



Summary of HR 4812, the Local Jobs for America Act

The “Local Jobs for America Act” (HR 4812) introduced by Rep. George Miller (CA), includes four (4) initiatives:

Title I: Local Community Jobs (described more fully below)

Title II: Education Jobs

\$23B (available through Sept 30, 2010) to the Dept of Education, to be distributed based on the current Title I formula to create or retain jobs in elementary, secondary, or post-secondary education, including modernization or repair of public school facilities and higher education institutions. Governors control allocation of funding, generally directed to address reductions in state financing.

Title III: Law Enforcement and Firefighter Jobs

\$1.18B for hiring and rehiring of an estimated 5500 law enforcement officers (through the Dept of Justice) and \$500M (through the Dept of Homeland Security) to retain and hire firefighters.

Title IV: On-the-job Training

\$500M to the Dept of Labor to support on the job training activities under the Workforce Investment Act, with \$250M to be directed for individuals who live in areas where the poverty rate exceeds 12% or where unemployment is 2% higher than the national average.

Title I: Local Community Jobs

- Authorizes \$75B for two years.
- Grants will be made by the Department of Labor to states and localities based on the Community Development Block Grant (CDBG) model, which provides direct federal grants to larger cities and counties (so-called “entitlement communities”) while smaller communities will receive funding through the state’s grant.
- 70% of funds are allocated to entitlement communities (ECs); 30% to states for distribution to smaller communities.
- Up to .5% of funding may be awarded to Indian tribes on a competitive basis.
- The allocation for each entitlement community and state is defined by a formula that considers population, poverty, and unemployment.

Use of Funds:

(1) States:

- Up to 2% for administration
- Up to 50% of remaining funds provided to local governments (LG) to retain public workers who would otherwise be terminated based on budget shortfalls
- Up to 25% of remaining funds to community-based organizations for new employees for services “not customarily provided by the local government.”
- Remainder of funds to be allocated to local governments for new job creation.



(2) Entitlement Communities:

- 5% available for administration
 - Up to 50% of remaining funds to retain public workers who would otherwise be terminated based on budget shortfalls
 - Up to 25% of remaining funds to community-based organizations for new employees for services “not customarily provided by the local government.”
 - Remainder of funds to be allocated to local governments for new job creation.
- Funding to CBOs by states or ECs must prioritize organizations that work in communities with a poverty rate at or above 12% or an unemployment rate 2% higher than the national rate.
- Community-Based Organizations that receive funding from either a state or an EC may use up to 5% of their grants to provide supportive services, like child care or transportation.

Funding Process:

- DOL must publish amounts available to states and ECs on its website;
- Jurisdictions must submit a statement to DOL certifying (1) the amount of funding requested (up to their maximum formula allotment); (2) the number of people to be hired and retained; (3) job titles, salary, and employers for each job; (4) estimated hiring dates; (5) the need for the services to be filled by those hired; (6) the local government’s fiscal situation that would otherwise require layoffs or firing; (7) a plan to recruit targeted populations (see below); (8) that it will comply with the requirements of the Act and other applicable employment laws.
- Within 30 days of receiving a statement, DOL must allot funds to EC and states.
- Within 15 days of receiving funds from DOL, states must allot funds to local governments and CBOs as outlined in its statement.
- If an EC does not submit a statement claiming funds within 6 months of the initial notice by DOL, funds will be forfeited and added to the total allocation the following year.
- If a state does not submit a statement claiming funds within 6 months of the initial notice by DOL, DOL allot funds directly to local governments and CBOs in non-entitlement areas in that state.

Consultation & Notice

- Local officials are required to consult with local community and labor organizations to determine the positions that will be funded.
- States and EC must give public notice (including internet publication) of the statement and the intent to request funding seven (7) days before submitting the statement to DOL.



Hiring

- Local governments and CBOs must target recruitment of individuals who:
 - Have received unemployment for at least 25 weeks;
 - Exhausted their unemployment within the last 2 years;
 - Are veterans; or
 - Are unemployed and have insufficient wages to qualify for unemployment.
- \$100M is available for bonuses from DOL to local governments and CBOs that fill at least 15% of their positions with members of the groups specified in the bill for recruitment.

Job Standards

- Jobs must be full-time, in conformity with existing standards of the employer (whether public sector or CBO);
- Jobs must be for a 12 month period, except those that typically follow a school year.
- No more than 20% of jobs may be at the executive, administrative or professional levels as described in the Fair Labor Standards Act.
- Individuals hired have the same rights, responsibilities, job standards and protections as existing employees.

Labor Protections

- Local governments and CBOs are prohibited from displacing existing or laid off workers.
- CBOs may not be funded to provide services that would replace government functions.

Reporting

- Jurisdictions must file quarterly reports detailing their compliance with the funding statements submitted to DOL;
- DOL will post reports on its website.