



Summary

COMMITTEE ON EDUCATION & THE WORKFORCE DEMOCRATS

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The Hon. Bobby Scott • Ranking Member

Opening Doors for Youth Act of 2016 Section-by-Section Summary

Section 1 – Short Title

This Act may be cited as the “Opening Doors for Youth Act of 2016”.

Section 2 – Findings

An estimated 5.25 million young people, ages 16-24, are out of school and work.

At-risk and opportunity youth often lack a path to the entry-level jobs that can help keep them connected to school and help them develop the early work experiences and work readiness skills they need to successfully transition into the labor market. Young people from high-poverty, low-opportunity communities may also lack the supports they need, or face significant barriers, to staying connected to or re-engaging in school or work. Programs that put youth to work and support community efforts to keep youth connected to school and training are necessary to improve employment outcomes for at-risk and opportunity youth.

Section 3 – Authorization of Funds

This section authorizes appropriations of \$5.5 billion to the Secretary of Labor (“Secretary”) for carrying out the Act.

Section 4 – Availability of Funds

Subsection (a) specifies allotments for each of the three programs under the bill:

- (1) \$1.5 billion for Summer Employment Opportunities for Youth;
- (2) \$2 billion for Year-Round Employment for Opportunity Youth; and
- (3) \$2 billion for the Connecting-for-Opportunities Competitive Grant Program.

Subsection (b) allows the Secretary to reserve a maximum five percent of funds under each of the programs for technical assistance and federal administration and a maximum two percent of funds under each of the programs for program evaluations to be carried out by the Secretary.

Subsection (c) provides the Secretary with up to four years following the date of enactment of this act to obligate funds appropriated under the act.

Section 5 – Summer Employment Opportunities for Youth

Section 5 establishes a new program, Summer Employment Opportunities for Youth, targeting youth ages 14 to 24 who are out-of-school, in-school, or unemployed, as defined under WIOA.

Subsections (a) through (c) require the Secretary to allocate funds to states, and states to allocate funds to local areas, according to the WIOA youth formulas. The Secretary may reserve $\frac{1}{4}$ percent of funds for outlying areas. Local areas must submit an application to the governor and may reserve a maximum seven percent of allocated funds for program administration, including outreach.

Subsection (d) sets out program requirements for summer employment programs funded under Section 5:

- Program participants must be no younger than age 14 or older than age 24 and be an out-of-school youth,

- an in-school youth, or an unemployed individual, as defined under WIOA.
- Programs must match each youth participant with an appropriate, high-quality summer employment opportunity that is not less than four weeks nor pays less than the highest of the federal, state, or local minimum wage.
- A maximum 50 percent of the youth participant's wages may be subsidized from program funds and a minimum of 50 percent of youth participant's wages must come from other public, private, or philanthropic funds, which may include an employer's payment of wages.
- Programs must provide youth participants and employers with mentoring and coaching and educational programs; connect or provide youth participants with supportive services; connect participants with WIOA youth services; and develop plans to increase the number of private sector as well as unsubsidized or partly subsidized summer employment opportunities.
- Programs may integrate program services with existing year-round youth development programs and secondary school programs; provide each youth participant with career planning services, supportive services, and high-quality financial literacy education.

Subsection (e) requires local areas and outlying areas to give preference to summer employment opportunities in existing or emerging in-demand industry sectors or occupations, or that meet community needs in the public, private, or nonprofit sector.

Subsection (f) sets out program performance indicators, including the percentage of participants achieving a measurable skill; in education, training or unsubsidized employment after program completion; and developing work-readiness skills.

Subsection (g) requires each local area or outlying area that administers a summer employment program under Summer Employment Opportunities for Youth to submit a report with levels of performance and youth participant characteristics to the Secretary.

Section 6 –Year-Round Employment for Opportunity Youth

Section 6 establishes a new program, Year-Round Employment for Opportunity Youth, targeting youth ages 16 to 24 who are out of school and unemployed, as defined under WIOA.

Subsections (a) through (c) require the Secretary to allocate funds to states, and states to allocate funds to local areas, according to the WIOA youth formulas. The Secretary may reserve ¼ percent of funds for outlying areas. Local areas must submit an application to the governor and may reserve a maximum seven percent of allocated funds for program administration, including outreach.

Subsection (d) sets out program requirements for summer employment programs funded under Year-Round Employment for Opportunity Youth.

- Program participants must be no younger than age 16 and no older than age 24 and meet the definition of an out-of-school youth and unemployed individual for the preceding four months.
- Programs must match each youth participant with an appropriate, high-quality year-round job that may not be less than 180 days and not more than one year; pay less than the highest of the federal, state, or local minimum wage; and employ the youth participant for less than 20 hours per week.
- A maximum 80 percent of the youth participant's wages may be subsidized from program funds and other public, private, or philanthropic funds. A minimum of 20 percent of youth participant's wages must be paid by the employer.
- Programs must provide youth participants and employers with mentoring and coaching; connect or provide youth participants with supportive services; connect participants with WIOA youth services; develop plans to increase the number of private sector as well as unsubsidized year-round job opportunities; provide each youth participant with career planning services; and provide each youth participant with high-quality financial literacy education.

Subsection (e) requires local areas and outlying areas to give preference to year-round job opportunities with employers who commit to retaining—for unsubsidized employment not less than 90 days after the end of the subsidized year-round job—willing youth participants who meet pre-determined, reasonable work performance standards. Preference must also be given to employment opportunities in existing or emerging in-demand industry sectors or occupations or that meet community needs in the public, private, or nonprofit sector.

Subsection (f) sets out program performance indicators, including post-program median, unsubsidized wages for participants; the percentage of participants achieving a measurable skill; the percentage of participants in education, training or unsubsidized employment after program completion; and a work-readiness indicator, as developed by the local program.

Subsection (g) requires each local area or outlying area that administers a program under this section to submit a report with levels of performance and youth participant characteristics to the Secretary.

Section 7 – Connecting for Opportunities Competitive Grant Program

Section 7 establishes a new competitive grant program, Connecting for Opportunities, available to local community partnerships for improving high school graduation and youth employment rates.

Subsections (a) and (b) requires the Secretary of Labor, in consultation with the Secretary of Education, to award grants on a competitive basis to local community partnerships that submit applications that demonstrate need, capacity to carry out program elements, and that are consistent with WIOA local plans, local Perkins Career and Technical education plans, and state Temporary Assistance for Needy Family plans.

Subsection (c) sets out the composition of a local community partnership.

- A local community partnership must include a unit of general local government, a local educational agency, an institution of higher education, a local workforce development board, a community-based organization, a child welfare agency, an agency administering programs under the Temporary Assistance for Needy Families (TANF) block grant, and a public agency serving youth involved in the juvenile or criminal justice system.
- A local community partnership may include American Job Centers; employers or employer associations; representatives of labor organizations; programs that receive funding under the Juvenile Justice and Delinquency Prevention Act (JJDPA); public agencies or community-based organizations with expertise in providing counseling services, including trauma-informed and gender-responsive counseling; public housing agencies or public agencies assisting homeless individuals or foster youth and other appropriate state and local agencies.

Subsection (d) requires a local community partnership to:

- target individuals ages of 14-24;
- make appropriate use of existing data systems to help the partnership identify target youth;
- develop comprehensive pathways to higher education and employment, including—
 - using a minimum 50 percent of grant funds to help youth participants earn a high school diploma through various alternative means,
 - creating career pathways focused on paid work-based learning;
 - finding and securing work-based learning opportunities;
 - linking targeted youth with WIOA youth service providers
 - ensuring that youth transition into pre-apprenticeship and registered apprenticeship programs in in-demand industry sectors or occupations;
- provide a comprehensive system of support for targeted youth, including case management and counseling services, goal development assistance, and supportive services; and
- provide a comprehensive system to prevent youth from disconnecting from, and reconnect them to, education, training, and employment by providing:

- school-based dropout prevention and community-based dropout recovery services, including establishing or improving school district early warning systems, and
- access to re-engagement services for training programs and employment opportunities and using providers of WIOA youth services to conduct intake and referrals to appropriate re-engagement services.

Subsection (e) requires the Secretary to prioritize applications submitted by a local community partnership that will serve communities with high poverty, high school dropout, and youth unemployment rates; involve youth participants' families; and allow participants to earn academic credit through various means.

Subsection (f) sets out program performance indicators, including post-program median, unsubsidized wages for participants; the percentage of participants achieving a measurable skill; the percentage of participants in education, training or unsubsidized employment after program completion; the percentage of participants who obtained postsecondary or secondary school credentials; and local high school graduation and GED completion rates.

Subsection (g) requires each local community partnership that administers a program under this section to submit a report with levels of performance and youth participant characteristics to the Secretary.

Section 8 – Labor Standards

Section 8 establishes labor standards for each of the three programs administered under the act, including prohibitions against displacement of workers and interference in collective bargaining agreements. Youth participants must be provided working conditions and benefits at the same level and extent as comparable workers or trainees.

Section 9 – Privacy

Section 9 maintains General Education Provisions Act privacy protections for student and parents and prohibits the development of a national database of personally identifiable information about individuals receiving services under this act.

Section 10 – Evaluations and Reports

Section 10 requires the Secretary to conduct an evaluation of the programs administered under the act at least one year after the end of the grant program and submit a report on the results of the evaluation to the House Committee on Education and the Workforce and the Senate Health, Education, Labor, and Pensions (HELP) Committee at least five years after the end of the grant program.

Section 11 – Definitions

Section 11 establishes definitions for terms used in the bill based on existing federal definitions in WIOA, ESEA, and the Higher Education Act (HEA).