

S 1021

Workforce Investment Act Amendments of 2005

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**Chamber:** Senate

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Sponsor

**Name:** Sen. Enzi, Michael B. [R-WY]

**Party:** Republican • **State:** WY • **Chamber:** Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Kennedy, Edward M. [D-MA]	D · MA		May 12, 2005

Committee Activity

Committee	Chamber	Activity	Date
Health, Education, Labor, and Pensions Committee	Senate	Reported By	Sep 7, 2005

Subjects & Policy Tags

**Policy Area:**

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Related Bills

Bill	Relationship	Last Action
109 HR 27	Related document	<b>Jul 10, 2006:</b> Message on Senate action sent to the House.
109 S 9	Related bill	<b>Jan 24, 2005:</b> Read twice and referred to the Committee on Finance.

Workforce Investment Act Amendments of 2005 - Revises and reauthorizes appropriations through FY2011 for: (1) Workforce Investment Systems for job training and employment services under title I of the Workforce Investment Act of 1998 (WIA-I); (2) Adult Basic Skills Education, including adult education and family literacy programs, under WIA title II (WIA-II); and (3) vocational rehabilitation services under the Rehabilitation Act of 1973 (RA).

**Title I: Amendments to Title I of the Workforce Investment Act of 1998** - Amends WIA-I to revise and reauthorize Workforce Investment Systems (WIS) programs.

**Subtitle A: Definitions** - (Sec. 101) Revises definitions under WIA-I.

Includes, as basic skills deficient, individuals who are unable to compute or solve problems, read, write, or speak English at a level necessary to function on the job, in the individual's family, or in society.

Includes faith-based organizations as community-based organizations.

Eliminates the requirement that the employer pay at least 50 percent of the cost of customized training. Requires, instead, that the employer pay a significant portion of such cost, as determined by the local workforce investment board (local WIB) or by the state Governor in the case of an employer in multiple local areas in the state.

Includes, as dislocated workers, spouses of active duty Armed Forces members who lose their employment because of relocating to accommodate a permanent change in the member's duty station. Includes, as displaced homemakers, dependent spouses of active duty Armed Forces members if (1) the spouse's family income is significantly reduced because of a deployment, a call or order to active duty, a permanent change of station, death or disability of the member or (2) (and, as under current law, the spouse is unemployed or underemployed and is experiencing difficulty obtaining or upgrading employment).

Includes as low-income individuals those who receive or are eligible to receive free or reduced price lunch.

**Subtitle B: Statewide and Local Workforce Investment Systems** - (Sec. 111) Includes among WIA-I purposes: (1) enhancing WIS by strengthening one-stop centers, providing for more effective governance arrangements, promoting access to a more comprehensive array of employment and training and related services, establishing a targeted approach to serving youth, improving performance accountability, and promoting state and local flexibility; (2) carrying out WIS activities so as to promote participants' informed choice and active involvement in decisions affecting their participation; and (3) having WIS be demand-driven and responsive to employer needs, including those of small employers.

(Sec. 112) Revises requirements for state workforce investment board (state board) membership. Includes as members the director of the designated state entity responsible for carrying out title I of RA, as well as state agency officials responsible for economic development. Eliminates required membership for: (1) representatives of individuals and organizations with experience in youth activities; and (2) representatives of individuals and organizations with experience and expertise in the delivery of workforce investment activities, including chief executive officers of community colleges and community-based organizations within the state.

(Sec. 113) Revises state plan requirements to provide for a four-year (currently five-year) planning cycle, with required modifications after the first two years of the four-year strategy.

Requires state plan contents to include information on how the state will: (1) serve the employment and training needs of individuals with disabilities, consistent with specified WIA-I requirements and a specified Executive Order relating to community-based alternatives, and including outreach, intake, assessments, and service delivery, performance measures development, and staff training; (2) use technology to improve access to services in remote areas; (3) assist local areas in assuring physical and programmatic accessibility for individuals with disabilities at one-stop centers; (4) coordinate workforce investment activities and economic development activities; (5) coordinate and avoid duplication among programs, including certain programs under the Social Security Act, under RA, or carried out by state agencies, relating to mental retardation and developmental disabilities; (6) use WIA-I-B funds to leverage and expand resources for provision of employment and training services, and provide incentive and technical assistance to local areas regarding leveraging funds; and (7) use WIA-I-B funds to implement innovative programs and strategies to meet the needs of all businesses in the state.

(Sec. 114) Revises requirements for designation of local workforce investment areas (local areas) to: (1) add consideration of the extent to which the local area will promote maximum effectiveness in the administration and provision of services; and (2) condition automatic designations upon the local area's having performed successfully and sustained fiscal integrity during a two-year period. Revises provisions relating to single local area states and regional planning.

(Sec. 115) Revises requirements for local workforce investment board (local board) membership.

Requires that members of the local board representing business include: (1) representatives who, collectively, represent businesses with employment opportunities that reflect the employment opportunities of the local area; (2) representatives of businesses that are in high-growth and emerging industries; and (3) representatives of local businesses, including small businesses. Requires local board membership to include: (1) a superintendent representing the local school districts involved or another high-level official; (2) the president or highest ranking official of an institution of higher education serving the local area; and (3) an administrator of local entities providing adult education and literacy activities. Requires such representatives, if there are multiple school districts or institutions of higher education serving a local area, to be appointed from among individuals nominated by regional or local educational agencies, institutions, or organizations representing such agencies or institutions. Requires representatives of community-based organizations to include organizations representing hard-to-serve populations. Requires board members to represent diverse geographic sections within the local area.

Eliminates requirements for: (1) local board membership of representatives of each of the one-stop partners; and (2) establishment of a youth council as a subgroup within the local board to develop the youth portion of the local plan, recommend eligible providers of youth activities, and coordinate youth activities. Authorizes local boards to establish councils for information and advice, including a council composed of one-stop partners to a one-stop delivery system operation and a youth council composed of experts and stakeholders in youth programs to advise on activities for youth. Requires the local board, if it does not establish a youth council, to include as board members representatives with experience serving out-of-school youth, particularly out-of-school youth facing barriers to employment.

Adds to local board functions: (1) ensuring sufficient providers of intensive and training services serving the local area in a manner that maximizes consumer choice, including providers with expertise in assisting individuals with disabilities; (2) ensuring the appropriate use and management of WIA-I-B funds; and (3) developing strategies for technology improvements to facilitate access in remote areas to local area services.

Revises provisions for alternative entities to serve as local boards.

(Sec. 116) Revises local plan requirements to provide for a four-year (reduced from the current five-year) planning cycle, with required modifications after the first two years of the four-year strategy.

Requires local plan contents to include information on how the local board will: (1) facilitate access to services provided through the one-stop delivery system in remote areas, including facilitating access through the use of technology; (2) ensure physical and programmatic accessibility for individuals with disabilities at one-stop centers; (3) coordinate workforce investment activities with economic development activities; and (4) initiate strategies and services to more fully engage all employers, including small employers, in workforce development activities.

(Sec. 117) Revises requirements for the service delivery system of one-stop career centers with partner programs.

Requires such centers to: (1) provide access through the one-stop delivery system to the programs and activities carried out by the one-stop partner, and make core services available at the centers and other appropriate locations; (2) use a portion of the partner's program funds to maintain the one-stop delivery system, including paying infrastructure costs of one-stop centers; (3) enter a memorandum of understanding with the local board about one-stop system operation; and (4) provide representation on the state board.

Revises requirements for required one-stop partners to: (1) eliminate the entity that administers the welfare-to-work program; and (2) add the entity that administers the Temporary Assistance for Needy Families (TANF) program, unless the Governor provides written notification to the Secretary of Labor (the Secretary under WIA-I) and to the Secretary of Health and Human Services that such entity will not be included. Includes as optional partners entities that administer employment and training programs administered by the Social Security Administration and employment and training programs carried out by the Small Business Administration.

Revises the memorandum of understanding developed between the local board and each partner to include provisions describing: (1) services to be provided and coordinated through the one-stop delivery system; (2) funding of costs of services and operating costs of the system to provide a stable and equitable funding stream for ongoing system operations, including center infrastructure costs; (3) methods of referring individuals between the one-stop operator and partners for services and activities; (4) methods to ensure the needs of hard-to-serve populations are addressed; and (5) memorandum duration, amendment procedures, and two-year reviews.

Eliminates provisions authorizing the local board, chief elected official, and Governor to certify an entity as a one-stop partner if there has been a one-stop delivery system established in the local area prior to enactment of the Act.

Renames individual training accounts as career scholarship accounts.

Sets forth requirements for one-stop centers with respect to: (1) assessment standards; (2) infrastructure costs; (3) options for infrastructure funding; (4) partner contributions to the state infrastructure funding mechanism, including caps on the amounts of such required contributions from various types of partners, and state allocation of such contributions; and (5) use of a portion of other federal funds for one-stop partner programs, and of noncash resources available to such programs, to pay additional costs relating to one-stop delivery system operation, including costs of providing core services.

(Sec. 118) Directs the Governor to: (1) establish criteria and procedures for determining eligible providers of training services; (2) provide a list and information to assist participants in choosing providers; and (3) provide an opportunity for interested members of the public to make recommendations and submit comments regarding such criteria, procedures, and information. Authorizes local boards to establish additional criteria or higher levels of performance than those

required under the Governor's criteria. Requires an entity that carries out programs under the National Apprenticeship Act to be included on the list of eligible providers as long as it remains certified by the Department of Labor. Authorizes reciprocal agreements between states to permit eligible providers of training services to accept career scholarship accounts provided in the other state. Directs local one-stop operators to collect performance information, make eligibility determinations, and disseminate information with respect to providers of on-the-job or customized training.

(Sec. 119) Authorizes local boards to award grants or contracts on a sole-source basis upon determination that there is an insufficient number of eligible providers of youth activities in the local area for competitive awards.

(Sec. 120) Revises requirements for youth activities. Revises state allotment of funds for Youth Challenge Grants (currently youth opportunity grants), youth activities for farmwives and Native Americans, and for the outlying areas. Reserves a specified minimum amount for youth activities for farm workers. Revises requirements for reallocation of state funds and for within-state allocation and reallocation of funds to local areas. Makes eligible for youth activities: (1) out-of-school youth aged 16 through 21 who are in specified categories, one of which is low-income; and (2) low-income in-school youth aged 14 through 21 who are in specified categories. Limits to not more than 60 percent (reduced from the current currently 70 percent) the portion of youth activities funds which may be used for in-school youth, with certain exceptions. Sets a priority on the individual's attending school regularly, in providing youth assistance to individuals subject to state compulsory school attendance laws.

Includes among permissible statewide youth activities: (1) evaluations, research, and demonstration projects; (2) incentive grants to local areas for regional cooperation, local coordination, and exemplary performance; (3) technical assistance and capacity building activities to local areas, one-stop operators, one-stop partners, and eligible providers; (4) fiscal and management accountability information systems; (5) monitoring and oversight of activities; and (6) additional assistance to local areas with high concentrations of eligible youth.

Requires local youth programs to provide: (1) linking of individual service strategies to performance measures; (2) activities leading to attaining a secondary school diploma or equivalent or other recognized credential; (3) preparation for postsecondary educational advanced training opportunities; (4) linking of academic instruction with occupational learning in attaining recognized credentials; and (5) connections to all employers, including small employers, in sectors of the local and regional labor markets that are experiencing high growth in employment opportunities. Includes among program elements: (1) on-the-job training opportunities; (2) opportunities to acquire financial literacy skills; (3) entrepreneurial skills training and micro enterprise services; and (4) information about average wages for a range of jobs available in the local area, including technology jobs. Requires local boards to establish linkages with educational agencies responsible for services to participants.

(Sec. 121) Revises formulas for determining allotment and reallocation among states, and within-state allocations and reallocations, for adult and dislocated worker employment and training activities.

Authorizes Governors to use rapid response funds remaining unexpended after the end of the program year for other required statewide employment and training activities, and for allowable activities.

Includes among required statewide employment and training activities: (1) dissemination of information on eligible providers of on-the-job and customized training, on provider performance and cost, and on physical and programmatic accessibility; (2) evaluations; (3) incentive grants; (4) strategies to ensure that activities are placing men and women in jobs, education, and training that lead to comparable pay; (5) technical assistance and capacity building; (6) fiscal and management accountability; and (7) monitoring and oversight.

Includes among allowable statewide employment and training activities: (1) innovative programs and strategies to meet business needs; (2) strategies for effectively serving hard-to-serve populations; (3) innovative programs for displaced homemakers; (4) programs to increase individuals trained for or placed in nontraditional employment; (5) remote access to services; (6) support for provision of core services; (7) improved coordination with the child welfare system, economic development activities, child support services, cooperative agricultural extension programs, and programs carried out in the local area for individuals with disabilities; (8) workforce and labor market information; (9) research and demonstration projects; and (10) development of a minimum self-sufficiency standard.

Revises required local employment and training activities to require: (1) designation of a dedicated business liaison in the local area; and (2) colocation of Wagner-Peyser Act employment services at comprehensive one-stop centers. Includes among core labor exchange services: (1) job search and placement assistance, and appropriate career counseling, including exposure to high wage, high skill jobs, and nontraditional employment; and (2) recruitment and other business services for employers.

Revises intensive services requirements. Makes eligible for intensive services: (1) unemployed individuals, if they have been determined to be unlikely or unable to obtain employment that leads to self-sufficiency or wages comparable or higher than previous employment through core services and in need of intensive services to obtain such employment; and (2) employed individuals, if they have been determined to need intensive services to obtain employment that leads to self-sufficiency. Includes among intensive services: (1) internships and work experience; (2) literacy and financial literacy activities; (3) out-of-area job search and relocation assistance; and (4) English language acquisition and integrated training programs. Authorizes case management for intensive services participants (as well as for training participants).

Revises eligibility requirements for training services to require that adults and dislocated workers to have been determined to be: (1) unlikely or unable to obtain employment that leads to self-sufficiency or wages comparable or higher than previous employment through intensive services; (2) in need of training services to obtain such employment, and (3) possessed of the skills and qualifications to participate in training. Includes among training services English language acquisition and integrated training programs.

Renames individual training accounts as Career Scholarship Accounts (CSAs). Authorizes local boards to: (1) coordinate CSAs with other job training programs or sources to assist the individual in obtaining training; and (2) enter contracts with institutions of higher education for training services for multiple individuals in high-demand occupations, if such contracts do not limit customer choice.

Includes among permissible local activities: (1) customized screening and referral of participants; (2) customized fee-for-service employment services; (3) customer support for hard-to-serve populations; (4) technical assistance and capacity building for serving individuals with disabilities; (5) coordination with child support services and enforcement activities, cooperative agricultural extension programs, economic development activities, and local area programs for individuals with disabilities; (6) remote access to services; (7) improved linkages with employers; (8) training programs for displaced homemakers and individuals training for nontraditional occupations; (9) business services and strategies; and (10) adjustment of the self-sufficiency standard. Authorizes local areas to use funds to provide work support activities for low-wage workers through the one-stop delivery system.

Provides for incumbent worker training programs. Authorizes local boards to use up to ten percent of local funds to pay for the federal share of such programs. Requires employers to pay the nonfederal share, based on their size, of the costs of training their incumbent workers, as follows: (1) 10 percent for employers with 50 or fewer employees; (2) 25 percent for those with more than 50 but less than 100; and (3) 50 percent for those with more than 100.

(Sec. 122) Revises the performance accountability system of state and local performance measures. Revises adult performance indicators to include increases in earning from unsubsidized employment (replacing the indicator of earnings received in unsubsidized employment six months after entry into employment). Revises core indicators for youth to include: (1) entry into employment, education, advanced training, or military service; (2) attainment of secondary school diplomas or recognized equivalents, and postsecondary certificates; and (3) literacy and numeracy gains. Requires state and local performance levels to be adjusted to reflect economic conditions and characteristics of the population to be served. Directs the Secretary to establish national goals for adjusted levels for systemwide performance. Requires state reports to include information on: (1) the amount and percentage of funds spent on business services; (2) the number of participants served and the cost per participant; and (3) the amount of adult and dislocated worker funds spent on core, intensive, and training services.

Subjects states and local areas to sanctions if they perform at less than 80 percent of the adjusted level of performance for core indicators of performance for two consecutive years. Revises requirements for incentive grants to local areas to include each of the following as a basis for a grant award: (1) exemplary performance in serving hard-to-serve populations; (2) effective coordination of multiple systems in a comprehensive workforce development system; or (3) expanded access to training; and implementing innovative business and economic development initiatives.

(Sec. 123) Extends through FY2011 the authorizations of appropriations for activities for: (1) adult employment and training; (2) youth; and (3) dislocated worker employment and training.

**Subtitle C: Job Corps** - (Sec. 131) Revises Job Corps requirements relating to industry councils to: (1) eliminate required inclusion of local and distant employers; (2) allow inclusion of employers from outside the local area who are likely to hire a significant number of enrollees from the Job Corps Center; and (3) require inclusion of a state board representative on such a council within a single local area state. Eliminates certain provisions for establishing performance indicators. Directs the Secretary to establish annually expected levels of performance for Job Corps centers and the Job Corps program relating to each of the core indicators for WIA youth activities. Extends through FY2011 the authorization of appropriations for the Job Corps.

**Subtitle D: National Programs** - (Sec. 141) Revises Native American programs to authorize the Secretary to provide assistance to unique populations in Alaska and Hawaii to improve job training and workforce investment activities. Authorizes appropriations for such assistance for FY 2004. Requires the Secretary in consultation with the Native American Employment and Training Council, to develop performance indicators that are appropriate to the Native American program.

(Eliminates provisions for assistance for American Samoans in Hawaii, for which funds were authorized for FY 1999.)

(Sec. 142) Includes permanent housing among the types of assistance that may be provided under migrant and seasonal farmworker programs

(Sec. 143) Retains current provisions for veterans' workforce investment programs.

(Sec. 144) Replaces the youth opportunity grants program with a Youth Challenge Grants program for in-school and out-of-school youth aged 14 through 21. Directs the Secretary to use at least 80 percent of program funds for competitive grants to states, local boards, Native American grant recipients, and public or private entities applying with local boards in order to assist youth to acquire skills, credentials, and employment experience to succeed in the labor market. Authorizes the Secretary to use up to 20 percent of program funds for discretionary grants to public or private entities to assist youth to prepare for, enter, and retain employment. Requires grantees to provide ten percent matching funds.

(Sec. 145) Revises requirements for technical assistance to include among authorized uses of funds peer review activities, training of staff, and training of state and local boards. Directs the Secretary to: (1) establish a system for states to share information on best practices for operating workforce investment activities; (2) evaluate and disseminate information on best-practices; and (3) identify knowledge gaps and commission research to address them.

(Sec. 146) Revises requirements for demonstration, pilot, multiservice, research, and multistate projects. Includes among demonstration and pilot projects ones to: (1) help national employers to recruit and employ workers for career ladder jobs; (2) develop systems to improve program effectiveness; (3) focus on industries and sectors that experience, or are likely to experience, high-growth and jobs leading to self-sufficiency; (4) integrated systems training; (5) state and local testing of innovative approaches to workforce delivery services; (6) provide retention grants to qualified job training programs; (7) target innovations in access to and delivery of workforce services; (8) promote use of distance learning; and (9) provide comprehensive education and training services and support services, in coordination with local boards, for populations in high poverty areas.

Directs the Secretary, in coordination with the Secretary of Education, to carry out studies and reports on the net impact of programs, services and activities under WIA-I. Includes among such net impact studies ones on: (1) resources available to assist out-of-school youth; (2) industry-based certification and credentials; and (3) the effectiveness of the workforce investment system in meeting business needs.

Directs the Secretary to carry out up to ten pilot projects to establish a system of industry-validated certifications of skills, including eight in high-technology industries and two in cross-disciplinary skills in homeland security technology. Provides for competitive grants to eligible entities. Requires eligible entities to work with the local board and include as a principal participant one of the following: (1) a community college; (2) an advanced technology education center; (3) a local workforce investment board; (4) a representative of a business in the target industry for the certification involved; and (5) a representative of an industry organization, labor organization, or community development organization.

Authorizes use of grant funds to: (1) establish certification requirements for an industry; (2) develop and initiate certification programs including preparatory courses, course materials, procedures, and examinations; and (3) collect and analyze data at the program's completion, including best practices that may be used by local and state boards. Requires such certification requirements to: (1) be linked to those developed by the National Science Foundation (NSF) Advanced Technological Education Program (NSF program); and (2) require an individual to demonstrate an identifiable set of competencies related to an industry, including evidence of a transferable skill. Directs the Secretary to: (1) consult with the NSF Director to ensure that such pilot projects are consistent with the best practices from the NSF program; (2) analyze and collect the data from the pilot projects; (3) establish the core components of a model high-technology certification program; (4) establish guidelines to assure the development of a uniform set of standards and policies for such programs; (5) report to specified congressional committees; and (6) make the data and report available to the public. Authorizes appropriations for FY 2004 for such pilot projects.

Directs the Secretary in consultation with the Secretary of Education, to award at least ten competitive grants to eligible entities for demonstration projects to integrate English language proficiency and occupational training. Requires the Secretary to select programs for such grant awards to ensure that competitive data on multiple approaches to integrated workforce training and language instruction be obtained. Requires eligible entities to work with the local board and include as a principal participant one of the following: (1) an employer or employer organization; (2) a nonprofit provider of English instruction; (3) a provider of occupational or skills training; (4) a community based organization; (5) an educational institution, including a two- or four-year college, or a technical or vocational school; (6) a labor organization;



and (7) a local board. Directs the Secretary to: (1) analyze and collect program data; (2) report to specified congressional committees; and (3) make the data and report available to the public. Authorizes appropriations for FY 2004 for such demonstration projects.

(Sec. 147) Revises and renames national emergency grants as National Dislocated Worker Grants. Includes among authorized uses of Authorizes the use of such grants providing to provide assistance to: (1) a state or local board where a higher than average demand for employment and training services for dislocated members of the Armed Forces, or spouses of members of the Armed Forces, exceeds state and local resources for providing them, and where such programs are to be carried out in partnership with the Department of Defense and Department of Veterans Affairs transition assistance programs; and (2) states for statewide or local use to address cases in which there have been worker dislocations across multiple sectors or across multiple local areas, and such workers remain dislocated, coordinate the state plan with emerging economic development needs, and train eligible individuals who are dislocated workers.

(Sec. 148) Extends through FY2011 the authorization of appropriations for national activities, including programs for: (1) Native Americans; (2) migrant and seasonal farmworkers; (3) veterans' workforce investment; (4) technical assistance; (5) demonstration and pilot projects; (6) evaluations; and (7) incentive grants.

**Subtitle E: Administration** - (Sec. 151) Repeals a prohibition against using WIA-I funds for economic development activities that are not directly related to training for eligible individuals under WIA-I.

(Sec. 152) Allows the use of electronic methods to submit or disseminate required reports and other information under WIA-I.

(Sec. 153) Directs the Secretary to: (1) include in annual reports information on negotiated levels of states' performance, states' requests for adjustments of such levels, and any such adjustments that are made; (2) not waive statutory or regulatory requirements relating to the funding of infrastructure costs for one-stop centers; and (3) expedite certain approved state requests for waivers of statutory or regulatory requirements, if specified requirements have been met.

(Sec. 154) Transfers to states any federal equity in state employment security agency real property.

(Sec. 155) Prohibits WIA-I funds from being used to establish or operate any stand-alone fee-for-service enterprises (except one-stop service delivery systems) that compete with private sector employment agencies.

**Subtitle F: Incentive Grants** - (Sec. 161) Revises WIA requirements for incentive grants to states. Directs the Secretary, beginning on July 1, 2006, to award an incentive grant to each state on the basis of their: (1) having exceeded their adjusted levels of performance for WIA titles I and II and Carl D. Perkins Vocational and Technical Education Act of 1998; (2) exemplary performance in serving hard-to-serve populations; or (3) coordinating multiple systems into a more effective workforce development system, expanding access to training, or implementing innovative business and economic development activities. Or (4) other performance factors the Secretary determines appropriate. Allows use of such incentive grant funds for activities under WIA-I youth and adult provisions, WIA-II, and Carl D. Perkins Vocational and Technical Education Act of 1998.

**Subtitle G: Conforming Amendments** - Sets forth conforming amendments to the Trade Act of 1974, the Adult Education and Family Literacy Act, and the Older Americans Act of 1965.

**Title II: Amendments to the Adult Education and Family Literacy Act** - Adult Education and Family Literacy Act

Amendments of 2005 - Revises and reauthorizes WIA-II, the Adult Education and Family Literacy Act (AEFLA).

(Sec. 201) Includes among its purposes assistance for: (1) adults in the transition to postsecondary education; and (2) immigrants, and others with limited English proficiency, in improving their reading, writing, speaking, and mathematics skills and in acquiring an understanding of the U.S. free enterprise system, individual freedom, and citizenship responsibilities.

(Sec. 202) Revises definitions, including those of adult education, adult education and literacy activities, and English language acquisition. Revises requirements relating to eligible activities, including mathematics skills programs and workplace literacy programs. Includes among requirements for Requires eligible providers that they to be organizations with demonstrated effectiveness. The bill adds the word coalition to the current definition of consortium. Sets forth essential components of reading instruction, conforming to those under the Elementary and Secondary Education Act of 1965 (ESEA).

(Sec. 203) Extends through FY2011 the authorization of appropriations for AEFLA programs.

(Sec. 204) Exempts home schools from AEFLA requirements, regardless of whether a home school is treated as a home school or a private school under state law. Exempts parents engaged in home schooling from being compelled to participate in an English literacy program, family literacy services, or adult education.

(Sec. 205) Reserves specified portions of AEFLA funds for: (1) the National Institute for Literacy; (2) national leadership activities; (3) incentive grants; and (4) integrated English literacy and civics education. Revises certain hold-harmless provisions for allotments to eligible agencies, including certain additional assistance grants in specified cases.

(Sec. 206) Revises performance accountability system requirements. Provides for: (1) employment performance indicators; and (2) a program improvement plan, if eligible agencies do not meet adjusted levels of performance for core indicators. Allows: (1) special accountability measures for workplace literacy programs; and (2) use of assessment systems that are not commercially available, if certain standards are met. Modifies: (1) the timetable for agreement on eligible agency adjusted levels of performance; and (2) content and recipients of eligible agencies' required annual reports.

(Sec. 207) Includes monitoring among required state administrative activities.

(Sec. 208) Revises state distribution of funds and matching funds requirements. Allows states to use up to 15 percent of their grants for state leadership activities. Increases the minimum administrative set-side amount.

(Sec. 209) Revises state leadership activities to include: (1) implementing technology-related applications, translation technology, or distance learning, including professional development to support use of instructional technology; (2) expanding collaboration between agencies, including postsecondary institutions; (3) coordinating with mental health services activities to promote workplace literacy programs; (4) creating scientifically-based curricula; (5) developing assessments to identify the needs and capture the gains of students, emphasizing students at the lowest achievement level, students who have limited English proficiency, and adults with learning disabilities; and (6) programs to meet the needs of individuals with disabilities, limited English proficiency, or other special needs.

(Sec. 210) Revises state plan requirements to provide for a four-year (currently reduced from the current five-year) planning cycle, with required modifications after the first two-years of the four-year strategy.

Requires state plan contents to include information on how the state or its eligible agency will: (1) address the adult

education and literacy needs in each workforce development area; (2) hold eligible providers accountable for performance; (3) improve the quality of teaching and instruction; (4) assure it will award at least one grant to an eligible provider that offers flexible schedules and coordinates with necessary federal, state, and local support services; (5) include various stakeholders in the process of public participation and comment with respect to the state plan; (6) have strategies to address the unemployed and underemployed; (7) coordinate the AEFLA (WIA-II) state plan with the state plan submitted under WIA-I; (8) build the capacity of adult education and literacy providers and increase the participation of business and industry; (9) consult with any state agencies responsible for postsecondary education to develop adult education programs and services to prepare students to enter postsecondary education; (10) consult with the state agency responsible for workforce development to develop adult education programs and services that prepare students to enter the workforce; and (11) improve the professional development of eligible providers.

(Sec. 211) Changes the term basic education to adult education and literacy activities, under programs for corrections education and for other institutionalized individuals.

(Sec. 212) Includes among considerations in making grants and contracts to eligible providers their abilities to: (1) respond to local needs, including those of individuals with learning disabilities or limited English proficiency; (2) produce information on performance results; (3) provide services based on the most rigorous research available; (4) apply technology and services to improve learning; and (5) serve adult learners with learning disabilities.

(Sec. 213) Requires local applications to include information that addresses each of the considerations required in making grants and contracts to eligible providers.

(Sec. 214) Revises local administrative cost limits to permit local providers to use their administrative cost allowance for: (1) professional development; and (2) development of measurable goals in reading, writing, speaking, and mathematical computation.

(Sec. 216) Revises requirements for the National Institute for Literacy (NIL). Requires NIL to: (1) coordinate and participate in the federal effort to identify and disseminate information on literacy that is derived from scientifically-based research or the most rigorous research available, and from effective programs serving children, youth, adults, and families; and (2) cooperate with the Department of Education to assist states pursuing implementation of standards-based educational improvements for adults; and (3) identify rigorous research on the effectiveness of instructional practices and organizational strategies relating to literacy programs on acquisition of skills in reading, writing, English acquisition, and mathematics.

(Sec. 217) Revises the program of national leadership activities to be carried out by the Secretary of Education (the Secretary under WIA-II, AEFLA). Includes among permissible activities: (1) supporting development of an entity to produce and distribute technology-based programs and materials for adult education and literacy programs using an interconnection system and to expand the effective outreach to and use of such programs and materials by adult education eligible providers; and (2) determining how participation in adult education and literacy activities prepares individuals for entry into postsecondary education and employment, and in the case of prison-based services, has an effect on recidivism.

(Sec. 218) Directs the Secretary to make grants to states for integrated English literacy and civics education on the basis of a specified allotment formula relating to numbers of immigrants admitted for legal permanent residence.

**Title III: Amendments to Other Provisions of Law -** (Sec. 301) Amends the Wagner-Peyser Act to require employment services offices in each state to be colocated with comprehensive one-stop centers under WIA-I.

Renames and revises Wagner-Peyser Act provisions for a nationwide workforce and labor market information system (currently a nationwide employment statistics system). Authorizes the Secretary of Labor (the Secretary under this title) in consultation with the states, to assist in developing national electronic tools to improve access to workforce information for individuals through one-stop and other appropriate delivery systems. Directs the Secretary: (1) through the Bureau of Labor Statistics (BLS), and in cooperation with states and the Employment and Training Administration (ETA), to prepare a two-year plan for achieving cooperative management of such nationwide information system and the statewide systems that compose it; and through BLS and in coordination with ETA, consult annually with representatives of each of the ten federal regions of the Department of Labor elected from state directors of agencies performing system duties. Extends through FY2011 the authorization of appropriations for the Secretary to carry out such information system activities through grants or cooperative agreements with the states.

**Title IV: Rehabilitation Act Amendments** - Rehabilitation Act Amendments of 2005 - Amends the Rehabilitation Act of 1973 (RA) to revise and reauthorize vocational rehabilitation services programs.

(Sec. 403) Includes among RA purposes giving opportunities for employers and rehabilitation service providers to provide meaningful input at all levels of government to ensure successful employment of individuals with disabilities.

(Sec. 404) Directs the Secretary of Education (the Secretary under this title) to ensure that the Rehabilitation Services Administration has sufficient staff to provide oversight of, conduct auditing of, and provide technical assistance to, the designated State agencies funded under RA, and that such staff include individuals who have training in and experience with the provision of vocational rehabilitation services.

(Sec. 405) Revises RA definitions to include under independent living any core services maintaining individuals with significant disabilities in, or transitioning individuals with significant disabilities to, community-based living. Includes a person's need for literacy services and skills as part of the assessment of needs and eligibility for services. Adds definitions of consumer organizations, literacy, post-employment services, and students with disabilities.

(Sec. 406) Authorizes the Commissioner of the Rehabilitation Service Administration (the Commissioner) to provide technical assistance to the designated state units on developing successful partnerships with employers.

(Sec. 407) Directs the Commissioner to ensure that reports and other specified information will be posted in timely manner on the website of the Department of Education.

(Sec. 408) Eliminates provisions for carryover of funds for centers for independent living and for independent living services for the older blind.

Sets forth provisions relating to unobligated and unexpended funds for client assistance programs and programs for protection and advocacy for individual rights. Requires appropriated funds for such programs to remain available for the succeeding fiscal year. Requires income attributed to such programs to remain available until expended.

**Subtitle A: Vocational Rehabilitation Services** - (Sec. 411) Extends through FY2011 the authorizations of appropriations for various programs of vocational rehabilitation services (VRS) under RA.

(Sec. 412) Revises requirements for state plans for VRS. Requires the designated state agencies for VRS (state agencies) to recruit individuals with disabilities. Includes, under the comprehensive system of personnel development, training implemented in coordination with state programs under the Assistive Technology Act of 1998. Provides that, in determining comparable benefits of services for persons who receive services under the Ticket to Work and Self-

Sufficiency Program (TWSS) under the Social Security Act, comparable benefits include only those benefits and services identified in the individual's individualized work plan developed by an employment network. Revises reporting requirements to include information on eligible individuals receiving services that is needed to assess performance on the core indicators of performance under WIA. Includes state programs carried out under the Assistive Technology Act of 1998 in required descriptions of interagency cooperation.

Requires the state agency to: (1) coordinate with the state education agency in planning the development and completion of the individualized plan for employment under the VRS program, in order to achieve post-school employment outcomes of students with disabilities as appropriate; (2) coordinate activities with any other state agency that administers a TWSS program; (3) provide information, to individuals entitled to Social Security or Supplemental Security Income (SSI) benefits on the basis of a disability or blindness, on the availability of Medicaid and Medicare benefits, the work incentive planning and assistance grant program, protection and advocacy programs under state grants for work incentives, and medical assistance under other federally-funded programs; and (4) provide information, to specified individuals who are also eligible for assistance under the TWSS program, on how to contact the TWSS program manager to obtain information on approved employment networks. Requires that referral to a specific point of contact be made to the maximum extent possible. Provides for information that will assist the individual to advance in employment.

(Sec. 413) Requires state agencies to include among information for individuals in developing an individualized plan for employment (IPE): (1) a listing of community resources, including consumer organization resources, available to assist, and enable informed choices by, the individual in developing an IPE; (2) provide information, to individuals entitled to Social Security or Supplemental Security Income (SSI) benefits on the basis of a disability or blindness, on the availability of benefits under Medicaid and Medicare, the work incentive planning and assistance grant program, protection and advocacy programs under state grants for work incentives, and medical assistance under other federally-funded programs; and (3) provide information, to specified individuals who are also eligible for assistance under the TWSS program, on how to contact the TWSS program manager to obtain information on approved employment networks.

Requires IPEs to be amended, as necessary, to include post-employment services and service providers necessary for the individual to maintain, regain, or advance in employment, consistent with the individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. Includes descriptions of technology services and mentoring services among those VRS required, as appropriate, as components of an IPE. Requires IPEs for students with disabilities to include a description of the student's projected post-school employment outcome and the specific transition services, including appropriate work experience and mentoring activities, needed to achieve the student's employment outcome or projected employment outcome. Requires IPEs for individuals receiving assistance under the TWSS program to include a list of services the individual receives from an employment network other than the VRS agency.

(Sec. 414) Includes literacy services and mentoring services on the list of VRS for individuals.

(Sec. 415) Requires at least one American Indian Vocational Rehabilitation Service director to be on any state rehabilitation council in a state in which one or more projects provide RA services for tribal programs. Authorizes state councils to select chairpersons from among their voting membership.

(Sec. 416) Directs the Commissioner, if the state has not improved its performance to acceptable levels as determined by the Commissioner, to require the state to make further revisions to the plan to improve performance. Allows such revisions to include allocating a higher proportion of the state's resources for services to individuals with disabilities if the state's spending on such services is low in comparison to spending by comparable agencies in other states.

(Sec. 417) Revises monitoring and review provisions to require the Commissioner to consult with the Department of Labor, the Small Business Administration, other appropriate Federal agencies, and businesses or business-led intermediaries in providing technical assistance to improve quality of VRS programs through: (1) state partnerships with local and multi-state businesses to employ individuals with disabilities; and (2) developing self-employment opportunities and improving employment outcomes for individuals with disabilities.

(Sec. 418) Revises state allotment provisions relating to unused funds, redistribution, and increases in amounts.

(Sec. 419) Requires each state to reserve an amount from its allotment for expanded transition services.

(Sec. 420) Revises provisions for client assistance program grants to require allotments to public or private agencies designated by the Governor of each state and to designated agencies located in specified U.S. territories (current allotments are to states and territories). Directs the Secretary, if program funding reaches specified amounts respectively, to reserve certain funds to make grants for: (1) the protection and advocacy system serving the American Indian Consortium; and (2) training and technical assistance for client assistance programs. Requires such training and technical assistance to be coordinated with protection and advocacy activities under title V of RA. Extends through FY2011 the authorization of appropriations for the client assistance program.

(Sec. 421) Authorizes the Commissioner to make incentive grants to states that demonstrate a high level of performance and a significantly improved level of performance compared to the previous reporting periods. Directs the Commissioner to establish criteria for making grant awards. Authorizes appropriations for FY2006-FY2011 for such incentive grants.

(Sec. 422) Revises requirements for vocational rehabilitation services grants to require that services provided are consistent with individuals' strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice, so that they may prepare for, and engage in, gainful employment.

Requires a representative of the tribal vocational rehabilitation program to make all decisions affecting eligibility for VRS, the nature and scope of available services, and the provision of such services under the tribal program.

Requires applications that comply with regulatory requirements to be effective for five years and to be renewed for additional five-year periods if the Commissioner determines the grantee demonstrated acceptable past performance and the grantee submits a plan to be approved by the Commissioner that identifies future performance criteria, goals, and objectives.

Directs the Secretary to give priority to paying continuation costs of existing projects. Authorizes the Secretary to provide for necessary increases in funding for such projects.

(Sec. 423) Directs the Comptroller General to study and report to specified congressional committees on: (1) the interaction of RA title I with the TWSS program; and (2) the relationship between the RA title I state allotment formula and the ability of states to provide vocational rehabilitation services in accordance with state plan requirements.

**Subtitle B: Research and Training** - (Sec. 431) Extends through FY2011 the authorization of appropriations for: (1) expenses of the National Institute on Disability and Rehabilitation Research (NIDRR) in the Department of Education, including those of the Rehabilitation Research Advisory Council (RRAC); and (2) research and other covered activities of NIDRR.

(Sec. 432) Revises requirements for Requires scientific peer review of applications to the NIDRR Director for research, training, and demonstration projects to require scientific peer review of such applications to be conducted by individuals

who are not Department of Education employees. (Thus allows federal employees outside the Department of Education to conduct such peer review. Current law prohibits any federal employee from conducting one.)

(Sec. 433) Increases the amount of the maximum limit on any grant for research and other covered activities which applies if there was no site visit included in the peer review of the grant application.

(Sec. 434) Requires RRAC to include a representative from the business community who has experience with the vocational rehabilitation system and hiring individuals with disabilities.

**Subtitle C: Professional Development and Special Projects and Demonstrations** - (Sec. 441) Extends through FY2011 the authorization of appropriations for professional development and training under RA.

Includes among professional training projects: (1) rehabilitation for the blind; and (2) orientation and mobility instruction.

(Sec. 442) Revises requirements for demonstration and training programs. Directs the Commissioner to give priority consideration to at least two special projects and demonstration programs for adults who are either low-functioning and deaf or low-functioning and hard of hearing, in announcing competitions for grants and contracts under provisions for demonstration projects to increase client choice.

Establishes two new demonstration programs. Authorizes the Secretary to make grants for demonstration projects for employment of: (1) students with intellectual disabilities or mental illness, through supported and competitive employment experiences for such students and training for school and transition personnel; and (2) individuals who are deaf and low-functioning, through instruction to be implemented at multiple training locations through means such as distance learning and use of advanced technology. Authorizes appropriations for FY2006-FY2011 for these new grant programs.

Establishes an Access to Telework program. Authorizes the Commissioner to make grants to applicant states (and governing bodies of Indian tribes located on federal and state reservations, and consortia of such governing bodies) to pay for the federal share (ten percent) of the cost of establishing a telework program. Requires states receiving such grants to establish and expand telework programs that provide loans to individuals with disabilities to enable them to purchase computers or other equipment to work from home or other telework sites.

(Sec. 443) Extends through FY2011 the authorization of appropriations for RA programs for migrant and seasonal farmworkers.

(Sec. 444) Extends through FY2011 the authorization of appropriations for RA recreational programs.

Prohibits use of such funding for construction of facilities for aquatic rehabilitation therapy.

**Subtitle D: National Council on Disability** - (Sec. 451) Extends through FY2011 the authorization of appropriations for the National Council on Disability.

**Subtitle E: Rights and Advocacy** - (Sec. 461) Extends through FY2011 the authorization of appropriations for the Architectural and Transportation Barriers Compliance Board.

(Sec. 462) Amends RA to extend through FY2011 the authorization of appropriations for support of state systems for the protection and advocacy of the rights of individuals with disabilities who need services beyond those of the client assistance program and who are otherwise ineligible for certain related federal programs.

Declares that program income generated from the amount paid directly to an eligible state system shall remain available

until expended. Allows the eligible system for the protection and advocacy of individual rights grant to keep program income generated from the grant for use until expended.

**Subtitle F: Employment Opportunities for Individuals With Disabilities** - (Sec. 471) Revises provisions for projects with industry to require business advisory councils to coordinate activities with the Job Corps center industry councils.

(Sec. 472) Extends through FY2011 the authorization of appropriations for projects with industry.

(Sec. 473) Extends through FY2011 the authorization of appropriations for services for individuals with significant disabilities.

**Subtitle G: Independent Living Services and Centers for Independent Living** - (Sec. 481) Requires the state plan to describe how the state will provide independent living services (ILS) that promote full access to community life for individuals with significant disabilities. Includes among such ILS: (1) facilitating transitions to community-based residences from nursing homes and other institutions, including those for individuals with cognitive disabilities; (2) assisting to remain in the community individuals with significant disabilities who are at risk of entering institutions; and (3) promoting home ownership among individuals with significant disabilities.

(Sec. 482) Requires a statewide independent living council to include at least one American Indian Vocational Rehabilitation Service director, in any state in which one or more projects provide services for American Indians under specified RA provisions. Requires statewide councils to select their chairperson from among their voting membership.

(Sec. 483) Extends through FY2011 the authorization of appropriations for services for ILS.

(Sec. 484) Revises centers for independent living (ILC) program authorization provisions with respect to: (1) allotments to states from base appropriations and from additional appropriations; and (2) carryover authority.

(Sec. 485) Revises requirements for grants to ILCs in states in which federal funding exceeds state funding to require the Commissioner to award grants to any eligible agency that has been awarded such a grant during the preceding fiscal year.

(Sec. 486) Revises requirements for grants to ILCs in states in which state funding equals or exceeds federal funding to require the Director of a state designated unit to award grants to any eligible agency that has been awarded such a grant during the preceding fiscal year.

(Sec. 487) Requires ILCs to provide ILS that promote full access to community life for individuals with significant disabilities. Includes among such ILS: (1) facilitating transitions to community-based residences from nursing homes and other institutions, including those for individuals with cognitive disabilities, (2) assisting to remain in the community individuals with significant disabilities who are at risk of entering institutions; and (3) promoting home ownership among individuals with significant disabilities.

(Sec. 488) Extends through FY2011 the authorization of appropriations for ILCs.

(Sec. 489) Establishes training and technical assistance requirements under the program of ILS for older individuals who are blind. Directs the Commissioner to: (1) reserve a specified portion of any excess appropriation to carry out such training and other technical assistance; (2) make grants to, and contracts and other arrangements with, entities that demonstrate expertise in providing services to such individuals; (3) provide training and technical assistance in planning, developing, conducting, administering, and evaluating ILS for such individuals; and (4) survey designated state agencies



to determine training and technical assistance funding priorities. Prohibits combining such reserved funds with funds under any other part of RA or other Act to make a single discretionary grant or payment, unless such program funds are separately identified in such grant or payment and used for program purposes.

(Sec. 490) Permits states to expend grant funds for certain purposes through contracts as well as through grants, under the program of ILS for older individuals who are blind. Eliminates a grant requirement relating to a state plan for independent living. Increases the minimum allotments for a fiscal year for states and for territories under such grants program.

(Sec. 491) Extends through FY2011 the authorization of appropriations for the program of ILS for older individuals who are blind.

**Subtitle H: Miscellaneous** - (Sec. 495) Amends the Helen Keller National Center Act to extend through FY2011 the authorization of appropriations for such Act in general and for the Helen Keller National Center Federal Endowment Fund.

**Title V: Transition and Effective Date** - Sets forth requirements for transitions under, and the effective date of, this Act.

### Actions Timeline

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- **Jun 29, 2006:** Measure laid before Senate by unanimous consent. (consideration: CR S7181-7219; text of measure as reported: CR S7181-7218)
- **Jun 29, 2006:** The committee substitute as amended agreed to by Unanimous Consent.
- **Jun 29, 2006:** Senate incorporated this measure in H.R. 27 as an amendment.
- **Jun 29, 2006:** Senate passed companion measure H.R. 27 in lieu of this measure by Unanimous Consent.
- **Jun 29, 2006:** Returned to the Calendar. Calendar No. 203.
- **Jun 29, 2006:** See also H.R. 27.
- **Sep 7, 2005:** Committee on Health, Education, Labor, and Pensions. Reported by Senator Enzi with an amendment in the nature of a substitute. With written report No. 109-134. Additional views filed.
- **Sep 7, 2005:** Committee on Health, Education, Labor, and Pensions. Reported by Senator Enzi with an amendment in the nature of a substitute. With written report No. 109-134. Additional views filed.
- **Sep 7, 2005:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 203.
- **May 18, 2005:** Committee on Health, Education, Labor, and Pensions. Ordered to be reported with an amendment in the nature of a substitute favorably.
- **May 12, 2005:** Introduced in Senate
- **May 12, 2005:** Sponsor introductory remarks on measure. (CR S5114)
- **May 12, 2005:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (text of measure as introduced: CR S5114-5153)