

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

# H. R. 5204

To establish the National Full Employment Trust Fund to create employment opportunities for the unemployed.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 4, 2010

Mr. CONYERS introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Ways and Means, 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 establish the National Full Employment Trust Fund to create employment opportunities for the unemployed.

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 shall be cited as the “21st Century Full Em-  
5       ployment and Training Act”.

6       **SEC. 2. DEFINITIONS.**

7       In this Act the following definitions apply:

8               (1) INDIAN TRIBE.—The term “Indian tribe”  
9       has the meaning given such term in section 102(17)

1 of the Housing and Community Development Act  
2 (42 U.S.C. 5302(17)).

3 (3) SECRETARY.—The term “Secretary” means  
4 the Secretary of Labor.

5 (4) SMALL BUSINESS.—The term “small busi-  
6 ness” has the meaning given the term “small busi-  
7 ness concern” under section 3 of the Small Business  
8 Act (15 U.S.C. 632).

9 (5) STATE.—The term “State” has the mean-  
10 ing given such term in section 102(2) of the Hous-  
11 ing and Community Development Act (42 U.S.C.  
12 5302(2)).

13 (6) TRUST FUND.—The term “Trust Fund” re-  
14 fers to the Full Employment Trust Fund established  
15 under section 3.

16 (7) UNIT OF GENERAL LOCAL GOVERNMENT.—  
17 The term “unit of general local government” has the  
18 meaning given such term in section 102(1) of the  
19 Housing and Community Development Act (42  
20 U.S.C. 5302(1)).

21 (8) URBAN COUNTY.—The term “urban coun-  
22 ty” has the meaning given such term in section  
23 102(6) of the Housing and Community Development  
24 Act (42 U.S.C. 5302(6)).

1 **SEC. 3. ESTABLISHMENT OF FULL EMPLOYMENT NATIONAL**  
 2 **TRUST FUND.**

3 (a) IN GENERAL.—The Secretary shall establish a  
 4 Full Employment National Trust Fund (in this Act re-  
 5 ferred to as the “Trust Fund”) for the purposes of—

6 (1) providing funding for the Employment Op-  
 7 portunity Grants established in section 4; and

8 (2) issuing funds to the Secretary to fund the  
 9 Workforce Investment Act.

10 (b) FINANCING THE TRUST FUND.—Subject to the  
 11 availability of appropriations for this purpose, the Sec-  
 12 retary of the Treasury shall annually make available to  
 13 the Secretary of Labor for deposit into the Trust Fund  
 14 an amount equal to the amount collected for that year  
 15 through the tax described in section 4475 of the Internal  
 16 Revenue Code of 1986, as added by subsection (c).

17 (c) TAX ON SECURITIES TRANSACTIONS.—

18 (1) IN GENERAL.—Chapter 36 of the Internal  
 19 Revenue Code of 1986 is amended by inserting after  
 20 subchapter B the following new subchapter:

21 **“Subchapter C—Tax on Securities**  
 22 **Transactions**

“Sec. 4475. Tax on securities transactions.

23 **“SEC. 4475. TAX ON SECURITIES TRANSACTIONS.**

24 “(a) IMPOSITION OF TAX.—There is hereby imposed  
 25 a tax on each covered securities transaction an amount

1 equal to the applicable percentage of the value of the secu-  
2 rity involved in such transaction.

3 “(b) BY WHOM PAID.—The tax imposed by this sec-  
4 tion shall be paid by the trading facility on which the  
5 transaction occurs.

6 “(c) APPLICABLE PERCENTAGE.—For purposes of  
7 this section—

8 “(1) IN GENERAL.—The term ‘applicable per-  
9 centage’ means the lesser of—

10 “(A) the specified percentage, or

11 “(B) 0.25 percent.

12 “(2) SPECIFIED PERCENTAGE.—

13 “(A) IN GENERAL.—The term ‘specified  
14 percentage’ means, with respect to any taxable  
15 year beginning in a calendar year, the percent-  
16 age that the Secretary estimates would result in  
17 the aggregate revenue to the Treasury under  
18 this section for such taxable year and all prior  
19 taxable years to equal the Secretary’s estimate  
20 of the net cost (if any) to the Federal Govern-  
21 ment of—

22 “(i) carrying out the Troubled Asset  
23 Relief Program established under title 1 of  
24 the Emergency Economic Stabilization Act  
25 of 2008, and

1                   “(ii) the exercise of authority by the  
2                   Board of Governors of the Federal Reserve  
3                   System under the third undesignated para-  
4                   graph of section 13 of the Federal Reserve  
5                   Act (12 U.S.C. 343).

6                   “(B) DETERMINATION OF PERCENTAGE.—  
7                   Such percentage shall be determined by the  
8                   Secretary not later than 30 days after the date  
9                   of the enactment of this section, and redeter-  
10                  mined for taxable years beginning in each cal-  
11                  endar year thereafter. Such percentage shall  
12                  take into account the Secretary’s most recent  
13                  estimation of such net cost. Any specified per-  
14                  centage determined under this paragraph which  
15                  is not a multiple of 1/100th of a percentage  
16                  point shall be rounded to the nearest 1/100th of  
17                  a percentage point.

18                  “(d) COVERED SECURITIES TRANSACTION.—The  
19                  term ‘covered securities transaction’ means—

20                         “(1) any transaction to which subsection (b),  
21                         (c), or (d) of section 31 of the Securities Exchange  
22                         Act of 1934 applies, and

23                         “(2) any transaction subject to the exclusive ju-  
24                         risdiction of the Commodity Futures Trading Com-  
25                         mission.

1       “(e) ADMINISTRATION.—The Secretary shall carry  
2 out this section in consultation with the Securities and Ex-  
3 change Commission and the Commodity Futures Trading  
4 Commission.”.

5           (2) CLERICAL AMENDMENT.—The table of sub-  
6 chapters for chapter 36 of such Code is amended by  
7 inserting after the item relating to subchapter B the  
8 following new item:

“SUBCHAPTER C. TAX ON SECURITIES TRANSACTIONS”.

9           (3) EFFECTIVE DATE.—The amendments made  
10 by this subsection shall apply to sales occurring  
11 more than 30 days after the date of the enactment  
12 of this Act.

13       (d) SEPARATE TRUST FUND ACCOUNTS.—The Trust  
14 Fund shall consist of 2 separate accounts as follows:

15           (1) One account shall consist of 67 percent of  
16 the funds made available for deposit under sub-  
17 section (b) and shall be for the Employment Oppor-  
18 tunity Grants established in section 4.

19           (2) The other account shall consist of 33 per-  
20 cent of the funds made available for deposit under  
21 subsection (b) and shall be available to the Secretary  
22 to fund programs under the Workforce Investment  
23 Act of 1998 (29 U.S.C. 2801 et seq.).

24       (e) WEB SITE.—The Secretary shall establish an  
25 Internet Web site to serve as an information clearinghouse

1 for job training and employment opportunities funded by  
2 the Trust Fund.

3 **SEC. 4. EMPLOYMENT OPPORTUNITY GRANTS TO STATES,**  
4 **LOCAL GOVERNMENT, AND INDIAN TRIBES.**

5 (a) EMPLOYMENT GRANTS CONTINGENT ON UNEM-  
6 PLOYMENT RATE.—Subject to the availability of funds in  
7 the Trust Fund for such activities under this section, if,  
8 at the times set forth in subsection (b), the rate of unem-  
9 ployment, as determined by the Bureau of Labor Statis-  
10 tics, is higher than the corresponding percentages set forth  
11 in such subsection, the Secretary shall make grants, in  
12 amounts totaling 90 percent of such funds available, to  
13 States, units of general local government, and Indian  
14 tribes to carry out activities in accordance with this sec-  
15 tion.

16 (b) APPLICABLE RATES OF UNEMPLOYMENT.—The  
17 rates of unemployment and corresponding years described  
18 in subsection (a) are as follows:

19 (1) 9.0 percent for the first year after the date  
20 of the enactment of this Act.

21 (2) 8.0 percent beginning 2 years after such  
22 date of enactment.

23 (3) 6.0 percent beginning 5 years after such  
24 date of enactment.

1           (4) 5.0 percent beginning 8 years after such  
2           date of enactment.

3           (5) 4.0 percent beginning 10 years after such  
4           date of employment.

5           (c) PURPOSE.—Grants made under this section shall  
6           be for creating employment opportunities for unemployed  
7           and underemployed residents of distressed communities in  
8           activities designed to address community needs and reduce  
9           disparities in health, housing, education, job readiness,  
10          and public infrastructure that have impeded these commu-  
11          nities from realizing their full economic potential.

12          (d) USE OF FUNDS.—A recipient of a grant under  
13          this section shall use the grant for the following purposes:

14               (1) During the initial 9-month period in which  
15               grants are made under this section, each grant shall  
16               be used only to fund the following types of fast-track  
17               job placements:

18                       (A) The painting and repair of schools,  
19                       community centers, and libraries.

20                       (B) The restoration and revitalization of  
21                       abandoned and vacant properties to alleviate  
22                       blight in distressed and foreclosure-affected  
23                       areas of a unit of general local government.

1           (C) The expansion of emergency food pro-  
2 grams to reduce hunger and promote family  
3 stability.

4           (D) The augmentation of staffing in Head  
5 Start, child care, and other early childhood edu-  
6 cation programs to promote school readiness  
7 and early literacy.

8           (E) The renovation and enhancement of  
9 maintenance of parks, playgrounds, and other  
10 public spaces.

11          (2) Following the 9-month period described in  
12 paragraph (1), a recipient of a grant may use the  
13 remaining amount of the grant to assist public enti-  
14 ties, nonprofit organizations, public-private partner-  
15 ships, or small businesses to create opportunities for  
16 employment in the following areas:

17           (A) Construction, re-construction, rehabili-  
18 tation, and site improvements of residences or  
19 public facilities, including improvements in the  
20 energy efficiency or environmental quality of  
21 such public facilities or residences.

22           (B) Provision of human services, including  
23 child care services, health care services, edu-  
24 cation, or recreational programs.

1           (C) The remediation and demolition of va-  
2           cant and abandoned properties to eliminate  
3           blight.

4           (D) Programs that provide disadvantaged  
5           youth with opportunities for employment, edu-  
6           cation, leadership development, entrepreneurial  
7           skills development, and training.

8           (e) CONSULTATION REQUIRED.—Each grant recipi-  
9           ent shall consult with community leaders, including labor  
10          organizations, non-profit organizations, local government  
11          officials, and local residents to—

12           (1) assess the needs of the community served  
13          by the grant recipient;

14           (2) determine sectors of the local economy that  
15          are in need of employees;

16           (3) make recommendations for new employment  
17          opportunities in the areas described in paragraph  
18          (3); and

19           (4) assess the effectiveness of job placements  
20          made under paragraph (1).

21          (f) CONDITIONS.—As a condition of receiving a grant  
22          under this section, a grant recipient shall—

23           (1) agree to comply with the nondiscrimination  
24          policy set forth under section 109 of the Housing

1 and Community Development Act of 1974 (42  
2 U.S.C. 5309);

3 (2) allocate not less than 80 percent of the  
4 funding allocated to each project funded under the  
5 grant to wages, benefits, and support services, in-  
6 cluding child care services, for individuals employed  
7 on such project;

8 (3) ensure that employment on any project  
9 funded under the grant is carried out in accordance  
10 with subsection (f);

11 (4) institute an outreach program with commu-  
12 nity organizations and service providers in low-in-  
13 come communities to provide information about  
14 placements funded under the grant to individuals  
15 suited to perform community infrastructure work;  
16 and

17 (5) ensure that not less than 35 percent of indi-  
18 viduals employed under the grant are individuals de-  
19 scribed in paragraph (5)(B) of subsection (f).

20 (g) EMPLOYMENT DESCRIBED.—Employment funded  
21 under this section shall meet the following specifications:

22 (1) Any employer that employs an individual  
23 whose employment is funded under the grant shall—

24 (A) employ such individual for not less  
25 than 12 months;

1 (B) employ such individual for not less  
2 than 30 hours per week;

3 (C) comply with responsible contractor  
4 standards, as determined by the relevant official  
5 in the unit of local general government;

6 (D) provide compensation to such indi-  
7 vidual equal to that which is paid to employees  
8 who have been employed to perform similar  
9 work prior to the date such individual was  
10 hired; and

11 (E) if such employment is in construction,  
12 provide compensation to any laborer or me-  
13 chanic employed under the grant at rates not  
14 less than those prevailing on similar construc-  
15 tion in the locality as determined by the Sec-  
16 retary of Labor in accordance with subchapter  
17 IV of chapter 31 of title 40, United States  
18 Code.

19 (2) No individual whose employment is funded  
20 under the grant may work for an employer at which  
21 a collective bargaining agreement is in effect cov-  
22 ering the same or similar work, unless—

23 (A) the consent of the union at such em-  
24 ployer is obtained; and

1 (B) negotiations have taken place between  
2 such union and the employer as to the terms  
3 and conditions of such employment.

4 (3) An individual whose employment is funded  
5 under this Act may not displace other employees  
6 whose employment is not funded under this Act. A  
7 grant recipient under this Act may not hire an em-  
8 ployee or employees with funds under this Act for  
9 any employment which the grant recipient would  
10 otherwise hire an employee who has been furloughed.

11 (4) An individual whose employment is funded  
12 under this Act shall be—

13 (A) unemployed for not less than 26 weeks  
14 prior to the receipt of the grant, as verified by  
15 the State or local department of labor, depart-  
16 ment of welfare, or similar office charged with  
17 maintaining records of unemployment; or

18 (B) unemployed for not less than 30 days  
19 prior to the receipt of the grant and be a low-  
20 income individual who is a member of a tar-  
21 geted group (as defined by section 51(d) of the  
22 Internal Revenue Code of 1986) as verified by  
23 the State or local department of labor, depart-  
24 ment of welfare, or similar office charged with  
25 maintaining records of unemployment.

1 For purposes of subparagraph (B), the hiring date  
2 (as defined in section 51(d)(11) of such Code) shall  
3 be the hiring date by an employer who receives a  
4 grant pursuant to this section.

5 (h) AWARD OF GRANTS.—

6 (1) SELECTION CRITERIA.—In selecting a  
7 project to receive funding for employing the individ-  
8 uals described in subsection (f)(5), a grant recipient  
9 shall consider—

10 (A) the input of all participants in a pro-  
11 posed project, including labor organizations,  
12 community organizations, and employers;

13 (B) the needs of the community intended  
14 to benefit from such project;

15 (C) the long-term goals and short term ob-  
16 jectives to address such needs; and

17 (D) any recommendations for programs  
18 and activities developed to meet such needs.

19 (2) PRIORITY GIVEN TO CERTAIN PROJECTS.—  
20 A grant recipient under this section shall give pri-  
21 ority to projects that—

22 (A) serve areas with the greatest level of  
23 economic need, determined for each such area  
24 by—

25 (i) the unemployment rate;

- 1 (ii) the rate of poverty;
- 2 (iii) the number of census tracts with  
3 concentrated poverty;
- 4 (iv) the lowest median income;
- 5 (v) the percentage of vacant and  
6 abandoned properties;
- 7 (vi) the percentage of home fore-  
8 closures; and
- 9 (vii) the indicators of poor resident  
10 health, including high rates of chronic dis-  
11 ease, infant mortality, and life expectancy;
- 12 (B) integrate education and job skills  
13 training, including basic skills instruction and  
14 secondary education services;
- 15 (C) coordinate to the maximum extent fea-  
16 sible with pre-apprenticeship and apprenticeship  
17 programs; and
- 18 (D) provide jobs in sectors where job  
19 growth is most likely, as determined by the Sec-  
20 retary, and in which career advancement oppor-  
21 tunities exist to maximize long-term, sustain-  
22 able employment for individuals after employ-  
23 ment funded under this Act ends.

24 (i) ALLOCATION OF GRANTS.—

1           (1) GRANTS FOR INDIAN TRIBES AND DEPOSITS  
2 INTO DISCRETIONARY FUND.—Not more than 5 per-  
3 cent of the funds appropriated to carry out this Act  
4 for any fiscal year shall be reserved for grants to In-  
5 dian tribes and for deposit into a discretionary fund  
6 established by the Secretary for national demonstra-  
7 tion projects and multi-jurisdictional projects.

8           (2) GRANTS TO STATES.—Not more than 30  
9 percent of funds appropriated to carry out this Act  
10 for any fiscal year shall be allocated to States to dis-  
11 tribute to units of general local government that do  
12 not qualify for funds under paragraph (3).

13           (3) GRANTS TO UNITS OF GENERAL LOCAL  
14 GOVERNMENT.—Grant funds that are not reserved  
15 under paragraphs (1) and (2) shall be allocated to  
16 metropolitan cities and urban counties using the for-  
17 mula under section 106(b) of the Housing and Com-  
18 munity Development Act of 1974 (42 U.S.C.  
19 5306(b)).

20           (j) REPORTS.—

21           (1) REPORTS BY GRANT RECIPIENTS.—Not  
22 later than 90 days after the last day of each fiscal  
23 year in which assistance under this section is fur-  
24 nished, a recipient of a grant under this section shall

1 submit to the Secretary a report containing the fol-  
2 lowing:

3 (A) A description of the progress made in  
4 accomplishing the objectives of this chapter.

5 (B) A summary of the use of the grant  
6 during the preceding fiscal year.

7 (C) For units of general local government,  
8 a listing of each entity receiving funds and the  
9 amount of such grants, as well as a brief sum-  
10 mary of the projects funded for each such unit,  
11 the extent of financial participation by other  
12 public or private entities, and the impact on  
13 employment and economic activity of such  
14 projects during the previous fiscal year.

15 (D) For States, a listing of each unit of  
16 general local government receiving funds and  
17 the amount of such grants, as well as a brief  
18 summary of the projects funded for each such  
19 unit, the extent of financial participation by  
20 other public or private entities, and the impact  
21 on employment and economic activity of such  
22 projects during the previous fiscal year.

23 (E) The amount of money received and ex-  
24 pended during the fiscal year.

1           (F) The number of individuals assisted  
2           under the grant whose household income is low-  
3           income, very low-income, or extremely low-in-  
4           come (as such terms are used for purposes of  
5           the Housing Act of 1937 and the regulations  
6           there under (42 U.S.C. 1437 et seq.)).

7           (G) The amount expended on administra-  
8           tive costs during the fiscal year.

9           (2) REPORT TO CONGRESS.—At least once  
10          every 6 months, the Secretary shall submit to Con-  
11          gress a report on the use of grants awarded under  
12          this section and any progress in job creation.

13 **SEC. 5. NATIONAL EMPLOYMENT CONFERENCE.**

14          (a) IN GENERAL.—The Secretary shall convene a na-  
15          tional employment conference not later than 1 year after  
16          the date of enactment of this Act, to bring together leaders  
17          of small and larger business, labor, government, and all  
18          other interested parties.

19          (b) SUBJECT.—The subject of the conference shall be  
20          employment, with particular attention to structural unem-  
21          ployment and the plight of disadvantaged youth. The con-  
22          ference shall also focus on issues such as adequate and  
23          effective incentives for employers to hire the long-term un-  
24          employed.

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