AMENDMENT TO
RULES COMMITTEE PRINT 117–31
OFFERED BY MS. SHERRILL OF NEW JERSEY

At the end of division J, add the following new title:

TITLE V—EXPANDING PATHWAYS TO EMPLOYMENT PILOT PROGRAM

SEC. 90501. SHORT TITLE.

This title may be cited as the “Expanding Pathways to Employment Pilot Program”.

SEC. 90502. WORKFORCE DEVELOPMENT AND POST-SECONDARY EDUCATION GRANT PROGRAM.

(a) IN GENERAL.—The Secretary, in consultation with the Board, shall make grants in accordance with this section to provide long-term funding commitments for eligible workforce development programs and eligible post-secondary education programs as follows:

(1) WORKFORCE DEVELOPMENT PROGRAMS SUPPORTED BY STRONG EVIDENCE.—Of the total amount appropriated under section 90506, the Secretary shall use 50 percent of such amount to make grants for eligible workforce development programs that have demonstrated a substantial, statistically
significant positive impact on worker earnings through one or more well-designed and well-implemented randomized control experimental studies. A grant awarded under this paragraph shall be used for the cost of operating and expanding such program, and may also be used, at the discretion of the grantee, for the cost of conducting a new randomized control experimental study with respect to such program.

(2) WORKFORCE DEVELOPMENT PROGRAMS SUPPORTED BY MODERATE AND PROMISING EVIDENCE.—Of the total amount appropriated under section 90506, the Secretary shall use 25 percent of such amount to make grants for eligible workforce development programs that have demonstrated a substantial, statistically significant positive impact on worker earnings through one or more well-designed and well-implemented quasi-experimental studies or correlational studies. A grant awarded under this paragraph shall be used—

(A) for the cost of conducting randomized control experimental studies with respect to such program; and

(B) for the cost of operating and expanding such program (but only if a grant under
subparagraph (A) has been concurrently award-
ed for such program).

(3) DISCRETIONARY AMOUNT.—Of the total
amount appropriated under section 90506, the Sec-
cretary shall use 20 percent of such amount at the
discretion of the Secretary—

(A) to make additional grants as described
in paragraph (1);

(B) to make additional grants as described
in paragraph (2); and

(C) to make grants for eligible post-sec-
ondary education programs that have dem-
onstrated a substantial, statistically significant
positive impact on student graduation and de-
gree completion through one or more well-de-
signed and well-implemented randomized con-
trol experimental studies, quasi-experimental
studies, or correlational studies, to be used—

(i) in the case of programs that have
demonstrated such positive impact through
one or more randomized control exper-
mental studies, for the cost of operating
and expanding such program, and, at the
discretion of the grantee, for the cost of
conducting a new randomized control ex-
4 experimental study with respect to such pro-
gram; and

(ii) in the case of programs that have
demonstrated such positive impact through
one or more quasi-experimental studies or
correlational studies—

(I) for the cost of conducting
randomized control experimental stud-
ies with respect to such program; and

(II) for the cost of operating and
expanding such program (but only if a
grant under subclause (I) has been
concurrently awarded for such pro-
gram).

(4) Technical Assistance.—Of the total
amount appropriated under section 90506, the Sec-
retary shall use 5 percent—

(A) to provide technical assistance for eli-
gible workforce development programs and eligi-
ble post-secondary education programs, includ-
ing technical assistance related to the use of ad-
ministrative data to improve program perform-
ance;

(B) to conduct feasibility studies and other
planning activities;
(C) to disseminate best practices; and

(D) for staff and other costs related to such activities.

(b) ELIGIBLE APPLICANTS.—Applicants for a grant under subsection (a) may include—

(1) State, local, territorial, or Tribal governments, but only if the application includes one or more clearly designated nonprofit organizations, institutions of higher education, or post-secondary vocational institutions that will implement the program using such grant funds; and

(2) nonprofit organizations, institutions of higher education, or post-secondary vocational institutions, but only if the application—

(A) is supported by a State, local, territorial, or Tribal government; and

(B) includes a plan to partner with that government, a sustainability plan to ensure the program continues to be delivered after the end of the grant award, and a clearly designated place or places where the program will be administered.

(e) MATCHING REQUIREMENT.—The Secretary shall not award any grant under paragraph (1) or paragraph (3)(A) of subsection (a) to an entity unless the entity pro-
provides matching funds from Federal or non-Federal sources in an amount equal to not less than 50 percent of such grant, except that the Secretary may, at the request of an applicant or a grantee, grant a waiver reducing this requirement for the purposes of increasing the accessibility or equity of the program design, or in the case of grants awarded to an eligible entity with limited resources.

SEC. 90503. AMOUNT OF GRANTS AND CRITERIA FOR AWARDING GRANTS.

(a) IN GENERAL.—The amount of a grant awarded for an eligible workforce development program or post-secondary education program under section 90502 shall be determined by the Secretary, in consultation with the Board, based on the following:

(1) The program’s impact on participant earnings or participant graduation and degree completion rates relative to costs (as determined under guidance issued pursuant to subsection (b)).

(2) Whether the program was evaluated through a randomized control experimental study, a quasi-experimental study, or a correlational study, and the overall quality of the evidence behind the program, including the sample size and number of evaluations, the statistical quality of the evaluations, the magnitude of the impacts detected, and the
strength of the causal connection between the program and key economic outcomes measured.

(3) The number of additional participants that the program expects to enroll as a result of receiving such grant.

(4) Whether the program has been demonstrated to improve equity, in particular for populations of individuals or communities (which may include rural communities) historically held furthest from opportunity.

(b) Impact Relative to Costs Standard.—The Board shall devise and publish a minimum impact relative to costs standard comparing the impact on worker earnings or student graduation and degree completion rates as a result of an eligible workforce development program or post-secondary education program and the annual cost per participant under such program. Such standard shall—

(1) set forth a minimum required demonstrable increase in earnings or graduation and degree completion rates over time (based on previous evaluations) per dollar of program cost per participant; and

(2) allow for additional flexibility for programs that specifically or primarily serve individuals with
barriers to employment (as defined in section 3(24) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102(24)) or post-secondary education, individuals in communities that have historically or currently been underserved by workforce development and post-secondary education programs, and individuals in rural areas.

SEC. 90504. INDEPENDENT BOARD.

(a) Establishment of Independent Board.—

There is established an independent board (in this section referred to as the “Board”) consisting of 5 members appointed by the Secretary in accordance with subsection (c).

(b) Duties.—The Board shall review applications for grants under this section and make recommendations to the Secretary with respect to the awarding of such grants. The Board shall, in their recommendation to the Secretary regarding program selection, prioritize programs that have demonstrated a larger impact relative to costs (as determined under guidance issued pursuant to subsection (b)), that have been evaluated by more well-designed and well-implemented studies, and that have been evaluated by randomized control experimental studies rather than quasi-experimental studies or correlational studies. The Board shall, in their recommendation to the Secretary regarding grant size, prioritize higher funding levels to programs
that have demonstrated a larger impact relative to costs (as so determined), that have been evaluated by more well-designed and well-implemented studies, that have been evaluated by randomized control experimental studies rather than quasi-experimental studies or correlational studies, and that expect to enroll more participants as a result of receiving such grant. For the purposes of these recommendations, the Board shall devise a quality standard for evaluations to determine which evaluations are more well-designed and well-implemented compared to others.

(c) APPOINTMENT.—The Secretary shall appoint individuals to serve on the Board who meet the qualifications described in subsection (d). In making such appointments, the Secretary shall consult and receive recommendations from the Commission of Social Impact Partnerships established under section 2057 of the Social Security Act.

(d) QUALIFICATIONS OF MEMBERS.—An individual who meets the qualifications described in this subsection is an individual who is an academic, nonprofit, or executive agency official with expertise in workforce development programs or post-secondary education programs and experience in running rigorous evaluations. Such an individual shall—
(1) be an expert in program evaluation and evidence-based policy, including evaluation methodologies that are appropriately rigorous and reliant upon independent data;

(2) have relevant professional or personal experience in a field related to one or more of the outcomes listed in this division; or

(3) have relevant lived or professional experience with underserved communities and under-resourced families that this section is intended to serve.

d) STAFFING.—In administering the program under this section, the Secretary may hire such staff as necessary, including by using placement authorities under the Intergovernmental Personnel Act of 1970, and any other direct hire authorities available to the Secretary for any other purpose. In hiring staff to administer such program, the Secretary shall ensure that such staff meet the qualifications described in subsection (d).

f) REPORTS.—The Board shall report on progress periodically to the Federal Interagency Council on Social Impact Partnerships established under section 2056 of the Social Security Act, and shall coordinate policies and decisions with relevance to other Federal agencies through such Council.
(g) GUIDANCE.—

(1) IN GENERAL.—The Board, in consultation with the Commission of Social Impact Partnerships established under section 2057 of the Social Security Act, shall develop and make publicly available guidance regarding best practices for the evaluation of eligible workforce development programs and eligible post-secondary education programs to be used to assess the quality of each evaluation as required under subsection (b). Such guidance shall seek to ensure that—

(A) the evaluation accurately models a participant group population that is representative of the overall population served by the program;

(B) aggregate shifts that might affect baseline numbers are controlled for by the evaluation; and

(C) regardless of any other factors, all possible safeguards are undertaken to avoid statistical creaming, in which the impact of a program is over measured as recruited participants become more highly skilled prior to participation over time.

(2) PROCEDURE.—In issuing the guidance and performance benchmarks defined above, the Board
shall release and circulate draft guidance, regulations, and performance benchmarks, which shall be circulated to the Commission, and shall not be adopted unless approved by a majority vote of the Commission at a public meeting, and the Commission shall receive proposed draft guidance or performance benchmarks not less than 30 days prior to voting to approve it. The Board shall use the draft guidance, regulations, and performance benchmarks, once approved by the Commission, to review grant applications under this section and make recommendations to the Secretary with respect to the awarding of such grants, as described in subsection (b).

SEC. 90505. DEFINITIONS.

In this title:

(1) CORRELATIONAL STUDY.—The term “correlational study” means a study conducted by an independent organization using a non-randomized methodology with statistical controls for selection bias that has found a correlational impact of an eligible workforce development program, or eligible post-secondary education program, on participants’ earnings, or graduation and degree completion rates, and has demonstrated a rationale based on high-
quality research findings that the program is likely
to improve those participant outcomes at least two
years after participants enroll in the program but
has not yet demonstrated a causal relationship.

(2) ELIGIBLE POST-SECONDARY EDUCATION
PROGRAM.—The term “eligible post-secondary edu-
cation program” means a program operated by a
nonprofit organization, an institution of higher edu-
cation (as defined in section 101 of the Higher Edu-
cation Act of 1965), or a postsecondary vocational
institution (as defined in section 102(c) of such Act)
that provides education and support services to post-
secondary students with the objective of increasing
the rate at which these individuals graduate or ob-
tain a post-secondary credential from the post-sec-
ondary program in which they are enrolled.

(3) ELIGIBLE WORKFORCE DEVELOPMENT PRO-
GRAM.—The term “eligible workforce development
program” means a program operated by a nonprofit
organization that provides skills training and edu-
cation to existing and potential workers with the ob-
jective of increasing the wage level and chance of
employment of those workers.

(4) QUASI-EXPERIMENTAL STUDY.—The term
“quasi-experimental study” means a study con-
ducted by an independent organization that uses a non-randomized methodology and model to measure the causal impact of an eligible workforce development program, or eligible post-secondary education program, on participants’ earnings, or graduation and degree completion rates, at least two years after participants enroll in the program.

(5) **RANDOMIZED CONTROL EXPERIMENTAL STUDY.**—The term “randomized control experimental study” means a study conducted by an independent organization utilizing a randomized control trial methodology that compares the earnings, or graduation and degree completion rates, of participant group and control group members, and measures the causal impact of an eligible workforce development program, or eligible post-secondary education program, on participants’ earnings, or graduation and degree completion rates, at least two years after participants enroll in the program.

(6) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

(7) **WELL-DESIGNED AND WELL-IMPLEMENTED.**—The term “well-designed and well-implemented”, as applied to a study, means a study that is replicable, uses programmatic and control groups
that are representative of the type of population
served by the program, uses controls for aggregate
shifts that might affect baseline numbers, does not
have problems with attrition from the program, and
takes measures to avoid statistical creaming.

SEC. 90506. FUNDING.

There is appropriated to carry out this title, out of
any funds in the Treasury not otherwise appropriated,
$100,000,000 for fiscal year 2022, to remain available for
7 fiscal years.