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(Original Signature of Member)

112TH CONGRESS  
1ST SESSION

# H. R.

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

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## IN THE HOUSE OF REPRESENTATIVES

Mr. RUSH introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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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 “Saving America’s Youth: the Youth Employment Act of  
6 2011” or “SAY YEA”.

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. 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 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. DEFINITION OF DISCONNECTED YOUTH.**

5 Subtitle D of title I of the Workforce Investment Act  
 6 of 1998 (29 U.S.C. 2911 et seq.) is amended by inserting  
 7 before section 166 the following new section:

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

9 “For purposes of this subtitle, the term ‘disconnected  
 10 youth’ has the meaning given such term by section  
 11 51(d)(14)(B)(ii) of the Internal Revenue Code of 1986,  
 12 except that subclause (I) of such section shall be applied  
 13 by substituting ‘22’ for ‘25’.”.

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

3 Subtitle D of title I of the Workforce Investment Act  
4 of 1998 (29 U.S.C. 2911 et seq.) is amended by inserting  
5 after section 173A the following new sections:

6 **“SEC. 173B. SUMMER JOBS FOR DISCONNECTED YOUTH.**

7 “(a) IN GENERAL.—The Secretary shall allot to  
8 States the amount appropriated under section 174(d) for  
9 the implementation of programs to create summer employ-  
10 ment opportunities for disconnected youth.

11 “(b) ALLOTMENT.—An allotment under this section  
12 shall be made on the basis of the relative number of indi-  
13 viduals who satisfy the certification criteria for discon-  
14 nected youth in each State, compared to the total number  
15 of such individuals in all States.

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

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

20 “(1) PAYMENTS TO EMPLOYERS.—The State  
21 shall make payments to eligible employers for the  
22 partial reimbursement of wages paid by such em-  
23 ployers to each employee hired or rehired under  
24 paragraph (2)(A).

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

4                   “(A) the employer hires a new employee,  
5                   or rehires a former employee, after the date of  
6                   enactment of this section; and

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

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

16           “(b) MAXIMUM GRANT.—A grant awarded to a State  
17           under subsection (a) shall not exceed \$100,000,000.

18   **“SEC. 173D. ON-THE-JOB TRAINING FOR DISCONNECTED**  
19                   **YOUTH.**

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

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

1           “(1) IN GENERAL.—For purposes of this sec-  
2           tion, an eligible on-the-job training program is an  
3           on-the-job training program under which an em-  
4           ployer is eligible to receive, for each disconnected  
5           youth who is employed and is provided on-the-job  
6           training by the employer on or after the date of en-  
7           actment of this section, a payment of—

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

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

16           “(2) LIMITATION.—The total amount an em-  
17           ployer receives for each disconnected youth under a  
18           program for on-the-job training shall not exceed  
19           \$4,000.

20           “(3) COVERED EMPLOYERS.—Under an eligible  
21           on-the-job training program, an employer that re-  
22           ceives a payment under paragraph (1) may in-  
23           clude—

24                   “(A) a faith-based organization;

25                   “(B) a public sector organization; or

1                   “(C) a private employer.

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

4                   “(1) ALLOTMENT AMONG STATES.—

5                   “(A) IN GENERAL.—In making allotments  
6 and grants to States under subsection (a), the  
7 Secretary shall apply rules similar to the rules  
8 of subparagraphs (B) and (C) of section  
9 127(b)(1), except that—

10                   “(i) references in such subparagraphs  
11 (B) and (C) to youth activities and state-  
12 wide enforcement activities shall be treated  
13 as references to eligible programs for on-  
14 the-job training; and

15                   “(ii) references in such subparagraph  
16 (C) to disadvantaged youth shall be treated  
17 as references to individuals who satisfy the  
18 certification criteria for disconnected  
19 youth.

20                   “(B) REALLOTMENT OF UNUSED  
21 AMOUNTS.—Allotments and grants made to  
22 States under subsection (a) may be reallocated.  
23 For purposes of the preceding sentence, rules  
24 similar to the rules of subsection (c) of section

1 127 shall apply, except that references in para-  
2 graph (1) of such subsection—

3 “(i) to such section, shall be treated  
4 as references to subsection (a) of this sec-  
5 tion; and

6 “(ii) to youth activities and statewide  
7 enforcement activities, shall be treated as  
8 references to eligible programs for on-the-  
9 job training.

10 “(2) WITHIN STATE ALLOCATION.—

11 “(A) IN GENERAL.—Allotments and grants  
12 made to States under subsection (a) shall be al-  
13 located by the States to local areas to carry out  
14 programs for on-the-job training. For purposes  
15 of the preceding sentence, rules similar to the  
16 rules of paragraphs (2) and (3) of section  
17 128(b) shall apply, except that references in  
18 such paragraphs to disadvantaged youth shall  
19 be considered to be references to individuals  
20 who satisfy the certification criteria for discon-  
21 nected youth.

22 “(B) REALLOCATION OF UNUSED  
23 AMOUNTS.—States may reallocate allotments  
24 and grants allocated under subparagraph (A).  
25 For purposes of the preceding sentence, rules

1 similar to the rules of section 128(c) shall  
2 apply, except that—

3 “(i) references to paragraphs (2)(A)  
4 or (3) of section 128(b) shall be treated as  
5 references to subparagraph (A) of this  
6 paragraph; and

7 “(ii) references to youth activities  
8 shall be treated as references to eligible  
9 programs for on-the-job training.”.

10 **SEC. 103. NATIONAL PUBLIC SERVICE EMPLOYMENT PRO-**  
11 **GRAM.**

12 Subtitle D of title I of the Workforce Investment Act  
13 of 1998 (29 U.S.C. 2911 et seq.) is amended by inserting  
14 after section 173D (as added by section 102 of this Act)  
15 the following new section:

16 **“SEC. 173E. NATIONAL PUBLIC SERVICE EMPLOYMENT**  
17 **PROGRAM.**

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

21 “(1) parks;

22 “(2) roads; and

23 “(3) education, including—

24 “(A) schools; and

25 “(B) after-school programs.

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

3           “(1) disconnected youth;

4           “(2) low-income individuals; and

5           “(3) the long-term unemployed.

6           “(c) OPERATION.—To operate the program estab-  
7 lished under subsection (a), the President may utilize ex-  
8 isting Federal departments and agencies, including the  
9 Department of Labor, the Department of Defense, the  
10 National Guard Bureau, the Department of Interior, the  
11 Department of Agriculture, the Army Corps of Engineers,  
12 the Department of Transportation, the Department of En-  
13 ergy, the Environmental Protection Agency, and Federal  
14 governmental corporations.”.

15 **SEC. 104. AUTHORIZATION OF APPROPRIATIONS.**

16           Section 174 of the Workforce Investment Act of 1998  
17 (29 U.S.C. 2919) is amended by adding at the end the  
18 following new subsections:

19           “(d) SUMMER JOBS FOR DISCONNECTED YOUTH.—  
20 There is authorized to be appropriated to the Secretary,  
21 in addition to any other amount authorized to be appro-  
22 priated by this Act, \$2,000,000,000 to carry out section  
23 173B.

24           “(e) STATE EMPLOYMENT PROGRAMS.—There is au-  
25 thorized to be appropriated to the Secretary, in addition

1 to any other amount authorized to be appropriated by this  
2 Act, \$1,000,000,000 to carry out section 173C.

3 “(f) ON-THE-JOB TRAINING FOR DISCONNECTED  
4 YOUTH.—There is authorized to be appropriated to the  
5 Secretary, in addition to any other amount authorized to  
6 be appropriated by this Act, \$500,000,000 to carry out  
7 section 173D.

8 “(g) NATIONAL PUBLIC SERVICE EMPLOYMENT  
9 PROGRAM.—There is authorized to be appropriated to the  
10 President \$3,000,000,000 to carry out section 173E.”.

11 **TITLE II—TAX INCENTIVES FOR**  
12 **THE EMPLOYMENT OF YOUTH**  
13 **AND OTHER WORKERS**

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

15 Subparagraph (B) of section 51(c)(4) of the Internal  
16 Revenue Code of 1986 is amended by striking “December  
17 31, 2011” and inserting “December 31, 2016”.

18 **SEC. 202. EXPANSION OF ELIGIBILITY FOR WORK OPPOR-**  
19 **TUNITY TAX CREDIT.**

20 (a) DISCONNECTED YOUTH AND VETERANS HIRED  
21 AFTER 2010.—Paragraph (14) of section 51(d) of the In-  
22 ternal Revenue Code of 1986 is amended—

23 (1) in the header by striking “HIRED IN 2009 OR  
24 2010”; and

1           (2) in subparagraph (A) by striking “during  
2           2009 or 2010” and inserting “after December 31,  
3           2008”.

4           (b) QUALIFIED TITLE I–B YOUTH SERVICES RECIPI-  
5           ENTS.—

6           (1) MEMBER OF TARGETED GROUP.—Para-  
7           graph (1) of section 51(d) of such Code is amended  
8           by striking “or” at the end of subparagraph (H), by  
9           striking the period and adding “, or” at the end of  
10          subparagraph (I), and by adding at the end the fol-  
11          lowing new subparagraph:

12                   “(J) a qualified Title I–B youth services  
13                   recipient.”.

14          (2) QUALIFIED TITLE I–B YOUTH SERVICES RE-  
15          CIPIENT DEFINED.—Subsection (d) of section 51 of  
16          such Code is amended by adding at the end the fol-  
17          lowing new paragraph:

18                   “(15) QUALIFIED TITLE I–B YOUTH SERVICES  
19                   RECIPIENT.—The term ‘qualified Title I–B youth  
20                   services recipient’ means any individual who is a  
21                   participant (as defined in section 101(34) of the  
22                   Workforce Investment Act of 1998 (29 U.S.C.  
23                   2801(34))) who is receiving services under chapter 4  
24                   of subtitle B of title I of such Act.”.

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

3 (1) in subparagraph (C) of paragraph (1) by  
4 striking “qualified ex-felon” and inserting “qualified  
5 ex-offender”; and

6 (2) by amending paragraph (4) to read as fol-  
7 lows:

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

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

17 “(B) as being on parole or on probation  
18 for such conviction, or

19 “(C) as receiving transitional services for  
20 reintegration into the community after being re-  
21 leased from prison.”.

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

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

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

7 (3) in subsection (e)—

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

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

14 (C) in subparagraph (B) of paragraph (3)  
15 by striking “substituting ‘\$833.33’ for ‘\$500’”  
16 and inserting “substituting ‘1,666.66’ for  
17 ‘\$1,000’”; and

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

19 (A) in subparagraph (A) by striking  
20 “\$6,000” and inserting “\$12,000”; and

21 (B) in subparagraph (B) by striking  
22 “\$500” and inserting “\$1,000”.

23 (e) EFFECTIVE DATE.—The amendments made by  
24 this section shall apply with respect to individuals who

1 begin work for an employer after the date of enactment  
2 of this Act.

3 **SEC. 203. EXTENSION OF EMPOWERMENT ZONE DESIGNA-**  
4 **TIONS.**

5 (a) EXTENSION OF EMPOWERMENT ZONE DESIGNA-  
6 TIONS.—Subparagraph (A) of section 1391(d)(1) of the  
7 Internal Revenue Code of 1986 is amended to read as fol-  
8 lows:

9 “(A) in the case of an enterprise commu-  
10 nity, the close of the 10th calendar year begin-  
11 ning on or after such date of designation,”.

12 (b) EFFECTIVE DATE.—The amendment made by  
13 subsection (a) shall take effect as if included in the  
14 amendments made by section 753 of the Tax Relief, Un-  
15 employment Insurance Reauthorization, and Job Creation  
16 Act of 2010 (Public Law 111–312).

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

18 (a) IN GENERAL.—Subpart D of part IV of sub-  
19 chapter A of chapter 1 of the Internal Revenue Code of  
20 1986 is amended by adding at the end the following new  
21 section:

22 **“SEC. 45S. DISCONNECTED YOUTH EMPLOYMENT CREDIT.**

23 “(a) AMOUNT OF CREDIT.—For purposes of section  
24 38, the amount of the disconnected youth employment  
25 credit determined under this section with respect to any

1 employer for any taxable year is an amount equal to the  
2 lesser of—

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

7 “(2) \$3,000.

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

11 “(1) is a disconnected youth (as defined in  
12 clause (ii) of section 51(d)(14)(B), except that sub-  
13 clause (I) of such clause shall be applied by sub-  
14 stituting ‘22’ for ‘25’), and

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

17 “(c) TERMINATION.—This section shall not apply to  
18 taxable years beginning after December 31, 2013.”.

19 (b) INCLUSION IN CURRENT YEAR BUSINESS CRED-  
20 IT.—Section 38(b) of such Code is amended by striking  
21 “plus” and inserting a comma at the end of paragraph  
22 (35), by striking the period and inserting “, plus” at the  
23 end of paragraph (36), and by adding at the end the fol-  
24 lowing new paragraph:

1           “(37) the disconnected youth employment credit  
2           determined under section 45S.”.

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

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

7           (d) EFFECTIVE DATE.—The amendments made by  
8           this section shall apply to taxable years beginning after  
9           December 31, 2011.

10       **TITLE III—PREFERENCE FOR**  
11       **YOUTH EMPLOYMENT IN FED-**  
12       **ERAL JOBS AND IN THE PER-**  
13       **FORMANCE OF FEDERAL**  
14       **CONTRACTS**

15       **SEC. 301. PREFERENCE FOR HIRING YOUTH PARK AND**  
16       **FORESTRY WORKERS.**

17           The Secretary of the Interior shall give preference to  
18           individuals that have attained age 16 but not age 22 for  
19           jobs that provide services that are determined by the Sec-  
20           retary to be integral to the operations of Federal public  
21           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, except that subclause (I) of such  
18 section shall be applied by substituting “22” for  
19 “25”) on the date on which the contract is en-  
20 tered into; and

21 (B) are domiciled in communities with  
22 high unemployment; and

23 (2) the funds made available for such contract  
24 are appropriated for fiscal year 2012 under the au-  
25 thority of a law enacted to create jobs in the area  
26 of—

1 (A) infrastructure;

2 (B) transportation; or

3 (C) green energy.

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