

YES - Youth Employment & Skills Program (crime bill)

PHOTOCOPY
PRESERVATION

March 8, 1994

Youth Employment and Skills: Say YES to Jobs

Background

"I do not believe we can repair the basic fabric of society until people who are willing to work have work. Work organizes life. It gives structure and discipline to life. It gives a role model to children.... We cannot...repair the American community and restore the American Family until we provide the structure, the value, the discipline and the reward that work gives."

President Clinton
November 13, 1993
Memphis, Tennessee

In recent decades, our nation has experienced a growing concentration of poverty and there has been a sharp erosion in the economic position of disadvantaged youth and young adults. The resulting absence of work among disadvantaged youth is a major factor underlying the crime problem. Those who commit crimes must be caught and punished; at the same time, prevention programs -- including ones which make employment a reasonable, available alternative to crime -- must be undertaken. These prevention efforts need to increase the aspirations and long-term career prospects of at-risk youth to break the cycles of poverty, crime and violence. As the President said in the State of the Union, young people must have "something to say yes to".

The underlying facts are disturbing:

- o Between 1980 and 1990, the population living in census tracts with 40 percent or higher poverty rates almost doubled. These areas of concentrated poverty are very likely to have high crime rates; for example, a recent study indicated that between 1986 and 1989, the rates of violent crime in public housing in Washington, D.C., Los Angeles, and Phoenix were more than double that for these respective cities as a whole.
- o A growing number of disadvantaged young men and young women are "idle": not in school, working, or looking for work. Approximately 50 percent of out-of-school young Americans (those age 16 to 24 years) without a high school degree are currently not employed. And more than 70 percent of young black high school dropouts are currently not employed. Many of these out-of-school youths are persistently out of work and have the potential for being permanently lost to the legitimate economy.
- o At the same time, the proportion of young men in trouble with the law has

increased dramatically. Almost 700,000 young men from 16 to 34 years of age were incarcerated in 1989. Approximately 50 percent of 18 to 34 year old, black male, high school dropouts had criminal records in the late 1980s. No other developed country faced such levels of crime among its youth.

The purpose of this initiative is to test the proposition of whether the widespread provision of employment opportunities for disadvantaged youth and young adults can reduce crime. The jobs will be extended to those who agree to "play by the rules" and will be the main feature of a comprehensive program targeted on high-crime, high-poverty neighborhoods.

The evidence suggests that such an employment-oriented approach can prove effective. Job Corps participation -- which significantly alters participants' education and employment opportunities -- has had a positive effect on earnings and has reduced serious crime. More generally, program models which closely link work and learning -- as this initiative would -- have been found to increase the incomes of disadvantaged youth and young adults; San Jose's Center for Employment and Training uses such a model, and a recent study found that young high school dropouts participating in the program sustained annual earnings gains of over \$3,000. A recent comparison of crime trends across cities shows that those with tightening labor markets are more likely to show reductions in crime rates.

Finally, recent program experience underscores the eagerness of disadvantaged youth to fill employment opportunities. A study of the 1993 summer youth employment program found that in eight out of the twelve central city programs visited, the limits in available jobs slots meant the programs were able to enroll less than half of those who applied. The survey also found that the large majority of youths who did participate in the program valued the work experience. Moreover, the youth entitlement demonstrations in the late 1970s showed that it is possible to raise employment rates of disadvantaged youth by a significant amount.

The Approach

The Administration and Congress are already proceeding on a wide range of initiatives that should help address the conditions that promote crime. Besides sound macroeconomic and deficit-reduction policies that have promoted overall economic growth, Empowerment Zone legislation has been passed and the Administration has proposed an expansion in the Job Corps. Furthermore, broader policies concerning life-long learning such as the school-to-work initiative, reform of student loans, welfare reform, the Reemployment Act, and National Service will play an important role in improving labor market prospects for disadvantaged individuals.

Building upon these initiatives, the proposal would add a direct job-creation component, with employment opportunities for youth and young adults funded in both the private and public sectors. The key program design features would include:

(1) Careful targeting to disadvantaged youth and young adults living in high-crime, high-poverty neighborhoods.

(2) Tying participation to good behavior.

(3) Private sector placement would be the first priority and the ultimate goal. Approaches such as entrepreneurship would be encouraged. But because of the difficulty of developing private sector jobs for the targeted population, some public employment jobs would be created, with these jobs linked to efforts to place participants into private jobs. The emphasis will be on real work with real supervision. Efforts would be made to build the job networks that disadvantaged youth typically lack.

(4) Leveraging of other programs and resources, and matching commitments from the community.

Finally, the proposal would use a saturation approach. It is very difficult to turn around the lives of disadvantaged youth. Neighborhood-wide interventions could affect community values and peer pressure, and thus have a much larger impact on youth than typical job training programs that attempt to affect one youth at a time. Experiences with innovative programs suggest that intensive programs with broad ranges of services are most effective for youth.

The uniqueness of this effort will be to incorporate a full-fledged employment approach into this range of services, with the goal of changing the opportunities and expectations of neighborhood youth and young adults to that of gainful employment in the private sector, thereby steering them away from crime. The proposal would raise youth employment rates in the program sites to levels of about 80 percent. Nonemployment rates would be cut about in half. At-risk youth are likely to be most affected by the program because they currently face the worst labor market conditions.

In more detail, the four components of the program would look as follows.

I. Targeting

Neighborhoods of 25,000 with high crime rates and poverty rates of 30 percent would be the focus for this demonstration. (Depending on the grant size and proposal design, larger neighborhoods up to 50,000 might be covered.)

At-risk youth and young adults would be targeted. In an inner-city neighborhood of 25,000 people, there are nearly 3,000 individuals between the ages of 16 and 25, and it is likely that less than 50 percent of them are employed at any point in time. Depending on the availability of funds, neighborhoods could expand the target group to those between 16 to 30. The targeting approach, as well as the comprehensive developmental aspects of the program, reflect the current Youth Fair Chance program.

Target areas would include those with public and assisted housing. Such areas are frequently characterized by high crime and poverty rates.

II. Links to Personal Responsibility

The jobs provided under the program would be conditioned on youth meeting certain standards of personal behavior. Most importantly, just as under the Job Corps, youth participating in the program would be expelled if they engage in crime. For youths in high school, program participation would be contingent upon staying in school until they complete a course of study. Moreover, in cases where paternity has been established, participants would have to be making their child support payments.

On the job, program participants would be expected to meet the performance standards and behavior expected from other employees at the work site. Otherwise, they will not be allowed to continue in the program.

III. Employment Components

The large majority of the grant funds would go towards job creation. The first strategy would be to try to use on-the-job training (OJT) slots to place persons in the private sector, but experience suggests that inner-city youth (particularly males) are difficult to place in OJT positions and that a number of subsidized work experience positions in the non-profit or public sector will be necessary. The emphasis would be on "real" jobs that can contribute to the community, and not on jobs that can be viewed as make-work jobs for disadvantaged youth.

There would be a grant competition, with proposals judged on criteria including their creativity in leveraging resources as well as their ability to link the program to permanent private sector placements. To encourage creativity, the grant decisions would not require proposals to meet unalterable design criteria, but would examine the strength of employment components such as the following:

- o Private sector, apprenticeship-like models which closely link work and learning.

Accordingly, one criterion would be the development of private sector slots that

include ongoing on-the-job training. Also, there would be an expectation that local businesses would commit to developing part-time jobs to support residents of the target community while they were receiving job training or attending community college. The local private sector would commit to hiring graduates of the area high school each year into career-track jobs. This would reflect the Boston Compact approach of rewarding school success with private job guarantees or scholarships.

Moreover, apprenticeship programs with unions (for example, carpenters, laborers, or painters unions) could be established, with the unions providing matching funds for the development of positions.

Proposals would also be judged according to the strength of the mentoring, entrepreneurship and microenterprise approaches that would be used. To help enterprises located in these neighborhoods, some funding of security measures might be considered.

- o Efforts to work with the area transit authority to establish mini-bus links to suburban private-sector jobs.
- o Public service positions that include youth conservation and service corps slots and YouthBuild slots. Neighborhood infrastructure projects and employment of public and assisted housing would also be encouraged. The positions in mind would typically cost around \$15,000 per slot. Some youths in these programs could graduate to career-track positions as work foremen -- thus increasing the net job creation of the programs.
- o Public work experience slots created in occupations with large projected job growth. The idea would be to provide work experience with the hope of a gradual transition to private sector employment in the occupation. Occupations with high expected job growth include construction trades, building maintenance, and landscaping and groundskeeping. These work experience slots would cost roughly \$15,000 each. The work would be conducted in special projects, so as to avoid displacement concerns of public sector unions.
- o Further, cities could commit to using some amount of JTPA funds for OJT positions for young adults over 25 years old in the target community. The city could also commit to using JTPA, private sector, and other funds to set up a summer employment program available to all youth in the target community on the condition that the youth stay in school or return to school.
- o Informal job networks are very often the way individuals find jobs, and the lack of such networks for the disadvantaged is a major barrier to their locating employment. So proposals would be judged based on the extent of efforts to

build networks to permanent private-sector employment. Accordingly, private-sector placement would ultimately be promoted for those placed in public job slots; public job slots would be limited in duration to two years and demonstration sites would be expected to develop networking capacity to help place the youths into private sector jobs.

IV. Matching Commitments

The above section outlines matching commitments expected from the private sector, other government programs, and perhaps from unions in developing job opportunities. It also underscores commitments to build up networks and links to other jobs in the community. As a condition of receiving grant funds, cities will be required to make a number of other matching commitments aimed to ensure that necessary resources are leveraged and coordinated.

- o Local governments would be required to involve the full, larger community in a public/private partnership effort to leverage federal funds. Collaboration between the local areas, the private sector, community-based organizations and nonprofits would be stressed.
- o Educational linkages would be beefed up, and would include a strong role for community colleges, as well as incorporating the successful work-based learning approach used in San Jose's Center for Employment and Training program (CET).
- o More generally, commitments towards a comprehensive youth development approach would be encouraged. Efforts to increase the aspirations for educational attainment would be encouraged; local school systems, community colleges, and 4-year colleges would be expected to improve middle schools in the targeted area, decrease the dropout rate, and increase the proportion of target area youth attending college.
- o The program would be linked to other relevant programs that exist in the locality, including school-to-work and empowerment zones.

Evaluation

In order to assess the merits of this program model, evaluation and technical assistance components would be included, to be set at about 5 percent of the total funding each year.

March 4, 1994

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welfare reform

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In more detail, the four components of the program would look as follows.

I. Targeting

Neighborhoods of 25,000 with high crime rates and poverty rates of 30 percent would be the focus for this demonstration. (Depending on the grant size and proposal design, larger neighborhoods up to 50,000 might be covered.) Since minorities are

overrepresented in such neighborhoods, so would the beneficiaries of this program.

At-risk youth and young adults would be targeted. In an inner-city neighborhood of 25,000 people, there are nearly 3,000 individuals between the ages of 18 and 25, and it is likely that less than 50 percent of them are employed at any point in time. Depending on the availability of funds, neighborhoods could expand the target group to those between 16 to 30. The targeting approach, as well as the comprehensive developmental aspects of the program, reflect the current Youth Fair Chance program.

Areas with concentrations of public and assisted housing would be among those that would be good potential program sites. Such areas are frequently characterized by high poverty and crime rates.

II. Links to Personal Responsibility

The jobs provided under the program would be conditioned on youth meeting certain standards of personal behavior. Most importantly, just as under the Job Corps, youth participating in the program would be expelled if they engage in crime. For youths in high school, program participation would be contingent upon staying in school until they complete a course of study. Moreover, in cases where paternity has been established, participants would have to be making their child support payments. *drug-free*

On the job, program participants would be expected to meet the performance standards and behavior expected from other employees at the work site. Otherwise, they will not be allowed to continue in the program.

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Moreover, apprenticeship programs with unions (for example, carpenters, laborers, or painters unions) could be established, with the unions providing matching funds for the development of positions.

Proposals would also be judged according to the strength of the mentoring, entrepreneurship and microenterprise approaches that would be used. To help spur new enterprises, some funding of performance bonding and capital might be extended to companies contingent upon their hiring neighborhood youth and young adults.

- o Efforts to work with the area transit authority to establish mini-bus links to suburban private-sector jobs.
- o Public service positions that include youth conservation and service corps slots and YouthBuild slots. Neighborhood infrastructure projects would also be encouraged. Such programs typically cost around \$15,000 per slot. Some youths in these programs could graduate to career-track positions as work foremen -- thus increasing the net job creation of the programs.
- o Public work experience slots created in occupations with large projected job growth. The idea would be to provide work experience with the hope of a gradual transition to private sector employment in the occupation. Occupations with high expected job growth include construction trades, building maintenance, and landscaping and groundskeeping. These work experience slots would cost roughly \$15,000 each. The work would be conducted in special projects, so as to avoid displacement concerns of public sector unions.
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Example proposal: to develop 1,000 jobs, a proposal might combine the following: the private sector would commit to develop 100 part-time jobs for those attending job training or attending community college and 50 jobs for high school graduates, while unions would commit to developing 50 Apprenticeship positions; the transportation link would place 200 targeted residents into jobs; and publicly funded components would be 200 youth conservation and service corps, neighborhood infrastructure, and YouthBuild slots (cost, \$3 million a year), 300 work experience slots (cost, \$4.5 million a year), and 100 on-the-job training slots (\$500,000 a year).

IV. Matching Commitments

The above section outlines matching commitments expected from the private sector, other government programs, and perhaps from unions in developing job opportunities. It also underscores commitments to build up networks and links to other jobs in the community. As a condition of receiving grant funds, cities will be required to make a number of other matching commitments aimed to ensure that necessary resources are leveraged and coordinated.

- o Local governments would be required to involve the full, larger community in a public/private partnership effort to leverage federal funds. Collaboration between the local areas, the private sector, community-based organizations and nonprofits would be stressed.
- o Educational linkages would be beefed up, and would include a strong role for community colleges, as well as incorporating the successful work-based learning approach used in San Jose's Center for Employment and Training program (CET).
- o More generally, commitments towards a comprehensive youth development approach would be expected. Efforts to increase the aspirations for educational attainment would be encouraged; local school systems, community colleges, and 4-year colleges would be expected to improve middle schools in the targeted area, decrease the dropout rate, and increase the proportion of target area youth attending college.

- o The program would be linked to other relevant programs that exist in the locality, including school-to-work and empowerment zones.

Funding Levels

How many jobs?
At \$# million a year per site, a \$# allocation would fund # sites for five years (the funding levels could be ramped up if that is more feasible politically and to allow for phasing in while the programs develop).

A substantial allocation would permit testing different permutations of the model-- such as putting more funds in particular sites, enlarging the size of the neighborhoods covered, or expanding the target population by providing more direct employment funding for 14-17 year olds or for 26 to 30 year olds.

In order to assess the merits of this program model, evaluation and technical assistance components would be included, to be set at about 5 percent of the total funding each year.

Income Contingent Loans 3-8-94

- Next week, negotiated rulemaking for Income Contingent loan program.
- Bill that passed last yr allows us to provide ^{FFB} income-contingent repayment option for student loans.
- hope to provide this as an option by July

Designed to help:

- people who wanted to enter low-paying / non-profit jobs for a few years before getting higher paying jobs
- students have 25 yrs to repay - (if not, ^{loan} forgiveness)

must divide income in discretionary & non discretionary income for individuals: some level of income should ~~not~~ be subject to repayment calculations (food, rent, etc - basic life needs).

- Transfer payments not included

- % ^{of income} per every \$ of loan,
Ceiling at %.

15 % (?) 20 % (?)
25 % (?)

ie - ~~1~~ 2 % of income for every \$2,000
ceiling at 20 % of income

Craig
Washington
Bill

- Prevention Council -- 75 million in Senate
- Youth Develop Init -- 100 million - Bradley
midnight basketball, break schools
- Treasury - Ed Train 200 million
- Drug Treatment for Pre-trial Probation 300 million
- Job Training in Correctional System -- 200 million
- Police Partnerships / Mentor Programs - 10 million
- Labor Piece - Youth Employment Skills

Title - YES

- with \$525 million opening bid
everyone's understanding that
it will be a in negotiated

- start low - 8 sites -- will
be a

85 - Enough \$ for planning grants

96-97 - money begins to flow

~~Sunday - Focus Hope Visit~~

Crime/Ed Training 3-7-84

- Throughout Document - Reno - Kerch, Ciceros
Based on Pres. wanting this to be HUD, etc,

- complicates Jurisdiction or Diminishes
Complication -- not sure yet, will see -- ^{may have to} ~~strike out~~

+ high crime/high poverty) → insert everywhere
you see "high poverty".

- may actually help - deflect focus on labor
only - broaden appeal. or it may
complicate things -- if so will drop. Won't know
until mark-up begins

- need offsets for anything we put forward
(leg. affairs judgement)

↳ \$525 million is number Scherer is using --
list of offsets.

↳ Bypass/cut - 330 million -- cut in regional/
prison funding

↳ rest → overlap in bill, existing funding

\$525 - will know by this evening whether this is figure

→ Larger Package ^{with this as centerpiece} will include:

- endorsement of Bradley -
Pan Am Piece \$400 million (?)
- midnight basketball
- Youth Development Centers.

→ Total \$600 million

- Police Partnerships for Kids \$20 mil
- Law Justice - \$80
- Kennedy Nat Community Dev. --
\$40 millions
- Job Training in Prison. (target on young)

→ Event tomorrow -- total - \$1.28 Billion
- announce support for all of this

described as one package -- Crime Prevention Package
Youth Bill

YOUTH ^{independent} E S Program

Event

Who's coming?

Reilly (?) Reich, Reno, Braun(?) Shakala (?)
Ciceros, Rep. Schuman (?)

Time: 11:15 (Reich must leave by 11:45)

Logistics: 3 possible sites:

- ① K-8 school w Boys & Girls Club
- ② Boys & Girls Club

- must ensure getting kids of target age
- local HS students?
- off-duty cops.

- Must be nearby
(US6/-7845 c/z Bernstein)

Event Set by 3:00 today

Cabot, Justice, Had centerpiece

Order - Reno, Reich, Ciceros, Schuman

hold to 2-3 minute speeches
other Cabinet members - 1 min

AG - Big Picture ~~AG~~
Reich - Jobs Program
radly - ounce of prevention
Cickeros - Had element of police

- get list of Principals to Cabinet Affairs
456-6704 (fax) len

TITLE __ - YOUTH EMPLOYMENT AND SKILLS PROGRAM

SECTION 101. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS. — Congress finds that:

(1) those who commit crimes must be caught and punished; at the same time, prevention programs -- including those which make employment a reasonable, available alternative to crime -- must be undertaken;

(2) in recent decades, a growing concentration of poverty and a sharp erosion in the economic position of disadvantaged young adults have contributed to the crime problem;

(A) between 1980 and 1990, the population living in census tracts with high poverty rates almost doubled, and areas of concentrated poverty are very likely to have high crime rates;

(B) approximately 50 percent of out-of-school young Americans (those age 16 to 24 years) without a high school degree are currently not employed, and many of these out-of-school youths are persistently out of work and have the potential for being permanently lost to the legitimate economy;

(3) the proportion of young men in trouble

with the law has increased dramatically, with almost 700,000 young men from 16 to 34 years of age incarcerated in 1989; no other developed country faces such levels of crime among its young adults.

(b) STATEMENT OF PURPOSE. — The purpose of this title is to saturate high-crime, high-poverty neighborhoods with employment opportunities for disadvantaged young adults, thereby reducing crime in these neighborhoods.

SEC. 102. PROGRAM AUTHORIZED.

The Attorney General, in conjunction with the Secretary of Labor (hereinafter referred to as the "Secretary"), and in consultation with the Secretaries of Housing and Urban Development, Education, Health and Human Services, and Commerce, shall make grants to youth employment projects in high-poverty neighborhoods.

SEC. 103. PROGRAM TARGET AREA.

The target area of each grant shall be a neighborhood with a poverty rate of 30 percent or higher, as determined by the U.S. Bureau of the Census, and a population of 25,000 or less. As determined by the Attorney General and the Secretary, areas with populations of up to 50,000 may be considered.

SEC. 104. PARTICIPANTS.

(a) ELIGIBLE POPULATION.—

(1) AGE.— Young adults ages 16 to 25 shall be eligible for employment programs funded under this title and, in certain circumstances as determined by the Attorney General and the Secretary, young adults up to age 30 may be eligible to participate; and

(2) RESIDENCY.— Any young adult residing in the target area or attending schools in the target area shall be eligible to participate in the programs under this title.

(b) RESPONSIBLE BEHAVIOR BY PARTICIPANTS.—

Continued participation in a program under this title shall be conditioned on:

7 (1) regular attendance and satisfactory performance at work;

7 (2) avoiding crime;

including illegal drug use order

(3) paying child support when paternity has been established;

(4) in-school young adults remaining in school until graduation.

(5) requiring young adults ages 16-17 who have dropped out of school to return to school or an alternative education program.

(c) PRIOR ACTIVITIES.— Prior commission of a crime shall not prohibit a young adult from

~~participating in a program under this title.~~

SEC. 105. ALLOWABLE ACTIVITIES.

(a) EXPENDITURE OF FUNDS.— Funds awarded under this title shall be expended only for activities undertaken to carry out the approved application, which may include—

(1) apprenticeship programs linking work and learning;

(2) on-the-job training in the private sector;

(3) youth conservation and service corps;

(4) programs emphasizing neighborhood infrastructure, such as YouthBuild;

(5) work experience positions, limited to private nonprofit organizations and public agencies;

(6) entrepreneurial and microenterprise development;

(7) transportation links to jobs in the labor market area;

(8) initiatives to increase the educational attainment, occupational skills, and career aspirations of target area young adults, including work-based learning; and

(9) job placement and related services.

(10) → Mobile Housing, Alwb From HUD -- Had 8 recipients may hire residents

hand

(b) WORK EXPERIENCE PROGRAMS.— Work experience programs funded under this title shall:

(1) pay wages in accordance with the Fair Labor Standards Act and relevant State law;

(2) include adequate supervision, equipment, and materials and supplies to accomplish useful work projects;

(3) include a private sector job development component to facilitate the transition of participants to private sector jobs, which shall include developing portfolios of skill attainment, mentorship opportunities, and other efforts to increase job networks for participants; and

(4) include an extensive job placement component. *(5) Participating Businesses - 7 crime prevention activities, burglar alarms, etc.*

(c) TWO YEAR LIMITATION. — The combination of all subsidized employment for a participant shall be limited to two years.

SEC. 106. APPLICATION FOR GRANTS.

(a) APPLICATION PLAN.— To be eligible to receive a grant under this title, a chief local elected official, with the timely review and comment of the Governor, shall apply to the Attorney General and the Secretary for a Youth Employment and Skills grant by submitting an application that shall contain a plan for substantially increasing the employment levels of young

adults in the target area. Such a plan shall:

(1) describe the measurable outcomes that will be used to evaluate the local success of the program, including increased employment, reduced crime, ^{- including illegal drug use} reduced drop out rates, and increased educational attainment;

(2) specify the organization that shall administer the program;

(3) describe the specific employment programs that will be offered by the program;

(4) describe the public/private partnership that will promote collaboration between the local areas, private sector, community-based organizations, and nonprofit organizations;

(5) specify how the public and private sectors will work together to assist young adults to make the transition from subsidized to unsubsidized jobs;

(6) describe how links to jobs throughout the labor market area will be provided;

(7) specify the manner by which the job network for young adults will be expanded by mentors and other programs; and

(8) such other information as the Attorney General and the Secretary may require.

(b) COORDINATION WITH OTHER FEDERAL PROGRAMS.—

Community Policing and
HKS Gang Prevention
Programs

The application will demonstrate that the proposed Youth Employment and Skills program shall build upon and be coordinated with other Federal initiatives, such as:

- JCS Program (HHS)

- (1) crime prevention programs;
- (2) school-to-work programs;
- (3) empowerment zones and enterprise communities;
- (4) Youth Fair Chance;
- (5) National Service;
- (6) the Job Corps;
- (7) the Job Training Partnership Act
- (8) the Summer Youth Employment Program;
- (9) Compensatory Education and other programs aimed at improving inner-city schools.

(c) LEVERAGING AND LINKAGES.— As a condition of a grant award, local areas shall establish linkages with the local private sector, local employment and job training programs, and other appropriate entities to enhance the provision of services under this title. Such activities may include leveraging by and linkages with:

- (1) the local private sector to--

- (A) develop a mentoring program to improve the job network for young adults in the target area;

(B) develop a specified number of career-track jobs for young adults graduating from high school and college in the target area; and

(C) develop part-time jobs to support young adults while they are receiving job training, or secondary or post secondary education,

(2) the local service delivery area under the Job Training Partnership Act to identify funds --

(A) for on-the-job training and work-based training programs, based on successful program models, for residents of the target area;

(B) to develop a summer jobs program for in-school young adults residing in the target area; and

(C) for new youth initiatives in the target area,

(3) local programs to provide employment services and supportive services, such as transportation service to link target area residents to jobs in the labor market area, and

(4) the local school district to provide activities that will support the program and assist in achieving the goals specified in the

application.

SEC. 107. AWARD PRIORITIES.

In evaluating the applications submitted under this title, the Attorney General and the Secretary shall give priority to applications that:

- (a) target areas that have high crime and high poverty rates; and
- (b) demonstrate extensive community support and linkages to crime prevention programs and employment related programs.

SEC. 108. GRANT AMOUNT, DURATION AND NUMBER.

(a) AMOUNT OF GRANTS.— Each grant awarded shall be funded at a level of not less than \$__ million per year.

(b) DURATION OF GRANTS.— Grants shall be for 1 year, and renewable for each of the four succeeding years.

(c) NUMBER OF GRANTS.— There shall be a total of __ grants awarded under this title.

SEC. 109. FEDERAL RESPONSIBILITIES.

(a) IN GENERAL.— The Attorney General and the Secretary shall establish a system of performance measures for assessing programs established pursuant to this title.

(b) EVALUATION.— The Attorney General and the Secretary shall conduct a national evaluation of Youth

Employment and Skills programs funded under this title that will track and assess the effectiveness of those programs, and include an evaluation of increased employment, reduced crime, reduced drop out rates, and increased educational attainment.

(c) TECHNICAL ASSISTANCE.— The Attorney General and the Secretary shall provide appropriate technical assistance to carry out Youth Employment and Skills programs under this title.

SEC. 110. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.— There are authorized to be appropriated to the Attorney General \$___ million for fiscal year 1994, \$___ million for fiscal year 1995, \$___ million for fiscal year 1996, \$___ million for fiscal year 1997, and \$___ million for fiscal year 1998 to carry out this title.

(b) EVALUATIONS AND TECHNICAL ASSISTANCE.— Of the amounts appropriated under subsection (a) for a fiscal year, the Attorney General may reserve not more than 5 percent of such amounts for the fiscal year to carry out evaluations and technical assistance.

(c) AVAILABILITY OF FUNDS.— Funds obligated for any fiscal year for programs authorized under this title shall remain available until expended.

SEC. 111. SANCTIONS.

The Attorney General and the Secretary may

terminate or suspend financial assistance, in whole or in part, to a recipient or refuse to extend a grant for a recipient, if the Attorney General and the Secretary determine that the recipient has failed to meet the requirements of this title, or any regulations under this title, or any approved application submitted pursuant to this title. The Attorney General and the Secretary shall provide to the recipient prompt notice of such termination, suspension, or refusal to extend a grant and the opportunity for a hearing within 30 days after such notice.

SEC. 112. SAFEGUARDS.

The following safeguards shall apply to Youth Employment and Skills programs under this title:

(1) Nothing in this title shall be construed to modify or affect any Federal, State, or local law prohibiting discrimination on the basis of race, religion, color, ethnicity, national origin, gender, or disability.

(2) The labor standards under the Job Training Partnership Act, 29 U.S.C. 1553, shall apply to programs under this title.

(3) The Attorney General and the Secretary shall provide such other safeguards as they may deem appropriate in order to ensure that Youth Employment and Skills program participants are

afforded adequate supervision by skilled adult workers, or, otherwise, to further the purposes of this title.

SEC. 113. REGULATIONS.

The Attorney General and the Secretary shall issue such regulations as may be necessary to carry out the purposes of this title.

SEC. 114. WAIVERS.

The Attorney General and the Secretary may prescribe regulations that establish criteria for waiver of application requirements of other programs administered by their Departments to the extent they duplicate the requirements specified in this title.

SEC. 115. PROHIBITION ON PRIVATE RIGHTS OF ACTION.

Nothing in this title shall be construed to establish a right for any person to bring an action to obtain services under this title.

SEC. 116. ACCEPTANCE OF GIFTS, AND OTHER MATTERS.

The Attorney General and the Secretary are authorized, in carrying out this title, to accept, purchase, or lease in the name of the Department of Justice or the Department of Labor, and employ or dispose of in furtherance of the purposes of this title, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise, and to accept voluntary and

uncompensated services notwithstanding the provisions
of section 1342 of title 31.

SEC. 117. EFFECTIVE DATE.

This title shall take effect on the day of
enactment.

DRAFT

3/4/94

Outlines of an Employment-based Approach

Background

Start with quote from the Memphis speech on the value of work.

In recent decades, our nation has experienced a growing concentration of poverty and there has been a sharp erosion in the economic position of disadvantaged youths and young adults. The resulting absence of work among disadvantaged youth is a major factor underlying the crime problem. Those who commit crimes must be caught and punished; at the same time, prevention programs, including ones which make employment a reasonable, available alternative for at-risk youth, must be undertaken to break the cycles of poverty, crime and violence. As the President said in the State of the Union, young people must have "something to say yes to" or the battle against crime will not be won.

The underlying facts are very troubling:

- o Between 1980 and 1990, the population living in census tracts with 40 percent or higher poverty rates almost doubled. These areas of concentrated poverty are very likely to have high crime rates; for example, a recent study indicated that between 1986 and 1989, the rates of violent crime in public housing in Washington, D.C., Los Angeles, and Phoenix were more than double that for these respective cities as a whole.
- o A growing number of disadvantaged young men and young women are "idle," not in school, working, or looking for work. Approximately 50 percent of out-of-school young Americans (those age 16 to 24 years) without a high school degree are currently not employed. And more than 70 percent of young black high school dropouts are currently not employed. Many of these out-of-school youths are persistently out of work and have the potential for being permanently lost to the legitimate economy.
- o At the same time, the proportion of young men in trouble with the law has increased dramatically. Almost 700,000 young men from 16 to 34 years of age were incarcerated in 1989. Approximately 50 percent of 18 to 34 year old, black male, high school dropouts had criminal records in the late 1980s. No other developed country faced such levels of crime among its youth.

The purpose of this initiative is to test the proposition of whether the widespread provision of employment opportunities for disadvantaged youth and young adults can reduce crime. The jobs will be extended to those who agree to "play by the rules" and will be the main feature of a comprehensive program targeted on high poverty

neighborhoods.

The evidence suggests that such an employment-oriented approach can prove effective. Job Corps participation -- which significantly alters participants education and employment opportunities -- has had a positive effect on earnings and has reduced serious crime. The Job Start demonstration [add description] also has led to some decline in arrest rates [keep?]. More generally, program models which closely link work and learning -- as this initiative would -- have been found to increase the incomes of disadvantaged youths and young adults; San Jose's Center for Employment and Training uses such a model, and a recent study found that young high school dropouts participating in the program sustained annual earnings gains of over \$3,000. It also should be mentioned that a comparison of crime trends shows that cities with tightening labor markets are more likely to show reductions in crime rates.

Finally, recent program experience underscores the eagerness of disadvantaged youths to fill employment opportunities. A study of the 1993 summer youth employment program found that in eight out of the twelve central city programs visited, the limits in available jobs slots meant the programs were able to enroll less than half of those who applied. The survey also found that the large majority of youths who did participate in the program valued the work experience.

The Approach

The Administration and Congress are already proceeding on a wide range of initiatives that should help address the conditions that promote crime. Besides sound macroeconomic and deficit-reduction policies that have promoted overall economic growth, Empowerment Zone legislation has been passed and the Administration has proposed an expansion in the Job Corps. Furthermore, broader policies concerning life-long learning such as the school-to-work initiative, reform of student loans, the Reemployment Act, and National Service will play an important role in improving labor market prospects for disadvantaged individuals.

Building upon these initiatives, the proposal would add a direct job-creation component, with employment opportunities for youths funded in both the private and public sectors. Among the key program design features would be:

(1) Careful targeting to disadvantaged youths and young adults living in high-poverty, high-crime neighborhoods.

(2) Tying participation to good behavior.

(3) Funding public sector employment opportunities, but private sector placement would be the first priority and the ultimate goal. [discuss: nonprofits or

entrepreneurship/Micro enterprise

(4) → Bullet on linking² to permanent employment
- network

government employment may represent good career opportunities] In either sector, the emphasis will be on real work with real supervision.

(4) Leveraging of other programs and resources, and matching commitments from the community.

In short, the proposal would use a saturation approach. It is very difficult to turn around the lives of disadvantaged youth. Neighborhood-wide interventions could affect community values and peer pressure, and thus have a much larger impact on youth than typical job training programs that attempt to affect one youth at a time. Experiences with innovative programs suggest that intensive programs with broad ranges of services are most effective for youth.

The uniqueness of this effort will be to incorporate a full-fledged employment approach into this range of services, with the goal of changing the opportunities and expectations of neighborhood youth and young adults to that of gainful employment in the private sector, thereby steering them away from crime. The goal of the proposal would be raise youth employment rates in the program sites to levels between 70 percent and 80 percent. At-risk males are likely to be most affected by the program, both because they currently face the worst labor market conditions and by the nature of the jobs created.

In more detail, the four components of the program would look as follows.

I. Targeting

Neighborhoods of approximately 25,000 people with high crime rates and poverty rates of 30 percent would be the focus for this demonstration. Since minorities are overrepresented in such neighborhoods, so would the beneficiaries of this program.

Youth and young adults would be targeted. In an inner-city neighborhood of 25,000 people, there are nearly 3,000 individuals between the ages of 18 and 25, and it is likely that less than 50 percent of them are employed at any point in time. Depending on the availability of funds, neighborhoods could expand the target group to an age range of between 16 to 30.

Areas with concentrations of public and assisted housing would be among those that would be good potential program sites. Such areas are frequently characterized by high poverty and crime rates.

II. Links to Behavior

The jobs provided under the program would be conditioned on youths meeting certain standards of personal behavior. Most importantly, just as under the Job Corps, youths participating in the program would be expelled if they engage in crime. For youths in schools, program participation would be contingent upon staying in school [what to do about dropouts?]. Moreover, in cases where paternity has been established, participants would have to be making their child support payments.

On the job, program participants would be expected to meet the typical standards and behavior expected from workers. Otherwise, they will not be allowed to continue in the program.

drug use/testing, just as in Job Corps?

III. Employment Components

The lion's share of the grant funds would go towards direct job creation. The first strategy would be to try to use on-the-job training (OJT) slots to place persons in the private sector, but experience suggests that inner-city youths (particularly males) are difficult to place in OJT positions and that a number of subsidized work experience positions in the non-profit or public sector will be necessary. The emphasis would be on "real" jobs that can contribute to the community, and not on jobs that can be viewed as social service programs for disadvantaged youth.

There would be a grant competition, with proposals judged on criteria including their creativity in leveraging resources as well as their ability to link the program to permanent private sector placements. To encourage creativity, the grant decisions would not pin proposals down to specific designs, but would examine the strength of employment components such as the following:

- o Public service positions that include youth conservation and service corps slots and YouthBuild slots. Such programs typically cost around \$15,000 per slot. Some youth² in these programs could graduate to career-track positions as work foremen -- thus increasing the net job creation of the programs.

Public job slots would be limited in duration to two years and demonstration sites would be expected to develop networking capacity to help place the youths into private sector jobs.

- o Public work experience slots created in occupations with large projected job growth. The idea would be to provide work experience with the hope of a gradual transition to private sector employment in the occupation. Occupations with high expected job growth include construction trades, building maintenance, and landscaping and groundskeeping. These work experience slots would cost roughly \$15,000 [discuss] each. The work would be conducted in special projects, so as to avoid displacement concerns of public sector unions.

o 1st

There would be heavy emphasis on private sector, apprenticeship models which closely link work and learning.

Accordingly, one criteria would be the development of private sector slots that include ongoing on-the-job training. Also, there would be an expectation that local businesses would commit to developing part-time jobs to support residents of the target community while they were receiving job training or attending community college. The local private sector would commit to hiring graduates of the area high school each year into career-track jobs. This would reflect the Boston Compact approach of rewarding school success with private job guarantee or scholarships.

Moreover, apprenticeship programs with unions (for example, carpenters, laborers, or painters unions) could be established, with the unions providing matching funds for the development of positions.

Proposals would also be judged according to the strength of the mentoring and microenterprise approaches that would be used. To help spur new enterprises, some funding of performance bonding for companies might be used.

- o Linkages could include the establishment of a satellite office in the target neighborhood and to working with the area transit authority to establish mini-bus links to suburban jobs.
- o Further, cities could commit to using some amount of JTPA funds for OJT positions for young adults over 25 years old in the target community. The city would also commit to using JTPA, private sector, and other funds to set up a summer employment program available to all youth in the target community on the condition that the youth stay in school or return to school.

So, for example, a proposal to develop 1,000 jobs might combine the following: 200 youth conservation and service corps and YouthBuild slots (cost, \$3 million a year); 300 work experience slots (cost, \$4.5 million a year), 100 on-the-job training slots (\$500,000 a year); the private sector would commit to develop 100 part-time jobs for those attending job training or attending community college and 50 jobs for high school graduates, while unions would commit to developing 50 Apprenticeship positions; and the transportation link would place 200 targeted residents into jobs.

IV. Matching Commitments

The above section outlines matching commitments expected from the private sector, other government programs, and perhaps from unions in developing job opportunities. As a condition of receiving grant funds, cities will be required to make a

number of other matching commitments aimed to ensure that necessary resources are leveraged and coordinated.

- o Local governments would be required to involve the full, larger community in the effort to leverage federal funds. Collaboration between the local areas, the private sector, community-based organizations and nonprofits would be stressed.
- o Educational linkages would be beefed up, and would include a strong role for community colleges, as well as incorporating the successful work-based learning approach used in San Jose's Center for Employment and Training program (CET).
- o The program would be linked to other relevant programs that exist in the locality, including school-to-work and empowerment zones.

⑧ - networking / linkage

Funding Levels

At \$10 million a year per site, a \$300 million allocation would fund 6 sites for five years (the funding levels could be ramped up if that is more feasible politically and to allow for phasing in while the programs develop).

A \$1 billion allocation would permit testing different permutations of the model-- such as putting more funds in particular sites, enlarging the size of the neighborhoods covered, or expanding the target population by providing more direct employment funding for 14-17 year olds or for 26 to 30 year olds. It might also permit the funding of more sites. Furthermore, the larger allocation level could allow for more funding of features of a youth development strategy that are complementary to the employment strategy.

With either the smaller or larger allocation, evaluation and technical assistance components would be included, to be set at about 5 percent of the total funding each year.

DRAFT**Outlines of an Employment-based Approach**

A crime prevention strategy aimed at high-poverty communities should include two components--one aimed at raising the aspirations and educational attainment of children and youth growing up in poor neighborhoods, and a second aimed at increasing employment opportunities of at-risk youth in these neighborhoods who agree to "play by the rules". The employment component should be aimed at increasing employment rates in inner-city neighborhoods to the point that working becomes the norm and peer pressure operates in the direction of encouraging work. Experience with the Job Corps suggest that a significant change in the environment of disadvantaged youths -- including broadening their education and employment opportunities -- can have a positive effect on earnings and can reduce violent crime.

Neighborhoods with high crime rates and poverty rates of 30 percent would be an appropriate focus for this demonstration. Since minorities are overrepresented in such neighborhoods, so would the beneficiaries of this program.

In an inner-city neighborhood of 25,000 people, there are roughly 3,000 individuals between the ages of 18 and 25, and it is likely that less than 50 percent of them are employed at any point in time. Raising the employment rate by a considerable margin would require a combination of programs--some paid for by grant funds and some required as matching commitments to receive the grants. Such an employment program could be the main component of a comprehensive youth development approach.

The following program design is consistent with grants of about \$10 million per year per site. A rough ballpark figure is that this grant level could lead to the creation of 1,000 new job slots for residents of the targeted neighborhoods, raising the overall youth employment rate by about 30 percentage points. At-risk males would be most affected by the program, both because they currently face the worst labor market conditions and by the nature of the jobs created.

\$10,000 *per job*

I. Links to Behavior.

The jobs provided under the program would be conditioned on youths meeting certain standards of personal behavior. Most importantly, just as under the Job Corps, youths participating in the program would be expelled if they engage in crime. For non-high school graduates, program participation would be contingent upon making progress towards a GED or staying in school [ramifications need to be thought through; should it be an absolute requirement?].

II. Employment Components.

The lion's share of the grant funds would go towards direct job creation. The first strategy would be to try to use on-the-job training (OJT) slots to place persons in the private sector, but experience suggests that inner-city youths (particularly males) are difficult to place in OJT positions and that a number of subsidized work experience positions in the non-profit or public sector will be necessary. But the emphasis would be on "real" jobs that can contribute to the community, and not on jobs that can be viewed as social service programs for disadvantaged youth. Young adults ages 18-25 could be the target population for the employment program--as these are key ages when individuals should be entering work careers and starting families, and are also key ages for males to be involved in crime. Complementary programs could be aimed at young adults in their late 20s and at providing summer jobs to youth under 18.

There would be a grant competition, with proposals judged on criteria including their creativity in leveraging resources as well as their ability to link the program to permanent private sector placements. To encourage creativity, the grant decisions would not pin proposals down to specific designs, but would examine the strength of employment components such as the following:

- Public service positions that include youth conservation and service corps slots and YouthBuild slots. Such programs typically cost around \$15,000 per slot. Some youth in these programs could graduate to career-track positions as work foremen--thus increasing the net job creation of the programs.
- Public work experience slots created in occupations with large projected job growth. The idea would be to provide work experience in these occupations, with the hope of a gradual transition to private sector employment in the occupation. Occupations with high expected job growth include construction trades, building maintenance, and landscaping and groundskeeping. These work experience slots would cost roughly \$15,000 [discuss] each. The work would be conducted in special projects, so as to avoid displacement concerns of public sector unions.
- Private sector slots that include ongoing on-the-job training slots for persons living in the target area. Also, there would be an expectation that local businesses would commit to developing part-time jobs to support residents of the target community while they were receiving job training or attending community college. The local private sector would commit to hiring graduates of the area high school each year into career-track jobs.

Proposals would also be judged according to the strength of their mentoring and microenterprise approaches would be used.

- Linkages could include the employment service committing to establishing a

satellite office in the target neighborhood and to working with the area transit authority to establish mini-bus links to suburban jobs. Finally, Job Corps funding might also be leveraged.

- Further, cities could commit to using some amount of JTPA funds for OJT positions for young adults over 25 years old in the target community. The city would also commit to using JTPA, private sector, and other funds to set up a summer employment program available to all youth in the target community on the condition that the youth stay in school or return to school.

So, for example, a proposal to develop 1,000 jobs might combine the following: 200 youth conservation and service corps and YouthBuild slots (cost, \$3 million a year); 300 work experience slots (cost, \$4.5 million a year), 100 on-the-job training slots (\$500,000 a year); the private sector would commit to develop 100 part-time jobs for those attending job training or attending community college, and 50 jobs for high school graduates; the transportation link would create 200 jobs; and Job Corps funding would be leveraged for 50 jobs.

III. Matching Commitments

As a condition of receiving grant funds, cities will be required to make a number of matching commitments aimed to ensure that necessary resources are leveraged and coordinated.

- Local governments would be required to involve the full, larger community in the effort to leverage federal funds would be strengthened. Collaboration between the local areas, the private sector, community-based organizations and nonprofits would be stressed.
- Educational linkages would be beefed up, and would include a strong role for community colleges, as well as incorporating the successful work-based learning approach used in San Jose's Center for Employment and Training program (CET).
- The program would be linked to other relevant programs that exist in the locality, including school-to-work and empowerment zones.

IV. Funding Levels

At \$10 million a year per site, a \$300 million allocation would fund 6 sites for five years (the funding levels could be ramped up if that is more feasible politically). A \$1 billion allocation would fund 20 sites for five years at this same allocation level. A larger allocation would also permit testing different permutations of the model--such as putting

more funds in particular sites, expanding the target population by providing more direct employment funding for 14-17 year olds or for 26 to 30 year olds. With either the smaller or larger allocation, we would include evaluation and technical assistance components--which combined would use about 5 percent of the total funding each year.

Furthermore, the larger allocation level could allow for more funding of features of a youth development strategy that are complementary to the employment strategy.

It bears noting that even the higher allocation level would serve less than 5 percent of all high poverty urban neighborhoods.

103D CONGRESS
1ST SESSION

H. R. 1019

To provide grants to cities to establish teen resource and education centers to provide education, employment, recreation, social, and cultural awareness assistance to at-risk youth.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 18, 1993

Ms. WATERS (for herself, Mr. MARTINEZ, Ms. ROYBAL-ALLARD, Mr. TORRES, Mr. EDWARDS of California, Ms. WOOLSEY, Mr. MATSUI, Ms. ESHOO, Ms. PELOSI, Ms. VELÁZQUEZ, Mr. TUCKER, Mr. BECERRA, and Mr. CLYBURN) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To provide grants to cities to establish teen resource and education centers to provide education, employment, recreation, social, and cultural awareness assistance to at-risk youth.

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 may be cited as the "Gang Prevention and
5 Youth Recreation Act of 1993".

1 **SEC. 2. GRANTS TO CITIES TO PROVIDE EDUCATION, EM-**
2 **PLOYMENT, RECREATION, SOCIAL, AND CUL-**
3 **TURAL AWARENESS ASSISTANCE TO AT-RISK**
4 **YOUTH.**

5 The Secretary of Health and Human Services, in con-
6 sultation with the Secretary of Education, shall, from
7 amounts appropriated under section 10, provide grants to
8 not more than 10 selected cities for the purpose of assist-
9 ing such cities in establishing and operating teen resource
10 and education centers in such cities to provide education,
11 employment, recreation, social, and cultural awareness as-
12 sistance to at-risk youth.

13 **SEC. 3. APPLICATION.**

14 To receive a grant under section 2, a city shall submit
15 to the Secretary an application in such form and contain-
16 ing such information as the Secretary may require.

17 **SEC. 4. TEEN RESOURCE AND EDUCATION CENTERS.**

18 The Secretary may not make a grant under section
19 2 to a city unless the city agrees that it will use all
20 amounts received from such grant to establish and oper-
21 ate, in conjunction with local social service agencies, at
22 least 2 teen resource and education centers in such city
23 to provide education, employment, recreation, social, and
24 cultural awareness assistance to at-risk youth. Teen re-
25 source and education centers established and operated

1 using amounts from a grant under section 2 shall, at a
2 minimum, meet the following requirements:

3 (1) EDUCATIONAL ASSISTANCE.—The teen re-
4 source and education centers shall provide edu-
5 cational assistance to at-risk youth for the purpose
6 of—

7 (A) providing information on institutions
8 of higher education to at-risk youth interested
9 in attending such institutions;

10 (B) establishing a scholarship search and
11 resource program at the centers to provide as-
12 sistance to such youth in the preparation of fi-
13 nancial aid applications, scholarship applica-
14 tions, and other relevant forms and applica-
15 tions; and

16 (C) establishing and carrying out pre-
17 paratory courses for high school equivalency ex-
18 aminations and college entrance examinations
19 at the center.

20 (2) EMPLOYMENT AND SKILLS TRAINING AS-
21 SISTANCE.—The teen resource and education centers
22 shall provide employment and skills training assist-
23 ance to at-risk youth by hiring teen peer counselors
24 to—

1 (A) provide training to such youth in basic
2 job skills, including interviewing, personal ap-
3 pearance, and communication with coworkers
4 and superiors;

5 (B) provide job referral services to such
6 youth; and

7 (C) establish job banks for such youth by
8 providing listings of job openings in local busi-
9 nesses.

10 (3) RECREATIONAL OPPORTUNITIES.—The teen
11 resource and education centers shall provide rec-
12 reational opportunities for at-risk youth by—

13 (A) establishing sports teams for such
14 youth and seeking financial support or sponsor-
15 ship of such teams from local businesses;

16 (B) establishing and carrying out coopera-
17 tive work activities at such centers, such as a
18 garden to give such youth a chance to work to-
19 gether to achieve positive results from their ef-
20 forts and to distribute the food harvested from
21 such garden to the families of such youth and
22 to neighborhood soup kitchens;

23 (C) establishing and carrying out creative
24 activities, such as writing, music, media, and
25 visual art classes to provide such youth with the

1 opportunity to channel creative energies and de-
2 velop creative talents; and

3 (D) establishing and carrying out a read-
4 ing program to introduce such youth to the im-
5 portance of reading.

6 (4) DEVELOPMENT OF SOCIAL SKILLS.—The
7 teen resource and education centers shall provide for
8 the development of the social skills of at-risk youth
9 by—

10 (A) hiring adult counselors and providing
11 support groups at such centers for the purpose
12 of counseling such youth on social and personal
13 issues, including issues relating to—

14 (i) problems facing young minorities;

15 (ii) teen-age pregnancy and early par-
16 enthood, including pregnancy prevention
17 and pregnancy management, family plan-
18 ning, and sex education, including edu-
19 cation relating to acquired immune defi-
20 ciency syndrome (AIDS);

21 (iii) job preparedness and unemploy-
22 ment; and

23 (iv) crime; and

1 (B) sponsoring trips for such youth to mu-
2 seums, State capitals, concerts, plays, and other
3 cultural and educational settings and events.

4 (5) CULTURAL AWARENESS.—The teen resource
5 and education centers shall assist in raising the cul-
6 tural awareness of at-risk youth by—

7 (A) establishing and carrying out classes
8 on the history and culture of African-Ameri-
9 cans, Hispanics, and other cultural groups to
10 supplement courses taught in elementary and
11 secondary schools and to bolster the social and
12 personal self-esteem and pride of such youth;
13 and

14 (B) encouraging such youth to produce
15 plays, stories, and artwork that reflect their cul-
16 tural heritage and pride.

17 (6) FINANCIAL ASSISTANCE TO COLLEGE GRAD-
18 UATES WORKING AT TEEN RESOURCE AND EDU-
19 CATION CENTERS.—

20 (A) IN GENERAL.—The teen resource and
21 education centers shall provide financial assist-
22 ance from amounts received from a grant under
23 section 2 to graduates of institutions of higher
24 education who work full-time at such centers
25 for the purpose of assisting such graduates to

1 repay student loans obtained by such graduates
2 to attend such schools.

3 (B) AMOUNT OF ASSISTANCE.—The center
4 may provide financial assistance under subpara-
5 graph (A) in an amount equal to not more than
6 25 percent of the total amount owed by a grad-
7 uate during any year that such graduate is
8 working at such center for the repayment of
9 student loans of such graduate. Such assistance
10 may be provided to a graduate for up to 4 years
11 that such graduate is working at such center.

12 **SEC. 5. CITY REPORT.**

13 The Secretary may not make a grant under section
14 2 to a city unless the city agrees that it will submit, for
15 any fiscal year in which such city receives a grant under
16 such section, a report to the Secretary describing the use
17 of such grant, including—

18 (1) the number of at-risk youth receiving assist-
19 ance at each teen resource and education center es-
20 tablished in such city under section 4;

21 (2) the types of services and referrals received
22 by such at-risk youth; and

23 (3) any other information the Secretary deter-
24 mines to be appropriate.

1 **SEC. 6. SELECTION.**

2 (a) **IN GENERAL.**—The Secretary shall select cities
3 to receive grants under section 2 which have a large num-
4 ber of at-risk youth.

5 (b) **GEOGRAPHIC DIVERSITY.**—To the extent prac-
6 ticable, the Secretary shall make grants to cities under
7 section 2 in a manner which will equitably distribute such
8 grants among the various regions of the United States.

9 **SEC. 7. ALLOCATION.**

10 The Secretary may not make a grant under section
11 2 in a fiscal year to any city in an amount totaling more
12 than 10 percent of amounts appropriated under section
13 10 for that fiscal year.

14 **SEC. 8. REPORTS.**

15 (a) **INTERIM REPORT.**—Not later than February 1,
16 1996, the Secretary shall submit to the Congress an in-
17 terim report containing—

18 (1) a compilation of the information contained
19 in the city reports received by the Secretary pursu-
20 ant to section 5; and

21 (2) a process evaluation of the effectiveness of
22 the grant program.

23 (b) **FINAL REPORT.**—Not later than February 1,
24 1997, the Secretary shall submit to the Congress a final
25 report containing the information described in subsection
26 (a).

1 **SEC. 9. DEFINITIONS.**

2 For purposes of this Act, the following definitions
3 apply:

4 (1) **AT-RISK YOUTH.**—The term “at-risk youth”
5 means individuals who have attained the age of 10
6 but have not attained the age of 23 and who live in
7 a city in which—

8 (A) drug and gang activity, or other vio-
9 lent community activity, are prevalent;

10 (B) a large number of youth are unlikely
11 to complete an elementary or secondary edu-
12 cation;

13 (C) a large number of youth are runaway
14 or homeless youth;

15 (D) a large number of individuals receive
16 public assistance; and

17 (E) a large number of individuals are sin-
18 gle parents.

19 (2) **INSTITUTION OF HIGHER EDUCATION.**—The
20 term “institution of higher education” has the
21 meaning given such term under section 1201(a) of
22 the Higher Education Act of 1965.

23 (3) **SECRETARY.**—The term “Secretary” means
24 the Secretary of Health and Human Services.

1 **SEC. 10. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) **IN GENERAL.**—There is authorized to be appro-
3 priated \$1,000,000,000 for each of the fiscal years 1994
4 and 1995 to carry out section 2.

5 (b) **AVAILABILITY.**—Amounts appropriated under
6 subsection (a) shall remain available until expended.

○

103D CONGRESS
1ST SESSION

H. R. 1021

To provide employment opportunities to unemployed individuals in high unemployment areas in programs to repair and renovate essential community facilities.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 18, 1993

Ms. WATERS introduced the following bill; which was referred to the
Committee on Education and Labor

A BILL

To provide employment opportunities to unemployed individuals in high unemployment areas in programs to repair and renovate essential community facilities.

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 may be cited as the "Neighborhood Infra-
5 structure Improvement and Inner City Job Creation Act".

6 **SEC. 2. ESTABLISHMENT OF GRANT PROGRAM**

7 The Secretary of Labor (in this Act referred to as
8 the "Secretary") shall provide grants to eligible adminis-

1 trative entities described in section 3(a) for the purpose
2 of establishing and carrying out programs that provide
3 employment opportunities to unemployed individuals
4 through payments for labor and related costs associated
5 with the repair and renovation of essential community fa-
6 cilities.

7 **SEC. 3. ELIGIBLE ADMINISTRATIVE ENTITIES.**

8 (a) **IN GENERAL.**—An administrative entity shall be
9 eligible to receive a grant under section 2 if the entity is—

10 (1) a private industry council (described under
11 section 102 of the Job Training Partnership Act (29
12 U.S.C. 1512)),

13 (2) a unit of general local government,

14 (3) a nonprofit private organization, or

15 (4) in the case of a grant involving a Native
16 American Indian tribe or Alaska Native Village, a
17 grantee designated under subsection (c) or (d) of
18 section 401 of the Job Training Partnership Act, or
19 a consortium of such grantees and the State,

20 that serves 1 or more eligible jurisdictions described under
21 subsection (b).

22 (b) **ELIGIBLE JURISDICTION.**—An eligible jurisdic-
23 tion described under this subsection is an area which has
24 a poverty rate in excess of 30 percent and which is—

1 (1) a unit of general local government which
2 has a population of 50,000 or more individuals; or

3 (2) a Native American Indian tribe, band, or
4 group located on a Federal or State reservation, the
5 Oklahoma Indians, and any Alaska Native village or
6 group as defined in the Alaska Native Claims Settle-
7 ment Act, having a governing body.

8 (c) **PRIORITY.**—In selecting administrative entities
9 described in subsection (a) to receive a grant under section
10 2, priority shall be given to administrative entities that
11 give assurances to the Secretary in the application submit-
12 ted under section 4 that such entities will give priority
13 to individuals who are low-skilled workers in selecting indi-
14 viduals to participate in programs established and carried
15 out by such entities under section 5(a).

16 **SEC. 4. APPLICATION.**

17 The Secretary may not make a grant under section
18 2 to an eligible administrative entity unless the entity sub-
19 mits to the Secretary an application in such form and con-
20 taining such information as the Secretary may require.

21 **SEC. 5. USE OF AMOUNTS.**

22 (a) **IN GENERAL.**—Except as provided in subsection
23 (b), the Secretary may not make a grant under section
24 2 to an eligible administrative entity unless the entity
25 agrees that it will use all amounts received from such

1 (10) installing graded ramps for individuals
2 with disabilities; and

3 (11) weatherizing community facilities and car-
4 rying out other energy conservation activities.

5 (b) ADMINISTRATIVE COSTS.—Not more than 25 per-
6 cent of amounts received from a grant under section 2
7 for any fiscal year may be used for the cost of administra-
8 tion and the acquisition of supplies, tools, and other equip-
9 ment.

10 **SEC. 6. ELIGIBLE INDIVIDUALS.**

11 (a) IN GENERAL.—An individual shall be eligible to
12 participate in a program described in section 5(a) only if
13 the individual—

14 (1) is an unemployed individual at the time of
15 enrollment in such program;

16 (2) has been unemployed, at a minimum, for
17 the duration of the 15-week period immediately pre-
18 ceding the date of such enrollment; and

19 (3) has made a good-faith attempt to obtain
20 employment during such 15-week period.

21 (b) ADDITIONAL REQUIREMENT FOR SECONDARY
22 SCHOOL-AGE INDIVIDUALS.—

23 (1) IN GENERAL.—In addition to meeting the
24 requirements described in subsection (a), a second-
25 ary school-age individual shall be eligible to partici-

1 grant to establish and carry out a program to provide
2 wages and related employment benefits to eligible individ-
3 uals described in subsections (a) and (b) of section 6 for
4 the purpose of employing such individuals to repair and
5 renovate essential community facilities that are located
6 within the eligible jurisdiction that the entity serves,
7 including—

8 (1) painting bridges;

9 (2) repairing and renovating public buildings
10 and other community facilities, including public li-
11 braries;

12 (3) repairing and renovating public housing
13 units;

14 (4) repairing water systems and water develop-
15 ment projects;

16 (5) erecting or replacing traffic control signs
17 and removing road sign obstructions;

18 (6) replacing school crossing, intersection, and
19 other road surface markings;

20 (7) repairing roads and streets;

21 (8) repairing and renovating parks and play-
22 grounds;

23 (9) installing and repairing drainage pipes and
24 catch basins in areas subject to flooding;

1 pate in a program described in section 5(a) only if
2 the individual has not attended a secondary school
3 for any part of the 6-month period immediately pre-
4 ceding the date of enrollment in such program.

5 (2) SECONDARY SCHOOL-AGE INDIVIDUAL DE-
6 FINED.—For purposes of paragraph (1), the term
7 “secondary school-age individual” means an individ-
8 ual who has attained the age of 16 but has not at-
9 tained the age of 20.

10 (c) PRIORITY.—In selecting individuals described in
11 subsections (a) and (b) to participate in a program de-
12 scribed in section 5(a), priority shall be given to the indi-
13 viduals who, at the time of selection to the program, have
14 exhausted or are otherwise not eligible for unemployment
15 insurance benefits, particularly those individuals who have
16 been unemployed for the longest periods of time preceding
17 the date of their selection to the program.

18 **SEC. 7. NONDISCRIMINATION.**

19 No individual shall be excluded from participation in,
20 denied the benefits of, subjected to discrimination under,
21 or denied employment in the administration of or in con-
22 nection with any program described in section 5(a) be-
23 cause of race, color, religion, sex, national origin, age, dis-
24 ability, or political affiliation or belief.

1 SEC. 8. LABOR STANDARDS.

2 The labor standards described under section 143 of
3 the Job Training Partnership Act (29 U.S.C. 1553) shall
4 apply for purposes of a program established under section
5 5(a).

6 SEC. 9. MAINTENANCE OF EXPENDITURES.

7 The Secretary may not make a grant under section
8 2 to an eligible administrative entity unless the entity
9 agrees that it will maintain its aggregate expenditures
10 from all other sources for employing individuals to repair
11 and renovate essential community facilities at or above the
12 average level of such expenditures in the 2 fiscal years
13 preceding the date on which the entity submits an applica-
14 tion under section 4 to the Secretary.

15 SEC. 10. REPORT.

16 The Secretary may not make a grant under section
17 2 to an eligible administrative entity unless the entity
18 agrees that it will submit, for any fiscal year in which the
19 entity receives a grant under such section, a report to the
20 Secretary describing the use of such grant and any other
21 information the Secretary determines to be appropriate.

22 SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

23 (a) IN GENERAL.—There is authorized to be appro-
24 priated to carry out section 2 \$5,000,000,000 for fiscal
25 year 1994 and such sums as may be necessary for each
26 succeeding fiscal year.

8

1 (b) **AVAILABILITY.**—Funds authorized to be appro-
2 priated under subsection (a) shall remain available until
3 expended.

○

"I do not believe we can repair the basic fabric of society until people who are willing to work have work. Work organizes life. It gives structure and discipline to life. It gives a role model to children... We cannot... repair the American community and restore the American family until we provide the structure, the value, the discipline and the reward that work gives."

President Bill Clinton

November 13, 1993

Memphis, Tennessee

"While the great battles of the decades ahead are likely to be economic, the greatest challenge to our economic strength is certainly not competition from the Pacific Rim or Europe. No; the greatest challenge to our economic strength is here at home—where the decaying cores of too many inner-cities and the poverty-stricken heartlands of rural America threaten to erode our dynamic regional economies from within. That is what we intend to change. I believe we can do it."

Vice President Al Gore

December 6, 1993

Boston, Massachusetts

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Vice President Al Gore

December 6, 1993

Boston, Massachusetts

**FAX TRANSMISSION**

U.S. Department of Education
Office of Postsecondary Education
Policy Development Staff
Fax: 202/708-9107

To: *Paul Diamond* FAX NUMBER: *456-2223*

FROM:

- ☐ Sally Kirkgasler, Director
- ☐ David Bergeron, Senior Budget Analyst
- ☐ Rose Fletcher, Secretary
- ☐ April Helm, Program Analyst
- ☐ Dan Madzelan, Senior Program Analyst
- ☐ Francine Picoult, Senior Program Analyst
- ☐ Ellen Sealey-Washington, Program Analyst
- ☐ Jerry Whitlock, Senior Program Analyst

DATE: *3/9/94*

TIME: *12:20*

NUMBER OF PAGES: *7*

If you do not receive all pages, please contact Rose Fletcher (or person named above) at 202/708-9069.

Message:

*Per your request to
David Longenecker*

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Sec. 402H**HIGHER EDUCATION ACT OF 1965****16**

as annually on the following topics and other topics chosen by the Secretary:

- (1) Legislative and regulatory requirements for the operation of programs funded under this chapter.
- (2) Assisting students in receiving adequate financial aid from programs assisted under this title and other programs.
- (3) The design and operation of model programs for projects funded under this chapter.

(c) **CONSULTATION.**—Grants for the purposes of this section shall be made only after consultation with regional and State professional associations of persons having special knowledge with respect to the needs and problems of such programs and projects.

(20 U.S.C. 1070a-17) Enacted October 3, 1980, P.L. 96-374, sec. 405, 94 Stat. 1411; amended October 17, 1986, P.L. 99-498, sec. 401(a), 100 Stat. 1341; amended July 23, 1992, P.L. 102-325, sec. 402(a)(4), 106 Stat. 491.

SEC. 402H. EVALUATION FOR PROJECT IMPROVEMENT.

(a) **IN GENERAL.**—For the purpose of improving the operation of the programs and projects assisted under this chapter, the Secretary is authorized to make grants to and enter into contracts with institutions of higher education and other public and private institutions and organizations to evaluate the effectiveness of the various programs assisted under this subpart in meeting the purposes described in this chapter.

(b) **CONTENT.**—The evaluations described in subsection (a) shall identify institutional, community and program practices particularly effective in increasing the access of low-income individuals and first-generation college students to postsecondary education, the preparation of such individuals and students for postsecondary education, and such individuals' and students' success in postsecondary education.

(c) **RESULTS.**—In order to improve program effectiveness, the results of the ongoing evaluations described in subsection (a) shall be disseminated by the Secretary to similar programs assisted under this chapter as well as other individuals concerned with the postsecondary access and retention of low-income individuals and first-generation college students.

(20 U.S.C. 1070a-18) Enacted July 23, 1992, P.L. 102-325, sec. 402(a)(4), 106 Stat. 491.

CHAPTER 2—NATIONAL EARLY INTERVENTION SCHOLARSHIP AND PARTNERSHIP PROGRAM

SEC. 404A. EARLY INTERVENTION PROGRAM AUTHORIZED.

The Secretary is authorized, in accordance with the requirements of this chapter, to establish a program that—

- (1) encourages States to provide or maintain a guarantee to eligible low-income students who obtain a high-school diploma (or its equivalent), of the financial assistance necessary to permit them to attend an institution of higher education; and
- (2) provides incentives to States, in cooperation with local educational agencies, institutions of higher education, community organizations and business, to provide—

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HIGHER EDUCATION ACT OF 1965

Sec. 404B

(A) additional counseling, mentoring, academic support, outreach, and supportive services to elementary, middle, and secondary school students who are at risk of dropping out of school; and

(B) information to students and their parents about the advantages of obtaining a postsecondary education and their college financing options.

(20 U.S.C. 1070a-21) Enacted July 23, 1992, P.L. 102-325, sec. 402(a)(4), 106 Stat. 492.

SEC. 404B. STATE ELIGIBILITY AND STATE PLAN.

(a) **PLAN REQUIRED FOR ELIGIBILITY.**—(1) In order for a State to qualify for a grant under this chapter, the State shall submit to the Secretary a plan for carrying out the program under this chapter. Such plan shall provide for the conduct, under the State program, of both a scholarship component in accordance with section 403C and an early intervention component in accordance with section 403D.

(2) Each State plan submitted pursuant to paragraph (1) be in such form, contain or be accompanied by such information or assurances, and be submitted at such time as the Secretary may require by regulation and shall—

(A) describe the activities for which assistance under this section is sought; and

(B) provide such additional assurances as the Secretary determines necessary to ensure compliance with the requirements of this section.

(b) **MATCHING REQUIREMENT.**—The Secretary shall not approve a plan submitted under subsection (a) unless such plan—

(1) provides that the State will provide, from State, local, or private funds, not less than one-half the cost of the program;

(2) specifies the methods by which such share of the costs will be paid; and

(3) includes provisions designed to assure that funds provided under this chapter shall supplement and not supplant funds expended for existing State and local programs.

(c) **METHODS FOR COMPLYING WITH MATCHING REQUIREMENT.**—A State may count toward the contribution required by subsection (b)(1)—

(1) the amount of the grants paid to students from State, local, or private funds under this chapter;

(2) the amount of tuition, fees, room or board waived or reduced for recipients of grants under this chapter; and

(3) the amount expended on documented, targeted, long-term mentoring and counseling provided by volunteers or paid staff of nonschool organizations, including businesses, religious organizations, community groups, postsecondary educational institutions, nonprofit and philanthropic organizations, and other organizations.

(d) **PAYMENT REQUIREMENTS.**—Upon submission by a State of such documents as the Secretary may, by regulation, require for demonstrating the total amount expended by the State in accordance with this chapter for a fiscal year, the Secretary shall, from such State's allotment under section 404E for such fiscal year, pay

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Sec. 404C**HIGHER EDUCATION ACT OF 1965****18**

to such State an amount equal to not more than one-half of the total amount so expended.

(20 U.S.C. 1070a-22) Enacted July 23, 1992, P.L. 102-325, sec. 402(a)(4), 106 Stat. 492.

SEC. 404C. EARLY INTERVENTION.

(a) **IN GENERAL.**—In order to receive payments under section 404B(d), a State shall demonstrate to the satisfaction of the Secretary that the State will provide comprehensive mentoring, counseling, outreach, and supportive services to students participating in programs under this chapter who are enrolled in preschool through grade 12. Such counseling shall include financial aid counseling that provides information on the opportunities for financial assistance under this title. The State shall demonstrate, pursuant to regulations of the Secretary, the methods by which the State will target services on priority students.

(b) **USES OF FUNDS.**—

(1) **IN GENERAL.**—The Secretary shall, by regulation, establish criteria for determining whether comprehensive mentoring, counseling, outreach, and supportive services programs may be used to meet the requirements of subsection (a).

(2) **ALLOWABLE PROVIDERS.**—The activities required by subsection (a) may be provided by service providers such as community-based organizations, schools, institutions of higher education, public and private agencies, nonprofit and philanthropic organizations, businesses, institutions and agencies sponsoring programs authorized under subpart 4 of this part, and other organizations the Secretary deems appropriate.

(3) **PERMISSIBLE ACTIVITIES.**—Examples of acceptable activities to meet the requirements of subsection (a) include the following:

(A) Providing eligible students in preschool through grades 12 with a continuing system of mentoring and advising that—

(i) is coordinated with the Federal and State community service initiatives; and

(ii) may include such support services as after school and summer tutoring, assistance in obtaining summer jobs, career mentoring and academic counseling.

(B) Requiring each student to enter into an agreement under which the student agrees to achieve certain academic milestones, such as completing a prescribed set of courses and maintaining satisfactory academic progress as described in section 484(c), in exchange for receiving tuition assistance for a period of time to be established by each State.

(C) Activities designed to ensure high school completion and college enrollment of at-risk children, including identification of at-risk children, after school and summer tutoring, assistance in obtaining summer jobs, academic counseling, volunteer and parent involvement and former or current scholarship recipients as mentor or peer counselors, skills assessment, personal counseling, family coun-

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HIGHER EDUCATION ACT OF 1965

Sec. 404D

seling and home visits, and staff development, and programs and activities as described in this subparagraph which are specially designed for students of limited English proficiency.

(D) Prefreshman summer programs that—

(i) are at institutions of higher education that also have programs of academic year supportive services for disadvantaged students through projects authorized under section 401D of this subpart or through comparable projects funded by the State or other sources;

(ii) assure the participation of students who qualify as disadvantaged under the provisions of section 401D of this part or who are eligible for comparable programs funded by the State;

(iii)(I) provide summer instruction in remedial, developmental or supportive courses; (II) provide such summer services as counseling, tutoring, or orientation; and (III) provide grant aid to students to cover prefreshman summer costs for books, supplies, living costs and personal expenses; and

(iv) assure that participating students will receive financial aid during each academic year they are enrolled at the participating institution after the prefreshman summer.

(E) Requiring eligible students to meet other standards or requirements as the State determines necessary to meet the purposes of this section.

(c) **PRIORITY STUDENTS.**—In administering the early intervention component, the State shall treat as priority students any student in preschool through grade 12 who is eligible—

(1) to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965;

(2) for free or reduced price meals pursuant to the National School Lunch Act; or

(3) for assistance pursuant to part A of title IV of the Social Security Act (Aid to Families with Dependent Children).

(20 U.S.C. 1070a-23) Enacted July 23, 1992, P.L. 102-325, sec. 402(a)(4), 106 Stat. 493.

SEC. 404D. SCHOLARSHIP COMPONENT.

(a) **IN GENERAL.**—In order to receive payments under section 404B(d), a State shall establish or maintain a financial assistance program that awards grants to students in accordance with the requirements of this section. The Secretary shall encourage the State to ensure that the tuition assistance provided pursuant to this section is available to an eligible student for use at any eligible institution.

(b) **GRANT AMOUNTS.**—The maximum amount of the grant that an eligible student in any participating State shall be eligible to receive under this section shall be established by the State. The minimum amount of the grant for each fiscal year shall not be less than the lesser of—

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Sec. 404E

HIGHER EDUCATION ACT OF 1965

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(1) 75 percent of the average cost of attendance for an in-State student, in a 4-year program of instruction, at public institutions of higher education in such State, as determined in accordance with regulations prescribed by the Secretary; or

(2) the maximum grant funded under section 401 for such fiscal year.

(c) **RELATION TO OTHER ASSISTANCE.**—Tuition assistance provided under this chapter shall not be considered for the purpose of awarding Federal grant assistance under this title, except that in no case shall the total amount of student financial assistance awarded to a student under this title exceed such student's total cost of attendance.

(d) **ELIGIBLE STUDENTS.**—A student eligible for assistance under this chapter is a student who—

(1) is less than 22 years old at time of first grant award;

(2) receives a high school diploma or a certificate of high school equivalence on or after January 1, 1993;

(3) is enrolled or accepted for enrollment in a program of instruction at an institution of higher education that is located within the State's boundaries; except that, as a State option, a State may offer grant program portability for recipients who attend institutions of higher education outside such State; and

(4) who the participated in the State early intervention component required under section 404C.

(e) **PRIORITY; WAIVER.**—(1) The Secretary shall ensure that each State place a priority on awarding scholarships to students who will receive a Pell Grant for the academic year for which the award is being made under this chapter.

(2) A State may consider students who have successfully participated in programs funded under chapter 1 of this subpart to have met the requirements of subsection (d)(4).

(20 U.S.C. 1070a-24) Enacted July 23, 1992, P.L. 102-325, sec. 402(a)(4), 106 Stat. 495.

SEC. 404E. DISTRIBUTION OF FUNDS.

(a) **COMPETITIVE AWARDS.**—If the amount appropriated to carry out this chapter for a fiscal year is less than \$50,000,000, then the Secretary shall award grants under this chapter on a competitive basis to States to carry out a program described in section 404A.

(b) **ALLOTMENT BASED ON TITLE I ESEA ALLOCATIONS.**—If the amount appropriated to carry out this chapter for a fiscal year is \$50,000,000 or more, then the Secretary shall allot to each State an amount which bears the same ratio to such sums as—

(1) the amount allocated under section 1005 of the Elementary and Secondary Education Act of 1965 to the local education agencies in the State, bears to—

(2) the total amount allocated under such section to all such agencies in all States.

(c) **LIMIT ON USE.**—No State may use less than 25 percent or more than 50 percent of its allotment for the early intervention component of the State program, except that the Secretary may waive the 50 percent limitation if the State demonstrates that the

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HIGHER EDUCATION ACT OF 1965

Sec. 404G

State has another means of providing the student's tuition assistance that is described in the State plan.

(d) **REALLOTMENT.**—The amount of any State's allotment under subsection (b) for any fiscal year which the Secretary determines will not be required for such fiscal year for the program of that State shall be available for reallocation from time to time, on such dates during such year as the Secretary may fix, to other States in proportion to the original allotments to such States for such year, but with such proportionate amount for any of such States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year for carrying out such programs. The total of such reductions shall be similarly reallocated among the States whose proportionate amounts were not so reduced. A State shall match, in accordance with section 404B(b) any reallocated funds it receives under this subsection.

(e) **ALLOTMENT SUBJECT TO CONTINUING COMPLIANCE.**—The Secretary shall make payments for programs only to States which continue to meet the requirements of the State plan pursuant to section 404B.

(20 U.S.C. 1070a-25) Enacted July 23, 1992, P.L. 102-325, sec. 402(a)(4), 106 Stat. 495.

SEC. 404F. EVALUATION AND REPORT.

(a) **EVALUATION.**—Each State receiving an allotment under this section shall biannually evaluate the early intervention program assisted under this chapter in accordance with the standards described in subsection (b) and shall submit to the Secretary a copy of such evaluation. The evaluation component shall permit service providers to track eligible student progress during the period such students are participating in the program assisted under this section and must be consistent with the standards developed by the Secretary pursuant to subsection (b).

(b) **EVALUATION STANDARDS.**—The Secretary shall prescribe standards for the evaluation described in subsection (a). Such standards shall—

- (1) provide for input from States and service providers; and
- (2) ensure that data protocols and procedures are consistent and uniform.

(c) **REPORT.**—The Secretary shall biannually report to the Congress on the activities assisted under this chapter and the evaluations conducted pursuant to subsection (a).

(20 U.S.C. 1070a-25) Enacted July 23, 1992, P.L. 102-325, sec. 402(a)(4), 106 Stat. 496.

SEC. 404G. APPROPRIATIONS.

There is authorized an appropriation to make grants under this chapter \$200,000,000 for fiscal year 1993 and such sums as may be necessary for each of the four succeeding fiscal years. No amount may be expended to carry out the provisions of this chapter unless the amount appropriated for such fiscal year to carry out subpart 4 of part A of this title exceeds \$60,000,000.

(20 U.S.C. 1070a-27) Enacted July 23, 1992, P.L. 102-325, sec. 402(a)(4), 106 Stat. 496.

103D CONGRESS
1ST SESSION

H. R. 1019

To provide grants to cities to establish teen resource and education centers to provide education, employment, recreation, social, and cultural awareness assistance to at-risk youth.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 18, 1993

Ms. WATERS (for herself, Mr. MARTINEZ, Ms. ROYBAL-ALLARD, Mr. TORRES, Mr. EDWARDS of California, Ms. WOOLSEY, Mr. MATSUI, Ms. ESHOO, Ms. PELOSI, Ms. VELÁZQUEZ, Mr. TUCKER, Mr. BECERRA, and Mr. CLYBURN) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To provide grants to cities to establish teen resource and education centers to provide education, employment, recreation, social, and cultural awareness assistance to at-risk youth.

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 may be cited as the "Gang Prevention and
5 Youth Recreation Act of 1993".

1 **SEC. 2. GRANTS TO CITIES TO PROVIDE EDUCATION, EM-**
2 **PLOYMENT, RECREATION, SOCIAL, AND CUL-**
3 **TURAL AWARENESS ASSISTANCE TO AT-RISK**
4 **YOUTH.**

5 The Secretary of Health and Human Services, in con-
6 sultation with the Secretary of Education, shall, from
7 amounts appropriated under section 10, provide grants to
8 not more than 10 selected cities for the purpose of assist-
9 ing such cities in establishing and operating teen resource
10 and education centers in such cities to provide education,
11 employment, recreation, social, and cultural awareness as-
12 sistance to at-risk youth.

13 **SEC. 3. APPLICATION.**

14 To receive a grant under section 2, a city shall submit
15 to the Secretary an application in such form and contain-
16 ing such information as the Secretary may require.

17 **SEC. 4. TEEN RESOURCE AND EDUCATION CENTERS.**

18 The Secretary may not make a grant under section
19 2 to a city unless the city agrees that it will use all
20 amounts received from such grant to establish and oper-
21 ate, in conjunction with local social service agencies, at
22 least 2 teen resource and education centers in such city
23 to provide education, employment, recreation, social, and
24 cultural awareness assistance to at-risk youth. Teen re-
25 source and education centers established and operated

1 using amounts from a grant under section 2 shall, at a
2 minimum, meet the following requirements:

3 (1) EDUCATIONAL ASSISTANCE.—The teen re-
4 source and education centers shall provide edu-
5 cational assistance to at-risk youth for the purpose
6 of—

7 (A) providing information on institutions
8 of higher education to at-risk youth interested
9 in attending such institutions;

10 (B) establishing a scholarship search and
11 resource program at the centers to provide as-
12 sistance to such youth in the preparation of fi-
13 nancial aid applications, scholarship applica-
14 tions, and other relevant forms and applica-
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16 (C) establishing and carrying out pre-
17 paratory courses for high school equivalency ex-
18 aminations and college entrance examinations
19 at the center.

20 (2) EMPLOYMENT AND SKILLS TRAINING AS-
21 SISTANCE.—The teen resource and education centers
22 shall provide employment and skills training assist-
23 ance to at-risk youth by hiring teen peer counselors
24 to—

1 (A) provide training to such youth in basic
2 job skills, including interviewing, personal ap-
3 pearance, and communication with coworkers
4 and superiors;

5 (B) provide job referral services to such
6 youth; and

7 (C) establish job banks for such youth by
8 providing listings of job openings in local busi-
9 nesses.

10 (3) RECREATIONAL OPPORTUNITIES.—The teen
11 resource and education centers shall provide rec-
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13 (A) establishing sports teams for such
14 youth and seeking financial support or sponsor-
15 ship of such teams from local businesses;

16 (B) establishing and carrying out coopera-
17 tive work activities at such centers, such as a
18 garden to give such youth a chance to work to-
19 gether to achieve positive results from their ef-
20 forts and to distribute the food harvested from
21 such garden to the families of such youth and
22 to neighborhood soup kitchens;

23 (C) establishing and carrying out creative
24 activities, such as writing, music, media, and
25 visual art classes to provide such youth with the

1 opportunity to channel creative energies and de-
2 velop creative talents; and

3 (D) establishing and carrying out a read-
4 ing program to introduce such youth to the im-
5 portance of reading.

6 (4) DEVELOPMENT OF SOCIAL SKILLS.—The
7 teen resource and education centers shall provide for
8 the development of the social skills of at-risk youth
9 by—

10 (A) hiring adult counselors and providing
11 support groups at such centers for the purpose
12 of counseling such youth on social and personal
13 issues, including issues relating to—

14 (i) problems facing young minorities;

15 (ii) teen-age pregnancy and early par-
16 enthood, including pregnancy prevention
17 and pregnancy management, family plan-
18 ning, and sex education, including edu-
19 cation relating to acquired immune defi-
20 ciency syndrome (AIDS);

21 (iii) job preparedness and unemploy-
22 ment; and

23 (iv) crime; and

1 (B) sponsoring trips for such youth to mu-
2 seums, State capitals, concerts, plays, and other
3 cultural and educational settings and events.

4 (5) CULTURAL AWARENESS.—The teen resource
5 and education centers shall assist in raising the cul-
6 tural awareness of at-risk youth by—

7 (A) establishing and carrying out classes
8 on the history and culture of African-Ameri-
9 cans, Hispanics, and other cultural groups to
10 supplement courses taught in elementary and
11 secondary schools and to bolster the social and
12 personal self-esteem and pride of such youth;
13 and

14 (B) encouraging such youth to produce
15 plays, stories, and artwork that reflect their cul-
16 tural heritage and pride.

17 (6) FINANCIAL ASSISTANCE TO COLLEGE GRAD-
18 UATES WORKING AT TEEN RESOURCE AND EDU-
19 CATION CENTERS.—

20 (A) IN GENERAL.—The teen resource and
21 education centers shall provide financial assist-
22 ance from amounts received from a grant under
23 section 2 to graduates of institutions of higher
24 education who work full-time at such centers
25 for the purpose of assisting such graduates to

1 repay student loans obtained by such graduates
2 to attend such schools.

3 (B) AMOUNT OF ASSISTANCE.—The center
4 may provide financial assistance under subpara-
5 graph (A) in an amount equal to not more than
6 25 percent of the total amount owed by a grad-
7 uate during any year that such graduate is
8 working at such center for the repayment of
9 student loans of such graduate. Such assistance
10 may be provided to a graduate for up to 4 years
11 that such graduate is working at such center.

12 **SEC. 5. CITY REPORT.**

13 The Secretary may not make a grant under section
14 2 to a city unless the city agrees that it will submit, for
15 any fiscal year in which such city receives a grant under
16 such section, a report to the Secretary describing the use
17 of such grant, including—

18 (1) the number of at-risk youth receiving assist-
19 ance at each teen resource and education center es-
20 tablished in such city under section 4;

21 (2) the types of services and referrals received
22 by such at-risk youth; and

23 (3) any other information the Secretary deter-
24 mines to be appropriate.

1 **SEC. 6. SELECTION.**

2 (a) **IN GENERAL.**—The Secretary shall select cities
3 to receive grants under section 2 which have a large num-
4 ber of at-risk youth.

5 (b) **GEOGRAPHIC DIVERSITY.**—To the extent prac-
6 ticable, the Secretary shall make grants to cities under
7 section 2 in a manner which will equitably distribute such
8 grants among the various regions of the United States.

9 **SEC. 7. ALLOCATION.**

10 The Secretary may not make a grant under section
11 2 in a fiscal year to any city in an amount totaling more
12 than 10 percent of amounts appropriated under section
13 10 for that fiscal year.

14 **SEC. 8. REPORTS.**

15 (a) **INTERIM REPORT.**—Not later than February 1,
16 1996, the Secretary shall submit to the Congress an in-
17 terim report containing—

18 (1) a compilation of the information contained
19 in the city reports received by the Secretary pursu-
20 ant to section 5; and

21 (2) a process evaluation of the effectiveness of
22 the grant program.

23 (b) **FINAL REPORT.**—Not later than February 1,
24 1997, the Secretary shall submit to the Congress a final
25 report containing the information described in subsection
26 (a).

1 **SEC. 9. DEFINITIONS.**

2 For purposes of this Act, the following definitions
3 apply:

4 (1) **AT-RISK YOUTH.**—The term “at-risk youth”
5 means individuals who have attained the age of 10
6 but have not attained the age of 23 and who live in
7 a city in which—

8 (A) drug and gang activity, or other vio-
9 lent community activity, are prevalent;

10 (B) a large number of youth are unlikely
11 to complete an elementary or secondary edu-
12 cation;

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14 or homeless youth;

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16 public assistance; and

17 (E) a large number of individuals are sin-
18 gle parents.

19 (2) **INSTITUTION OF HIGHER EDUCATION.**—The
20 term “institution of higher education” has the
21 meaning given such term under section 1201(a) of
22 the Higher Education Act of 1965.

23 (3) **SECRETARY.**—The term “Secretary” means
24 the Secretary of Health and Human Services.

1 **SEC. 10. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) **IN GENERAL.**—There is authorized to be appro-
3 priated \$1,000,000,000 for each of the fiscal years 1994
4 and 1995 to carry out section 2.

5 (b) **AVAILABILITY.**—Amounts appropriated under
6 subsection (a) shall remain available until expended.

○

103D CONGRESS
1ST SESSION

H. R. 1019

To provide grants to cities to establish teen resource and education centers to provide education, employment, recreation, social, and cultural awareness assistance to at-risk youth.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 18, 1993

Ms. WATERS (for herself, Mr. MARTINEZ, Ms. ROYBAL-ALLARD, Mr. TORRES, Mr. EDWARDS of California, Ms. WOOLSEY, Mr. MATSUI, Ms. ESHOO, Ms. PELOSI, Ms. VELÁZQUEZ, Mr. TUCKER, Mr. BECERRA, and Mr. CLYBURN) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To provide grants to cities to establish teen resource and education centers to provide education, employment, recreation, social, and cultural awareness assistance to at-risk youth.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

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21 (2) a process evaluation of the effectiveness of
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23 (b) **FINAL REPORT.**—Not later than February 1,
24 1997, the Secretary shall submit to the Congress a final
25 report containing the information described in subsection
26 (a).

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2 For purposes of this Act, the following definitions
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21 meaning given such term under section 1201(a) of
22 the Higher Education Act of 1965.

23 (3) **SECRETARY.**—The term “Secretary” means
24 the Secretary of Health and Human Services.

1 **SEC. 10. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) **IN GENERAL.**—There is authorized to be appro-
3 priated \$1,000,000,000 for each of the fiscal years 1994
4 and 1995 to carry out section 2.

5 (b) **AVAILABILITY.**—Amounts appropriated under
6 subsection (a) shall remain available until expended.

○

103D CONGRESS
1ST SESSION

H. R. 1021

To provide employment opportunities to unemployed individuals in high unemployment areas in programs to repair and renovate essential community facilities.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 18, 1993

Ms. WATERS introduced the following bill; which was referred to the
Committee on Education and Labor

A BILL

To provide employment opportunities to unemployed individuals in high unemployment areas in programs to repair and renovate essential community facilities.

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 may be cited as the "Neighborhood Infra-
5 structure Improvement and Inner City Job Creation Act".

6 **SEC. 2. ESTABLISHMENT OF GRANT PROGRAM**

7 The Secretary of Labor (in this Act referred to as
8 the "Secretary") shall provide grants to eligible adminis-

1 trative entities described in section 3(a) for the purpose
2 of establishing and carrying out programs that provide
3 employment opportunities to unemployed individuals
4 through payments for labor and related costs associated
5 with the repair and renovation of essential community fa-
6 cilities.

7 **SEC. 3. ELIGIBLE ADMINISTRATIVE ENTITIES.**

8 (a) **IN GENERAL.**—An administrative entity shall be
9 eligible to receive a grant under section 2 if the entity is—

10 (1) a private industry council (described under
11 section 102 of the Job Training Partnership Act (29
12 U.S.C. 1512)),

13 (2) a unit of general local government,

14 (3) a nonprofit private organization, or

15 (4) in the case of a grant involving a Native
16 American Indian tribe or Alaska Native Village, a
17 grantee designated under subsection (c) or (d) of
18 section 401 of the Job Training Partnership Act, or
19 a consortium of such grantees and the State,
20 that serves 1 or more eligible jurisdictions described under
21 subsection (b).

22 (b) **ELIGIBLE JURISDICTION.**—An eligible jurisdic-
23 tion described under this subsection is an area which has
24 a poverty rate in excess of 30 percent and which is—

1 (1) a unit of general local government which
2 has a population of 50,000 or more individuals; or

3 (2) a Native American Indian tribe, band, or
4 group located on a Federal or State reservation, the
5 Oklahoma Indians, and any Alaska Native village or
6 group as defined in the Alaska Native Claims Settle-
7 ment Act, having a governing body.

8 (c) **PRIORITY.**—In selecting administrative entities
9 described in subsection (a) to receive a grant under section
10 2, priority shall be given to administrative entities that
11 give assurances to the Secretary in the application submit-
12 ted under section 4 that such entities will give priority
13 to individuals who are low-skilled workers in selecting indi-
14 viduals to participate in programs established and carried
15 out by such entities under section 5(a).

16 **SEC. 4. APPLICATION.**

17 The Secretary may not make a grant under section
18 2 to an eligible administrative entity unless the entity sub-
19 mits to the Secretary an application in such form and con-
20 taining such information as the Secretary may require.

21 **SEC. 5. USE OF AMOUNTS.**

22 (a) **IN GENERAL.**—Except as provided in subsection
23 (b), the Secretary may not make a grant under section
24 2 to an eligible administrative entity unless the entity
25 agrees that it will use all amounts received from such

1 grant to establish and carry out a program to provide
2 wages and related employment benefits to eligible individ-
3 uals described in subsections (a) and (b) of section 6 for
4 the purpose of employing such individuals to repair and
5 renovate essential community facilities that are located
6 within the eligible jurisdiction that the entity serves,
7 including—

8 (1) painting bridges;

9 (2) repairing and renovating public buildings
10 and other community facilities, including public li-
11 braries;

12 (3) repairing and renovating public housing
13 units;

14 (4) repairing water systems and water develop-
15 ment projects;

16 (5) erecting or replacing traffic control signs
17 and removing road sign obstructions;

18 (6) replacing school crossing, intersection, and
19 other road surface markings;

20 (7) repairing roads and streets;

21 (8) repairing and renovating parks and play-
22 grounds;

23 (9) installing and repairing drainage pipes and
24 catch basins in areas subject to flooding;

1 (10) installing graded ramps for individuals
2 with disabilities; and

3 (11) weatherizing community facilities and car-
4 rying out other energy conservation activities.

5 (b) ADMINISTRATIVE COSTS.—Not more than 25 per-
6 cent of amounts received from a grant under section 2
7 for any fiscal year may be used for the cost of administra-
8 tion and the acquisition of supplies, tools, and other equip-
9 ment.

10 **SEC. 6. ELIGIBLE INDIVIDUALS.**

11 (a) IN GENERAL.—An individual shall be eligible to
12 participate in a program described in section 5(a) only if
13 the individual—

14 (1) is an unemployed individual at the time of
15 enrollment in such program;

16 (2) has been unemployed, at a minimum, for
17 the duration of the 15-week period immediately pre-
18 ceding the date of such enrollment; and

19 (3) has made a good-faith attempt to obtain
20 employment during such 15-week period.

21 (b) ADDITIONAL REQUIREMENT FOR SECONDARY
22 SCHOOL-AGE INDIVIDUALS.—

23 (1) IN GENERAL.—In addition to meeting the
24 requirements described in subsection (a), a second-
25 ary school-age individual shall be eligible to partici-

1 pate in a program described in section 5(a) only if
2 the individual has not attended a secondary school
3 for any part of the 6-month period immediately pre-
4 ceding the date of enrollment in such program.

5 (2) SECONDARY SCHOOL-AGE INDIVIDUAL DE-
6 FINED.—For purposes of paragraph (1), the term
7 “secondary school-age individual” means an individ-
8 ual who has attained the age of 16 but has not at-
9 tained the age of 20.

10 (c) PRIORITY.—In selecting individuals described in
11 subsections (a) and (b) to participate in a program de-
12 scribed in section 5(a), priority shall be given to the indi-
13 viduals who, at the time of selection to the program, have
14 exhausted or are otherwise not eligible for unemployment
15 insurance benefits, particularly those individuals who have
16 been unemployed for the longest periods of time preceding
17 the date of their selection to the program.

18 **SEC. 7. NONDISCRIMINATION.**

19 No individual shall be excluded from participation in,
20 denied the benefits of, subjected to discrimination under,
21 or denied employment in the administration of or in con-
22 nection with any program described in section 5(a) be-
23 cause of race, color, religion, sex, national origin, age, dis-
24 ability, or political affiliation or belief.

1 SEC. 8. LABOR STANDARDS.

2 The labor standards described under section 143 of
3 the Job Training Partnership Act (29 U.S.C. 1553) shall
4 apply for purposes of a program established under section
5 5(a).

6 SEC. 9. MAINTENANCE OF EXPENDITURES.

7 The Secretary may not make a grant under section
8 2 to an eligible administrative entity unless the entity
9 agrees that it will maintain its aggregate expenditures
10 from all other sources for employing individuals to repair
11 and renovate essential community facilities at or above the
12 average level of such expenditures in the 2 fiscal years
13 preceding the date on which the entity submits an applica-
14 tion under section 4 to the Secretary.

15 SEC. 10. REPORT.

16 The Secretary may not make a grant under section
17 2 to an eligible administrative entity unless the entity
18 agrees that it will submit, for any fiscal year in which the
19 entity receives a grant under such section, a report to the
20 Secretary describing the use of such grant and any other
21 information the Secretary determines to be appropriate.

22 SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

23 (a) IN GENERAL.—There is authorized to be appro-
24 priated to carry out section 2 \$5,000,000,000 for fiscal
25 year 1994 and such sums as may be necessary for each
26 succeeding fiscal year.

8

1 (b) AVAILABILITY.—Funds authorized to be appro-
2 priated under subsection (a) shall remain available until
3 expended.

O

DRAFT

3/4/94

Outlines of an Employment-based Approach**Background**

Start with quote from the Memphis speech on the value of work.

In recent decades, our nation has experienced a growing concentration of poverty and there has been a sharp erosion in the economic position of disadvantaged youths and young adults. The resulting absence of work among disadvantaged youth is a major factor underlying the crime problem. Those who commit crimes must be caught and punished; at the same time, prevention programs, including ones which make employment a reasonable, available alternative for at-risk youth, must be undertaken to break the cycles of poverty, crime and violence. As the President said in the State of the Union, young people must have "something to say yes to" or the battle against crime will not be won.

The underlying facts are very troubling:

- o Between 1980 and 1990, the population living in census tracts with 40 percent or higher poverty rates almost doubled. These areas of concentrated poverty are very likely to have high crime rates; for example, a recent study indicated that between 1986 and 1989, the rates of violent crime in public housing in Washington, D.C., Los Angeles, and Phoenix were more than double that for these respective cities as a whole.
- o A growing number of disadvantaged young men and young women are "idle," not in school, working, or looking for work. Approximately 50 percent of out-of-school young Americans (those age 16 to 24 years) without a high school degree are currently not employed. And more than 70 percent of young black high school dropouts are currently not employed. Many of these out-of-school youths are persistently out of work and have the potential for being permanently lost to the legitimate economy.
- o At the same time, the proportion of young men in trouble with the law has increased dramatically. Almost 700,000 young men from 16 to 34 years of age were incarcerated in 1989. Approximately 50 percent of 18 to 34 year old, black male, high school dropouts had criminal records in the late 1980s. No other developed country faced such levels of crime among its youth.

The purpose of this initiative is to test the proposition of whether the widespread provision of employment opportunities for disadvantaged youth and young adults can reduce crime. The jobs will be extended to those who agree to "play by the rules" and will be the main feature of a comprehensive program targeted on high poverty

neighborhoods.

The evidence suggests that such an employment-oriented approach can prove effective. Job Corps participation -- which significantly alters participants education and employment opportunities -- has had a positive effect on earnings and has reduced serious crime. The Job Start demonstration [add description] also has led to some decline in arrest rates [keep?]. More generally, program models which closely link work and learning -- as this initiative would -- have been found to increase the incomes of disadvantaged youths and young adults; San Jose's Center for Employment and Training uses such a model, and a recent study found that young high school dropouts participating in the program sustained annual earnings gains of over \$3,000. It also should be mentioned that a comparison of crime trends shows that cities with tightening labor markets are more likely to show reductions in crime rates.

Finally, recent program experience underscores the eagerness of disadvantaged youths to fill employment opportunities. A study of the 1993 summer youth employment program found that in eight out of the twelve central city programs visited, the limits in available jobs slots meant the programs were able to enroll less than half of those who applied. The survey also found that the large majority of youths who did participate in the program valued the work experience.

The Approach

The Administration and Congress are already proceeding on a wide range of initiatives that should help address the conditions that promote crime. Besides sound macroeconomic and deficit-reduction policies that have promoted overall economic growth, Empowerment Zone legislation has been passed and the Administration has proposed an expansion in the Job Corps. Furthermore, broader policies concerning life-long learning such as the school-to-work initiative, reform of student loans, the Reemployment Act, and National Service will play an important role in improving labor market prospects for disadvantaged individuals.

Building upon these initiatives, the proposal would add a direct job-creation component, with employment opportunities for youths funded in both the private and public sectors. Among the key program design features would be:

- (1) Careful targeting to disadvantaged youths and young adults living in high-poverty, high-crime neighborhoods.
- (2) Tying participation to good behavior.
- (3) Funding public sector employment opportunities, but private sector placement would be the first priority and the ultimate goal. [discuss: nonprofits or

government employment may represent good career opportunities] In either sector, the emphasis will be on real work with real supervision.

(4) Leveraging of other programs and resources, and matching commitments from the community.

In short, the proposal would use a saturation approach. It is very difficult to turn around the lives of disadvantaged youth. Neighborhood-wide interventions could affect community values and peer pressure, and thus have a much larger impact on youth than typical job training programs that attempt to affect one youth at a time. Experiences with innovative programs suggest that intensive programs with broad ranges of services are most effective for youth.

The uniqueness of this effort will be to incorporate a full-fledged employment approach into this range of services, with the goal of changing the opportunities and expectations of neighborhood youth and young adults to that of gainful employment in the private sector, thereby steering them away from crime. The goal of the proposal would be raise youth employment rates in the program sites to levels between 70 percent and 80 percent. At-risk males are likely to be most affected by the program, both because they currently face the worst labor market conditions and by the nature of the jobs created.

In more detail, the four components of the program would look as follows.

I. Targeting

Neighborhoods of approximately 25,000 people with high crime rates and poverty rates of 30 percent would be the focus for this demonstration. Since minorities are overrepresented in such neighborhoods, so would the beneficiaries of this program.

Youth and young adults would be targeted. In an inner-city neighborhood of 25,000 people, there are nearly 3,000 individuals between the ages of 18 and 25, and it is likely that less than 50 percent of them are employed at any point in time. Depending on the availability of funds, neighborhoods could expand the target group to an age range of between 16 to 30.

Areas with concentrations of public and assisted housing would be among those that would be good potential program sites. Such areas are frequently characterized by high poverty and crime rates.

II. Links to Behavior

The jobs provided under the program would be conditioned on youths meeting certain standards of personal behavior. Most importantly, just as under the Job Corps, youths participating in the program would be expelled if they engage in crime. For youths in schools, program participation would be contingent upon staying in school [what to do about dropouts?]. Moreover, in cases where paternity has been established, participants would have to be making their child support payments.

On the job, program participants would be expected to meet the typical standards and behavior expected from workers. Otherwise, they will not be allowed to continue in the program.

III. Employment Components

The lion's share of the grant funds would go towards direct job creation. The first strategy would be to try to use on-the-job training (OJT) slots to place persons in the private sector, but experience suggests that inner-city youths (particularly males) are difficult to place in OJT positions and that a number of subsidized work experience positions in the non-profit or public sector will be necessary. The emphasis would be on "real" jobs that can contribute to the community, and not on jobs that can be viewed as social service programs for disadvantaged youth.

There would be a grant competition, with proposals judged on criteria including their creativity in leveraging resources as well as their ability to link the program to permanent private sector placements. To encourage creativity, the grant decisions would not pin proposals down to specific designs, but would examine the strength of employment components such as the following:

- o Public service positions that include youth conservation and service corps slots and YouthBuild slots. Such programs typically cost around \$15,000 per slot. Some youth^s in these programs could graduate to career-track positions as work foremen -- thus increasing the net job creation of the programs.

Public job slots would be limited in duration to two years and demonstration sites would be expected to develop networking capacity to help place the youths into private sector jobs.

- o Public work experience slots created in occupations with large projected job growth. The idea would be to provide work experience with the hope of a gradual transition to private sector employment in the occupation. Occupations with high expected job growth include construction trades, building maintenance, and landscaping and groundskeeping. These work experience slots would cost roughly \$15,000 [discuss] each. The work would be conducted in special projects, so as to avoid displacement concerns of public sector unions.

- o There would be heavy emphasis on private sector, apprenticeship models which closely link work and learning.

Accordingly, one criteria would be the development of private sector slots that include ongoing on-the-job training. Also, there would be an expectation that local businesses would commit to developing part-time jobs to support residents of the target community while they were receiving job training or attending community college. The local private sector would commit to hiring graduates of the area high school each year into career-track jobs. This would reflect the Boston Compact approach of rewarding school success with private job guarantee or scholarships.

Moreover, apprenticeship programs with unions (for example, carpenters, laborers, or painters unions) could be established, with the unions providing matching funds for the development of positions.

Proposals would also be judged according to the strength of the mentoring and microenterprise approaches that would be used. To help spur new enterprises, some funding of performance bonding for companies might be used.

- o Linkages could include the establishment of a satellite office in the target neighborhood and to working with the area transit authority to establish mini-bus links to suburban jobs.
- o Further, cities could commit to using some amount of JTPA funds for OJT positions for young adults over 25 years old in the target community. The city would also commit to using JTPA, private sector, and other funds to set up a summer employment program available to all youth in the target community on the condition that the youth stay in school or return to school.

So, for example, a proposal to develop 1,000 jobs might combine the following: 200 youth conservation and service corps and YouthBuild slots (cost, \$3 million a year); 300 work experience slots (cost, \$4.5 million a year), 100 on-the-job training slots (\$500,000 a year); the private sector would commit to develop 100 part-time jobs for those attending job training or attending community college and 50 jobs for high school graduates, while unions would commit to developing 50 Apprenticeship positions; and the transportation link would place 200 targeted residents into jobs.

IV. Matching Commitments

The above section outlines matching commitments expected from the private sector, other government programs, and perhaps from unions in developing job opportunities. As a condition of receiving grant funds, cities will be required to make a

number of other matching commitments aimed to ensure that necessary resources are leveraged and coordinated.

- o Local governments would be required to involve the full, larger community in the effort to leverage federal funds. Collaboration between the local areas, the private sector, community-based organizations and nonprofits would be stressed.
- o Educational linkages would be beefed up, and would include a strong role for community colleges, as well as incorporating the successful work-based learning approach used in San Jose's Center for Employment and Training program (CET).
- o The program would be linked to other relevant programs that exist in the locality, including school-to-work and empowerment zones.

Funding Levels

At \$10 million a year per site, a \$300 million allocation would fund 6 sites for five years (the funding levels could be ramped up if that is more feasible politically and to allow for phasing in while the programs develop).

A \$1 billion allocation would permit testing different permutations of the model--such as putting more funds in particular sites, enlarging the size of the neighborhoods covered, or expanding the target population by providing more direct employment funding for 14-17 year olds or for 26 to 30 year olds. It might also permit the funding of more sites. Furthermore, the larger allocation level could allow for more funding of features of a youth development strategy that are complementary to the employment strategy.

With either the smaller or larger allocation, evaluation and technical assistance components would be included, to be set at about 5 percent of the total funding each year.

DATE: _____

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PLEASE COMMENT BY: _____

Potential Commerce Crime Bill Initiatives

Date: March 1, 1994

Introduction

The Administration is considering a \$300 million demonstration program in the Crime bill for preventative measures for at-risk youth in designated areas. The Department of Labor is seeking some of the funding for job training and job creation initiatives. The NEC and DPC seem interested in types of prevention action that the Administration could undertake to spur business activity in high crime areas.

Discussion

One area where the Department of Commerce could assist in the crime initiative of the Administration is in crime prevention. Through the Economic Development Administration and the Minority Business Development Administration, Commerce could work in conjunction with the Justice Department to help strengthen and expand the business community in distressed, high crime areas. An expanded and strengthened business community would lead to more employment for at-risk youth in high crime areas. According to the Joint Center for Political and Economic Studies, many not-for-profit housing and social service organizations have concluded that affordable business and economic investment options must be made available in distressed communities in order to provide alternatives to crime and gang violence.

We would propose a two-pronged approach. First, the federal government would partner with local businesses to create a business climate in targeted high crime neighborhoods for business retention and development. Second, the federal government would work to enhance at-risk youths access to employment and business opportunities in high crime areas.

Creating a Business Climate In Targeted Neighborhoods for Business Retention and Expansion

1. Expand the Crime Insurance Program

The federal government operates a crime insurance program. According to the FY 1995 budget, the program is slated for extinction at the end of FY 1995. The program was slated for extinction repeatedly throughout the 1980's. It has significant support from Senators Monihyan, D'Amato and Congressman Schumer in New York as well as Senator Simon, and the Chicago delegation. Key Congressional representatives are likely to continue to push for the operation of the program.

Federal crime insurance began in 1971 to help in the retention of businesses in the inner cities after the

is program effective, or are we throwing money at failed program?

urban riots of the 1960's. It reached its peak of insured applicants in 1980 at 86,000. It has since declined to 16,700. The reasons for the decline include:

- active attempts by the Reagan/Bush Administrations to kill the program;
- successful attempts to prevent expansion into new states and localities;
- lack of adequate subsidization of premiums for participants
- development of state programs in a few states;
- limited appropriations that only covered program deficits, but did not allow for new policies to be written.

In the Crime bill we could seek funding of \$50 million or so that would be used to:

- build up the assets of the Insurance Fund which would restore solvency and allow for new policies to be underwritten;
- expand the program to allow larger businesses located in high crime areas that are expanding business activity to participate in the program;
- engage in risk sharing with states and localities that have crime insurance programs so that their programs can expand;
- make rates more affordable for participating businesses;
- market the program through cities and community based organizations as well as insurance agents; the program currently is marketed only through insurance agents and in many of the high crime areas there are no insurance agents operating.

2. Provide Funding for Crime Prevention Activities undertaken by Business Owners

As the bill provides for funding of 100,000 police officers to assist local jurisdictions in fighting crime, perhaps we should provide a pool of funds for local businesses to receive low interest loans or grants for security measures including alarm system upgrades, security guard employment and other crime preventative measures.

not very
community-
building
→
any proof
that
these programs
will attract business
to high-crime areas?

3. Provide Revolving Loan Funds for Capital for Business Expansion

-define
high-crime
areas"

Make capital available for businesses in high crime areas who seek to expand business activity in the area and increase employment opportunities for residents. Many businesses seeking to expand in high crime distressed areas have a difficult time obtaining bank assistance and are forced to relocate or expand elsewhere. The goal of this initiative is to provide funding to remedy the market failure.

Expanding Youth Access to Employment

1. Establishing micro-loan funds for new start-ups in distressed areas. Certification or participation of existing not-for-profit institutions in the affected areas is key. e.g. Eisenhower Foundation program and the Around the Corner to the World (ACW) community-based organization began a weatherization and home repair business in Adams Morgan, Washington that employs high-risk youths and ex-offenders.
2. Establishing as a condition for businesses receiving federal assistance under the crime initiative that they engage in community hiring of at-risk youth.

6-2468

- More making the case at the beginning
- "President's Quote" on work opportunities & crime
- Job networking $\Rightarrow$ community's challenge
- not short-term positions -- long term strategy

$(16 \leftarrow) 18 - 25 (\rightarrow 30)$

Discretion $\frac{age}{16} - 30$

- Personal Responsibility
 - Must ^{be done} ~~be~~ psych child support to be a part of program
 - Jobs Corps - Personal responsibility - - can we incorp. into this program

2 years → Job, networking, IST, Monitoring
- integrate into other programs

- Link to Re-employment Centers (no-stop) -
not Employment Service

Link to EZ application process

Pilot's

(what about nationwide competition)

- Pilot Language

institutional issue -- DoC & DoJ work
on this (because DoJ has money)

Contextual Learning

- school to work

- OJT - outside school learning

- Apprenticeship possibilities w/ union (carpenters union)

Process

- to Bruce tomorrow
- circulate to appropriate people tomorrow
- mark-up on Tuesday
- Get Statement & Specs to Schum's staff ASAP

Set up Meeting w/Bruce & Josh
Early Tomorrow Aft.

Issac, Larry, ~~~~

latest = 2:00

1:00

Bruce & Josh

Justice?

1:30

ask Joe

Nancy McFadden
Grace Mistali

Pat

218 - 6141

Kennedy
- Marcia

no negotiation

Paul find out who on Biden's
staff will work
on this for us, Kennedy

like E

Right