

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4920

To create and encourage the creation of jobs for youth, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 2010

Mr. RUSH introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committees on Ways and Means, Natural Resources, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To create and encourage the creation of jobs for youth,  
and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be referred to as  
5 the “Employing Youth for the American Dream Act of  
6 2010”.

7 (b) **TABLE OF CONTENTS.**—The table of contents of  
8 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PROGRAMS FOR THE EMPLOYMENT OF YOUTH AND  
OTHER WORKERS

- Sec. 101. Expansion of definition of youth; definition of disconnected youth.  
 Sec. 102. New programs for employment of disconnected youth and other workers.  
 Sec. 103. National public service employment program.  
 Sec. 104. Authorization of appropriations.

TITLE II—TAX INCENTIVES FOR THE EMPLOYMENT OF YOUTH  
AND OTHER WORKERS

- Sec. 201. Extension of work opportunity tax credit.  
 Sec. 202. Expansion of eligibility for work opportunity tax credit.  
 Sec. 203. Extension and revival of empowerment zone designations.  
 Sec. 204. Disconnected youth employment credit.

TITLE III—PREFERENCE FOR YOUTH EMPLOYMENT IN FEDERAL  
JOBS AND IN THE PERFORMANCE OF FEDERAL CONTRACTS

- Sec. 301. Preference for hiring youth park and forestry workers.  
 Sec. 302. Preference for Federal contracts with employers offering youth apprenticeships.

1 **TITLE I—PROGRAMS FOR THE**  
 2 **EMPLOYMENT OF YOUTH AND**  
 3 **OTHER WORKERS**

4 **SEC. 101. EXPANSION OF DEFINITION OF YOUTH; DEFINI-**  
 5 **TION OF DISCONNECTED YOUTH.**

6 (a) EXPANSION OF DEFINITION OF YOUTH.—

7 (1) DEFINITION OF ELIGIBLE YOUTH.—Section  
 8 101(13)(A) of the Workforce Investment Act of  
 9 1998 (29 U.S.C. 2801(13)(A)) is amended by strik-  
 10 ing “21” and inserting “24”.

11 (2) CALCULATION OF STATE ALLOTMENTS.—  
 12 Section 127(b) of such Act (29 U.S.C. 2852(b)) is  
 13 amended by striking “21” each place it appears and  
 14 inserting “24”.

1           (3) PERFORMANCE ACCOUNTABILITY SYS-  
2           TEM.—Section 136(b)(2)(A)(i) of such Act (29  
3           U.S.C. 2871(b)(2)(A)(i)) is amended by striking  
4           “21” each place it appears and inserting “24”.

5           (4) ELIGIBILITY FOR YOUTH OPPORTUNITY  
6           GRANTS.—Section 169(a)(2) of such Act (29 U.S.C.  
7           2914(a)(2)) is amended by striking “21” and insert-  
8           ing “24”.

9           (b) DEFINITION OF DISCONNECTED YOUTH.—Sub-  
10          title D of the Workforce Investment Act of 1998 (29  
11          U.S.C. 2911 et seq.) is amended by inserting before sec-  
12          tion 166 the following new section:

13       **“SEC. 165. DEFINITION OF DISCONNECTED YOUTH.**

14           “For purposes of this subtitle, the term ‘disconnected  
15          youth’ has the meaning given such term by section  
16          51(d)(14)(B)(ii) of the Internal Revenue Code of 1986.”.

17       **SEC. 102. NEW PROGRAMS FOR EMPLOYMENT OF DISCON-**  
18                               **NECTED YOUTH AND OTHER WORKERS.**

19          Subtitle D of the Workforce Investment Act of 1998  
20          (29 U.S.C. 2911 et seq.) is amended by inserting after  
21          section 173A the following new sections:

22       **“SEC. 173B. SUMMER JOBS FOR YOUTH.**

23           “(a) IN GENERAL.—The Secretary shall allot to  
24          States the amount appropriated under section 174(d) for

1 the implementation of programs to create summer employ-  
2 ment opportunities for disconnected youth.

3 “(b) ALLOTMENT.—An allotment under this section  
4 shall be made on the basis of the relative number of dis-  
5 connected youth in each State, compared to the total num-  
6 ber of disconnected youth in all States.

7 **“SEC. 173C. STATE EMPLOYMENT PROGRAMS.**

8 “(a) IN GENERAL.—The Secretary shall establish a  
9 program to award grants to States to carry out an employ-  
10 ment program to which the following requirements apply:

11 “(1) PAYMENTS TO EMPLOYERS.—The State  
12 shall make payments to eligible employers for the  
13 partial reimbursement of wages paid by such em-  
14 ployers to each employee hired or rehired under  
15 paragraph (2)(A).

16 “(2) ELIGIBILITY FOR PAYMENTS.—An em-  
17 ployer shall be eligible for payments under the em-  
18 ployment program if—

19 “(A) the employer hires a new employee,  
20 or rehires a former employee, after the date of  
21 enactment of this section; and

22 “(B) the employer is a small business con-  
23 cern (as defined in section 3(a)(1) of the Small  
24 Business Act (15 U.S.C. 632(a)(1))) or a me-  
25 dium-sized business concern.

1           “(3) PRIORITY FOR PAYMENTS.—The State  
 2           shall give priority for payments under paragraph (1)  
 3           to an eligible employer if the employee hired or re-  
 4           hired under paragraph (2)(A) is a disconnected  
 5           youth.

6           “(b) MAXIMUM GRANT.—A grant awarded under  
 7           subsection (a) shall not exceed \$250,000,000.

8           **“SEC. 173D. ON-THE-JOB TRAINING FOR DISCONNECTED**  
 9   **YOUTH.**

10          “(a) IN GENERAL.—The Secretary shall, in accord-  
 11          ance with subsection (c), make allotments and grants to  
 12          States to carry out eligible on-the-job training programs  
 13          for disconnected youth.

14          “(b) ELIGIBLE ON-THE-JOB TRAINING PROGRAM.—

15                 “(1) IN GENERAL.—For purposes of this sec-  
 16                 tion, an eligible on-the-job training program is an  
 17                 on-the-job training program under which an em-  
 18                 ployer is eligible to receive, for each disconnected  
 19                 youth who is employed and is provided on-the-job  
 20                 training by the employer on or after the date of en-  
 21                 actment of this section, a payment of—

22                         “(A) 25 percent of the total amount in  
 23                         paragraph (2), after the disconnected youth has  
 24                         been continuously employed by the employer for  
 25                         a period of 30 days; and

1           “(B) 75 percent of the total amount in  
2           paragraph (2), after the disconnected youth has  
3           been continuously employed by the employer for  
4           a period of 6 months.

5           “(2) LIMITATION.—The total amount an em-  
6           ployer receives for each disconnected youth under a  
7           program for on-the-job training shall not exceed  
8           \$4,000.

9           “(3) COVERED EMPLOYERS.—Under an eligible  
10          on-the-job training program, an employer that re-  
11          ceives a payment under paragraph (1) may in-  
12          clude—

13                 “(A) a faith-based organization;

14                 “(B) a public sector organization; and

15                 “(C) a private employer.

16          “(c) ALLOTMENTS AND GRANTS FOR PROGRAMS FOR  
17          ON-THE-JOB TRAINING.—

18                 “(1) ALLOTMENT AMONG STATES.—

19                 “(A) IN GENERAL.—In making allotments  
20                 and grants to States under subsection (a), the  
21                 Secretary shall apply rules similar to the rules  
22                 of subparagraphs (B) and (C) of section  
23                 127(b)(1), except that—

24                         “(i) references in such subparagraph

25                         (B) to youth activities and statewide en-

1 enforcement activities shall be treated as ref-  
2 erences to eligible programs for on-the-job  
3 training; and

4 “(ii) the reference in such subpara-  
5 graph (C)(ii)(II) to disadvantaged youth  
6 shall be treated as a reference to discon-  
7 nected youth.

8 “(B) REALLOTMENT OF UNUSED  
9 AMOUNTS.—Allotments and grants made to  
10 States under subsection (a) may be reallocated.  
11 For purposes of the preceding sentence, rules  
12 similar to the rules of subsection (c) of section  
13 127 shall apply, except that references in para-  
14 graph (1) of such subsection—

15 “(i) to such section, shall be treated  
16 as references to subsection (a) of this sec-  
17 tion; and

18 “(ii) to youth activities and statewide  
19 enforcement activities, shall be treated as  
20 references to eligible programs for on-the-  
21 job training.

22 “(2) WITHIN STATE ALLOCATION.—

23 “(A) IN GENERAL.—Allotments and grants  
24 made to States under subsection (a) shall be al-  
25 located by the States to local areas to carry out

1 programs for on-the-job training. For purposes  
2 of the preceding sentence, rules similar to the  
3 rules of paragraphs (2) or (3) of section 128(b)  
4 shall apply, except that references in such para-  
5 graphs to disadvantaged youth shall be consid-  
6 ered to be references to disconnected youth.

7 “(B) REALLOCATION OF UNUSED  
8 AMOUNTS.—States may reallocate allotments  
9 and grants allocated under subparagraph (A).  
10 For purposes of the preceding sentence, rules  
11 similar to the rules of section 128(c) shall  
12 apply, except that—

13 “(i) references to paragraphs (2)(A)  
14 or (3) of section 128(b) shall be treated as  
15 references to subparagraph (A) of this  
16 paragraph; and

17 “(ii) references to youth activities  
18 shall be treated as references to eligible  
19 programs for on-the-job training.”.

20 **SEC. 103. NATIONAL PUBLIC SERVICE EMPLOYMENT PRO-**  
21 **GRAM.**

22 Subtitle D of the Workforce Investment Act of 1998  
23 (29 U.S.C. 2911 et seq.) is amended by inserting after  
24 section 173D (as added by section 102 of this Act) the  
25 following new section:



1 **“SEC. 173E. NATIONAL PUBLIC SERVICE EMPLOYMENT**  
2 **PROGRAM.**

3 “(a) IN GENERAL.—The President shall establish a  
4 public service employment program to employ individuals  
5 to carry out works of a public nature in connection with—

6 “(1) parks;

7 “(2) roads; and

8 “(3) education, including—

9 “(A) schools; and

10 “(B) after-school programs.

11 “(b) PRIORITY.—Priority for jobs under this section  
12 shall be given to—

13 “(1) the long-term unemployed;

14 “(2) low-income individuals; and

15 “(3) disconnected youth (as defined in section  
16 51(d)(14)(B)(ii) of the Internal Revenue Code of  
17 1986).

18 “(c) OPERATION.—To operate the program estab-  
19 lished under subsection (a), the President may utilize ex-  
20 isting Federal departments and agencies, including the  
21 Department of Labor, the Department of Defense, the  
22 National Guard Bureau, the Department of Interior, the  
23 Department of Agriculture, the Army Corps of Engineers,  
24 the Department of Transportation, the Department of En-  
25 ergy, the Environmental Protection Agency, and Federal  
26 governmental corporations.”.

1 **SEC. 104. AUTHORIZATION OF APPROPRIATIONS.**

2 Section 174 of the Workforce Investment Act of 1998  
3 (29 U.S.C. 2919) is amended by adding at the end the  
4 following new subsections:

5 “(d) **SUMMER JOBS FOR YOUTH.**—There is author-  
6 ized to be appropriated to the Secretary, in addition to  
7 any other amount authorized to be appropriated by this  
8 Act, \$2,000,000,000 to carry out section 173B.

9 “(e) **STATE EMPLOYMENT PROGRAMS.**—There is au-  
10 thorized to be appropriated to the Secretary, in addition  
11 to any other amount authorized to be appropriated by this  
12 Act, such sums as may be necessary to carry out section  
13 173C.

14 “(f) **ON-THE-JOB TRAINING FOR DISCONNECTED**  
15 **YOUTH.**—There is authorized to be appropriated to the  
16 Secretary, in addition to any other amount authorized to  
17 be appropriated by this Act, \$750,000,000 to carry out  
18 section 173D.

19 “(g) **NATIONAL PUBLIC SERVICE INITIATIVE.**—  
20 There is authorized to be appropriated to the President  
21 \$5,000,000,000 to carry out section 173E.”.

1 **TITLE II—TAX INCENTIVES FOR**  
2 **THE EMPLOYMENT OF YOUTH**  
3 **AND OTHER WORKERS**

4 **SEC. 201. EXTENSION OF WORK OPPORTUNITY TAX CREDIT.**

5 Subparagraph (B) of section 51(c)(4) of the Internal  
6 Revenue Code of 1986 is amended by striking “August  
7 31, 2011” and inserting “December 31, 2015”.

8 **SEC. 202. EXPANSION OF ELIGIBILITY FOR WORK OPPOR-**  
9 **TUNITY TAX CREDIT.**

10 (a) **DISCONNECTED YOUTH AND VETERANS HIRED**  
11 **AFTER 2010.**—Paragraph (14) of section 51(d) of the In-  
12 ternal Revenue Code of 1986 is amended—

13 (1) in the header by striking “HIRED IN 2009 OR  
14 2010”; and

15 (2) in subparagraph (A) by striking “during  
16 2009 or 2010” and inserting “after December 31,  
17 2008”.

18 (b) **QUALIFIED TITLE I-B YOUTH SERVICES RECIPI-**  
19 **ENTS.**—

20 (1) **MEMBER OF TARGETED GROUP.**—Para-  
21 graph (1) of section 51(d) of such Code is amended  
22 by striking “or” at the end of subparagraph (H), by  
23 striking the period and adding “, or” at the end of  
24 subparagraph (I), and by adding at the end the fol-  
25 lowing new subparagraph:

1           “(J) a qualified Title I-B youth services re-  
2           cipient.”.

3           (2) QUALIFIED TITLE I-B YOUTH SERVICES RE-  
4           CIPIENT DEFINED.—Subsection (d) of section 51 of  
5           such Code is amended by adding at the end the fol-  
6           lowing new paragraph:

7           “(15) QUALIFIED TITLE I-B YOUTH SERVICES  
8           RECIPIENT.—The term ‘qualified Title I-B youth  
9           services recipient’ means any individual who is a  
10          participant (as defined in section 101(34) of the  
11          Workforce Investment Act of 1998 (29 U.S.C.  
12          2801(34))) who is receiving services under chapter 4  
13          of subtitle B of title I of such Act.”.

14          (c) QUALIFIED EX-OFFENDERS.—Subsection (d) of  
15          section 51 of such Code is amended—

16               (1) in subparagraph (C) of paragraph (1) by  
17               striking “qualified ex-felon” and inserting “qualified  
18               ex-offender”; and

19               (2) by amending paragraph (4) to read as fol-  
20               lows:

21               “(4) QUALIFIED EX-OFFENDER.—The term  
22               ‘qualified ex-offender’ means any individual who is  
23               certified by the designated local agency as having  
24               been convicted of a felony or a misdemeanor under  
25               any statute of the United States or any State, and—

1           “(A) as having a hiring date which is not  
2           more than 3 years after the last date on which  
3           such individual was so convicted or was released  
4           from prison,

5           “(B) as being on parole or on probation  
6           for such conviction, or

7           “(C) as receiving transitional services for  
8           reintegration into the community after being re-  
9           leased from prison.”.

10         (d) INCREASE IN ALLOWABLE WAGE BASES.—Sec-  
11         tion 51 of such Code is amended—

12           (1) in paragraph (3) of subsection (b) by strik-  
13           ing “\$6,000 per year (\$12,000 per year” and insert-  
14           ing “\$12,000 per year (\$24,000 per year”;

15           (2) in clause (ii) of subsection (d)(7)(B) by  
16           striking “substituting ‘\$3,000’ for ‘\$6,000’” and in-  
17           serting “substituting ‘\$6,000’ for ‘\$12,000’”;

18           (3) in subsection (e)—

19           (A) in subparagraph (B) of paragraph (1)  
20           by striking “\$10,000” and inserting “\$20,000”;

21           (B) in subparagraph (A) of paragraph (3)  
22           by striking “substituting ‘\$10,000’ for  
23           ‘\$6,000’” and inserting “substituting ‘\$20,000’  
24           for ‘\$12,000’”; and

1 (C) in subparagraph (B) of paragraph (3)  
2 by striking “substituting ‘\$833.33’ for ‘\$500’ ”  
3 and inserting “substituting ‘1,666.66’ for  
4 ‘\$1,000’ ”; and

5 (4) in paragraph (1) of subsection (h)—

6 (A) in subparagraph (A) by striking  
7 “\$6,000” and inserting “\$12,000”; and

8 (B) in subparagraph (B) by striking  
9 “\$500” and inserting “\$1,000”.

10 (e) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply with respect to individuals who  
12 begin work for an employer after the date of enactment  
13 of this Act.

14 **SEC. 203. EXTENSION AND REVIVAL OF EMPOWERMENT**  
15 **ZONE DESIGNATIONS.**

16 (a) EXTENSION OF EMPOWERMENT ZONE DESIGNA-  
17 TIONS.—

18 (1) ORIGINAL DESIGNATIONS.—Paragraph (1)  
19 of section 1391(d) of the Internal Revenue Code of  
20 1986 is amended to read as follows:

21 “(1) IN GENERAL.—Any designation under this  
22 section shall remain in effect during the period be-  
23 ginning on the date of the designation and ending  
24 on earliest of—

1           “(A) in the case of an enterprise commu-  
2           nity, the close of the 10th calendar year begin-  
3           ning on or after such date of designation,

4           “(B) the termination date designated by  
5           the State and local governments as provided for  
6           in their nomination, or

7           “(C) the date the appropriate Secretary re-  
8           vokes the designation.”.

9           (2) **ADDITIONAL DESIGNATIONS.**—The second  
10          sentence of paragraph (2) of section 1391(h) of such  
11          Code is amended by striking “during the period be-  
12          ginning on January 1, 2002, and ending on Decem-  
13          ber 31, 2009”.

14          (b) **REVIVAL OF EMPOWERMENT ZONE DESIGNA-**  
15          **TIONS.**—If a designation as an empowerment zone termi-  
16          nated on December 31, 2009, by reason of subsections  
17          (d)(1)(A)(i) or (h)(2) of section 1391 of such Code (as  
18          in effect on the day before the date of enactment of this  
19          Act), such designation is hereby revived and shall be treat-  
20          ed as being in effect during the period beginning on Janu-  
21          ary 1, 2010, and ending on the date of enactment of this  
22          Act.

23          (c) **EFFECTIVE DATE.**—The amendments made by  
24          this section shall be effective for periods beginning after  
25          December 31, 2009.

1 **SEC. 204. DISCONNECTED YOUTH EMPLOYMENT CREDIT.**

2 (a) IN GENERAL.—Subpart D of part IV of sub-  
3 chapter A of chapter 1 of the Internal Revenue Code of  
4 1986 is amended by adding at the end the following new  
5 section:

6 **“SEC. 45R. DISCONNECTED YOUTH EMPLOYMENT CREDIT.**

7 “(a) AMOUNT OF CREDIT.—For purposes of section  
8 38, the amount of the youth employment credit deter-  
9 mined under this section with respect to any employer for  
10 any taxable year is an amount equal to the lesser of—

11 “(1) the wages (as defined in subsection (c) of  
12 section 51) paid or incurred by an employer for serv-  
13 ices performed by an employee while such employee  
14 is a qualified employee, and

15 “(2) \$3,000.

16 “(b) QUALIFIED EMPLOYEE.—For purposes of this  
17 section, the term ‘qualified employee’ means an any em-  
18 ployee of an employer if the employee—

19 “(1) is a disconnected youth (as defined in  
20 clause (ii) of section 51(d)(14)(B)), and

21 “(2) begins work for the employer after the  
22 date of enactment of this section.

23 “(c) TERMINATION.—This section shall not apply to  
24 taxable years beginning after December 31, 2012.”.

25 (b) INCLUSION IN CURRENT YEAR BUSINESS CRED-  
26 IT.—Section 38(b) of such Code is amended by striking



1 “plus” and inserting a comma at the end of paragraph  
 2 (34), by striking the period and inserting “, plus” at the  
 3 end of paragraph (35), and by adding at the end the fol-  
 4 lowing new paragraph:

5           “(36) the disconnected youth employment credit  
 6           determined under section 45R.”.

7           (c) TABLE OF SECTIONS.—The table of sections for  
 8 subpart D of part IV of subchapter A of chapter 1 of such  
 9 Code is amended by adding after the item relating to sec-  
 10 tion 45Q the following new item:

          “Sec. 45R. Disconnected youth employment credit.”.

11           (d) EFFECTIVE DATE.—The amendments made by  
 12 this section shall apply to taxable years beginning after  
 13 December 31, 2010.

14 **TITLE III—PREFERENCE FOR**  
 15 **YOUTH EMPLOYMENT IN FED-**  
 16 **ERAL JOBS AND IN THE PER-**  
 17 **FORMANCE OF FEDERAL**  
 18 **CONTRACTS**

19 **SEC. 301. PREFERENCE FOR HIRING YOUTH PARK AND**  
 20 **FORESTRY WORKERS.**

21           The Secretary of the Interior shall give preference to  
 22 individuals that have attained age 16 but not age 25 for  
 23 jobs that provide services that are determined by the Sec-  
 24 retary to be integral to the operations of Federal public  
 25 lands and parks.

1 **SEC. 302. PREFERENCE FOR FEDERAL CONTRACTS WITH**  
2 **EMPLOYERS OFFERING YOUTH APPRENTICE-**  
3 **SHIPS.**

4 (a) IN GENERAL.—Notwithstanding title III of the  
5 Federal Property and Administrative Services Act of 1949  
6 (41 U.S.C. 251 et seq.), in evaluating a bid or proposal  
7 for a contract for the procurement of goods or services,  
8 a contracting officer of an executive agency may give pref-  
9 erence to an employer for a contract for the procurement  
10 of goods or services by the Federal Government if the head  
11 of the executive agency determines that—

12 (1) the employer will employ, in a program of  
13 apprenticeship and in the performance of the con-  
14 tract, individuals who—

15 (A) are disconnected youth (as defined in  
16 section 51(d)(14)(B)(ii) of the Internal Revenue  
17 Code of 1986 on the date on which the contract  
18 is entered into; and

19 (B) are domiciled in communities with  
20 high unemployment; and

21 (2) the funds made available for such contract  
22 are appropriated for fiscal year 2011 under the au-  
23 thority of a law enacted to create jobs in the area  
24 of—

25 (A) infrastructure;

26 (B) transportation; or

1 (C) green energy.

2 (b) MINIMUM REQUIREMENT.—At least 5 percent of  
3 the total amount of funds appropriated under the author-  
4 ity of a law described under subsection (a)(2) shall be re-  
5 served for contracts with respect to which employers are  
6 given preference under subsection (a).

○