

7 A.M.

CALLED FOR IN THE RECORD

(2)

CONGRESS

SESSION

S. 974

(NOTE.—Fill in all blank lines except those provided for the date and number of bill.)

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2,115
X copies

Set Endorsement

IN THE SENATE OF THE UNITED STATES

for himself FEB 3 1965

Mr. CLARK

MR. Pell

introduced the following bill; which was read twice and referred to the Committee on

LABOR AND PUBLIC WELFARE

1/30/65

A B I L L

To amend the Manpower Development and Training Act of 1962, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Manpower Act of 1965".

SEC. 2. (a) Section 102(5) of the Manpower Development and Training Act, as amended (hereinafter referred to as "the Act"), is amended by adding a comma after the word "arrange" and inserting "through grants or contracts," immediately following the comma.

(b) Section 102 of the Act is further amended by adding new paragraphs (6) and (7) at the end thereof to read as follows:

(6) establish a program of experimental, developmental, demonstration, and pilot projects, through grants or contracts, with public or private nonprofit agencies, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting the manpower, employment, and training problems of worker groups such as the long-term unemployed, disadvantaged youth, displaced older workers, the handicapped, members of minority groups, and other similar groups. In carrying out this subsection the Secretary of Labor shall, where appropriate, consult with the Secretaries of Health, Education, and Welfare, and Commerce, and the Director of the Office of Economic Opportunity. Where programs under this section require institutional training,

appropriate arrangements for such training shall be agreed to by the Secretary of Labor and the Secretary of Health, Education, and Welfare. He shall also seek the advice of consultants with respect to the standards governing the adequacy and design of proposals, the ability of applicants, and the priority of projects in meeting the objectives of the Act;

① "(7) stimulate and assist, in cooperation with interested agencies both public and private, job development programs, through on-the-job training and other suitable methods, that will serve to expand employment by the filling of those service and related needs which are not now being met because of lack of trained workers or other reasons affecting employment or opportunities for employment."

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① SEC. 3. Sections 103 and 104 are renumbered 105 and 106 and new sections 103 and 104 are added to read as follows:

"LABOR MOBILITY DEMONSTRATION PROJECTS - *sect*

① SEC. 103. (a) During the period ending June 30, 1967, the Secretary of Labor shall develop and carry out, in a limited number of geographical areas, pilot projects designed to assess or demonstrate the effectiveness in reducing unemployment of programs to increase the mobility of unemployed workers by providing assistance to meet their relocation expenses. In carrying out such projects the Secretary may provide such assistance, in the form of grants or loans, or both, only to involuntarily unemployed individuals who cannot reasonably be expected to secure full-time

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employment in the community in which they reside, have bona fide offers of employment (other than temporary or seasonal employment), and are deemed qualified to perform the work for which they are being employed.

Ⓟ "(b) Loans or grants provided under this section shall be subject to such terms and conditions as the Secretary shall prescribe, with loans subject to the following limitations:

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Ⓟ (1) there is reasonable assurance of repayment of the loan;

Ⓟ (2) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

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Ⓟ (3) the amount of the loan, together with other funds available, is adequate to assure achievement of the purposes for which the loan is made;

Ⓟ (4) the loan bears interest at a rate not less than (A) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (B) such additional charge, if any, toward covering other costs of the program as the Secretary may determine to be consistent with its purposes; and

Ⓟ (5) the loan is repayable within not more than 10 years.

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Ⓟ "(c) Of the funds appropriated for a fiscal year to carry out this Act, not more than \$5,000,000 may be used for the purposes of this section.

"TRAINEE BONDING DEMONSTRATION PROJECTS - *sec 104*

Ⓟ "SEC. 104. During the period ending June 30, 1967, the Secretary shall develop and carry out experimental and demonstration projects to assist in the placement of persons seeking employment through a public employment office who have successfully completed or participated in a federally ~~assisted~~ or financed training, counseling, work training, or work experience program and who, after appropriate counseling, have been found by the Secretary to be qualified and suitable for the employment in question, but to whom employment is or may be denied for reasons other than ability to perform, including difficulty in securing bonds for indemnifying their employers against loss from the infidelity, dishonesty, or default of such persons. In carrying out these projects the Secretary may make payments to or contracts with employers or institutions authorized to indemnify employers against such losses. Of the funds appropriated for fiscal years ending June 30, 1966, and June 30, 1967, not more than \$200,000 and \$300,000, respectively, may be used for the purpose of carrying out this section."

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① SEC. 4. Section 202(i) of the Act is amended by striking the words "and such persons shall be eligible for training allowances for not to exceed an additional twenty weeks.", and by changing the comma after the word "Act" to a period.

① SEC. 5. (a) Section 203(a) of the Act is amended as follows:

① (1) Amend the second sentence thereof to read as follows:

"Such payments shall be made for a period not exceeding one hundred and four weeks, and the basic amount of any such payment in any week for persons undergoing training, including uncompensated employer-provided training, shall not exceed \$10 more than the amount of the average weekly unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments during the most recent four-calendar-quarter period for which such data are available: Provided, That the basic amount of such payments may be increased by \$5 a week for each dependent over two up to

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a maximum of four additional dependents: Provided further, That in any week an individual who, but for his training, would be entitled to unemployment compensation in excess of his total allowance, including payments for dependents, shall receive an allowance increased by the amount of such excess.";

⓪] ⓪ (2) Amend the second paragraph thereof to read as follows:

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"With respect to any week for which a person receives unemployment compensation under title XV of the Social Security Act or any other Federal or State unemployment compensation law which is less than the total training allowance, including payments for dependents, provided for by the preceding paragraph, a supplemental training allowance may be paid to a person eligible for a training allowance under this Act. The supplemental training allowance shall not exceed the difference between his unemployment compensation and the training allowance provided by the preceding paragraph.";

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(3) Insert the words "under the training program" after "compensated hours per week" in the third paragraph of such subsection;

(4) In lieu of the fourth paragraph of such subsection insert the following:

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"The training allowance of a person engaged in training under sections 204 or 231 shall not be reduced on account of employment (other than employment under an on-the-job training program under section 204) which does not exceed twenty hours per week, but shall be reduced in an amount equal to his full earnings for hours worked in excess of twenty hours per week."

① (b) Section 203(b) of the Act is amended by inserting a comma after the word "transportation" where it first occurs, striking out the language after that word and before the word "Provided" and inserting the following in lieu thereof: "and when such training is provided in facilities which are not within commuting distance of the trainee's regular place of residence, subsistence expenses for separate maintenance of the trainee:". 974
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Φ (c) Section 203(c) of the Act is amended as follows:

① (1) Strike the words "not less than" and insert "at least" in lieu thereof;

① Φ (2) Insert a colon after the words "gainful employment", strike everything in the first sentence after the words "gainful employment", and insert the following in lieu thereof:

"Provided, That they are not members of a family or a household in which the head of the family or the head of the household as defined in the Internal Revenue Code of 1954 is employed.";

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Φ (3) Amend the last sentence to read as follows:

"The number of youths under the age of twenty-two who are receiving training allowances shall, except for such adjustments as may be necessary for effective management of programs under this section, not exceed 25 per centum of all persons receiving such allowances (or who would be entitled thereto but for the receipt of unemployment compensation)."

① (d) Section 203(d) is amended to read as follows:

① "For the fiscal year ending June 30, 1966, and for each fiscal year thereafter, Federal payments for training allowances under this section, or as reimbursement for unemployment compensation under subsection (h), shall be paid in accordance with the provisions of section 241."

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① (e) Section 203(h)(2) of the Act is amended by striking everything in the first sentence after the term "1965" and inserting in lieu thereof "and for 90 per centum of the amount of such benefits paid thereafter."

SEC. 6. Section 208 is repealed.

SEC. 7. Section 231 of the Act is amended by striking the third sentence and inserting the following in lieu thereof: "For the fiscal year ending June 30, 1965, Federal payments under this Part shall be 100 per centum of the cost of carrying out the agreement, and for the fiscal year ending June 30, 1966, and for each fiscal year thereafter, Federal

payments under this Part shall be made in accordance with the provisions of section 241."

① SEC. 8. Title II of the Act is amended by adding Part C to the end thereof to read as follows:

"PART C--FEDERAL PAYMENTS FOR TRAINING
AND TRAINING ALLOWANCES

)-C.F.A.C.T.W.

① Sec. 241. During the fiscal year ending June 30, 1966, and for each fiscal year thereafter, Federal payments for training allowances and for reimbursements for unemployment compensation under section 203 and for training programs under section 231 shall be limited to 90 per centum of the total of all such costs. Expenditures from non-Federal sources may be made in cash or kind, fairly evaluated, including but not limited to plant, equipment, and services."

① SEC. 9. Title II of the Act is amended by adding Part D to the end thereof to read as follows:

"PART D¹-REDEVELOPMENT AREAS - C+ACCJw
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① "Sec. 251. (a) Notwithstanding any limitation in the other provisions of this Act, the Secretaries of Labor and of Health, Education, and Welfare, in accordance with their respective responsibilities under Parts A and B of this title, are authorized to provide a supplementary program of training and training allowances, in consultation with the Secretary of Commerce, for unemployed and underemployed persons residing in areas designated as redevelopment areas under the Area Redevelopment

Act. Such program shall, insofar as practicable, be carried out by the Secretaries of Labor and of Health, Education, and Welfare in accordance with the provisions otherwise applicable to programs under this Act and with their respective functions under those provisions, except that--

① (1) the Secretary of Labor, in consultation with the Secretary of Commerce, shall determine the needs and the eligibility of persons for training under this section;

① (2) the Secretaries of Labor and of Health, Education, and Welfare shall, each with respect to his functions under this section, prescribe jointly with the Secretary of Commerce such rules and regulations as may be necessary to carry out the purposes of this section; and

① (3) no funds available under this section shall be generally allocated to any State pursuant to any agreement entered into under this Act, nor shall any State or local matching funds be generally required, nor shall any apportionment of funds be made among the several States, except as the Secretary of Labor or the Secretary of Health, Education, and Welfare, as the case may be, jointly with the Secretary of Commerce, may deem appropriate, giving adequate consideration to the relative needs of the eligible areas.

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Ⓟ "(b) There are hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out this section.

Ⓟ "(c) The expiration or termination of any other part of this Act shall not terminate the authority conferred by this section unless an Act of Congress explicitly so provides."

Ⓟ SEC. 10. Section 302 of the Act is amended by striking the word "and" following "the Smith-Hughes Vocational Education Act," inserting a comma in lieu thereof, and inserting "and the Vocational Education Act of 1963," following "the Vocational Education Act of 1946."

Ⓟ SEC. 11 Section 304 is amended to read as follows:

Ⓟ "Sec. 304. For the purpose of carrying out this Act there are hereby authorized to be appropriated for the fiscal year ending June 30, 1966, and for each fiscal year thereafter such amounts as may be necessary."

Ⓟ SEC. 12. The following subsection is added to section 305 of the Act to read as follows:

Ⓟ "(e) The costs of all training programs approved in any fiscal year, including the total cost of training allowances for such programs, may be paid from funds appropriated for such purposes for that fiscal year; and the amount of the Federal payment shall be computed on the basis of the per centum requirement in effect at the time such programs are approved: Provided, That funds appropriated for the fiscal year ending June 30, 1966, may be expended for training programs approved under this Act prior to July 1, 1965, and expenditures for such purposes shall be subject to the matching requirements in effect at the time such programs were approved."

Ⓟ SEC. 13. Sections 309(a) and 309(b) are both amended by striking "Prior to March 1, 1963, and again prior to April 1, 1964, April 1, 1965, and April 1, 1966" and inserting in lieu thereof: "Prior to April 1 in each year."

SEC. 14. Title III is amended by repealing section 310.

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OFFICE OF THE ATTORNEY GENERAL
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