To amend the Workforce Innovation and Opportunity Act to provide training services linked to employment demand through Upskill Accounts, and for other purposes.

SEC. 1. SHORT TITLE.
This Act may be cited as the “21st Century Skills are Key to Individuals’ Life-Long Success Act” or the “21st Century SKILLS Act”.

SEC. 2. FINDINGS.
Congress finds the following:
(1) In 1962, Congress authorized the first substantial Federal job training programs in the post-war period, to retrain workers displaced because of technological change.

(2) For nearly 60 years, Federal workforce development programs have emphasized targeted education and job training and reemployment activities, service coordination and delivery, and a demand-driven approach that is responsive to consumer choice for participants and to the labor needs of local employers.

(3) Now the 21st century economy demands systems that equip workers to be able to think critically and creatively, solve complex problems, make evidence-based decisions, adapt to evolving technologies, and work collaboratively.

(4) Increasing 21st century skills development is linked to improving employment prospects and work success. Removal of structural barriers to employment prospects and work success, such as implicit bias, hiring discrimination, transportation gaps, and housing insecurity, requires raising employer responsibility and job standards and improving connections for individuals with barriers to employment.
(5) Sector partnerships bring together employers, education and training providers, labor organizations and joint labor-management partnerships, local workforce boards, and other stakeholders to collaborate to identify local needs and align training and education opportunities with local employment demand, including through the use of career pathways for workers.

(6) Building on the functions of entities in the workforce development system, including aggregating data and acting as catalysts to promote careers with good pay, will contribute to fostering inclusive economic growth.

(7) This Act, and the amendments made by this Act, will remove barriers to inclusive economic growth by allowing workers to access training opportunities through eligible providers of training services, including community colleges and registered apprenticeship programs, and by providing supportive services, including child care and transportation.

SEC. 3. DEFINITIONS.

In this Act:

(1) CAREER PATHWAY.—The term “career pathway” means a combination of rigorous and
high-quality education, training, and other services that—

(A) aligns with the skill needs of industries in the economy of the State or regional economy involved;

(B) prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including registered apprenticeship programs;

(C) includes counseling to support an individual in achieving the individual’s education and career goals;

(D) includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;

(E) organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;

(F) enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential (as defined in section 3 of the Work-
force Innovation and Opportunity Act (29 U.S.C. 3102)); and

(G) helps an individual enter or advance within a specific occupation or occupational cluster.

(2) ELIGIBLE PROVIDER OF TRAINING SERVICES.—The term “eligible provider of training services” means a provider of training services that, subject to the provisions of the Workforce Innovation and Opportunity Act (29 U.S.C. 3101), as amended by this Act, is—

(A) an institution of higher education that provides a program that leads to a recognized postsecondary credential, as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102);

(B) an entity that carries out a registered apprenticeship program; or

(C) another public or private provider of a program of training services, which may include a joint labor-management organization or an eligible providers of adult education and literacy activities under the Adult Education and Literacy Act (29 U.S.C. 3101 et seq.) if such ac-
tivities are provided in combination with occup-
ational skills training.

(3) Registered Apprenticeship Program.—
The term “registered apprenticeship program”
means an apprenticeship program that is registered
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.).

(4) Sector Partnership.—

(A) In General.—The term “sector part-
nership” means an industry or sector partner-
ship, as defined in section 3 of the Workforce
Innovation and Opportunity Act (29 U.S.C.
3102), meaning a workforce collaborative, con-
vened by or acting in partnership with a State
board or local board, that—

(i) organizes key stakeholders in an
industry cluster into a working group that
focuses on the shared goals and human re-
sources needs of the industry cluster and
that includes, at the appropriate stage of
development of the partnership—

(I) representatives of multiple
businesses or other employers in the
industry cluster, including small and
medium-sized employers when practicable;

(II) 1 or more representatives of a recognized State labor organization or central labor council, or another labor representative, as appropriate; and

(III) 1 or more representatives of an institution of higher education with, or another provider of, education or training programs that support the industry cluster; and

(ii) may include representatives of—

(I) State or local government;

(II) State or local economic development agencies;

(III) State boards or local boards, as appropriate;

(IV) a State workforce agency or other entity providing employment services;

(V) other State or local agencies;

(VI) business or trade associations;
(VII) economic development organizations;

(VIII) nonprofit organizations, community-based organizations, or intermediaries;

(IX) philanthropic organizations;

(X) industry associations; and

(XI) other organizations, as determined to be necessary by the members comprising the industry or sector partnership.

(B) WIOA TERMS.—A term used in subparagraph (A) shall have the meaning given the term, if any, in section 3 of the Workforce Innovation and Opportunity Act (42 U.S.C. 3102).

SEC. 4. UPSKILL ACCOUNTS.

(a) DISCRETIONARY FUNDING FOR ACTIVITIES OTHER THAN TRAINING SERVICES.—

(1) ALLOTMENTS.—Section 132 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3172) is amended by adding at the end the following:

“(d) DISCRETIONARY AND MANDATORY FUNDING.—
“(1) MANDATORY FUNDING.—Notwithstanding any other provision of this chapter, none of the funds appropriated under subsection (a), (b), or (c) of section 136, and allotted or otherwise provided under this section, may be used to provide training services, except under the provisions described in paragraph (2). Funds appropriated under section 136(d) shall be used to provide training services and supportive services under section 134(c)(3), and additional sums described in section 134(c)(3)(C)(ii) for career services under section 134(c)(2).

“(2) EXCEPTIONS.—The provisions described in this paragraph are section 129(b), paragraph (2) or (3) of section 134(a), or section 134(d), 169(c) or 170.”.

(2) ALLOCATIONS.—Section 133(b)(1) of such Act (29 U.S.C. 3173(b)(1)) is amended by striking “The” and inserting “Subject to section 132(d), the”.

(b) MANDATORY FUNDING FOR TRAINING SERVICES.—Section 134 of such Act (29 U.S.C. 3174) is amended—

(1) by striking subsection (b) and inserting the following:
(b) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

“(1) TRAINING SERVICES.—Funds appropriated under section 136(d) shall be used to pay or reimburse local boards for the cost of providing training services, supportive services, and career services as described in section 136(d).

“(2) OTHER EMPLOYMENT AND TRAINING ACTIVITIES.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to a local area for dislocated workers under section 133(b)(2)(B)—

“(A) shall be used to carry out employment and training activities described in subsection (c), other than subsection (c)(3), for adults or dislocated workers, respectively; and

“(B) may be used to carry out employment and training activities described in subsection (d) for adults or dislocated workers, respectively.”.

(c) ACCOUNTS.—Section 134(c) of such Act (29 U.S.C. 3174(c)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking clause (iii); and
(ii) by redesignating clauses (iv) and (v) as clauses (iii) and (iv), respectively;

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following:

“(B) TRAINING SERVICES, SUPPORTIVE SERVICES, AND CAREER SERVICES FUNDS.—Funds appropriated under section 136(d) shall be used to provide training services, supportive services, and career services as described in section 136(d) to adults and dislocated workers who are eligible for the services involved.”;

(2) in paragraph (2)—

(A) in subparagraph (A), by striking “Funds described in paragraph (1)” and inserting “Funds described in paragraph (1) or made available under paragraph (3)(C)(ii)”;

(B) by adding at the end the following:

“(D) PRIORITY.—With respect to funds allocated to a local area for adult employment and training activities under paragraph (2)(A) or (3) of section 133(b), priority shall be given to recipients of public assistance, other low-income individuals, and individuals who are basic
skills deficient for receipt of career services described in subparagraph (A)(xii). The appropriate local board and the Governor shall direct the one-stop operators in the local area with regard to making determinations related to such priority.”; and

(3) in paragraph (3)—

(A) in subparagraph (A)(i)—

(i) in the matter preceding subclause (I)—

(I) by striking “funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B),” and inserting “funds appropriated under section 136(d) and made available under subparagraph (C)(i)”;

(II) by striking “, respectively”;

and

(ii) in subclause (IV), by striking “who are” and all that follows and inserting “who meet the requirements of subparagraph (E).”;}
(B) by amending subparagraph (C) to read as follows:

“(C) ARRANGEMENTS FOR OBTAINING FEDERAL FUNDING.—

“(i) TRAINING SERVICES AND SUPPORTIVE SERVICES.—The Secretary shall establish arrangements by which a local board shall obtain payment in advance for the cost of providing training services and supportive services through Upskill Accounts or contracts to individuals who have been determined to meet the requirements of subparagraph (A) and are therefore eligible for the services involved.

“(ii) CAREER SERVICES AND COORDINATION ACTIVITIES.—When the Secretary provides payment under clause (i) to a local board for an amount under such clause, the Secretary shall also provide an additional sum equal to 10 percent of the amount to the local board. The local board shall use the additional sum to pay for—

“(I) career services described in paragraph (2), including—
“(aa) making the services described in clauses (v), (vii), (ix), (x), (xi), and (xii) of paragraph (2)(A) available to any Upskill Account recipient outside of traditional working hours, as defined by the Secretary; and

“(bb) the provision of information, in formats that are usable by and understandable to individuals eligible to receive services through the one-stop delivery system, about—

“(AA) the local availability of pre-apprenticeship and apprenticeship programs, and the costs of these programs to the Upskill Account recipient as compared to the costs of training programs provided by other eligible providers of training services; and

“(BB) apprenticeship programs in industries in
which apprenticeship programs have not been traditionally used, including information for populations traditionally underrepresented in apprenticeship programs;

“(II) activities to build relationships between local boards and local eligible providers of training services, such as—

“(aa) working with such local eligible providers to improve data reporting to local boards on the primary indicators of performance described in subclauses (I) through (IV) of section 116(b)(2)(A)(i) and, if the local boards and local eligible providers agree, any primary indicator of performance described in subclause (V) or (VI) of such section;

“(bb) negotiating with such local eligible providers of training
services regarding any adjusted levels of performance required by the local board under section 122(b)(3); and

“(cc) coordinating with local providers of training services and the State to update the list of eligible providers of training services described in section 122(d).”;

(C) in subparagraph (D), by adding at the end the following:

“Notwithstanding any other provision of this subparagraph, solely for purposes of this paragraph, training services shall not include instruction, at an institution of higher education that provides a 4-year program of instruction, towards a baccalaureate or post-baccalaureate degree.”;

(D) by striking subparagraph (E) and inserting the following:

“(E) EMPLOYMENT AND INCOME.—To be eligible to receive training services and supportive services under this paragraph, an individual shall—
“(i)(I) be a dislocated worker;

“(II) be eligible for and receiving un-
employment compensation under any Fed-
eral unemployment compensation law;

“(III) be unemployed and have ex-
hausted all unemployment compensation
benefits available to the individual; or

“(IV) be employed for at least 6 of
the last 12 months and have an income
that is not more than 100 percent of the
State median income in the State in which
the individual resides; and

“(ii) be a member of a household with
an adjusted gross income of not more than
$150,000.”;

(E) in subparagraph (F)—

(i) in clause (ii), by inserting before
“Each” the following: “Training services
shall be provided through providers identi-
fied in accordance with section 122.”;

(ii) by striking clause (iii) and insert-
ing the following:

“(iii) UPSKILL ACCOUNTS.—

“(I) IN GENERAL.—An individual
who seeks training services and who is
eligible pursuant to this paragraph, may, in consultation with a career counselor, select an eligible provider of training services from the list of providers described in clause (ii). If the individual is using funds from the account for a high school equivalency program that is not aligned with a career pathway, the provider shall demonstrate that the program meets relevant requirements of the State educational agency involved for a high school education. Upon such selection, the local board involved shall establish an Upskill Account for the individual, which shall allow the individual to pay for such services and any supportive services (including provision of payments for child care, transportation, required books, equipment, or examination fees) that are necessary to enable the individual to participate in the training services provided by the selected provider.
“(II) Administration.—The local board shall hold and administer the Upskill Account funds for the participating individuals served by the local board, and shall use such funds to reimburse all providers of training services and supportive service providers for the individual. The Secretary shall determine the appropriate costs for which such an account may be used, and shall develop methods of verifying whether such an account was used for those costs.

“(III) Ability to Contract.—A local board may enter into a contract or other agreement with a local entity, including an institution of higher education, labor organization, or community-based organization, to enable the entity to provide Upskill Account enrollment assistance or career services (as described in subparagraph (C)(ii)(I)) at a location, or in a manner, that is convenient for eligible individuals.”; and
(iii) in clause (iv), by striking "individual training accounts" and inserting "Upskill Accounts";

(F) in subparagraph (G)—

(i) in the subparagraph heading, by striking "INDIVIDUAL TRAINING ACCOUNTS" and inserting "UPSKILL ACCOUNTS";

(ii) by redesignating clauses (ii) through (iv) as clauses (vii) through (ix), respectively;

(iii) by striking clause (i) and inserting the following:

"(i) ACCOUNTS.—Except as provided in clause (iv), training services and supportive services provided under this paragraph shall be provided through the use of Upskill Accounts in accordance with this paragraph, and shall be provided to eligible individuals through the one-stop delivery system.

"(ii) AMOUNT.—Each individual who seeks training services (except services provided under clause (vii)) and who is eligible for training services pursuant to this para-"
graph shall receive an Upskill Account that—

“(I) if the individual is a dislocated worker or has an income that is not more than 50 percent of the State median income in the State in which the individual resides, is in an amount of $8,000, increased in accordance with clause (iii);

“(II) if the individual has an income that is more than 50 percent but not more than 75 percent of that State median income, is in an amount of $6,000, increased in accordance with clause (iii); and

“(III) if the individual has an income that is more than 75 percent but not more than 100 percent of that State median income, is in an amount of $4,000, increased in accordance with clause (iii).

“(iii) ADJUSTMENT FOR INFLATION.—Beginning in fiscal year 2021, the Secretary shall annually adjust each amount described in subclauses (I) through
(III) of clause (ii) by the estimated percentage increase, if any, in the Consumer Price Index for the most recent full calendar year.

“(iv) LIMIT ON PROGRAM COSTS.—The tuition and fees of a program of training services provided through the use of an Upskill Account shall not exceed 110 percent of the tuition and fees of a comparable program at a local community college, unless the local board determines that an employer will pay the amount of any costs of the program that exceed 110 percent of such comparable program’s tuition and fees.

“(v) TIMING.—An individual who receives an Upskill Account under this paragraph shall enroll in a program of training services not later than 3 months after receiving the account. No individual may receive more than one Upskill Account in any 5-year period.

“(vi) AWARENESS CAMPAIGN.—During the first year for which Upskill Accounts are available to eligible individuals,
the Secretary shall carry out a national in-
formation campaign to raise awareness
about Upskill Accounts and their avail-
ability and use, which may include running
public awareness campaigns at the State
or local level informing eligible individuals
and employers about the Upskill Ac-
counts.”;

(iv) in clause (vii), as redesignated by
clause (ii) of this subparagraph—

   (I) in the matter preceding sub-
clause (I), by striking “individual
training account” and inserting
“Upskill Account”; and

   (II) in subclause (III), by strik-
ing “individual training accounts” and
inserting “Upskill Accounts”; and

(v) in clause (ix), as redesignated by
clause (ii) of this subparagraph—

   (I) by striking “individual train-
ing accounts” each place it appears
and inserting “Upskill Accounts”; and

   (II) by striking “clause (ii)” and
inserting “clause (vii)”;}
(G) in subparagraph (H), by adding at the end the following:

“(iii) Provider Qualification.—The on-the-job training shall be provided through providers identified in accordance with section 122(h).”.

(d) Performance Requirements for Training Services Providers.—Section 122(c)(2) of such Act (29 U.S.C. 3152(c)(2)) is amended by adding at the end the following: “The Governor shall establish levels of performance on the indicators of performance described in subclauses (I) through (IV) of section 116(b)(2)(A)(i) that a provider of training services shall be required to meet or exceed, based on the performance of all individuals receiving the training services, in order to renew eligibility under this paragraph and remain on the list of providers under subsection (d).”.

(e) Mandatory Appropriations.—Section 136 of such Act (29 U.S.C. 3181) is amended by adding at the end the following:

“(d) Training Services.—There are authorized to be appropriated and there are appropriated such sums as may be necessary for each fiscal year to provide training services and supportive services under section 134(e)(3), and the additional sums described in section
25
1 134(c)(3)(C)(ii) for career services under section
2 134(c)(2).”.
3 (f) **Conforming Amendments.**—
4 (1) Section 108(b)(19) of such Act (29 U.S.C.
5 3123(b)(19)) is amended by striking “individual
6 training accounts” and inserting “Upskill Ac-
7 counts”.
8 (2) Section 122(g) of such Act (29 U.S.C.
9 3152(g)) is amended by striking “individual training
10 accounts” and inserting “Upskill Accounts”.

**SEC. 5. SKILLS-BASED SECTOR GRANTS.**

(a) **Amendment.**—Subtitle D of title I of the Work-
force Innovation and Opportunity Act is amended by in-
serting after section 171 (29 U.S.C. 3226) the following:

“**SEC. 171A. SKILLS-BASED SECTOR GRANTS.**

“(a) **Definition.**—In this section, the term ‘sector partnership’ has the meaning given the term ‘industry or sector partnership’ in section 3.

“(b) **Grants Authorized.**—

“(1) **In General.**—The Secretary shall award grants, on a competitive basis, to Governors of States to enable the Governors to award subgrants to sector partnerships or labor-management partner-
ships for the Federal share of carrying out the ac-
tivities described in subsection (c), in order to pro-
mote collaborative planning, resource alignment, and
skills-based training and hiring across multiple em-
ployers for a range of workers.

“(2) AMOUNT AND DURATION.—Each subgrant
awarded under this section to a sector partnership
or labor-management partnership shall be in an
amount of not more than $1,000,000 and for a pe-
period of 3 years.

“(c) STATE BOARD APPLICATIONS.—A Governor de-
siring to receive a grant under this section shall submit
an application at such time, in such manner, and con-
taining such information as the Secretary may require, in-
cluding information describing how a sector partnership
or labor-management partnership, in carrying out the ac-
tivities under the subgrant, will—

“(1) align the activities with career pathways
and expand access to career pathway opportunities
for workers within the industry or sector involved;
and

“(2) improve compensation and other employ-
ment benefits for workers within the industry or sec-
tor involved.

“(d) PRIORITY.—In awarding subgrants under this
section, a Governor shall give priority to sector partner-
ships or labor-management partnerships that—
“(1) demonstrate that the sector partnership or labor-management partnership will prepare the local workforce for employment in growing, in-demand industry sectors or occupations; and

“(2) target low-income individuals.

“(e) USES OF FUNDS.—A sector partnership or labor-management partnership receiving a subgrant under this section shall use the grant funds to carry out one or more of the following activities:

“(1) Identifying the training needs of multiple businesses in the targeted industry, including—

“(A) needs for skills critical to competitiveness and innovation in the industry;

“(B) needs of the apprenticeship programs or other work-based learning programs supported by the grant; and

“(C) needs for the usage of career pathways.

“(2) Developing and improving training programs that provide skills-based training for the industry cluster.

“(3) Conducting outreach to Upskill Account-eligible individuals to encourage enrollment in training programs.
“(4) Establishing a pathway navigator program to assist workers in assessing training options and career pathways.

“(5) Assisting employers in implementing skills-based hiring practices.

“(6) Collecting data on the benefits to employers of using skills-based hiring.

“(7) Carrying out other activities to support both industry engagement in, and worker access to and success in, training programs and employment.

“(f) FEDERAL AND NON-FEDERAL SHARE.—

“(1) FEDERAL SHARE.—The Federal share of a subgrant under this section shall be—

“(A) in the first year of the subgrant, 90 percent of the costs of grant activities described in this section;

“(B) in the second year, 80 percent of such costs; and

“(C) in the third year, 70 percent of such costs.

“(2) NON-FEDERAL SHARE.—The non-Federal share of a subgrant under this section may be in cash or in-kind, and may come from State, local, philanthropic, private, or other sources.
“(g) REPORT.—The Secretary shall prepare and submit to Congress a report on the geographic distribution (including distribution to urban, suburban, and rural areas) of grants and subgrants awarded under this section.”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 172 of such Act (29 U.S.C. 3227) is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out section 171A such sums as may be necessary for fiscal year 2020 and each subsequent fiscal year.”.

(e) TABLE OF CONTENTS.—The table of contents of such Act is amended by inserting after the item relating to section 171 the following:

“Sec. 171A. Skills-based sector grants.”.

SEC. 6. TRAINING SERVICES CLEARINGHOUSE.

(a) AMENDMENT.—Subtitle E of title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3241 et seq.) is amended by adding at the end the following:

“SEC. 196. CAREERONESTOP WEBSITE.

“(a) IN GENERAL.—The Secretary shall maintain the CareerOneStop website in a manner that ensures the
website includes the information and features described in this section.

“(b) UPSKILL ACCOUNT PORTAL.—The website shall contain a portal, for the use of individuals who are eligible for Upskill Accounts under section 134(c)(3), to request those accounts. Upskill Accounts shall be distributed by local boards, in accordance with that section.

“(c) LIST OF APPROVED TRAINING PROVIDERS.—The website shall contain the lists of eligible providers of training services prepared by Governors under section 122(d)(1) and information identifying eligible providers as determined by one-stop operators under section 122(h)(1).

“(d) INFORMATION ON PROGRAMS OF TRAINING SERVICES.—The website shall contain, for each program of training services provided under section 134(c)(3), information on—

“(1) the demographics, such as the sex, race, ethnicity, median age, and educations level, of participants in the program;

“(2) performance, as measured on the indicators described in subclauses (I) through (IV) of section 116(b)(2)(A)(i); and

“(3) the cost of attendance, including costs of tuition and fees, for participants in the program.
“(e) TOOLS FOR ELIGIBLE INDIVIDUALS.—The website shall contain tools to enable individuals who are eligible to receive such training services to compare performance data across programs of training services, providers of such services, and States.

“(f) RESOURCES FOR PROVIDERS OF TRAINING SERVICES.—The website shall contain resources for providers of training services, including guidance on each State that specifies—

“(1) the criteria, requirements, and procedures that a provider shall meet to be listed as an eligible provider under section 122(d)(1) or identified as an eligible provider under section 122(h)(1) in the State; and

“(2) the minimum levels for the State described in section 122(b)(1)(A)(i).

“(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary.”.

(b) TABLE OF CONTENTS.—The table of contents of such Act is amended by inserting after the item relating to section 195 the following:

“Sec. 196. CareerOneStop website.”.