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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R.

To require the Secretary of Labor to establish a pilot program to provide grants for job guarantee programs.

IN THE HOUSE OF REPRESENTATIVES

Mrs. WATSON COLEMAN introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Secretary of Labor to establish a pilot program to provide grants for job guarantee programs.

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 may be cited as the “Federal Jobs Guar-
5 antee Development Act of 2026”.

6 **SEC. 2. JOB GUARANTEE PILOT PROGRAM.**

7 (a) DEFINITIONS.—In this section:

8 (1) ELIGIBLE ENTITY.—The term “eligible enti-
9 ty” means an entity that—

1 (A) is a political subdivision of a State,
2 Tribal entity, or a combination of contiguous
3 political subdivisions or Tribal entities; and

4 (B) has an unemployment rate that is not
5 less than 150 percent of the national unemploy-
6 ment rate, as determined by the Bureau of
7 Labor Statistics (except in the case of Tribal
8 entities which may submit their own employ-
9 ment data where no such Federal data is avail-
10 able for such entities) based on the most recent
11 data available at the time the Secretary solicits
12 applications for grants under this section.

13 (2) JOB GUARANTEE PROGRAM.—The term
14 “job guarantee program” means a program that
15 meets the requirements of subsection (c).

16 (3) RURAL AREA.—The term “rural area”
17 means an area that is located outside of an urban
18 area.

19 (4) TRIBAL ENTITY.—The term “Tribal entity”
20 means an Indian tribe or tribal organization as such
21 terms are defined in section 4 of the Indian Self-De-
22 termination Act (25 U.S.C. 5304).

23 (5) URBAN AREA.—The term “urban area”
24 means an urbanized area (a region of 50,000 or
25 more residents) and an urbanized cluster (and area

1 encompassing between 2,500 and 50,000 residents),
2 according to the Census Bureau's urban-rural classi-
3 fication in the 2010 census.

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

6 (7) WIOA DEFINITIONS.—The terms “adult
7 education and literacy activities”, “career planning”,
8 “individual with a barrier to employment”, “in-de-
9 mand industry sector or occupation”, “local board”,
10 “recognized postsecondary credential”, “State
11 board”, “supportive services”, and “workplace learn-
12 ing advisor” have the meanings given such terms in
13 section 3 of the Workforce Innovation and Oppor-
14 tunity Act (29 U.S.C. 3102).

15 (b) ESTABLISHMENT.—

16 (1) IN GENERAL.—The Secretary shall establish
17 a pilot program to provide competitive grants to eli-
18 gible entities to establish programs to ensure that
19 any individual within the area served by the entity
20 who applies for a job through the program will be
21 provided with employment as provided for in this
22 section.

23 (2) TERMINATION.—Federal funding for a job
24 guarantee program established under a grant under
25 this section shall terminate on the earlier of—

1 (A) the end of the 3-year period beginning
2 on the date of the grant; or

3 (B) the date of any revocation of the
4 grantee as an eligible entity.

5 (c) JOB GUARANTEE PROGRAMS.—A job guarantee
6 program meets the requirements of this subsection if the
7 jobs provided under such program—

8 (1) are available to all individuals who—

9 (A) are 18 years of age or older; and

10 (B) reside in the area served under the
11 program at the time the area became an eligible
12 entity,

13 except that participants in the program may be dis-
14 ciplined, released, or suspended from further partici-
15 pation in jobs under this program if they are found
16 to be negligent, or generally disruptive to the work-
17 place involved under procedures established by the
18 Secretary that provide for an opportunity for a re-
19 view of such determinations;

20 (2) are, with respect to individual participants,
21 included as part of an established bargaining unit
22 and covered by any applicable collective bargaining
23 agreement in effect if similarly situated employees
24 are part of such unit and represented by an exclu-
25 sive bargaining representative;

1 (3) are available for the duration of the pilot
2 program;

3 (4) provide a wage of not less than the greater
4 of—

5 (A) the hourly wage provided for under the
6 provisions of S. 2488 (118th Congress), if en-
7 acted, or the hourly wage otherwise required to
8 be paid to employees in area to be served under
9 the pilot program, whichever is greater;

10 (B) the prevailing wage in the area in-
11 volved for a similar job as required by chapter
12 67 of title 41, United States Code, and other
13 related laws; or

14 (C) the applicable wage under an applica-
15 ble collective bargaining agreement as provided
16 for under paragraph (2);

17 (5) provide for coverage of the worker under a
18 health insurance program that is comparable to that
19 offered to Federal employees under the Federal Em-
20 ployee Health Benefits Program; and

21 (6) provide at a minimum—

22 (A) paid family leave consistent with the
23 provisions of S. 1714 (118th Congress), if en-
24 acted, and applicable State law; and

1 (B) paid sick leave consistent with the pro-
2 vision of S. 1664 (118th Congress), if enacted,
3 and applicable State law.

4 (d) OTHER USES.—Funds may be used to provide
5 workers in a job guarantee program with—

6 (1) supportive services, which can include trans-
7 portation, child care, dependent care, housing, and
8 needs-related payments, that are necessary to enable
9 an individual to participate in activities authorized
10 under this Act;

11 (2) access to a workplace learning advisor to
12 support the education, skill development, job train-
13 ing, career panning, and credentials required to
14 progress toward career goals of such employees in
15 order to meet employer requirements related to job
16 openings and career advancements that support eco-
17 nomic self-sufficiency;

18 (3) adult education and literacy activities, in-
19 cluding those provided by public libraries;

20 (4) activities that assist justice involved individ-
21 uals, formerly incarcerated individuals, and individ-
22 uals with criminal records in reentering the work-
23 force; and

1 (5) financial literacy activities including those
2 described in section 129(b)(2)(D) of the Workforce
3 Innovation and Opportunity Act.

4 (e) APPLICATIONS.—An eligible entity seeking a
5 grant under this section shall submit an application to the
6 Secretary at such time, in such manner, and containing
7 such information as the Secretary may require. Such ap-
8 plication shall include—

9 (1) a description of the geographic area and
10 population that the entity intends to serve under the
11 job guarantee program established under the grant,
12 including the area unemployment rate, underemploy-
13 ment rate, unemployment rate for individuals with
14 disabilities, poverty rate, housing vacancy rate, crime
15 rate, household income, home-ownership rate, labor
16 force participation rate, and educational attainment;

17 (2) to extent practicable, a description of the
18 jobs that will be offered under the job guarantee
19 program, including—

20 (A) a description of supports provided to
21 individuals with disabilities and accommoda-
22 tions required under the Americans with Dis-
23 abilities Act of 1990 (42 U.S.C. 12101 et seq.);
24 and

1 (B) a description of supports and proce-
2 dures to ensure job access and opportunities for
3 individuals with criminal records, including in-
4 formation on physical and programmatic acces-
5 sibility, in accordance with section 188 of the
6 Workforce Innovation and Opportunity Act, if
7 applicable, and the Americans with Disabilities
8 Act of 1990, for individuals with disabilities;

9 (3) the need in the area for jobs to be per-
10 formed, including for jobs designated as a high-skill,
11 high-wage, or in-demand industry sector or occupa-
12 tion by the Secretary, State board, or local board;

13 (4) a description of State, local, or philan-
14 thropic funding, including through coordination and
15 in-kind or non-financial support, if any, that will be
16 provided to assist in carrying out the job guarantee
17 program;

18 (5) an assurance that the eligible entity will es-
19 tablish—

20 (A) a public internet website, in conjunc-
21 tion with the Secretary, to post all available
22 jobs under the job guarantee program; and

23 (B) a process for individuals to apply for
24 such jobs;

1 (6) a comprehensive plan to describe how the
2 funding under the program will leverage existing or
3 anticipated local, State, and Federal funding;

4 (7) an assurance that necessary administrative
5 data systems and information technology infrastruc-
6 ture are available, or will be available, to provide for
7 full participation in the evaluation under subsection
8 (m);

9 (8) a description of how the eligible entity will
10 comply with the requirements described in sub-
11 section (c)(6);

12 (9) an assurance that the entity will enter into
13 an allocation agreement with the Secretary under
14 subsection (k)(2)(B); and

15 (10) an assurance that energy and infrastruc-
16 ture jobs provided under the program will not exac-
17 erbate the impacts of climate change.

18 (f) SELECTION.—The Secretary, after reviewing ap-
19 plications from eligible entities, shall award grants under
20 this section to not more than 15 such eligible entities. In
21 awarding such grants, the Secretary shall consider diver-
22 sity in geographic location, urban-rural composition, and
23 political entity, including the representation of Tribal enti-
24 ties.

25 (g) AMOUNT OF GRANT.—

1 (1) ESTABLISHMENT OF FUND.—There is es-
2 tablished in the Treasury of the United States a sep-
3 arate account to be known as the “Job Guarantee
4 Program Trust Fund” (referred to in this section as
5 the “Fund”), consisting of—

6 (A) amounts deposited in the Fund under
7 subsection (o); and

8 (B) any interest earned on investment of
9 amounts in the Fund.

10 (2) USE OF AMOUNTS.—The Secretary shall use
11 amounts in the Fund to make payments to grantees
12 under grants under this section in accordance with
13 paragraph (3).

14 (3) PAYMENTS.—

15 (A) IN GENERAL.—The Secretary shall de-
16 termine the annual amount of a grant under
17 this section based on a formula to be developed
18 by the Secretary.

19 (B) PAYMENTS.—The Secretary shall
20 make payments to grantees under this section
21 in a manner determined appropriate by the Sec-
22 retary. The Secretary shall not make subse-
23 quent payments to a grantee after the initial
24 payment until the grantee certifies to the Sec-
25 retary that the grantee has expended, trans-

1 ferred, or obligated not less than 80 percent of
2 the most recent payment made under this sub-
3 section.

4 (h) LIMITATIONS.—An eligible entity may not use
5 amounts received under a grant under this section to—

6 (1) employ individuals who will replace, or lead
7 to the displacement of, existing employees, positions,
8 or individuals who would otherwise perform similar
9 employment, or disrupt existing contracts and collec-
10 tive bargaining agreements, as defined in section
11 181(b) of the Workforce Innovation and Opportunity
12 Act (29 U.S.C. 3241(b));

13 (2) perform functions otherwise prohibited by
14 Federal, State, or local laws; and

15 (3) carry out other prohibited activities, as de-
16 termined by the Secretary.

17 (i) FEDERAL PROVISION OF JOBS IN PILOT SITES.—

18 (1) GUIDANCE.—Not later than 30 days after
19 the date on which the Secretary awards the first
20 grant under this section, the Secretary shall—

21 (A) provide guidance to the heads of ap-
22 propriate Federal agencies to notify such agen-
23 cies of job guarantee programs established
24 under such grants; and

1 (B) request that such agencies notify the
2 Secretary, within 30 days of the date on which
3 the guidance is received under paragraph (1),
4 of the number and types of jobs that such agen-
5 cy would make available through each of the
6 programs.

7 (2) APPLICATION OF PROVISIONS.—The re-
8 quirements of subsection (c) relating to wages and
9 benefits provided to participants in jobs provided
10 under job guarantee programs, and the limitations
11 in subsection (h), shall apply to Federal agencies
12 and jobs provided under this subsection, except that
13 a Federal agency shall employ each individual under
14 this subsection for up to three years.

15 (3) LISTING OF JOBS ON WEBSITE.—The Sec-
16 retary shall establish procedures to ensure that jobs
17 identified under paragraph (1)(B) are listed on the
18 appropriate public internet website as provided for
19 under subsection (e)(5)(A).

20 (4) REIMBURSEMENT.—At the end of each fis-
21 cal year, the Secretary shall transfer from the Fund
22 to each Federal agency that employs individuals
23 under a job guarantee program under this section,
24 an amount necessary to reimburse such agency for

1 the full cost of employing each such individual dur-
2 ing such fiscal year.

3 (j) TRAINING.—

4 (1) IN GENERAL.—The Secretary shall develop
5 procedures to support up to 8 weeks of paid training
6 (through privately or publicly funded training pro-
7 grams, such as those provided by the public work-
8 force system) to participants in order to perform du-
9 ties required by job guarantee programs under this
10 section, including a new period of training, not to
11 exceed 8 weeks, prior to commencing any new job
12 under the program.

13 (2) SPECIFIC POPULATIONS.—With respect to
14 certain individuals with barriers to employment, the
15 8-week training period may include specific job-re-
16 lated training and counseling and other general
17 skills training to prepare such individuals to reenter
18 the workforce.

19 (k) PRIORITIES AND AUDITS.—

20 (1) PRIORITIES.—Prior to awarding the initial
21 grants under this section, the Secretary shall issue
22 a list of national job priorities relating to jobs that
23 may be carried out under job guarantee programs,
24 that shall include child care, care for seniors and in-
25 dividuals with disabilities, clean energy jobs, and

1 sustainable infrastructure activities. The Secretary
2 shall take State board and local board suggestions
3 into consideration when issuing such list.

4 (2) AUDITS.—

5 (A) IN GENERAL.—The Secretary, acting
6 through the Inspector General of the Depart-
7 ment of Labor, shall carry out annual audits of
8 the use of grant funds provided to eligible enti-
9 ties under this section.

10 (B) ALLOCATION AGREEMENTS AND MIS-
11 USE OF FUNDS.—

12 (i) ALLOCATION AGREEMENTS.—An
13 eligible entity shall enter into an allocation
14 agreement with the Secretary that shall
15 provide that the Secretary shall recoup any
16 amounts paid to the entity under a grant
17 under this section if the results of an audit
18 under subparagraph (A) include a finding
19 that there was an intentional or reckless
20 misuse of such funds by such entity.

21 (ii) LOSS OF ELIGIBILITY.—An eligi-
22 ble entity that is determined to have fal-
23 sified or otherwise misstated data in any
24 report submitted to the Secretary with the
25 intent to deceive or mislead the Secretary

1 shall be ineligible to receive additional
2 funds under this section.

3 (1) REPORTS.—Not later than 90 days after the end
4 of each calendar year for which an eligible entity obligates
5 or expends any amounts made available under a grant
6 under this section, the eligible entity shall submit to the
7 Secretary a report that—

8 (1) specifies the amount of grant funds obli-
9 gated or expended for the preceding fiscal year;

10 (2) specifies any purposes for which the funds
11 were obligated or expended; and

12 (3) includes any other information that the Sec-
13 retary may require to more effectively administer the
14 grant program under this section, including the indi-
15 cators of performance under section 116(b)(2)(A)(i)
16 of the Workforce Innovation and Opportunity Act
17 (29 U.S.C. 3141(b)(2)(A)(i)), with the performance
18 data disaggregated by race, ethnicity, sex, age, and
19 membership in a population specified in section
20 3(24) of such Act (29 U.S.C. 3102(24)).

21 (m) EVALUATION.—The Chief Evaluation Officer at
22 the Department of Labor shall provide for the conduct of
23 an evaluation of the pilot program, using a rigorous design
24 and evaluation methods to assess the implementation of
25 the programs and their impact on—

1 (1) overall employment, public-sector employ-
2 ment, and private-sector employment;

3 (2) private sector employment, wages, and ben-
4 efits;

5 (3) poverty rate;

6 (4) public assistance spending and other Fed-
7 eral spending in the area served by the program;

8 (5) child health and educational outcomes;

9 (6) health and well-being of those with mental,
10 emotional, and behavioral health needs;

11 (7) incarceration rates;

12 (8) the environment, including air quality and
13 water quality;

14 (9) the indicators of performance as described
15 in subsection (l)(3); and

16 (10) other economic development and individual
17 outcome indicators, as determined by the Secretary.

18 (n) EXPANSION OF WORK OPPORTUNITY CREDIT TO
19 INCLUDE PARTICIPANTS IN JOB GUARANTEE PRO-
20 GRAMS.—

21 (1) IN GENERAL.—Subsection (d) of section 51
22 of the Internal Revenue Code of 1986 is amended—

23 (A) in paragraph (1)—

24 (i) in subparagraph (I), by striking

25 “or” at the end;

1 (ii) in subparagraph (J), by striking
2 the period at the end and inserting “, or”;
3 and

4 (iii) by adding at the end the fol-
5 lowing new subparagraph:

6 “(K) a qualified participant in a job guar-
7 antee program.”; and

8 (B) by adding at the end the following new
9 paragraph:

10 “(16) QUALIFIED PARTICIPANT IN A JOB GUAR-
11 ANTEE PROGRAM.—The term ‘qualified participant
12 in a job guarantee program’ means any individual
13 who is certified by the designated local agency as
14 having participated in a job guarantee program
15 under section 2 of the Federal Jobs Guarantee De-
16 velopment Act of 2026 for not less than 3 months
17 during the 6-month period ending on the hiring
18 date.”.

19 (2) EFFECTIVE DATE.—The amendments made
20 by this subsection shall apply to individuals who
21 begin work for the employer after December 31,
22 2026.

23 (o) APPROPRIATIONS.—From funds in the Treasury
24 not otherwise appropriated, there are appropriated to the
25 Secretary such sums as may be necessary to carry out this

- 1 section, including to deposit amounts in the Fund estab-
- 2 lished under subsection (g).