance with the civil service laws, and may compensate such individuals in accordance with the General Schedule under section 5332 of title 5, United States Code.

(d) **FUNCTIONS OF THE OFFICE.**—

(1) **CLEARINGHOUSE.**—(A) The Director shall maintain a current and comprehensive clearinghouse of all knowledge and education and training software developed or scheduled for development by or under the supervision of Federal agencies. The clearinghouse shall include, with respect to each item of education and training software listed—

(i) a complete description of such software, including the purpose, content, intended academic level or competency level, date of development, imbedded learning and instructional strategies, and mode of presentation of such software;

(ii) a description of each type of computer hardware which is compatible with such software and of any other equipment required to use such software;

(iii) a specification of any patent, copyright, or proprietary interest affecting the copying, conversion, or transfer of such software; and

(iv) information with respect to any conversion or transfer of such software pursuant to this chapter.

(B) In establishing and maintaining the clearinghouse required by this subsection, the Director shall—

(i) consult with and utilize fully the resources of all Federal agencies engaged in the collection and dissemination of knowledge and information concerning education software; and

(ii) request the participation and cooperation of entities in the legislative and judicial branches of Government.

(2) **DISSEMINATION REQUIRED.**—(A) The Director shall disseminate widely and on a regular basis the information required by paragraph (1)(A) and any revisions to such information in order to enable all potential public interest and commercial users of education and training software to receive ample notice that Federal agencies have developed such knowledge or software, or have scheduled such knowledge or software for development. In carrying out the preceding sentence, the Director shall—

(i) utilize all interagency and intergovernmental communication mechanisms, including State educational agencies, regional educational laboratories, and the National Center for Research in Vocational Education; and

(ii) encourage the participation of independent private sector organizations, including organizations representing State and local education agencies, educational institutions, technical and professional organizations, and trade associations.

(B) *The Director shall develop and distribute, in conjunction with the dissemination of the information required under paragraph (1)(A), detailed instructions and procedures for securing copies, including such rights thereto as may be required, of education and training software listed and guidelines for cooperative agreements between commercial users and public interest users under paragraph (4)(B).*

(3) *CONSULTATION AND ASSISTANCE; PUBLIC INTEREST USER.—The Director shall advise, consult, and may provide grants to a public interest user of an education and training software listed in the clearinghouse required under paragraph (1)(A) and shall assist such user in securing the transfer of such software from the Federal agency which developed such software. In providing such assistance, the Director shall encourage such public interest user to obtain such software by working with the education and training software transfer officer of such agency. If an agency has not established procedures for the transfer of education and training software, the Director shall negotiate the transfer of such software upon application by such user.*

(4) *CONSULTATION; COMMERCIAL USER.—(A) The Director shall advise and consult with any prospective commercial user of an education and training software listed in the clearinghouse required under paragraph (1)(A). The Director may sell or lease such training software, including exclusive or nonexclusive rights in copyrights or patents pertaining thereto, to a commercial user for a price or fee which reflects a reasonable return to the Government.*

(B) *The Director may waive purchase prices or lease fees for a commercial user of training software, may negotiate reduced purchase prices or lease fees for such commercial user, or may negotiate exclusive sale or lease agreements or other terms favorable to such commercial user if such commercial user agrees to enter into a cooperative agreement with a public interest user or a group of public interest users in accordance with this section. Under the preceding sentence, the Director may not waive such prices or fees, negotiate reduced prices or fees, or negotiate exclusive agreements or favorable terms for a commercial user unless such cooperative agreement—*

(i) *provides for the conversion of the education and training software by the commercial user in order to meet the specific needs of the public interest user or group of public interest users;*

(ii) *provides that such conversion will be performed without charge to the public interest user or group of users; and*

(iii) *is acceptable to the Director.*

(C) *In negotiating terms for the sale or lease of education and training software pursuant to paragraph (2), the Director shall give preferential consideration to cooperative agreements which—*

(i) *will result in enhancing the employment potential and potential earnings of the maximum number of individuals;*

(ii) *encourage and promote multiple uses of education and training software converted pursuant to this section by users with similar education needs; and*

(iii) provide beneficial uses of education and training software for businesses.

(D) Any education and training software converted pursuant to paragraph (2) shall be listed in the clearinghouse required by subsection (a) and shall be available for transfer to any other public interest user.

(5) **STUDY REQUIRED.**—The Director shall study the effectiveness of transfers and conversions of education and training software pursuant to this chapter, and shall analyze national needs for methods to convert education and training software which are in addition to the method provided in paragraph (2).

(6) **REPORT.**—(A) The Director shall submit to the Congress a report that—

(i) describes the study and analysis conducted as required by paragraph (5); and

(ii) contains recommendations of the Director concerning whether the public interest is served through the program of grants to public interest users to support conversion of education and training software.

(B) The Director shall submit the report required by subparagraph (A) before the expiration of the two-year period beginning on the date of enactment of this Act.

(e) **REGULATIONS.**—In carrying out this chapter, the Director may—

(1) promulgate such rules, regulations, procedures, and forms as may be necessary to carry out the functions of the Office, and delegate authority for the performance of any function to any officer or employee of the Office under the direction and supervision of the Director;

(2) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal agencies and of State, local, and private agencies and instrumentalities, with or without reimbursement therefor;

(3) enter into agreements with other Federal agencies as may be appropriate;

(4) accept voluntary and uncompensated services, without regard to the provisions of section 1342 of title 31, United States Code; and

(5) request such information, data, and reports from any Federal agency as the Director may from time to time require and as may be produced consistent with other law.

SEC. 543. COORDINATION WITH FEDERAL AGENCIES.

(a) **USE OF FEDERAL PROGRAMS.**—In carrying out this chapter, the Director shall utilize, to the fullest possible extent, all existing Federal programs to promote the identification, conversion, and transfer of knowledge and education and training software in accordance with this chapter.

(b) **EDUCATION AND TRAINING SOFTWARE TRANSFER OFFICER.**—The head of each Federal agency which develops knowledge for or uses education and training software shall designate, from the officers and employees of the agency, an education and training software transfer officer. The education and training software transfer officer of an agency shall—

(1) supply information to the Office of Education Software Transfer for inclusion in the clearinghouse;

(2) receive and process inquiries and requests from prospective users of knowledge and education and training software employed by such agency;

(3) promote direct contact between prospective users of knowledge and education and training software and personnel of the agency;

(4) facilitate the prompt transfer for knowledge and education and training software to public interest users; and

(5) refer requests for education and training software from commercial users to the Office of Training Software Transfer for the negotiation of the purchase or lease of such software.

(c) COOPERATION OF FEDERAL AGENCIES.—

(1) **IN GENERAL.**—All Federal agencies shall cooperate with the Director in the implementation of this chapter. If the head of a Federal agency finds that such agency is unable to cooperate with the Director for reasons of national security, or for any other reason, such agency head shall report such finding to the Secretary. The Secretary shall report to the Congress by July 1 of each year all such findings received by the Secretary during the preceding 12-month period.

(2) **AVAILABILITY OF FEDERAL SERVICES, EQUIPMENT, PERSONNEL, AND FACILITIES.**—Upon request of the Director, the head of each Federal agency shall promptly make the services, equipment, personnel, facilities, and information of the agency (including suggestions, estimates, and statistics) available to the Office to the greatest extent practicable.

(d) **EQUITY RULE.**—In carrying out the purposes of this chapter, the Director shall consider special equity concerns, including psychological, physiological, sociological, and socioeconomic factors, which could prevent some persons from benefiting from new technological developments, and shall, to the extent possible, ensure that such persons benefit from software transfer activities under this chapter.

SEC. 544. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this chapter \$1,000,000 for fiscal year 1988, and such sums as may be necessary for each of fiscal years 1989 through 1993.

SEC. 545. DEFINITIONS.

As used in this chapter:

(1) The term "commercial user" means any individual, corporation, partnership, or other legal entity which operates for profit and which uses or intends to use the education and training software of a Federal agency.

(2) The term "conversion" means the process whereby education software is modified and revised to meet the needs of a public interest user or a commercial user.

(3) The term "Director" means the Director of the Office of Education Software Transfer established pursuant to section 542.

(4) The term "Federal agency" has the meaning given to the term "agency" in section 551(1) of title 5, United States Code.

(5) The term "Office" means the Office of Education Software Transfer established pursuant to section 542.

(6) The term "private industry council" means a private industry council established under section 102 of the Job Training Partnership Act.

(7) The term "community-based organizations" has the same meaning as in section 504(5) of the Job Training Partnership Act.

(8) The term "public interest user" means any nonprofit entity which—

(A) provides job training, vocational education or other educational services, including public school systems, vocational schools, private preparatory schools, colleges, universities, community colleges, private industry councils, community-based organizations, and State and local education agencies; and

(B) uses or intends to use the knowledge or education and training software of a Federal agency.

(9) The term "education and training software" means computer software which is developed by a Federal agency to educate and train employees of the agency and which may be transferred to or converted for use by a public interest user or a commercial user and includes software for computer based instructional systems, interactive video disc systems, microcomputer education devices, audiovisual devices, and programmed learning kits, and associated manuals and devices if such manuals and devices are integrally related to a software program.

(10) The term "transfer" means the process whereby education and training software is made available to a public interest user or a commercial user for the education and training of those in the workforce with or without the conversion of such software.

CHAPTER 8—INSTRUCTIONAL PROGRAMS IN TECHNOLOGY EDUCATION

SEC. 546. PURPOSE.

It is the purpose of this chapter to assist educational agencies and institutions in developing a technologically literate population through instructional programs in technology education.

SEC. 547. TECHNOLOGY EDUCATION DEMONSTRATION PROGRAM.

(a) **ESTABLISHMENT.**—*Subject to the availability of funds for purposes of this chapter, the Secretary of Education shall establish a program of grants to local educational agencies, State educational agencies, consortia of public and private agencies, organizations and institutions, and institutions of higher education to establish not more than ten demonstration programs in technology education for secondary schools.*

(b) **ALLOWABLE USES OF GRANT FUNDS.**—*Funds made available under this chapter may be used to develop a model demonstration program for technology education with the following components:*

(1) *Educational course content based on—*

(A) an organized set of concepts, processes, and systems that is uniquely technological; and

(B) fundamental knowledge about the development of technology and its effect on people, the environment, and culture.

(2) Instructional content drawn from introduction to technology education courses in one or more of the following areas—

(A) communication—efficiently using resources to transfer information to extend human potential;

(B) construction—efficiently using resources to build structures on a site;

(C) manufacturing—efficiently using resources to extract and convert raw or recycled materials into industrial and consumer goods; and

(D) transportation—efficiently using resources to obtain time and place utility and to attain and maintain direct physical contact and exchange among individuals and societal units through the movement of materials, goods, and people.

(3) Assisting students in developing insight, understanding, and application of technological concepts, processes, and systems.

(4) Educating students in the safe and efficient utilization of tools, materials, machines, processes, and technical concepts.

(5) Developing student skills, creative abilities, confidence, and individual potential in utilizing technology.

(6) Developing student problem solving and decision making abilities involving human and material resources, processes, and technological systems.

(7) Preparing students for lifelong learning in a technological society.

(8) Activity oriented laboratory instruction which reinforces abstract concepts with concrete experiences.

(9) An institute of the purpose of developing teacher capability in the area of technology education.

(10) Research and development of curriculum materials for use in technology education programs.

(11) Multidisciplinary teacher workshops for the interfacing of mathematics, science, and technology education.

(12) Statewide implementation plan for disseminating exemplary materials and practices.

(13) Optional employment of a curriculum specialist to provide technical assistance for the program.

(14) A combined emphasis on “know-how” and “ability-to-do” in carrying out technological work.

(c) **LIMITATION ON FEDERAL ASSISTANCE.**—Federal assistance to any program or project under this chapter shall not exceed 65 percent of the cost of such program in any fiscal year. Not less than 10 percent of the cost of such program shall be in the form of private sector contributions. Non-Federal contributions may be in cash or in kind, fairly evaluated, including facilities, overhead, personnel, and equipment.

SEC. 548. APPLICATIONS FOR GRANTS.

(a) *IN GENERAL.*—A local educational agency, State educational agency, consortium of public and private agencies, organizations, and institutions, or institution of higher education which desires to receive a grant under this chapter shall submit an application to the Secretary. Applications shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe. An application shall include—

(1) a description of a demonstration program designed to carry out the purpose described in section 546;

(2) an estimate of the cost for the establishment and operation of the program;

(3) a description of policies and procedures for the program that will ensure adequate evaluation of the activities intended to be carried out under the application;

(4) assurances that Federal funds made available under this chapter will be so used as to supplement and, to the extent practicable, increase the amount of State and local funds that would in the absence of such Federal funds be made available for the uses specified in this chapter, and in no case supplant such State or local funds;

(5) a provision for making such reports, in such form and containing such information, as the Secretary may require; and

(6) a description of the manner in which programs under this chapter will be coordinated, to the extent practicable, with programs under the Job Training Partnership Act, the Carl D. Perkins Vocational Education Act, and other Acts related to the purposes of this chapter.

(b) *GEOGRAPHIC DISTRIBUTION.*—In making grants under this chapter, the Secretary shall consider the equitable geographic distribution of such grants.

SEC. 549. NATIONAL DISSEMINATION OF INFORMATION.

The Secretary shall disseminate the results of the programs and projects assisted under this chapter in a manner designed to improve the training of teachers, other instructional personnel, counselors, and administrators.

SEC. 550. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated \$2,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal years 1989 through 1993 for purposes of carrying out this chapter.

SEC. 550A. DEFINITION.

As used in this chapter, the term “technology education” means a comprehensive educational process designed to develop a population that is knowledgeable about technology, its evolution, systems, techniques, utilization in industry and other fields, and social and cultural significance.

CHAPTER 9—VOCATIONAL EDUCATION PROGRAMS

SEC. 551. ADULT TRAINING, RETRAINING, AND EMPLOYMENT DEVELOPMENT

Part C of title III of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2371 et seq.) is amended to read as follows:

“PART C—ADULT TRAINING, RETRAINING, AND EMPLOYMENT DEVELOPMENT

“FINDINGS AND PURPOSE

“SEC. 321. (a) **FINDINGS.**—The Congress finds that—

“(1) technological change, international competition, and the demographics of the Nation’s workforce have resulted in increases in the numbers of experienced adult workers who are unemployed, who have been dislocated, or who require training, retraining, or upgrading of skills,

“(2) the individuals who are entering and reentering the labor market are less educated, trained, or skilled and are disproportionately employed in low-wage occupations and require additional training, and

“(3) these needs can be met by education and training programs, especially vocational programs, that are responsive to the needs of individuals and the demands of the labor market.

“(b) **PURPOSE.**—It is the purpose of this part to (1) provide financial assistance to States to enable them to expand and improve vocational education programs designed to meet current needs for training, retraining, and employment development of adults who have completed or left high school and are preparing to enter or have entered the labor market, in order to equip adults with the competencies and skills required for productive employment, and (2) to ensure that programs are available which are relevant to the labor market needs and accessible to all segments of the population.

“AUTHORIZATION OF GRANTS AND USES OF FUNDS

“SEC. 322. (a) **GRANTS TO STATES.**—The Secretary shall make grants in proportion to the amount received under section 101 to States for programs, services, and activities authorized by this part.

“(b) **STATE ADMINISTRATION.**—(1) Grants to States under this part shall be made to the board established under section 111 to serve as the grant recipient and catalyst to public-private training partnerships.

“(2)(A) Such board shall make awards on the basis of application from educational institutions (e.g. community colleges, vocational schools, service providers under the Job Training Partnership Act (29 U.S.C. 49 et seq.), four-year colleges, universities, and community based organizations) which link up with one or more private companies in order to train people for jobs in high growth fields.

“(B) The board shall establish criteria for application, application content and criteria, and procedures for the awarding of grants under this section.

"(3) Business must be actively involved in the planning, designing, operating, and monitoring of the education and training programs so that they will meet their needs.

"(4) Training can include entry level training, employee upgrading, retraining, and customized training.

"(5) Grants shall not be awarded for more than fifty percent of the costs. The remainder must come from the private sector in either cash or related equipment and services which would be at least equivalent to the Federal grant portion.

"(c) **ELIGIBLE PROGRAMS.**—Programs eligible for funding by the State, and designed cooperatively between education institutions and one or more businesses, may include—

"(1) institutional and worksite programs tailored to meet the needs of an industry or group of industries for skilled workers, technicians or managers, or to assist their existing workforce to adjust to changes in technology or work requirements;

"(2) quick-start, customized training for workers in new and expanding industries, or for workers for placement in jobs that are difficult to fill because of a shortage of workers with the requisite skills;

"(3) shared programs between educational institutions and businesses, where a work experience is provided by the business subsequent to the classroom training to reinforce the classroom or workshop training;

"(4) cooperative education programs with public and private sector employers and economic development agencies, including seminars in institutional or worksite settings, designed to improve management and increase productivity;

"(5) entrepreneurship training programs which assist individuals in the establishment, management, and operation of small business enterprises;

"(6) recruitment, job search assistance, counseling, remedial services, and information and outreach programs designed to encourage and assist males and females to take advantage of vocational education programs and services, with particular attention to reaching women, older workers, individuals with limited English proficiency, the handicapped, and the disadvantaged; and

"(7) related instruction for apprentices in apprenticeship training programs.

"(d) **REQUIREMENTS.**—In making grants under this part, the Secretary shall require each State, in its State plan (or an amendment to such plan), to assure that programs—

"(1) are designed with the active participation of the State council established pursuant to section 112;

"(2) make maximum effective use of existing institutions, are planned to avoid duplication of programs or institutional capabilities, and to the fullest extent practicable are designed to strengthen institutional capacity to meet the education and training needs addressed by this part;

"(3) assure the active participation by public and private sector employers and public and private agencies working with programs of employment and training and economic development; and

"(4) where appropriate, involve coordination with programs under the Rehabilitation Act of 1973 and the Education of the Handicapped Act.

"COORDINATION WITH THE JOB TRAINING PARTNERSHIP ACT

"SEC. 323. (a) REQUIREMENTS FOR INCLUSION IN STATE PLAN.— Each State receiving grants under this part shall include in the State plan methods and procedures for coordinating vocational education programs, services, and activities funded under this part to provide programs of assistance for dislocated workers funded under title III of the Job Training Partnership Act.

"(b) CONSULTATION WITH STATE JOB TRAINING COORDINATING COUNCIL.—(1) The State board shall consult with the State job training coordinating council (established under section 122 of the Job Training Partnership Act) in order that programs assisted under this part may be taken into account by such council in formulating recommendations to the Governor for the Governor's coordination and special services plan required by section 121 of such Act.

"(2) The State board shall also adopt such procedures as it considers necessary to encourage coordination between eligible recipients receiving funds under this part and the appropriate administrative entity established under the Job Training Partnership Act in the conduct of their respective programs, in order to achieve the most effective use of all Federal funds through programs that complement and supplement each other, and, to the extent feasible, provide an ongoing and integrated program of training and services for workers in need of such assistance.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 324. There are authorized to be appropriated \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993 for purposes of carrying out this part."

SEC. 552. AUTHORIZATION OF ADDITIONAL USES OF VOCATIONAL EDUCATION FUNDS.

Section 251(a) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2341) is amended—

- (1) by striking out "and" at the end of paragraph (23);
- (2) by striking out the period at the end of paragraph (24) and inserting in lieu thereof "; and"; and
- (3) by adding at the end the following new paragraphs:
 - "(25) pre-employment skills training; and
 - "(26) school-to-work transition programs."

SEC. 553. EDUCATION FOR EMPLOYMENT DEMONSTRATION PROGRAM.

From the sums available to the Secretary for national programs under the Carl D. Perkins Vocational Education Act, the Secretary shall conduct a demonstration program with secondary school students designed to provide participating students with the skills needed for employment or further education by forming partnerships with business and industry for purpose of incorporating into school curriculums—

- (1) practical applications of academic subjects;
- (2) career exploration;

- (3) instruction relating to job seeking skills, career choices, and use of information relating to the labor market; and
 (4) a school monitored work experience program, designed to equip each high school graduate with a resume as well as a diploma.

SEC. 554. EXTENSION OF INDUSTRY-EDUCATION PARTNERSHIPS FOR HIGH TECHNOLOGY TRAINING.

Section 3(b)(5) of the Carl D. Perkins Vocational Education Act is amended by—

- (1) striking out “and” the first place such term appears and inserting in lieu thereof a comma; and
 (2) striking out “through 1989” and inserting in lieu thereof “and 1987, \$50,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal year 1989”.

SEC. 555. DEMONSTRATION PROGRAM FOR TECHNOLOGICAL LITERACY.

(a) **ESTABLISHMENT.**—The Secretary shall establish demonstration programs in vocational training centers and community colleges for purposes of providing modular training in basic skills with the objective of rendering participants technologically literate. Such programs shall—

- (1) stress techniques and methods that offer basic remedial skills in conjunction with training in automation literacy, robotics, computer-aided design, and other areas of computer-integrated manufacturing technology; and
 (2) be designed to foster flexibility and assist workers in meeting the challenge of a changing workplace.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$2,000,000 for fiscal year 1988 and such sums as may be necessary for fiscal year 1989 for purposes of carrying out this section. Amounts appropriated pursuant to this subsection shall remain available until expended.

CHAPTER 10—ACCESS DEMONSTRATION PROGRAMS

SEC. 561. PURPOSE.

It is the purpose of this chapter to support training programs for secondary school personnel, including guidance counselors, in order to increase the opportunities of secondary school students in rural sections of the Nation for continued education.

SEC. 562. PROGRAM AUTHORIZED.

(a) **GRANTS TO EDUCATIONAL RESEARCH LABORATORIES.**—The Secretary may make grants to educational research laboratories to support the development of training programs for secondary school personnel, including guidance counselors.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$5,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1991 for purposes of carrying out this chapter.

SEC. 563. APPLICATIONS.

(a) **SUBMISSION OF APPLICATIONS.**—A regional educational laboratory that wishes to develop and operate a program described in section 562(a) shall submit an application to the Secretary.

(b) **REVIEW OF APPLICATIONS.**—Each application submitted under subsection (a) shall be reviewed by peers, including educators and researchers, to determine the quality of the proposed program and its relationship to the demonstrated needs of the region to be served.

(c) **SOLICITATION OF ALTERNATIVE PROPOSALS.**—If, based upon a review under subsection (b), the Secretary determines that a proposed program would not best serve the needs of the students of the region to be served, the Secretary may solicit proposals from other educational institutions and organizations located in the region.

(d) **CONTENT OF APPLICATIONS.**—Each application for assistance under this section shall—

(1) contain assurances that—

(A) the laboratory shall provide technical assistance to appropriate educational agencies; and

(B) information developed as a result of the laboratory's research and development activities, including new educational methods, practices, techniques, and products, will be appropriately disseminated;

(C) all rural students in all States within the region will have access to and information about the access program;

(2) contain a description of—

(A) the rural secondary school population within the region served by the laboratory, including estimates of the number of high school graduates who—

(i) attend institutions of higher education, including an estimate of the number who attend out-of-state institutions;

(ii) attend trade schools;

(iii) enter military service;

(B) services available within each of the States in the region that exist to provide secondary school students with information and training relating to higher education and self-employment; and

(C) activities provided—

(i) to train designated school personnel to advise and establish community partnership programs; and

(ii) to provide technical assistance; and

(3) demonstrate that—

(A) the laboratory and its board of directors has engaged in sufficient study and analysis to ensure that the services to be offered by the proposed program will increase the number of secondary school students entering institutions of higher education and increase their awareness of and opportunities for financial assistance;

(B) State and local educational agencies were involved in planning the proposed programs and that services available from such agencies are incorporated into the proposed program; and

(C) the program will probably be funded by State or other sources after the expiration of funding under this chapter.

(e) REPORT.—

(1) PROGRAM EFFECT.—*The Office of Educational Research and Improvement shall submit a report to the Congress on the effect of programs funded under this chapter, including recommendations of the regional laboratories.*

(2) *The report required by paragraph (1) shall be submitted not later than November 30, 1988.*

SEC. 564. DEFINITION.

In this chapter, the term "regional educational laboratory" means a regional educational laboratory supported by the Secretary under section 405(d)(4)(A)(i) of the General Education Provisions Act (20 U.S.C. 1221e(d)(4)(A)(i)).

CHAPTER 11—POSTSECONDARY EDUCATION PROGRAMS

SEC. 571. COLLEGE AND UNIVERSITY RESEARCH FACILITIES AND INSTRUMENTATION MODERNIZATION PROGRAM.

Title VII of the Higher Education Act of 1965 is amended by adding at the end thereof the following new part:

"PART I—COLLEGE AND UNIVERSITY RESEARCH FACILITIES AND INSTRUMENTATION MODERNIZATION PROGRAM

"PROGRAM AUTHORITY

"SEC. 791. (a) PURPOSE.—*It is the purpose of this section to help revitalize college and university academic research programs by assisting colleges and universities, and consortia thereof, through capital investments in modernizing their research laboratories and other research facilities and upgrading or replacing outmoded research equipment and instrumentation currently in use at such facilities.*

"(b) FINANCIAL ASSISTANCE PROGRAM AUTHORIZED.—*The Secretary of Education shall, from the sums available to carry out this section in any fiscal year, establish and carry out a College and University Research Facilities and Instrumentation Modernization Program that will provide assistance for the replacement, renovation, or modernization of such institutions' obsolete laboratories, other research facilities, and outmoded equipment and instrumentation.*

"(c) PROGRAM REQUIREMENTS.—*The College and University Research Facilities and Instrumentation Modernization Program shall be carried out through projects which involve the replacement, renovation, or modernization of specific research facilities and research equipment or instrumentation at colleges and universities. Funds shall be awarded competitively, on the basis of specific proposals submitted by colleges and universities, and consortia thereof, in accordance with regulations prescribed by the Secretary of Education. In establishing these regulations and making the award considerations, the Secretary shall consult with the Director of the National Science Foundation and shall seek to obtain the Director's recommendations regarding final proposal funding. The preceding sentence shall not be construed as granting the National Science Foun-*

dation final authority over funding, or the right to delay funding of acceptable projects.

"(d) MATCHING REQUIREMENT.—Any participating college or university, or any consortia thereof, must provide an amount not exceeding 50 percent of the costs involved from other non-Federal public or private sources.

"(e) PRIORITY FOR MATHEMATICS AND SCIENCE.—With respect to research equipment and instrumentation, the Secretary shall give priority to proposals for upgrading, renovating, or replacing outmoded equipment and instrumentation used in instruction and research in mathematics and the sciences, including engineering sciences.

"(f) SELECTION CRITERIA.—The criteria for making an award to any college or university under this part, shall include—

"(1) the quality of the research and training to be carried out in the facility or facilities involved;

"(2) the congruence of the institution's research activities with the future research needs of the Nation;

"(3) the contribution which the project will make toward meeting national, regional, and State research and related training needs; and

"(4) an analysis of the age and condition of existing research facilities and equipment.

"(g) EQUALIZATION SET-ASIDE FOR CERTAIN TYPES OF INSTITUTIONS.—(1) At least 20 percent of the amount available under this section in any fiscal year shall be available only for awards to colleges and universities that received less than \$10,000,000 in total Federal obligations for research and development (including obligations for the university research laboratory modernization program) in each of the two preceding fiscal years.

"(2) Of the amounts appropriated under this section, at least 10 percent of the funds shall be reserved for institutions serving a substantial number of minority and disadvantaged undergraduate and graduate students.

"(h) CONSULTATIONS FOR RULEMAKING.—In prescribing regulations and conducting the program under this section, the Secretary of Education shall consult with other agencies of the Federal Government concerned with research, including the National Science Foundation, the Department of Health and Human Services, the National Aeronautics and Space Administration, the Department of Energy, the Department of Agriculture, and the Department of Defense.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$85,000,000 for fiscal year 1988 and such sums as may be necessary for each of the succeeding fiscal years to carry out this section."

SEC. 572. AGRICULTURE, STRATEGIC METALS, MINERALS, AND FORESTRY COLLEGE AND UNIVERSITY RESEARCH FACILITIES AND INSTRUMENTATION MODERNIZATION PROGRAM.

Title VII of the Higher Education Act of 1965 is amended by adding new part J:

"PART J—AGRICULTURE, STRATEGIC METALS, MINERALS, AND FORESTRY COLLEGE AND UNIVERSITY RESEARCH FACILITIES AND INSTRUMENTATION MODERNIZATION PROGRAM

"PROGRAM AUTHORITY

"SEC. 795. (a) PURPOSE.—It is the purpose of this section to help revitalize college and university academic research programs that specialize in agricultural, strategic metals and minerals, energy and forestry and wood products research by assisting colleges and universities in modernizing their research laboratories and other research facilities and upgrading or replacing outmoded research equipment and instrumentation currently in use at such facilities for agricultural, strategic metals, minerals, energy, and forestry research.

"(b) FINANCIAL ASSISTANCE AUTHORIZED.—The Secretary of Education shall, from the sums available to carry out this section in any fiscal year, establish and carry out a new College and University Research Facilities and Instrumentation Modernization Program for agriculture, strategic metals, minerals, energy and forestry that will provide assistance for the replacement or modernization of such institutions' obsolete laboratories, other research facilities, and outmoded equipment and instrumentation.

"(c) PROGRAM REQUIREMENTS.—The College and University Research Facilities and Instrumentation Modernization Program for agriculture, strategic metals, minerals, energy and forestry shall be carried out through projects which involve the replacement or modernization of specific research facilities and research equipment or instrumentation at colleges and universities. Funds shall be awarded competitively, on the basis of specific proposals submitted by colleges and universities, in accordance with regulations prescribed by the Secretary of Education. The Secretary shall consult with the Secretaries of Agriculture, Interior, and Energy and shall obtain their recommendations regarding final proposal funding should they wish to provide such. In no case should this language be construed as granting these Secretaries final authority over funding or the right to hold up funding of acceptable projects.

"(d) MATCHING REQUIREMENTS.—Any participating college or university must provide an amount not exceeding 50 percent of the costs involved from other non-Federal public or private sources.

"(e) SELECTION CRITERIA.—The criteria for making an award to any college or university under this part, shall include—

"(1) the quality of the research and training to be carried out in the facility or facilities involved;

"(2) the congruence of the institution's research activities to be supported with funds awarded under this part with the future research needs of the Nation; especially as they relate to improving the Nation's trade and competitiveness position.

"(3) the contribution which the project will make toward meeting national, regional, and State research and related training needs, especially as those needs are related to improving the Nation's trade and competitiveness position; and

"(4) an analysis of the age and condition of existing research facilities and equipment.

“(f) **SET-ASIDE.**—At least 20 percent of the amount available under this section in any fiscal year shall be available only for awards to colleges and universities that received less than \$10,000,000 in total Federal obligations for research and development (including obligations for the university research laboratory modernization program) in each of the two preceding fiscal years.

“(g) **CONSULTATIONS FOR RULEMAKING.**—In prescribing regulations and conducting the program under this section, the Secretary of Education shall consult with other agencies of the Federal Government concerned with research, including the Departments of Energy, Agriculture, and Interior.

“(h) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$20,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years to carry out this section.”

SEC. 573. GRADUATE TRAINING TO ENHANCE THE NATION'S COMPETITIVENESS.

Section 971 of the Higher Education Act of 1965 is amended—

(1) by striking out “for part A or D of this title” in subsection (g) and inserting “pursuant to subsections (a) and (d) of this section”; and

(2) by adding at the end thereof the following new subsection:

“(h) **ADDITIONAL AUTHORIZATIONS.**—For purposes of encouraging increased participation in graduate research training—

“(1) there are authorized to be appropriated an additional \$5,000,000 for fiscal year 1988 to carry out part A, and such additional sums as may be necessary for each of the three succeeding fiscal years;

“(2) there are authorized to be appropriated an additional \$4,000,000 for fiscal year 1988 to carry out part B, and such additional sums as may be necessary for each of the three succeeding fiscal years; and

“(3) there are authorized to be appropriated an additional \$5,000,000 for fiscal year 1988 to carry out part D, and such additional sums as may be necessary for each of the three succeeding fiscal years.”

SEC. 574. FOREIGN TECHNICAL AND SCIENTIFIC PERIODICALS.

Section 607 of the Higher Education Act of 1965 is amended by adding at the end thereof the following new subsection:

“(e)(1) There are authorized to be appropriated \$1,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years to provide assistance for the acquisition of, and provision of access to foreign technical and scientific periodicals.

“(2) From amounts appropriated pursuant to paragraph (1), the Secretary of Education shall provide for the acquisition, translation, and dissemination of technical and scientific periodicals published outside the United States. The Secretary shall disseminate translated periodicals acquired under this subsection to libraries, businesses, professional societies, and postsecondary education institutions.

“(3) In carrying out the provisions of this subsection, the Secretary shall select periodicals published outside the United States which

the Secretary, after consultation with other departments and agencies of the Federal Government and with businesses and professional societies, determines may be of value to departments and agencies of the Federal Government, to businesses, and to researchers in the United States."

SEC. 575. MINORITY SCIENCE AND ENGINEERING IMPROVEMENT.

Section 1047 of title X of the Higher Education Act of 1965 is amended by adding at the end thereof the following:

"(c) ADDITIONAL AUTHORIZATION.—In addition, there are authorized to be appropriated \$10,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years for the purpose of funding new activities, consistent with the purposes of sections 1021 and 1031, which are specifically aimed at increasing the participation of minority students in scientific and engineering research careers. In awarding funds appropriated under this subsection the Secretary shall not limit the awards on the basis of any criteria listed in section 1022(b) of this title."

SEC. 575A. TECHNOLOGY TRANSFER CENTERS.

Title XII of the Higher Education Act of 1965 is amended by adding at the end thereof the following:

"TECHNOLOGY TRANSFER CENTERS

"SEC. 1211. (a)(1) There are authorized to be appropriated \$25,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years to develop, construct, and operate regional technology transfer centers. The Secretary of Education shall establish such regional centers—

"(A) to promote the study and development of programs and depositories necessary to further the transfer of technology relevant to a respective region's economy;

"(B) to assist in developing incubator facilities to encourage new economic initiatives;

"(C) to provide technical assistance linking university expertise and private sector resources to solve technical, marketing, and manufacturing problems associated with technology-transfer and start-up businesses; and

"(D) to ensure consideration of the economic development needs of rural as well as urban areas within the region.

"(2) In carrying out the requirements of this section, regional technology-transfer centers are authorized—

"(A) to build on or, where needed, develop telecommunication systems to link the centers and their affiliates with industrial users;

"(B) to build on or develop necessary computer networks and data bases; and

"(C) to utilize or help develop regional and national libraries.

"(b) Financial assistance for the establishment of each center shall be awarded competitively. Preexisting centers may be awarded such financial assistance.

"(c) Each regional center established shall be operated by an appropriately qualified college or university within the region, or a consortium of such schools within the region, and such center shall,

where deemed necessary, establish one or more affiliate centers at colleges and universities based in other States within the region.

"(d) In establishing such centers, the institutions applying shall show in their application—

"(1) how the center will facilitate the economy of the region;

"(2) that the center's mission is compatible with the economic development plans of States in the region; and

"(3) that appropriate consultation with the relevant State agencies concerned with economic development has taken place.

"(e) Such center also may be operated by a college or university in consortia with other existing campus based research entities, including agricultural research facilities, mining and minerals research facilities, and forestry, wood-products research facilities, and with other State and local agencies, with nonprofit agencies, and interstate higher education organizations, and where appropriate, for-profit agencies. The Secretary, through regulation, shall determine a mechanism for assessing the percentage of operating costs paid by other members of a technology transfer consortium arrangements.

"(f) Each such center shall establish a Board to advise the center on policy. Such board shall be—

"(1) representative of the States involved in the region; and

"(2) consist of representatives for urban areas, rural areas, ethnic concerns, business, labor, and education.

"(g) Funding for each center will be for five-year periods, with re-competition to occur before the end of the funding cycle. Grantees, for the fourth and fifth year of the first funding cycle, and thereafter, upon refunding for subsequent years, must match Federal funds from non-Federal dollars on a 50-50 basis.

"(h) Funding for affiliate centers authorized in subsection (c) shall be provided by the regional center and the college or university operating the affiliate center, with funding levels to be reached by the two entities in a scope-of-work agreement negotiated between the two entities. Should the affiliate center wish, its operations and funding support can be a consortia, as specified in subsection (e).

"(i) The Secretary, after consultation with the Departments of Agriculture, Energy, Commerce, and Interior shall publish, for public comment, a proposed list of priorities for the establishment of regional technology transfer centers and shall propose the regional composition of such centers, keeping in mind that satellite and telecommunications technology enables regions to contain noncontiguous States. The Secretary shall publish the final list of regions and priorities along with the public's comments."

SEC. 575B. NATIONAL ADVISORY COUNCIL ON INSTRUCTIONAL TECHNOLOGY.

Title V of the Higher Education Act of 1965 is amended by adding at the end thereof the following new part:

"PART F—NATIONAL ADVISORY COUNCIL ON INSTRUCTIONAL TECHNOLOGY

"COUNCIL ESTABLISHMENT AND FUNCTIONS

"SEC. 581. (a) To provide for the future development of instructional technology as a resource for rural and urban schools, there is

established a National Advisory Council on Instructional Technology within the Department of Education. Members of the Council shall be appointed by the Secretary and shall include—

“(1) representatives of leading institutions of higher education in the field of instructional technology;

“(2) representatives of the nine Federal regional educational laboratories;

“(3) representatives of the regional technology-transfer centers authorized in this Act, especially those with expected telecommunications facilities, rural, urban, and State education officers, members of the educational software and hardware industries, national organizations for teachers; and

“(4) others the Secretary may determine will make a positive contribution to the Council.

“(b) There are authorized to be appropriated \$300,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years, to provide for the necessary expenses of the Council, such as staff, travel, and operating expenses.

“(c) The purpose of the Council shall be to establish guidelines and an agenda for the development of educational telecommunications technology software to satellite down-link equipment for rural and urban schools. The primary goal of the guidelines shall be to avoid replication of existing programming. The Council shall also establish criteria for the quality of programming made available to rural and urban schools. The Council shall develop, as part of the national guidelines, a basis for interstate cooperation on accreditation of programming for use in rural schools, since programming transcends State boundaries.

“(d) The agenda to be established by the Council will outline the needs and methods for developing programming relative to the needs of rural and urban schools systems.”.

SEC. 575C. LIBRARY TECHNOLOGY ENHANCEMENT.

Section 201(b) of the Higher Education Act of 1965 is amended by adding at the end thereof the following:

“(5) There are authorized to be appropriated to carry out the purposes of part D an additional \$5,000,000 for fiscal year 1988 and such additional sums as may be necessary for each of the three succeeding fiscal years. Activities supported by funds appropriated pursuant to this paragraph shall be activities that will enable libraries to participate more fully in the initiative funded under the Education and Training for American Competitiveness Act of 1987.”.

CHAPTER 12—RETRAINING FOR AMERICAN COMPETITIVENESS

SEC. 576. GRANTS FOR MIDCAREER TEACHER TRAINING PROGRAMS.

(a) GRANTS.—From funds made available under this chapter, the Secretary shall make grants to institutions of higher education for purposes of establishing and operating programs to provide mid-career teacher training to individuals who—

(1) hold a baccalaureate or advanced degree in an education-related field of study, particularly mathematics, science, or a foreign language and have job experience in such field; or

(2) hold a baccalaureate or advanced degree and were formerly employed in an occupation in which they developed expertise in an education-related field, including mathematics, science, or a foreign language.

(b) **COMPETITIVE SELECTION.**—(1) The Secretary shall award the grants described in subsection (a) on the basis of competitive selection among qualifying applications. Institutions selected as recipients shall be awarded—

(A) an initial planning grant for use during the first two fiscal years after selection;

(B) for those institutions demonstrating successful performance with the planning grant, a renewal grant for use during not more than two additional years after the expiration of the planning grant; and

(C) for those institutions demonstrating successful performance with a planning grant and a renewal grant, continuation grants for not more than \$50,000 per year.

(2) A continuation grant may not be awarded to an institution under paragraph (1)(C) unless such institution agrees to provide funding to the program for which the grant is received—

(A) for the first year for which a continuation grant is received, in an amount equal to $33\frac{1}{3}$ percent of the amount of the continuation grant; and

(B) for each succeeding year for which a continuation grant is received, in an amount equal to 50 percent of the amount of the continuation grant.

(c) **REVIEW OF APPLICATIONS.**—Applications for grants under this chapter shall be reviewed by a panel of experts in teacher training appointed by the Secretary.

(d) **GEOGRAPHIC DISTRIBUTION REQUIREMENT.**—The Secretary shall, to the extent of available funds, select at least one applicant from each region served by the Department of Education from which there is a qualified applicant.

(e) **EVALUATION REQUIREMENTS.**—The Secretary shall evaluate applications for grants under this chapter on the basis of the ability of the applicant institution to establish and maintain a program of midcareer teacher training as described in subsection (a). Such a program shall meet the following requirements:

(1) The admission process for the program shall be designed to ensure that individuals who are admitted to the program possess the current subject matter knowledge needed and the characteristics that would make them likely to succeed as classroom teachers.

(2) A clear set of program goals and expectations shall be communicated to participants in the program.

(3) The program curriculum shall be designed to provide participants who successfully complete the program with the skills and credentials needed to teach in specific subject areas as well as a realistic perspective on the educational process.

(4) The program shall be developed with the cooperation and assistance of the local business community.

(5) The program shall be operated under a cooperative agreement between the institution and one or more State or local educational agencies.

(6) *The program shall be designed and operated with the active participation of qualified classroom teachers and will include an in-service training component and follow-up assistance.*

SEC. 577. AMOUNT OF GRANTS.

(a) **INITIAL PLANNING GRANT.**—*An initial planning grant to an institution of higher education under this chapter shall not exceed \$100,000 for the two-year period of the grant.*

(b) **RENEWAL GRANT.**—*A renewal grant to an institution of higher education under this chapter shall not exceed \$50,000 for each of the two years for which it is awarded.*

SEC. 578. REPORTS AND INFORMATION.

(a) **IN GENERAL.**—*Each institution of higher education that receives a grant under this chapter shall submit to the Secretary such reports and other information on the program for which the grant is awarded as the Secretary deems necessary.*

(b) **DISSEMINATION OF INFORMATION TO OTHER INSTITUTIONS.**—*The Secretary shall disseminate information received under subsection (a) to other institutions of higher education for the purpose of promoting greater use of midcareer teacher training programs without direct Federal financial assistance.*

SEC. 579. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this chapter \$4,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years.

CHAPTER 13—POSTSECONDARY EDUCATION PROGRAMS TO IMPROVE INSTRUCTION IN MATHEMATICS, SCIENCE, AND FOREIGN LANGUAGE

SEC. 581. PROGRAMS AUTHORIZED.

From the funds available to carry out this chapter, the Secretary shall make grants in accordance with the requirements of this chapter to institutions of higher education—

(1) *to establish and operate a summer institute or workshop under section 584;*

(2) *to acquire special equipment or operate a workshop under section 585;*

(3) *to establish and operate educational partnership programs under section 586; or*

(4) *to perform a combination of the activities referred to in paragraphs (1), (2), and (3).*

SEC. 582. SELECTION OF GRANT RECIPIENTS.

(a) **COMPETITIVE SELECTION.**—*The Secretary shall award grants under this chapter competitively, on the basis of the quality of the proposal contained in the institution's application under section 583.*

(b) **LIMITATIONS ON AWARDS.**—*In making awards under subsection (a), the Secretary shall ensure that—*

(1) one-half of the funds awarded will be used for activities under sections 584 and 586, and one-half for activities under section 585;

(2) there is an equitable geographic distribution of the funds awarded under this chapter; and

(3) the award to any institution or consortium of institutions is not less than \$100,000 or more than \$500,000 for any fiscal year.

SEC. 583. APPLICATIONS.

An institution of higher education or consortium of such institutions that desires to obtain a grant under this chapter shall submit an application to the Secretary that contains—

(1) a description of the activities that will be performed in accordance with section 584, 585, or 586 (or any combination thereof) with funds made available under this chapter;

(2) assurances that the institution will obtain from donors, or otherwise provide from non-Federal sources, not less than one-half of the costs of the programs conducted with funds made available under this chapter, unless the Secretary, in accordance with regulations, waives such matching requirement;

(3) a description of the resources available to meet the requirements of paragraph (2); and

(4) such other information and assurances as the Secretary may require by regulation.

SEC. 584. SUMMER INSTITUTES AND WORKSHOPS.

(a) **USE OF FUNDS.**—Funds made available by grant under this chapter may be used—

(1) for summer institutes that provide for intensive training in foreign languages and cultures critical to the national economy—

(A) for secondary and postsecondary school students;

(B) for language teachers and faculty to improve language proficiency and pedagogical techniques;

(C) to individuals to develop proficiency in technical areas and professional terminology, to enable such individuals to transact international business in foreign languages; and

(D) for American international business persons, on a cost reimbursement basis, to improve their effectiveness in doing business abroad;

(2) for intensive workshops for preservice and in-service math and science teachers and faculty to demonstrate the most recent developments in science, technology, and mathematics and their application to improve our economic development, particularly as related to businesses and industries engaged in substantial export or foreign trade activities; and

(3) for stipends for individuals described in subparagraph (A) and (B) of paragraph (1) while attending institutes conducted under such paragraph.

(b) **STUDY ABROAD.**—An institution of higher education using funds to provide the training described in subsection (a)(1) is authorized and encouraged to provide such training in a foreign coun-

try and to use the resources provided by such country to comply with the requirements of section 583(2).

(c) **WORKSHOP PLANNING.**—An institution of higher education using funds to provide the workshops described in subsection (a)(2) is authorized and encouraged to involve units of State and local government, labor, business, and industry in the planning for such workshops.

SEC. 585. ACQUISITION AND USE OF EQUIPMENT.

Funds made available by a grant under this chapter may be used—

(1) for the purchase of laboratory and other special equipment suitable for use in providing undergraduate classroom instruction in mathematics or science, or both; and

(2) for workshops for secondary and vocational school teachers and postsecondary institution faculty on the use of such equipment.

SEC. 586. EDUCATIONAL PARTNERSHIP PROGRAMS.

(a) **USE OF FUNDS.**—Funds made available pursuant to this chapter may be used for costs associated with establishment and operation of educational partnerships between institutions of higher education and local educational agencies to provide advanced instruction to students in the areas of mathematics, science, and computer technology.

(b) **SPECIFICALLY PERMITTED USES.**—Permissible uses of funds under this section include—

(1) costs associated with entering into resource sharing with government, private business, industry, and institutions;

(2) stipends or salary supplements for university and college faculty and staff involved in the educational partnership program under this subtitle;

(3) development of curriculum that provides superior preparation in any one or more of the areas of mathematics, science, and technology;

(4) acquisition of textbooks, materials, and supplies to be utilized in instructional programs to be used under this subtitle; and

(5) additional transportation costs for students as a result of their participation in the educational partnership program under this subtitle.

(c) **USE FOR GENERAL OVERHEAD PROHIBITED.**—Funds made available pursuant to a grant under this section may not be used in connection with the general overhead costs of the applicant.

SEC. 587. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this chapter \$10,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years.

Subtitle B—Worker Readjustment

SEC. 591. AMENDMENT TO TITLE III OF THE JOB TRAINING PARTNERSHIP ACT.

Title III of the Job Training Partnership Act is amended to read as follows:

“TITLE III—WORKER READJUSTMENT

“PART A—GENERAL PROVISIONS

“SHORT TITLE

“SEC. 301. *This title may be cited as the ‘Worker Readjustment Act’.*

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 302. (a) *There are authorized to be appropriated to carry out this title \$980,000,000 for fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year.*

“(b) *Appropriations for any fiscal year may provide that amounts shall remain available for obligation during the succeeding fiscal year.*

“(c) *From the amounts appropriated pursuant to subsection (a)—*

“(1) *30 percent shall be available to carry out parts B and C;*

“(2) *50 percent shall be available to carry out part D; and*

“(3) *20 percent shall be available to carry out part E.*

“DEFINITIONS

“SEC. 303. (a)(1) *For purposes of this title, the term ‘eligible dislocated workers’ means individuals who—*

“(A) *have been terminated or laid off or who have received a notice of termination or layoff from employment, are eligible for or have exhausted their entitlement to unemployment compensation, and are unlikely to return to their previous industry or occupation;*

“(B) *have been terminated or have received a notice of termination of employment, as a result of any permanent closure of or any substantial layoff at a plant, facility, or enterprise;*

“(C) *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 older individuals who may have substantial barriers to employment by reason of age; or*

“(D) *were self-employed (including farmers and ranchers) and are unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters, subject to regulations prescribed by the Secretary.*

“(2) *Only eligible individuals described in paragraph (1) of this subsection are authorized to receive services under this title. Such services may not be denied on the basis of the residence of the individual.*

“(b) *For the purposes of this title—*

"(1) The term 'basic readjustment services' means those services and activities specified in section 333.

"(2) The term 'dislocation event' means a plant closing, a mass layoff, or other layoffs of a permanent nature in which workers are not subject to recall or are otherwise unlikely to return to their previous positions. Such an event may include natural disasters which result, or are likely to result, in permanent loss of employment for workers. A 'dislocation event' may also be the cessation, or the process of cessation, of self-employment with resulting loss of livelihood in operation of a business enterprise, including farming and ranching.

"(3) The term 'early readjustment assistance' means those basic readjustment services provided before, during, and immediately after a dislocation event. Such services ordinarily include one or more of the following: assessment of educational needs and abilities, and vocational interests and aptitudes; determination of occupational skills; provision of labor market information; counseling; job development; job search assistance; and job placement assistance.

"(4) The term 'grant recipient' means the Governor.

"(5) The term 'joint labor-management committees' means committees voluntarily established to respond to actual or prospective worker dislocation, which ordinarily include (but are not limited to) the following—

"(A) shared and equal participation by workers and management;

"(B) shared financial participation between the company and the State, using funds provided under this title, in paying for the operating expenses of the committee;

"(C) a chairperson, to oversee and guide the activities of the committee, (i) who shall be jointly selected by the labor and management members of the committee, (ii) who is not employed by or under contract with labor or management at the site, and (iii) who shall provide advice and leadership to the committee and prepare a report on its activities;

"(D) the ability to respond flexibly to the needs of affected workers by devising and implementing a strategy for assessing the employment and training needs of each dislocated worker and for obtaining the services and assistance necessary to meet those needs;

"(E) a formal agreement, terminable at will by the workers or the company management, and terminable for cause by the Governor; and

"(F) local job identification activities by the chairman and members of the committee on behalf of the affected workers.

"(6) The term 'local elected official' means the chief elected executive officer of a unit of general local government in a sub-state area.

"(7) The term 'recipient' means any entity receiving funds under this title.

"(8) The term 'retraining services' means those services and activities specified in section 345.

"(9) The term 'service provider' means a public agency, private nonprofit organization, or private-for-profit entity that delivers educational, training, or employment services.

"(10) The term 'substate area' means that geographic area in a State established pursuant to section 315.

"(11) The term 'substate grantee' means that agency or organization selected to administer programs pursuant to section 316.

"PART B—SERVICE DELIVERY SYSTEM AND BASIC PROGRAM REQUIREMENTS

"WORKER READJUSTMENT AGREEMENTS

"SEC. 311. (a) The Governor, as the grant recipient under this title, shall have responsibility for establishing systems and programs in accordance with the provisions of this title to assure that, to the maximum extent possible, eligible participants are provided with services which enable them to once again become productive members of the workforce.

"(b) No amounts appropriated for parts B, C, and D for any fiscal year may be allotted by the Secretary for programs established under such parts, except pursuant to a Worker Readjustment Agreement.

"(c) The Worker Readjustment Agreement required by subsection (b) shall provide for an assurance by the Governor that all systems and programs established and operated with amounts appropriated under this title will be established pursuant to and operated in accordance with the provisions of this title.

"(d) The Worker Readjustment Agreement shall be executed no later than four months preceding the program year for which funds are to be made available under this title. The Governor or the Secretary may at any time thereafter propose modifications to the Agreement, except that no modification of the Agreement shall be effective unless agreed to by both parties. The Agreement shall remain in effect until any mutually agreed upon termination date or until the Agreement is terminated by law or by the Secretary.

"STATE WORKER READJUSTMENT COUNCILS

"SEC. 312. (a)(1) The Governor of each State shall establish a State worker readjustment council in accordance with the requirements of this section. The council shall be composed equally of representatives of (A) labor, (B) management, and (C) public and private nonprofit organizations, agencies, or instrumentalities.

"(2) In selecting members for appointment to the council, the Governor shall—

"(A) first, give consideration to individuals who are members of the State job training coordinating council and are otherwise qualified for appointment; and

"(B) second, give consideration to individuals who are recommended by labor organizations, business, and other appropriate organizations, agencies, and instrumentalities, including units of general local government.

“(3) The Governor shall give consideration to suitable representation from urban and rural areas of the State in selecting the members of the Council.

“(b) A State worker readjustment council established under subsection (a) shall be responsible for—

“(1) providing advice to the Governor regarding (A) the designation of substate areas, and (B) the procedures to be established for selection of representatives within such areas under section 316(b);

“(2) developing and submitting to the Governor the plan required by section 313;

“(3) providing advice to the Governor regarding the method for distribution of funds received under part C, and any subsequent reallocations of such funds;

“(4) providing advice to the Governor regarding general guidelines for making funds available for use in substate areas under part D;

“(5) providing recommendations to the Governor with respect to acceptance of substate plans submitted to the Governor for approval under section 317; and

“(6) providing advice to the Governor regarding performance standards.

“STATE PLANS

“SEC. 313. (a) In order to obtain funds under this title for any fiscal year, the Governor of the State shall submit to the Secretary an annual plan for carrying out its responsibilities under this title. Such plan shall contain performance standards, which shall include incentives to provide training of greater duration for those who require it, consistent with section 106(g).

“(b) Such plan shall contain assurances that—

“(1) services will be provided only to eligible dislocated workers, and that services in any substate area will not be denied solely on the basis of the residence of workers;

“(2) allowable services, as determined to be necessary by the Governor, will be available in all substate areas;

“(3) substate areas and substate grantees will be designated in accordance with sections 315 and 316;

“(4) the State worker readjustment council will perform the functions required under section 312; and

“(5) funds will be allocated and reallocated among substate areas for programs authorized in parts B and C in accordance with sections 332(d), 336, and 342(f).

“(c) Such plan shall also contain a description of the methods which will be employed—

“(1) to provide planning instructions, guidance, and other appropriate information in a timely manner, designed to provide for the effective and efficient management of resources and programs;

“(2) to provide appropriate technical assistance;

“(3) to provide monitoring, assessment, and evaluation of the program by such State;

“(4) to provide the rapid response capability in accordance with section 314;

“(5) to provide substate reporting requirements in accordance with section 323, and to review and analyze such reports;

“(6) to provide advice to substate grantees on activities related to identifying and providing services to dislocated workers;

“(7) to work with employers and labor organizations in promoting labor-management cooperation in achieving the goals of this title;

“(8) to promote the coordination of programs authorized under this title with other appropriate and complementary State programs, including those providing economic development, education, training, and social services; and

“(9) to the maximum extent practicable, to coordinate services provided under this title with other programs under this Act and the Carl D. Perkins Vocational Education Act and with public employment service operations.

“STATE SERVICES AND ACTIVITIES

“SEC. 314. (a) Each State shall—

“(1) designate an identifiable State dislocated worker unit or office, with the capability to respond rapidly, on site, to mass dislocation events throughout the State in order to assess the need for, and initially provide, early readjustment assistance; and

“(2) ensure the capability to respond to dislocation events in sparsely populated areas in accordance with subsection (c).

“(b)(1) The dislocated worker unit required by subsection (a)(1) shall include specialists who have the responsibility to—

“(A) establish on-site contact with employer and employee representatives within a short period of time (preferably 48 hours or less) after becoming aware of a current or projected dislocation event in order to provide information and access to available public programs; and

“(B) promote the formation of labor-management committees, including authority to—

“(i) immediately assist in the establishment of the labor-management committee, including providing immediate financial assistance to cover the start-up costs of the committee;

“(ii) provide a list of individuals from which the chairperson of the committee may be selected;

“(iii) serve as resource persons providing the committee with technical advice as well as information on sources of assistance, and act as liaison to other public and private services and programs; and

“(iv) facilitate the selection of worker representatives in the event no union is present;

“(C) obtain information related to—

“(i) economic dislocation (including potential closings or layoffs); and

“(ii) all available resources within the State for displaced workers,

which information shall be made available on a regular basis to the Governor and the council to assist in providing an adequate information base for effective program management, review, and evaluation;

“(D) provide or obtain appropriate financial and technical advice and liaison with economic development agencies and other organizations to assist in efforts to avert worker dislocations; and

“(E) disseminate information throughout the State on the availability of services and activities carried out by the dislocated worker unit or office.

“(2) Where, prior to the date of enactment of this Act, a local entity has a demonstrated capacity to provide the capability described in this subsection, the Governor may delegate the responsibilities described in this subsection to such entity.

“(c) Each State shall ensure the capability to respond to dislocation events where other forms of rapid response as provided in subsection (b) are otherwise inappropriate, especially in sparsely populated substate areas. Such capability shall supplement, and be coordinated with, ongoing basic readjustment and retraining efforts in such substate areas and with State services and activities as described in section 314. Such capability may include (but is not limited to)—

“(1) development and delivery of widespread outreach mechanisms;

“(2) provision of financial evaluation and counseling (where appropriate) to assist in determining eligibility for services and the type of services needed;

“(3) initial assessment and referral for further basic adjustment and training services to be provided through the substate grantee; and

“(4) assistance to substate grantees in the establishment of regional centers for the purpose of providing such outreach, assessment, and early readjustment assistance.

“(d) Each State shall be responsible for coordinating the unemployment compensation system and worker readjustment programs within such State. Such coordination shall include—

“(1) criteria for early identification of those having the most difficulty in finding employment;

“(2) mechanisms for referring individuals to readjustment services early in the unemployment compensation benefit period;

“(3) procedures to assure that, when eligibility for unemployment compensation is determined, beneficiaries are informed that the availability of or priority for further benefits (as described in section 344(c)(1)) will be based upon early enrollment for retraining services (as described in such section 344(c)(1)); and

“(4) measures taken to ensure compliance with section 318, relating to the receipt of unemployment compensation while participating in programs under this title.

"DESIGNATION OF SUBSTATE AREAS

"SEC. 315. (a) *The Governor of each State participating in programs established under parts C and D shall, after receiving any recommendations from the State worker readjustment council, designate substate areas for the State.*

"(b) *Each service delivery area within a State shall be included within a substate area and no service delivery area shall be divided among two or more substate areas.*

"(c) *In making designations of substate areas, the Governor shall consider—*

"(1) the availability of services throughout the State;

"(2) the capability to coordinate the delivery of services with other human services and economic development programs; and

"(3) the geographic boundaries of labor market areas within the State.

"(d) *Subject to subsections (a), (b), and (c), the Governor—*

"(1) shall designate as a substate area any single service delivery area that has a population of 200,000 or more;

"(2) shall designate as a substate area any two or more contiguous service delivery areas—

"(A) that in the aggregate have a population of 200,000 or more;

"(B) that request such designation; and

"(3) shall designate any concentrated employment program grantee for a rural area described in section 101(a)(4)(A)(iii) of this Act.

"(e) *The Governor may deny a request for designation under subsection (d)(2) if the Governor determines that such designation would not be consistent with the effective delivery of services to eligible dislocated workers in various labor market areas (including urban and rural areas) within the State, or would not otherwise be appropriate to carry out the purposes of this title.*

"(f) *The designations made under this section may not be revised more than once each two years, in accordance with the requirements of this section.*

"SUBSTATE GRANTEES

"SEC. 316. (a) *A substate grantee shall be designated for each substate area. Such grantee shall be responsible for arranging for the provision, within such substate area, of activities specified in parts C and D pursuant to an agreement with the Governor and in accordance with the substate plan provided for in section 317. The substate grantee may provide such services directly or through contract, grant, or agreement with service providers.*

"(b) *A substate grantee shall be designated for each substate area in accordance with an agreement between the Governor, the local elected official or officials of such area, and the private industry council or councils of such area. Whenever a substate area is represented by more than one such official or council, the respective officials and councils shall each designate representatives, in accordance with procedures established by the Governor (after consultation with the State worker readjustment council), to negotiate such agreement. In the event agreement cannot be reached on the selec-*

tion of a substate grantee, the Governor shall select the substate grantee.

"(c) Entities eligible for designation as substate grantees include:

"(1) private industry councils in the substate area;

"(2) service delivery area grant recipients or administrative entities;

"(3) private nonprofit organizations;

"(4) units of general local government in the substate area, or agencies thereof;

"(5) local offices of State agencies; and

"(6) other public agencies, such as community colleges.

"(d) The requirements of parts C and D of title I of this Act that apply to an administrative entity or a recipient of financial assistance under this Act shall also apply to substate grantees under this title.

"SUBSTATE PLAN

"SEC. 317. (a) No amounts appropriated for any fiscal year may be provided to a substate grantee unless the Governor (after considering the recommendations of the State worker readjustment council) has approved a substate plan submitted by the substate grantee describing the manner in which activities will be conducted within the substate area to implement parts C and D. Prior to the submission to the Governor, the plan shall be submitted for review and comment to the other parties to the agreement described in section 316(b).

"(b) The substate plan shall also contain a statement of—

"(1) the means for delivering services to eligible participants;

"(2) the means to be utilized to identify and select program participants;

"(3) the means for implementing the requirements of section 314(d);

"(4) the means for involving labor organizations where appropriate in the development and implementation of services;

"(5) the performance goals to be achieved consistent with the performance goals contained in the State plan pursuant to section 313;

"(6) the criteria to be applied in determining and verifying program eligibility;

"(7) procedures, consistent with section 107, for selecting service providers which take into account past performance in job training or related activities, fiscal accountability, and ability to meet performance standards;

"(8) a description of any rapid response capability carried out by the substate grantee;

"(9) a description of the methods by which the other parties referred to in subsection (a) of this section will be involved in activities such as—

"(A) providing policy guidance for and exercising oversight with respect to basic readjustment services and retraining services in the substate area in which they are located;

“(B) commenting, as appropriate, on approved programs under part E operating within the substate areas in which they are located;

“(C) working with employers and labor organizations in promoting labor-management cooperation in achieving the goals of this title; and

“(D) participating in the implementation of early adjustment assistance systems for the substate area in which they are located, including providing support for rapid response teams and assisting in the establishment of labor-management committees, as appropriate;

“(10) a description of training services to be provided, including—

“(A) procedures to assess participants’ current education skill levels and occupational abilities;

“(B) procedures to assess participants’ needs, including educational, training, employment, and social services;

“(11) the means whereby coordination with other appropriate programs and systems will be effected, particularly where such coordination is intended to provide access to the services of such other systems for program participants at no cost to the worker readjustment program; and

“(12) a detailed budget, as required by the State.

“APPROVED TRAINING

“SEC. 318. Participation by any individual in any of the programs authorized in this title 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.

“PART C—BASIC READJUSTMENT SERVICES

“EXPENDITURES FOR BASIC PROGRAM

“SEC. 331. Governors and substate grantees are authorized to expend amounts made available under this part to their respective States or substate areas in accordance with the provisions of this part, the substate plan, and other applicable provisions contained in this title.

“ALLOTMENT OF FUNDS FOR BASIC SERVICES

“SEC. 332. (a)(1) Except as provided in paragraph (2), the Secretary shall allot amounts appropriated to carry out part B and this part for any fiscal year among the several States as follows:

“(A) One-third 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.

“(B) One-third 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 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.

“(C) One-third 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.

“(2) As soon as satisfactory data are available under section 462(e) and, when available, under section 462(f) of this Act, the Secretary shall allot amounts appropriated to carry out part B and this part for any fiscal year to each State so that—

“(A) 25 percent of such amount shall be allotted on the basis of each of the factors described in subparagraphs (A), (B), and (C) of paragraph (1), respectively, for a total of 75 percent of the amount allotted; and

“(B) 25 percent of such amount shall be allotted among the States on the basis of the relative number of dislocated workers in such State in the most recent period for which satisfactory data are available under section 462(e) and, when available, under section 462(f) of this Act.

“(b) The Governor may retain an amount not to exceed 10 percent of the amount allotted to the State under this part, for overall State level administration, staff for the State worker readjustment council, technical assistance, coordination of the programs authorized in this title, and the conduct of rapid response activities.

“(c) The Governor may retain an additional amount not to exceed 10 percent of the amounts allotted to the State under this part, to be allotted at the discretion of the Governor for activities allowable under part B, C, or D (including services and activities carried out by the State dislocated worker unit).

“(d) The Governor shall allocate the remainder of the amount allotted to the State under this part to all substate areas for basic readjustment services authorized in this part, based on an allocation formula prescribed by the Governor. Such formula may be amended by the Governor not more than once each year. Such formula shall utilize the most appropriate information available to the Governor to distribute amounts to address the State’s worker readjustment assistance needs. Such information may include (but is not limited to)—

“(1) insured unemployment data;

“(2) unemployment concentrations;

“(3) plant closing and mass layoff data;

“(4) declining industries data;

“(5) farmer-rancher economic hardship data; and

“(6) long-term unemployment data.

“ALLOWABLE BASIC READJUSTMENT SERVICES AND ACTIVITIES

“SEC. 333. Basic readjustment services and activities authorized under this part may include (but are not limited to)—

“(1) early readjustment assistance;

“(2) outreach and intake;

“(3) counseling (including financial counseling);

“(4) testing;

- "(5) orientation;*
- "(6) assessment, including evaluation of educational attainment and participant interests and aptitudes;*
- "(7) determination of occupational skills;*
- "(8) development of individual readjustment plans for participants in programs under this title;*
- "(9) provision of future world-of-work and occupational information;*
- "(10) job placement assistance;*
- "(11) labor market information;*
- "(12) job clubs;*
- "(13) local job search;*
- "(14) job development;*
- "(15) self-directed job search; and*
- "(16) retraining services as authorized under section 345.*

"SUPPORTIVE SERVICES AND BENEFITS

"SEC. 334. (a) Where it is determined by the substate grantee to be necessary to facilitate participation in the program authorized in this part, the substate grantee is authorized to provide appropriate supportive services to participants.

"(b) Availability of supportive services shall terminate no later than the 180th day after the participant has completed other services under this part.

"(c) Participants in basic readjustment assistance service activities under part C may be provided supportive services. Except as provided in subsection (d), such participants shall not be provided benefit payments under this title (but such participants may be provided unemployment compensation payments under any Federal or State program for which such participants are otherwise eligible).

"(d) Supportive services and benefits authorized by section 344 may be provided to part C participants receiving retraining services pursuant to section 333(16).

"COST LIMITATIONS

"SEC. 335. (a) No more than 15 percent of the amounts expended under this part in any program year by any substate grantee may be expended for administrative costs for the program authorized under this part.

"(b) No more than 15 percent of the amounts expended under this part in any program year by any substate grantee shall be expended by such substate grantee for the supportive services and benefits authorized under section 334.

"(c) Minimum and maximum cost limitations shall be applicable to the accrued expenditures for each program year.

"REALLOTMENT; REALLOCATION

"SEC. 336. (a) If the amount of an allotment against which no accrued costs have been incurred by the end of any program year exceeds 20 percent of such allotment, the amount of the excess may be reallocated by the Secretary. The Secretary may in reallocating funds deduct an amount from the current year allotment equal to the amount of prior year funds subject to the reallocation.

“(b) The Governor may reallocate part C basic grant funds among substate grantees within the State through voluntary transfers mutually agreed to by the Governor and the affected substate grantees, or whenever the Governor determines that minimum expenditure levels approved in substate plans will not be achieved prior to the end of each program year. The Governor shall establish and issue procedures for the reallocation of any funds prior to the reallocation of any funds under this subsection.

“PART D—WORKER READJUSTMENT TRAINING PROGRAM

“EXPENDITURES FOR WORKER READJUSTMENT TRAINING

“SEC. 341. Governors and substate grantees are authorized to expend amounts made available by the Secretary under this part to their respective States or substate areas in accordance with the provisions of this part, the substate plan, and other applicable provisions contained in this title.

“ALLOTMENT OF FUNDS

“SEC. 342. (a) The Secretary shall allot amounts appropriated to carry out this part in accordance with this section.

“(b) The Secretary shall for each program year establish an annual availability target for each State. Unless otherwise agreed upon by the Secretary and the Governor, the annual availability target for each State in each program year shall be in an amount equal to $1\frac{2}{3}$ times the amount of the State’s allotment under section 332(a).

“(c) The Secretary shall also establish for each program year a semiannual availability target for each State at 50 percent of that State’s annual availability target.

“(d) At the end of each 6 months, the State’s annual availability target shall be decreased by the Secretary in an amount equal to the difference between the State’s reported semiannual expenditures and the State’s semiannual availability target in effect for that 6 months, unless otherwise provided for in accordance with subsection (e). No change shall be made in the State’s subsequent semiannual availability targets for the current program year unless otherwise provided for in accordance with subsection (e).

“(e) The Governor of any State may at any time request that the Secretary change that State’s availability targets. Any such request shall be based on previous expenditure experience or demonstrated need, including recent economic developments. The Secretary is authorized to approve any such request, subject to the availability of funds therefor.

“(f) The Secretary shall establish procedures whereby the Governor of any State desiring to expend amounts made available under this part for purposes of part C may request the approval of the Secretary to do so. If the Secretary approves any such request, the amounts approved for the purposes of part C shall reduce the State’s current availability targets, but shall not affect any allotments under section 332(a).

“(g) The Governor of each State (after considering the recommendations of the State worker readjustment council) shall establish

appropriate procedures for making funds available for use in substate areas under this part.

"COST LIMITATIONS

"SEC. 343. (a) No more than 15 percent of the amounts expended under this part in any program year by any substate grantee may be expended for administrative costs for the program authorized under this part.

"(b) No more than 30 percent of the funds expended under this part in any program year by any substate grantee shall be expended by such substate grantee for the supportive services and benefits authorized under section 344.

"(c) Minimum and maximum cost limitations shall be applicable to the accrued expenditures for each program year.

"SUPPORTIVE SERVICES AND BENEFITS

"SEC. 344. (a) Where it is determined by the substate grantee to be necessary to facilitate participation in the program authorized under this part, the substate grantee is authorized to provide appropriate supportive services to participants.

"(b) Availability of supportive services shall terminate no later than the 180th day after the participant has completed training or other services under this part.

"(c) Whenever it is determined by the substate grantee to be necessary to facilitate an individual's participation in the program authorized in this part, the substate grantee is authorized to provide the following benefits from funds under this part to participants:

"(1)(A) In accordance with procedures established by the State, any participant who enrolls for retraining services may be paid a weekly benefit (not to exceed the individual's average weekly amount of regular unemployment compensation payable under the State's unemployment compensation law) for any authorized period of retraining services subsequent to exhaustion of all compensation payable under any State or Federal unemployment compensation law.

"(B) Procedures established by the State for purposes of subparagraph (A) shall provide that—

"(i) in order to be eligible for such benefits, a participant who is unemployed as a result of any permanent closure of a plant, facility, or enterprise, or who has been terminated or permanently laid off from employment, shall be enrolled in retraining services no later than the end of the 10th week of the participant's regular unemployment compensation benefit period; and

"(ii) in providing such benefits to workers who are otherwise on layoff, priority shall be accorded to those who enroll for retraining services prior to the end of the 15th week of the participant's regular unemployment compensation benefit period.

"(2) Needs-based payments may be provided to participants not receiving benefit payments under paragraph (1) (particularly those who are not eligible for unemployment compensation pay-

ments under any State or Federal unemployment compensation law), as determined by the substate grantee.

"ALLOWABLE SERVICES AND ACTIVITIES

"SEC. 345. (a) Each substate grantee is authorized to provide training services under this part to eligible participants. Such services may include, but are not limited to:

"(1) classroom training;

"(2) occupational skill training;

"(3) on-the-job training;

"(4) out-of-area job search;

"(5) relocation;

"(6) basic and remedial education;

"(7) literacy and English for non-English speakers training;

"(8) entrepreneurial training; and

"(9) other appropriate training activities directly related to appropriate employment opportunities in the substate area.

"(b) No funds under this title shall be expended to provide public service employment or work experience.

"(c) Training programs for individuals may be supported for not more than 104 weeks using funds under this title.

"(d) Eligible readjustment training participants shall receive either retraining services, or a certificate of continuing eligibility.

"(e) To the maximum extent feasible, training services shall be provided through systems of individual certificates that permit participants to seek out and arrange their own training. Training opportunities identified with approved service providers shall, pursuant to the certificate, be arranged through a grant, contract, or otherwise between the substate grantee and the service provider identified in the certificate.

"(f) The substate grantee is authorized to issue to any eligible individual who has applied for the program authorized in this part a certificate of continuing eligibility. Such a certificate of continuing eligibility may be issued for periods not to exceed one hundred and four weeks. No such certificate shall include any reference to any specific amount of funds. Any such certificate shall state that it is subject to the availability of funds at the time that any such training services are to be provided. Acceptance of such certificate shall not be deemed to be enrollment in training.

"(g) Any individual to whom a certificate of continuing eligibility has been issued under subsection (f) shall remain eligible for the program authorized under this part for the period specified in the certificate, notwithstanding section 303(a), and may utilize the certificate in order to receive the retraining services, subject to the limitations contained in the certificate.

"PART E—FEDERAL READJUSTMENT PROGRAMS

"PROGRAM AUTHORIZED

"SEC. 351. (a) The Secretary is authorized to expend amounts appropriated for this part for activities authorized in this part, subject to any other applicable provisions contained in this title.

“(b) In order to facilitate the conduct of the allowable activities under this part, the Secretary is authorized to make such grants and enter into such contracts or other agreements as the Secretary deems to be appropriate.

“(c) The Secretary shall annually establish criteria for the application for and disbursement of amounts appropriated for this part.

“ALLOWABLE ACTIVITIES

“SEC. 352. (a) Amounts appropriated for this part may be used to provide services of the type described in parts C and D in the following circumstances—

“(1) mass layoffs, including mass layoffs caused by natural disasters or Federal actions (such as relocations of Federal facilities) when the workers are not expected to return to their previous occupations;

“(2) industrywide projects (treating agriculture as an industry);

“(3) multistate projects;

“(4) special projects carried out through agreements with Indian tribal entities;

“(5) special projects to address national or regional concerns described in subsection (e); and

“(6) demonstration projects, including the projects described in subsections (f), (g), and (h).

“(b) Amounts appropriated for this part may also be used to provide services of the type described in parts C and D whenever the Secretary (with agreement of the Governor) determines that an emergency exists with respect to any particular distressed industry or any particularly distressed area to provide emergency financial assistance to dislocated workers. The Secretary may make arrangements for the immediate provision of such emergency financial assistance for these purposes with any necessary supportive documentation to be submitted at a date agreed to by the Governor and the Secretary.

“(c) Amounts available for this part may be used to provide staff training and technical assistance services to States, communities, businesses and labor organizations, and other entities involved in providing adjustment assistance to workers. Applications for technical assistance funds shall be submitted in accordance with procedures issued by the Secretary. Not more than 5 percent of the funds available for this part in any fiscal year shall be expended for the purpose of this subsection.

“(d) Amounts available for this part shall be used to provide training of staff, including specialists, providing rapid response services. Such training shall include instruction in proven methods of promoting, establishing, and assisting labor-management committees.

“(e) The Secretary is authorized to undertake special projects of national or regional concern. The Secretary may—

“(1) provide for such projects to extend over a period greater than one year in duration where circumstances warrant such a multiyear program; and

“(2) conduct an evaluation of the effectiveness and impact of such projects upon their completion.

“(f)(1) The Secretary may carry out demonstration programs in accordance with the provisions of this subsection. The Secretary is authorized to carry out the provisions of this subsection either directly or by way of contract or agreement. Whenever the Secretary directly conducts loan demonstration programs under this subsection, the Secretary shall, to the extent practicable, comply with the provisions of paragraph (3), relating to agreements.

“(2) The Secretary shall carry out the demonstration program under this subsection in communities in the country having the largest number of dislocated workers and shall give priority to communities with the highest concentrations of dislocated workers.

“(3) The Secretary shall enter into agreements or conduct directly demonstration programs in not more than 10 communities described in this section.

“(4) The Secretary may enter into an agreement with—

“(A) State dislocated workers units, or

“(B) State or local public agencies or nonprofit private organizations selected by the Secretary,

in order to carry out the demonstration program authorized by this subsection.

“(5) Each agreement entered into under this subsection may provide—

“(A) for the establishment and maintenance of a dislocated workers loan fund for the purpose of this subsection;

“(B) for the deposit in such fund of the funds made available pursuant to this subsection;

“(C) for the deposit in such fund of collections of principal and interest on direct loans made from deposited funds and any other earnings of such funds;

“(D) that any obligation acquired by such fund may be sold at the market price; and the interest on, and the proceeds from the sale or redemption of, any obligations held in such fund, shall be credited to and form a part of such fund;

“(E) that such direct loan funds shall be used only for—

“(i) loans to dislocated workers in accordance with the provisions of this subsection; and

“(ii) directly related administrative expenses;

“(F) that the repayment of loans will be made in accordance with a repayment schedule that is consistent with paragraph (9); and

“(G) for such other assurances and limitations, including the distribution of assets from the loan funds, established under this subsection at the completion or termination of the demonstration projects authorized by this subsection as the Secretary may reasonably prescribe.

“(6)(A) Loans from any workers loan fund established pursuant to an agreement established under this subsection shall be subject to such conditions, limitations, and requirements as the Secretary shall by regulation prescribe, and shall be made on such terms and conditions as the Secretary, in cooperation with the worker adjustment committee, rapid response team, or State agency, as the case may be, may prescribe.

“(B) The aggregate amount of all direct loans made from funds established pursuant to an agreement under this subsection to each dislocated worker may not exceed \$5,000.

“(7) The interest rate on all loans made under this subsection shall be 2 percentage points below the long-term Treasury obligations.

“(8)(A) The loans made from loan funds established pursuant to such agreements may be used only for—

- “(i) vocational and on-the-job training;*
- “(ii) basic education and literacy instruction;*
- “(iii) relocation expenses; and*
- “(iv) child care services.*

“(B) The Secretary shall, for the purpose of subparagraph (A)(i), establish criteria for accrediting vocational training programs, including a requirement that any vocational training program qualifying under subparagraph (A) have a demonstrated ability to place participants successfully in jobs.

“(C) Not more than 25 percent of the aggregate amount of loans made to a single dislocated worker may be used for the activities described in clauses (iii) and (iv) of subparagraph (A) of this paragraph.

“(9) Loans under this subsection shall be made pursuant to agreements which—

“(A) require a repayment period which—

“(i) begins not earlier than 6 months after the completion of training for which the funds were sought or when the income of the dislocated worker is equal to or greater than $\frac{2}{3}$ of the income level of the dislocated worker for the three-month period preceding the determination of dislocation, whichever is later; and

“(ii) is for a period not to exceed 10 years;

“(B) provide for deferments of principal and for interest accrual during such deferments;

“(C) provide such loan cancellation as is consistent with the purpose of this subsection; and

“(D) require the recipient to cooperate with evaluation studies conducted pursuant to paragraph (11).

“(10) The Secretary may prescribe such other terms for loans made pursuant to this subsection as the Secretary determines will carry out the provisions of this subsection.

“(11) The Secretary shall, based upon the projects assisted under this subsection and independent research, conduct or provide for an evaluation of the feasibility of the direct loan approach to achieving the objectives of this subsection. The Secretary shall consider—

“(A) the identity and characteristics of dislocated workers who take out direct loans;

“(B) the purposes for which the loans are used;

“(C) the employment obtained with the assistance provided under this subsection;

“(D) the compensation paid to such workers;

“(E) the repayments schedules; and

“(F) the attitudes of the participants in the program.

"(12) The evaluations required under paragraph (11) shall be conducted by at least 2 different public agencies or private nonprofit organizations.

"(13) The Secretary shall prepare and submit to the Congress a report of the evaluations required by this subsection not later than October 1, 1989, together with such recommendations, including recommendations for legislation, as the Secretary deems appropriate.

"(g)(1) The Secretary may carry out public works employment demonstration programs in accordance with the provisions of this subsection. The Secretary is authorized to enter into such contracts with private industry councils as may be necessary to carry out the provisions of this subsection.

"(2) The Secretary may waive—

"(A) the testing requirement in paragraph (4)(B) for physically handicapped individuals and for individuals requiring special education; and

"(B) the requirement in section paragraph (5)(C) relating to a 32-hour workweek for unusual circumstances.

"(3)(A) The Secretary shall carry out the demonstration project under this subsection in cities and counties—

"(i) which are geographically diverse;

"(ii) which represent urban and rural areas; and

"(iii) for which the unemployment rate, for the 6 months before the determination under this subsection, exceeded the national average rate of unemployment by at least 2 percent.

"(B) The Secretary shall enter into agreements or conduct demonstration programs in not more than 10 cities or counties under this subsection.

"(4)(A) For the purpose of this subsection, an individual is eligible to participate in the demonstration project assisted under this subsection if the individual—

"(i) is an eligible dislocated worker, as defined in section 303(a), who has been unemployed for at least 15 weeks before the determination of employment under this paragraph;

"(ii) is an individual who has been unemployed or who has been without steady employment for a period of two years prior to such determination; or

"(iii) is an individual who is a recipient under a State plan approved under part A of title IV of the Social Security Act, relating to aid to families with dependent children for a period of at least 2 years.

"(B)(i) Each participant shall be tested for basic reading and writing competence by the private industry council prior to employment by a job project assisted under this subsection.

"(ii)(I) Each participant who fails to complete satisfactorily the basic competency tests required by clause (i) of this subparagraph (1) of this subsection shall be furnished counseling and instruction.

"(II) Each participant in a job project assisted under this subsection, shall, in order to continue such employment, have received a secondary school diploma or its equivalent, or maintain satisfactory progress toward such a diploma.

"(III) Each participant with limited English speaking ability may be furnished such instruction as the private industry council deems appropriate.

“(5)(A) Each private industry council participating in the demonstration program authorized by this subsection shall select job projects to be assisted under this subsection pursuant to guidelines established by the Secretary. Each such job project selected for assistance shall provide employment to eligible participants.

“(B) No project may be selected under this subsection if an objection to the project is filed by 2 representatives of the business community or by 2 representatives of labor organizations who are members of the private industry council. If there are not two members of a private industry council who are representatives of labor organizations then two representatives of labor organizations who are members of the State worker readjustment council may exercise the objection option authorized by this subsection for that private industry council.

“(C) Each eligible participant employed in a job project assisted under this subsection may not be employed on such project for more than 32 hours per week.

“(D) Not more than 10 percent of the total expenses of the demonstration project in each community may be used for transportation and equipment.

“(E) The private industry council shall select project managers on a project-by-project basis. Each such manager shall be paid the local prevailing wage.

“(6)(A) Each eligible participant who is employed in a job project assisted under this subsection shall receive wages equal to the higher of—

“(i) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938; or

“(ii) the amount which the eligible participant received in welfare benefits pursuant to the State plan approved under part A of title IV of the Social Security Act or in the form of unemployment compensation, if applicable, plus 10 percent of such amount.

“(B) Each eligible participant who is employed in projects assisted under this Act shall be furnished benefits and employment conditions comparable to the benefits and conditions provided to other employees employed in similar occupations by the same employer but no such participant shall be eligible for unemployment compensation during or on the basis of employment in such a project.

“(C) Each private industry council shall establish, for the area in which the demonstration is conducted, job clubs to assist eligible participants with the preparation of resumes, the development of interviewing techniques, and evaluation of individual job search activities.

“(7) In selecting projects pursuant to criteria established by the Secretary, each private industry council shall—

“(A) select projects, to the extent feasible, designed to develop skills which are marketable in the private sector in the community in which the project is conducted; and

“(B) select projects which show potential for assisting eligible participants who are employed in the project to find jobs in the private sector.

“(8)(A) The Secretary shall, either directly or by way of contract, evaluate the success of the employment demonstration program authorized by this subsection.

“(B) The evaluations required by subparagraph (A) of this paragraph shall be conducted by at least 2 different public agencies or private nonprofit organizations.

“(C) The Secretary shall prepare and submit to the Congress a report on the success of the employment demonstration program authorized by this subsection not later than October 1, 1989, together with such recommendations, including recommendations for legislation, as the Secretary deems appropriate.

“(9) As used in this subsection—

“(A) The term ‘participant’ means an individual who is determined to be eligible under this subsection.

“(B) The term ‘project’ means an identifiable task or group of tasks which—

“(i) will be carried out by a public agency, a private nonprofit organization, or a private contractor,

“(ii) will meet the other requirements of this subsection,

“(iii) will result in a specific product or accomplishment, and

“(iv) would not otherwise be conducted with existing funds.

“(h)(1) The Secretary may, from the amount reserved pursuant to section 302(c)(3), carry out programs in accordance with the provisions of this subsection. The Secretary is authorized to enter into contracts or agreements with States to carry out the provisions of this subsection.

“(2) In carrying out the provisions of this subsection, the Secretary shall give priority to States most affected by adverse agricultural conditions as reflected by—

“(A) the decline in farm equity as measured by the percent change in farm equity between 1981 and the most recent year for which data is officially published by the United States Department of Agriculture, Economic Research Service; and

“(B) the percent change in the average debt to asset ratio of farms within a State between 1981 and the most recent year for which data is officially published by the United States Department of Agriculture, Economic Research Service.

“(3) The Secretary may enter into agreements with priority States for demonstrations of two or more years in duration, described in this subsection.

“(4) To be eligible for this subsection, a State must submit a plan to the Secretary describing how the State will utilize funds to meet the unique basic readjustment needs of eligible farmers, ranchers, farm workers, and other individuals eligible under this subsection. The plan shall include—

“(A) designation of the agency or agencies of State government which will implement the plan and the service delivery system which will be employed;

“(B) a description of the basic readjustment services to be provided;

“(C) a description of the classes of eligible recipients who will be served and an estimate of the numbers of such individuals expected to be served;

“(D) an explanation of how the service delivery system developed under this subsection will be coordinated with the service delivery system established under other titles or statutes to assist dislocated workers and with other programs that assist this target population; and

“(E) other information or assurances that the Secretary may require.

“(5) Individuals eligible to receive services under the State plan may include:

“(A) Individuals who can certify or demonstrate that the farm or ranch operations which provide their primary occupation have terminated or will terminate because of circumstances which may include one or more of the following events—

“(i) receipt of notice of foreclosure or intent to foreclose;

“(ii) failure of the farm to return a profit during the preceding 12 months;

“(iii) entry of the farmer into bankruptcy proceedings;

“(iv) failure or inability of the farmer to obtain operating capital necessary to continue operations;

“(v) failure or inability to make payments on loans secured by mortgages on agricultural real estate; or

“(vi) farmer’s total debts exceed 70 percent of total assets.

“(B) Individuals who may reasonably be expected to leave farming or ranching as their primary occupation because of unfavorable debt to asset ratio as defined by the Department of Agriculture.

“(C) Individuals displaced from agriculture-related businesses and industries, including farm workers, who have been displaced or adversely affected by the declining agricultural economy.

“(D) Individuals and their immediate families who are attempting to continue farming or ranching, but whose ability to do so is threatened because of one or more factors listed in paragraph (5)(A).

“(6) Activities and services which may be provided under an approved plan may include the following—

“(A) assistance in the evaluation of financial condition and in the preparation of financial plans;

“(B) assistance in managing temporary crises, including psychological and mental health counseling;

“(C) vocational evaluation, including basic skills and literacy evaluation, counseling, and remediation;

“(D) credit and legal counseling, including farmer/lender mediation services;

“(E) job search assistance, including training in job seeking skills;

“(F) entrepreneurial training;

“(G) specific skill training, including on-the-job training and customized training in cooperation with potential employers; and

“(H) support services required to enable eligible individuals to participate in programs, including transportation, health care, dependent care, meals, temporary shelter, and other reasonable subsistence allowances; tuition, fees, books, and expenses associated with training, and up to one-half of wages paid to an eligible individual during on the job training.

“(7) Services provided under this subsection shall supplement services and activities provided under other titles and statutes established to assist dislocated workers and under other programs assisting this target population.

“(8) To the fullest extent feasible, States participating in this demonstration are encouraged to provide a comprehensive set of services to eligible individuals at a single site.

“PROPOSALS FOR FINANCIAL ASSISTANCE

“SEC. 353. (a) In addition to any financial assistance provided under section 352, the Secretary is authorized to provide services of the type described in parts C and D under proposals for financial assistance. Proposals for financial assistance under this part shall be submitted to the Secretary, who shall consult in a timely fashion with the Governor of the State in which the project described in the proposal is to operate.

“(b) With respect to multistate projects (other than projects established under section 352), the proposal shall be submitted by the Governor of one State and shall include the concurrence of the Governor or Governors of each of the other States in which the project is to operate.

“(c) Any proposal for financial assistance under this part shall contain evidence of review, or timely availability for review, by the local private industry council or councils when the project is to operate within one or more service delivery areas served by such council or councils. Multistate proposals, industry-wide proposals, projects with Indian tribal entities, and funds allotted by the Secretary under section 352(b) shall not be subject to this requirement.

“(d) Any proposal under this section which is intended to provide services to a substantial number of members of a labor organization shall be submitted only after consultation, or timely availability for consultation, with such labor organization. Any such proposal shall contain evidence of such consultation or availability.”.

SEC. 592. JOB BANKS.

(a) AMENDMENT.—Title V of the Job Training Partnership Act is amended by adding at the end thereof the following new section:

“STATE JOB BANK SYSTEMS

“SEC. 505. (a)(1) The Secretary shall carry out the purposes of this section with sums appropriated pursuant to paragraph (2) for any fiscal year.

“(2) There are authorized to be appropriated to carry out this section \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year.

“(b) The Secretary shall make such sums available through the United States Employment Service for the development and implementation of job bank systems in each State. Such systems shall be

designed to use computerized electronic data processing and telecommunications systems for such purposes as—

“(1) identifying job openings and referring jobseekers to job openings, with continual updating of such information;

“(2) providing information on occupational supply and demand; and

“(3) utilization of such systems by career information delivery systems (including career counseling programs in schools).

“(c) Wherever possible, computerized data systems developed with assistance under this section shall be capable of utilizing software compatible with other systems (including management information systems and unemployment insurance and other income maintenance programs) used in the administration of employment and training programs. In developing such systems, special consideration shall be given to the advice and recommendations of the State occupational information coordinating committees (established under section 422(b) of the Carl D. Perkins Vocational Education Act), and other users of such systems, for the various purposes described in subsection (b) of this section.”

(b) **CLERICAL AMENDMENT.**—The table of contents of such Act is amended by inserting after the item relating to section 504 the following:

“Sec. 505. State job bank systems.”

SEC. 593. STUDIES.

(a) **DATA ON DISPLACED FARMERS AND RANCHERS.**—Section 462 of such Act is amended by adding at the end the following new subsection:

“(f)(1) The Secretary shall develop, in coordination with the Secretary of Agriculture, statistical data relating to permanent dislocation of farmers and ranchers due to farm and ranch failures. Among the data to be included are—

“(A) the number of such farm and ranch failures;

“(B) the number of farmers and ranchers displaced;

“(C) the location of the affected farms and ranches;

“(D) the types of farms and ranches involved; and

“(E) the identification of farm family members, including spouses, and farm workers working the equivalent of a full-time job on the farm who are dislocated by such farm and ranch failures.

“(2) The Secretary shall publish a report based upon such data as soon as practicable after the end of each calendar year. Such report shall include a comparison of data contained therein with data currently used by the Bureau of Labor Statistics in determining the Nation’s annual employment and unemployment rates and an analysis of whether farmers and ranchers are being adequately counted in such employment statistics. Such report shall also include an analysis of alternative methods for reducing the adverse effects of displacements of farmers and ranchers, not only on the individual farmer or rancher, but on the surrounding community.”

(b) **FAILURE TO PROVIDE INTERNATIONALLY RECOGNIZED WORKER RIGHTS.**—(1) The Secretary of Labor shall conduct a study, in consultation with the Secretary of State, to identify the extent to which countries recognize and enforce, and the producers fail to comply

with, internationally recognized worker rights. A report on the study conducted under this subsection shall be submitted to Congress biennially.

(2) There are authorized to be appropriated \$5,000,000 for fiscal year 1988 and for each succeeding fiscal year, which shall be available to the Secretary of Labor for the purpose of entering into contractual or other appropriate agreements with the private sector for the purpose of monitoring activities, studies, and information gathering which will enable trade unions abroad to provide information and comments to international organizations and other bodies on their respective governments' compliance with internationally recognized worker rights.

(3) As used in this Act, the term "internationally recognized worker rights" includes—

- (A) the right of association;
- (B) the right to organize and bargain collectively;
- (C) the right to be free from the use of any form of forced or compulsory labor;
- (D) a minimum age for the employment of children; and
- (E) acceptable conditions of work with respect to minimum wages, maximum hours of work, and occupational safety and health.

(c) **ADDITIONAL STUDIES.**—The National Commission for Employment Policy shall conduct research related to the provisions of this title. Such research shall include examinations of—

- (1) the role of the employment services in implementing programs to enhance services provided under this title, and
- (2) alternative techniques for managing production cutbacks without permanently reducing workforces.

A report on the research conducted under this subsection shall be submitted to the Congress not later than 18 months after the date of enactment of this Act.

SEC. 594. EFFECTIVE DATE.

This title shall take effect on October 1, 1987, or upon the date of enactment, whichever is later, except that the amendments to title III of the Job Training Partnership Act shall be effective with respect to appropriations for fiscal year 1988 and succeeding fiscal years.

COMMITTEE ACTION

The Chairman of the Committee on Education and Labor, Augustus F. Hawkins, introduced H.R. 90, the Education and Training for American Competitiveness Act on January 6, 1987. H.R. 90 is cosponsored by 51 Members.

In the exercise of its legislative and oversight responsibilities, the Full Committee held seven days of hearings on the measure. The Committee heard testimony from public and private witnesses, which included college presidents, academicians, economists, elected officials, State and local school officials, representatives of labor organizations and corporate management, as well as the Secretaries of Labor and Education.

The President of New York University and former Member of Congress, John Brademas, testified on the important role of higher

education in strengthening America's weakened position in a global economy. He called competitiveness "the national watchword" which has "stirred concern from the Oval Office to Capitol Hill to Main Street." He also pointed out that "'competitiveness' is a theme that transcends professional and political partisanship, a cause around which seemingly all can rally."

Governor Richard Celeste of Ohio testified at a later hearing as Chairman of the Subcommittee on Employment and Training of the National Governors' Association. He asserted that development of America's capacity to respond to the continually changing world marketplace is central to the important issue of America's competitiveness.

Rudolph Oswald, Director of Economic Research, AFL-CIO, called for "effective action by Congress to try and address the numerous factors that have contributed to this 'loss of competitiveness.'" Specifically, he urged this Committee to consider the various studies of American economic growth demonstrating the "importance of education and training in contributing to productivity and innovation."

On April 1st, 1987, by voice vote, the Committee on Education and Labor ordered favorably reported H.R. 90, as amended, in the Committee mark-up session. The Committee ordered reported the same text as an amendment in lieu of Title V of H.R. 3.

BACKGROUND AND NEED FOR LEGISLATION

National concern has focused on America's diminishing competitiveness in world markets and our growing trade deficit. The 100th Congress began with an urgent demand to enhance America's competitiveness. Profound consequences loom as America's trade deficit mounts, our economy weakens, and American markets are eroded. At stake is the position of the United States in the international economic arena and the present and future standard of living of our citizens. Relevant bills were introduced in early January and both the house and State held hearings.

Speaker Jim Wright asserted early in this session of Congress that competitiveness "... may be the dominant economic issue of the remaining years of the 20th century." President Reagan in his State of the Union Address also pledged to guarantee that "... government does everything possible to promote America's ability to compete."

Secretary of Labor William Brock requested \$980 million in the Department of Labor budget to improve America's competitiveness through a worker readjustment program which was included in a larger Administration competitiveness package. The Secretary's request came soon after the release of the report of the Secretary's Task Force on Economic Adjustment and Worker Dislocation, formed to attempt to seek a broad consensus among business, labor, government, and others on the problem of worker dislocation.

The Task Force reported its findings in December 1986, one year after its formation. Its concluded:

The permanent dislocation of some jobs is an inevitable consequence of a dynamic world economy. Plant closings

and permanent layoffs can reflect the strategic flexibility needed to keep the U.S. economy competitive and growing. It is also apparent that losing experienced employees from the work force further weakens overall U.S. productivity. Moreover, having these people out of work places an additional drain on public funds. The problem, therefore, is not one for industry, or labor, or government, alone. Rather it is the concern of every citizen. Protecting the country's investment in human capital ensures a more productive, more fully employed society for all. The Task Force believes that worker dislocation is a problem that will not simply disappear if nothing is done; nor is it so immense that it defies resolution. The problem is of sufficient magnitude and urgency that it demands an effective coordinated response with special priority by both the public and private sectors.

The Committee believes that the same judgment should be rendered on our competitiveness problem, in general. The problem is serious, it will not solve itself, but it is soluble by focusing the resources of the public and private sectors on our needs in the areas of education and training.

The Committee recognizes that investing in human capital is at least as important to improving our long-range competitiveness as investing in equipment or negotiating trade agreements. By making our workforce more productive and management more innovative, education and training programs have the capability to both redress current trade imbalances and prevent us from losing ground in the future.

The Committee feels that a comprehensive education program designed to restore our competitiveness must address several needs: eradicating illiteracy; updating vocational training to encompass new skills; and enhancing the math, science, and foreign language capabilities of students and teachers at all levels. Our shortcomings in these areas affect our nation's standing in the international marketplace. For example, an estimated \$100 billion is lost each year in Gross National Product due to the existence of the 26 million, or more, adults who are illiterate or functionally illiterate. Similarly, we will continue to lose competitive ground unless vocational education responds to the structural changes in the economy; and without skilled scientists and mathematicians, we will lose our technological edge. Our inability to communicate in other languages costs us daily in our trade transactions abroad and at home.

The Committee heard testimony that improvements in America's educational competitiveness depend on modernizing college and university research facilities, creating effective mechanisms for the transfer of technology, enhancing foreign language and math and science, graduate level excellence, vocational education, and literacy.

With respect to better training, assistance to dislocated workers, and productivity in the workplace, the Committee heard testimony on trade-impacted and dislocated workers, new ideas for readjustment services and readjustment programs, the importance of continuous on-the-job education and training, the use of technology in

training, and the critical necessity of labor-management cooperation.

SUMMARY OF EDUCATION AND TRAINING FOR AMERICAN COMPETITIVENESS ACT OF 1987, AS REPORTED

ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION PROGRAMS (SUMMARY OF CHAPTERS 1-10)

Purpose.—To improve productivity and competitiveness, assist illiterate out-of-school youth and adults in obtaining basic skills, help educational institutions to prepare those engaged either directly or indirectly in trade-related fields.

Chapter 1—Literacy Programs

Workplace Literacy Partnership Grants.—Amends the Adult Education Act, provides \$50 million for grants to States for 90% of the cost of business education partnerships which teach literacy skills needed in the workplace.

English Literacy Program Grants.—Amends the Adult Education Act, provides \$50 million for grants to States for English literacy programs for individuals of limited English proficiency, 50% of the funds to be granted by the State to community-based organizations to operate such programs.

Coordination of Literacy Programs.—Requires the establishment of a Federal Literacy Coordination Office in the Department of Education and provides \$2 million for grants to States and local offices for coordination of literacy programs.

Chapter 2—Science and Mathematics Elementary and Secondary Education Programs

Amends Title III of the Education for Economic Security Act, provides \$50 million for grants to States to award on a competitive basis to local education agencies and their business partners to purchase laboratory equipment, instructional and reference materials, and provide for advanced placement of exceptional secondary students.

Chapter 3—Elementary and Secondary Foreign Language Programs

Amends Title III of the Education for Economic Security Act, provides \$50 million for grants to States of which 86 percent of the funds appropriated are for local model foreign language programs; 6 percent is for institutions of higher education to provide intensive summer language programs for exceptional secondary students; 4 percent is for grants for programs of study abroad for advanced secondary foreign language students; and, 4 percent is for grants for advance placement programs.

Chapter 4—Business Education Partnerships

Provides \$5 million for grants in declining percentages each year to eligible business education alliances to encourage business to work with elementary and secondary schools to improve education and enrich career awareness.

Chapter 5—Educational Telecommunications

Provides \$10 million for grants to nonprofit private or public corporations to pay 50 percent of the cost for design, development and construction of nine regional advanced educational telecommunications network and technology resource centers.

Chapter 6—Technical Education Programs

Requires the National Diffusion Network to gather, organize and disseminate information on innovative secondary and postsecondary programs to enhance technical skills and basic literacy and on consultative and collaborative efforts by business, education and government to improve American competitiveness.

Chapter 7—Transfer of Education and Training Software

Provides \$1 million for the establishment of an Office of Education Software Transfer in the Department of Education, with a director and 15 staff to act as a clearinghouse of all knowledge and education and training software developed by Federal agencies and to disseminate information regarding such software.

Chapter 8—Instructional Programs in Technology Education

Provides \$2 million for grants to States, Local Education Agencies (LEA's) and other entities to develop model programs for technology education with the Federal share limited to 65 percent of the cost of the program and at least 10 percent of the cost paid by private sector contributions.

Chapter 9—Vocational Education Programs

Adult Training, Retraining, and Employment Development.—Amends the Carl Perkins Vocational Education Act, provides \$50 million for grants to States to fund part of public-private partnership vocational education programs designed to meet the needs for training, retraining and employment development of adults, and for an education-for-employment demonstration program with secondary students; it allows funds to be used for pre-employment skills training and school-to-work transition programs.

High Technology Training.—Amends the Carl Perkins Vocational Education Act, provides \$50 million to extend industry-education partnerships for high technology training.

Chapter 10—Project Access

Provides \$50 million for grants to regional educational laboratories for the development and operation of demonstration programs for rural secondary students that will increase their knowledge of opportunities for continued education.

POSTSECONDARY EDUCATION COMPONENTS (CHAPTERS 11-13)

Chapter 11, Part I, amends the Higher Education Act to create a program to repair or replace research facilities, instrumentation, and equipment. The authorization is \$85 million and requires a 50:50 match.

Part J amends the Higher Education Act to create a program to repair or replace research facilities, instrumentation, and equip-

ment, specifically targeted to schools which have research programs in agriculture, strategic metals, minerals, energy and forestry. The authorization is \$20 million and requires a 50:50 match.

Section 573 amends Title IX of the Higher Education Act to provide additional authorization for Parts A, Grants to Institutions to Encourage Minority Participation in Graduate Education (\$5 million); B, Patricia Roberts Harris Fellowships (\$4 million); and D, Graduate Assistance in Areas of National Need (\$5 million).

Section 574 amends Title VI of the Higher Education Act to add \$1 million to bring scientific and foreign technical language periodicals into the U.S. for distribution by libraries to business and researchers.

Section 575 adds \$10 million to Title X of the Higher Education Act for the Minority Science and Engineering Program.

Section 575A establishes new technology transfer centers to promote the study and development of programs and depositories necessary to further the transfer to technology relevant to a respective region's economy. The authorization is \$25 million.

Section 575B establishes a National Advisory Council on Instructional Technology. The authorization is \$300,000.

Section 575C amends Title II of the Higher Education Act to fund trade-related library technology activities. The authorization is \$5 million.

Chapter 12 makes changes in the Midcareer Teacher Training Program, authorized in Title V of the Higher Education Act. The authorization is \$4 million.

Chapter 13 authorizes Math/Science Summer Workshops. The authorization is \$10 million.

SUMMARY OF WORKER ADJUSTMENT BIPARTISAN PROPOSAL

Amends Title II of JTPA.

Authorizes \$980 million appropriation for FY '88 and "such sums" thereafter.

Eligibility—same as Title III of JTPA including self-employed (which encompasses ranchers and farmers).

Distribution of Funds

30% Basic Readjustment Services.

50% Worker Readjustment Training Program.

20% Federal Readjustment Program.

30% Basic Readjustment Services

20% is reserved for Governor for mandated rapid response capability and establishment of regional centers; state administration, technical assistance, coordination, staff for State Council, and Governor's discretion.

The remainder of the basic readjustment funds as distributed to States according to Title III formula. However, after plant closing/mass layoff data and data on displaced farmers and ranchers become available, the formula will include such data as a 4th factor.

Governor allocates funds to substate areas based on an allocation formula he prescribes which may include such factors as:

Unemployment concentrations, plant closing and mass layoffs, farmer/rancher economic hardship data, and long-term unemployment data.

Unexpended amounts in excess of 20% may be reallocated by the Secretary.

Basic readjustment services include but are not limited to such activities as:

Early readjustment assistance, outreach, intake, counseling, testing, assessment, job placement assistance, job clubs, job development, etc.

Under the basic readjustment activities, benefits, and supportive services are limited to no more than 15%.

50% Worker Readjustment Training Program

Secretary establishes an annual availability target for each state. Unless otherwise agreed to by Governor and Secretary, target is an amount equal to 1 $\frac{2}{3}$ times the state's allotment for basic readjustment service.

50% funds available on a draw down basis:

Secretary establishes a semiannual availability target at 50% of the annual target.

The Secretary has the authority to reallocate unexpended funds on a semiannual basis.

Funds may be used for such services as classroom training, literacy, OJT, and basic and remedial education.

Under the Worker Retraining program, benefits and supportive services are limited to no more than 30%.

20% Federal Readjustment Program

Secretary's discretion for the following types of services:

1. Mass layoffs, industrywide projects, multistate projects, special projects, and demonstration projects.
2. Technical assistance services to states, communities, businesses and labor organizations involved in providing adjustment assistance to workers.

Designation of Substate Areas

Governor designates substate areas after receiving recommendations from State Worker Readjustment Council.

Automatic designation for substate area with a population of 200,000 or more.

Two or more contiguous SDAs that have a population of 200,000 or more and request such designation are designated unless the Governor determines that it wouldn't be consistent with the effective delivery of services.

Concentrated employment programs (CEPs) under JTPA shall also be designated.

Each SDA shall be included within a substate area and no SDA may be divided among two or more substate areas.

Designations may not be revised more than once every two years.

State Worker Readjustment Council

Composition.—Governor required to establish a State Worker Readjustment Council which shall be equally composed of representatives of labor, business, and public and private nonprofit organizations.

In selecting Members for appointment, Governor shall give first consideration to individuals who are members of the SJTCC under JTPA and then give consideration to individuals who are recommended by labor organizations, business, and other appropriate organizations including units of general local government. In selecting the members of the Council, the Governor must give consideration to suitable representation from urban and rural areas of the state.

Functions of the Council.—

1. Provide advice to the Governor regarding substate area designations;
2. Develop state plan and submit to Governor;
3. Provide advice to Governor on method for distribution of funds and any subsequent reallocation;
4. Provide recommendations to the Governor on substate plan acceptance;
5. Provide advice to Governor regarding performance standards.

Substate Grantees.—Substate grantees shall be designated for each substate area pursuant to an agreement by the Governor, the local elected official and the PIC. If agreement is not reached, the Governor selects the substate grantee. Eligible entities include: SDA grant recipients or administrative entities, PICs, private nonprofit organizations, units of general local government, local offices of State agencies and other public agencies such as community colleges.

EXPLANATION OF THE BILL

Title I, Education for American Competitiveness, authorizes several education programs to improve the knowledge and skills of current and future workers in areas which will enhance their productivity and competitiveness.

The Committee is deeply troubled by the large number of functional illiterates in our nation's workforce. The National Assessment of Educational Progress reports that 43 percent of persons ages 21 through 25 are unable to perform at a level sufficient to master multi-step directions, communicate ideas and directions to other workers, or calculate at a level needed for high technology occupations. In addition, many older workers do not possess a firm foundation of basic skills which can be disastrous if those workers are displaced or if their employer seeks to modernize or upgrade operations. Finally, minorities represent an increasing percentage of the workforce and many of these individuals do not have the basic language skills essential to perform effectively in our nation's changing work environment.

Chapter 1 amends the Adult Education Act to provide \$50 million for adult education programs which teach literacy skills needed in the workplace. Programs to be supported under this leg-

isolation include: assistance in the completion of a high school diploma or its equivalent; competency of adult workers in speaking, listening, reasoning or problem solving; and education counseling services.

The bill also recommends the Adult Education Act to provide \$50 million in grants to States for English literacy programs to serve the needs of the approximately 10 million individuals of limited English proficiency in the United States. Half of the funds to be granted by the State are set aside for community-based organizations to operate such programs.

The Committee is also aware of the need to coordinate Federal literacy education programs and, as a result, requires establishment of a Federal Literacy Coordination Office in the Department of Education and \$2 million for grants to States and local offices for coordination of literacy programs.

This section seeks to direct States to establish a body that will provide an effective mechanism to identify the needs of the State and to make recommendations as to use of all of the resources existing within each State to meet the literacy needs of its people. Specifically, this program should bring together all government bodies dealing with literacy; education, training, welfare, and economic development with the volunteer literacy providers, business community, labor, leaders of community-based organizations and others involved in each State's literacy effort. The Committee intends that the Federal government will supply technical assistance to the States for development and coordination of the program.

The Committee understands the need to enhance the quality of instruction on the fields of mathematics and science. Chapter 2 amends Title III of the Education for Economic Security Act, providing \$50 million for grants to States to award on a competitive basis to Local Education Agencies (LEA's) and their business partners to purchase laboratory equipment, instructional and reference materials, and provide for advanced placement of exceptional secondary students.

The Department of Education is directed to provide technical assistance to LEA's that desire to enter into a contract with a local institution of higher education which would allow 11th and 12th grade students to attend the postsecondary institution for instruction in the areas of science, mathematics, foreign language, and computer sciences. Technical assistance from the Department should include, but not be limited to, advising LEA's on contracts which have been used by secondary schools that have successfully contracted with institutions of higher education for courses for secondary school students.

The Committee believes that making American students more aware of the world in which they live will ultimately lead to enhanced competitiveness. Adults who cannot speak foreign languages or are insensitive to foreign cultures will never be able to do business abroad. Chapter 3 amends Title III of the Education for Economic Security Act and provides \$50 million for grants to States, of which 86 percent of the funds appropriated fund local model foreign language programs, 6 percent funds institutions of higher education to provide intensive summer language programs for exceptional secondary students, and 4 percent funds grants for

programs of study abroad for advanced secondary foreign language students, and 4 percent is for grants for advanced placement programs.

Education is the responsibility of both the public and private sectors. The Committee believes that ample evidence exists that school systems that have the support of the private sector enjoy advantages over those that do not. As a result, in Chapter 4 the Committee provides \$5 million for grants in declining percentages each year to eligible business education alliances to encourage business to work with elementary and secondary schools to improve education and enrich career awareness.

The Committee believes that a number of regions in the nation could provide valuable demonstration programs by means of telecommunications. The Committee heard testimony from the head of the Mississippi Educational Television Authority about the excellent statewide school and college telecommunications services there and elsewhere in the South. The Committee is aware that there are other regions ready to become model systems as well but with quite different capacities and goals. Therefore, it would be most appropriate that all regions be eligible to compete for such funding, in the hope that adequate funding could be had for several diverse and replicable models.

The Committee is aware of the rapid spread of telecommunications technology across all sectors of American life. It therefore encourages and suggests that those who could provide educational telecommunications services include not only non-profit State corporations but also public and private non-profit corporations. The suggestion is made with the understanding of the key role the private sector plays in the education sector. The Committee particularly intends to include the use of historical videotape and laser disc encyclopedia collections in classrooms and libraries to stimulate reading, writing, and research at all levels of study.

Chapter 5 authorizes nine national demonstration programs in educational telecommunications. The Secretary of Education is authorized to provide grant assistance to a non-profit public or private corporation, on a matching basis, to design, develop and construct model regional educational telecommunications networks and technology resource centers. These centers would enable educational agencies and institutions at the elementary, secondary, and postsecondary levels to share resources and improve instruction in math, science, foreign languages, vocational, continuing education, and basic and remedial education skills.

Chapter 6 requires the National Diffusion Network to gather, organize and disseminate information on innovative secondary and postsecondary programs to enhance technical skills and basic literacy and on consultative and collaborative efforts by business, education, and government to improve American competitiveness.

Chapter 7 is intended to encourage the transfer of education and training software among government agencies. Many government agencies have, or sponsor, Research and Development efforts in the educational and training areas. For example, the Office of Personnel Management (OPM) is involved in technical and management level skills training; the National Institutes of Health are develop-

ing technology and knowledge data bases; and the Federal Aviation Administration is examining new job training technologies.

The Committee recognizes that the Department of Defense (DOD) spends approximately \$44 million annually on education and training Research and Development. This is 50 percent more than the Department of Education spends on its research laboratory and center programs. The civilian sector receives a "trickle down" benefit from the DOD expenditures.

A transfer of instructional knowledge, a "technology transfer," from the military sector and other agencies to the education sector, is needed. As a result of the technological explosion of the past several years, two related issues are challenging educators across the country. First, schools are spending millions of dollars on computers but compatible software packages are not readily available or cannot be developed and shared without substantial recoding and duplication of effort. Second, computer-based instruction programs have too often been implemented without careful analysis of the educational needs of the students or the costs of acquiring and maintaining the hardware and software needed for such programs. Similar issues have been addressed by the Department of Defense, and its experiences can be of immediate relevance to the education system of this country.

Defense Department innovations include English as a second language program developed by the Defense Language Institute. The Air Force is currently developing keyword, speaker, and language recognition technologies with potential relevance for education applications. The Navy has developed the Language Skills Computer Assisted Instruction (LSCAI) program, an instructional tool to improve vocabulary, reading, and comprehension skills. These and other projects have the potential to be adapted for effective use in our education system.

The interchange between the Department of Defense and other agencies and the education community has been minimal but has gained some recent momentum. With the proficiency of the Department of Defense and other agencies in such areas as the instruction of basic remedial skills and development of educational technology, the need to secure closer connection with educational institutions is apparent. The Committee believes that the "trickle down" of technology should be replaced by a well-planned program of direct transfers.

Chapter 8 provides \$2 million for grants to States, LEA's and other entities to develop model programs for technology education with the Federal share limited to 65 percent of the cost of the program and at least 10 percent of the cost paid by private sector contributions.

Chapter 9 amends the Carl D. Perkins Vocational Education Act and provides \$50 million for grants to States to fund part of public-private partnerships vocational education programs designed to meet the needs for training, retraining and employment development of adults, and for an education-for-employment demonstration program with secondary students; and allows funds to be used for pre-employment skills training and school-to-work transition programs.

The changes made to title III-C of the Carl D. Perkins Act are intended to encourage greater interaction between vocational education programs and private companies to develop programs in high growth occupational fields. The suggested program is patterned after the Bay State Skills Corporation in Massachusetts.

Vocational education is a logical tool to use in our efforts to improve our productivity and competitiveness. It is the Committee's intent that under the program businesses be actively involved in the planning, designing, operating and monitoring of the education and training programs offered so that the programs are reflective of their needs.

Applications for grants that will meet up to 50 percent of the costs of such programs are made jointly to the State by the participating education institutions and the cooperating businesses. A further requirement is that the remaining 50 percent of the funds will be supplied by the businesses that join in the application and that will ultimately benefit from the training provided. It is the Committee's hope that through these types of programs greater cooperation can be fostered between education and businesses to develop and expand programs of skill training that are consistent with business needs and which will enhance the skills of the available workforce.

The section devoted to high technology training amends the Carl D. Perkins Vocational Education Act and provides \$50 million to extend industry-education partnership for high technology training.

Section 1195 authorizes demonstration programs in vocational training centers and community colleges to address the problem of basic and technical literacy training. It is essential that workers receive non-machine specific training which prepares them to function in complex, ever-changing work environments. This provision will allow vocational training centers and community centers to take advantage of programs that combine remedial education with the "how to's" of manufacturing technology in the vital areas of robotics, computer-aided design, and computer-integrated manufacturing.

Chapter 10 establishes a new program under the Office of Educational Research and Improvement (OERI) to be known as ACCESS. The ACCESS program has one primary goal: the increased participation by rural youth in postsecondary education. To this end, the ACCESS program requires the grantee provide three basic services.

First, to train secondary school personnel for the purposes of counseling rural secondary school student about Federal and State financial aid programs, private scholarship funds, postsecondary courses of study, college preparatory courses, vocabulary building and other test preparation skills, as well as career and college selection.

Second, to advise the newly trained school personnel on how to establish a community partnership program in which secondary school students interested in pursuing postsecondary training will be matched during their secondary school and postsecondary education with an adult volunteer who is a member of the local business, education, agriculture, or professional community.

Third, to provide technical assistance to the LEA and its surrounding community on how to establish a local scholarship program funded from private sources for the purposes of defraying postsecondary educational expenses for local students.

The Committee envisions that the community partnership programs outlined in items 2 and 3 above will foster increased participation of rural secondary students in postsecondary education by providing encouragement from local professionals for students to pursue postsecondary studies, as well as the established of a local scholarship program for deserving students.

The program outlined in item 2 is based on the Cleveland Scholarship Program which has successfully utilized local professional leaders as volunteers to encourage inner city youth to excel in secondary school courses and to pursue postsecondary training.

POSTSECONDARY EDUCATION

The Committee believes that postsecondary education programs are an important aspect of the nation's response to the rising threat of trade deficits. The Committee further endorses as a major principle the belief that state-of-the-art research and development at colleges and universities, in partnership with industry, represents an effective and efficient long-term component of a strategy designed to improve our competitiveness. Research discoveries made on our campuses can regularly be transformed into valuable economic goods and services.

A recent report entitled "A Renewed Partnership," prepared by the White House Science Council, Panel on the Health of U.S. Colleges and Universities, points out that university-based research has been 70 percent supported by Federal funds and that more than 60 percent of the basic research performed in this country is conducted at universities. The panel concludes that it is the Federal contribution that will determine the rate of growth of the research system. The panel goes on to conclude that: "The interaction of industry with the universities is essential to provide an effective exploitation of the research base. This partnership is critical to our national well-being in an increasingly competitive world marketplace."

The Committee is aware that higher education's research and development infrastructure, which supports much of America's research, is showing signs of deterioration. A recent report by the Business-Higher Education Forum and others entitled: "An Action Agenda for American Competitiveness" explains that the facts and figures documenting the deteriorated state of America's university research and development enterprise are plentiful and grim. For example, on average, university research equipment is twice as old as comparable equipment in industry. A recent survey by the National Science Foundation found that 20 percent of university scientific equipment is obsolete and no longer used, while 72 percent of the polled department heads said that lack of adequate equipment is preventing critical experiments.

Therefore, the Committee believes that appropriate support for research and development efforts at postsecondary institutions is essential. Further, the Committee also recognizes the special im-

portance to our future of research into agriculture, minerals, energy, mining and forestry especially as such research is oriented towards improving our trade competitiveness. Thus, in Chapter 11, parts I and II the Committee authorizes two related initiatives: the College and University Research Facilities and Instrumentation Modernization Program and the Agriculture, Strategic Metals, Minerals and Forestry College and University Research Facilities and Instrumentation Modernization Program.

Section 571 authorizes a new program as a part of Title VII of the Higher Education Act of 1965. The College and University Research Facilities and Instrumentation Modernization Program is intended to assist colleges and universities to modernize, upgrade, and replace laboratory and research facilities and instrumentation. Research universities perform a substantial part of the nation's basic research. The training grounds for our future scientists and engineers, university laboratories serve as incubators for new ideas, new processes and products, new technologies and even new industries that are critical to our nation's place in an ever-changing global economy. The Committee intends that the program authorized by Section 571 will sustain this important research enterprise.

Section 571 authorizes a competitive matching grant program to be administered by the Secretary of Education. Under this program colleges and universities may apply for grants for up to one half of the cost of projects for the replacement or modernization of research facilities and research equipment or instrumentation. The Secretary is directed to consult with the Director of the National Science Foundation in awarding such grants and to give priority to proposals for upgrading and/or replacing equipment used in instruction and research in the following fields: mathematics and sciences, including engineering sciences. In addition, in prescribing regulations and in administering the program authorized by this section, the Secretary is directed to consult with the major Federal agencies involved in research. The Committee intends that in awarding grants under this program, the Secretary should consider whether the applicant's proposal would enhance the nation's future research needs, as well as national, regional and State research and training needs.

To assure that program participation is not restricted solely to major research institutions, 20 percent of the funds appropriated for this program is to be set aside for the benefit of colleges and universities that in each of the two preceding fiscal years received less than \$10,000,000 in Federal grants for research and development. In addition, 10 percent is earmarked for institutions serving a substantial number of minority and disadvantaged students.

Also important to improving our national trade position is technology transfer and the Technology Transfer Centers authorized in Chapter 6. Technology transfer refers to the process of adapting technology and technical data developed by one organization, such as a university research facility, for use by another organization, such as business or industry. Put another way, colleges and universities traditionally have been that seat of much of the nation's basic research endeavors. This research activity results in significant product development, which can be marketed to enhance the

economic growth of the nation. Therefore, the Committee believes it is important to enhance the logical link that exists between college and university research activities and the marketplace.

Because of advances in telecommunications, we are more and more able to overcome geographic and locational factors. Therefore, local and State boundaries no longer need play a limiting role on transferring technology into economic goods and services. The Committee wishes, therefore, to promote the establishment of regional technology transfer centers to enhance both the domestic and international trade positions of the several States and the nation.

The Committee intends that the Secretary consider existing centers, established in conjunction of affiliation with appropriate colleges, universities or other learning institutions, as regional technology centers eligible for funding under this provision. Examples of such centers are the Edison Welding Institute/Oregon Graduate Center, Columbus Ohio/Oregon; Edison Polymer Innovation Institute, Cleveland Ohio; West Pennsylvania Advanced Technology Center; and the Virginia Center for Innovative Technology; the New Mexico Institute for Innovative Technology; the New Mexico Institute for Mining and Technology; the Montana State University Technical Assistance Program; and the Montana Science and Technology Alliance.

The slow-down in national productivity has made technology policy issues more salient. The effective use of science and technology is critical to developing solution to problems caused by a growing world population, changing social and economic expectations, and declining renewable resources. We can learn from experience: businesses that have invested heavily in technology transfer activities have significantly enhanced their productivity rate, their growth rate, their employment growth, and their market position, emphasizing how beneficial technology transfer activities can be to improving our economic status.

The Committee also recognizes that libraries have an important role to play in supporting educational activities and programs by providing research and information services vital research and development, operations, and decision-making. The products of investment in research, both by government and by the private sector, are available through libraries. Technical reports, international trade information, economic data, Federal and industry standards and specifications, copies of U.S. and foreign patents, and other information needed for business and industrial purposes is provided every day in the business, science, and technology sections of libraries. Small businesses, an increasingly significant part of our economy, need library services because they cannot afford extensive in-hour information resources or massive retraining programs.

In Section 575C, the bill provides an additional authorization for a Library Technology and Cooperation Grants program that allows libraries to participate more fully in the competitiveness initiative.

The Committee expects that the Technology Transfer Centers established in this bill will collaborate with libraries that have demonstrated strengths in meeting the information needs of business, industry and the scientific communities.

Section 575B establishes a National Advisory Council on Instructional Technology to provide for the future development of instructional technology as a resource for rural and urban schools. The Committee views the use of instructional technology (courses transmitted to schools via cable network, low-power TV or satellite transmission) as a viable method for enhancing educational opportunities for rural and urban students. The primary goals of the Council will be to establish national guidelines and an agenda for the development of educational telecommunications technology. Of concern is the need to avoid replication of existing programming and criteria for the quality of programming. The Council will develop, as part of the national guidelines, a basis for interstate cooperation on accreditation of programming for use in rural and urban schools. The agenda to be determined by the Council should give special attention to outlining the needs and methods for developing programming relative to the unique needs of rural school systems.

The Retraining for American Competitiveness program authorized in Chapter 12 provides to institutions to allow mid-career individuals to be trained as classroom teachers. This program seeks to recruit and train individuals with experience and training in academic disciplines and specialty areas such as math, science and foreign languages to provide a base of teachers in areas crucial to American competitiveness.

The program, authorized at \$4 million in FY 1988, would fund two-year planning, two-year renewal and continuation grants to institutions of higher education have at least a baccalaureate degree, to become classroom teachers in a given academic area and to assure that individuals so trained are eligible for and able to meet State certification requirements. It is the Committee's intent that institutions selected to receive these grants design programs that, through careful screening and evaluation of participants, will be able to produce certifiable teachers in a timely manner, without lowering academic standards for admission or the amount of required course work.

The Secretary is authorized to select at least one institution of higher education (on a competitive basis) from each of the 10 Federal Regions served by the Department, to participate in the program. Following the successful application of the two-year planning and two-year renewal grants, the Secretary is authorized to provide continuation grants to institutions provided that such continuation grants will be matched with non-federal funds in the amount of 30% for the first continuation year, and 50% all succeeding years.

Recognizing also the importance of well-trained researchers and changing population demographics the Committee is increasing authorizations on several existing undergraduate (Minority Science and Engineering) and graduate (Parts A, B, and D of Title IX) programs in the Higher Education Act.

Since 1984, the Consortium for Educational Access at the University of Georgia, a collaboration of 30 Historically Black Colleges and 12 Ph.D. granting institutions, has been addressing the national need of increasing the number of minorities in the fields of mathematics, science and technology by increasing the number of minority faculty Ph.Ds in the Historically Black Colleges and by

identifying and supporting talented minorities in these fields of study at the undergraduate level. The Consortium shall be an eligible entity for any minority institutional set-asides provided by the Education and Training for American Competitiveness Act of 1987.

STATE WORKER READJUSTMENT COUNCILS

The Committee has adopted the recommendation of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation that every State should establish a tripartite committee to oversee the operation of the worker readjustment program. H.R. 90 requires the Governor of each State to establish a State Worker Readjustment Council composed of equal numbers of representatives of labor, management and public and private nonprofit organizations. The Governor must give first consideration to qualified members of the State Job Training Coordinating Council and must then consider the recommendations of labor organizations, business, and other recommendations of labor organizations, business, and other organizations with an interest in the reemployment of dislocated workers. The Governor must also assure that the Council's membership adequately represents both urban and rural areas of the State.

The Committee believes it is crucial to the success of the worker readjustment program to maximize labor-management cooperation and the involvement of workers and their representatives, particularly those from the industries most subject to dislocation. Labor organizations are underrepresented on many State Job Training Coordinating Councils (SJTCC), and limiting the membership of the State Worker Readjustment Council to members of the SJTCC may compromise its effectiveness. Moreover, the State Worker Readjustment Council's functions are too important to assign to a subcommittee of the SJTCC, which in most States helps to coordinate the employment and training activities of numerous State agencies but has little involvement in recommending policy regarding issues such as resource allocations or the approval of local service delivery plans.

The functions of the State Worker Readjustment Council include the development of the annual State plan required by Section 313. In essence, the State plan is a contractually binding description of how the State will carry out its responsibilities under Title III of the JTPA.

The Council is also responsible for advising the Governor regarding the establishment of statewide performance standards, the designation of substate areas, and the development of the formula by which Basic Readjustment Services funds are to be allocated among the substate areas.

The Council must review all substate plans submitted to the Governor and recommend whether the Governor should approve them.

In light of the importance of these functions, the Committee urges the States to fund the operation of the State Worker Readjustment Councils promptly and adequately. After enactment of the Job Training Partnership Act, States initially failed to provide adequate staff resources for the SJTCCs. That mistake should not be repeated.

RAPID RESPONSE

The bill requires each State to designate an identifiable dislocated worker unit (DWU) or office with the capability to respond to mass dislocation events throughout the State. In States where an existing unit already performs this function or has a capacity to do so, the State may choose to designate that unit and charge it with carrying out the rapid response functions required by the bill. The Committee contemplates that many States will create a new unit to serve this function. The Committee is not concerned with which method is adopted, as long as the result is a single unit which is identifiable throughout the State to businesses, workers and other governmental agencies as the initial governmental contact point in the event of a mass dislocation event. This follows the recommendation of the Secretary of Labor's Task Force on Economic Dislocation and Worker Adjustment.

There is considerable evidence that one of the most serious defects in the current dislocated worker program under Title III is the absence in most States of a rapid governmental response mechanism, even when an employer provides advance notice of a mass layoff or closing. The September 1986 Office of Technology Assessment (OTA) Special Report entitled "Plant Closing: Advance Notice and Rapid Response" noted this deficiency and found that, as a result, very few workers or companies are even aware of the existence of Title III services.

The Committee strongly believes that, for the programs authorized by this bill to work, the State can do this in a variety of ways, but, for mass dislocations, the most effective manner is to establish on-site contact with an employer and employee representatives within a short period of time (preferably 48 hours) after the dislocation event becomes known.

In visits to Canada and during Committee hearings on this bill, the Committee has been favorably impressed with the success of the labor-management committee approach utilized in Canada. Moreover, the Committee notes that the Canadian approach was singled out among all foreign approaches by the Task Force on Economic Adjustment and Worker Dislocation as having the "highest degree of replicability for the United States." Moreover, the Canadian approach has demonstrated usefulness in layoffs involving both large and small businesses. For example, in industrial Ontario, 31% of the companies participating in the Industrial Adjustment Service (IAS) program involve fewer than 60 employees. In rural Nova Scotia, this increases to 67% with 19% involving fewer than 20 employees.

The provisions of sections 303(b)(5) and 314(b)(1)(B) are modeled after the IAS and are intended to replicate that highly successful program.

The DWU is to include specialists who have the responsibility of making the initial contact with the employer and the worker representatives and providing them with information regarding the availability of relevant public programs. They are to assist companies and workers in the establishment and operation of joint labor-management committees designed to address human resource needs, including mass dislocations. The committees are composed of

worker and management representatives and a chairman who is not affiliated with either side. A DWU specialist begins work on establishing the committee layoffs. In addition, the DWU specialist participates as an advisor in committee meetings and other functions.

The Committee operates pursuant to an agreement signed by the employer, a worker representative, and the government. The DWU specialist can be authorized to sign the agreement on behalf of the government so that an agreement can be finalized immediately. This agreement should provide the basis for shared financial participation between the company and the State. In Canada, according to testimony presented to the Committee by the IAS, the average operating cost of such committees in the second half of 1986 was \$14,600 of which IAS's share averaged \$6,100. The average cost per worker has been estimated at \$93, with a return of \$710 per worker in savings resulting from the success of the program.

The principal objective of the joint committees is to develop employment alternatives for affected workers. This involves a broad range of potential activities, including local job identification activities, enrollment in training, coordination with governmental programs and services, assistance in self-employment, early retirement planning, consideration of employee buyouts, counseling, and other forms of employment assistance.

In a typical situation, the first task of each committee would be to compile all relevant information regarding each employee through a questionnaire. With this information, the committee members can develop a marketing strategy for each employee and then make an aggressive search of businesses in the surrounding area which might have openings. Ideally, committee members would include individuals whose own position (e.g. plant manager, foreman) gives them personal knowledge of the abilities and skills of each employee. This helps the committee members to match the unique needs and abilities of affected employees with the needs of specific employers who have job opportunities.

The members of the committee are selected in an informal fashion by the parties. Where there is a union, the union selects worker representatives for those employees who are unionized. Where there is no union, the selection is made by the employees themselves. The formation of a committee in a non-union setting has not proven to be an obstacle in Canada. According to a 1984 survey conducted by Abt Associates of Canada, 66 percent of the committees nationwide were formed in a non-union setting, roughly matching the union/non-union ratio in the manufacturing sector in Canada.

In the formation of a labor-management committee, each side must be provided the opportunity for equal participation. However, the committee may proceed with other than equal participation if the parties so choose. Nothing would preclude specialists from the DWU from providing assistance to affected employees when a labor-management committee is not formed.

Ideally, a neutral chairman would be selected at the first meeting, usually from a list provided by the DWU specialist. The DWU is required to maintain a roster of available chairmen. The chairmen should be persons whose backgrounds would enable them to

open doors in the community. The chairman is responsible for organizing the committee's work and assigning tasks.

The Committee continues to hold meetings and assist employees with placement until a judgment is made by the members that the committee has fulfilled its purpose, even though there may still be employees who are not yet reemployed. At this point, the committee disbands and the chairman is required to file a report with the DWU which should include an account of the committee's activities and a specific accounting of the results of the committee's work.

The Committee believes that, for the DWU to fulfill its goals, it is imperative that its specialists serve as more than a simple conduit for providing funds and technical assistance to the committees. Part of their time should be spent keeping in touch with employers throughout their assigned area. The specialists also have the responsibility of providing or obtaining appropriate financial and technical advice and liaison with economic development agencies and other organizations to avert worker dislocations. This "network" should enable them to anticipate layoffs and closures as well as potential job opportunities.

The bill prescribes these minimal guidelines and leaves room for the State DWU's to adapt their rapid response capability to their own unique needs. The Committee strongly believes that, for each State system to work, it will need highly qualified dislocated worker unit specialists who, based upon their background and skills, are able to establish a rapport with the private sector. That rapport is essential to the creation of a climate which embraces the use of labor-management committees to address mass dislocations.

The Committee recognizes that, at the outset, States will need assistance in training specialists to perform these responsibilities. Consequently, section 352(d) requires the Secretary of Labor to provide training of State staff in rapid response methods, including proven methods of promoting, establishing, and assisting labor-management committees.

The Committee is concerned that the needs of individuals whose displacement has resulted from events other than mass layoffs or plant closings be met. Many worker dislocation events involve small numbers of workers at varying intervals, in which case utilization of that approach described above may be inappropriate. This is particularly true for dislocated workers in sparsely populated areas such as individuals who either own or work for small businesses, or for dislocated farmers and farmworkers. For these individuals, early response in the form of widespread and aggressive outreach, the provision of financial evaluation and counseling (where appropriate for determination of eligibility), and initial assessment and referral to other available services could be the key to their participation in job training programs. Therefore the Committee has directed each State to ensure that the capability exists to respond to dislocation events in such situations. States may choose to assist substate areas in establishing regional centers or to supplement substate services by providing funds from state set-asides for additional outreach, financial counseling and assessment activities. The Committee does not intend the State to duplicate substate services and expects that the State will coordinate its activities closely with substate grantees.

DESIGNATION OF SUBSTATE AREAS

Recognizing the benefit of building on the existing service delivery structure established under the Job Training Partnership Act (JTPA), the Committee has determined that existing service delivery areas (SDAs) serving populations of 200,000 or more, should be automatically designated as substate areas for the purposes of the Worker Readjustment Program. The Committee believes that the designation of substate areas of this size provides for increased local input in development of individual areas' dislocated worker programs. This determination is especially important to rural localities, ensuring equitable involvement in the development of plans even in areas where population density is less concentrated. The Committee also believes that by building on the proven JTPA delivery structure, coordination between local employment and training programs will be increased, duplication minimized, and that time will be saved in implementation of the program that may be otherwise taken up in the establishment of an entirely new system of substate areas.

The Committee's intent in automatically designating substate areas of 200,000 or more, does not preclude the Governor from designating substate areas with either larger or small population bases. In fact any two or more contiguous service delivery areas that in the aggregate have a population of 200,000 or more may request substate designation. In such instances, the Governor may deny such a request for designation if it is determined that the request would not be consistent with the effective delivery of services to eligible dislocated workers in the relative labor market area, or would otherwise be inappropriate. No existing service delivery areas however may be divided between two or more substate areas, and all service delivery areas in a state must be included within a substate area. Further, substate area designations may not be revised more than once each two years. The Committee also intends that existing rural Concentrated Employment Programs (CEPs) which are designated as service delivery areas for the purposes of the Job Training Partnership Act, be designated as substate areas for the purposes of this title as well.

SELECTION OF SUBSTATE GRANTEE

Each substate area shall designate a grantee. It is the intent of the Committee that the substate grantee be chosen through a three-part agreement achieved among the Governor (with advice from the State Worker Readjustment Council), the local elected officials and the private industry council or councils for the substate area. If no agreement can be reached the Governor will select the substate grantee. The Committee expects that, in the selection of the substate grantees, consideration will be given to such factors as delivery of the services through a state agency at substate locations and prior experience in administering dislocated worker programs.

No presumption is made by the Committee that the administrative entity or the grant recipient under Title II of the Job Training Partnership Act will serve as the substate grantee. Entities eligible for designation under this title include: Private Industry Councils, service delivery area grant recipients and administrative entities,

private nonprofit organizations, units of general government, local offices of state agencies, and other public agencies. The Committee further intends that the general program requirements and the Federal and fiscal administrative provisions applicable to administrative entities or grant recipients under Title I of JTPA, are applicable to substate grantees under this title.

SUBSTATE PLAN

Substate grantees are required to submit substate plans to the Governor before any funds may be allotted to the substate grantee. The plan provides the manner in which the authorized activities will be carried out in the substate area.

The plan is developed on an annual basis by the substate grantee. Prior to submission to the Governor, the local Private Industry Council(s) and local elected officials shall have the opportunity to review and comment on the plan. The committee intends that such review and comment be performed in a timely fashion, thereby not delaying the implementation of programs in the substate area.

The Governor approves substate plans based upon the recommendations of the State Worker Readjustment Council. It is the expectation of the Committee that unless there is substantial disagreement regarding the plan, questions as to the process by which the plan was developed, or reason to believe that the activities described in the plan are inconsistent with the intent of the title, that the Council and the Governor should act on the plan within a reasonable period of time, so that the provision of services is not delayed or interrupted.

The substate plan should include a description of the activities that will be conducted to implement the programs authorized. The plan provides the blueprint regarding the clients to be served, the basic readjustment and training services to be provided, the coordination design, the performance standards to be applied and a detailed budget. If the substate area participates in providing rapid response activities in concert with the State, these must also be described.

The past involvement of local elected officials and Private Industry Council(s) in providing policy guidance and oversight in Federal training programs should not be ignored. Therefore, it is the intent of the Committee that the local plan describe the methods by which the private industry councils and local elected officials will be involved in promoting and developing community support, resources and local cooperation for programs operated under this title, including rapid response.

SUPPORTIVE SERVICES AND BENEFITS

Last year, OTA released a report entitled, "Technology and Structural Unemployment: Reemploying Displaced Adults" which examined the problems of displaced workers in depth. The report concluded that, "to help provide the skilled workforce that American industries need to maintain competitiveness in the world economy, the program will have to reach many more displaced workers and emphasize training—particularly basic skills training—more strongly."

The report also concluded that, "adult displaced workers who desire training must find some other way of supporting themselves, indeed in most (Title III) projects the criteria for selecting displaced workers for training is that they have income to see them through."

Cognizant of the importance and the need to provide income benefits and supportive services for these individuals, the Committee bill provides that up to 15 percent of the basic readjustment funds and up to 30 percent of the retraining funds may be spent for these activities.

Under the basic readjustment program the Committee bill authorizes such activities as: early readjustment assistance, outreach, assessment, job clubs, local job search and job development. The Committee recognizes that in some areas of the country job search assistance and related activities are effective tools which help displaced workers become reemployed. However, for many semiskilled and unskilled workers, training or retraining, particularly of longer duration, is necessary for reemployment. The OTA report found that, "few adult displaced workers can undertake full-time training without some form of income support. For most, UI lasting 26 weeks is the main source of support. Some training institutions have been able to devise effective courses that fit the constraints of workers' UI eligibility. However, many kinds of longer term training are effectively foreclosed for displaced workers who have no other source of income support than regular UI benefit."

In 1986, the number of unemployed persons who received unemployment insurance was 33 percent. This figure is in sharp contrast to the 1975 figure which showed that 81 percent of the unemployed received UI. Moreover, studies have shown that for the average worker UI provided less than a bare minimum of support considering that in 1984 the average weekly benefit was \$119.

For participants not receiving unemployment insurance under any State or Federal unemployment compensation law, the Committee bill also authorizes needs-based payments. The Committee bill also provides incentives for those who are terminated or permanently laid off from employment and who enroll in training by the end of the 10th week to be paid a weekly benefit, not to exceed their regular unemployment compensation for the period of the retraining. For those individuals otherwise on layoff who enroll in retraining prior to the end of the 15th week of UI, a priority is made available.

The Committee believes that it has acted in a responsible manner by increasing the benefits and supportive services available to displaced workers under this bill. It is the Committee's view that these benefits and services will enable a substantial number of workers to take advantage of the training opportunities that will lead to good jobs and brighter futures not only for themselves but also for the Nation as a whole.

RURAL CONCERNS

The Committee made a concerted effort to meet the employment needs of both urban and rural America. As in amendments to the Job Training Partnership Act which were enacted last Congress,

the Committee again includes in its definition of eligible participants under Title III, dislocated individuals who are self-employed, including farmers and ranchers. In addition, the Committee provides language further clarifying that a dislocation event "may also be the cessation, or the process of cessation, of self-employment with resulting loss of livelihood in operation of a business enterprise, including farming and ranching." The Committee encourages States, where appropriate, to develop definitions which recognize farmers in the process of going out of business as eligible under the Worker Readjustment program, provided they can demonstrate that they are ceasing farming as their primary means of livelihood, based on financial distress. The Committee intends that dislocated farmworkers, and other workers in businesses where they are ineligible for unemployment insurance due to the nature of the enterprise, be determined as eligible for participation in program under this Act as well.

In order to adequately identify those farmers and ranchers who would qualify for assistance under the Worker Readjustment Program, the Committee's bill amends Title IV of JTPA, the Cooperative Labor Market Information Program, requiring the Secretary of Labor to develop a means by which statistical data relating to permanent dislocation of farmers and ranchers can be collected. The provision further directs the Department to collect such data. When available, it is the Committee's intention that these new statistics be included in the formula which determines allotment of funding to States for basic readjustment services, as required under Part C, Section 332(a)(c)(2) of the Act.

ALLOTMENT OF FUNDS UNDER WORKER READJUSTMENT TRAINING

The Committee recognizes that any newly established program needs time to be implemented and for associated problems to be resolved. Such was the case with Title III, the Dislocated Workers program under JTPA. Unfortunately, one of the problems that has plagued the Title III program almost from the beginning is the amount of unexpended funds being carried over each year.

Initially, the slow expenditure of Title III funds was attributed by program officials to the newness of the program, attention by state officials to other parts of JTPA, and delays in the availability of funds from the Department of Labor. According to program officials, as they gained experience with the program, states would accelerate the commitment of Title III funds to specific projects and funds would be spent more quickly. However, according to the Department of Labor the amount of such unspent funds for this past year exceeded the funds newly appropriated to conduct the program.

In a March 1987, General Accounting Office (GAO) report "Dislocated Workers: Local Programs and Outcomes Under the Job Training Partnership Act" one of two issues that emerged regarding the administration of Title III projects was the slow implementation of the projects and the slow state expenditure of Title III program funds. It was reported that Title III projects receive their money through several different mechanism, but that most dislo-

cated worker projects receive their money through the RFP method.

The RFP approach gives State officials ultimate control over how Title III resources are spent since proposals inconsistent with State plans can be disapproved. Thus, States have discretion in targeting Title III services to areas with particularly high unemployment rates or specific business closures and can, if they wish, avoid spreading resources too thinly to create effective programs.

The RFP approach also has some drawbacks. For example, the Office of Technology Assessment reported that it is not unusual for the implementation of projects to be delayed 3 or 4 months. Westat, Inc. made a similar observation when it reported that the RFP approach lengthened the decision-making process.

A further indication of the impact of the RFP approach on the implementation of the Title III program is the rate of expenditure of program funds. Slow state expenditures of Title III funds may indicate that some states are not quickly responding to the dislocation of workers by business closures or permanent layoffs. While 16 states had expended more than 80 percent of their cumulative allocations of Title III funds as of June 30, 1985, 16 states had expended 60 percent or less. For the 24 states that did not use the RFP approach for funding Title III projects, the average percentage of funds expended was 68 percent as of June 30, 1985. For states using the RFP approach, the average percentage of funds expended was 60 percent. While most states using the RFP approach (58 percent) expended 60 percent or more of their Title III funds and 8 had expended more than 80 percent, 11 of the 16 states that had expended less than 60 percent of their funds used the RFP approach method.

In order to address the concerns that have grown regarding large amount of unexpended funds, the Committee accepted an approach to funding the long-term training programs under this title that establishes annual and semi-annual funds availability targets for each state and allows the Secretary to reallocate unexpended funds on a semi-annual basis. The annual fund availability target for each State is fixed as an amount equal to $1\frac{2}{3}$ times the amount of the allotment under the formula distribution in section 332(a) for basic readjustment services. Based upon expenditure rate for the first six months of a program year, the Secretary shall decrease, if necessary, the semi-annual target for the subsequent six months. The Governor of a State may request the Secretary to adjust the availability targets to better reflect such things economic conditions or extraordinary need.

The Committee believes that providing a mechanism whereby the Secretary can reallocate funds from states that are not expending their funds at a rate consistent with their targets to those states which may have a greater current need, allows the funds under this program to be utilized more effectively and efficiently. The strategy though, does provide sensitivity to the need for some funding stability by providing a basic standard by which the annual availability targets are established. Further, if the Governor of the State requests, funds under this part may be utilized for basic readjustment services, without affecting the formula alloca-

tion for that part for affecting the overall annual target under this part.

The Committee intends that the funds provided for dislocated worker readjustment services be sufficient to allow them to complete the training programs in which they have enrolled. Adequate readjustment may not be accomplished within one year and the Committee is aware that some programs have been forced to temporarily close their doors until grants are renewed. The Committee hopes that the Department of Labor, and the State, will make every reasonable effort maintain uninterrupted funding until the dislocated workers have completed their readjustment programs.

The Governor of each State (after considering the recommendations of the State Worker Readjustment Council) shall establish appropriate procedures for making funds available for use in substate areas under this part. The Committee hopes that procedures established by the States to facilitate reallocation of unexpended funds among substate grantees do not become administratively cumbersome.

PART E—FEDERAL READJUSTMENT PROGRAMS

Federal Readjustment Programs

Under Part E of the bill, Federal Readjustment Programs, the committee authorizes the Secretary to conduct special projects of national or regional concern. The Committee believes that a number of displacement problems throughout the Nation, particularly those involving on-going dislocation events, warrant the Department of Labor's attention, and may be best addressed through projects that extend for a period greater than one year in duration. The Committee also provides the Secretary with the authority to conduct an evaluation of the effectiveness and impact of such projects upon their completion. Such evaluations should provide the Secretary, as well as Congress with increased insight on how to more effectively deal with these on-going concerns.

Rural Readjustment Demonstration

The bill includes authority for the Secretary to provide demonstration funds to States hardest hit by adverse agricultural conditions for the purpose of providing readjustment and training services to dislocated rural workers.

The current rural crisis has triggered a substantial, unique need in rural states for special dislocation services to farmers, ranchers, and other rural workers. Rural dislocation is significantly different from industrial dislocation. Therefore, Section 352(h) of the Act authorizes the Secretary to enter into agreements with rural States to enable them to address the special needs of rural workers.

To receive funds, a State must submit a plan for approval by the Secretary, describing how the State will utilize the available funds to meet the basic readjustment needs of eligible dislocated rural workers. A State receiving funds must coordinate services provided under this demonstration with other relevant programs targeted to rural areas. States are also encouraged to provide services to eligible individuals at one site.

Job Banks

The Committee bill authorizes \$50 million for fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year to enable the Secretary of Labor to make grants to the States to develop and implement computerized job bank systems.

The Committee believes that the automation of public employment services throughout the Nation would help bring a far greater number of job-seekers and potential employers together in an efficient and timely manner.

Fewer than half of the States are operating automated job matching systems and these are generally limited to urban areas. Some have on-line computer capacity; several provide batch output only. Some State systems still rely upon manual systems for filing paper or card job applications and orders. Regardless of where each individual State is in establishing an automated job matching and labor market information network, every effort should be made by States, through this program, to extend their computerized systems to rural as well as urban areas.

State job bank systems should utilize computers not only for matching employers and jobseekers but also to display, in an understandable and appealing fashion, occupational supply and demand information and projected trends. The Committee encourages State employment service agencies to develop systems that concentrate on identifying industries which are hiring and skills areas for which there is a demand providing better linkages between businesses, job-seekers, and the agencies. Such systems should be accessible by libraries and schools. In particular, career information delivery systems (including school career counseling programs) should utilize these job bank systems.

The Committee emphasizes the importance of having systems which are compatible with other related systems. Information should be interchangeable among job placement, occupational information, and employment insurance programs as well as work incentive programs and management information systems throughout the employment and training system. Such compatibility is essential not only within States but among States, as well as with the Federal Government's regional and National offices.

INTERNATIONALLY RECOGNIZED WORKER RIGHTS

Section 593(b) requires the Secretary of Labor, in consultation with the Secretary of State, to conduct a study of the extent to which countries recognized and enforce, and producers fail to comply with, internationally recognized labor rights. It further requires that the Secretary of Labor report to the Congress on the study biennially.

The Committee intends that the Secretary of Labor's study supplement the annual human rights country reports required pursuant to Section 505(c) of the Trade Act of 1984 by providing objective, factual determinations free of foreign policy considerations, on the extent to which internationally recognized worker rights are protected by law and in practice in each of the countries on which reports are prepared. It is the Committee's intent that this study and report identify so-called free trade or export processing zones

where they exist and describe the status of internationally recognized worker rights within them, including the extent to which those rights differ in law or practice from those generally existing in those countries.

In those countries exhibiting the least progress towards recognition and protection of internationally recognized worker rights, the Secretary shall identify the major products produced for international trade within those countries. It is the intent of the Committee that the Secretary identify, to the extent possible, those producers operating outside of the United States, including American corporations operating outside of the United States, producing goods or services for international trade who do not provide conditions of employment consistent with internationally recognized worker rights. It is not the Committee's intent to require reports on producers operating within the United States. Where a country has enacted laws protecting internationally recognized labor rights and makes a good faith effort to enforce those laws, the Secretary need not investigate any producer operating within that country. Where a country allows any producer to operate in violation of internationally recognized worker rights, whether intentionally or through willful negligence, the Secretary shall identify this condition, identifying the country and the producer, in reporting to the Congress.

The Committee intends that the Secretary of Labor, in compiling this annual study and report to the Congress, define internationally recognized worker rights in a manner consistent with the following:

1. The right of association is intended to include the right of individuals to establish and join organizations of their own choosing without previous authorization; to draw up their own constitutions and rules, elect their representatives, and formulate their programs; to join in confederations and affiliate with international organizations; and to be protected against dissolution or suspension by administrative authority.

2. The right to organize and bargain collectively is intended to include the right of workers to freely choose their own representatives for the purpose of negotiating collectively with employers to improve wages and working conditions, and negotiating the prevention and settlement of disputes; the right to protection against interference; and the right to protection against acts of antiunion discrimination. Governments should promote machinery ensuring the ability of workers to seek to improve their circumstances through their own organizations and ensuring the fair resolution of disputes between employers and employees and their organizations in a manner that accounts for legitimate needs and aspirations of workers. The right to strike is not inherent in the right to organize and bargain collectively, though its absence is frequently indicative of a lack of meaningful rights. Reporting on restrictions affecting the ability of workers to strike should include information on any procedures that may exist for safeguarding workers' interests.

3. Forced or compulsory labor is intended to be defined as work or service exacted from any person under the menace of penalty and for which the person has not volunteered. Compulsory military service, certain civic obligations, certain forms of prison labor, work exacted in emergencies, and minor communal services nor-

mally are not considered to fall within the prohibition against forced or compulsory labor. It is the Committee's intent, however, that the Secretary, to the extent possible, identify producers operating outside of the United States that produce goods or services for international trade utilizing forced or compulsory labor, including labor or services performed by military or civilian draftees or prison convicts, in addition to identifying countries that do not prohibit forced or compulsory labor.

4. A minimum age for the employer of children is intended to be defined as an effective abolition of child labor by raising the minimum age for employment to a level consistent with the fullest physical and mental development of young people and the prohibition of the employment of children in hazardous conditions or at night.

5. Acceptable conditions of work with respect to minimum wages, maximum hours of work, and occupational safety and health are intended to be defined as the establishment and maintenance of machinery, adapted to national conditions, that provides for minimum working conditions. Minimum wages are wages that provide a decent living for workers and their families and which ensure a distribution of income sufficient for the development or enhancement of a domestic market within the country in question. Maximum hours of work are working hours that do not exceed 48 hours per week with at least one full 24-hour rest day and a specified annual paid holiday. Acceptable conditions of occupational safety and health are minimum conditions necessary for the protection of the lives and health of workers.

MONITORING INTERNATIONAL WORKER RIGHTS COMPLIANCE

Increased interest has been expressed in recent years by international organizations such as the International Labor Organization (ILO), by Federal agencies and by private groups—both domestic and international—in the postures of governments toward compliance with internationally recognized worker rights.

This bill provides the sum of \$5 million annually to the Secretary of Labor to contract with responsible private organizations with expertise in labor rights so that they in turn can offer appropriate assistance to trade unions to inform various organizations and others concerned with these matters as to the actual policies of their governments.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with clause 2(1)(3)(C) of Rule XI of the Rules of the House of Representatives, the estimate prepared by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act of 1974, submitted prior to the filing of this report, is set forth as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 6, 1987.

Hon. AUGUSTUS F. HAWKINS,
*Chairman, Committee on Education and Labor,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for H.R. 3, Title V, the Education and Training for American Competitiveness Act of 1987, as ordered reported from the House Education and Labor Committee on April 1, 1987.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,
Sincerely,

EDWARD M. GRAMLICH,
Acting Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 3, Title V.
2. Bill title: Education and Training For American Competitiveness Act of 1987.
3. Bill status: As ordered reported from the House Education and Labor Committee, April 1, 1987.
4. Bill purpose: The purpose of Title V of this bill is to establish and authorize several new federal grant programs to enhance and improve American productivity and competitiveness by investing in human capital and by modernizing laboratory and technical equipment. These grants are subject to subsequent appropriations action.
5. Estimated cost to the Federal Government:

TITLE V

[By fiscal years, in millions of dollars]

	1988	1989	1990	1991	1992	1993
Department of Education Programs						
Workplace literacy partnership:						
Estimated authorization.....	50	50	50	53	56	59
Estimated outlays.....	4	36	54	51	54	57
English literacy programs:						
Estimated authorization.....	50	53	56	59	62	65
Estimated outlays.....	4	36	54	57	60	63
Coordination of literacy programs:						
Estimated authorization.....	2	2	2	2	2	3
Estimated outlays.....	(¹)	1	2	2	2	3
Elementary and secondary foreign language programs:						
Estimated authorization.....	50	53	56	59	62	65
Estimated outlays.....	4	36	54	57	60	63
Business education partnership:						
Estimated authorization.....	5	5	6	6	6	7
Estimated outlays.....	(¹)	4	5	6	6	6
Educational telecommunications:						
Estimated authorization.....	10	11	11	12	12	13
Estimated outlays.....	1	7	11	11	12	13
Education and training software transfer:						
Estimated authorization.....	1	1	1	1	1	1
Estimated outlays.....	(¹)	1	1	1	1	1
Technology education demonstration:						
Estimated authorization.....	2	2	2	2	2	3

TITLE V—Continued

(By fiscal years, in millions of dollars)

	1988	1989	1990	1991	1992	1993
Estimated outlays.....	(¹)	1	2	2	2	3
Adult training, retraining and employment development:						
Estimated authorization.....	50	53	56	59	62	65
Estimated outlays.....	4	36	54	57	60	63
Industry-education partnership for high technology training:						
Estimated authorization.....	50	53	56	59	62	65
Estimated outlays.....	4	36	54	57	60	63
Demonstration programs for technology literacy:						
Estimated authorization.....	2	2				
Estimated outlays.....	(¹)	1	1			
Access demonstration programs:						
Estimated authorization.....	5	5	6	6		
Estimated outlays.....	(¹)	4	5	6	4	
College research facilities and instrumentation modernization:						
Estimated authorization.....	85	90	95	100		
Estimated outlays.....	7	62	92	97	64	
Agriculture, strategic metals, minerals, and forestry college research facilities and instrumentation modernization:						
Estimated authorization.....	20	21	22	24		
Estimated outlays.....	2	14	22	23	15	
Graduate Institutional Grant Program:						
Estimated authorization.....	5	5	6	6		
Estimated outlays.....	(¹)	4	5	6	4	
Patricia Harris Fellowships:						
Estimated authorization.....	4	4	4	5		
Estimated outlays.....	(¹)	3	4	5	3	
Graduate assistance in areas of national need:						
Estimated authorization.....	5	5	6	6		
Estimated outlays.....	(¹)	4	5	6	4	
Foreign technical and scientific periodicals:						
Estimated authorization.....	1	1	1	1	1	1
Estimated outlays.....	(¹)	1	1	1	1	1
Minority science and engineering improvement:						
Estimated authorization.....	10	11	11	12	12	13
Estimated outlays.....	1	7	11	11	12	13
Technology transfer centers:						
Estimated authorization.....	25	26	28	29	31	33
Estimated outlays.....	2	18	27	28	30	32
Advisory Council on Instructional Technology:						
Estimated authorization.....	(¹)					
Estimated outlays.....	(¹)					
Library technology enhancement:						
Estimated authorization.....	5	5	6	6	6	7
Estimated outlays.....	(¹)	4	5	6	6	6
Midcareer teacher training:						
Estimated authorization.....	4	4	4	5	5	5
Estimated outlays.....	(¹)	3	4	5	5	5
Programs to improve instruction in math, science, and foreign languages:						
Estimated authorization.....	10	11	11	12	12	13
Estimated outlays.....	7	7	11	11	12	13
Subtotal Department of Education:						
Estimated authorization.....	501	516	540	570	447	471
Estimated outlays.....	40	362	524	551	526	456
Department of Labor Programs						
Worker readjustment assistance:						
Estimated authorization.....	770	812	858	907	956	1,007
Estimated outlays.....	26	631	827	853	901	950
State job banks:						
Estimated authorization.....	50	52	54	57	59	61

TITLE V—Continued

(By fiscal years, in millions of dollars)

	1988	1989	1990	1991	1992	1993
Estimated outlays.....	10	50	52	55	57	59
Displaced farmers and ranchers:						
Estimated authorization.....	5	2	2	2	2	2
Estimated outlays.....	5	2	2	2	2	2
Internationally recognized worker's rights study:						
Estimated authorization.....	5	5	5	5	5	5
Estimated outlays.....	4	5	5	5	5	5
Subtotal Title II:						
Estimated authorization.....	830	871	919	971	1,022	1,073
Estimated outlays.....	45	688	886	915	965	1,014
Bill total:						
Estimated authorization.....	1,331	1,397	1,470	1,553	1,481	1,557
Estimated outlays.....	85	1,051	1,421	1,477	1,503	1,482

¹ Less than \$500,000.**The Cost of Title V fall in Function 500.**

Basis of estimate: Sections 502 through 587 of Title V of H.R. 3, the Education and Training for American Competitiveness Act of 1987, establishes several new programs to be operated by the Department of Education. Most grant programs in these sections are authorized through 1993. The authorization for technology literacy demonstration projects is through 1989 and the access demonstration program, the graduate programs, and the facilities modernization programs are all authorized through 1991. The authorization levels for all the Department of Education programs are the levels specifically stated in the bill for 1988. The estimated authorization levels for 1989 through 1993 are the 1988 levels adjusted for inflation.

Sections 588 through 594 of H.R. 3 would amend the Job Training Partnership Act (JTPA) to replace the current Dislocated Worker program with a new comprehensive program for dislocated workers entitled Worker Readjustment. The new program would consist of rapid response adjustment services, training, supportive services, and demonstration programs. The bill would authorize \$980 for the Worker Readjustment program. The existing Title III of the JTPA is permanently authorized at such sums as may be necessary and currently estimated in the CBO baseline at approximately \$210 million. The additional amount authorized by this bill is estimated to be \$770 million in 1988. The estimated authorization levels for 1989 through 1993 are the 1988 levels adjusted for inflation.

Thirty percent of the authorization would be used to fund the development of state plans and systems for delivering services and short term assistance to workers in need of readjustment. Part B would require states to develop systems to insure that eligible participants in programs are provided with services. Part C would provide for basic readjustment services and activities, emphasizing early readjustment, outreach, counseling and assessment. The money would be allocated based on the relative number of unemployed workers in states just as it is currently allocated under the existing program.

Half of the Readjustment program authorization would go to states to provide long term adjustment assistance and training to eligible workers. Most of the money would go to workers in the form of vouchers to be used for independent training programs of up 2 years in length. Up to 30 percent of the funds may be spent on supportive services and cash benefits to workers who entered training early and who have exhausted their unemployment benefits. The money will be made available to states at 167 percent of the rapid readjustment allocation under part C of this title.

Part E of Title III of JTPA would provide funds for the Secretary of Labor to establish specific projects in the event of a mass layoff or for demonstration projects. Amounts appropriated under this section may also be used for worker readjustment training in the event of an emergency in a particular state or industry. Specific demonstration projects named in the bill include a loan demonstration, a public works demonstration and a project designed to improve aid for dislocated farmers and ranchers.

In addition to the Worker Readjustment Program, the bill would make some changes to the Job Training Partnership Act. One section of the bill would require states to develop and maintain a computerized jobs bank system in each state. The project would be funded through the United States Employment Service and would provide information on job openings, occupational supply and demand and would be compatible with systems used in the administration of employment and training programs. The bill authorizes \$50 million in 1988 and such sums as may be necessary for each succeeding fiscal year for computerized job banks.

In addition, the Secretary of Labor, in cooperation with the Secretary of Agriculture, would be required to collect data on the permanent dislocation of workers due to farm and ranch failures and to publish an annual report based on this data. Currently the Department of Labor (DOL) maintains a data base on unemployed and dislocated workers made up of unemployment insurance administrative records. Farmers, however, are not well represented in this survey since only farmers with 10 or more employees must file such records. Gathering information on farmers would involve designing and developing a new sampling frame that would include a sufficient number of small farms to provide reliable employment information of farmers as a whole. CBO estimates that developing a sampling frame in cooperation with the Department of Agriculture and issuing a report could cost up to \$5 million in 1988 and \$2 million per year thereafter. The Department of Labor is currently researching the requirements of such a study.

The estimates of Title V assume full appropriation of authorized levels at the beginning of each year and, based on conversations with Committee staff, assume the funds for the Department of Education, worker readjustment assistance and the employment service would be appropriated on a forward funding basis. Estimated outlays, therefore, reflect the spending pattern or current forward funded programs. Outlays for the remaining programs are estimated based on spending in similar programs.

6. Estimated cost to state and local government: Many of the 25 new or expended categorical grant programs to be administered by the Department of Education require the recipient to match feder-

al funds at rates ranging from 10 percent to 50 percent. If these authorizations were fully funded, non-federal sources (colleges, businesses, individuals, as well as state and local governments, depending on the program) would have to contribute as much as \$200 million in matching funds in 1988. Budgets of state and local governments could then be affected to the extent that other public and private sources did not provide these funds.

The changes to the Job Training Partnership Act are not expected to affect state and local budgets. The bill would require states to establish better systems for assisting and training dislocated workers but allows certain percentages of the authorized amounts to be spent on these activities.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Deborah Kalcevic and Marianne Deignan.

10. Estimate approved by C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

COMMITTEE ESTIMATE

With reference to the statement required by clause 7(a)(1) of Rule XIII of the Rules of the House of Representatives, the Committee agrees with the estimate prepared by the Congressional Budget Office.

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(1)(4) of Rule XI of the Rules of the House of Representatives, it is the Committee's estimate that the enactment of this legislation will have no inflationary impact on prices and costs in the operation of the national economy. Indeed, improving America's competitiveness should contribute toward the reduction of inflationary pressures.

COMMITTEE FINDINGS

With reference to clause 2(1)(2)(A) of Rule XI of the Rules of the House of Representatives, the Committee held seven legislative and oversight hearings in the 100th Congress as described under "Committee Action" which contributed to the Consideration of this legislation.

This legislation is also responsive, in part, to concerns expressed in the course of hearings during the 99th Congress on illiteracy by the Subcommittee on Elementary, Secondary, and Vocational Education, and hearings on needs of dislocated workers by the Subcommittee on Employment Opportunities.

STATEMENT REGARDING OVERSIGHT REPORTS FROM THE COMMITTEE ON GOVERNMENT OPERATIONS

In compliance with clause 2(1)(3)(D) of Rule XI of the Rules of the House of Representatives, no findings or recommendations of the Committee on Government Operations were submitted to the Committee with reference to the subject matter specifically addressed by this legislation.

SECTION-BY-SECTION ANALYSIS

TITLE V—EDUCATION AND TRAINING FOR AMERICAN COMPETITIVENESS

Sec. 501. Short title

This section provides that this title may be cited in its short title as the “Education and Training for American Competitiveness Act of 1987”.

Sec. 502. Findings and purposes

This section sets forth the Congressional findings and purposes.

SUBTITLE A—EDUCATION FOR AMERICAN COMPETITIVENESS

Sec. 505. Definitions

This section defines the following terms as used in this subtitle: “institution of higher education”, “local educational agency”, “State educational agency”, and “State”. In addition, for purposes of this subtitle the term “Secretary” means the “Secretary of Education”.

Sec. 506. General provisions

This section sets forth general requirements under this subtitle for the Secretary of Education to ensure that services be made available to historically underrepresented and underserved populations of students; that the terms “training” and “instructions” be interpreted to include telecommunications technologies; and that institutions eligible to participate include any accredited proprietary institution providing a program of less than six months duration that is otherwise eligible to participate in any program under this subtitle.

CHAPTER 1—LITERACY PROGRAMS

Sec. 511. Workplace literacy partnership grants

This section amends the Adult Education Act to authorize the Secretary to provide financial assistance to the States for adult education programs to teach literacy skills needed in the workplace through partnerships between (A) business, industry, or labor organizations, or private industry councils, and (B) State and local educational agencies, institutions of higher education, schools, employment and training agencies, or community-based organizations.

For this section, \$50,000,000 is authorized to be appropriated for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

Sec. 512. English literacy grants

This section amends the Adult Education Act to authorize the Secretary to provide financial assistance for the establishment, operation, and improvement of English literacy programs for individuals of limited English proficiency. For this section, \$50,000,000 is authorized to be appropriated for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

Sec. 513. Coordination of literacy programs

This section provides that the Secretary shall establish in the Department of Education an office to be known as the Federal Literacy Coordination Office.

The Secretary is authorized to make grants to States for purposes of establishing State and local offices for coordination of literacy programs. For this section, \$2,000,000 is authorized to be appropriated for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

CHAPTER 2—SCIENCE AND MATHEMATICS ELEMENTARY AND
SECONDARY EDUCATION PROGRAMS

Sec. 515. Department of Education programs

This section adds to title III of the Education for Economic Security Act a new Part B—Elementary and Secondary Education Partnerships. For this part, \$50,000,000 is authorized to be appropriated for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

CHAPTER 3—ELEMENTARY AND SECONDARY FOREIGN LANGUAGE
PROGRAMS

Sec. 521. Programs authorized

From amounts reserved under Section 524B, this section provides for the Secretary to make grants to States for assistance to local educational agencies to operate model programs designed to commence, or improve and expand, foreign language study for students residing within their jurisdictions.

Sec. 522. Programs for exceptional secondary students

From amounts reserved under section 526B, this section provides for the Secretary to make grants to an institution of higher education (or a consortium of such institutions) in each Federal region for intensive language training in summer institutes for exceptional secondary school students, who show ability in their development of foreign language skills.

Sec. 523. Grants for programs of study abroad for advanced secondary language students

From amounts reserved under section 524B, this section provides for the Secretary to make grants to States for providing assistance to enable advanced secondary foreign language students in their junior or senior year of high school to develop their language skills and their knowledge of foreign cultures and societies through study abroad.

Sec. 524. Grants for advanced placement programs

From amounts reserved under section 524B, this section provides for the Secretary to make grants to States for assistance to advanced placement programs operated by local educational agencies allowing qualified secondary students to attend college preparatory schools, colleges, or universities on a part-time or full-time basis with respect to foreign language instruction.

Sec. 524B. Authorization of appropriations

For purposes of this chapter, this section authorizes appropriations of \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

Of the amounts available for any fiscal year, 86 percent shall be for section 521, 6 percent for section 522, 4 percent for section 523, and 4 percent for section 524.

CHAPTER 4—BUSINESS-EDUCATION PARTNERSHIPS

Sec. 525. Purpose

This section sets forth the purpose of the chapter to encourage the creation of alliances between public schools and the private sector.

Sec. 526. Program authorized

For this chapter, this section authorizes appropriations of \$5,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

Sec. 527. Authorized activities

This section describes model programs and special projects for which an eligible alliance may use funds under this chapter.

Sec. 528. Alliance for Education Board

This section provides for the establishment within the Department of Education of an Alliance for Education Board.

Sec. 529. Application

This section sets forth application requirements to be met by an eligible alliance desiring to receive a grant under this chapter.

Sec. 530. Approval of application

This section provides that the Secretary shall approve applications under this chapter in accordance with general policies and guidelines established by the Alliance for Education Board required by section 528.

Sec. 530A. Computation of grant amounts

This section provides that the Secretary shall pay to each eligible alliance a Federal share of 90 percent for the first year, 75 percent for the second year, 50 percent for the third year, and 33½ percent for the fourth year.

Sec. 530B. Evaluation and dissemination

This section provides for the Secretary to conduct an annual evaluation of activities assisted under this chapter.

Sec. 530C. Definitions

This section sets forth definitions specifically for purposes of this chapter.

CHAPTER 5—EDUCATIONAL TELECOMMUNICATIONS

Sec. 531. National Educational Telecommunications Demonstration Program

This section authorizes the Secretary of Education to provide grants to public agencies and nonprofit corporations to assist in the design, development, and construction (including renovation) of nine model regional advanced educational telecommunications network and technology resource centers. For this chapter, there are authorized to be appropriated \$10,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal year 1989 through 1993.

CHAPTER 6—TECHNICAL EDUCATION PROGRAMS

Sec. 535. Replication models for technical education programs designed to improve the quality of education for America's technically trained workforce

This section sets forth additional responsibilities for the National Diffusion Network (established under section 583(c) of the Educational Consolidation and Improvement Act of 1981). These duties focus upon information to enhance the technical skills needed to improve the competitiveness of American industry, and development of skills (including basic literacy).

CHAPTER 7—TRANSFER OF EDUCATION AND TRAINING SOFTWARE

Sec. 541. Findings and purpose

This section sets forth the Congressional findings and purpose of this chapter.

Sec. 542. Establishment of Office of Education software transfer

This section establishes an Office of Education Software Transfer in the Department of Education's Office of Educational Research and Improvement (OERI).

Sec. 543. Coordination with Federal agencies

This section provides for the fullest possible utilization of all existing Federal programs to promote the identification, conversion, and transfer of knowledge and education and training software.

Sec. 544. Authorization of appropriations

For this chapter, this section authorizes appropriations of \$1,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

Sec. 545. Definitions

This section sets forth definitions specifically for purposes of this chapter.

CHAPTER 8—INSTRUCTIONAL PROGRAMS IN TECHNOLOGY EDUCATION

Sec. 546. Purpose

This section provides that it is the purpose of this chapter to assist educational agencies and institutions in developing a techno-

logically literate population through instructional programs in technological education.

Sec. 547. Technology education demonstration programs

This section provides for the Secretary of Education to establish a program of grants to local educational agencies, State educational agencies, consortia of public and private agencies, organizations and institutions of higher education to establish not more than ten demonstration programs in technology education for secondary schools.

Sec. 548. Applications for grants

This section sets forth application requirements for grants under this chapter.

Sec. 549. National dissemination of information

This section provides for the Secretary to disseminate information on the results of the programs and projects assisted under this chapter.

Sec. 550. Authorization of appropriations

For this chapter, this section authorizes appropriations of \$2,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1988 through 1993.

Sec. 550A. Definition

This section sets forth the definition of "technology education" for purposes of this chapter.

CHAPTER 9—VOCATIONAL EDUCATION PROGRAMS

Sec. 551. Adult training, retraining, and employment development

This section revises Part C of Title III of the Carl D. Perkins Vocational Education Act to provide grants to States for training, retraining, and employment development programs for adults who have completed or left high school.

Sec. 552. Authorization of additional uses of vocational education funds

This section amends section 251(a) of the Carl D. Perkins Vocational Education Act to add (to allowable uses of funds) pre-employment skills training and school-to-work transition programs.

Sec. 553. Education for Employment Demonstration Program

This section provides for a demonstration program through partnerships between education and business and industry, assisted by funds available to the Secretary for vocational programs under the Carl D. Perkins Vocational Education Act.

Sec. 554. Extension of industry-education partnerships for high technology training

For purposes of carrying out part E of Title III (relating to industry-education partnerships for training in high-technology occupations), this section authorizes appropriations of \$50,000,000 for

fiscal year 1988 and such sums as may be necessary for fiscal year 1989.

Sec. 555. Demonstration program for technological literacy

This section provides for the Secretary to establish demonstration programs in vocational training centers and community colleges providing modular training in basic skills with the objective of rendering participants technologically literate. For this purpose, \$2,000,000 is authorized to be appropriated for fiscal year 1988 and such sums as may be necessary for fiscal year 1989.

CHAPTER 10—ACCESS DEMONSTRATION PROGRAMS

Sec. 561. Purpose

This section sets forth the purpose of the title to support training programs for secondary school personnel in order to increase the opportunities of secondary school students in rural sections of the Nation for continued education.

Sec. 562. Program authorized

This section authorizes the Secretary to make grants to educational research laboratories for such programs. For such purpose, \$5,000,000 is authorized to be appropriated for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1991.

Sec. 563. Applications

This section sets forth application requirements for programs under this chapter.

Sec. 564. Definition

This section sets forth the definition of "regional educational laboratory", for purposes of this chapter.

CHAPTER 11—POSTSECONDARY EDUCATION PROGRAMS

Sec. 571. College and University Research Facilities and Instrumentation Modernization Program

This section amends Title VII of the Higher Education Act to add a new Part I—College and University Research Facilities and Instrumentation Modernization Program. For this new part, \$85,000,000 is authorized to be appropriated for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years.

Sec. 572. Agriculture, Strategic Metals, Minerals, and Forestry College and University Research Facilities and Instrumentation Modernization Program

This section amends Title VII of the Higher Education Act to add a new part J for the purpose described in the heading. For this part, \$20,000,000 is authorized to be appropriated for each of the three succeeding fiscal years.

Sec. 573. Graduate training to enhance the Nation's competitiveness

This section amends Title IX of the Higher Education Act to authorize additional appropriations for purposes of encouraging increased participation in graduate research training, as follows:

- (1) for part A of Title IX, an additional \$5,000,000 for fiscal year 1988 and such additional sums as may be necessary for each of the three succeeding fiscal years;
- (2) for part B of Title IX, an additional \$4,000,000 for fiscal year 1988 and such additional sums as may be necessary for each of the three succeeding fiscal years; and
- (3) for part D, of Title IX, an additional \$5,000,000 for fiscal year 1988 and such additional sums as may be necessary for each of the three succeeding fiscal years.

Sec. 574. Foreign technical and scientific periodicals

This section amends section 607 of the Higher Education Act, authorizing appropriations of \$1,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years to provide assistance for the acquisition of, and provision of access to, foreign technical and scientific periodicals.

Sec. 575. Minority science and engineering improvement

This section amends section 1047 of the Higher Education Act to authorize additional appropriations of \$10,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years for new activities specifically aimed at increasing the participation of minority students in scientific and engineering research careers.

Sec. 575A. Technology transfer centers

This section amends Title XII of the Higher Education Act to authorize appropriations of \$25,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years to develop, construct, and operate regional technology transfer centers.

Sec. 575B. National Advisory Council on Instructional Technology

This section amends Title V of the Higher Education Act by adding a new Part F establishing a National Advisory Council on Instrumental Technology with the Department of Education.

Sec. 575C. Library technology enhancement

This section amends section 201(b) of the Higher Education Act to authorize (for carrying out Title II-D of the Higher Education Act) appropriations of an additional \$5,000,000 for fiscal year 1988 and such additional sums as may be necessary for each of the three succeeding fiscal years.

CHAPTER 12—RETRAINING FOR AMERICAN COMPETITIVENESS

Sec. 576. Grants for midcareer teacher training programs

This section authorizes the Secretary to make grants to institutions of higher education to establish and operate programs to provide midcareer teacher training.

Sec. 577. Amount of grants

This section provides for initial planning grants under this chapter not exceeding \$100,000 for a two-year period, and renewal grants of \$50,000 for a two-year period.

Sec. 578. Reports and information

This section sets forth requirements for reports and other information, and dissemination of such information, with respect to programs assisted under this chapter.

Sec. 579. Authorization of appropriations

For this chapter, this section authorizes appropriations of \$4,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years.

CHAPTER 13—POSTSECONDARY EDUCATION PROGRAMS TO IMPROVE INSTRUCTION IN MATHEMATICS, SCIENCE, AND FOREIGN LANGUAGE

Sec. 581. Program authorization

This section provides for the Secretary to make grants to institutions of higher education to carry out sections 584, 585, and 586.

Sec. 582. Selections of grant recipients

This section provides for competitive selection, and limitations on awards.

Sec. 583. Applications

This section sets forth application requirements for grants under this chapter.

Sec. 584. Summer institutes and workshops

This section provides for funding summer institutes and workshops.

Sec. 585. Acquisition and use of equipment

This section provides that funds under this chapter may be used for laboratory and other special equipment, and for workshops of the use of such equipment.

Sec. 586. Educational partnership programs

This section provides that funds under this chapter may be used for costs of establishing and operating educational partnerships between institutions of higher education and local educational agencies to provide advanced instruction to students in the areas of mathematics, science and computer technology.

Sec. 587. Authorization of appropriations

For purposes of this chapter, \$10,000,000 is authorized to be appropriated for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years.

SUBTITLE B—WORKER READJUSTMENT

Sec. 591. Amendment to Title III of the Job Training Partnership Act

This section amends Title III of the Job Training Partnership Act to revise the dislocated worker program and establish a new worker readjustment program, as follows:

TITLE III—WORKER READJUSTMENT

Part A—General Provisions

Sec. 301. Short title

This section sets forth the short title of title III of the Job Training Partnership Act (JTPA) as the "Worker Readjustment Act."

Sec. 302. Authorization of appropriations

The sum of \$980,000,000 is authorized to be appropriated to carry out this title for fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year.

From the amounts appropriated, 30 percent shall be available to carry out parts B and C; 50 percent shall be available to carry out part D; and 20 percent shall be available to carry out part E.

Sec. 303. Definitions

This section sets forth the definition of the term "eligible dislocated worker." It also defines the terms "basic readjustment services," "dislocation event," "early readjustment assistance," "grant recipient," "joint labor-management committees," "local elected official," "recipient," "retraining services," "service provider," "substate area," and "substate grantee."

Part B—Service Delivery System and Basic Program Requirements

Sec. 311. Worker readjustment agreements

In order to be allotted funds under parts B, C, and D of this title, the Governor of each State must enter into a worker readjustment agreement with the Secretary of Labor prior to each fiscal year.

Sec. 312. State worker readjustment councils

The Governor of each State shall establish a State worker readjustment council composed equally of representatives of labor, management, and public and private nonprofit organizations, agencies, and instrumentalities. This section also specifies their responsibilities.

Sec. 313. State plans

This section provides that the Governor of each State shall submit to the Secretary an annual plan with performance standards and set forth specified assurance and a description of methods to be employed in carrying out certain requirements.

Sec. 314. State services and activities

This section requires that each State shall designate an identifiable State dislocated worker unit or office, with the capability to respond rapidly to mass dislocation events throughout the State, and ensure the capability to respond to dislocation events in sparsely populated areas.

The dislocation worker unit must include specialists with responsibility for establishing on-site contact with employer and employee representatives shortly after becoming aware of dislocation events. They will also be responsible for promoting the formation of labor-management committees and will carry out information and technical assistance responsibilities.

The capability to respond to dislocation events in sparsely populated substate areas may include outreach mechanisms and regional centers.

Sec. 315. Designation of substate areas

This section provides that the Governor of each State shall designate substate areas (after receiving any recommendations from the State worker readjustment council.) All Service Delivery Areas (SDAs) designated for purposes of Title II of the Job Training Partnership Act must be included within some substate area.

Any such SDA with a population of at least 200,000 shall be so designated. Any two or more contiguous service delivery areas with a total population of 200,000 or more may request designation. The rural concentrated employment programs under JTPA shall be designated.

Sec. 316. Substate grantees

A substance grantee shall be designated for each substate area in accordance with an agreement between the Governor, the local elected official or officials of such area, and the private industry council or councils of such area. If agreement is not reached, the Governor shall select the substate grantee.

Sec. 317. Substate plan

A substate grantee shall submit a substate plan to the Governor for approval. The Governor shall consider the recommendations of the State worker readjustment council in making his decision regarding approval of a substate plan.

Sec. 318. Approved training

Participation by any individual in any of the programs authorized in this title 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.

Part C—Basic Readjustment Services

Sec. 331. Expenditures for basic program

Governors and substate grantees are authorized to expend amounts under this part in accordance with the substate plan.

Sec. 332. Allotment of funds for basic services

This section provides that the Secretary of Labor shall allot amounts appropriated to carry out part B and this part as follows: one-third on the basis of number of unemployed individuals, one-third on the basis of number of unemployed individuals in excess of 4.5 percent, one-third on the basis of number of individuals who have been unemployed for fifteen weeks or more.

As soon as mass lay-off data and farmer-rancher dislocations data, respectively, becomes available they must be incorporated as an additional factor equal to the other factors (25 percent for each factor).

The Governor may retain 10 percent for State-level administration, staff for the State worker readjustment council, technical assistance, coordination, and the conduct of rapid response activities.

An additional amount not to exceed 10 percent may be used at the discretion of the Governor.

The remainder of the State funds shall be allotted by the Governor on an allocation formula prescribed by the Governor. The information the Governor shall use to develop the formula may include: insured unemployment data, unemployment concentrations, plant closing and mass lay-off data, declining industries data, farmer-rancher economic hardship data, and long-term unemployment data.

Sec. 333. Allowable Basic Readjustment Services and Activities

This section sets forth basic readjustment services and activities authorized under this part.

Sec. 334. Supportive services and benefits

This section authorizes the substate grantee to provide appropriate supportive services to participants.

Sec. 335. Cost limitations

No more than 15 percent of the amounts expended annually under this part by any substate grantee may be expended for administrative costs.

No more than 15 percent of the amounts expended annually under this part by any substate grantee may be expended for supportive services.

Sec. 336. Reallotment; reallocation

This section provides that the Governor may reallocate part C basic grant funds through voluntary transfers, or by mutual agreement of the Governor and the substate grantees, whenever the Governor determines that minimum expenditure levels approved in

substate plans will not be achieved prior to the end to each program year.

Part D—Worker Readjustment Training Program

Sec. 341. Expenditures for worker readjustment training

This section provides that Governors and substate grantees are authorized to expend amounts made available by the Secretary of Labor under this part in accordance with the provisions of the substate plan.

Sec. 342. Allotments of funds

The Secretary of Labor shall for each program year establish an annual availability target for each State equal to 1 $\frac{2}{3}$ times the amount of the State's allotment under section 332(a).

The Governor shall establish procedures for making funds available in substate areas under this part.

Sec. 343. Cost limitations

Administrative costs under this part may not exceed 15 percent of any substate grantees annual expenditures.

Supportive services and benefits costs under this part may not exceed 30 percent of any substate grantees expenditures.

Sec. 344. Supportive services and benefits

A substate grantee may determine that in order to facilitate an individual's participation in the program, supportive services and benefits are necessary. The substate grantee is authorized to provide a weekly benefit for the period the participant is enrolled in retraining services after such participant exhausts all regular unemployment compensation. Needs-based payments may be provided by the substate grantee to participants not receiving such benefit payments.

Sec. 345. Allowable services and activities

This section authorizes each substate grantee to provide training services to eligible participants. Eligible readjustment training shall receive either retraining services, or a certificate of continuing eligibility. Training services are authorized to be provided through systems of individual certificates that permit participants to seek out and arrange their own training.

Part E—Federal Readjustment Programs

Sec. 351. Program authorized

This section provides funds for use at the Secretary's discretion.

Sec. 352. Allowable activities

Amounts appropriated for this part may be used in circumstances of mass layoffs, industry-wide projects, multistate projects, special projects with Indian tribal entities, special projects to ad-

dress national or regional concerns, and demonstration projects. Not to exceed 5 percent of the funds under this part may be used for the purpose of providing staff training and technical assistance services.

Sec. 353. Proposals for financial assistance

The Secretary is authorized to use discretionary funds to provide services of the type described in parts C and D.

Sec. 592. Job banks

This section amends Title V of JTPA to provide to the U.S. Employment Service funds to develop computerized electronic data processing and telecommunications for the purpose of identifying job openings, referral, occupational demand and career information.

The sum of \$50,000,000 is authorized to be appropriated to carry out this section for fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year.

Sec. 593. Studies

This section provides that the Secretary of Labor shall, in coordination with the Secretary of Agriculture, develop data on dislocated farmers and ranchers.

A study shall be conducted by the National Commission for Employment Policy on research related to the provisions of this title.

This section further provides that the Secretary of Labor shall conduct a study to identify the extent to which countries recognize and enforce, and producers fail to comply with, internationally recognized workers rights. A biennial report is required to be submitted to Congress. Appropriations of \$5,000,000 are authorized to be available to the Secretary of Labor to make contractual or other agreements for monitoring information on such compliance.

Sec. 594. Effective date

This title shall take effect on October 1, 1987, or upon the date of enactment. Amendments to title III of the Job Training Partnership Act shall be effective with respect to appropriations for fiscal year 1988 and succeeding fiscal years.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

ADULT EDUCATION ACT

* * * * *

TITLE III—ADULT EDUCATION

* * * * *

DEFINITIONS

SEC. 303. As used in this title—

(a) * * *

* * * * *

(k) The term “community-based organization” has the meaning given such term in section 4(5) of the Job Training Partnership Act (21 U.S.C. 1501 et seq.).

(l) The term “private industry council” means the private industry council established under section 102 of the Job Training Partnership Act (21 U.S.C. 1501 et seq.).

(m) The term “individual of limited English proficiency” means an adult or out-of-school youth who has limited ability in speaking, reading, writing, or understanding the English language and—

(1) whose native language is a language other than English;
or

(2) who lives in a family or community environment where a language other than English is the dominant language.

(n) The term “out-of-school youth” means an individual who is under sixteen years of age and beyond the age of compulsory school attendance under State law who has not completed high school or the equivalent.

(o) The term “English literacy program” means a program of instruction designed to help limited English proficient adults, out-of-school youths, or both achieve full competence in the English language.

(p) The term “community-based organization” means a private nonprofit organization which is representative of a community or significant segments of a community and which provides education, vocational education, job training, or internship services and programs and includes neighborhood groups and organizations, community action agencies, community development corporations, union-related organizations, employer-related organizations, tribal governments, and organizations serving Native Alaskans and Indians.

**BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR
WORKPLACE LITERACY**

SEC. 316. (a) GRANTS TO STATES.—(1) The Secretary may make grants to States which have State plans approved by the Secretary under section 306 to pay the Federal share of the cost of adult education programs which teach literacy skills needed in the workplace through partnerships between—

(A) business, industry, or labor organizations, or private industry councils; and

(B) State educational agencies, local educational agencies, institutions of higher education, or schools (including employment and training agencies or community-based organizations).

(2) Grants under paragraph (1) may be used—

(A) to fund 90 percent of the cost of programs which meet the requirements of subsection (b);

(B) for administrative costs incurred by State educational agencies and local educational agencies in establishing programs funded under subparagraph (A); and

(C) for costs incurred by State educational agencies in obtaining evaluations described in paragraph (3)(A)(iii).

(3) A State shall be eligible to receive its allotment under subsection (e) if it—

(A) includes in a State plan submitted to the Secretary under section 306 a description of—

(i) the requirements for State approval of funding of a program;

(ii) the procedures under which applications for such funding may be submitted; and

(iii) the method by which the State shall obtain annual third-party evaluation of student achievement in, and overall effectiveness of services provided by, all programs which receive funding out of a grant made to the State under this section; and

(B) satisfies the requirements of section 306(a).

(b) **PROGRAM REQUIREMENTS.**—Programs funded under subsection (a)(2)(A) shall be designed to improve the productivity of the workforce of a State through improvement of literacy skills needed in the workplace by—

(1) providing adult literacy and other basic skills services and activities;

(2) providing adult secondary education services and activities which may lead to the completion of a high school diploma or its equivalent;

(3) meeting the literacy needs of adults with limited English proficiency;

(4) upgrading or updating basic skills of adult workers in accordance with changes in workplace requirements, technology, products, or processes;

(5) improving the competency of adult workers in speaking, listening, reasoning, and problem solving; or

(6) providing education counseling, transportation, and non-working hours child care services to adult workers while they participate in a program funded under subsection (a)(2)(A).

(c) **PROGRAM APPLICATIONS.**—An application to receive funding for a program out of a grant made to a State under subsection (a)(1) shall—

(1) be submitted jointly by—

(A) a business, industry, or labor organization, or private industry council; and

(B) a State educational agency, local educational agency, institution of higher education, or school (including an employment and training agency or community-based organization);

(2) set forth the respective roles of each member of the partnership; and

(3) be submitted to the State educational agency in the time and manner and contain such additional information as such agency may require, including evidence of the applicant's experience in providing literacy services to working adults.

(d) *DIRECT GRANTS.*—If a State is not eligible for a grant under subsection (a) the Secretary shall use the State's allotment under subsection (e)(2) to make direct grants to applicants in that State who are qualified to teach literacy skills needed in the workplace.

(e) *STATE ALLOTMENTS.*—(1) The Federal share of expenditures for programs in a State funded under subsection (a)(2)(A) shall be paid from a State's allotment under this subsection.

(2) From the sum appropriated for each fiscal year under subsection (f), the Secretary shall allot—

(A) \$25,000 to each of American Samoa, Guam, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands; and

(B) to each remaining State an amount which bears the same ratio to the remainder of such sum as—

(i) the number of adults in the State who do not have a certificate of graduation from a school providing secondary education (or its equivalent) and who are not currently required to be enrolled in schools in the State, bears to

(ii) the number of such adults in all States.

(3) At the end of each fiscal year the portion of any State's allotment for that fiscal year which—

(A) exceeds 10 percent of the total allotment for the State under paragraph (2) for the fiscal year; and

(B) remains unobligated;

shall be reallocated among the other States in the same proportion as each State's allocation for such fiscal year under paragraph (2).

(f) *AUTHORIZATION OF APPROPRIATIONS.*—(1) For the purpose of making grants under this section, there are authorized to be appropriated \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

(2) Amounts appropriated under this subsection shall remain available until expended.

ENGLISH LITERACY PROGRAM GRANTS

SEC. 317. (a) *GRANTS TO STATES.*—(1) The Secretary may make grants to States which have State plans approved by the Secretary under section 306 for the establishment, operation, and improvement of English literacy programs for individuals of limited English proficiency. Such grants may provide for support services for program participants, including child care and transportation costs.

(2) A State shall be eligible to receive a grant under paragraph (1) if the State includes in a State plan submitted to the Secretary under section 306 a description of—

(A) the number of individuals of limited English proficiency in the State who need or could benefit from programs assisted under this chapter;

(B) the activities which would be undertaken under the grant and the manner in which such activities will promote English literacy and enable individuals in the State to participate fully in national life;

(C) how the activities described in subparagraph (B) will serve individuals of limited English proficiency, including the quali-

fications and training of personnel who will participate in the proposed activities;

(D) the resources necessary to develop and operate the proposed activities and the resources to be provided by the State; and

(E) the specific goals of the proposed activities and how achievement of these goals will be measured.

(3) Grants under this section shall be available for not more than three years. The Secretary may terminate a grant only if the Secretary determines that—

(A) the State has not made substantial progress in achieving the specific educational goals set out in the application; or

(B) there is no longer a need in the State for the activities funded by the grant.

(b) **SET-ASIDE FOR COMMUNITY-BASED ORGANIZATIONS.**—A State that is awarded a grant under subsection (a) shall use not less than 50 percent of funds awarded under the grant to fund programs operated by community-based organizations with the demonstrated capability to administer English proficiency programs.

(c) **REPORT.**—A State that is awarded a grant under subsection (a) shall submit to the Secretary a report describing the activities funded under the grant for each fiscal year covered by the grant.

(d) **DEMONSTRATION PROGRAM.**—The Secretary, subject to the availability of funds appropriated pursuant to this section, shall directly, and through grants and contracts with public and private nonprofit agencies, institutions, and organizations, carry out a program through the Adult Education Division—

(1) to develop innovative approaches and methods of literacy education for individuals of limited English proficiency utilizing new instructional methods and technologies; and

(2) to establish a national clearinghouse on literacy education for individuals of limited English proficiency to collect and disseminate information concerning effective approaches or methods, including coordination with manpower training and other education programs.

(e) **EVALUATION AND AUDIT.**—The Secretary shall evaluate the effectiveness of programs conducted under this section. Programs funded under this section shall be audited annually.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—(1) There are authorized to be appropriated for the purposes of this section the sum of \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.

(2) Funds appropriated pursuant to this section shall remain available until expended.

(3) Not more than 10 percent of funds available under this section shall be used to carry out the purposes of subsection (d).

* * * * *

TITLE III OF THE EDUCATION FOR ECONOMIC SECURITY ACT

[TITLE III—NATIONAL SCIENCE FOUNDATION PROGRAM FOR PARTNERSHIPS IN EDUCATION FOR MATHEMATICS, SCIENCE, AND ENGINEERING]

*TITLE III—PARTNERSHIPS IN EDUCATION FOR MATHEMATICS, SCIENCE, AND ENGINEERING**PART A—HIGHER EDUCATION PARTNERSHIPS*

SHORT TITLE

SEC. 301. This [title] *part* may be cited as the "Partnerships in Education for Mathematics, Science, and Engineering Act".

STATEMENT OF PURPOSE

SEC. 302. It is the purpose of this [title] *part* to supplement State and local resources to—

* * * * *

DEFINITIONS

SEC. 303. As used in this [title] *part* —

* * * * *

PROGRAM AUTHORIZED

SEC. 304. (a) The Secretary is authorized, in accordance with the provisions of this [title,] *part*, to make grants to applicants to pay the Federal share of the costs of the activities described in section 305.

(b) There are authorized to be appropriated \$50,000,000 for each of the fiscal years 1986, 1987, and 1988, to carry out the provisions of this [title.] *part*.

* * * * *

APPLICATION

SEC. 306. (a) * * *

* * * * *

(8) provide such additional assurances as the Secretary determines essential to ensure compliance with the requirements of this [title.] *part*.

(b) A regional consortium of applicants in two or more States may file a joint application under the provisions of subsection (a) of this section.

SUBMISSION OF APPLICATIONS

SEC. 307. Each applicant within a State which desires to receive a grant under this [title] *part* shall submit the application prepared in accordance with section 306 to the State agency on ¹ higher edu-

¹ Probably should be "for".

cation or the State educational agency, as the case may be, for approval and shall submit the approved application to the Foundation under section 306. Each such application shall be submitted jointly by the local educational agency in the case of activities described in section 305(a), or an institution of higher education in the case of activities described in section 305(b), and each business concern or other party that is to participate in the program for which assistance is sought.

APPROVAL OF APPLICATIONS

SEC. 308. (a)(1) The Secretary shall establish criteria for approval of applications under this [title.] part.

* * * * *

PART B—ELEMENTARY AND SECONDARY EDUCATION PARTNERSHIPS

PURPOSE

SEC. 321. *It is the purpose of this chapter to supplement State and local resources to—*

(1) *improve the quality of instruction in the fields of mathematics and science in elementary and secondary schools;*

(2) *furnish additional resources and support for the acquisition of equipment, and instructional and reference materials and improvement of laboratory facilities in elementary and secondary schools; and*

(3) *encourage partnerships in science and mathematics education between the business community, museums, libraries, professional mathematics and scientific associations, private non-profit organizations, appropriate State agencies and elementary and secondary schools.*

PROGRAMS AUTHORIZED

SEC. 322. (a) **GRANTS.**—*The Secretary may make grants to States to pay the Federal share of the cost of the programs described in section 324.*

(b) **AUTHORIZATION OF APPROPRIATIONS.**—*There are authorized to be appropriated for purposes of carrying out this chapter \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993.*

AMENDMENT TO STATE APPLICATION

SEC. 323. (a) **APPLICATION.**—*A State shall be eligible to receive a grant under this chapter if—*

(1) *the State submits to the Secretary as part of its application under section 209 such information and assurances as the Secretary may require at such time as the Secretary shall establish; and*

(2) *the Secretary approves such application.*

(b) **APPLICATION REQUIREMENTS.**—*The Secretary shall require each application to include—*

(1) a description of the State's procedures relating to the use of funds from grants received under this chapter, including the approval process for local applications;

(2) an assurance that not more than 1 percent of the amount received shall be used for administrative expenses;

(3) an assurance that the State will, to the extent possible, assist local school districts in economically depressed areas to obtain matching funds from business concerns.

ELIGIBLE PROGRAMS

SEC. 324. (a) IN GENERAL.—A State may use funds from grants received in any fiscal year under this chapter for elementary and secondary programs described in this section. The State educational agency shall administer such funds, which shall be awarded to such programs on a competitive basis.

(b) **USE OF FUNDS.**—Funds from grants received under this chapter may be used for the following:

(1) **IMPROVEMENT OF ELEMENTARY AND SECONDARY RESOURCES.**—Such funds may be used for acquisition of equipment, instructional and reference materials, and partnership in education programs designed to—

(A) improve instruction in mathematics and science education at the elementary and secondary level;

(B) improve laboratory facilities, classroom and library resources in elementary and secondary mathematics and science education; and

(C) attract matching dollars and in kind contributions of equipment, learning resources or shared time from business concerns, libraries, museums, nonprofit private organizations, professional mathematics and scientific associations, and appropriate State agencies.

(2) **ADVANCED PLACEMENT PROGRAMS.**—(A) Such funds may be used for advanced placement programs operated by local educational agencies that are designed to allow qualified secondary students to attend college preparatory schools, colleges, or universities on a part-time or full-time basis with respect to science and mathematics instruction.

(B) A local educational agency that receives funds from a grant under this chapter for an advanced placement program described in subparagraph (A) shall allocate to such program a percentage of funds received from the State on a per student basis according to—

(i) the number of students participating in the program; and

(ii) the instruction time such students receive under the program.

LOCAL APPLICATIONS

SEC. 325. (a) ELIGIBILITY.—An applicant that desires to receive a grant under this chapter shall submit an application to the State educational agency, at such time, and in such manner, as the State may require. Such application may take the form of an amendment

to an assessment submitted by the local educational agency under section 210, if appropriate.

(b) **REQUIREMENTS FOR APPLICATION.**—The State shall require each application to include—

(1) a description of the activities for which assistance under this part is sought;

(2) assurances that not more than 5 percent of the amount received by the applicant in any fiscal year shall be expended on administrative expenses;

(3) if the funds are to be used for improvement of elementary and secondary resources as described in subsection (b)(1)—

(A) an estimate of the amount to be spent on equipment, facilities improvement, library resources, and classroom instructional material;

(B) an estimate of the number of elementary and secondary students who will be aided by activities and expenditures under the grant;

(C) assurances that—

(i) except as provided in subsection (c), a minimum of 25 percent of the funds for each project will be supplied by business concerns within the community;

(ii) no stipend shall be paid directly to employees of a profitmaking business concern;

(iii) provision shall be made for the equitable participation in the project of children who are enrolled in private elementary and secondary schools; and

(iv) consideration will be given to programs and activities designed to meet the needs of educationally disadvantaged and other traditionally underserved populations; and

(4) if the funds are to be used for advanced placement programs as described in subsection (b)(2), a commitment as to the percentage of funds received from the State on a per student basis that shall be used by the local educational agency to defray costs of the advanced placement program.

(c) **WAIVER.**—The State may waive or reduce the amount of matching funds required under subsection (b)(3)(C)(i) if the State determines that—

(1) substantial need exists in the area served by the applicant for a grant under this part; and

(2) the required amount of matching funds cannot be made available.

(d) **JOINT APPLICATIONS.**—A regional consortium of applicants in two or more local-school districts may file a joint application under subsection (a).

SUBMISSION OF APPLICATIONS

SEC. 326. An applicant within a State that desires to receive a grant under this chapter shall submit an application prepared in accordance with section 325 to the State educational agency for approval. Each application with respect to funds for improvement of elementary and secondary resources under section 324(b)(1) shall be submitted jointly by the local educational agency and each business

concern or other party that is to participate in the activities for which assistance is sought.

APPROVAL OF APPLICATIONS

SEC. 327. (a) CRITERIA.—The State shall establish criteria for approval of applications under this section. Such criteria shall include—

(1) consideration of the local district's need for, and inability to locally provide for, the activities, equipment, library and instructional materials requested;

(2) the number and nature of elementary and secondary students who will benefit from the planned program;

(3) the expressed level of financial and in-kind commitment from other parties to the program.

(b) APPROVAL PROCEDURES.—The State shall adopt approval procedures designed to ensure that grants are equitably distributed among—

(1) rural, urban, and suburban areas; and

(2) small, medium, and large local educational agencies.

COMPUTATION OF GRANT AMOUNTS

SEC. 328. (a) PAYMENTS TO GRANTEES.—

(1) **PAYMENT BY STATE.**—The State shall pay to the extent of amounts received by it from the Secretary under this chapter, to each applicant having an application approved under section 327, the Federal share of the cost of the program described in the application.

(2) **AMOUNT.**—(A) Except as provided in subparagraph (B), the Federal share for each fiscal year shall be 75 percent.

(B) In the case of an applicant that receives a waiver under section 325(c), the Federal share for each fiscal year may be as much as 100 percent.

(3) **NON-FEDERAL SHARE.**—The non-Federal share of payments under this chapter may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(b) PAYMENTS TO STATES.—

(1) **IN GENERAL.**—Except as provided in subsection (c), each State shall receive under this chapter the greater of—

(A) an amount equal to its share of funds appropriated under chapter 1 of the Education Consolidation and Improvement Act; or

(B) \$225,000.

(2) **LIMITATION.**—A State may not use more than 5 percent of funds received by it under this chapter for administrative costs.

(c) REDUCTION FOR INSUFFICIENT FUNDING.—If sums appropriated to carry out this part are not sufficient to permit the Secretary to pay in full the grants which States may receive under subsection (b), the amount of such grants shall be ratably reduced.

CARL D. PERKINS VOCATIONAL EDUCATION ACT

* * * * *

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a) There are authorized to be appropriated \$835,300,000 for the fiscal year 1985 and such sums as may be necessary for each of the fiscal years 1986 through 1989 to carry out the provisions of titles I (other than section 112), II, and IV (other than part E) of this Act.

(b)(1) * * *

* * * * *

(5) *There are authorized to be appropriated \$20,000,000 for the fiscal year 1985 [and], such sums as may be necessary for fiscal years 1986 [through 1989] and 1987, \$50,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal year 1989 to carry out part E of title III, relating to industry-education partnerships for training in high-technology occupations.*

* * * * *

PART B—VOCATIONAL EDUCATION PROGRAM IMPROVEMENT, INNOVATION, AND EXPANSION

USES OF FUNDS

SEC. 251. (a) From the portion of the allotment of each State under section 101 available for this part from amounts appropriated pursuant to section 3(a) for each fiscal year, each State may use funds so available to meet the needs identified in the State plan for—

(1) * * *

* * * * *

(23) the acquisition and operation of communications and telecommunications equipment for vocational education programs; [and]

(24) the improvement or expansion of any other vocational education activities authorized under part A [.] ; and

(25) *pre-employment skills training; and*

(26) *school-to-work transition programs.*

* * * * *

[PART C—ADULT TRAINING, RETRAINING, AND EMPLOYMENT DEVELOPMENT

[FINDINGS AND PURPOSE

[SEC. 321. (a) The Congress finds that—

[(1) technological change, international competition, and the demographics of the Nation's work force have resulted in increases in the numbers of adult workers who are unemployed, who have been dislocated, or who require training, retraining, or upgrading of skills,

[(2) many women entering and reentering the paid labor market are disproportionately employed in low-wage occupations and require additional training,

[(3) many adults cannot gain access to or benefit fully from vocational education due to limited English proficiency, and

[(4) these needs can be met by vocational education programs that are responsive to the needs of individuals and the demands of the labor market.

[(b) It is the purpose of this part (1) to provide financial assistance to the States to enable them to expand and improve vocational education programs designed to meet urgent needs for training, retraining, and employment development of adults who have completed or left high school and are preparing to enter or have entered the labor market, in order to equip adults with the competencies and skills required for productive employment, and (2) to ensure that such programs are relevant to the labor market needs and accessible to all segments of the population, including women, minorities, the handicapped, individuals with limited English proficiency, workers fifty-five and older, and the economically disadvantaged.

[AUTHORIZATION OF GRANTS AND USES OF FUNDS

[SEC. 322. (a) From the portion of the allotment of each State under section 101 available for this part, the Secretary shall make grants to the States for programs, services, and activities authorized by this part.

[(b)(1) Grants to States under this part may be used, in accordance with State plans, for—

[(A) vocational education programs, services, activities, and employment development authorized by title II which are designed to meet the needs of—

[(i) individuals who have graduated from or left high school and who need additional vocational education for entry into the labor force;

[(ii) unemployed individuals who require training to obtain employment or increase their employability;

[(iii) employed individuals who require retraining to retain their jobs, or who need training to upgrade their skills to qualify for higher paid or more dependable employment;

[(iv) displaced homemakers and single heads of households who are entering or reentering the labor force;

[(v) employers who require assistance in training individuals for new employment opportunities or in retraining employees in new skills required by changes in technology, products, or processes; and

[(vi) workers fifty-five and older;

[(B) short-term programs of retraining designed to upgrade or update skills in accordance with changed work requirements;

[(C) education and training programs designed cooperatively with employers, such as—

[(i) institutional and worksite programs, including apprenticeship training programs (or combinations of such programs) especially tailored to the needs of an industry or group of industries for skilled workers, technicians, or managers, or to assist their existing work force to adjust to changes in technology or work requirements; and

[(ii) quick-start, customized training for workers in new and expanding industries, or for workers for placement in jobs that are difficult to fill because of a shortage of workers with the requisite skills,

[(D) building more effective linkages between vocational education programs and private sector employers (through a variety of programs including programs where secondary school students are employed on a part-time basis as registered apprentices with transition to full-time apprenticeships upon graduation), and between eligible recipients of assistance under this Act and economic development agencies and other public and private agencies providing job training and employment services, in order to more effectively reach out to and serve individuals described in subparagraph (A);

[(E) cooperative education programs with public and private sector employers and economic development agencies, including seminars in institutional or worksite settings, designed to improve management and increase productivity;

[(F) entrepreneurship training programs which assist individuals in the establishment, management, and operation of small business enterprises;

[(G) recruitment, job search assistance, counseling, remedial services, and information and outreach programs designed to encourage and assist males and females to take advantage of vocational education programs and services, with particular attention to reaching women, older workers, individuals with limited English proficiency, the handicapped, and the disadvantaged;

[(H) curriculum development, acquisition of instructional equipment and materials, personnel training, pilot projects, and related and additional services and activities required to effectively carry out the purposes of this part;

[(I) the costs of serving adults in other vocational education programs, including paying the costs of instruction or the costs of keeping school facilities open longer; and

[(J) related instruction for apprentices in apprenticeship training programs.

[(2) In making grants under this part, the Secretary shall require each State, in its State plan (or an amendment thereto), to assure that programs—

[(A) are designed with the active participation of the State council established pursuant to section 112;

[(B) make maximum effective use of existing institutions, are planned to avoid duplication of programs or institutional capabilities, and to the fullest extent practicable are designed to strengthen institutional capacity to meet the education and training needs addressed by this part;

[(C) involve close cooperation with and participation by public and private sector employers and public and private agencies working with problems of employment and training and economic development; and

[(D) where appropriate, involve coordination with programs under the Rehabilitation Act of 1973 and the Education of the Handicapped Act.

[COORDINATION WITH THE JOB TRAINING PARTNERSHIP ACT

[SEC. 323. (a) Each State receiving grants under this part shall include in the State plan methods and procedures for coordinating vocational education programs, services, and activities funded under this part to provide programs of assistance for dislocated workers funded under title III of the Job Training Partnership Act.

[(b)(1) The State board shall consult with the State job training coordinating council (established under section 122 of the Job Training Partnership Act) in order that programs assisted under this part may be taken into account by such council in formulating recommendations to the Governor for the Governor's coordination and special services plan required by section 121 of such Act.

[(2) The State board shall also adopt such procedures as it considers necessary to encourage coordination between eligible recipients receiving funds under this part and the appropriate administrative entity established under the Job Training Partnership Act in the conduct of their respective programs, in order to achieve the most effective use of all Federal funds through programs that complement and supplement each other, and, to the extent feasible, provide an ongoing and integrated program of training and services for workers in need of such assistance.]

PART C—ADULT TRAINING, RETRAINING, AND EMPLOYMENT DEVELOPMENT

FINDINGS AND PURPOSE

SEC. 321. (a) FINDINGS.—*The Congress finds that—*

(1) technological change, international competition, and the demographics of the Nation's workforce have resulted in increases in the numbers of experienced adult workers who are unemployed, who have been dislocated, or who require training, retraining, or upgrading of skills,

(2) the individuals who are entering and reentering the labor market are less educated, trained, or skilled and are disproportionately employed in low-wage occupations and require additional training, and

(3) these needs can be met by education and training programs, especially vocational programs, that are responsive to the needs of individuals and the demands of the labor market.

(b) PURPOSE.—*It is the purpose of this part to (1) provide financial assistance to States to enable them to expand and improve vocational education programs designed to meet current needs for training, retraining, and employment development of adults who have completed or left high school and are preparing to enter or have entered the labor market, in order to equip adults with the competencies and skills required for productive employment, and (2) to ensure that programs are available which are relevant to the labor market needs and accessible to all segments of the population.*

AUTHORIZATION OF GRANTS AND USES OF FUNDS

SEC. 322. (a) GRANTS TO STATES.—*The Secretary shall make grants in proportion to the amount received under section 101 to States for programs, services, and activities authorized by this part.*

(b) *STATE ADMINISTRATION.*—(1) Grants to States under this part shall be made to the board established under section 111 to serve as the grant recipient and catalyst to public-private training partnerships.

(2)(A) Such board shall make awards on the basis of application from educational institutions (e.g. community colleges, vocational schools, service providers under the Job Training Partnership Act (29 U.S.C. 49 et seq.), four-year colleges, universities, and community based organizations) which link up with one or more private companies in order to train people for jobs in high growth fields.

(B) The board shall establish criteria for application, application content and criteria, and procedures for the awarding of grants under this section.

(3) Business must be actively involved in the planning, designing, operating, and monitoring of the education and training programs so that they will meet their needs.

(4) Training can include entry level training, employee upgrading, retraining, and customized training.

(5) Grants shall not be awarded for more than fifty percent of the costs. The remainder must come from the private sector in either cash or related equipment and services which would be at least equivalent to the Federal grant portion.

(c) *ELIGIBLE PROGRAMS.*—Programs eligible for funding by the State, and designed cooperatively between education institutions and one or more businesses, may include—

(1) institutional and worksite programs tailored to meet the needs of an industry or group of industries for skilled workers, technicians or managers, or to assist their existing workforce to adjust to changes in technology or work requirements;

(2) quick-start, customized training for workers in new and expanding industries, or for workers for placement in jobs that are difficult to fill because of a shortage of workers with the requisite skills;

(3) shared programs between educational institutions and businesses, where a work experience is provided by the business subsequent to the classroom training to reinforce the classroom or workshop training;

(4) cooperative education programs with public and private sector employers and economic development agencies, including seminars in institutional or worksite settings, designed to improve management and increase productivity;

(5) entrepreneurship training programs which assist individuals in the establishment, management, and operation of small business enterprises;

(6) recruitment, job search assistance, counseling, remedial services, and information and outreach programs designed to encourage and assist males and females to take advantage of vocational education programs and services, with particular attention to reaching women, older workers, individuals with limited English proficiency, the handicapped, and the disadvantaged; and

(7) related instruction for apprentices in apprenticeship training programs.

(d) **REQUIREMENTS.**—*In making grants under this part, the Secretary shall require each State, in its State plan (or an amendment to such plan), to assure that programs—*

(1) *are designed with the active participation of the State council established pursuant to section 112;*

(2) *make maximum effective use of existing institutions, are planned to avoid duplication of programs or institutional capabilities, and to the fullest extent practicable are designed to strengthen institutional capacity to meet the education and training needs addressed by this part;*

(3) *assure the active participation by public and private sector employers and public and private agencies working with programs of employment and training and economic development; and*

(4) *where appropriate, involve coordination with programs under the Rehabilitation Act of 1973 and the Education of the Handicapped Act.*

COORDINATION WITH THE JOB TRAINING PARTNERSHIP ACT

SEC. 323. (a) REQUIREMENTS FOR INCLUSION IN STATE PLAN.—*Each State receiving grants under this part shall include in the State plan methods and procedures for coordinating vocational education programs, services, and activities funded under this part to provide programs of assistance for dislocated workers funded under title III of the Job Training Partnership Act.*

(b) CONSULTATION WITH STATE JOB TRAINING COORDINATING COUNCIL.—(1) *The State board shall consult with the State job training coordinating council (established under section 122 of the Job Training Partnership Act) in order that programs assisted under this part may be taken into account by such council in formulating recommendations to the Governor for the Governor's coordination and special services plan required by section 121 of such Act.*

(2) *The State board shall also adopt such procedures as it considers necessary to encourage coordination between eligible recipients receiving funds under this part and the appropriate administrative entity established under the Job Training Partnership Act in the conduct of their respective programs, in order to achieve the most effective use of all Federal funds through programs that complement and supplement each other, and, to the extent feasible, provide an ongoing and integrated program of training and services for workers in need of such assistance.*

AUTHORIZATION OF APPROPRIATIONS

SEC. 324. *There are authorized to be appropriated \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993 for purposes of carrying out this part.*

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HIGHER EDUCATION ACT OF 1965

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TITLE II—ACADEMIC LIBRARY AND INFORMATION TECHNOLOGY ENHANCEMENT

PURPOSE; AUTHORIZATION

SEC. 201. (a) * * *

* * * * *

(b)(1) There are authorized to be appropriated to carry out part A \$10,000,000 for fiscal year 1987, and such sums as may be necessary for each of the 4 succeeding fiscal years.

* * * * *

(5) *There are authorized to be appropriated to carry out the purposes of part D an additional such sums as may be necessary for fiscal year 1988 and such additional sums as may be needed in fiscal years 1989, 1990, and 1991. Activities supported by funds appropriated pursuant to this paragraph shall be activities that will enable libraries to participate more fully in the initiative funded under the Education and Training for American Competitiveness Act of 1987.*

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TITLE V—EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT

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PART F—NATIONAL ADVISORY COUNCIL ON INSTRUCTIONAL TECHNOLOGY

COUNCIL ESTABLISHMENT AND FUNCTIONS

SEC. 581. (a) *To provide for the future development of instructional technology as a resource for rural and urban schools, there is established a National Advisory Council on Instructional Technology within the Department of Education. Members of the Council shall be appointed by the Secretary and shall include—*

(1) *representatives of leading institutions of higher education in the field of instructional technology;*

(2) *representatives of the nine Federal regional educational laboratories;*

(3) *representatives of the regional technology-transfer centers authorized in this Act, especially those with expected telecommunications facilities, rural, urban, and State education officers, members of the educational software and hardware industries, national organizations for teachers; and*

(4) *others the Secretary may determine will make a positive contribution to the Council.*

(b) *There are authorized to be appropriated such sums as may be necessary for fiscal year 1988 an such sums as are necessary for fiscal years 1989 to 1991, to provide for the necessary expenses of the Council, such as staff, travel, and operating expenses.*

(c) *The purpose of the Council shall be to establish guidelines and an agenda for the development of educational telecommunications technology software to satellite down-link equipment for rural and*

urban schools. The primary goal of the guidelines shall be to avoid replication of existing programming. The Council shall also establish criteria for the quality of programming made available to rural and urban schools. The Council shall develop, as part of the national guidelines, a basis for interstate cooperation on accreditation of programming for use in rural schools, since programming transcends State boundaries.

(d) The agenda to be established by the Council will outline the needs and methods for developing programming relative to the needs of rural and urban schools systems.

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TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

PART A—INTERNATIONAL AND FOREIGN LANGUAGE STUDIES

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PERIODICALS PUBLISHED OUTSIDE THE UNITED STATES

SEC. 607. (a) * * *

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(e)(1) There are authorized to be appropriated such sums as may be necessary for fiscal year 1988 and such sums as may be necessary for succeeding fiscal years to provide assistance for the acquisition of, and provision of access to foreign technical and scientific periodicals.

(2) From amounts appropriated pursuant to paragraph (1), the Secretary of Education shall provide for the acquisition, translation, and dissemination of technical and scientific periodicals published outside the United States. The Secretary shall disseminate translated periodicals acquired under this subsection to libraries, businesses, professional societies, and postsecondary education institutions.

(3) In carrying out the provisions of this subsection, the Secretary shall select periodicals published outside the United States which the Secretary, after consultation with other departments and agencies of the Federal Government and with businesses and professional societies, determines may be of value to departments and agencies of the Federal Government, to businesses, and to researchers in the United States.

* * * * *

PART I—COLLEGE AND UNIVERSITY RESEARCH FACILITIES AND INSTRUMENTATION MODERNIZATION PROGRAM

PROGRAM AUTHORITY

SEC. 791. (a) PURPOSE.—It is the purpose of this section to help revitalize college and university academic research programs by assisting colleges and universities, and consortia thereof, through capital investments in modernizing their research laboratories and other research facilities and upgrading or replacing outmoded re-

search equipment and instrumentation currently in use at such facilities.

(b) **FINANCIAL ASSISTANCE PROGRAM AUTHORIZED.**—The Secretary of Education shall, from the sums available to carry out this section in any fiscal year, establish and carry out a College and University Research Facilities and Instrumentation Modernization Program that will provide assistance for the replacement, renovation, or modernization of such institutions' obsolete laboratories, other research facilities, and outmoded equipment and instrumentation.

(c) **PROGRAM REQUIREMENTS.**—The College and University Research Facilities and Instrumentation Modernization Program shall be carried out through projects which involve the replacement, renovation, or modernization of specific research facilities and research equipment or instrumentation at colleges and universities. Funds shall be awarded competitively, on the basis of specific proposals submitted by colleges and universities, and consortia thereof, in accordance with regulations prescribed by the Secretary of Education. In establishing these regulations and making the award considerations, the Secretary shall consult with the Director of the National Science Foundation and shall seek to obtain the Director's recommendations regarding final proposal funding. The preceding sentence shall not be construed as granting the National Science Foundation final authority over funding, or the right to delay funding of acceptable projects.

(d) **MATCHING REQUIREMENT.**—Any participating college or university, or any consortia thereof, must provide an amount not exceeding 50 percent of the costs involved from other non-Federal public or private sources.

(e) **PRIORITY FOR MATHEMATICS AND SCIENCE.**—With respect to research equipment and instrumentation, the Secretary shall give priority to proposals for upgrading, renovating, or replacing outmoded equipment and instrumentation used in instruction and research in mathematics and the sciences, including engineering sciences.

(f) **SELECTION CRITERIA.**—The criteria for making an award to any college or university under this part, shall include—

(1) the quality of the research and training to be carried out in the facility or facilities involved;

(2) the congruence of the institution's research activities with the future research needs of the Nation;

(3) the contribution which the project will make toward meeting national, regional, and State research and related training needs; and

(4) an analysis of the age and condition of existing research facilities and equipment.

(g) **EQUALIZATION SET-ASIDE FOR CERTAIN TYPES OF INSTITUTIONS.**—(1) At least 20 percent of the amount available under this section in any fiscal year shall be available only for awards to colleges and universities that received less than \$10,000,000 in total Federal obligations for research and development (including obligations for the university research laboratory modernization program) in each of the two preceding fiscal years.

(2) Of the amounts appropriated under this section, at least 10 percent of the funds shall be reserved for institutions serving a sub-

stantial number of minority and disadvantaged undergraduate and graduate students.

(h) **CONSULTATIONS FOR RULEMAKING.**—In prescribing regulations and conducting the program under this section, the Secretary of Education shall consult with other agencies of the Federal Government concerned with research, including the National Science Foundation, the Department of Health and Human Services, the National Aeronautics and Space Administration, the Department of Energy, the Department of Agriculture, and the Department of Defense.

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$85,000,000 for fiscal year 1988 and such sums as may be necessary for each of the succeeding fiscal years to carry out this section.

PART J—AGRICULTURE, STRATEGIC METALS, MINERALS, AND FORESTRY COLLEGE AND UNIVERSITY RESEARCH FACILITIES AND INSTRUMENTATION MODERNIZATION PROGRAM

PROGRAM AUTHORITY

SEC. 795. (a) PURPOSE.—It is the purpose of this section to help revitalize college and university academic research programs that specialize in agricultural, strategic metals and minerals, energy and forestry and wood products research by assisting colleges and universities in modernizing their research laboratories and other research facilities and upgrading or replacing outmoded research equipment and instrumentation currently in use at such facilities for agricultural, strategic metals, minerals, energy, and forestry research.

(b) **FINANCIAL ASSISTANCE AUTHORIZED.**—The Secretary of Education shall, from the sums available to carry out this section in any fiscal year, establish and carry out a new College and University Research Facilities and Instrumentation Modernization Program for agriculture, strategic metals, minerals, energy and forestry that will provide assistance for the replacement or modernization of such institutions' obsolete laboratories, other research facilities, and outmoded equipment and instrumentation.

(c) **PROGRAM REQUIREMENTS.**—The College and University Research Facilities and Instrumentation Modernization Program for agriculture, strategic metals, minerals, energy and forestry shall be carried out through projects which involve the replacement or modernization of specific research facilities and research equipment or instrumentation at colleges and universities. Funds shall be awarded competitively, on the basis of specific proposals submitted by colleges and universities, in accordance with regulations prescribed by the Secretary of Education. The Secretary shall consult with the Secretaries of Agriculture, Interior, and Energy and shall obtain their recommendations regarding final proposal funding should they wish to provide such. In no case should this language be construed as granting these Secretaries final authority over funding or the right to hold up funding of acceptable projects.

(d) **MATCHING REQUIREMENTS.**—Any participating college or university must provide an amount not exceeding 50 percent of the costs involved from other non-Federal public or private sources.

(e) **SELECTION CRITERIA.**—*The criteria for making an award to any college or university under this part, shall include—*

(1) *the quality of the research and training to be carried out in the facility or facilities involved;*

(2) *the congruence of the institution's research activities to be supported with funds awarded under this part with the future research needs of the Nation; especially as they relate to improving the Nation's trade and competitiveness position;*

(3) *the contribution which the project will make toward meeting national, regional, and State research and related training needs, especially as those needs are related to improving the Nation's trade and competitiveness position; and*

(4) *an analysis of the age and condition of existing research facilities and equipment.*

(f) **SET-ASIDE.**—*At least 20 percent of the amount available under this section in any fiscal year shall be available only for awards to colleges and universities that received less than \$10,000,000 in total Federal obligations for research and development (including obligations for the university research laboratory modernization program) in each of the two preceding fiscal years.*

(g) **CONSULTATIONS FOR RULEMAKING.**—*In prescribing regulations and conducting the program under this section, the Secretary of Education shall consult with other agencies of the Federal Government concerned with research, including the Departments of Energy, Agriculture, and Interior.*

(h) **AUTHORIZATION OF APPROPRIATIONS.**—*There are authorized to be appropriated \$20,000,000 for fiscal year 1988 and such sums as may be necessary for each of the three succeeding fiscal years to carry out this section.*

TITLE IX—GRADUATE PROGRAMS

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PART G—AUTHORIZATION OF APPROPRIATIONS

AMOUNT AND DURATION OF AUTHORIZATION

SEC. 971. (a) * * *

* * * * *

(g) **LIMITATION ON APPROPRIATIONS FOR PARTS A AND D.**—*No funds are authorized to be appropriated [for part A or D of this title] pursuant to subsections (a) and (d) of this section for any fiscal year unless the appropriation for the preceding fiscal year—*

(1) *for part B equals or exceeds \$18,000,000; and*

(2) *for part C equals or exceeds \$5,000,000.*

(h) **ADDITIONAL AUTHORIZATIONS.**—*For purposes of encouraging increased participation in graduate research training—*

(1) *there are authorized to be appropriated an additional such sums as may be necessary for fiscal year 1988 to carry out part A, and such additional sums as may be necessary for fiscal years 1989, 1990, and 1991;*

(2) *there are authorized to be appropriated an additional such sums as may be necessary for fiscal year 1988 to carry out part*

B, and such additional sums as may be necessary for fiscal years 1989, 1990, and 1991; and

(3) there are authorized to be appropriated an additional such sums as may be necessary for fiscal year 1988 to carry out part D, and such additional sums as may be necessary for fiscal years 1989, 1990, and 1991.

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TITLE X—POSTSECONDARY IMPROVEMENT PROGRAMS

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PART B—MINORITY SCIENCE AND ENGINEERING IMPROVEMENT PROGRAMS

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SUBPART 3—ADMINISTRATIVE AND GENERAL PROVISIONS

* * * * *

AUTHORIZATION OF APPROPRIATIONS

SEC. 1047. (a) * * *

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(c) ADDITIONAL AUTHORIZATION.—In addition, there are authorized to be appropriated such sums as may be necessary for the purpose of funding new activities, consistent with the purposes of sections 1021 and 1031, which are specifically aimed at increasing the participation of minority students in scientific and engineering research careers. In awarding funds appropriated under this subsection the Secretary shall not limit the awards on the basis of any criteria listed in section 1022(b) of this title.

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TITLE XII—GENERAL PROVISIONS

DEFINITIONS

SEC. 1201. As used in this Act—

* * * * *

TECHNOLOGY TRANSFER CENTERS

SEC. 1211. (a)(1) There are authorized to be appropriated such sums as may be necessary for fiscal year 1988 and the succeeding fiscal years to develop, construct, and operate regional technology transfer centers. The Secretary of Education shall establish such regional centers—

(A) to promote the study and development of programs and depositories necessary to further the transfer of technology relevant to a respective region's economy;

(B) to assist in developing incubator facilities to encourage new economic initiatives;

(C) to provide technical assistance linking university expertise and private sector resources to solve technical, marketing, and

manufacturing problems associated with technology-transfer and start-up businesses; and

(D) to ensure consideration of the economic development needs of rural as well as urban areas within the region.

(2) In carrying out the requirements of this section, regional technology-transfer centers are authorized—

(A) to build on or, where needed, develop telecommunications systems to link the centers and their affiliates with industrial users;

(B) to build on or develop necessary computer networks and data bases; and

(C) to utilize or help develop regional and national libraries.

(b) Financial assistance for the establishment of each center shall be awarded competitively. Preexisting centers may be awarded such financial assistance.

(c) Each regional center established shall be operated by an appropriately qualified college or university within the region, or a consortium of such schools within the region, and such center shall, where deemed necessary, establish one or more affiliate centers at colleges and universities based in other States within the region.

(d) In establishing such centers, the institutions applying shall show in their application—

(1) how the center will facilitate the economy of the region;

(2) that the center's mission is compatible with the economic development plans of States in the region; and

(3) that appropriate consultation with the relevant State agencies concerned with economic development has taken place.

(e) Such center also may be operated by a college or university in consortia with other existing campus based research entities, including agricultural research facilities, mining and minerals research facilities, and forestry, wood-products research facilities, and with other State and local agencies, with nonprofit agencies, and interstate higher education organizations, and where appropriate, for-profit agencies. The Secretary, through regulation, shall determine a mechanism for assessing the percentage of operating costs paid by other members of a technology transfer consortium arrangement.

(f) Each such center shall establish a Board to advise the center on policy. Such board shall be—

(1) representative of the States involved in the region; and

(2) consist of representatives for urban areas, rural areas, ethnic concerns, business, labor, and education.

(g) Funding for each center will be for five-year periods, with re-competition to occur before the end of the funding cycle. Grantees, for the fourth and fifth year of the first funding cycle, and thereafter, upon refunding for subsequent years, must match Federal funds from non-Federal dollars on a 50-50 basis.

(h) Funding for affiliate centers authorized in subsection (c) shall be provided by the regional center and the college or university operating the affiliate center, with funding levels to be reached by the two entities in a scope-of-work agreement negotiated between the two entities. Should the affiliate center wish, its operations and funding support can be a consortia, as specified in subsection (e).

(i) The Secretary, after consultation with the Departments of Agriculture, Energy, Commerce, and Interior shall publish, for public

comment, a proposed list of priorities for the establishment of regional technology transfer centers and shall propose the regional composition of such centers, keeping in mind that satellite and telecommunications technology enables regions to contain noncontiguous States. The Secretary shall publish the final list of regions and priorities along with the public's comments.

JOB TRAINING PARTNERSHIP ACT

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. This Act may be cited as the "Job Training Partnership Act".

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TITLE V—MISCELLANEOUS PROVISIONS

- Sec. 501. Amendments to the Wagner-Peyser Act.
 Sec. 502. Amendments to part C of title IV of the Social Security Act.
 Sec. 503. Earnings disregard.
 Sec. 504. Enforcement of Military Selective Service Act.
 Sec. 505. State job bank systems.

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【TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

【ALLOCATION OF FUNDS

【SEC. 301. (a) From the amount appropriated to carry out this title 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).

【(b) The Secretary shall allot the remainder of the amount appropriated to carry out this title 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) The Secretary shall make available the sums reserved under subsection (a) for the purpose of providing training, retraining, job search assistance, placement, relocation assistance, and other aid (including any activity authorized by section 303) 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), 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. Such criteria shall not include any requirement that, in order to receive assistance under this subsection, the state shall provide a matching amount with funds available from one or more other sources.

[(d) 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.

IDENTIFICATION OF DISLOCATED WORKERS

[SEC. 302. (a) 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;

[(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, or

[(4) were self-employed (including farmers) and are unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters subject to the next sentence.

The Secretary shall establish categories of self-employed individuals and of economic conditions and natural disasters to which clause (4) of the preceding sentence applies.

[(b) The State may provide for the use of the private industry councils established under title I of this Act to assist in making the identification established under subsection (a).

[(c)(1) Whenever a group of eligible individuals is identified under subsection (a), 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.

[(3) A State may serve any eligible individual under this part without regard to the residence of such individual.

[(d) Whenever training opportunities pursuant to subsection (c) 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.

[AUTHORIZED ACTIVITIES

[SEC. 303. (a) Financial assistance provided to States under this title may be used to assist eligible individuals to obtain unsubsidized employment 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 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.

[MATCHING REQUIREMENT

[SEC. 304. (a)(1) In order to qualify for financial assistance under this title, a State shall demonstrate, to the satisfaction of the Secretary, that it will expend for purposes of services assisted under this title, and amount from public or private non-Federal sources equal to the amount made available to that State under section 301(b).

[(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)(1) Such non-Federal matching funds shall include the direct cost of employment or training services under this title provided by

State or local programs (such as vocational education), private non-profit organizations, or private for-profit employers.

[(2) Funds expended from a State fund to provide unemployment insurance benefits to an eligible individual for purposes of this title and who is enrolled in a program of training or retraining under this title may be credited for up to 50 percent of the funds required to be expended from non-Federal sources as required by this section.]

[PROGRAM REVIEW

[SEC. 305. Except for programs of assistance operated on a state-wide or industry-wide basis, no program of assistance conducted with funds made available under this title 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.]

[CONSULTATION WITH LABOR ORGANIZATIONS

[SEC. 306. Any assistance program conducted with funds made available under this title 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.]

[LIMITATION

[SEC. 307. (a) Except as provided in subsection (b), 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 title in each State.]

[(b) The funds to which the limitation described in subsection (a) applies shall not include the funds referred to in section 301(a). 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.]

[STATE PLANS; COORDINATION WITH OTHER PROGRAMS

[SEC. 308. Any State which desires to receive financial assistance under this title shall submit to the Secretary a plan for the use of such assistance which shall include appropriate provisions for the coordination of programs conducted with such assistance, with low-income weatherization and other energy conservation programs, and social services, in accordance with the provisions of section 121.]

TITLE III—WORKER READJUSTMENT

PART A—GENERAL PROVISIONS

SHORT TITLE

SEC. 301. *This title may be cited as the “Worker Readjustment Act”.*

AUTHORIZATION OF APPROPRIATIONS

SEC. 302. *(a) There are authorized to be appropriated to carry out this title \$980,000,000 for fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year.*

(b) Appropriations for any fiscal year may provide that amounts shall remain available for obligation during the succeeding fiscal year.

(c) From the amounts appropriated pursuant to subsection (a)—

- (1) 30 percent shall be available to carry out parts B and C;*
- (2) 50 percent shall be available to carry out part D; and*
- (3) 20 percent shall be available to carry out part E.*

DEFINITIONS

SEC. 303. *(a)(1) For purposes of this title, the term “eligible dislocated workers” means individuals who—*

(A) have been terminated or laid off or who have received a notice of termination or layoff from employment, are eligible for or have exhausted their entitlement to unemployment compensation, and are unlikely to return to their previous industry or occupation;

(B) have been terminated or have received a notice of termination of employment, as a result of any permanent closure of or any substantial layoff at a plant, facility, or enterprise;

(C) 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 older individuals who may have substantial barriers to employment by reason of age; or

(D) were self-employed (including farmers and ranchers) and are unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters, subject to regulations prescribed by the Secretary.

(2) Only eligible individuals described in paragraph (1) of this subsection are authorized to receive services under this title. Such services may not be denied on the basis of the residence of the individual.

(b) For the purposes of this title—

(1) The term “basic readjustment services” means those services and activities specified in section 333.

(2) The term “dislocation event” means a plant closing, a mass layoff, or other layoffs of a permanent nature in which workers are not subject to recall or are otherwise unlikely to return to their previous positions. Such an event may include natural disasters which result, or are likely to result, in permanent loss of employment for workers. A “dislocation event” may

also be the cessation, or the process of cessation, of self-employment with resulting loss of livelihood in operation of a business enterprise, including farming and ranching.

(3) The term "early readjustment assistance" means those basic readjustment services provided before, during, and immediately after a dislocation event. Such services ordinarily include one or more of the following: assessment of educational needs and abilities, and vocational interests and aptitudes; determination of occupational skills; provision of labor market information; counseling; job development; job search assistance; and job placement assistance.

(4) The term "grant recipient" means the Governor.

(5) The term "joint labor-management committees" means committees voluntarily established to respond to actual or prospective worker dislocation, which ordinarily include (but are not limited to) the following—

(A) shared and equal participation by workers and management;

(B) shared financial participation between the company and the State, using funds provided under this title, in paying for the operating expenses of the committee;

(C) a chairperson, to oversee and guide the activities of the committee, (i) who shall be jointly selected by the labor and management members of the committee, (ii) who is not employed by or under contract with labor or management at the site, and (iii) who shall provide advice and leadership to the committee and prepare a report on its activities;

(D) the ability to respond flexibly to the needs of affected workers by devising and implementing a strategy for assessing the employment and training needs of each dislocated worker and for obtaining the services and assistance necessary to meet those needs;

(E) a formal agreement, terminable at will by the workers or the company management, and terminable for cause by the Governor; and

(F) local job identification activities by the chairman and members of the committee on behalf of the affected workers.

(6) The term "local elected official" means the chief elected executive officer of a unit of general local government in a substate area.

(7) The term "recipient" means any entity receiving funds under this title.

(8) The term "retraining services" means those services and activities specified in section 345.

(9) The term "service provider" means a public agency, private nonprofit organization, or private-for-profit entity that delivers educational, training, or employment services.

(10) The term "substate area" means that geographic area in a State established pursuant to section 315.

(11) The term "substate grantee" means that agency or organization selected to administer programs pursuant to section 316.

**PART B—SERVICE DELIVERY SYSTEM AND BASIC PROGRAM
REQUIREMENTS**

WORKER READJUSTMENT AGREEMENTS

SEC. 311. (a) *The Governor, as the grant recipient under this title, shall have responsibility for establishing systems and programs in accordance with the provisions of this title to assure that, to the maximum extent possible, eligible participants are provided with services which enable them to once again become productive members of the workforce.*

(b) *No amounts appropriated for parts B, C, and D for any fiscal year may be allotted by the Secretary for programs established under such parts, except pursuant to a Worker Readjustment Agreement.*

(c) *The Worker Readjustment Agreement required by subsection (b) shall provide for an assurance by the Governor that all systems and programs established and operated with amounts appropriated under this title will be established pursuant to and operated in accordance with the provisions of this title.*

(d) *The Worker Readjustment Agreement shall be executed no later than four months preceding the program year for which funds are to be made available under this title. The Governor or the Secretary may at any time thereafter propose modifications to the Agreement, except that no modification of the Agreement shall be effective unless agreed to by both parties. The Agreement shall remain in effect until any mutually agreed upon termination date or until the Agreement is terminated by law or by the Secretary.*

STATE WORKER READJUSTMENT COUNCILS

SEC. 312. (a)(1) *The Governor of each State shall establish a State worker readjustment council in accordance with the requirements of this section. The council shall be composed equally of representatives of (A) labor, (B) management, and (C) public and private non-profit organizations, agencies, or instrumentalities.*

(2) *In selecting members for appointment to the council, the Governor shall—*

(A) *first, give consideration to individuals who are members of the State job training coordinating council and are otherwise qualified for appointment; and*

(B) *second, give consideration to individuals who are recommended by labor organizations, business, and other appropriate organizations, agencies, and instrumentalities, including units of general local government.*

(3) *The Governor shall give consideration to suitable representation from urban and rural areas of the State in selecting the members of the Council.*

(b) *A State worker readjustment council established under subsection (a) shall be responsible for—*

(1) *providing advice to the Governor regarding (A) the designation of substate areas, and (B) the procedures to be established for selection of representatives within such areas under section 316(b);*

(2) developing and submitting to the Governor the plan required by section 313;

(3) providing advice to the Governor regarding the method for distribution of funds received under part C, and any subsequent reallocations of such funds;

(4) providing advice to the Governor regarding general guidelines for making funds available for use in substate areas under part D;

(5) providing recommendations to the Governor with respect to acceptance of substate plans submitted to the Governor for approval under section 317; and

(6) providing advice to the Governor regarding performance standards.

STATE PLANS

SEC. 313. (a) In order to obtain funds under this title for any fiscal year, the Governor of the State shall submit to the Secretary an annual plan for carrying out its responsibilities under this title. Such plan shall contain performance standards, which shall include incentives to provide training of greater duration for those who require it, consistent with section 106(g).

(b) Such plan shall contain assurances that—

(1) services will be provided only to eligible dislocated workers, and that services in any substate area will not be denied solely on the basis of the residence of workers;

(2) allowable services, as determined to be necessary by the Governor, will be available in all substate areas;

(3) substate areas and substate grantees will be designated in accordance with sections 315 and 316;

(4) the State worker readjustment council will perform the functions required under section 312; and

(5) funds will be allocated and reallocated among substate areas for programs authorized in parts B and C in accordance with sections 332(d), 336, and 342(f).

(c) Such plan shall also contain a description of the methods which will be employed—

(1) to provide planning instructions, guidance, and other appropriate information in a timely manner, designed to provide for the effective and efficient management of resources and programs;

(2) to provide appropriate technical assistance;

(3) to provide monitoring, assessment, and evaluation of the program by such State;

(4) to provide the rapid response capability in accordance with section 314;

(5) to provide substate reporting requirements in accordance with section 323, and to review and analyze such reports;

(6) to provide advice to substate grantees on activities related to identifying and providing services to dislocated workers;

(7) to work with employers and labor organizations in promoting labor-management cooperation in achieving the goals of this title;

(8) to promote the coordination of programs authorized under this title with other appropriate and complementary State programs, including those providing economic development, education, training, and social services; and

(9) to the maximum extent practicable, to coordinate services provided under this title with other programs under this Act and the Carl D. Perkins Vocational Education Act and with public employment service operations.

STATE SERVICES AND ACTIVITIES

SEC. 314. (a) Each State shall—

(1) designate an identifiable State dislocated worker unit or office, with the capability to respond rapidly, on site, to mass dislocation events throughout the State in order to assess the need for, and initially provide, early readjustment assistance; and

(2) ensure the capability to respond to dislocation events in sparsely populated areas in accordance with subsection (c).

(b)(1) The dislocated worker unit required by subsection (a)(1) shall include specialists who have the responsibility to—

(A) establish on-site contact with employer and employee representatives within a short period of time (preferably 48 hours or less) after becoming aware of a current or projected dislocation event in order to provide information and access to available public programs; and

(B) promote the formation of labor-management committees, including authority to—

(i) immediately assist in the establishment of the labor-management committee, including providing immediate financial assistance to cover the start-up costs of the committee;

(ii) provide a list of individuals from which the chairperson of the committee may be selected;

(iii) serve as resource persons providing the committee with technical advice as well as information on sources of assistance, and act as liaison to other public and private services and programs; and

(iv) facilitate the selection of worker representatives in the event no union is present;

(C) obtain information related to—

(i) economic dislocation (including potential closings or layoffs); and

(ii) all available resources within the State for displaced workers,

which information shall be made available on a regular basis to the Governor and the council to assist in providing an adequate information base for effective program management, review, and evaluation;

(D) provide or obtain appropriate financial and technical advice and liaison with economic development agencies and other organizations to assist in efforts to avert worker dislocations; and

(E) disseminate information throughout the State on the availability of services and activities carried out by the dislocated worker unit or office.

(2) Where, prior to the date of enactment of this Act, a local entity has a demonstrated capacity to provide the capability described in this subsection, the Governor may delegate the responsibilities described in this subsection to such entity.

(c) Each State shall ensure the capability to respond to dislocation events where other forms of rapid response as provided in subsection (b) are otherwise inappropriate, especially in sparsely populated substate areas. Such capability shall supplement, and be coordinated with, ongoing basic readjustment and retraining efforts in such substate areas and with State services and activities as described in section 314. Such capability may include (but is not limited to)—

(1) development and delivery of widespread outreach mechanisms;

(2) provision of financial evaluation and counseling (where appropriate) to assist in determining eligibility for services and the type of services needed;

(3) initial assessment and referral for further basic adjustment and training services to be provided through the substate grantee; and

(4) assistance to substate grantees in the establishment of regional centers for the purpose of providing such outreach, assessment, and early readjustment assistance.

(d) Each State shall be responsible for coordinating the unemployment compensation system and worker readjustment programs within such State. Such coordination shall include—

(1) criteria for early identification of those having the most difficulty in finding employment;

(2) mechanisms for referring individuals to readjustment services early in the unemployment compensation benefit period;

(3) procedures to assure that, when eligibility for unemployment compensation is determined, beneficiaries are informed that the availability of or priority for further benefits (as described in section 344(c)(1)) will be based upon early enrollment for retraining services (as described in such section 344(c)(1)); and

(4) measures taken to ensure compliance with section 318, relating to the receipt of unemployment compensation while participating in programs under this title.

DESIGNATION OF SUBSTATE AREAS

SEC. 315. (a) The Governor of each State participating in programs established under parts C and D shall, after receiving any recommendations from the State worker readjustment council, designate substate areas for the State.

(b) Each service delivery area within a State shall be included within a substate area and no service delivery area shall be divided among two or more substate areas.

(c) In making designations of substate areas, the Governor shall consider—

(1) the availability of services throughout the State;

(2) the capability to coordinate the delivery of services with other human services and economic development programs; and
 (3) the geographic boundaries of labor market areas within the State.

(d) Subject to subsections (a), (b), and (c), the Governor—

(1) shall designate as a substate area any single service delivery area that has a population of 200,000 or more;

(2) shall designate as a substate area any two or more contiguous service delivery areas—

(A) that in the aggregate have a population of 200,000 or more;

(B) that request such designation; and

(3) shall designate any concentrated employment program grantee for a rural area described in section 101(a)(4)(A)(iii) of this Act.

(e) The Governor may deny a request for designation under subsection (d)(2) if the Governor determines that such designation would not be consistent with the effective delivery of services to eligible dislocated workers in various labor market areas (including urban and rural areas) within the State, or would not otherwise be appropriate to carry out the purposes of this title.

(f) The designations made under this section may not be revised more than once each two years, in accordance with the requirements of this section.

SUBSTATE GRANTEES

SEC. 316. (a) A substate grantee shall be designated for each substate area. Such grantee shall be responsible for arranging for the provision, within such substate area, of activities specified in parts C and D pursuant to an agreement with the Governor and in accordance with the substate plan provided for in section 317. The substate grantee may provide such services directly or through contract, grant, or agreement with service providers.

(b) A substate grantee shall be designated for each substate area in accordance with an agreement between the Governor, the local elected official or officials of such area, and the private industry council or councils of such area. Whenever a substate area is represented by more than one such official or council, the respective officials and councils shall each designate representatives, in accordance with procedures established by the Governor (after consultation with the State worker readjustment council), to negotiate such agreement. In the event agreement cannot be reached on the selection of a substate grantee, the Governor shall select the substate grantee.

(c) Entities eligible for designation as substate grantees include:

(1) private industry councils in the substate area;

(2) service delivery area grant recipients or administrative entities;

(3) private nonprofit organizations;

(4) units of general local government in the substate area, or agencies thereof;

(5) local offices of State agencies; and

(6) other public agencies, such as community colleges.

(d) The requirements of parts C and D of title I of this Act that apply to an administrative entity or a recipient of financial assistance under this Act shall also apply to substate grantees under this title.

SUBSTATE PLAN

SEC. 317. (a) No amounts appropriated for any fiscal year may be provided to a substate grantee unless the Governor (after considering the recommendations of the State worker readjustment council) has approved a substate plan submitted by the substate grantee describing the manner in which activities will be conducted within the substate area to implement parts C and D. Prior to the submission to the Governor, the plan shall be submitted for review and comment to the other parties to the agreement described in section 316(b).

(b) The substate plan shall also contain a statement of—

(1) the means for delivering services to eligible participants;
(2) the means to be utilized to identify and select program participants;

(3) the means for implementing the requirements of section 314(d);

(4) the means for involving labor organizations where appropriate in the development and implementation of services;

(5) the performance goals to be achieved consistent with the performance goals contained in the State plan pursuant to section 313;

(6) the criteria to be applied in determining and verifying program eligibility;

(7) procedures, consistent with section 107, for selecting service providers which take into account past performance in job training or related activities, fiscal accountability, and ability to meet performance standards;

(8) a description of any rapid response capability carried out by the substate grantee;

(9) a description of the methods by which the other parties referred to in subsection (a) of this section will be involved in activities such as—

(A) providing policy guidance for and exercising oversight with respect to basic readjustment services and retraining services in the substate area in which they are located;

(B) commenting, as appropriate, on approved programs under part E operating within the substate areas in which they are located;

(C) working with employers and labor organizations in promoting labor-management cooperation in achieving the goals of this title; and

(D) participating in the implementation of early adjustment assistance systems for the substate area in which they are located, including providing support for rapid response teams and assisting in the establishment of labor-management committees, as appropriate;

(10) a description of training services to be provided, including—

(A) procedures to assess participants' current education skill levels and occupational abilities;

(B) procedures to assess participants' needs, including educational, training, employment, and social services;

(11) the means whereby coordination with other appropriate programs and systems will be effected, particularly where such coordination is intended to provide access to the services of such other systems for program participants at no cost to the worker readjustment program; and

(12) a detailed budget, as required by the State.

APPROVED TRAINING

SEC. 318. Participation by any individual in any of the programs authorized in this title 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.

PART C—BASIC READJUSTMENT SERVICES

EXPENDITURES FOR BASIC PROGRAM

SEC. 331. Governors and substate grantees are authorized to expend amounts made available under this part to their respective States or substate areas in accordance with the provisions of this part, the substate plan, and other applicable provisions contained in this title.

ALLOTMENT OF FUNDS FOR BASIC SERVICES

SEC. 332. (a)(1) Except as provided in paragraph (2), the Secretary shall allot amounts appropriated to carry out part B and this part for any fiscal year among the several States as follows:

(A) One-third 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.

(B) One-third 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 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.

(C) One-third 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.

(2) As soon as satisfactory data are available under section 462(e) and, when available, under section 462(f) of this Act, the Secretary shall allot amounts appropriated to carry out part B and this part for any fiscal year to each State so that—

(A) 25 percent of such amount shall be allotted on the basis of each of the factors described in subparagraphs (A), (B), and

(C) of paragraph (1), respectively, for a total of 75 percent of the amount allotted; and

(B) 25 percent of such amount shall be allotted among the States on the basis of the relative number of dislocated workers in such State in the most recent period for which satisfactory data are available under section 462(e) and, when available, under section 462(f) of this Act.

(b) The Governor may retain an amount not to exceed 10 percent of the amount allotted to the State under this part, for overall State level administration, staff for the State worker readjustment council, technical assistance, coordination of the programs authorized in this title, and the conduct of rapid response activities.

(c) The Governor may retain an additional amount not to exceed 10 percent of the amounts allotted to the State under this part, to be allotted at the discretion of the Governor for activities allowable under part B, C, or D (including services and activities carried out by the State dislocated worker unit).

(d) The Governor shall allocate the remainder of the amount allotted to the State under this part to all substate areas for basic readjustment services authorized in this part, based on an allocation formula prescribed by the Governor. Such formula may be amended by the Governor not more than once each year. Such formula shall utilize the most appropriate information available to the Governor to distribute amounts to address the State's worker readjustment assistance needs. Such information may include (but is not limited to)—

- (1) insured unemployment data;
- (2) unemployment concentrations;
- (3) plant closing and mass layoff data;
- (4) declining industries data;
- (5) farmer-rancher economic hardship data; and
- (6) long-term unemployment data.

ALLOWABLE BASIC READJUSTMENT SERVICES AND ACTIVITIES

SEC. 333. Basic readjustment services and activities authorized under this part may include (but are not limited to)—

- (1) early readjustment assistance;
- (2) outreach and intake;
- (3) counseling (including financial counseling);
- (4) testing;
- (5) orientation;
- (6) assessment, including evaluation of educational attainment and participant interests and aptitudes;
- (7) determination of occupational skills;
- (8) development of individual readjustment plans for participants in programs under this title;
- (9) provision of future world-of-work and occupational information;
- (10) job placement assistance;
- (11) labor market information;
- (12) job clubs;
- (13) local job search;
- (14) job development;

- (15) self-directed job search; and
 (16) retraining services as authorized under section 345.

SUPPORTIVE SERVICES AND BENEFITS

SEC. 334. (a) Where it is determined by the substate grantee to be necessary to facilitate participation in the program authorized in this part, the substate grantee is authorized to provide appropriate supportive services to participants.

(b) Availability of supportive services shall terminate no later than the 180th day after the participant has completed other services under this part.

(c) Participants in basic readjustment assistance service activities under part C may be provided supportive services. Except as provided in subsection (d), such participants shall not be provided benefit payments under this title (but such participants may be provided unemployment compensation payments under any Federal or State program for which such participants are otherwise eligible).

(d) Supportive services and benefits authorized by section 344 may be provided to part C participants receiving retraining services pursuant to section 333(16).

COST LIMITATIONS

SEC. 335. (a) No more than 15 percent of the amounts expended under this part in any program year by any substate grantee may be expended for administrative costs for the program authorized under this part.

(b) No more than 15 percent of the amounts expended under this part in any program year by any substate grantee shall be expended by such substate grantee for the supportive services and benefits authorized under section 334.

(c) Minimum and maximum cost limitations shall be applicable to the accrued expenditures for each program year.

REALLOTMENT; REALLOCATION

SEC. 336. (a) If the amount of an allotment against which no accrued costs have been incurred by the end of any program year exceeds 20 percent of such allotment, the amount of the excess may be reallocated by the Secretary. The Secretary may in reallothing funds deduct an amount from the current year allotment equal to the amount of prior year funds subject to the reallocation.

(b) The Governor may reallocate part C basic grant funds among substate grantees within the State through voluntary transfers mutually agreed to by the Governor and the affected substate grantees, or whenever the Governor determines that minimum expenditure levels approved in substate plans will not be achieved prior to the end of each program year. The Governor shall establish and issue procedures for the reallocation of any funds prior to the reallocation of any funds under this subsection.

PART D—WORKER READJUSTMENT TRAINING PROGRAM

EXPENDITURES FOR WORKER READJUSTMENT TRAINING

SEC. 341. *Governors and substate grantees are authorized to expend amounts made available by the Secretary under this part to their respective States or substate areas in accordance with the provisions of this part, the substate plan, and other applicable provisions contained in this title.*

ALLOTMENT OF FUNDS

SEC. 342. *(a) The Secretary shall allot amounts appropriated to carry out this part in accordance with this section.*

(b) The Secretary shall for each program year establish an annual availability target for each State. Unless otherwise agreed upon by the Secretary and the Governor, the annual availability target for each State in each program year shall be in an amount equal to 1 $\frac{2}{3}$ times the amount of the State's allotment under section 332(a).

(c) The Secretary shall also establish for each program year a semiannual availability target for each State at 50 percent of that State's annual availability target.

(d) At the end of each 6 months, the State's annual availability target shall be decreased by the Secretary in an amount equal to the difference between the State's reported semiannual expenditures and the State's semiannual availability target in effect for that 6 months, unless otherwise provided for in accordance with subsection (e).

(e) No change shall be made in the State's subsequent semiannual availability targets for the current program year unless otherwise provided for in accordance with subsection (e).

(e) The Governor of any State may at any time request that the Secretary change that State's availability targets. Any such request shall be based on previous expenditure experience or demonstrated need, including recent economic developments. The Secretary is authorized to approve any such request, subject to the availability of funds therefor.

(f) The Secretary shall establish procedures whereby the Governor of any State desiring to expend amounts made available under this part for purposes of part C may request the approval of the Secretary to do so. If the Secretary approves any such request, the amounts approved for the purposes of part C shall reduce the State's current availability targets, but shall not affect any allotments under section 332(a).

(g) The Governor of each State (after considering the recommendations of the State worker readjustment council) shall establish appropriate procedures for making funds available for use in substate areas under this part.

COST LIMITATIONS

SEC. 343. *(a) No more than 15 percent of the amounts expended under this part in any program year by any substate grantee may be expended for administrative costs for the program authorized under this part.*

(b) No more than 30 percent of the funds expended under this part in any program year by any substate grantee shall be expended by

such substate grantee for the supportive services and benefits authorized under section 344.

(c) Minimum and maximum cost limitations shall be applicable to the accrued expenditures for each program year.

SUPPORTIVE SERVICES AND BENEFITS

SEC. 344. (a) Where it is determined by the substate grantee to be necessary to facilitate participation in the program authorized under this part, the substate grantee is authorized to provide appropriate supportive services to participants.

(b) Availability of supportive services shall terminate no later than the 180th day after the participant has completed training or other services under this part.

(c) Whenever it is determined by the substate grantee to be necessary to facilitate an individual's participation in the program authorized in this part, the substate grantee is authorized to provide the following benefits from funds under this part to participants:

(1)(A) In accordance with procedures established by the State, any participant who enrolls for retraining services may be paid a weekly benefit (not to exceed the individual's average weekly amount of regular unemployment compensation payable under the State's unemployment compensation law) for any authorized period of retraining services subsequent to exhaustion of all compensation payable under any State or Federal unemployment compensation law.

(B) Procedures established by the State for purposes of subparagraph (A) shall provide that—

(i) in order to be eligible for such benefits, a participant who is unemployed as a result of any permanent closure of a plant, facility, or enterprise, or who has been terminated or permanently laid off from employment, shall be enrolled in retraining services no later than the end of the 10th week of the participant's regular unemployment compensation benefit period; and

(ii) in providing such benefits to workers who are otherwise on layoff, priority shall be accorded to those who enroll for retraining services prior to the end of the 15th week of the participant's regular unemployment compensation benefit period.

(2) Needs-based payments may be provided to participants not receiving benefit payments under paragraph (1) (particularly those who are not eligible for unemployment compensation payments under any State or Federal unemployment compensation law), as determined by the substate grantee.

ALLOWABLE SERVICES AND ACTIVITIES

SEC. 345. (a) Each substate grantee is authorized to provide training services under this part to eligible participants. Such services may include, but are not limited to:

- (1) classroom training;
- (2) occupational skill training;
- (3) on-the-job training;
- (4) out-of-area job search;

- (5) relocation;
- (6) basic and remedial education;
- (7) literacy and English for non-English speakers training;
- (8) entrepreneurial training; and
- (9) other appropriate training activities directly related to appropriate employment opportunities in the substate area.

(b) No funds under this title shall be expended to provide public service employment or work experience.

(c) Training programs for individuals may be supported for not more than 104 weeks using funds under this title.

(d) Eligible readjustment training participants shall receive either retraining services, or a certificate of continuing eligibility.

(e) To the maximum extent feasible, training services shall be provided through systems of individual certificates that permit participants to seek out and arrange their own training. Training opportunities identified with approved service providers shall, pursuant to the certificate, be arranged through a grant, contract, or otherwise between the substate grantee and the service provider identified in the certificate.

(f) The substate grantee is authorized to issue to any eligible individual who has applied for the program authorized in this part a certificate of continuing eligibility. Such a certificate of continuing eligibility may be issued for periods not to exceed one hundred and four weeks. No such certificate shall include any reference to any specific amount of funds. Any such certificate shall state that it is subject to the availability of funds at the time that any such training services are to be provided. Acceptance of such certificate shall not be deemed to be enrollment in training.

(g) Any individual to whom a certificate of continuing eligibility has been issued under subsection (f) shall remain eligible for the program authorized under this part for the period specified in the certificate, notwithstanding section 303(a), and may utilize the certificate in order to receive the retraining services, subject to the limitations contained in the certificate.

PART E—FEDERAL READJUSTMENT PROGRAMS

PROGRAM AUTHORIZED

SEC. 351. (a) The Secretary is authorized to expend amounts appropriated for this part for activities authorized in this part, subject to any other applicable provisions contained in this title.

(b) In order to facilitate the conduct of the allowable activities under this part, the Secretary is authorized to make such grants and enter into such contracts or other agreements as the Secretary deems to be appropriate.

(c) The Secretary shall annually establish criteria for the application for and disbursement of amounts appropriated for this part.

ALLOWABLE ACTIVITIES

SEC. 352. (a) Amounts appropriated for this part may be used to provide services of the type described in parts C and D in the following circumstances—

(1) mass layoffs, including mass layoffs caused by natural disasters or Federal actions (such as relocations of Federal facilities) when the workers are not expected to return to their previous occupations;

(2) industrywide projects (treating agriculture as an industry);

(3) multistate projects;

(4) special projects carried out through agreements with Indian tribal entities;

(5) special projects to address national or regional concerns described in subsection (e); and

(6) demonstration projects, including the projects described in subsections (f), (g), and (h).

(b) Amounts appropriated for this part may also be used to provide services of the type described in parts C and D whenever the Secretary (with agreement of the Governor) determines that an emergency exists with respect to any particular distressed industry or any particularly distressed area to provide emergency financial assistance to dislocated workers. The Secretary may make arrangements for the immediate provision of such emergency financial assistance for these purposes with any necessary supportive documentation to be submitted at a date agreed to by the Governor and the Secretary.

(c) Amounts available for this part may be used to provide staff training and technical assistance services to States, communities, businesses and labor organizations, and other entities involved in providing adjustment assistance to workers. Applications for technical assistance funds shall be submitted in accordance with procedures issued by the Secretary. Not more than 5 percent of the funds available for this part in any fiscal year shall be expended for the purpose of this subsection.

(d) Amounts available for this part shall be used to provide training of staff, including specialists, providing rapid response services. Such training shall include instruction in proven methods of promoting, establishing, and assisting labor-management committees.

(e) The Secretary is authorized to undertake special projects of national or regional concern. The Secretary may—

(1) provide for such projects to extend over a period greater than one year in duration where circumstances warrant such a multiyear program; and

(2) conduct an evaluation of the effectiveness and impact of such projects upon their completion.

(f)(1) The Secretary may carry out demonstration programs in accordance with the provisions of this subsection. The Secretary is authorized to carry out the provisions of this subsection either directly or by way of contract or agreement. Whenever the Secretary directly conducts loan demonstration programs under this subsection, the Secretary shall, to the extent practicable, comply with the provisions of paragraph (3), relating to agreements.

(2) The Secretary shall carry out the demonstration program under this subsection in communities in the country having the largest number of dislocated workers and shall give priority to communities with the highest concentrations of dislocated workers.

(3) The Secretary shall enter into agreements or conduct directly demonstration programs in not more than 10 communities described in this section.

(4) *The Secretary may enter into an agreement with—*

(A) *State dislocated workers units, or*

(B) *State or local public agencies or nonprofit private organizations selected by the Secretary, in order to carry out the demonstration program authorized by this subsection.*

(5) *Each agreement entered into under this subsection may provide—*

(A) *for the establishment and maintenance of a dislocated workers loan fund for the purpose of this subsection;*

(B) *for the deposit in such fund of the funds made available pursuant to this subsection;*

(C) *for the deposit in such fund of collections of principal and interest on direct loans made from deposited funds and any other earnings of such funds;*

(D) *that any obligation acquired by such fund may be sold at the market price; and the interest on, and the proceeds from the sale or redemption of, any obligations held in such fund, shall be credited to and form a part of such fund;*

(E) *that such direct loan funds shall be used only for—*

(i) *loans to dislocated workers in accordance with the provisions of this subsection; and*

(ii) *directly related administrative expenses;*

(F) *that the repayment of loans will be made in accordance with a repayment schedule that is consistent with paragraph (9); and*

(G) *for such other assurances and limitations, including the distribution of assets from the loan funds, established under this subsection at the completion or termination of the demonstration projects authorized by this subsection as the Secretary may reasonably prescribe.*

(6)(A) *Loans from any workers loan fund established pursuant to an agreement established under this subsection shall be subject to such conditions, limitations, and requirements as the Secretary shall by regulation prescribe, and shall be made on such terms and conditions as the Secretary, in cooperation with the worker adjustment committee, rapid response team, or State agency, as the case may be, may prescribe.*

(B) *The aggregate amount of all direct loans made from funds established pursuant to an agreement under this subsection to each dislocated worker may not exceed \$5,000.*

(7) *The interest rate on all loans made under this subsection shall be 2 percentage points below the long-term Treasury obligations.*

(8)(A) *The loans made from loan funds established pursuant to such agreements may be used only for—*

(i) *vocational and on-the-job training;*

(ii) *basic education and literacy instruction;*

(iii) *relocation expenses; and*

(iv) *child care services.*

(B) *The Secretary shall, for the purpose of subparagraph (A)(i), establish criteria for accrediting vocational training programs, including a requirement that any vocational training program qualifying under subparagraph (A) have a demonstrated ability to place participants successfully in jobs.*

(C) Not more than 25 percent of the aggregate amount of loans made to a single dislocated worker may be used for the activities described in clauses (iii) and (iv) of subparagraph (A) of this paragraph.

(9) Loans under this subsection shall be made pursuant to agreements which—

(A) require a repayment period which—

(i) begins not earlier than 6 months after the completion of training for which the funds were sought or when the income of the dislocated worker is equal to or greater than $\frac{2}{3}$ of the income level of the dislocated worker for the three-month period preceding the determination of dislocation, whichever is later; and

(ii) is for a period not to exceed 10 years;

(B) provide for deferments of principal and for interest accrual during such deferments;

(C) provide such loan cancellation as is consistent with the purpose of this subsection; and

(D) require the recipient to cooperate with evaluation studies conducted pursuant to paragraph (11).

(10) The Secretary may prescribe such other terms for loans made pursuant to this subsection as the Secretary determines will carry out the provisions of this subsection.

(11) The Secretary shall, based upon the projects assisted under this subsection and independent research, conduct or provide for an evaluation of the feasibility of the direct loan approach to achieving the objectives of this subsection. The Secretary shall consider—

(A) the identity and characteristics of dislocated workers who take out direct loans;

(B) the purposes for which the loans are used;

(C) the employment obtained with the assistance provided under this subsection;

(D) the compensation paid to such workers;

(E) the repayments schedules; and

(F) the attitudes of the participants in the program.

(12) The evaluations required under paragraph (11) shall be conducted by at least 2 different public agencies or private nonprofit organizations.

(13) The Secretary shall prepare and submit to the Congress a report of the evaluations required by this subsection not later than October 1, 1989, together with such recommendations, including recommendations for legislation, as the Secretary deems appropriate.

(g)(1) The Secretary may carry out public works employment demonstration programs in accordance with the provisions of this subsection. The Secretary is authorized to enter into such contracts with private industry councils as may be necessary to carry out the provisions of this subsection.

(2) The Secretary may waive—

(A) the testing requirement in paragraph (4)(B) for physically handicapped individuals and for individuals requiring special education; and

(B) the requirement in section paragraph (5)(C) relating to a 32-hour workweek for unusual circumstances.

(3)(A) *The Secretary shall carry out the demonstration project under this subsection in cities and counties—*

(i) which are geographically diverse;

(ii) which represent urban and rural areas; and

(iii) for which the unemployment rate, for the 6 months before the determination under this subsection, exceeded the national average rate of unemployment by at least 2 percent.

(B) The Secretary shall enter into agreements or conduct demonstration programs in not more than 10 cities or counties under this subsection.

(4)(A) For the purpose of this subsection, an individual is eligible to participate in the demonstration project assisted under this subsection if the individual—

(i) is an eligible dislocated worker, as defined in section 303(a), who has been unemployed for at least 15 weeks before the determination of employment under this paragraph;

(ii) is an individual who has been unemployed or who has been without steady employment for a period of two years prior to such determination; or

(iii) is an individual who is a recipient under a State plan approved under part A of title IV of the Social Security Act, relating to aid to families with dependent children for a period of at least 2 years.

(B)(i) Each participant shall be tested for basic reading and writing competence by the private industry council prior to employment by a job project assisted under this subsection.

(ii)(I) Each participant who fails to complete satisfactorily the basic competency tests required by clause (i) of this subparagraph (1) of this subsection shall be furnished counseling and instruction.

(II) Each participant in a job project assisted under this subsection, shall, in order to continue such employment, have received a secondary school diploma or its equivalent, or maintain satisfactory progress toward such a diploma.

(III) Each participant with limited English speaking ability may be furnished such instruction as the private industry council deems appropriate.

(5)(A) Each private industry council participating in the demonstration program authorized by this subsection shall select job projects to be assisted under this subsection pursuant to guidelines established by the Secretary. Each such job project selected for assistance shall provide employment to eligible participants.

(B) No project may be selected under this subsection if an objection to the project is filed by 2 representatives of the business community or by 2 representatives of labor organizations who are members of the private industry council. If there are not two members of a private industry council who are representatives of labor organizations then two representatives of labor organizations who are members of the State worker readjustment council may exercise the objection option authorized by this subsection for that private industry council.

(C) Each eligible participant employed in a job project assisted under this subsection may not be employed on such project for more than 32 hours per week.

(D) Not more than 10 percent of the total expenses of the demonstration project in each community may be used for transportation and equipment.

(E) The private industry council shall select project managers on a project-by-project basis. Each such manager shall be paid the local prevailing wage.

(6)(A) Each eligible participant who is employed in a job project assisted under this subsection shall receive wages equal to the higher of—

(i) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938; or

(ii) the amount which the eligible participant received in welfare benefits pursuant to the State plan approved under part A of title IV of the Social Security Act or in the form of unemployment compensation, if applicable, plus 10 percent of such amount.

(B) Each eligible participant who is employed in projects assisted under this Act shall be furnished benefits and employment conditions comparable to the benefits and conditions provided to other employees employed in similar occupations by the same employer but no such participant shall be eligible for unemployment compensation during or on the basis of employment in such a project.

(C) Each private industry council shall establish, for the area in which the demonstration is conducted, job clubs to assist eligible participants with the preparation of resumes, the development of interviewing techniques, and evaluation of individual job search activities.

(7) In selecting projects pursuant to criteria established by the Secretary, each private industry council shall—

(A) select projects, to the extent feasible, designed to develop skills which are marketable in the private sector in the community in which the project is conducted; and

(B) select projects which show potential for assisting eligible participants who are employed in the project to find jobs in the private sector.

(8)(A) The Secretary shall, either directly or by way of contract, evaluate the success of the employment demonstration program authorized by this subsection.

(B) The evaluations required by subparagraph (A) of this paragraph shall be conducted by at least 2 different public agencies or private nonprofit organizations.

(C) The Secretary shall prepare and submit to the Congress a report on the success of the employment demonstration program authorized by this subsection not later than October 1, 1989, together with such recommendations, including recommendations for legislation, as the Secretary deems appropriate.

(9) As used in this subsection—

(A) The term “participant” means an individual who is determined to be eligible under this subsection.

(B) The term “project” means an identifiable task or group of tasks which—

(i) will be carried out by a public agency, a private nonprofit organization, or a private contractor,

(ii) will meet the other requirements of this subsection,

(iii) will result in a specific product or accomplishment, and

(iv) would not otherwise be conducted with existing funds.

(h)(1) The Secretary may, from the amount reserved pursuant to section 302(c)(3), carry out programs in accordance with the provisions of this subsection. The Secretary is authorized to enter into contracts or agreements with States to carry out the provisions of this subsection.

(2) In carrying out the provisions of this subsection, the Secretary shall give priority to States most affected by adverse agricultural conditions as reflected by—

(A) the decline in farm equity as measured by the percent change in farm equity between 1981 and the most recent year for which data is officially published by the United States Department of Agriculture, Economic Research Service; and

(B) the percent change in the average debt to asset ratio of farms within a State between 1981 and the most recent year for which data is officially published by the United States Department of Agriculture, Economic Research Service.

(3) The Secretary may enter into agreements with priority States for demonstrations of two or more years in duration, described in this subsection.

(4) To be eligible for this subsection, a State must submit a plan to the Secretary describing how the State will utilize funds to meet the unique basic readjustment needs of eligible farmers, ranchers, farm workers, and other individuals eligible under this subsection. The plan shall include—

(A) designation of the agency or agencies of State government which will implement the plan and the service delivery system which will be employed;

(B) a description of the basic readjustment services to be provided;

(C) a description of the classes of eligible recipients who will be served and an estimate of the numbers of such individuals expected to be served;

(D) an explanation of how the service delivery system developed under this subsection will be coordinated with the service delivery system established under other titles or statutes to assist dislocated workers and with other programs that assist this target population; and

(E) other information or assurances that the Secretary may require.

(5) Individuals eligible to receive services under the State plan may include:

(A) Individuals who can certify or demonstrate that the farm or ranch operations which provide their primary occupation have terminated or will terminate because of circumstances which may include one or more of the following events—

(i) receipt of notice of foreclosure or intent to foreclose;

(ii) failure of the farm to return a profit during the preceding 12 months;

(iii) entry of the farmer into bankruptcy proceedings;

(iv) failure or inability of the farmer to obtain operating capital necessary to continue operations;

(v) failure or inability to make payments on loans secured by mortgages on agricultural real estate; or

(vi) farmer's total debts exceed 70 percent of total assets.

(B) Individuals who may reasonably be expected to leave farming or ranching as their primary occupation because of unfavorable debt to asset ratio as defined by the Department of Agriculture.

(C) Individuals displaced from agriculture-related businesses and industries, including farm workers, who have been displaced or adversely affected by the declining agricultural economy.

(D) Individuals and their immediate families who are attempting to continue farming or ranching, but whose ability to do so is threatened because of one or more factors listed in paragraph (5)(A).

(6) Activities and services which may be provided under an approved plan may include the following—

(A) assistance in the evaluation of financial condition and in the preparation of financial plans;

(B) assistance in managing temporary crises, including psychological and mental health counseling;

(C) vocational evaluation, including basic skills and literacy evaluation, counseling, and remediation;

(D) credit and legal counseling, including farmer/lender mediation services;

(E) job search assistance, including training in job seeking skills;

(F) entrepreneurial training;

(G) specific skill training, including on-the-job training and customized training in cooperation with potential employers; and

(H) support services required to enable eligible individuals to participate in programs, including transportation, health care, dependent care, meals, temporary shelter, and other reasonable subsistence allowances; tuition, fees, books, and expenses associated with training, and up to one-half of wages paid to an eligible individual during on the job training.

(7) Services provided under this subsection shall supplement services and activities provided under other titles and statutes established to assist dislocated workers and under other programs assisting this target population.

(8) To the fullest extent feasible, States participating in this demonstration are encouraged to provide a comprehensive set of services to eligible individuals at a single site.

PROPOSALS FOR FINANCIAL ASSISTANCE

SEC. 353. (a) In addition to any financial assistance provided under section 352, the Secretary is authorized to provide services of the type described in parts C and D under proposals for financial assistance. Proposals for financial assistance under this part shall be submitted to the Secretary, who shall consult in a timely fashion

with the Governor of the State in which the project described in the proposal is to operate.

(b) With respect to multistate projects (other than projects established under section 352), the proposal shall be submitted by the Governor of one State and shall include the concurrence of the Governor or Governors of each of the other States in which the project is to operate.

(c) Any proposal for financial assistance under this part shall contain evidence of review, or timely availability for review, by the local private industry council or councils when the project is to operate within one or more service delivery areas served by such council or councils. Multistate proposals, industry-wide proposals, projects with Indian tribal entities, and funds allotted by the Secretary under section 352(b) shall not be subject to this requirement.

(d) Any proposal under this section which is intended to provide services to a substantial number of members of a labor organization shall be submitted only after consultation, or timely availability for consultation, with such labor organization. Any such proposal shall contain evidence of such consultation or availability.

TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

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PART E—LABOR MARKET INFORMATION

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COOPERATIVE LABOR MARKET INFORMATION PROGRAM

SEC. 462. (a) * * *

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(f)(1) The Secretary shall develop, in coordination with the Secretary of Agriculture, statistical data relating to permanent dislocation of farmers and ranchers due to farm and ranch failures. Among the data to be included are—

- (A) the number of such farm and ranch failures;
- (B) the number of farmers and ranchers displaced;
- (C) the location of the affected farms and ranches;
- (D) the types of farms and ranches involved; and
- (E) the identification of farm family members, including spouses, and farm workers working the equivalent of a full-time job on the farm who are dislocated by such farm and ranch failures.

(2) The Secretary shall publish a report based upon such data as soon as practicable after the end of each calendar year. Such report shall include a comparison of data contained therein with data currently used by the Bureau of Labor Statistics in determining the Nation's annual employment and unemployment rates and an analysis of whether farmers and ranchers are being adequately counted in such employment statistics. Such report shall also include an analysis of alternative methods for reducing the adverse effects of

displacements of farmers and ranchers, not only on the individual farmer or rancher, but on the surrounding community.

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TITLE V—MISCELLANEOUS PROVISIONS

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STATE JOB BANK SYSTEMS

SEC. 505. (a)(1) The Secretary shall carry out the purposes of this section with sums appropriated pursuant to paragraph (2) for any fiscal year.

(2) There are authorized to be appropriated to carry out this section \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year.

(b) The Secretary shall make such sums available through the United States Employment Service for the development and implementation of job bank systems in each State. Such systems shall be designed to use computerized electronic data processing and telecommunications systems for such purposes as—

(1) identifying job openings and referring jobseekers to job openings, with continual updating of such information;

(2) providing information on occupational supply and demand; and

(3) utilization of such systems by career information delivery systems (including career counseling programs in schools).

(c) Wherever possible, computerized data systems developed with assistance under this section shall be capable of utilizing software compatible with other systems (including management information systems and unemployment insurance and other income maintenance programs) used in the administration of employment and training programs. In developing such systems, special consideration shall be given to the advice and recommendations of the State occupational information coordinating committees (established under section 422(b) of the Carl D. Perkins Vocational Education Act), and other users of such systems for the various purposes described in subsection (b) of this section.

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ADDITIONAL VIEWS—EDUCATION AND TRAINING FOR AMERICAN COMPETITIVENESS ACT

Considerable work went into the development of the Education and Training for American Competitiveness Act of 1987. However, because of the short timeframe under which we were operating, some initiatives that were proposed by the Department of Labor were not considered. Assurances have been given though, that when the Committee considers oversight of the Job Training Partnership Act, issues regarding the focus of the Employment Services program and that of year-round training for disadvantaged youth will be reviewed. Those proposals suggested by the Department of Education for inclusion as part of the trade initiative, for the most part, will be addressed in other legislation being considered by this Committee.

The Committee should be commended for its efforts to produce a bipartisan, consensus trade package. Unfortunately in its drive to assure broad support, the Committee may have been too generous in the breadth and number of education proposals it included in the package. This bill should not be viewed as the means by which every "pet" legislative proposal finds its way into law. Further, any subsequent action we take on education legislation should not be expected to assume these additional burdens because they were considered "good enough" to be included in the trade package.

The most demanding portion of the bill was the worker readjustment proposal. Through amendment to title III of the Job Training Partnership Act, significant and well developed changes were incorporated to address problems in the dislocated worker program that have surfaced in the five years since its enactment. Greater structure has been provided for the program; the issue of large unexpended amounts of carry-in funds has been addressed; and the ability to provide rapid response and form voluntary joint labor-management committees have been included as substantive changes to the current program.

However, two concerns remain with respect to the worker readjustment assistance program: the establishment of a second state level council to coordinate employment and training activities, and the level of allowable support services and benefits payments under the retraining segment of the bill.

First, the concerns regarding the establishment of a second state level council. When JTPA was enacted, a state council was authorized, the State job training coordinating council, with the expectation that it would serve as *the* council at the state level for employment and training programs. It was expected that the council should be broadly representative of important interests in the employment and training field with no one segment dominating any other. Why now is a second state level council being established in this proposal?

What is being done is to set up yet another state level staff, administrative costs and expenses, and another way to assure that employment and training programs remain disjointed and uncoordinated. There will be no one to blame but ourselves if the coordination originally conceived under JTPA, and hoped for under this work readjustment proposal, is not realized. Will two state level councils rather than just one, be better able to achieve coordination at the state level?

To meet the concern that the council under this title be tripartite, utilizing a subcommittee of the State job training coordinating council would allow the Governor to achieve this requirement without having to establish two separate councils. Again, the chance for cooperation would be greater than having two separate councils, and would fulfill the recommendation made in the report of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation.

Of greater concern though, is the level of allowable support services and benefits under the retraining programs. The programs being authorized in this bill are worker adjustment programs not benefits programs. The supportive services expenditures under the basic readjustment services part were limited to 15 percent, acknowledging that such programs are intended to be short-term interventions, aimed at moving dislocated workers into jobs quickly.

Unfortunately, the limit on the amount of funds which may be expended for support and benefits payments under the worker readjustment training program part of the bill is 30 percent, double the amount in any other part of the Act. To enable dislocated individuals to participate in longer term training, some income support should be provided, particularly once they exhaust their regular unemployment compensation benefits. However, income maintenance should be continued on a reasonably necessary basis, solely to encourage individuals to complete their training. It should not become *the* reason people are in training programs.

To strike a balance here is difficult. It is a question of how to provide sufficient support and income benefits while still encouraging individuals to enter training early into their unemployment period, and not divert monies away from the direct provision of adjustment services.

Before such large amount of funds can be utilized for support services and benefits, substate grantees should be able to demonstrate that they have:

1. Brought individuals into training during the early periods of their regular unemployment compensation benefit period, or,
2. Served a substantial number of individuals who are not eligible for unemployment compensation, thus requiring needs based payments.

By demonstrating that it has brought individuals into the program earlier, and that it has reached those with greater "up-front" need, the substate grantee should be allowed to devote a larger percentage of its funds toward support and benefits payments. However, if these efforts are not made, the appropriate balance has not

been struck, and the substate grantee should not have as much available for support purposes.

What must be established in this program are incentives both to the program providers and the participants to enter the program early, to have the option to participate in longer-term training and to offer longer-term training programs without suffering the consequences of not meeting performance standards by serving those with greater need. Allowing 30 percent of the funds to be utilized for support services and benefits without mandating greater efforts for early intervention and long-term training defeats some of the basic lessons we have learned about dislocated worker programs.

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