

AMENDMENT NO. _____ Calendar No. _____

Purpose: To amend the Workforce Innovation and Opportunity Act to support community college and industry partnerships, and for other purposes.

IN THE SENATE OF THE UNITED STATES—114th Cong., 1st Sess.

H. R. 1314

To amend the Internal Revenue Code of 1986 to provide for a right to an administrative appeal relating to adverse determinations of tax-exempt status of certain organizations.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by
_____ to the amendment (No. 1221)
proposed by Mr. HATCH

Viz:

1 At the appropriate place, insert the following:

2 **SEC. ____ . COMMUNITY COLLEGE TO CAREER FUND.**

3 (a) **SHORT TITLE.**—This section may be cited as the

4 “Community College to Career Fund Act”.

5 (b) **COMMUNITY COLLEGE TO CAREER FUND.**—Title

6 I of the Workforce Innovation and Opportunity Act is

7 amended by adding at the end the following:

1 **“Subtitle F—Community College to**
2 **Career Fund**

3 **“SEC. 199. COMMUNITY COLLEGE AND INDUSTRY PARTNER-**
4 **SHIPS PROGRAM.**

5 “(a) GRANTS AUTHORIZED.—From funds appro-
6 priated under section 199D(a)(1), the Secretary of Labor
7 and the Secretary of Education, in accordance with the
8 interagency agreement described in section 199E, shall
9 award competitive grants to eligible entities described in
10 subsection (b) for the purpose of developing, offering, im-
11 proving, or providing educational or career training pro-
12 grams for workers.

13 “(b) ELIGIBLE ENTITY.—

14 “(1) PARTNERSHIPS WITH EMPLOYERS OR AN
15 EMPLOYER OR INDUSTRY PARTNERSHIP.—

16 “(A) GENERAL DEFINITION.—For pur-
17 poses of this section, an ‘eligible entity’ means
18 any of the entities described in subparagraph
19 (B) (or a consortium of any of such entities) in
20 partnership with employers or an employer or
21 industry partnership representing multiple em-
22 ployers.

23 “(B) DESCRIPTION OF ENTITIES.—The en-
24 tities described in this subparagraph are—

25 “(i) a community college;

1 “(ii) a 4-year public institution of
2 higher education (as defined in section
3 101(a) of the Higher Education Act of
4 1965 (20 U.S.C. 1001(a))) that offers 2-
5 year degrees, and that will use funds pro-
6 vided under this section for activities at
7 the certificate and associate degree levels;

8 “(iii) a Tribal College or University
9 (as defined in section 316(b) of the Higher
10 Education Act of 1965 (20 U.S.C.
11 1059c(b))); or

12 “(iv) a private or nonprofit, 2-year in-
13 stitution of higher education (as defined in
14 section 102 of the Higher Education Act
15 of 1965 (20 U.S.C. 1002)) in the Com-
16 monwealth of Puerto Rico, Guam, the
17 United States Virgin Islands, American
18 Samoa, the Commonwealth of the North-
19 ern Mariana Islands, the Republic of the
20 Marshall Islands, the Federated States of
21 Micronesia, or the Republic of Palau.

22 “(2) ADDITIONAL PARTNERS.—

23 “(A) AUTHORIZATION OF ADDITIONAL
24 PARTNERS.—In addition to partnering with em-
25 ployers or an employer or industry partnership

1 representing multiple employers as described in
2 paragraph (1)(A), an entity described in para-
3 graph (1) may include in the partnership de-
4 scribed in paragraph (1) 1 or more of the orga-
5 nizations described in subparagraph (B). An eli-
6 gible entity that includes 1 or more such orga-
7 nizations shall collaborate with the State or
8 local board in the area served by the eligible en-
9 tity.

10 “(B) ORGANIZATIONS.—The organizations
11 described in this subparagraph are as follows:

12 “(i) An adult education provider or
13 institution of higher education (as defined
14 in section 101 of the Higher Education
15 Act of 1965 (20 U.S.C. 1001)).

16 “(ii) A community-based organization.

17 “(iii) A joint labor-management part-
18 nership.

19 “(iv) A State or local board.

20 “(v) Any other organization that the
21 Secretaries consider appropriate.

22 “(c) EDUCATIONAL OR CAREER TRAINING PRO-
23 GRAM.—For purposes of this section, the Governor of the
24 State in which at least 1 of the entities described in sub-
25 section (b)(1)(B) of an eligible entity is located shall es-

1 tablish criteria for an educational or career training pro-
2 gram leading to a recognized postsecondary credential for
3 which an eligible entity submits a grant proposal under
4 subsection (d).

5 “(d) APPLICATION.—An eligible entity seeking a
6 grant under this section shall submit an application con-
7 taining a grant proposal to the Secretaries at such time
8 and containing such information as the Secretaries deter-
9 mine is required, including a detailed description of—

10 “(1) the specific educational or career training
11 program for which the grant proposal is submitted
12 and how the program meets the criteria established
13 under subsection (e), including the manner in which
14 the grant will be used to develop, offer, improve, or
15 provide the educational or career training program;

16 “(2) the extent to which the program will meet
17 the educational or career training needs of workers
18 in the area served by the eligible entity;

19 “(3) the extent to which the program will meet
20 the needs of employers in the area for skilled work-
21 ers in in-demand industry sectors and occupations;

22 “(4) the extent to which the program described
23 fits within any overall strategic plan developed by
24 the eligible entity;

1 “(5) any previous experience of the eligible enti-
2 ty in providing educational or career training pro-
3 grams, the absence of which shall not automatically
4 disqualify an eligible institution from receiving a
5 grant under this section; and

6 “(6) in the case of a project that involves an
7 educational or career training program that leads to
8 a recognized postsecondary credential described in
9 subsection (f), how the program leading to the cre-
10 dential meets the criteria described in subsection (c).

11 “(e) CRITERIA FOR AWARD.—

12 “(1) IN GENERAL.—Grants under this section
13 shall be awarded based on criteria established by the
14 Secretaries, that include the following:

15 “(A) A determination of the merits of the
16 grant proposal submitted by the eligible entity
17 involved to develop, offer, improve, or provide
18 an educational or career training program to be
19 made available to workers.

20 “(B) An assessment of the likely employ-
21 ment opportunities available in the area to indi-
22 viduals who complete an educational or career
23 training program that the eligible entity pro-
24 poses to develop, offer, improve, or provide.

1 “(C) An assessment of prior demand for
2 training programs by individuals eligible for
3 training and served by the eligible entity, as
4 well as availability and capacity of existing (as
5 of the date of the assessment) training pro-
6 grams to meet future demand for training pro-
7 grams.

8 “(2) PRIORITY.—In awarding grants under this
9 section, the Secretaries shall give priority to eligible
10 entities that—

11 “(A) include a partnership, with employers
12 or an employer or industry partnership, that—

13 “(i) pays a portion of the costs of
14 educational or career training programs; or

15 “(ii) agrees to hire individuals who
16 have attained a recognized postsecondary
17 credential resulting from the educational or
18 career training program of the eligible en-
19 tity;

20 “(B) enter into a partnership with a labor
21 organization or labor-management training pro-
22 gram to provide, through the program, tech-
23 nical expertise for occupationally specific edu-
24 cation necessary for a recognized postsecondary

1 credential leading to a skilled occupation in an
2 in-demand industry sector;

3 “(C) are focused on serving individuals
4 with barriers to employment, low-income, non-
5 traditional students, students who are dis-
6 located workers, students who are veterans, or
7 students who are long-term unemployed;

8 “(D) include community colleges serving
9 areas with high unemployment rates, including
10 rural areas;

11 “(E) are eligible entities that include an
12 institution of higher education eligible for as-
13 sistance under title III or V of the Higher Edu-
14 cation Act of 1965 (20 U.S.C. 1051 et seq.; 20
15 U.S.C. 1101 et seq.); and

16 “(F) include a partnership, with employers
17 or an employer or industry partnership, that in-
18 creases domestic production of goods, such as
19 advanced manufacturing or production of clean
20 energy technology.

21 “(f) USE OF FUNDS.—Grant funds awarded under
22 this section shall be used for one or more of the following:

23 “(1) The development, offering, improvement,
24 or provision of educational or career training pro-
25 grams, that provide relevant job training for skilled

1 occupations that will meet the needs of employers in
2 in-demand industry sectors, and which may include
3 registered apprenticeship programs, on-the-job train-
4 ing programs, and programs that support employers
5 in upgrading the skills of their workforce.

6 “(2) The development and implementation of
7 policies and programs to expand opportunities for
8 students to earn a recognized postsecondary creden-
9 tial, including a degree, in in-demand industry sec-
10 tors and occupations, including by—

11 “(A) facilitating the transfer of academic
12 credits between institutions of higher education,
13 including the transfer of academic credits for
14 courses in the same field of study;

15 “(B) expanding articulation agreements
16 and policies that guarantee transfers between
17 such institutions, including through common
18 course numbering and use of a general core
19 curriculum; and

20 “(C) developing or enhancing student sup-
21 port services programs.

22 “(3) The creation of workforce programs that
23 provide a sequence of education and occupational
24 training that leads to a recognized postsecondary

1 credential, including a degree, including programs
2 that—

3 “(A) blend basic skills and occupational
4 training;

5 “(B) facilitate means of transitioning par-
6 ticipants from non-credit occupational, basic
7 skills, or developmental coursework to for-credit
8 coursework within and across institutions;

9 “(C) build or enhance linkages, including
10 the development of dual enrollment programs
11 and early college high schools, between sec-
12 ondary education or adult education programs
13 (including programs established under the Carl
14 D. Perkins Career and Technical Education Act
15 of 2006 (20 U.S.C. 2301 et seq.) and title II
16 of this Act);

17 “(D) are innovative programs designed to
18 increase the provision of training for students,
19 including students who are members of the Na-
20 tional Guard or Reserves, to enter skilled occu-
21 pations in in-demand industry sectors; and

22 “(E) support paid internships that will
23 allow students to simultaneously earn credit for
24 work-based learning and gain relevant employ-
25 ment experience in an in-demand industry sec-

1 tor or occupation, which shall include opportu-
2 nities that transition individuals into employ-
3 ment.

4 “(4) The support of regional or national in-de-
5 mand industry sectors to develop skills consortia
6 that will identify pressing workforce needs and de-
7 velop solutions such as—

8 “(A) standardizing industry certifications;

9 “(B) developing new training technologies;

10 and

11 “(C) collaborating with industry employers
12 to define and describe how specific skills lead to
13 particular jobs and career opportunities.

14 **“SEC. 199A. PAY-FOR-PERFORMANCE AND PAY-FOR-SUC-**
15 **CESS JOB TRAINING PROJECTS.**

16 “(a) AWARD GRANTS AUTHORIZED.—From funds
17 appropriated under section 199D(a)(2), the Secretaries, in
18 accordance with the interagency agreement described in
19 section 199E, shall award grants on a competitive basis
20 to eligible entities described in subsection (b) who achieve
21 specific performance outcomes and criteria agreed to by
22 the Secretaries under subsection (c) to carry out job train-
23 ing projects. Projects funded by grants under this section
24 shall be referred to as either Pay-for-Performance or Pay-
25 for-Success projects, as set forth in subsection (b).

1 “(b) ELIGIBLE ENTITY.—To be eligible to receive a
2 grant under this section, an entity shall be a State or local
3 organization (which may be a local workforce organiza-
4 tion) in partnership with an entity such as a community
5 college or other training provider, who—

6 “(1) in the case of an entity seeking to carry
7 out a Pay-for-Performance project, agrees to be re-
8 imbursed under the grant primarily on the basis of
9 achievement of specified performance outcomes and
10 criteria agreed to by the Secretaries under sub-
11 section (c); or

12 “(2) in the case of an entity seeking to carry
13 out a Pay-for-Success project—

14 “(A) enters into a partnership with an in-
15 vestor, such as a philanthropic organization
16 that provides funding for a specific project to
17 address a clear and measurable job training
18 need in the area to be served under the grant;
19 and

20 “(B) agrees to be reimbursed under the
21 grant only if the project achieves specified per-
22 formance outcomes and criteria agreed to by
23 the Secretaries under subsection (c).

24 “(c) PERFORMANCE OUTCOMES AND CRITERIA.—
25 Not later than 6 months after the date of enactment of

1 this subtitle, the Secretaries shall establish and publish
2 specific performance measures, which include performance
3 outcomes and criteria, for the initial qualification and re-
4 imbursement of eligible entities to receive a grant under
5 this section. At a minimum, to receive such a grant, an
6 eligible entity shall—

7 “(1) identify a particular program area and cli-
8 ent population that is not achieving optimal out-
9 comes;

10 “(2) provide evidence that the proposed strat-
11 egy for the job training project would achieve better
12 outcomes;

13 “(3) clearly articulate and quantify the im-
14 proved outcomes of such new approach;

15 “(4) for a Pay-for-Success project, specify a
16 monetary value that would need to be paid to obtain
17 such outcomes and explain the basis for such value;

18 “(5) identify data that would be required to
19 evaluate whether outcomes are being achieved for a
20 target population and a comparison group;

21 “(6) identify estimated savings that would re-
22 sult from the improved outcomes, including to other
23 programs or units of government;

1 “(7) demonstrate the capacity to collect re-
2 quired data, track outcomes, and validate those out-
3 comes; and

4 “(8) specify how the entity will meet any other
5 criteria the Secretaries may require.

6 “(d) PERIOD OF AVAILABILITY FOR PAY-FOR-SUC-
7 CESS PROJECTS.—Funds appropriated to carry out Pay-
8 for-Success projects pursuant to section 199D(a)(2) shall,
9 upon obligation, remain available for disbursement until
10 expended, notwithstanding section 1552 of title 31, United
11 States Code, and, if later deobligated, in whole or in part,
12 be available until expended under additional Pay-for-Suc-
13 cess grants under this section.

14 **“SEC. 199B. BRING JOBS BACK TO AMERICA GRANTS.**

15 “(a) GRANTS AUTHORIZED.—From funds appro-
16 priated under section 199D(a)(3), the Secretaries, in ac-
17 cordance with the interagency agreement described in sec-
18 tion 199E, shall award grants to State or local govern-
19 ments for job training and recruiting activities that can
20 quickly provide businesses with skilled workers in order
21 to encourage businesses to relocate to or remain in areas
22 served by such governments. The Secretaries shall coordi-
23 nate activities with the Secretary of Commerce in carrying
24 out this section.

1 “(b) PURPOSE AND USE OF FUNDS.—Grant funds
2 awarded under this section may be used by a State or local
3 government to issue subgrants, using procedures estab-
4 lished by the Secretaries, to eligible entities, including
5 those described in section 199(b), to assist such eligible
6 entities in providing job training necessary to provide
7 skilled workers for businesses that have relocated or are
8 considering relocating operations outside the United
9 States, and may instead relocate to or remain in the areas
10 served by such governments, and in conducting recruiting
11 activities.

12 “(c) APPLICATION.—A State or local government
13 seeking a grant under the program established under sub-
14 section (a) shall submit an application to the Secretaries
15 in such manner and containing such information as the
16 Secretaries may require. At a minimum, each application
17 shall include—

18 “(1) a description of the eligible entity the
19 State or local government proposes to assist in pro-
20 viding job training or recruiting activities;

21 “(2) a description of the proposed or existing
22 business facility involved, including the number of
23 jobs relating to such facility and the average wage
24 or salary of those jobs; and

1 “(3) a description of any other resources that
2 the State has committed to assisting such business
3 in locating such facility, including tax incentives pro-
4 vided, bonding authority exercised, and land grant-
5 ed.

6 “(d) CRITERIA.—The Secretaries shall award grants
7 under this section to the State and local governments
8 that—

9 “(1) the Secretaries determine are most likely
10 to succeed, with such a grant, in assisting an eligible
11 entity in providing the job training and recruiting
12 necessary to cause a business to relocate to or re-
13 main in an area served by such government;

14 “(2) will fund job training and recruiting pro-
15 grams that will result in the greatest number and
16 quality of jobs;

17 “(3) have committed State or other resources,
18 to the extent of their ability as determined by the
19 Secretaries, to assist a business to relocate to or re-
20 main in an area served by such government; and

21 “(4) have met such other criteria as the Secre-
22 taries consider appropriate, including criteria relat-
23 ing to marketing plans, and benefits for ongoing
24 area or State strategies for economic development
25 and job growth.

1 **“SEC. 199C. GRANTS FOR ENTREPRENEUR AND SMALL**
2 **BUSINESS STARTUP TRAINING.**

3 “(a) GRANTS AUTHORIZED.—From funds appro-
4 priated under section 199D(a)(4), the Secretaries, in ac-
5 cordance with the interagency agreement described in sec-
6 tion 199E, shall award grants, on a competitive basis, to
7 eligible entities described in subsection (b) to provide
8 training in starting a small business and entrepreneurship.
9 The Secretaries shall coordinate activities with the Admin-
10 istrator of the Small Business Administration in carrying
11 out this section, including coordinating the development
12 of criteria and selection of proposals.

13 “(b) ELIGIBLE ENTITY.—

14 “(1) IN GENERAL.—For purposes of this sec-
15 tion, the term ‘eligible entity’ means an entity de-
16 scribed in section 199(b)(1)(B) (or a consortium of
17 any of such entities) in partnership with at least 1
18 local or regional economic development entity de-
19 scribed in paragraph (2).

20 “(2) ADDITIONAL PARTNERS.—Local or re-
21 gional economic development entities described in
22 this paragraph are the following:

23 “(A) Small business development centers.

24 “(B) Women’s business centers.

25 “(C) Regional innovation clusters.

26 “(D) Local accelerators or incubators.

1 “(E) State or local economic development
2 agencies.

3 “(c) APPLICATION.—An eligible entity seeking a
4 grant under this section shall submit an application con-
5 taining a grant proposal in such manner and containing
6 such information as the Secretaries and the Administrator
7 of the Small Business Administration shall require. Such
8 information shall include a description of the manner in
9 which small business and entrepreneurship training (in-
10 cluding education) will be provided, the role of partners
11 in the arrangement involved, and the manner in which the
12 proposal will integrate local economic development re-
13 sources and partner with local economic development enti-
14 ties.

15 “(d) USE OF FUNDS.—Grant funds awarded under
16 this section shall be used to provide training in starting
17 a small business and entrepreneurship, including through
18 online courses, intensive seminars, and comprehensive
19 courses.

20 **“SEC. 199D. AUTHORIZATION OF APPROPRIATIONS.**

21 “(a) IN GENERAL.—There are authorized to be ap-
22 propriated—

23 “(1) such sums as may be necessary to carry
24 out the program established by section 199;

1 “(2) such sums as may be necessary to carry
2 out the program established by section 199A;

3 “(3) such sums as may be necessary to carry
4 out the program established by section 199B; and

5 “(4) such sums as may be necessary to carry
6 out the program established by section 199C.

7 “(b) RECIPIENT.—For each amount appropriated
8 under paragraphs (1) through (4) of subsection (a), 50
9 percent shall be appropriated to the Secretary of Labor
10 and 50 percent shall be appropriated to the Secretary of
11 Education.

12 “(c) ADMINISTRATIVE COST.—Not more than 5 per-
13 cent of the amounts made available under paragraph (1),
14 (2), (3), or (4) of subsection (a) may be used by the Secre-
15 taries to administer the program described in that para-
16 graph, including providing technical assistance and car-
17 rying out evaluations for the program described in that
18 paragraph.

19 “(d) PERIOD OF AVAILABILITY.—Except as provided
20 in section 199A(d), the funds appropriated pursuant to
21 subsection (a) for a fiscal year shall be available for Fed-
22 eral obligation for that fiscal year and the succeeding 2
23 fiscal years.

1 **“SEC. 199E. INTERAGENCY AGREEMENT.**

2 “(a) IN GENERAL.—The Secretary of Labor and the
3 Secretary of Education shall jointly develop policies for the
4 administration of this subtitle in accordance with such
5 terms as the Secretaries shall set forth in an interagency
6 agreement. Such interagency agreement, at a minimum,
7 shall include a description of the respective roles and re-
8 sponsibilities of the Secretaries in carrying out this sub-
9 title (both jointly and separately), including—

10 “(1) how the funds available under this subtitle
11 will be obligated and disbursed and compliance with
12 applicable laws (including regulations) will be en-
13 sured, as well as how the grantees will be selected
14 and monitored;

15 “(2) how evaluations and research will be con-
16 ducted on the effectiveness of grants awarded under
17 this subtitle in addressing the education and employ-
18 ment needs of workers, and employers;

19 “(3) how technical assistance will be provided
20 to applicants and grant recipients;

21 “(4) how information will be disseminated, in-
22 cluding through electronic means, on best practices
23 and effective strategies and service delivery models
24 for activities carried out under this subtitle; and

25 “(5) how policies and processes critical to the
26 successful achievement of the education, training,

1 and employment goals of this subtitle will be estab-
2 lished.

3 “(b) TRANSFER AUTHORITY.—The Secretary of
4 Labor and the Secretary of Education shall have the au-
5 thority to transfer funds between the Department of
6 Labor and the Department of Education to carry out this
7 subtitle in accordance with the agreement described in
8 subsection (a). The Secretary of Labor and the Secretary
9 of Education shall have the ability to transfer funds to
10 the Secretary of Commerce and the Administrator of the
11 Small Business Administration to carry out sections 199B
12 and 199C, respectively.

13 “(c) REPORTS.—The Secretary of Labor and the Sec-
14 retary of Education shall jointly develop and submit a bi-
15 ennial report to the Committee on Health, Education,
16 Labor, and Pensions of the Senate and the Committee on
17 Education and the Workforce of the House of Representa-
18 tives, describing the activities carried out under this sub-
19 title and the outcomes of such activities.

20 **“SEC. 199F. DEFINITIONS.**

21 “For purposes of this subtitle:

22 “(1) COMMUNITY COLLEGE.—The term ‘com-
23 munity college’ has the meaning given the term ‘jun-
24 ior or community college’ in section 312(f) of the
25 Higher Education Act of 1965 (20 U.S.C. 1058(f)).

1 “(2) NONTRADITIONAL STUDENT.—The term
2 ‘nontraditional student’ has the meaning given the
3 term in section 803(j) of the Higher Education Act
4 of 1965 (20 U.S.C. 1161c(j)).

5 “(3) RECOGNIZED POSTSECONDARY CREDEN-
6 TIAL.—The term ‘recognized postsecondary creden-
7 tial’ means a credential consisting of—

8 “(A) an industry-recognized certificate;

9 “(B) a certificate of completion of an ap-
10 prenticeship registered under the Act of August
11 16, 1937 (commonly known as the ‘National
12 Apprenticeship Act’; 50 Stat. 664, chapter 663;
13 29 U.S.C. 50 et seq.); or

14 “(C) an associate or baccalaureate degree.

15 “(4) SECRETARIES.—The term ‘Secretaries’
16 means the Secretary of Labor and the Secretary of
17 Education.”.

18 (c) CONFORMING AMENDMENT.—The table of con-
19 tents for the Workforce Innovation and Opportunity Act
20 is amended by inserting after the items relating to subtitle
21 E of title I the following:

 “Subtitle F—Community College to Career Fund

 “Sec. 199. Community college and industry partnerships program.

 “Sec. 199A. Pay-for-Performance and Pay-for-Success job training projects.

 “Sec. 199B. Bring jobs back to America grants.

 “Sec. 199C. Grants for entrepreneur and small business startup training.

 “Sec. 199D. Authorization of appropriations.

 “Sec. 199E. Interagency agreement.

 “Sec. 199F. Definitions.”.

1 (d) **EFFECTIVE DATE.**—This section, including the
2 amendments made by this section, take effect as if in-
3 cluded in the Workforce Innovation and Opportunity Act.