To establish a program of workforce development as an alternative to college for all, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. Cotton introduced the following bill; which was read twice and referred to the Committee on _____________

A BILL

To establish a program of workforce development as an alternative to college for all, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “American Workforce

Act”.

SEC. 2. DEFINITIONS.

In this Act:

(1) AMERICAN WORKFORCE CONTRACT.—The
term “American workforce contract” means a con-
tract approved by the Director, and entered into by
an employer and a prospective trainee under section 4(b)(6).

(2) AMERICAN WORKFORCE PROGRAM.—The term “American workforce program” means a program established under section 4(a) that provides, for each participating trainee, a paid, full-time position in which the trainee is engaged in—

(A) structured on-the-job work, as specified by the American workforce contract involved; and

(B) educational workforce training described in section 4(f), as specified by the American workforce contract.

(3) COMPETENCY-BASED CREDENTIAL.—The term “competency-based credential” means a credential awarded on the basis of a performance-based test that—

(A) is taken to demonstrate proficiency in knowledge and abilities essential to the industry or occupation; and

(B) does not place restrictions on how, when, or where the test taker studied and acquired the knowledge and abilities.
(4) DIRECTOR.—The term “Director” means the Director of the American Workforce Division, appointed under section 3(b).

(5) EMPLOYER.—The term “employer” means a for-profit employer, as defined in section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203), other than a public agency, as defined in that section.

(6) PROSPECTIVE TRAINEE.—The term “prospective trainee” means an individual who—

(A) applies to an employer to enter into an American workforce contract; and

(B) on the date of application, meets the requirements of paragraph (8)(A).

(7) SECRETARY.—The term “Secretary” means the Secretary of Commerce.

(8) TRAINEE.—The term “trainee” means any individual who—

(A) on the date of application to an employer to enter into an American workforce contract—

(i) is a United States citizen;

(ii) has a high school diploma or its generally recognized equivalent; and
(iii) has not earned a bachelor’s or higher degree, such as a master’s or doctoral degree; and

(B) entered into an American workforce contract, which is still in effect, with the employer.

(9) Workforce Project.—The term “workforce project” means a project carried out under an American workforce contract as part of the American workforce program.

SEC. 3. ESTABLISHMENT OF AMERICAN WORKFORCE DIVISION.

(a) Establishment.—There is established in the Economic Development Administration of the Department of Commerce an American Workforce Division that administers, subject to the availability of appropriations, the American workforce program established under section 4(a).

(b) Director.—

(1) In General.—The American Workforce Division shall be headed and administered, in accordance with the provisions of this Act, by a Director. The Director shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall report directly to the Sec-
retary and shall perform, in addition to any func-
tions specified in law for or required to be delegated
to such officer, such additional functions as the Sec-
retary may prescribe.

(2) QUALIFICATIONS.—The Director shall have
significant experience in the private sector.

(3) AUTHORITY BEFORE CONFIRMATION.—
Until the initial appointment of an individual to the
position of Director, by and with the advice and con-
sent of the Senate, and, thereafter, if the individual
serving as the Director dies, resigns, or is otherwise
unable to perform the functions and duties of the of-
face of the Director, the Secretary of Commerce shall
designate an officer or employee of the Department
of Commerce to perform the functions and duties of
the Director under this Act temporarily in an acting
capacity.

(c) RESPONSIBILITIES OF THE DIRECTOR.—The Di-
rector shall be responsible for each of the following:

(1) Reviewing, and approving or disapproving,
each proposed American workforce contract received
by the Director not later than 1 month after the
date of receipt of the proposed contract.
(2)(A) Maintaining records of American workforce contracts and ensuring compliance with the contracts.

(B) Publishing a standardized template for American workforce contracts, which template shall not exceed 3 pages, and shall be used by prospective trainees and employers to draft a proposed American workforce contract to submit to the Director for review and approval.

(3) In accordance with subsection (d), receiving complaints, carrying out investigations, and taking disciplinary and correction action.

(4) In accordance with subsection (e), making determinations and taking disciplinary and corrective action.

(5) Coordinating activities with State governments and local governments to—

(A) publicize the opportunity to receive workforce education subsidies for workforce projects, with employers in high-wage, high-demand industries and occupations; and

(B) encourage employers to recruit students from secondary schools to participate in the workforce projects.
(6) Developing and maintaining a comprehensive, publicly accessible, and user-friendly website to allow employers from each State to simply indicate their demand for workers in their industry or occupation, post it online, and accept applications for training from prospective trainees and ensures prospective trainees can easily search and compare options.

(7) Preparing 5- and 10-year reports under section 6, and submitting the reports to Congress.

(8)(A) Collecting, on an ongoing basis, up-to-date contact information, including an email, phone number, and mailing address, for each employer participating in a workforce project in the American workforce program.

(B) Annually collecting the following information about the American workforce program:

(i) The total number of new and continuing trainees training in each workforce project under an American workforce contract.

(ii) The annual completion rate for trainees, calculated by comparing the number of trainees in a designated American workforce program cohort who successfully completed a workforce project with an employer and were
hired as full-time regular employees by the
same employer, with the number of trainees in
that cohort who began participating in a work-
force project.

(iii) The annual rate of trainees who suc-
cessfully completed a workforce project with an
employer but were not hired as full-time regular
employees by the same employer compared with
the number of trainees who began participating
in a workforce project.

(iv) The median length of time for work-
force project completion.

(v) A survey conducted by the Director,
based on a random sample and designed to gen-
erate statistically significant results, to estimate
the post-American workforce program employ-
ment retention rate for former trainees, cal-
culated 1 and 2 years after completion of a
workforce project, broken down by—

(I) former trainees who are employed by
the employer with whom they completed their
workforce project;

(II) former trainees employed in the same
industry or occupation as the industry or occu-
pation in which they completed that workforce project, but by a different employer; and

(III) former trainees who are employed, but in an industry or occupation that is not the industry or occupation described in subclause (II).

(vi) The credentials attained by trainees through the American workforce program, broken down by type (such as competency-based credentials, certifications, and licenses) and the number of such credentials attained.

(vii) The annualized average earnings of former trainees, calculated over a significant time period after completion of a workforce project.

(viii) Median and mean workforce education subsidy provided per trainee.

(ix) Basic demographic information, such as age, sex, and area of residence, on trainees.

(d) WHISTLEBLOWER COMPLAINTS.—

(1) COMPLAINT.—A trainee (including an employee participating as a trainee) in a workforce project may file a complaint with the Director alleging that the employer involved is not complying with
the terms of the American workforce contract involved.

(2) PRELIMINARY DETERMINATION.—The Director shall begin an investigation into the complaint within 1 month after the date of receipt of the complaint. Not later than 90 days after the beginning of the investigation, if the Director determines that there is clear and convincing evidence that the complaint is valid, the Director shall make a preliminary determination on disciplinary or corrective action.

(3) NOTICE AND OPPORTUNITY TO RESPOND.—If the Director makes a preliminary determination under paragraph (2) of noncompliance, the Director shall provide the employer with reasonable notice and opportunity to respond to the preliminary determination.

(4) DISCIPLINARY OR CORRECTIVE ACTION.—Disciplinary or corrective action under this subsection may consist of—

(A) issuing to the employer a warning or temporary suspension, of not more than 5 years, from participation in the American workforce program; and

(B) assessing a civil penalty against the employer of not more than the amount of funds
received by the employer through workforce education subsidies during the past 2 years.

(5) **APPEAL.**—If the Director so determines that the appropriate disciplinary or corrective action includes a suspension, the employer shall have 90 days to appeal the validity or the disciplinary or corrective action to the Director, with mandatory review by the Secretary of Commerce.

(6) **FINAL DETERMINATION.**—After such mandatory review, the Director shall make a final determination on the validity and on the appropriate disciplinary or corrective action, contingent on approval from the Secretary of Commerce.

(e) **NONCOMPLIANCE DETERMINATIONS.**—

(1) **ACCOUNTABILITY.**—The Director—

(A) may, in order to make a preliminary determination about whether there is clear and convincing evidence that employers participating in workforce projects are complying with the terms of the American workforce contracts involved and meeting the requirements of the American workforce program—

(i) demand and review relevant materials from the employers; and
(ii) conduct random, periodic compliance reviews of workforce projects; and

(B) shall review information in public disclosure documents submitted under section 4(g), including reviewing completion rates provided under section 4(g)(2)(A) to make a preliminary determination about whether there is clear and convincing evidence that employers are participating in a workforce project with a completion rate below 25 percent over 4 years.

(2) NOTICE AND OPPORTUNITY TO RESPOND.—

If the Director makes a preliminary determination under paragraph (1) of noncompliance or participation in a workforce project described in paragraph (1)(B), the Director shall provide the employer with reasonable notice and opportunity to respond to the preliminary determination.

(3) WARNING OR CIVIL PENALTY.—

(A) IN GENERAL.—The Director may, at the discretion of the Director, issue a warning to or assess a civil penalty against an employer if, after carrying out paragraph (2), the Director makes a final determination that there is clear and convincing evidence that—
(i) the employer is participating in a workforce project described in paragraph (1)(B); or

(ii) the employer is violating the terms of an American workforce contract or the requirements of the American workforce program.

(B) **CALCULATION OF CIVIL PENALTY.**—A civil penalty assessed under subparagraph (A) shall be in an amount that is not more than the amount of funds received by the employer through workforce education subsidies during the past 2 years.

(4) **SUSPENSION.**—The Director may, at the discretion of the Director, temporarily suspend an employer from the American workforce program for not more than 5 years if, after carrying out paragraph (2), the Director makes a final determination that there is clear and convincing evidence that—

(A) the employer is participating in a workforce project described in paragraph (1)(B); or

(B) the employer is consistently or egregiously violating the terms of an American
workforce contract or the requirements of the American workforce program.

(f) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any trainee because such trainee—

(1) has filed any complaint under subsection (d);

(2) has given, or is about to give, any information in connection with any inquiry or proceeding under this Act (including any inquiry or proceeding under subsection (d) or (e)); or

(3) has testified, or is about to testify, in any such inquiry or proceeding under this Act.

SEC. 4. AMERICAN WORKFORCE PROGRAM.

(a) IN GENERAL.—The Director shall establish, subject to the availability of appropriations, an American workforce program, and carry out the program by supporting workforce projects with American workforce contracts, distributing workforce education subsidies and bonuses for hiring, and providing technical and administrative support.

(b) CONTRACTS.—

(1) IN GENERAL.—To be eligible to receive a workforce education subsidy, bonus for hiring, or
technical support under this Act for a workforce project, an employer and prospective trainee shall prepare a proposed American workforce contract under this subsection, based on the standardized template created by the Director, and submit the proposed contract to the Director for approval. The page limitation placed on the Director’s template under subsection (c)(2)(B) shall not apply to the proposed American workforce contract prepared by the trainee and employer or the final American workforce contract.

(2) PROVISIONS.—The proposed contract between an individual who is a prospective trainee and the employer shall include each of the following:

(A) PARTIES INVOLVED.—The name of the individual, the employer participating in the workforce project, and any third-party entity with whom the employer is partnering to provide the educational workforce training component of the project (referred to in this Act as a “third-party training entity”).

(B) TERM.—The term, which shall not be shorter than 6 weeks, of the workforce project (including specifying total time to completion) and the amount of time the individual will
spend in structured on-the-job work and in educational workforce training (including specifying hours per week, month, and year).

(C) WORK AND TRAINING PLAN.—A detailed overview of the curriculum for the educational workforce training, a description of the structured on-the-job work, and a description of skills and competencies to be attained through the workforce project.

(D) WRITTEN WORKFORCE AGREEMENT.—A proposed written workforce agreement for the individual that outlines each of the following:

(i) The terms and conditions of the individual’s work and training.

(ii) The wage or salary an individual will receive as a trainee and the estimated starting wage or salary, in accordance with the requirements of subsection (e), for each position, described in subsection (e), that the individual is receiving training for and being considered for.

(iii) The technical and professional standards that will be met by the individual for successful completion of the workforce project.
(iv)(I) Expected long-term and short-term outcomes for the individual, including qualifying positions of the type the individual is being trained for at the employer and third-party training entities (if applicable), and the estimated wage or salary range for the occupation the individual is being trained for.

(II) The projected growth of the relevant industry or occupation, if information on that growth is available to the employer or obtainable with such technical assistance as the Director may provide.

(v) The circumstances under which the individual’s wage or salary will increase during the workforce project.

(vi) A description of voluntary mentorship opportunities that may be available.

(vii) A disclosure of the amount of the payment from a workforce education subsidy that the employer will receive per payment period from the Director and any costs or expenses that will be charged to
the trainee or could reasonably be expected
to be charged to the trainee.

(viii) If 1 or more competency-based
credentials exist for the relevant industry
or occupation, a description of the top 1 to
3 such credentials that the individual
might earn on successful completion of the
workforce project.

(ix) If no competency-based credential
exists for the industry or occupation, a de-
scription of any other credential, such as a
certification or license, that the individual
might earn in the relevant industry or oc-
cupation due to experience in the work-
force project.

(3) REVIEW OF CREDENTIALS.—

(A) IN GENERAL.—Not later than 1 month
after receiving for review a proposed American
workforce contract, the Director shall review
the credentials specified in the contract under
clause (viii) or (ix) of paragraph (2)(D) and
may note any additional credentials the Direc-
tor determines a trainee should consider earn-
ing. Any such credential noted by the Director
shall be described in the contract.
(B) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to—

(i) permit the Director to reject an entire proposed American workforce contract solely because of the Director’s view of a credential described in the proposed contract; or

(ii) require a trainee to agree to earn a competency-based credential or another credential specified in the American workforce contract, as a condition of using funding provided through a workforce education subsidy under this section.

(4) REVIEW OF CONTRACT.—

(A) IN GENERAL.—Not later than 1 month after receiving a proposed American workforce contract, the Director shall review, and approve or disapprove, the proposed contract (including conducting the review under paragraph (3) and determining whether the employer has provided the appropriate written disclosure document under subsection (g)).

(B) PRESUMPTION OF APPROVAL.—There shall be a presumption of approval for a proposed American workforce contract, in that
such a contract that has not been disapproved by the Director shall be considered to be approved on the 32nd day after the date of that receipt. A proposed American workforce contract may only be disapproved for failing to meet the requirements of this Act. If such a proposed contract is disapproved, the Director shall describe the reason, with a citation to the requirement not met, and a recommendation for how the proposed contract shall be amended to comply with this Act.

(5) REVIEW OF RESUBMISSION.—If an employer and individual submit a proposed contract under paragraph (1) that is not approved under paragraph (4), the employer and individual may resubmit the amended proposed contract for review as described in paragraph (4). For purposes of paragraph (4)(B), the reference to the date of receipt shall be considered to be the date of receipt of the resubmitted proposed contract.

(6) ENTRY INTO CONTRACT.—Once a proposed contract has been approved under paragraph (4) or (5), the individual and employer involved may enter into the contract and initiate the workforce project.
(7) CURRENT EMPLOYEES.—A participating employer may enter into an American workforce contract with, and enroll into their workforce project, an employee who holds a position with the employer if the employer agrees to—

(A) maintain employment for that employee at the employee’s wage or salary on the date of enrollment, or a higher wage or salary; and

(B) provide an increase to the employee’s annual wage or salary, if the employee successfully completes the workforce project, that is equal to not less than 25 percent of the value of the educational workforce subsidy provided for the project.

(e) WORKFORCE EDUCATION SUBSIDIES.—Not earlier than the date on which an individual and employer enter into an American workforce contract approved by the Director, the Director shall provide an education workforce subsidy to the employer operating the workforce project. Each of the following rules shall apply to the workforce education subsidy and the trainee involved and employer:

(1) The workforce education subsidy may be used to subsidize the cost of educational workforce
training (onsite or with an eligible third-party training entity), not the wage or salary of the trainee.

(2) The employer shall pay, at regular intervals, the trainee a wage or salary at a rate that is not less than the higher of—

   (A) the rate in effect under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)); or

   (B) the rate in effect under a State or local minimum wage law that applies to the State or locality in which the trainee is engaged in labor or service for the employer.

(3) The employer shall provide a working environment for the trainee that meets all applicable Federal, State, and local safety laws and regulations.

(4) Neither the Director or any other officer or employee of the executive branch of the Federal Government may make the workforce education subsidy contingent on any requirement not specified in this Act.

(5) The employer shall not currently be suspended from participating in workforce projects subsection (d) or (e) of section 3.
(6) Participation in the workforce project involved shall not make the employer subject to the jurisdiction of the Office of Federal Contract Compliance Programs of the Department of Labor as a Federal contractor, including not being subject to Executive Order 11246.

(7) The employer shall comply with all applicable Federal, State, and local statutory laws pertaining to nondiscrimination in employment.

(8) The workforce education subsidy may not be used for—

(A) diversity, equity, and inclusion training, or culturally responsive training; or

(B) any other training that may violate—

(i) title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.), by contributing to a hostile work environment; or

(ii) title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), including its prohibition, on the ground of race, color, or national origin, of discrimination under any program or activity receiving Federal financial assistance.

(9) The workforce education subsidy may not be used for political spending, electioneering, or any
other purpose that is not directly related to educational workforce training.

(10) The Director shall make payments from the workforce education subsidy to the employer—

(A) in even installments, following the end of each financial quarter in which the training and on-the-job work specified in the American workforce contract have been completed by the trainee;

(B) in sums of not more than $1,500 per month; and

(C) for a total amount of not more than $9,000, as determined on the basis of the American workforce contract.

(11) A State government or locality may supplement the workforce education subsidy with additional funds, if the State government or locality does not make accepting such funds or any conditions attached to the funds a requirement of accepting Federal funding.

(12) If the trainee chooses to leave a workforce project after the halfway point of the term of the workforce project, the trainee will be considered to have used the entirety of one of the workforce edu-
cation subsidies through which the trainee is eligible to receive educational workforce training.

(13) If the employer ceases operations, the trainee shall not be held at fault, meaning that the trainee may receive educational workforce training, funded with the full value of the workforce education subsidy, for a workforce project with a subsequent eligible employer, notwithstanding the time requirement of paragraph (15).

(14) The maximum period of time for which an employer (including a subsequent employer described in paragraph (13)) may receive payments, provided through the workforce education subsidy for education workforce training of a trainee, shall be 3 years.

(15)(A) In order for a trainee to enroll in a workforce project with a subsequent eligible employer through a second or third such subsidy, the trainee shall receive the related educational workforce training not less than 1 year after the conclusion of the trainee’s most recent training through a workforce education subsidy.

(B) The time limit described in subparagraph (A) shall not apply to a trainee who—
(i) completed a workforce project with, but
was not hired by, an employer; and
(ii) seeks to receive such training through
a workforce project with the trainee’s next em-
ployer.

(16) The employer shall meet the applicable
minimum ratios specified under section 5(d).

(17) The employer shall use E-Verify for each
trainee enrolled and individual hired or employed
during the period for which the employer accepts
funds through a subsidy provided under this Act, re-
gardless of whether the trainee or individual partici-
pated in a workforce project.

(18) The employer shall publish a public disclo-
sure document, consistent with subsection (g).

(d) BONUS FOR HIRING.—

(1) IN GENERAL.—If an trainee, on completion
of a workforce project, is hired as a full-time, reg-
ular employee of the employer participating in the
workforce project, with a wage or salary described in
subsection (e)(1), the employer shall receive a bonus
of $1,000 (in addition to any payment received
through a workforce education subsidy). The Direc-
tor shall pay the bonus not sooner than the date
that is 6 months after the trainee is so hired.
(2) RULES.—Subject to paragraph (3), each of the rules described in paragraphs (5), (6), (8), (9), (11), (16), (17), and (18) shall apply to the bonus, and the trainee hired and employer, except that a reference in those paragraphs—

(A) to a workforce educational subsidy shall be considered to be a reference to the bonus; and

(B) to a trainee shall be considered to be a reference to the trainee hired.

(3) USE OF BONUS.—An employer who receives a bonus under this subsection may use the bonus funds to supplement the wage or salary of the trainee hired.

(e) POSITION FOR THE TRAINEE.—

(1) WAGES.—An employer participating in a workforce project shall be training each trainee and considering each trainee for a position that would have an annual wage or salary of not less than 80 percent of—

(A) the annual median household income of the county in which the job involved is located (or an hourly wage based on that income and adjusted for a 2,080-hour annual work period), as determined by the 5-year estimates of
the American Community Survey of the Bureau of the Census; or

(B) if the county involved is not in a micropolitan or metropolitan area, the annual median household income for the nearest micropolitan or metropolitan area, as determined by the Bureau of the Census.

(2) REMOTE WORK.—An employer providing remote work for a trainee or employee (in a position referred to in paragraph (1)) shall use the trainee’s or employee’s location when determining an applicable wage or salary under this Act. Such a trainee or employee engaging in remote work shall live in the United States and file Federal income taxes in the United States.

(3) WORK.—An employer participating in a workforce project shall provide structured on-the-job work for each trainee in a job that requires specialized knowledge and experience and involves the performance of complex tasks, to prepare the trainee for a position referred to in paragraph (1).

(f) EDUCATIONAL WORKFORCE TRAINING.—In providing for educational workforce training through a workforce project to a trainee, an employer shall meet each of the following requirements:
(1) **SKILLS.**—The employer shall ensure that the training is designed in a manner that enables trainees to obtain and demonstrate competency and obtain progressively advancing and portable skills that are necessary for the industry or occupation involved.

(2) **PARTNERS.**—The employer may partner with any of the following eligible third-party training entities, and may pay such a third-party training entity with funds from a workforce education subsidy, in order to provide the training for trainees in the workforce project:

(A) A trade, industry, or employer group or association.

(B) A corporation or other related organized entity.

(C) An educational institution, such as an institution of higher education, including a community college, or a secondary school.

(D) A State or local government agency or entity.

(E) A nonprofit organization.

(F) A union.

(G) A joint labor-management organization.
(H) A certification or accreditation body or entity for an industry or occupation.

(I) A consortium or partnership of entities such as entities described in any of subparagraphs (A) through (H).

(3) CREDENTIALS.—The employer shall ensure that, in conjunction with that training, the trainee shall be made aware of any widely used competency-based credentials in the employer’s industry or occupation. If a competency-based credential is described in the trainee’s American workforce contract, the employer shall not forbid the trainee, or provide a disincentive to discourage the trainee, from taking a related competency-based credential exam.

(4) DEFINITIONS.—In this subsection:

(A) COMMUNITY COLLEGE.—The term “community college” means an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))) at which the highest degree that is predominately awarded to students is an associate degree.

(B) INSTITUTION OF HIGHER EDUCATION.—The term “institution of higher education” has the meaning given that term in sec-
tion 102 of the Higher Education Act of 1965
(20 U.S.C. 1002).

(g) **Public Disclosure Document.**—

(1) **In general.**—The Director shall require each participating employer seeking approval for a proposed American workforce contract to provide a written disclosure document, about the employer’s workforce project, that includes each of the following statistics and information:

(A) The total expected cost, if any, for a trainee during or at the completion of the workforce project, such as the cost of fees for a certification examination.

(B) The expected wage or salary for the position of the employer that the workforce project is designed to train for.

(C) The length of the workforce project.

(D) The total expected number of hours of structured on-the-job work per week, and of hours of educational workforce training per week, for a trainee during the workforce project.

(E) The total expected number of hours for which a trainee will be paid during the course of the workforce project.
(F) The hourly wage or salary for a trainee during the course of the workforce project.

(G) Information stating any certifications, licenses, or other credentials that trainees in the workforce project might earn on successful completion of the workforce project.

(2) ADDITIONAL PUBLIC DISCLOSURE FOR ESTABLISHED WORKFORCE PROJECTS.—Three years after an employer has completed a workforce project, the Director shall require the employer to include, in its written disclosure document, documentation that includes each of the following statistics:

(A) The completion rate for trainees in a workforce project with the employer, calculated over the previous 3 years.

(B) The percentage of trainees that completed a workforce project with, and were hired by, the employer participating in the project, calculated over the previous 2 years.

(C) The average wage or salary of currently employed (as of the date of collection of the wage or salary information) trainees who completed a workforce project, during the last 3 years, presented in a way that does not reveal
individually identifiable wage or salary information.

(3) AVAILABILITY.—The disclosure documents described in paragraphs (1) and (2) shall be made available to the general public by the Director.

SEC. 5. GENERAL PROVISIONS.

(a) WORKFORCE PROJECT AFTER PAYMENT PERIOD.—Nothing in this Act shall be construed to require a workforce project to end after 3 years, the maximum period of time for which an employer may receive payments through a workforce education subsidy for a trainee, if the employer pays for the cost of the associated educational workforce training for the portion of the project after that maximum period.

(b) RELATIONSHIP TO OTHER PROJECTS.—Individuals who do not meet the criteria described in section 2(8)(A) may participate in projects, structured like workforce projects described in this Act, if the employer or an organization other than the Federal Government provides the necessary funding for wages or salaries, and educational workforce training.

(c) THIRD-PARTY TRAINING ENTITY.—The Secretary may not pressure, or provide an incentive or disincentive to, an employer to choose 1 eligible entity over another as a third-party training entity. The choice of a third-
party training entity shall be made entirely by an employer.

(d) Regulations on Ratios.—

(1) Ratios.—Beginning 5 years after the date of enactment of this Act, the Secretary may issue regulations that specify 1 or more ratios, based on categories of jobs as defined by the Secretary, between the number of job openings for a prospective position, as a full-time regular employee, related to a workforce project, and the number of trainees in that project.

(2) Objectives.—In issuing the regulations, the Secretary shall consider the following objectives:

(A) Assuring that a trainee has a reasonable opportunity to be hired as a full-time, regular employee by the employer participating in the workforce project.

(B) Ensuring that an employer’s hiring discretion is not limited in a manner that would incentivize an employer to lower standards for a position that is particularly difficult or dangerous.

(e) Criteria.—The Secretary may establish criteria regarding technical matters and provide technical assistance for meeting the requirements of this Act.
(f) Required Regulations.—Regulations required under this Act shall be issued by the corresponding officer within 3 months after the date of enactment of this Act, except as otherwise specified.

SEC. 6. EVALUATION REPORTS AND SUNSET.

(a) 5-Year Report.—Not later than 5 years after the date of enactment of this Act, the Secretary shall prepare and submit to Congress a report including each of the following information, analysis, and recommendations:

(1) A comparison of the American workforce program to other major career and technical education or apprenticeship programs administered by the Federal Government, including the registered apprenticeship program carried out under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.), and to the workforce investment activity programs administered under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.), on the basis of—

(A) the completion rate of participants in each program;

(B) the average earnings of participants in each program, calculated during—
(i) the related career and technical education, apprenticeship, workforce investment, or workforce project; and

(ii) the period beginning 3 years and ending 5 years after the participants complete the related career and technical education, apprenticeship, workforce investment, or workforce project;

(C) the percentages obtained by dividing—

(i) the number of participants and rate of growth in participants for each program; by

(ii) the number of individuals in the labor force and the rate of growth of the labor force, respectively;

(D) the level of direct engagement by employers with, and satisfaction from employers in, each program; and

(E) the diversity of the industries and occupations of the employers who utilize each program.

(2) The overall completion rate for the American workforce program, the completion rate for workforce projects by industry and occupation, the number of trainees who dropped out of the program
entirely, broken down by industry and occupation, and the number who left a workforce project for another workforce project.

(3) The results of a survey, based on a random sample and designed to generate statistically significant results, of trainees who have participated in the program.

(4) The results of a survey, based on a random sample and designed to generate statistically significant results, of employers who have participated in the program, including a breakdown by size of employer.

(5) Data collected under section 3(c)(8)(B).

(6) Information and technical criteria, other regulations, and guidance issued by the Secretary to administer the program.

(7) Information on the rate of uptake by individuals and employers that are eligible to participate in the program, and recommendations for ways in which this rate of uptake could be improved.

(8) Analysis on considerations for Congress about expanding the use of intermediary institutions, such as nonprofits, to better advertise the program.

(9)(A) Analysis on considerations for Congress in expanding eligibility of the program for United
States citizens who do not have a high school diploma or its generally recognized equivalent.

(B) Analysis on considerations for Congress in encouraging trainees to obtain industry-recognized credentials that help to provide recognition of a portable skill.

(C) Analysis on considerations for Congress on the effect and necessity of regulations described in section 5(d).

(D) Recommendations for Congress on encouraging participation in workforce projects by small businesses.

(10) Analysis on considerations for Congress about how to effectively engage high school students in a workforce project, including—

(A) how coursework for a technical high school, or career and technical education in a high school, could qualify towards the completion of a workforce project; and

(B) how time spent in structured on-the-job work or educational workforce training for a workforce project could count towards high school graduation.
(11) Recommendations for improvement and re-
authorization of the American workforce program by
Congress.

(b) 10-YEAR REPORT.—Not later than 10 years after
the date of enactment of this Act, the Secretary shall pre-
pare and submit to Congress a report containing the infor-
mation, analysis, and recommendations described in sub-
section (a).

(c) SUNSET.—The program authorized by section 4
and the position of the Director shall cease to exist on
the earlier of—

(1) the date on which the Director submits the
report described in subsection (b) to Congress; or

(2) the day that is 11 years after the date of
enactment of this Act.

SEC. 7. EXCISE TAX ON CERTAIN LARGE PRIVATE COLLEGE
AND UNIVERSITY ENDOWMENTS.

(a) IN GENERAL.—Subchapter H of chapter 42 of
the Internal Revenue Code of 1986 is amended by adding
at the end the following new section:

“SEC. 4969. EXCISE TAX ON CERTAIN LARGE PRIVATE COL-
LEGE AND UNIVERSITY ENDOWMENTS.

“(a) TAX IMPOSED.—There is hereby imposed on
each specified applicable educational institution for the
taxable year a tax equal to 1 percent of the aggregate fair
market value of the assets of the institution at the end of the preceding taxable year.

“(b) SPECIFIED APPLICABLE EDUCATIONAL INSTITUTION.—For purposes of this subchapter, the term ‘specified applicable educational institution’ means any applicable educational institution, other than an institution which is religious in nature, the aggregate fair market value of the assets of which at the end of the preceding taxable year (other than those assets which are used directly in carrying out the institution’s exempt purpose) is at least $2,500,000,000.

“(c) OTHER TERMS.—For purposes of this section—

“(1) ASSETS.—The rules of section 4968(d) shall apply.

“(2) STUDENT.—The rules of section 4968(b)(2) shall apply.”.

(b) CLERICAL AMENDMENT.—The table of sections for subchapter H of chapter 42 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Sec. 4969. Excise tax on certain large private college and university endowments.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2022.