112TH CONGRESS
1ST SESSION

H. R. ______

To establish the National Full Employment Trust Fund to create employment opportunities for the unemployed.

IN THE HOUSE OF REPRESENTATIVES

Mr. CONYERS introduced the following bill; which was referred to the Committee on ______________________

A BILL

To establish the National Full Employment Trust Fund to create employment opportunities for the unemployed.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3 SECTION 1. SHORT TITLE.
4 This Act shall be cited as the “Humphrey-Hawkins 21st Century Full Employment and Training Act” or the “Work Opportunities and Revitalizing Our Communities Act”.
5
6 SEC. 2. DEFINITIONS.
7 In this Act the following definitions apply:
(1) **INDIAN TRIBE.**—The term “Indian tribe” has the meaning given such term in section 102(17) of the Housing and Community Development Act (42 U.S.C. 5302(17)).

(3) **SECRETARY.**—The term “Secretary” means the Secretary of Labor.

(4) **SMALL BUSINESS.**—The term “small business” has the meaning given the term “small business concern” under section 3 of the Small Business Act (15 U.S.C. 632).

(5) **STATE.**—The term “State” has the meaning given such term in section 102(2) of the Housing and Community Development Act (42 U.S.C. 5302(2)).

(6) **TRUST FUND.**—The term “Trust Fund” refers to the Full Employment Trust Fund established under section 3.

(7) **UNIT OF GENERAL LOCAL GOVERNMENT.**—The term “unit of general local government” has the meaning given such term in section 102(1) of the Housing and Community Development Act (42 U.S.C. 5302(1)).

(8) **URBAN COUNTY.**—The term “urban county” has the meaning given such term in section
SEC. 3. ESTABLISHMENT OF FULL EMPLOYMENT NATIONAL TRUST FUND.

(a) IN GENERAL.—The Secretary shall establish a Full Employment National Trust Fund (in this Act referred to as the “Trust Fund”) for the purposes of—

(1) providing funding for the Employment Opportunity Grants established in section 4; and
(2) issuing funds to the Secretary to fund the Workforce Investment Act (29 U.S.C. 2801 et seq.).

(b) FINANCING THE TRUST FUND.—Subject to the availability of appropriations for this purpose, the Secretary of the Treasury shall annually make available to the Secretary of Labor for deposit into the Trust Fund an amount equal to the amount collected for that year through the tax described in section 4475 of the Internal Revenue Code of 1986, as added by section 7.

(c) SEPARATE TRUST FUND ACCOUNTS.—The Trust Fund shall consist of 2 separate accounts as follows:

(1) One account shall consist of 67 percent of the funds made available for deposit under subsection (b) and shall be for the Employment Opportunity Grants established in section 4.
(2) The other account shall consist of 33 percent of the funds made available for deposit under subsection (b) and shall be available to the Secretary to fund programs under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.).

(d) Website.—The Secretary shall establish an Internet Web site to serve as an information clearinghouse for job training and employment opportunities funded by the Trust Fund.

(c) Training Stipend.—The Secretary shall promulgate regulations to encourage entities that receive funds under programs under the Workforce Investment Act of 1998 (20 U.S.C. 2801 et seq.) that are funded by the account described in subsection (c)(2) to, whenever possible, establish a training stipend for individuals who participate in such programs.

SEC. 4. EMPLOYMENT OPPORTUNITY GRANTS TO STATES, LOCAL GOVERNMENT, AND INDIAN TRIBES.

(a) Employment Grants Contingent on Level of Unemployment.—Subject to the availability of funds in the Trust Fund for activities under this section, if, at the beginning of a fiscal year, the economy is not at a level of full employment, as determined by the Chairman of the Federal Reserve Board, the Secretary shall make grants for such fiscal year, in amounts totaling 90 percent
of such funds available, to States, units of general local
government, and Indian tribes to carry out activities in
accordance with this section.

(b) PURPOSE.—Grants made under this section shall
be for creating employment opportunities for unemployed
and underemployed residents of distressed communities in
activities designed to address community needs and reduce
disparities in health, housing, education, job readiness,
and public infrastructure that have impeded these commu-
nities from realizing their full economic potential.

(c) USE OF FUNDS.—A recipient of a grant under
this section shall use the grant for the following purposes:

(1) During the initial 9-month period in which
grants are made under this section, each grant shall
be used only to fund the following types of fast-track
job placements:

(A) The painting and repair of schools,
community centers, and libraries.

(B) The restoration and revitalization of
abandoned and vacant properties to alleviate
blight in distressed and foreclosure-affected
areas of a unit of general local government.

(C) The expansion of emergency food pro-
grams to reduce hunger and promote family
stability.
(D) The augmentation of staffing in Head Start, child care, and other early childhood education programs to promote school readiness and early literacy.

(E) The renovation and enhancement of maintenance of parks, playgrounds, and other public spaces.

(2) Following the 9-month period described in paragraph (1), a recipient of a grant may use the remaining amount of the grant to assist public entities, nonprofit community-based organizations, public-private partnerships, or small businesses to create opportunities for employment in the following areas:

(A) Construction, re-construction, rehabilitation, and site improvements of residences or public facilities, including improvements in the energy efficiency or environmental quality of such public facilities or residences.

(B) Provision of human services, including child care services, health care services, education, or recreational programs.

(C) The remediation and demolition of vacant and abandoned properties to eliminate blight.
(D) Programs that provide disadvantaged youth with opportunities for employment, education, leadership development, entrepreneurial skills development, and training.

(3) Providing supplemental labor for existing federally or State-funded infrastructure projects.

(4) Providing supplemental labor for existing federally or State-funded projects aimed at expanding access to broadband or wireless Internet service.

(d) Consultation Required.—Each grant recipient shall consult with community leaders, including labor organizations, nonprofit community-based organizations, local government officials, and local residents to—

(1) assess the needs of the community served by the grant recipient;

(2) determine sectors of the local economy that are in need of employees;

(3) make recommendations for new employment opportunities in the areas described in paragraph (3); and

(4) assess the effectiveness of job placements made under paragraph (1).

(e) Conditions.—As a condition of receiving a grant under this section, a grant recipient shall—
(1) agree to comply with the nondiscrimination policy set forth under section 109 of the Housing and Community Development Act of 1974 (42 U.S.C. 5309);

(2) allocate not less than 80 percent of the funding allocated to each project funded under the grant to wages, benefits, and support services, including child care services, for individuals employed on such project;

(3) ensure that employment on any project funded under the grant is carried out in accordance with subsection (c);

(4) institute an outreach program with community organizations and service providers in low-income communities to provide information about placements funded under the grant to individuals suited to perform community infrastructure work; and

(5) ensure that not less than 35 percent of individuals employed under the grant are individuals described in paragraph (4)(B) of subsection (f).

(f) EMPLOYMENT DESCRIBED.—Employment funded under this section shall meet the following specifications:

(1) Any employer that employs an individual whose employment is funded under the grant shall—
(A) employ such individual for not less than 12 months;

(B) employ such individual for not less than 30 hours per week;

(C) comply with responsible contractor standards, as determined by the relevant official in the unit of local general government;

(D) provide compensation to such individual equal to that which is paid to employees who have been employed to perform similar work prior to the date such individual was hired; and

(E) if such employment is in construction, provide compensation to any laborer or mechanic employed under the grant at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

(2) No individual whose employment is funded under the grant may work for an employer at which a collective bargaining agreement is in effect covering the same or similar work, unless—
(A) the consent of the union at such em-
ployer is obtained; and

(B) negotiations have taken place between
such union and the employer as to the terms
and conditions of such employment.

(3) An individual whose employment is funded
under this Act may not displace other employees
whose employment is not funded under this Act. A
grant recipient under this Act may not hire an em-
ployee or employees with funds under this Act for
any employment which the grant recipient would
otherwise hire an employee who has been furloughed.

(4) An individual whose employment is funded
under this Act shall be—

(A) unemployed for not less than 26 weeks
prior to the receipt of the grant, as verified by
the State or local department of labor, depart-
ment of welfare, or similar office charged with
maintaining records of unemployment; or

(B) unemployed for not less than 30 days
prior to the receipt of the grant and be a low-
income individual who is a member of a tar-
geted group (as defined by section 51(d) of the
Internal Revenue Code of 1986) as verified by
the State or local department of labor, depart-
ment of welfare, or similar office charged with maintaining records of unemployment.

For purposes of subparagraph (B), the hiring date (as defined in section 51(d)(11) of such Code) shall be the hiring date by an employer who receives a grant pursuant to this section.

(g) AWARD OF GRANTS.—

(1) SELECTION CRITERIA.—In selecting a project to receive funding for employing the individuals described in subsection (f)(4), a grant recipient shall consider—

(A) the input of all participants in a proposed project, including labor organizations, community organizations, and employers;

(B) the needs of the community intended to benefit from such project;

(C) the long-term goals and short term objectives to address such needs; and

(D) any recommendations for programs and activities developed to meet such needs.

(2) PRIORITY GIVEN TO CERTAIN PROJECTS.—

A grant recipient under this section shall give priority to projects that—
(A) serve areas with the greatest level of economic need, determined for each such area by—

(i) the unemployment rate;

(ii) the rate of poverty;

(iii) the number of census tracts with concentrated poverty;

(iv) the lowest median income;

(v) the percentage of vacant and abandoned properties;

(vi) the percentage of home foreclosures; and

(vii) the indicators of poor resident health, including high rates of chronic disease, infant mortality, and life expectancy;

(B) integrate education and job skills training, including basic skills instruction and secondary education services;

(C) coordinate to the maximum extent feasible with pre-apprenticeship and apprenticeship programs; and

(D) provide jobs in sectors where job growth is most likely, as determined by the Secretary, and in which career advancement opportunities exist to maximize long-term, sustain-
able employment for individuals after employ-
ment funded under this Act ends.

(h) ALLOCATION OF GRANTS.—

(1) GRANTS FOR INDIAN TRIBES AND DEPOSITS
INTO DISCRETIONARY FUND.—Not more than 5 per-
cent of the funds available in the Trust Fund for ac-
tivities under this section for any fiscal year shall be
reserved for grants to Indian tribes and for deposit
into a discretionary fund established by the Sec-
retary for national demonstration projects and
multi-jurisdictional projects.

(2) GRANTS TO STATES.—Not more than 30
percent of the funds available in the Trust Fund for
activities under this section for any fiscal year shall
be allocated to States to distribute to units of gen-
eral local government that do not qualify for funds
under paragraph (3).

(3) GRANTS TO UNITS OF GENERAL LOCAL
GOVERNMENT.—Grant funds that are not reserved
under paragraphs (1) and (2) shall be allocated to
metropolitan cities and urban counties using the for-
mula under section 106(b) of the Housing and Com-
community Development Act of 1974 (42 U.S.C.
5306(b)).

(i) REPORTS.—
(1) Reports by grant recipients.—Not later than 90 days after the last day of each fiscal year in which assistance under this section is furnished, a recipient of a grant under this section shall submit to the Secretary a report containing the following:

(A) A description of the progress made in accomplishing the objectives of this chapter.

(B) A summary of the use of the grant during the preceding fiscal year.

(C) For units of general local government, a listing of each entity receiving funds and the amount of such grants, as well as a brief summary of the projects funded for each such unit, the extent of financial participation by other public or private entities, and the impact on employment and economic activity of such projects during the previous fiscal year.

(D) For States, a listing of each unit of general local government receiving funds and the amount of such grants, as well as a brief summary of the projects funded for each such unit, the extent of financial participation by other public or private entities, and the impact
on employment and economic activity of such projects during the previous fiscal year.

(E) The amount of money received and expended during the fiscal year.

(F) The number of individuals assisted under the grant whose household income is low-income, very low-income, or extremely low-income (as such terms are used for purposes of the Housing Act of 1937 and the regulations there under (42 U.S.C. 1437 et seq.)).

(G) The amount expended on administrative costs during the fiscal year.

(2) REPORT TO CONGRESS.—At least once every 6 months, the Secretary shall submit to Congress a report on the use of grants awarded under this section and any progress in job creation.

SEC. 5. NATIONAL EMPLOYMENT CONFERENCE.

(a) IN GENERAL.—The Secretary shall convene a national employment conference not later than 1 year after the date of enactment of this Act, to bring together leaders of small, medium, and large businesses, labor, government, and all other interested parties.

(b) SUBJECT.—The subject of the conference shall be employment, with particular attention to structural unemployment and the plight of disadvantaged youth. The con-
ference shall also focus on issues such as adequate and
effective incentives for employers to hire the long-term un-
employed.

SEC. 6. INCLUSION OF MINORITY-SERVING, COMMUNITY-
BASED ORGANIZATIONS IN WIA STATE AND
LOCAL WORKFORCE INVESTMENT BOARDS.

(a) STATE BOARDS.—Section 111(b)(1)(C)(v) of the
2821(b)(1)(C)(v)) is amended by inserting before the
semicolon “(including not less than 25 percent of the chief
executive officers of minority-serving, community-based
organizations)”.

(b) LOCAL BOARDS.—Section 117(b)(2)(A)(iv) of
such Act (29 U.S.C. 2832(b)(2)(A)(iv)) is amended by in-
serting “, and not less than 25 percent of the chief execu-
tive officers of minority-serving, community-based organi-
zations” after “present”.

SEC. 7. TAX ON SECURITIES TRANSACTIONS.

(a) IN GENERAL.—Chapter 36 of the Internal Rev-
ene Code of 1986 is amended by inserting after sub-
chapter B the following new subchapter:

“Subchapter C—Tax on Securities
Transactions

“Sec. 4475. Tax on securities transactions.
“SEC. 4475. TAX ON SECURITIES TRANSACTIONS.

“(a) IMPOSITION OF TAX.—There is hereby imposed
a tax on each covered securities transaction an amount
equal to the applicable percentage of the value of the secu-

“(b) BY WHOM PAID.—The tax imposed by this sec-
tion shall be paid by the trading facility on which the
transaction occurs.

“(c) APPLICABLE PERCENTAGE.—For purposes of
this section, the term ‘applicable percentage’ means 0.25
percent.

“(d) COVERED SECURITIES TRANSACTION.—The
term ‘covered securities transaction’ means—

“(1) any transaction to which subsection (b),
(c), or (d) of section 31 of the Securities Exchange
Act of 1934 applies, and

“(2) any transaction subject to the exclusive ju-
risdiction of the Commodity Futures Trading Com-
mission.

“(e) ADMINISTRATION.—The Secretary shall carry
out this section in consultation with the Securities and Ex-
change Commission and the Commodity Futures Trading
Commission.”.

(b) CLERICAL AMENDMENT.—The table of sub-
chapters for chapter 36 of such Code is amended by in-
serting after the item relating to subchapter B the fol-
lowing new item:

“SUBCHAPTER C. TAX ON SECURITIES TRANSACTIONS.”.

(c) EFFECTIVE DATE.—The amendments made by
this subsection shall apply to sales occurring more than
30 days after the date of the enactment of this Act.