

One Hundred Seventh Congress  
of the  
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,  
the twenty-third day of January, two thousand and two*

An Act

To amend title 38, United States Code, to revise and improve employment, training, and placement services furnished to veterans, and for other purposes.

*Be it enacted by the Senate and House of Representatives of  
the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.**

(a) **SHORT TITLE.**—This Act may be cited as the “Jobs for Veterans Act”.

(b) **REFERENCES TO TITLE 38, UNITED STATES CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

**SEC. 2. PRIORITY OF SERVICE FOR VETERANS IN DEPARTMENT OF LABOR JOB TRAINING PROGRAMS.**

(a) **VETERANS’ JOB TRAINING ASSISTANCE.**—(1) Chapter 42 is amended by adding at the end the following new section:

**“§ 4215. Priority of service for veterans in Department of Labor job training programs**

“(a) **DEFINITIONS.**—In this section:

“(1) The term ‘covered person’ means any of the following individuals:

“(A) A veteran.

“(B) The spouse of any of the following individuals:

“(i) Any veteran who died of a service-connected disability.

“(ii) Any member of the Armed Forces serving on active duty who, at the time of application for assistance under this section, is listed, pursuant to section 556 of title 37 and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than 90 days: (I) missing in action, (II) captured in line of duty by a hostile force, or (III) forcibly detained or interned in line of duty by a foreign government or power.

“(iii) Any veteran who has a total disability resulting from a service-connected disability.

“(iv) Any veteran who died while a disability so evaluated was in existence.

“(2) The term ‘qualified job training program’ means any workforce preparation, development, or delivery program or service that is directly funded, in whole or in part, by the Department of Labor and includes the following:

“(A) Any such program or service that uses technology to assist individuals to access workforce development programs (such as job and training opportunities, labor market information, career assessment tools, and related support services).

“(B) Any such program or service under the public employment service system, one-stop career centers, the Workforce Investment Act of 1998, a demonstration or other temporary program, and those programs implemented by States or local service providers based on Federal block grants administered by the Department of Labor.

“(C) Any such program or service that is a workforce development program targeted to specific groups.

“(3) The term ‘priority of service’ means, with respect to any qualified job training program, that a covered person shall be given priority over nonveterans for the receipt of employment, training, and placement services provided under that program, notwithstanding any other provision of law.

“(b) ENTITLEMENT TO PRIORITY OF SERVICE.—(1) A covered person is entitled to priority of service under any qualified job training program if the person otherwise meets the eligibility requirements for participation in such program.

“(2) The Secretary of Labor may establish priorities among covered persons for purposes of this section to take into account the needs of disabled veterans and special disabled veterans, and such other factors as the Secretary determines appropriate.

“(c) ADMINISTRATION OF PROGRAMS AT STATE AND LOCAL LEVELS.—An entity of a State or a political subdivision of the State that administers or delivers services under a qualified job training program shall—

“(1) provide information and priority of service to covered persons regarding benefits and services that may be obtained through other entities or service providers; and

“(2) ensure that each covered person who applies to or who is assisted by such a program is informed of the employment-related rights and benefits to which the person is entitled under this section.

“(d) ADDITION TO ANNUAL REPORT.—In the annual report required under section 4107(c) of this title for the program year beginning in 2003 and each subsequent program year, the Secretary of Labor shall evaluate whether covered persons are receiving priority of service and are being fully served by qualified job training programs, and whether the representation of veterans in such programs is in proportion to the incidence of representation of veterans in the labor market, including within groups that the Secretary may designate for priority under such programs, if any.”

(2) The table of sections at the beginning of chapter 42 is amended by inserting after the item relating to section 4214 the following new item:

“4215. Priority of service for veterans in Department of Labor job training programs.”

(b) EMPLOYMENT OF VETERANS WITH RESPECT TO FEDERAL CONTRACTS.—(1) Section 4212(a) is amended to read as follows:

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“(a)(1) Any contract in the amount of \$100,000 or more entered into by any department or agency of the United States for the procurement of personal property and nonpersonal services (including construction) for the United States, shall contain a provision requiring that the party contracting with the United States take affirmative action to employ and advance in employment qualified covered veterans. This section applies to any subcontract in the amount of \$100,000 or more entered into by a prime contractor in carrying out any such contract.

“(2) In addition to requiring affirmative action to employ such qualified covered veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the Secretary of Labor shall prescribe regulations requiring that—

“(A) each such contractor for each such contract shall immediately list all of its employment openings with the appropriate employment service delivery system (as defined in section 4101(7) of this title), and may also list such openings with one-stop career centers under the Workforce Investment Act of 1998, other appropriate service delivery points, or America’s Job Bank (or any additional or subsequent national electronic job bank established by the Department of Labor), except that the contractor may exclude openings for executive and senior management positions and positions which are to be filled from within the contractor’s organization and positions lasting three days or less;

“(B) each such employment service delivery system shall give such qualified covered veterans priority in referral to such employment openings; and

“(C) each such employment service delivery system shall provide a list of such employment openings to States, political subdivisions of States, or any private entities or organizations under contract to carry out employment, training, and placement services under chapter 41 of this title.

“(3) In this section:

“(A) The term ‘covered veteran’ means any of the following veterans:

“(i) Disabled veterans.

“(ii) Veterans who served on active duty in the Armed Forces during a war or in a campaign or expedition for which a campaign badge has been authorized.

“(iii) Veterans who, while serving on active duty in the Armed Forces, participated in a United States military operation for which an Armed Forces service medal was awarded pursuant to Executive Order No. 12985 (61 Fed. Reg. 1209).

“(iv) Recently separated veterans.

“(B) The term ‘qualified’, with respect to an employment position, means having the ability to perform the essential functions of the position with or without reasonable accommodation for an individual with a disability.”.

(2)(A) Section 4212(c) is amended—

(i) by striking “suitable”; and

(ii) by striking “subsection (a)(2) of this section” and inserting “subsection (a)(2)(B)”.

(B) Section 4212(d)(1) is amended—

(i) in the matter preceding subparagraph (A), by striking “of this section” after “subsection (a)”; and

(ii) by amending subparagraphs (A) and (B) to read as follows:

“(A) the number of employees in the workforce of such contractor, by job category and hiring location, and the number of such employees, by job category and hiring location, who are qualified covered veterans;

“(B) the total number of new employees hired by the contractor during the period covered by the report and the number of such employees who are qualified covered veterans; and”.

(C) Section 4212(d)(2) is amended by striking “of this subsection” after “paragraph (1)”.

(D) Section 4211(6) is amended by striking “one-year period” and inserting “three-year period”.

(3) The amendments made by this subsection shall apply with respect to contracts entered into on or after the first day of the first month that begins 12 months after the date of the enactment of this Act.

(c) EMPLOYMENT WITHIN THE FEDERAL GOVERNMENT.—(1) Section 4214(a)(1) is amended—

(A) in the first sentence, by striking “life” and all that follows and inserting “life.”; and

(B) in the second sentence, by striking “major” and inserting “uniquely qualified”.

(2) Section 4214(b) is amended—

(A) in paragraph (1), by striking “readjustment” and inserting “recruitment”;

(B) in paragraph (2), by striking “to—” and all that follows through the period at the end and inserting “to qualified covered veterans.”;

(C) in paragraph (3), to read as follows:

“(3) A qualified covered veteran may receive such an appointment at any time.”.

(3)(A) Section 4214(a) is amended—

(i) in the third sentence of paragraph (1), by striking “disabled veterans and certain veterans of the Vietnam era and of the post-Vietnam era” and inserting “qualified covered veterans (as defined in paragraph (2)(B))”; and

(ii) in paragraph (2), to read as follows:

“(2) In this section:

“(A) The term ‘agency’ has the meaning given the term ‘department or agency’ in section 4211(5) of this title.

“(B) The term ‘qualified covered veteran’ means a veteran described in section 4212(a)(3) of this title.”.

(B) Clause (i) of section 4214(e)(2)(B) is amended by striking “of the Vietnam era”.

(C) Section 4214(g) is amended—

(i) by striking “qualified” the first place it occurs and all that follows through “era” the first place it occurs and inserting “qualified covered veterans”; and

(ii) by striking “under section 1712A of this title” and all that follows and inserting “under section 1712A of this title.”.

(4) The amendments made by this subsection shall apply to qualified covered veterans without regard to any limitation relating to the date of the veteran’s last discharge or release from active duty that may have otherwise applied under section 4214(b)(3)

as in effect on the date before the date of the enactment of this Act.

**SEC. 3. FINANCIAL AND NON-FINANCIAL PERFORMANCE INCENTIVE AWARDS FOR QUALITY VETERANS EMPLOYMENT, TRAINING, AND PLACEMENT SERVICES.**

(a) PERFORMANCE INCENTIVE AWARDS FOR QUALITY EMPLOYMENT, TRAINING, AND PLACEMENT SERVICES.—Chapter 41 is amended by adding at the end the following new section:

**“§ 4112. Performance incentive awards for quality employment, training, and placement services**

“(a) CRITERIA FOR PERFORMANCE INCENTIVE AWARDS.—(1) For purposes of carrying out a program of performance incentive awards under section 4102A(c)(2)(A)(i)(III) of this title, the Secretary, acting through the Assistant Secretary of Labor for Veterans’ Employment and Training, shall establish criteria for performance incentive awards programs to be administered by States to—

“(A) encourage the improvement and modernization of employment, training, and placement services provided under this chapter; and

“(B) recognize eligible employees for excellence in the provision of such services or for having made demonstrable improvements in the provision of such services.

“(2) The Secretary shall establish such criteria in consultation with representatives of States, political subdivisions of States, and other providers of employment, training, and placement services under the Workforce Investment Act of 1998 consistent with the performance measures established under section 4102A(b)(7) of this title.

“(b) FORM OF AWARDS.—Under the criteria established by the Secretary for performance incentive awards to be administered by States, an award under such criteria may be a cash award or such other nonfinancial awards as the Secretary may specify.

“(c) RELATIONSHIP OF AWARD TO GRANT PROGRAM AND EMPLOYEE COMPENSATION.—Performance incentive cash awards under this section—

“(1) shall be made from amounts allocated from the grant or contract amount for a State for a program year under section 4102A(c)(7) of this title; and

“(2) is in addition to the regular pay of the recipient.

“(d) ELIGIBLE EMPLOYEE DEFINED.—In this section, the term ‘eligible employee’ means any of the following:

“(1) A disabled veterans’ outreach program specialist.

“(2) A local veterans’ employment representative.

“(3) An individual providing employment, training, and placement services to veterans under the Workforce Investment Act of 1998 or through an employment service delivery system (as defined in section 4101(7) of this title).”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 41 is amended by adding at the end the following new item:

“4112. Performance incentive awards for quality employment, training, and placement services.”.

**SEC. 4. REFINEMENT OF JOB TRAINING AND PLACEMENT FUNCTIONS OF THE DEPARTMENT.**

(a) REVISION OF DEPARTMENT LEVEL SENIOR OFFICIALS AND FUNCTIONS.—(1) Sections 4102A and 4103 are amended to read as follows:

**“§ 4102A. Assistant Secretary of Labor for Veterans’ Employment and Training; program functions; Regional Administrators**

“(a) ESTABLISHMENT OF POSITION OF ASSISTANT SECRETARY OF LABOR FOR VETERANS’ EMPLOYMENT AND TRAINING.—(1) There is established within the Department of Labor an Assistant Secretary of Labor for Veterans’ Employment and Training, appointed by the President by and with the advice and consent of the Senate, who shall formulate and implement all departmental policies and procedures to carry out (A) the purposes of this chapter, chapter 42, and chapter 43 of this title, and (B) all other Department of Labor employment, unemployment, and training programs to the extent they affect veterans.

“(2) The employees of the Department of Labor administering chapter 43 of this title shall be administratively and functionally responsible to the Assistant Secretary of Labor for Veterans’ Employment and Training.

“(3)(A) There shall be within the Department of Labor a Deputy Assistant Secretary of Labor for Veterans’ Employment and Training. The Deputy Assistant Secretary shall perform such functions as the Assistant Secretary of Labor for Veterans’ Employment and Training prescribes.

“(B) No individual may be appointed as a Deputy Assistant Secretary of Labor for Veterans’ Employment and Training unless the individual has at least five years of service in a management position as an employee of the Federal civil service or comparable service in a management position in the Armed Forces. For purposes of determining such service of an individual, there shall be excluded any service described in subparagraphs (A), (B), and (C) of section 308(d)(2) of this title.

“(b) PROGRAM FUNCTIONS.—The Secretary shall carry out the following functions:

“(1) Except as expressly provided otherwise, carry out all provisions of this chapter and chapter 43 of this title through the Assistant Secretary of Labor for Veterans’ Employment and Training and administer through such Assistant Secretary all programs under the jurisdiction of the Secretary for the provision of employment and training services designed to meet the needs of all veterans and persons eligible for services furnished under this chapter.

“(2) In order to make maximum use of available resources in meeting such needs, encourage all such programs, and all grantees and contractors under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns owned by veterans

or disabled veterans), educational institutions, trade associations, and labor unions.

“(3) Ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to eligible veterans under all such programs by coordinating and consulting with the Secretary of Veterans Affairs with respect to (A) programs conducted under other provisions of this title, with particular emphasis on coordination of such programs with readjustment counseling activities carried out under section 1712A of this title, apprenticeship or other on-the-job training programs carried out under section 3687 of this title, and rehabilitation and training activities carried out under chapter 31 of this title and (B) determinations covering veteran population in a State.

“(4) Ensure that employment, training, and placement activities are carried out in coordination and cooperation with appropriate State public employment service officials.

“(5) Subject to subsection (c), make available for use in each State by grant or contract such funds as may be necessary to support—

“(A) disabled veterans’ outreach program specialists appointed under section 4103A(a)(1) of this title,

“(B) local veterans’ employment representatives assigned under section 4104(b) of this title, and

“(C) the reasonable expenses of such specialists and representatives described in subparagraphs (A) and (B), respectively, for training, travel, supplies, and other business expenses, including travel expenses and per diem for attendance at the National Veterans’ Employment and Training Services Institute established under section 4109 of this title.

“(6) Monitor and supervise on a continuing basis the distribution and use of funds provided for use in the States under paragraph (5).

“(7) Establish, and update as appropriate, a comprehensive performance accountability system (as described in subsection (f)) and carry out annual performance reviews of veterans employment, training, and placement services provided through employment service delivery systems, including through disabled veterans’ outreach program specialists and through local veterans’ employment representatives in States receiving grants, contracts, or awards under this chapter.

“(c) CONDITIONS FOR RECEIPT OF FUNDS.—(1) The distribution and use of funds under subsection (b)(5) in order to carry out sections 4103A(a) and 4104(a) of this title shall be subject to the continuing supervision and monitoring of the Secretary and shall not be governed by the provisions of any other law, or any regulations prescribed thereunder, that are inconsistent with this section or section 4103A or 4104 of this title.

“(2)(A) A State shall submit to the Secretary an application for a grant or contract under subsection (b)(5). The application shall contain the following information:

“(i) A plan that describes the manner in which the State shall furnish employment, training, and placement services required under this chapter for the program year, including a description of—

“(I) duties assigned by the State to disabled veterans’ outreach program specialists and local veterans’ employment representatives consistent with the requirements of sections 4103A and 4104 of this title;

“(II) the manner in which such specialists and representatives are integrated in the employment service delivery systems in the State; and

“(III) the program of performance incentive awards described in section 4112 of this title in the State for the program year.

“(ii) The veteran population to be served.

“(iii) Such additional information as the Secretary may require to make a determination with respect to awarding a grant or contract to the State.

“(B)(i) Subject to the succeeding provisions of this subparagraph, of the amount available under subsection (b)(5) for a fiscal year, the Secretary shall make available to each State with an application approved by the Secretary an amount of funding in proportion to the number of veterans seeking employment using such criteria as the Secretary may establish in regulation, including civilian labor force and unemployment data, for the State on an annual basis. The proportion of funding shall reflect the ratio of—

“(I) the total number of veterans residing in the State that are seeking employment; to

“(II) the total number of veterans seeking employment in all States.

“(ii) The Secretary shall phase in over the three fiscal-year period that begins on October 1, 2002, the manner in which amounts are made available to States under subsection (b)(5) and this subsection, as amended by the Jobs for Veterans Act.

“(iii) In carrying out this paragraph, the Secretary may establish minimum funding levels and hold-harmless criteria for States.

“(3)(A)(i) As a condition of a grant or contract under this section for a program year, in the case of a State that the Secretary determines has an entered-employment rate for veterans that is deficient for the preceding program year, the State shall develop a corrective action plan to improve that rate for veterans in the State.

“(ii) The State shall submit the corrective action plan to the Secretary for approval, and if approved, shall expeditiously implement the plan.

“(iii) If the Secretary does not approve a corrective action plan submitted by the State under clause (i), the Secretary shall take such steps as may be necessary to implement corrective actions in the State to improve the entered-employment rate for veterans in that State.

“(B) To carry out subparagraph (A), the Secretary shall establish in regulations a uniform national threshold entered-employment rate for veterans for a program year by which determinations of deficiency may be made under subparagraph (A).

“(C) In making a determination with respect to a deficiency under subparagraph (A), the Secretary shall take into account the applicable annual unemployment data for the State and consider other factors, such as prevailing economic conditions, that affect performance of individuals providing employment, training, and placement services in the State.

“(4) In determining the terms and conditions of a grant or contract under which funds are made available to a State in order to carry out section 4103A or 4104 of this title, the Secretary shall take into account—

“(A) the results of reviews, carried out pursuant to subsection (b)(7), of the performance of the employment, training, and placement service delivery system in the State, and

“(B) the monitoring carried out under this section.

“(5) Each grant or contract by which funds are made available to a State shall contain a provision requiring the recipient of the funds—

“(A) to comply with the provisions of this chapter; and

“(B) on an annual basis, to notify the Secretary of, and provide supporting rationale for, each nonveteran who is employed as a disabled veterans’ outreach program specialist and local veterans’ employment representative for a period in excess of 6 months.

“(6) Each State shall coordinate employment, training, and placement services furnished to veterans and eligible persons under this chapter with such services furnished with respect to such veterans and persons under the Workforce Investment Act of 1998 and the Wagner-Peyser Act.

“(7) With respect to program years beginning during or after fiscal year 2004, one percent of the amount of a grant or contract under which funds are made available to a State in order to carry out section 4103A or 4104 of this title for the program year shall be for the purposes of making cash awards under the program of performance incentive awards described in section 4112 of this title in the State.

“(d) PARTICIPATION IN OTHER FEDERALLY FUNDED JOB TRAINING PROGRAMS.—The Assistant Secretary of Labor for Veterans’ Employment and Training shall promote and monitor participation of qualified veterans and eligible persons in employment and training opportunities under title I of the Workforce Investment Act of 1998 and other federally funded employment and training programs.

“(e) REGIONAL ADMINISTRATORS.—(1) The Secretary shall assign to each region for which the Secretary operates a regional office a representative of the Veterans’ Employment and Training Service to serve as the Regional Administrator for Veterans’ Employment and Training in such region.

“(2) Each such Regional Administrator shall carry out such duties as the Secretary may require to promote veterans employment and reemployment within the region that the Administrator serves.

“(f) ESTABLISHMENT OF PERFORMANCE STANDARDS AND OUTCOMES MEASURES.—(1) By not later than 6 months after the date of the enactment of this section, the Assistant Secretary of Labor for Veterans’ Employment and Training shall establish and implement a comprehensive performance accountability system to measure the performance of employment service delivery systems, including disabled veterans’ outreach program specialists and local veterans’ employment representatives providing employment, training, and placement services under this chapter in a State to provide accountability of that State to the Secretary for purposes of subsection (c).

“(2) Such standards and measures shall—

“(A) be consistent with State performance measures applicable under section 136(b) of the Workforce Investment Act of 1998; and

“(B) be appropriately weighted to provide special consideration for placement of (i) veterans requiring intensive services (as defined in section 4101(9) of this title), such as special disabled veterans and disabled veterans, and (ii) veterans who enroll in readjustment counseling under section 1712A of this title.

“(g) AUTHORITY TO PROVIDE TECHNICAL ASSISTANCE TO STATES.—The Secretary may provide such technical assistance as the Secretary determines appropriate to any State that the Secretary determines has, or may have, an entered-employment rate in the State that is deficient, as determined under subsection (c)(3) with respect to a program year, including assistance in the development of a corrective action plan under that subsection.

**“§ 4103. Directors and Assistant Directors for Veterans’ Employment and Training; additional Federal personnel**

“(a) DIRECTORS AND ASSISTANT DIRECTORS.—(1) The Secretary shall assign to each State a representative of the Veterans’ Employment and Training Service to serve as the Director for Veterans’ Employment and Training, and shall assign full-time Federal clerical or other support personnel to each such Director.

“(2) Each Director for Veterans’ Employment and Training for a State shall, at the time of appointment, have been a bona fide resident of the State for at least two years.

“(3) Full-time Federal clerical or other support personnel assigned to Directors for Veterans’ Employment and Training shall be appointed in accordance with the provisions of title 5 governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5.

“(b) ADDITIONAL FEDERAL PERSONNEL.—The Secretary may also assign as supervisory personnel such representatives of the Veterans’ Employment and Training Service as the Secretary determines appropriate to carry out the employment, training, and placement services required under this chapter, including Assistant Directors for Veterans’ Employment and Training.”.

(2) The items relating to sections 4102A and 4103, respectively, in the table of sections at the beginning of chapter 41 are amended to read as follows:

“4102A. Assistant Secretary of Labor for Veterans’ Employment and Training; program functions; Regional Administrators.

“4103. Directors and Assistant Directors for Veterans’ Employment and Training; additional Federal personnel.”.

(3)(A)(i) Section 4104A is repealed.

(ii) The table of sections at the beginning of chapter 41 is amended by striking the item relating to section 4104A.

(B) Section 4107(b) is amended by striking “The Secretary shall establish definitive performance standards” and inserting “The Secretary shall apply performance standards established under section 4102A(f) of this title”.

(4) The amendments made by this subsection shall take effect on the date of the enactment of this Act, and apply for program

and fiscal years under chapter 41 of title 38, United States Code, beginning on or after such date.

(b) REVISION OF STATUTORILY DEFINED DUTIES OF DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.—(1) Section 4103A is amended by striking all after the heading and inserting the following:

“(a) REQUIREMENT FOR EMPLOYMENT BY STATES OF A SUFFICIENT NUMBER OF SPECIALISTS.—(1) Subject to approval by the Secretary, a State shall employ such full- or part-time disabled veterans' outreach program specialists as the State determines appropriate and efficient to carry out intensive services under this chapter to meet the employment needs of eligible veterans with the following priority in the provision of services:

“(A) Special disabled veterans.

“(B) Other disabled veterans.

“(C) Other eligible veterans in accordance with priorities determined by the Secretary taking into account applicable rates of unemployment and the employment emphases set forth in chapter 42 of this title.

“(2) In the provision of services in accordance with this subsection, maximum emphasis in meeting the employment needs of veterans shall be placed on assisting economically or educationally disadvantaged veterans.

“(b) REQUIREMENT FOR QUALIFIED VETERANS.—A State shall, to the maximum extent practicable, employ qualified veterans to carry out the services referred to in subsection (a). Preference shall be given in the appointment of such specialists to qualified disabled veterans.”.

(2) Section 4104 is amended by striking all after the heading and inserting the following:

“(a) REQUIREMENT FOR EMPLOYMENT BY STATES OF A SUFFICIENT NUMBER OF REPRESENTATIVES.—Subject to approval by the Secretary, a State shall employ such full- and part-time local veterans' employment representatives as the State determines appropriate and efficient to carry out employment, training, and placement services under this chapter.

“(b) PRINCIPAL DUTIES.—As principal duties, local veterans' employment representatives shall—

“(1) conduct outreach to employers in the area to assist veterans in gaining employment, including conducting seminars for employers and, in conjunction with employers, conducting job search workshops and establishing job search groups; and

“(2) facilitate employment, training, and placement services furnished to veterans in a State under the applicable State employment service delivery systems.

“(c) REQUIREMENT FOR QUALIFIED VETERANS AND ELIGIBLE PERSONS.—A State shall, to the maximum extent practicable, employ qualified veterans or eligible persons to carry out the services referred to in subsection (a). Preference shall be accorded in the following order:

“(1) To qualified service-connected disabled veterans.

“(2) If no veteran described in paragraph (1) is available, to qualified eligible veterans.

“(3) If no veteran described in paragraph (1) or (2) is available, then to qualified eligible persons.

“(d) REPORTING.—Each local veterans' employment representative shall be administratively responsible to the manager of the

employment service delivery system and shall provide reports, not less frequently than quarterly, to the manager of such office and to the Director for Veterans' Employment and Training for the State regarding compliance with Federal law and regulations with respect to special services and priorities for eligible veterans and eligible persons.”.

(3) The amendments made by this subsection shall take effect on the date of the enactment of this Act, and apply for program years under chapter 41 of title 38, United States Code, beginning on or after such date.

(c) REQUIREMENT TO PROMPTLY ESTABLISH ONE-STOP EMPLOYMENT SERVICES.—By not later than 18 months after the date of the enactment of this Act, the Secretary of Labor shall provide one-stop services and assistance to covered persons electronically by means of the Internet, as defined in section 231(e)(3) of the Communications Act of 1934, and such other electronic means to enhance the delivery of such services and assistance.

(d) REQUIREMENT FOR BUDGET LINE ITEM FOR TRAINING SERVICES INSTITUTE.—(1) The last sentence of section 4106(a) is amended to read as follows: “Each budget submission with respect to such funds shall include a separate listing of the amount for the National Veterans' Employment and Training Services Institute together with information demonstrating the compliance of such budget submission with the funding requirements specified in the preceding sentence.”.

(2) The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act, and apply to budget submissions for fiscal year 2004 and each subsequent fiscal year.

(e) CONFORMING AMENDMENTS.—(1) Section 4107(c)(5) is amended by striking “(including the need” and all that follows through “representatives”).

(2) Section 3117(a)(2)(B) is amended to read as follows:

“(B) utilization of employment, training, and placement services under chapter 41 of this title; and”.

#### **SEC. 5. ADDITIONAL IMPROVEMENTS IN VETERANS EMPLOYMENT AND TRAINING SERVICES.**

(a) INCLUSION OF INTENSIVE SERVICES.—(1)(A) Section 4101 is amended by adding at the end the following new paragraph:

“(9) The term ‘intensive services’ means local employment and training services of the type described in section 134(d)(3) of the Workforce Investment Act of 1998.”.

(B) Section 4102 is amended by striking “job and job training counseling service program,” and inserting “job and job training intensive services program.”.

(C) Section 4106(a) is amended by striking “proper counseling” and inserting “proper intensive services”.

(D) Section 4107(a) is amended by striking “employment counseling services” and inserting “intensive services”.

(E) Section 4107(c)(1) is amended by striking “the number counseled” and inserting “the number who received intensive services”.

(F) Section 4109(a) is amended by striking “counseling,” each place it appears and inserting “intensive services,”.

(2) The amendments made by paragraph (1) shall take effect on the date of the enactment of this Act.

(b) ADDITIONAL VETS DUTY TO IMPLEMENT TRANSITIONS TO CIVILIAN CAREERS.—(1)(A) Section 4102 is amended by striking the period and inserting “, including programs carried out by the Veterans’ Employment and Training Service to implement all efforts to ease the transition of servicemembers to civilian careers that are consistent with, or an outgrowth of, the military experience of the servicemembers.”.

(B) Such section is further amended by striking “and veterans of the Vietnam era” and inserting “and veterans who served on active duty during a war or in a campaign or expedition for which a campaign badge has been authorized”.

(2) The amendments made by paragraph (1) shall take effect on the date of the enactment of this Act.

(c) MODERNIZATION OF EMPLOYMENT SERVICE DELIVERY POINTS TO INCLUDE TECHNOLOGICAL INNOVATIONS.—(1) Section 4101(7) is amended to read as follows:

“(7) The term ‘employment service delivery system’ means a service delivery system at which or through which labor exchange services, including employment, training, and placement services, are offered in accordance with the Wagner-Peyser Act.”.

(2) The amendments made by paragraph (1) shall take effect on the date of the enactment of this Act.

(d) INCREASE IN ACCURACY OF REPORTING SERVICES FURNISHED TO VETERANS.—(1)(A) Section 4107(c)(1) is amended—

(i) by striking “veterans of the Vietnam era,”; and

(ii) by striking “and eligible persons who registered for assistance with” and inserting “eligible persons, recently separated veterans (as defined in section 4211(6) of this title), and servicemembers transitioning to civilian careers who registered for assistance with, or who are identified as veterans by,”.

(B) Section 4107(c)(2) is amended—

(i) by striking “the job placement rate” the first place it appears and inserting “the rate of entered employment (as determined in a manner consistent with State performance measures applicable under section 136(b) of the Workforce Investment Act of 1998); and

(ii) by striking “the job placement rate” the second place it appears and inserting “such rate of entered employment (as so determined)”.

(C) Section 4107(c)(4) is amended by striking “sections 4103A and 4104” and inserting “section 4212(d)”.

(D) Section 4107(c) is amended—

(i) by striking “and” at the end of paragraph (4);

(ii) by striking the period at the end of paragraph (5) and inserting “; and”; and

(iii) by adding at the end the following new paragraph:

“(6) a report on the operation during the preceding program year of the program of performance incentive awards for quality employment services under section 4112 of this title.”.

(E) Section 4107(b), as amended by section 4(a)(3)(B), is further amended by striking the second sentence and inserting the following: “Not later than February 1 of each year, the Secretary shall report to the Committees on Veterans’ Affairs of the Senate and the House of Representatives on the performance of States and organizations and entities carrying out employment, training,

and placement services under this chapter, as measured under subsection (b)(7) of section 4102A of this title. In the case of a State that the Secretary determines has not met the minimum standard of performance (established by the Secretary under subsection (f) of such section), the Secretary shall include an analysis of the extent and reasons for the State's failure to meet that minimum standard, together with the State's plan for corrective action during the succeeding year."

(2) The amendments made by paragraph (1) shall apply to reports for program years beginning on or after July 1, 2003.

(e) CLARIFICATION OF AUTHORITY OF NVETSI TO PROVIDE TRAINING FOR PERSONNEL OF OTHER DEPARTMENTS AND AGENCIES.—Section 4109 is amended by adding at the end the following new subsection:

"(c)(1) Nothing in this section shall be construed as preventing the Institute to enter into contracts or agreements with departments or agencies of the United States or of a State, or with other organizations, to carry out training of personnel of such departments, agencies, or organizations in the provision of services referred to in subsection (a).

"(2) All proceeds collected by the Institute under a contract or agreement referred to in paragraph (1) shall be applied to the applicable appropriation."

**SEC. 6. COMMITTEE TO RAISE EMPLOYER AWARENESS OF SKILLS OF VETERANS AND BENEFITS OF HIRING VETERANS.**

(a) ESTABLISHMENT OF COMMITTEE.—There is established within the Department of Labor a committee to be known as the President's National Hire Veterans Committee (hereinafter in this section referred to as the "Committee").

(b) DUTIES.—The Committee shall establish and carry out a national program to do the following:

(1) To furnish information to employers with respect to the training and skills of veterans and disabled veterans, and the advantages afforded employers by hiring veterans with such training and skills.

(2) To facilitate employment of veterans and disabled veterans through participation in America's Career Kit national labor exchange, and other means.

(c) MEMBERSHIP.—(1) The Secretary of Labor shall appoint 15 individuals to serve as members of the Committee, of whom one shall be appointed from among representatives nominated by each organization described in subparagraph (A) and of whom eight shall be appointed from among representatives nominated by organizations described in subparagraph (B).

(A) Organizations described in this subparagraph are the following:

- (i) The Ad Council.
- (ii) The National Committee for Employer Support of the Guard and Reserve.
- (iii) Veterans' service organizations that have a national employment program.
- (iv) State employment security agencies.
- (v) One-stop career centers.
- (vi) State departments of veterans affairs.
- (vii) Military service organizations.

(B) Organizations described in this subparagraph are such businesses, small businesses, industries, companies in the private sector that furnish placement services, civic groups, workforce investment boards, and labor unions as the Secretary of Labor determines appropriate.

(2) The following shall be ex officio, nonvoting members of the Committee:

(A) The Secretary of Veterans Affairs.

(B) The Secretary of Defense.

(C) The Assistant Secretary of Labor for Veterans' Employment and Training.

(D) The Administrator of the Small Business Administration.

(E) The Postmaster General.

(F) The Director of the Office of Personnel Management.

(3) A vacancy in the Committee shall be filled in the manner in which the original appointment was made.

(d) ADMINISTRATIVE MATTERS.—(1) The Committee shall meet not less frequently than once each calendar quarter.

(2) The Secretary of Labor shall appoint the chairman of the Committee.

(3)(A) Members of the Committee shall serve without compensation.

(B) Members of the Committee shall be allowed reasonable and necessary travel expenses, including per diem in lieu of subsistence, at rates authorized for persons serving intermittently in the Government service in accordance with the provisions of subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of the responsibilities of the Committee.

(4) The Secretary of Labor shall provide staff and administrative support to the Committee to assist it in carrying out its duties under this section. The Secretary shall assure positions on the staff of the Committee include positions that are filled by individuals that are now, or have ever been, employed as one of the following:

(A) Staff of the Assistant Secretary of Labor for Veterans' Employment and Training under section 4102A of title 38, United States Code as in effect on the date of the enactment of this Act.

(B) Directors for Veterans' Employment and Training under section 4103 of such title as in effect on such date.

(C) Assistant Director for Veterans' Employment and Training under such section as in effect on such date.

(D) Disabled veterans' outreach program specialists under section 4103A of such title as in effect on such date.

(E) Local veterans' employment representatives under section 4104 of such title as in effect on such date.

(5) Upon request of the Committee, the head of any Federal department or agency may detail, on a nonreimbursable basis, any of the personnel of that department or agency to the Committee to assist it in carrying out its duties.

(6) The Committee may contract with and compensate government and private agencies or persons to furnish information to employers under subsection (b)(1) without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

(e) **REPORT.**—Not later than December 31, 2003, 2004, and 2005, the Secretary of Labor shall submit to Congress a report on the activities of the Committee under this section during the previous fiscal year, and shall include in such report data with respect to placement and retention of veterans in jobs attributable to the activities of the Committee.

(f) **TERMINATION.**—The Committee shall terminate 60 days after submitting the report that is due on December 31, 2005.

(g) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of Labor from the employment security administration account (established in section 901 of the Social Security Act (42 U.S.C. 1101)) in the Unemployment Trust Fund \$3,000,000 for each of fiscal years 2003 through 2005 to carry out this section.

**SEC. 7. REPORT ON IMPLEMENTATION OF EMPLOYMENT REFORMS.**

(a) **STUDY.**—The Comptroller General of the United States shall conduct a study on the implementation by the Secretary of Labor of the provisions of this Act during the program years that begin during fiscal years 2003 and 2004. The study shall include an assessment of the modifications under sections 2 through 5 of this Act of the provisions of title 38, United States Code, and an evaluation of the impact of those modifications, and of the actions of the President's National Hire Veterans Committee under section 6 of this Act, to the provision of employment, training, and placement services provided to veterans under that title.

(b) **REPORT.**—Not later than 6 months after the conclusion of the program year that begins during fiscal year 2004, the Comptroller General shall submit to Congress a report on the study conducted under subsection (a). The report shall include such recommendations as the Comptroller General determines appropriate, including recommendations for legislation or administrative action.

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*