

118TH CONGRESS
1ST SESSION

H. R. 6274

To amend the Workforce Innovation and Opportunity Act to establish a State innovation demonstration authority.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 7, 2023

Mr. OWENS introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Workforce Innovation and Opportunity Act to establish a State innovation demonstration authority.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “One Door to Work
5 Act”.

6 **SEC. 2. STATE INNOVATION DEMONSTRATION AUTHORITY.**

7 Section 190 of the Workforce Innovation and Oppor-
8 tunity Act (29 U.S.C. 3250) is amended to read as follows:

1 **“SEC. 190. STATE INNOVATION DEMONSTRATION AUTHOR-**
2 **ITY.**

3 “(a) PURPOSE.—The purpose of this section is to au-
4 thorize any State to apply under this section on behalf
5 of the entire State, or a local area or a consortium of local
6 areas in the State, to receive the allotments or allocations
7 of the State or the local areas, respectively, for youth
8 workforce investment activities and adult and dislocated
9 worker employment and training activities under this Act,
10 and for activities under the Wagner-Peyser Act, as a con-
11 solidated grant for 5 years for the purpose of carrying out
12 a demonstration project to pursue innovative reforms to
13 achieve better outcomes for jobseekers, employers, and
14 taxpayers.

15 “(b) GENERAL AUTHORITY.—

16 “(1) WAIVERS AND DEMONSTRATION GRANT
17 AMOUNTS.—Notwithstanding any other provision of
18 law, during the demonstration period applicable to a
19 demonstration project approved for a State pursuant
20 to subsection (d)(3), the Secretary shall comply with
21 each of the following:

22 “(A) WAIVERS.—Subject to paragraph (2),
23 waive for the State as a whole, or for the local
24 area or the consortium of local areas in such
25 State selected by the State to carry out such
26 demonstration project—

1 “(i) all the statutory and regulatory
2 requirements of subtitle A, subtitle B, and
3 this subtitle; and

4 “(ii) all the statutory or regulatory re-
5 quirements of the Wagner-Peyser Act (29
6 U.S.C. 49g et seq.).

7 “(B) DEMONSTRATION GRANT
8 AMOUNTS.—For each fiscal year applicable to
9 such demonstration period:

10 “(i) STATE AS A WHOLE.—In a case
11 of a State approved to carry out a dem-
12 onstration project under this section on be-
13 half of the State as a whole, distribute as
14 a consolidated sum to the State, for pur-
15 poses of carrying out the project, the
16 State’s total allotment for such fiscal year
17 under—

18 “(I) subsections (b)(1)(C) and
19 subsection (c) of section 127;

20 “(II) paragraphs (1)(B) and
21 (2)(B) of section 132(b), and section
22 132(c); and

23 “(III) section 6 of the Wagner-
24 Peyser Act (29 U.S.C. 49e).

1 “(ii) LOCAL AREA.—In a case of a
2 local area selected by a State to carry out
3 a demonstration project under this section,
4 require the State to—

5 “(I) distribute as a consolidated
6 sum to the local board for such local
7 area, for purposes of carrying out the
8 project—

9 “(aa) the local area’s alloca-
10 tion for such fiscal year under—

11 “(AA) subsections (b)
12 and (c) of section 128; and

13 “(BB) subsections (b)
14 and (c) of section 133; and

15 “(bb) any funds under sec-
16 tion 6 of the Wagner-Peyser Act
17 (29 U.S.C. 49e) that the State
18 would otherwise allocate for such
19 fiscal year to the one-stop deliv-
20 ery system in the local area; or

21 “(II) if the local board of the
22 local area enters into a written agree-
23 ment with the State for the State to
24 serve as the fiscal agent for the local
25 board during the demonstration

1 project, use the funds described in
2 items (aa) and (bb) of subclause (I)
3 for purposes of carrying out the
4 project on behalf of the local board.

5 “(iii) CONSORTIUM OF LOCAL
6 AREAS.—In a case of a consortium of local
7 areas selected by a State to carry out a
8 demonstration project under this section,
9 require the State to—

10 “(I) distribute as a consolidated
11 sum to the consortium, for purposes
12 of carrying out the project—

13 “(aa) the total amount of
14 the allocations for the local areas
15 in such consortium for such fiscal
16 year under—

17 “(AA) subsections (b)
18 and (c) of section 128; and

19 “(BB) subsections (b)
20 and (c) of section 133; and

21 “(bb) any funds under sec-
22 tion 6 of the Wagner-Peyser Act
23 (29 U.S.C. 49e) that the State
24 would otherwise allocate for such
25 fiscal year to the one-stop deliv-

1 ery systems in the local areas in
2 such consortium; or

3 “(II) if the consortium enters
4 into a written agreement with the
5 State for the State to serve as the fis-
6 cal agent for the local board during
7 the demonstration project, use the
8 funds described in items (aa) and (bb)
9 of subclause (I) for purposes of car-
10 rying out the project on behalf of such
11 consortium.

12 “(2) EXCEPTIONS.—A State, local area, or con-
13 sortium of local areas carrying out a demonstration
14 project under this section—

15 “(A) shall comply with statutory or regu-
16 latory requirements of—

17 “(i) this Act relating to—

18 “(I) wage and labor standards;

19 “(II) nondisplacement protec-
20 tions;

21 “(III) participation and protec-
22 tion of workers and participants;

23 “(IV) nondiscrimination;

24 “(V) grievance procedures and
25 judicial review; and

1 “(VI) performance accountability
2 and reporting, except as otherwise
3 provided in this section; and

4 “(ii) the Wagner-Peyser Act relating
5 to provision of services to unemployed in-
6 surance claimants and veterans, and relat-
7 ing to universal access to basic labor ex-
8 change services without cost to jobseekers;
9 and

10 “(B) may choose to comply with any other
11 statutory or regulatory requirement of this Act
12 or the Wagner-Peyser Act.

13 “(c) DEMONSTRATION PERIOD; LIMITATIONS.—

14 “(1) IN GENERAL.—A demonstration project
15 approved under this section for a State, local area,
16 or consortium—

17 “(A) shall be carried out for a 5-year dem-
18 onstration period; and

19 “(B) may be renewed for additional 5-year
20 demonstration periods, if the State, local area,
21 or consortium meets its expected levels of per-
22 formance established under subsection (f)(1) for
23 each of the final 3 years of the preceding 5-year
24 period.

25 “(2) LIMITATIONS.—

1 “(A) DEMONSTRATION PERIOD LIMITA-
2 TIONS.—For each 5-year demonstration period
3 (including renewals of such period)—

4 “(i) not more than 8 States may carry
5 out demonstration projects approved for a
6 State as a whole under this section; and

7 “(ii) not more than 8 local areas (or
8 consortia of local areas) may carry out
9 demonstration projects approved for a local
10 area (or a consortium) under this section.

11 “(B) STATE LIMITATIONS.—No more than
12 1 demonstration project may be approved under
13 this section per State. For purposes of this
14 paragraph, a demonstration project approved
15 for a local area or a consortium of local areas
16 in a State shall be considered a demonstration
17 project approved under this section for the
18 State.

19 “(d) APPLICATION.—

20 “(1) IN GENERAL.—To be eligible to carry out
21 a demonstration project under this section, a State
22 shall submit to the Secretary an application at such
23 time, and in such manner, as the Secretary may rea-
24 sonably require, and containing the information de-
25 scribed in paragraph (2).

1 “(2) CONTENT.—Each application submitted by
2 a State under this subsection shall include the fol-
3 lowing:

4 “(A) A description of the demonstration
5 project to be carried out under this section, in-
6 cluding—

7 “(i) whether the project will be car-
8 ried out—

9 “(I) by the State as a whole;

10 “(II) by a local area, and if so—

11 “(aa) an identification of—

12 “(AA) such local area;

13 and

14 “(BB) whether the
15 local board for such local
16 area is the fiscal agent for
17 the project, or whether the
18 local board has entered into
19 a written agreement with
20 the State for the State to
21 serve as the fiscal agent dur-
22 ing the project; and

23 “(bb) written verification
24 from the local board for such

1 local area that such local board
2 agrees—

3 “(AA) to carry out such
4 project; and

5 “(BB) to the fiscal
6 agent identified in item
7 (aa)(BB); and

8 “(III) by a consortium of local
9 areas in the State, and if so—

10 “(aa) an identification of—

11 “(AA) each local area
12 that comprises the consor-
13 tium; and

14 “(BB) the local area
15 that will serve as the fiscal
16 agent for the consortium
17 during the project, or wheth-
18 er the consortium has en-
19 tered into a written agree-
20 ment with the State for the
21 State to serve as the fiscal
22 agent; and

23 “(bb) written verification
24 from each local board of each
25 local area identified in item

1 (aa)(AA) that such local board
2 agrees—

3 “(AA) to carry out such
4 project as a consortium; and

5 “(BB) to the fiscal
6 agent for the consortium
7 identified in item (aa)(BB);

8 “(ii) a description of the activities to
9 be carried out under the project; and

10 “(iii) the goals the State, local area,
11 or consortium intends to achieve through
12 such activities, which shall be aligned with
13 purpose described in subsection (a).

14 “(B) A description of the performance out-
15 comes the State, the local area, or consortium
16 expects to achieve for such activities for each
17 year of the demonstration period as described
18 in subsection (f)(1).

19 “(C) A description of how the State, local
20 area, or consortium consulted with employers,
21 the State board, and the local boards in the
22 State in determining the activities to carry out
23 under the demonstration project.

24 “(D) A description of how the State will
25 make such activities available to jobseekers and

1 employers in each of the local areas in the State
2 or, in a case of a project that will be carried out
3 by a local area or a consortium, a description
4 of how such services will be made available to
5 jobseekers and employers in such local area or
6 each of the local areas in the consortium.

7 “(E) A description, if appropriate, of how
8 the State, local area, or consortium will inte-
9 grate the funds received, and the activities car-
10 ried out, under the demonstration project under
11 this section with State workforce development
12 programs and other Federal or State workforce,
13 education, or social service programs (including
14 the programs and activities listed in section
15 103(a)(2), the program of adult education and
16 literacy activities authorized under title II, and
17 the program authorized under title I of the Re-
18 habilitation Act of 1973 (29 U.S.C. 720 et
19 seq.)).

20 “(F) An assurance that the State, local
21 area, or consortium will meet the requirements
22 of this section.

23 “(3) SECRETARIAL APPROVAL.—

24 “(A) IN GENERAL.—Not later than 60
25 days after the date on which a State submits an

1 application under this subsection, the Secretary
2 shall—

3 “(i) in a case in which the application
4 meets the requirements of this section and
5 is not subject to the limitations described
6 in subsection (c)(2), approve such applica-
7 tion and the demonstration project de-
8 scribed in such application; or

9 “(ii) provide to the State a written ex-
10 planation of initial disapproval that meets
11 the requirements of subparagraph (C).

12 “(B) DEFAULT APPROVAL.—With respect
13 to an application submitted by a State under
14 this subsection that is not subject to the limita-
15 tions described in subsection (c)(2), if the Sec-
16 retary fails to approve such application or pro-
17 vide an explanation of initial disapproval for
18 such application as required under subpara-
19 graph (A), the application and the demonstra-
20 tion project described in such application shall
21 be deemed approved by the Secretary.

22 “(C) INITIAL DISAPPROVAL.—An expla-
23 nation of initial disapproval provided by the
24 Secretary to a State under subparagraph (A)(ii)
25 shall provide the State—

1 “(i) detailed reasons for why the ap-
2 plication does not meet the requirements of
3 this section; and

4 “(ii) if the State is not subject to the
5 limitations described in subsection (c)(2),
6 an opportunity to revise and resubmit the
7 State’s application under this section.

8 “(e) STATE DEMONSTRATION PROJECT REQUIRE-
9 MENTS.—A State, local area, or consortium that has been
10 approved to carry out a demonstration project under this
11 section shall meet each of the following requirements:

12 “(1) USE OF FUNDS.—Use the funds received
13 pursuant to subsection (b)(1)(B) solely to carry out
14 the activities of the demonstration project to achieve
15 the goals described in subsection (d)(2)(A).

16 “(2) ADMINISTRATIVE COSTS LIMITATION.—
17 Use not more than 10 percent of the funds received
18 pursuant to subsection (b)(1)(B) for a fiscal year for
19 the administrative costs of carrying out the dem-
20 onstration project.

21 “(3) PRIORITY FOR SERVICES.—Give priority
22 for services under the project to veterans and their
23 eligible spouses in accordance with the requirements
24 of section 4215 of title 38, United States Code, re-

1 recipients of public assistance, low-income individuals,
2 and individuals who are basic skills deficient.

3 “(4) NUMBER OF PARTICIPANTS.—Serve a
4 number of participants under the activities of the
5 demonstration project for each year of the dem-
6 onstration period that—

7 “(A) is greater than the number of partici-
8 pants served by such State, local area, or con-
9 sortium under the programs described in sub-
10 paragraphs (A) and (C) of section 3(13) for the
11 most recent program year that ended prior to
12 the beginning of the first year of the dem-
13 onstration period; or

14 “(B) is not less than the number of par-
15 ticipants to be served under the activities of the
16 demonstration project that is agreed upon be-
17 tween the State, local area, or consortium, and
18 the Secretary—

19 “(i) prior to the Secretary’s approval
20 of the application submitted under sub-
21 section (d);

22 “(ii) after the Secretary takes into ac-
23 count—

24 “(I) the goals the State, local
25 area, or consortium intends to achieve

1 through the demonstration project;
2 and

3 “(II) the participants the State,
4 local area, or consortium intends to
5 serve under such project; and

6 “(iii) prior to approval of the applica-
7 tion submitted under subsection (d).

8 “(5) REPORTING OUTCOMES.—Submit, on an
9 annual basis, to the Secretary a report, with respect
10 to such State, local area, or consortium, on—

11 “(A) participant outcomes for each indi-
12 cator of performance described in subsection
13 (f)(1)(A) for the activities carried out under the
14 project; and

15 “(B) the applicable requirements of section
16 116(d)(2), including subparagraphs (B)
17 through (G) and subparagraph (J), as such
18 subparagraphs are applicable to activities under
19 the demonstration project.

20 “(6) COMPLIANCE WITH CERTAIN EXISTING RE-
21 QUIREMENTS.—Comply with the statutory or regu-
22 latory requirements listed in subsection (b)(2).

23 “(7) EVALUATION.—Prior to the end of the
24 demonstration period—

1 “(A) conduct a rigorous evaluation of the
2 employment and earnings outcomes of partici-
3 pants in activities carried out under the dem-
4 onstration project, compared to the outcomes of
5 similarly situated individuals in such State,
6 local area, or a local area in the consortium
7 that do not participate in such activities; and

8 “(B) submit to Congress and the Secretary
9 the results of such evaluation.

10 “(f) PERFORMANCE ACCOUNTABILITY.—

11 “(1) ESTABLISHMENT OF EXPECTED PERFORM-
12 ANCE INDICATORS.—

13 “(A) IN GENERAL.—Each State, local
14 area, or consortium shall establish in the appli-
15 cation submitted under subsection (d), for each
16 year of the demonstration period—

17 “(i) with respect to participants who
18 are at least 25 years old, the expected lev-
19 els of performance for each of the indica-
20 tors of performance under section
21 116(b)(2)(A)(i) for the activities carried
22 out under the project under this section,
23 which shall meet the requirements of sub-
24 paragraph (B); and

1 “(ii) with respect to participants who
2 are at least 16 years old and no older than
3 24 years old, the expected levels of per-
4 formance for each of the indicators of per-
5 formance under section 116(b)(2)(A)(ii)
6 for the activities carried out under the
7 project under this section, which shall meet
8 the requirements of subparagraph (B).

9 “(B) 5TH YEAR.—Each of the expected
10 levels of performance established for each of the
11 indicators of performance under clauses (i) and
12 (ii) of section 116(b)(2)(A) pursuant to sub-
13 paragraph (A) for the 5th year of the dem-
14 onstration period shall be higher than—

15 “(i) the highest level of performance
16 for the corresponding indicator of perform-
17 ance for the programs described in sub-
18 paragraphs (A) and (C) of section 3(13)
19 for the most recent program year that
20 ended prior to the beginning of the first
21 year of the demonstration period; or

22 “(ii) an alternate baseline level of per-
23 formance that is agreed upon between the
24 State, local area, or consortium, and the
25 Secretary—

1 “(I) prior to the Secretary’s ap-
2 proval of the application submitted
3 under subsection (d); and

4 “(II) after the Secretary takes
5 into account—

6 “(aa) the goals the State,
7 local area, or consortium intends
8 to achieve through the dem-
9 onstration project; and

10 “(bb) the participants the
11 State, local area, or consortium
12 intends to serve under such
13 project.

14 “(2) SANCTIONS.—

15 “(A) IN GENERAL.—The sanctions de-
16 scribed in section 116(f)(1)(B) shall apply to a
17 State, local area, or consortium beginning on
18 the 3rd year of the demonstration period for
19 such State, local area, or consortium, except
20 that the levels of performance established under
21 subsection (f)(1) of this section shall be—

22 “(i) deemed to be the State negotiated
23 levels of performance for purposes of this
24 paragraph; and

1 “(ii) adjusted at the end of each pro-
2 gram year to reflect the actual characteris-
3 tics of participants served and the actual
4 economic conditions experienced using a
5 statistical adjustment model similar to the
6 model described in section
7 116(b)(3)(A)(viii).

8 “(B) INELIGIBILITY FOR RENEWAL.—A
9 State, local area, or consortium that is subject
10 to such sanctions shall be ineligible to renew its
11 demonstration period under subsection (c).

12 “(3) IMPACT OF LOCAL OR CONSORTIUM DEM-
13 ONSTRATIONS ON STATEWIDE ACCOUNTABILITY.—
14 With respect to a State with an approved dem-
15 onstration project for a local area or consortium of
16 local areas in the State—

17 “(A) the performance of such local area or
18 consortium for the programs described in sub-
19 paragraphs (A) and (C) of section 3(13) shall
20 not be included in the levels of performance for
21 such State for any of such programs for pur-
22 poses of section 116 for any program year that
23 is applicable to any year of the demonstration
24 period; and

1 “(B) with respect to any local areas of the
2 State that are not part of the demonstration
3 project, the State shall reach a new agreement
4 with the Secretary, for purposes of section
5 116(b)(3)(A), on levels of performance for such
6 programs for such program years.”.

○