

SENIOR INDEPENDENCE ACT OF 2006

—————
JUNE 8, 2006.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed
—————

Mr. MCKEON, from the Committee on Education and the
Workforce, submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 5293]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and the Workforce, to whom was referred the bill (H.R. 5293) to amend the Older Americans Act of 1965 to authorize appropriations for fiscal years 2007 through 2011, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

CONTENTS

| | Page |
|--|------|
| Purpose | 31 |
| Committee Action | 31 |
| Summary | 34 |
| Committee Statement and Views | 40 |
| References | 65 |
| Section-by-Section Analysis | 66 |
| Explanation of Amendments | 70 |
| Rollcall Votes | 71 |
| Correspondence | 73 |
| Application of Law to the Legislative Branch | 74 |
| Statement of Oversight Findings and Recommendations of the Committee | 74 |
| Statement of General Performance Goals and Objectives | 74 |
| Constitutional Authority Statement | 74 |
| Federal Advisory Committee Act | 74 |
| Unfunded Mandate Statement | 74 |
| Committee Estimate | 74 |
| Budget Authority and Congressional Budget Office Cost Estimate | 75 |

Changes in Existing Law Made by the Bill as Reported 77

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Senior Independence Act of 2006”.

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Establishment of Administration on Aging.
- Sec. 4. Functions of the Assistant Secretary.
- Sec. 5. Federal agency consultation.
- Sec. 6. Administration.
- Sec. 7. Evaluation.
- Sec. 8. Reports.
- Sec. 9. Contractual, commercial and private pay relationships; appropriate use of Act funds.
- Sec. 10. Nutrition education.
- Sec. 11. Pension counseling and information programs.
- Sec. 12. Authorization of appropriations.
- Sec. 13. Purpose; administration.
- Sec. 14. Authorization of appropriations; uses of funds.
- Sec. 15. Organization.
- Sec. 16. Area plans.
- Sec. 17. State plans.
- Sec. 18. Payments.
- Sec. 19. Nutrition services incentive program.
- Sec. 20. Consumer contributions.
- Sec. 21. Supportive services and senior centers program.
- Sec. 22. Nutrition service.
- Sec. 23. Congregate nutrition program.
- Sec. 24. Home delivered nutrition services.
- Sec. 25. Criteria.
- Sec. 26. Nutrition.
- Sec. 27. Evaluation of nutrition projects.
- Sec. 28. Improving indoor air quality to buildings where seniors congregate.
- Sec. 29. Caregiver support program definitions.
- Sec. 30. Caregiver support program.
- Sec. 31. Activities of national significance.
- Sec. 32. Title IV grant programs.
- Sec. 33. Career preparation for the field of aging.
- Sec. 34. Health care service demonstration projects in rural areas.
- Sec. 35. Demonstration projects for multigenerational activities.
- Sec. 36. Native American programs.
- Sec. 37. Responsibilities of Assistant Secretary.
- Sec. 38. Community service employment-based training for older Americans.
- Sec. 39. Native Americans caregiver support program.
- Sec. 40. Vulnerable elder rights protection activities.
- Sec. 41. Native American organization provisions.
- Sec. 42. Elder abuse, neglect, and exploitation prevention.
- Sec. 43. Technical amendments.

SEC. 2. DEFINITIONS.

Section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002) is amended—

(1) by amending paragraph (10) to read as follows:

“(10) The terms ‘assistive device’, ‘assistive technology’, and ‘assistive technology service’ have the meanings given such terms in section 3 of the Assistive Technology Act of 1998 (29 U.S.C. 3002).”.

(2) by amending paragraph (12)(D) to read as follows:

“(D) evidence-based health promotion programs, including programs related to the prevention and mitigation of the effects of chronic disease (including osteoporosis, hypertension, obesity, diabetes, and cardiovascular disease), alcohol and substance abuse reduction, smoking cessation, weight loss and control, stress management, falls prevention, physical activity, and improved nutrition through the consumption of a healthful diet and multi-vitamin-mineral supplementation;”.

(3) in paragraph (29)(E)—

(A) in clause (i) by striking “and” at the end,

(B) in clause (ii) by striking the period at the end and inserting “; and”,
and

(C) by adding at the end the following:

“(iii) older individuals at risk for institutional placement.”.

(4) by amending paragraph (24) to read as follows:

“(24) The term ‘exploitation’ means the fraudulent or otherwise illegal, unauthorized, or improper act or process of an individual that uses the resources of an older individual for monetary or personal benefit, profit, or gain, or that results in depriving an older individual of rightful access to, or use of, benefits, resources, belongings, or assets.”.

(5) by amending paragraph (34) to read as follows:

“(34) The term ‘neglect’ means—

“(A) the failure of a caregiver or fiduciary to provide goods or services that are necessary to maintain the health or safety of an elder; or

“(B) self neglect.”

(6) by redesignating paragraphs (1) through (43) as paragraphs (43), (7), (48), (37), (25), (26), (52), (13), (46), (8), (28), (12), (1), (2), (3), (5), (6), (10), (24), (35), (11), (14), (15), (17), (19), (20), (21), (22), (27), (29), (30), (32) (33), (36), (38), (39), (40), (41), (42), (49), (51), (18), and (47), respectively,

(7) by transferring such paragraphs so as to arrange them in numerical order as so redesignated,

(8) by inserting after paragraph (3), as so redesignated the following:

“(4) The term ‘Aging and Disability Resource Center’ means a program established by a State as part of the State’s system of long-term care, to provide a coordinated system for providing—

“(A) comprehensive information on available public and private long-term care programs, options, and resources;

“(B) personal counseling to assist individuals in assessing their existing or anticipated long-term care needs, and developing and implementing a plan for long-term care designed to meet their specific needs and circumstances; and

“(C) consumer access to the range of publicly-supported long-term care programs for which they may be eligible, by serving as a convenient point of entry for such programs.”

(9) by inserting after paragraph (8), as so redesignated, the following:

“(9) The term ‘at risk for institutional placement’ means, with respect to an older individual, that such individual is unable to perform at least two activities of daily living without substantial human assistance (including verbal reminding, physical cuing, or supervision) and is determined by the State to be in need of placement in a long-term care facility.”

(10) by inserting after paragraph (15), as so redesignated, the following:

“(16) The term ‘elder justice’ means efforts to prevent, detect, treat, intervene in, and respond to elder abuse, neglect, and exploitation and to protect elders with diminished capacity while maximizing their autonomy.”

(11) by inserting after paragraph (22), as so redesignated, the following:

“(23) The term ‘Hispanic serving institution’ has the meaning as defined in section 502 of the Higher Education Act of 1965 (20 U.S.C. 1101A).”

(12) by inserting after paragraph (30), as so redesignated, the following:

“(31) The term ‘long-term care’ means any services, care, or items (including assistive devices), including disease prevention and health promotion services, in-home services, and case management service—

“(A) intended to assist individuals in coping with, and to the extent practicable compensate for, functional impairments in carrying out activities of daily living;

“(B) furnished at home, in a community care setting (including a small community care setting as defined in subsection (g)(1), and a large community care setting as defined in subsection (h)(1), of section 1929 of the Social Security Act (42 U.S.C. 1396t)), or in a long-term care facility; and

“(C) not furnished to prevent, diagnose, treat, or cure a medical disease or condition.”

(13) by inserting after paragraph (33), as so redesignated, the following:

“(34) The term ‘multivitamin-mineral supplement’ means a dietary supplement that provides at least two-third’s of the essential vitamins and minerals at 100 percent of the daily value levels as determined by the Food and Drug Administration.”

(14) by inserting after paragraph (43), as so redesignated, the following:

“(44) The term ‘self-directed care’ means an approach to providing services (including programs, benefits, supports, and technology) under this Act intended to an older individual to assist such individual with activities of daily living, in which

“(A) such services (including the amount, duration, scope, provider, and location of such services) are planned, budgeted, and purchased under the direction and control of such individual;

“(B) such individual is provided with such information and assistance as necessary and appropriate to enable such individual to make informed decisions about his or her care options;

“(C) the needs, capabilities, and preferences of such individual with respect to such services, and such individual’s ability to direct and control his or her receipt of such services, are assessed by the area agency on aging (or other agency designated by the area agency on aging);

“(D) based on the assessment made under subparagraph (C), the area agency on aging (or other agency designated by the area agency on aging) develops together with such individual and his or her family, caregiver, or legal representative—

“(i) a plan of services for such individual that specifies which services such individual will be responsible for directing;

“(ii) a determination of the role of family members (and others whose participation is sought by such individual) in providing services under such plan; and

“(iii) a budget for such services; and

“(E) the area agency on aging or State agency provides for oversight of such individual’s self-directed receipt of services, including steps to ensure the quality of services provided and the appropriate use of funds under this Act.

“(45) The term ‘self-neglect’ means an adult’s inability, due to physical or mental impairment or diminished capacity, to perform essential self-care tasks including—

“(A) obtaining essential food, clothing, shelter, and medical care;

“(B) obtaining goods and services necessary to maintain physical health, mental health, or general safety; or

“(C) managing one’s own financial affairs.” and

(15) by inserting after paragraph (49), as so redesignated, the following:

“(50) The term ‘State system of long-term care’ means the Federal, State, and local programs and activities administered by a State that provide, support, or facilitate access to long-term care to individuals in such State.”.

SEC. 3. ESTABLISHMENT OF ADMINISTRATION ON AGING.

Section 201 of the Older Americans Act of 1965 (42 U.S.C. 3011) is amended by adding at the end the following:

“(e)(1) The Assistant Secretary may designate within the Administration responsibility for elder abuse prevention and services.

“(2) It shall be the duty of the assistant secretary, acting through the person designated with responsibility for elder abuse prevention and services, to develop objectives, priorities, policy, and a long-term plan for—

“(A) carrying out elder justice programs and activities relating to—

“(i) elder abuse prevention, detection, treatment, and intervention, and response;

“(ii) training of individuals regarding the matters described in clause (i); and

“(iii) the improvement of the elder justice system in the United States;

“(B) collecting and disseminating data relating to the abuse, neglect, and exploitation of older individuals;

“(C) disseminating information concerning best practices regarding, and providing training on, carrying out activities related to abuse, neglect, and exploitation of older individuals;

“(D) conducting research related to abuse, neglect, and exploitation of older individuals;

“(E) providing technical assistance to States and other eligible entities under title VII;

“(F) assisting States and other eligible entities under title VII to develop strategic plans to better coordinate elder justice activities, research, and training; and

“(G) promoting collaborative efforts and diminishing duplicative efforts in the development and carrying out of elder justice programs at the Federal, State, and local levels.”.

SEC. 4. FUNCTIONS OF THE ASSISTANT SECRETARY.

Section 202 of the Older Americans Act of 1965 (42 U.S.C. 3012) is amended—

(1) in subsection (a)—

(A) in paragraph (5) by inserting “assistive technology,” after “housing,”

(B) in paragraph (12)—

(i) by striking “(12)” and inserting the following:

“(12)(A) consult and coordinate activities with the Centers for Medicare & Medicaid Services and other federal entities to implement and build awareness of programs providing benefits affecting older individuals; and

“(B),

(C) in paragraph (20)—

(i) by striking “and area agencies on aging” and inserting “, area agencies on aging, and service providers”,

(ii) by striking “and benefits” and inserting “benefits”,

(iii) by inserting “benefits under any other applicable Federal program, or any other service (including technology and internet-based decision support tools) to assist consumers to learn about, to receive benefits under, and to participate in programs for which they may be eligible” after “(7 U.S.C. 2011 et seq.),”

(iv) by inserting “(A)” after “(20)”, and

(v) by adding at the end the following:

“(B) provide technical assistance and support for benefits enrollment assistance and outreach to support existing efforts to inform and enroll older individuals who may be eligible to participate, but who are not participating, in programs for which they are eligible, and may in cooperation with Federal partners, establish a National Center on Senior Benefits Outreach and Enrollment, which shall—

“(i) develop, maintain, and update web-based decision supports and enrollment tools and integrated, person-centered systems designed to inform older individuals about the full range of benefits for which they may be eligible;

“(ii) utilize strategies to find and enroll those with greatest economic need;

“(iii) create and support efforts for Aging and Disability Resource Centers, and other public and private state and community-based organizations, including faith-based organizations, to serve as enrollment benefit centers;

“(iv) develop and maintain an information clearinghouse on best practices and cost-effective methods for enrolling limited income older Americans in benefits for which they are eligible; and

“(v) provide, in collaboration with Federal partners administering programs, training and technical assistance on effective outreach, screening, enrollment and follow-up strategies.”,

(D) in paragraph (26)—

(i) in subsection (D)—

(I) by striking “gaps in”, and

(II) by inserting “(including services that would permit such individuals to receive long-term care in home and community-based settings)” after “individuals”, and

(ii) in subsection (E) by striking “and” at the end,

(E) in paragraph (27)—

(i) in subparagraph (B) by adding “and” at the end,

(ii) in subparagraph (C) by striking the semicolon and inserting a period, and

(iii) by striking subparagraph (D), and

(F) by adding at the end the following:

“(28) make available to States information and technical assistance to support the provision of evidence-based disease prevention and health promotion services.”, and

(2) by striking subsections (b) and (c), and inserting the following:

“(b) To promote the development and implementation of comprehensive, coordinated systems at Federal, State, and local levels for providing long-term care in home and community-based settings, in a manner responsive to the needs and preferences of older individuals and their family caregivers, the Assistant Secretary shall, consistent with the applicable provisions of this title—

“(1) collaborate, coordinate, and consult with other Federal agencies and departments responsible for formulating and implementing programs, benefits, and services related to providing long-term care, and may make grants, contracts, and cooperative agreements with funds received from other Federal entities;

“(2) conduct research and demonstration projects to identify innovative, cost-effective strategies for modifying State systems of long-term care to—

“(A) respond to the needs and preferences of older individuals and family caregivers; and

“(B) target services to individuals at risk for institutional placement, to permit such individuals to remain in home and community-based care settings;

“(3) establish criteria and promote the implementation (through area agencies on aging, service providers, and such other entities as the Assistant Secretary determines to be appropriate) of evidence-based programs to assist older individuals and their family caregivers in learning about and making behavioral changes intended to reduce the risk of injury, disease, and disability among older individuals;

“(4) facilitate, in coordination with the Centers for Medicare & Medicaid Services, the provision of long-term care in home and community-based settings, including the provision of self-directed care models that—

“(A) provide for the assessment of the needs and preferences of an individual at risk for institutional placement to help such individual avoid unnecessary nursing home placement and depletion of income and assets to qualify for Medicaid eligibility;

“(B) respond to the needs and preferences of such individual and provide the option for the individual (or representative, as appropriate) to direct and control the receipt of support services provided;

“(C) assist an older individual (or a representative, as appropriate) develop a plan for long-term support, including the selecting, budgeting, and purchasing of home and community-based long-term care and supportive services;

(for purposes of this paragraph, the term ‘representative’ means a person appointed by the eligible individual, or legally acting on the individual’s behalf, to represent or advise the individual in financial or service coordination matters);

“(5) provide for the Administration to play a lead role with respect to issues concerning home and community-based long-term care, including—

“(A) directing (as the Secretary or the President determines to be appropriate) or otherwise participating in departmental and interdepartmental activities concerning long-term care;

“(B) reviewing and commenting on departmental rules, regulations, and policies related to providing long-term care; and

“(C) making recommendations to the Secretary with respect to home and community-based long-term care, including recommendations based on findings made through projects conducted under paragraph (2);

“(6) promote, in coordination with other appropriate Federal agencies, enhanced awareness by the public of the importance of planning in advance for long-term care and the availability of information and resources to assist in such planning;

“(7) implement in all states Aging and Disability Resource Centers—

“(A) to serve as visible and trusted sources of information on the full range of long-term care options that are available in the community, including both institutional and home and community-based care;

“(B) to provide personalized and consumer friendly assistance to empower people to make informed decisions about their care options;

“(C) to provide coordinated and streamlined access to all publicly supported long-term care options so that consumers can obtain the care they need through a single intake, assessment and eligibility determination process;

“(D) to help people to plan ahead for their future long-term care needs; and

“(E) to assist, in coordination with the State Health Insurance Assistance Program, Medicare beneficiaries in understanding and accessing the Prescription Drug Coverage and preventative health benefits available under the Medicare Modernization Act;

“(8) establish, either directly or through grants or contracts, a national technical assistance program to assist State agencies, area agencies on aging, and community-based service providers funded under this Act in implementing such home and community-based long-term care systems including evidence-based programs;

“(9) develop, in collaboration with the Administrator of the Centers for Medicare & Medicaid Services, performance standards and measures for use by States to determine the extent to which their systems of long-term care fulfill the objectives described in this subsection; and

“(10) conduct such other activities as the Assistant Secretary determines to be appropriate.

“(c) The Assistant Secretary, in consultation with the Corporation for National and Community Service, shall—

“(1) encourage and permit voluntary groups active in supportive services, including youth organizations active at the secondary or postsecondary levels, to participate and be involved individually or through representative groups, in such programs or activities to the maximum extent feasible;

“(2) develop a comprehensive strategy for utilizing older individuals to address critical local needs of national concern; and

“(3) encourage other community capacity building initiatives involving older individuals.”.

SEC. 5. FEDERAL AGENCY CONSULTATION.

Section 203 of the Older Americans Act of 1965 (42 U.S.C. 3013) is amended—

(1) in subsection (a)(3)(A) by striking “(with particular attention to low-income minority older individuals and older individuals residing in rural areas)” and inserting “(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)”, and

(2) in subsection (b)—

(A) in paragraph (17) by striking “and” at the end,

(B) in paragraph (18) by striking the period at the end and inserting “; and”, and

(C) by adding at the end the following:

“(19) sections 4 and 5 of the Assistive Technology Act of 1998 (29 U.S.C. 3003–3004).”.

SEC. 6. ADMINISTRATION.

Section 205 of the Older Americans Act of 1965 (42 U.S.C. 3016) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in subparagraph (C) by adding “and” at the end,

(ii) in subparagraph (D) by striking the semicolon at the end and inserting a period, and

(iii) by striking subparagraph (E), and

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) by amending clause (i) to read as follows:

“(i) designing, implementing, and evaluating evidence-based programs to support improved nutrition and regular physical activity for older individuals;”,

(II) by amending clause (iii) to read as follows:

“(iii) conducting outreach and disseminating evidence-based information to nutrition service providers about the benefits of healthful diets and regular physical activity, including information about the most current Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341), the Food Guide Pyramid published jointly by the Secretary and the Secretary of Agriculture, and advances in nutrition science;”,

(III) in clause (vii) by striking “and” at the end, and

(IV) by striking clause (viii) and inserting the following:

“(viii) disseminating guidance that describes strategies for improving the nutritional quality of meals provided under title III, particularly strategies for increasing the consumption of whole grains, lowfat dairy products, fruits and vegetables;

“(ix) developing and disseminating guidelines for conducting nutrient analyses of meals provided in subparts 1 and 2 of part C, including guidelines for averaging key nutrients over an appropriate period of time; and

“(x) providing technical assistance to the regional offices of the Administration with respect to each duty described in clauses (i) through (viii).”, and

(ii) by amending subparagraph (C)(i) to read as follows:

“(i) have expertise in nutrition, energy balance, and meal planning; and”.

SEC. 7. EVALUATION.

The 1st sentence of section 206(g) of the Older Americans Act of 1965 (42 U.S.C. 3017(g)) is amended to read as follows:

“From the total amount appropriated for each fiscal year to carry out title III, the Secretary may use such sums as may be necessary, but not to exceed ½ of 1 percent of such amount, for purposes of conducting evaluations under this section, either directly or through grants or contracts.”.

SEC. 8. REPORTS.

Section 207(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3018(b)(2)) is amended—

(1) in subparagraph (B) by striking “Labor” and inserting “the Workforce”, and

(2) in subparagraph (C) by striking “Labor and Human Resources” and inserting “Health, Education, Labor, and Pensions”.

SEC. 9. CONTRACTUAL, COMMERCIAL AND PRIVATE PAY RELATIONSHIPS; APPROPRIATE USE OF ACT FUNDS.

(a) PRIVATE PAY RELATIONSHIPS; APPROPRIATE USE OF ACT FUNDS.—Section 212 of the Older Americans Act of 1965 (42 U.S.C. 3020c) is amended to read as follows:

“SEC. 212. CONTRACTING AND GRANT AUTHORITY; PRIVATE PAY RELATIONSHIPS; APPROPRIATE USE OF FUNDS.

“(a) IN GENERAL.—Subject to subsection (b), this Act shall not be construed to prevent a recipient of a grant or a contract from entering into an agreement—

“(1) with a profitmaking organization;

“(2) under which funds provided under such grant or contract are used to pay part or all of a cost (including an administrative cost) incurred by such recipient to carry out a contract or commercial relationship for the benefit of older individuals or their family caregivers, whether such relationship is carried out to implement a provision of this Act or to conduct activities inherently associated with implementing such provision; or

“(3) under which any individual, regardless of age or income (including the family caregiver of such individual), who seeks to receive 1 or more services pays, at their own private expense, to receive such services based on the fair market value of such services.

“(b) ENSURING APPROPRIATE USE OF FUNDS.—An agreement described under subsection (a) may not—

“(1) be made without the prior approval of the State agency (or, in the case of a grantee under title VI, without the prior recommendation of the Director of the Office for American Indian, Alaska Native, and Native Hawaiian Aging and the prior approval of the Assistant Secretary);

“(2) directly or indirectly provide for, or have the effect of, paying, reimbursing, or otherwise compensating an entity under such agreement in an amount that exceeds the fair market value of the goods or services furnished by such entity under such agreement;

“(3) result in the displacement of services otherwise available to an older individual with the greatest social need, an older individual with greatest economic need, or an older individual who is at risk for institutional placement; or

“(4) in any other way compromise, undermine, or be inconsistent with the objective of serving the needs of older individuals, as determined by the Assistant Secretary.”.

SEC. 10. NUTRITION EDUCATION.

Section 214 of the Older Americans Act of 1965 (42 U.S.C. 3020e) is amended to read as follows:

“SEC. 214. NUTRITION EDUCATION.

“The Assistant Secretary, in consultation with the Secretary of Agriculture, shall conduct outreach and provide technical assistance to agencies and organizations that serve older individuals to assist such agencies and organizations to carry out integrated health promotion and disease prevention programs that are designed for older individuals and that include nutrition education, physical activity, and other activities to modify behavior and to improve health literacy (including information on optimal nutrient intake) through education and counseling in accordance with section 339(2)(J).”.

SEC. 11. PENSION COUNSELING AND INFORMATION PROGRAMS.

Section 215 of the Older Americans Act of 1965 (42 U.S.C. 3020e–1) is amended—

(1) in subsection (e)(1)(J) by striking “and low-income retirees” and inserting “, low income retirees, and older individuals with limited English proficiency”,

(2) in subsection (f) by amending paragraph (2) to read as follows:

“(2) The ability of the entity to perform effective outreach to affected populations, particularly populations with limited English proficiency and other populations that are identified in need of special outreach.”, and

(3) in subsection (h)(2) by inserting “(including individuals with limited English proficiency)” after “individuals”.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

Section 216 of the Older Americans Act of 1965 (42 U.S.C. 3020f) is amended—

(1) in subsection (a) by striking “2001, 2002, 2003, 2004, and 2005” and inserting “2007, 2008, 2009, 2010, and 2011.”, and

(2) in subsections (b) and (c) by striking “year” and all that follows through “years”, and inserting “years 2007, 2008, 2009, 2010, and 2011”.

SEC. 13. PURPOSE; ADMINISTRATION.

Section 301(a)(2) of the Older Americans Act of 1965 (42 U.S.C. 3021(a)(2)) is amended—

(1) in subparagraph (D) by striking “and” at the end

(2) in subparagraph (E) by striking the period at the end and inserting “; and”, and

(3) by adding at the end the following:

“(F) organizations with experience in providing senior volunteer services, such as Federal volunteer programs administered by the Corporation for National and Community Service designed to provide training, placement, and stipends for volunteers in community service settings.”

SEC. 14. AUTHORIZATION OF APPROPRIATIONS; USES OF FUNDS.

Section 303 of the Older Americans Act of 1965 (42 U.S.C. 3023) is amended—

(1) in subsection (a)(1), (b), and (d) by striking “year 2001” and all that follows through “years” each place it appears, and inserting “years 2007, 2008, 2009, 2010, and 2011”, and

(2) in subsection (e)(1) by striking “2001” each place it appears and inserting “2007”.

SEC. 15. ORGANIZATION.

Section 305(a) of the Older Americans Act of 1965 (42 U.S.C. 3025(a)) is amended—

(1) in paragraph (1)(E) by striking “(with particular attention to low-income minority individuals and older individuals residing in rural areas)” each place it appears and inserting “(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)”;

(2) in paragraph (2)(E) by striking “with particular attention to low-income minority individuals and older individuals residing in rural areas” and inserting “with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas”, and

(3) by adding at the end the following:

“(3) the State agency shall, consistent with this section, promote the development and implementation of a comprehensive, coordinated system in such State for providing long-term care in home and community-based settings, in a manner responsive to the needs and preferences of older individuals and their family caregivers, by—

“(A) collaborating, coordinating, and consulting with other agencies in such State responsible for formulating, implementing, and administering programs, benefits, and services related to providing long-term care;

“(B) participating in any State government activities concerning long-term care, including reviewing and commenting on any State rules, regulations, and policies related thereto;

“(C) conducting analyses, making recommendations, and implementing programs and strategies to modify the State’s system of long-term care to better—

“(i) respond to the needs and preferences of older individuals and family caregivers;

“(ii) facilitate the provision of long-term care in home and community-based settings through service providers;

“(iii) target services to individuals at risk for institutional placement, to permit such individuals to remain in home and community-based care settings; and

“(iv) implement (through area agencies on aging, service providers, and such other entities as the State determines to be appropriate) evidence-based programs to assist older individuals and their family caregivers in learning about and making behavioral changes intended to reduce the risk of injury, disease, and disability among older individuals; and

“(D) providing for the availability and distribution (through public education campaigns, aging and disability resource centers, area agencies on aging, and other appropriate means) of information relating to—

“(i) the need to plan in advance for long-term care; and

“(ii) the range of available public and private long-term care programs, options, and resources.”.

SEC. 16. AREA PLANS.

Section 306 of the Older Americans Act of 1965 (42 U.S.C. 3026) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking “(with particular attention to low-income minority individuals and older individuals residing in rural areas)” each place it appears and inserting “(with particular attention to low-income older individuals, low-income minority older individuals, older individuals with

- limited English proficiency, and older individuals residing in rural areas)", and
- (ii) by inserting "the number of older individuals at risk for institutional placement residing in such area," after "individuals) residing in such area,"
- (B) in paragraph (2)(A) by inserting "health services (including mental health services)," after "transportation,"
- (C) in paragraph (4)—
- (i) in subparagraph (A)—
- (I) by amending clause (i) to read as follows:
- "(i) provide assurances that the area agency on aging will—
- "(I) set specific objectives, consistent with State policy, for providing services to older individuals with greatest economic need, older individuals with greatest social need, and older individuals at risk for institutional placement;
- "(II) include in the area plan specific objectives for providing services to low-income minority older individuals and older individuals residing in rural areas; and
- "(III) include in the area plan proposed methods to achieve such objectives;" and
- (II) in clause (ii) by inserting "(including older individuals with limited English proficiency)" after "low income minority individuals" each place it appears; and
- (ii) in subparagraph (B)—
- (I) by moving the left margin of each of subparagraph (B), clauses (i) and (ii), and subclauses (I) through (VI) of clause (i), 2 ems to the left,
- (II) in clause (i)—
- (aa) in subclause (V) by striking "and" at the end; and
- (bb) by adding at the end the following:
- "(VI) older individuals at risk for institutional placement; and", and
- (III) by striking "(VI)" and inserting "(VII)",
- (D) in paragraph (5) by inserting "and individuals at risk for institutional placement" after "severe disabilities",
- (E) in paragraph (6)—
- (i) in subparagraph (C)—
- (I) in clause (i) by striking "and" at the end,
- (II) in clause (ii) by adding "and" at the end, and
- (III) by inserting after clause (ii) the following:
- "(iii) make use of trained volunteers in providing direct services delivered to elderly and disabled individuals needing such care and, if possible, work in coordination with volunteer programs (including programs administered by the Corporation for National Service) designed to provide training, placement, and stipends for volunteers in community service settings.";
- (ii) in subparagraph (D)—
- (I) by inserting "family caregivers of such individuals," after "Act,". and
- (II) by inserting "service providers, the business community," after "individuals," and
- (iii) in subparagraph (F) by inserting "(including mental health screening)" after "provided" the 1st place it appears,
- (F) by amending paragraph (7) to read as follows:
- "(7) provide that the area agency on aging shall, consistent with this section, facilitate the area-wide development and implementation of a comprehensive, coordinated system for providing long-term care in home and community-based settings, in a manner responsive to the needs and preferences of older individuals and their family caregivers, by—
- "(A) collaborating, coordinating, and consulting with other local public and private agencies and organizations responsible for administering programs, benefits, and services related to providing long-term care;
- "(B) conducting analyses and making recommendations with respect to strategies for modifying the local system of long-term care to better—
- "(i) respond to the needs and preferences of older individuals and family caregivers;
- "(ii) facilitate the provision, through service providers, of long-term care in home and community-based settings; and
- "(iii) target services to older individuals at risk for institutional placement, to permit such individuals to remain in home and community-based care settings;

“(C) implement, through the agency or service providers, evidence-based programs to assist older individuals and their family caregivers in learning about and making behavioral changes intended to reduce the risk of injury, disease, and disability among older individuals; and

“(D) provide for the availability and distribution (through public education campaigns, aging and disability resource centers, and other appropriate means) of information relating to—

“(i) the need to plan in advance for long-term care; and

“(ii) the range of available public and private long-term care programs, options, and resources;”

(G) by striking paragraph (14) and the 2 paragraphs (15),

(H) by redesignating paragraph (16) as paragraph (14), and

(I) by adding at the end the following:

“(15) provide assurances that funds received under this title will be used—

“(A) in a manner, consistent with paragraph (4), that gives priority in furnishing benefits and services to older individuals with greatest economic need, older individuals with greatest social need, and older individuals at risk for institutional placement; and

“(B) in compliance with the assurances specified in paragraph (13) and the limitations specified in section 212(b); and

“(16) provide, to the maximum extent feasible, for the furnishing of services under this Act consistent with self-directed care.”

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), and

(3) by inserting after subsection (a) the following:

“(b)(1) An area agency on aging may include in the area plan an assessment of how prepared the planning and service area is for any anticipated change in the number of older individual during the 10-year period following the fiscal year for which the plan is submitted. Such assessment may include—

“(A) the projected change in the number of older individuals in the planning and service area;

“(B) an analysis of how such change may affect such individuals, including such individuals with low incomes, such individuals with greatest economic need, minority older individuals, older individuals residing in rural areas, and older individuals with limited English proficiency;

“(C) an analysis of how the programs, policies, and services provided in the planning and service area can be improved, and how resource levels can be adjusted, to meet the needs of the changing population of older individuals in such area; and

“(D) an analysis of how the change in the number of individuals 85 years of age and older is expected to affect the need for supportive services.

“(2) An area agency on aging, in cooperation with government officials, State agencies, tribal organizations, or local entities, may make recommendations to government officials in the planning and service area and the State, on actions determined by the area agency to build the capacity in the planning and service area to meet the needs of older individuals for—

“(A) health and human services;

“(B) land use;

“(C) housing;

“(D) transportation;

“(E) public safety;

“(F) workforce and economic development;

“(G) recreation;

“(H) education;

“(I) civic engagement; and

“(J) any other service as determined by such agency.”

SEC. 17. STATE PLANS.

Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)) is amended—

(1) in paragraph (4) by striking “with particular attention to low-income minority individuals and older individuals residing in rural areas” and inserting “low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas”,

(2) by striking paragraph (15),

(3) by redesignating paragraph (14) as paragraph (15),

(4) by inserting after paragraph (13) the following:

“(14) The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

“(A) identify the number of low-income minority older individuals in the State, including the number of low-income older individuals with limited English proficiency; and

“(B) describe the methods used to satisfy the service needs of such minority older individuals, including the plan to service the needs of older individuals with limited English proficiency.”,

(5) in clauses (ii) and (iii) of paragraph (16)(A) by striking “(with particular attention to low-income minority individuals and older individuals residing in rural areas)” each place it appears and inserting “(with particular attention to low-income older individuals, low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)”, and

(6) by adding at the end the following:

“(27) The plan shall provide assurances that area agencies on aging will, to the maximum extent feasible, provide for the furnishing of services under this Act consistent with self-directed care.

“(28)(A) The plan shall include, at the election of the State, an assessment of how prepared the State is, under the State’s statewide service delivery model, for a change in the number of older individuals during the 10-year period following the fiscal year for which the plan is submitted.

“(B) Such assessment may include—

“(i) the projected change in the number of older individuals in the State;

“(ii) an analysis of how such change may affect such individuals, including individuals with low incomes, individuals with great economic need, minority older individuals, older individuals residing in rural areas, and older individuals with limited English proficiency;

“(iii) an analysis of how the programs, policies, and services provided by the State can be improved, including coordinating with area agencies on aging, and how resource levels can be adjusted to meet the needs of the changing population of older individuals in the State; and

“(iv) an analysis of how the change in the number of individuals 85 years of age and older in the State is expected to affect the need for supportive services.”.

SEC. 18. PAYMENTS.

Section 309(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3029(b)(2)) is amended by striking “the non-Federal share required prior to fiscal year 1981” and inserting “10 percent of the cost of the services specified in such section 304(d)(1)(D)”.

SEC. 19. NUTRITION SERVICES INCENTIVE PROGRAM.

(a) CASH ONLY PROGRAM; AUTHORITY TO USE PROGRAM FUNDS TO PURCHASE FOOD THROUGH SCHOOL FOOD AUTHORITIES.—Section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a) is amended—

(1) in subsection (b) by adding at the end the following:

“(3) Each State agency shall promptly and equitably disburse amounts received under this subsection to recipients of grants and contracts.”.

(2) in subsection (c)—

(A) in paragraph (1) by inserting “(including bonus commodities)” after “commodities”,

(B) in paragraph (2) by inserting “(including bonus commodities)” after “commodities”,

(C) in paragraph (3) by inserting “(including bonus commodities)” after “products”, and

(D) by adding at the end the following:

“(4) Among the commodities delivered under this subsection, the Secretary of Agriculture shall give special emphasis to high protein foods. The Secretary of Agriculture, in consultation with the Assistant Secretary, is authorized to prescribe the terms and conditions respecting the donation of commodities under this subsection.”,

(3) by amending subsection (d) to read as follows:

“(d)(1) Amounts provided under subsection (b) to State grantees and contractors, and to title VI grantees, shall be available only for the purchase by such entities of United States agricultural commodities and other foods for their respective nutrition projects, subject to paragraph (2).

“(2) Part or all of the amounts received by an entity specified in paragraph (1) may be used to pay a school food authority (as referred to under the Richard B. Russell National School Lunch Act (42 U.S.C.1751 et seq.) to obtain United States agricultural commodities for such entity’s nutrition projects, in accordance with an agreement between the entity and the school food authority, under which such payments—

“(A) shall cover the cost of such commodities; and
 “(B) may cover related expenses incurred by the school food authority, including the cost of transporting, distributing, processing, storing, and handling such commodities.”

(4) in subsection (e) by striking “2001” and inserting “2007”,

(5) in subsection (f)—

(A) in the matter preceding paragraph (1) by striking “the Secretary of Agriculture and the Secretary of Health and Human Services” and inserting “the Assistant Secretary and the Secretary of Agriculture”, and

(B) by amending paragraphs (1) and (2) to read as follows:

“(1) school food authorities participating in programs authorized under the Richard B. Russell National School Lunch Act within the geographic area served by each such State agency; and

“(2) the donated foods available to such State agencies, area agencies on aging, and providers under subsection (c).”

SEC. 20. CONSUMER CONTRIBUTIONS.

Section 315 of the Older Americans Act of 1965 (42 U.S.C. 3030c–2) is amended—
 (1) in subsection (b)—

(A) in paragraph (1) by striking “provided that” and inserting “, and such contributions shall be encouraged for individuals whose self-declared income is at or above 125 percent of the poverty line and may be requested at contribution levels based on the actual cost of services, if”, and

(B) in paragraph (4)(E) by inserting “and to supplement (not supplant) funds received under this Act” after “given”.

(2) in subsection (c)(2) by striking “(with particular attention to low-income minority individuals and older individuals residing in rural areas)” and inserting “(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)”, and

(3) in subsection (d) by striking “with particular attention to low-income and minority individuals and older individuals residing in rural areas” and inserting “, with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas”.

SEC. 21. SUPPORTIVE SERVICES AND SENIOR CENTERS PROGRAM.

Section 321(a) of the Older Americans Act of 1965 (42 U.S.C. 3030d(a)) is amended—

(1) in paragraph (8) by inserting “(including mental health screening)” after “screening”,

(2) in paragraph (11) by inserting “(including assistive technology devices and assistive technology services)” after “services”,

(3) in paragraph (14)(B) by inserting “(including mental health)” after “health”,

(4) in paragraph (22) by striking the period at the end and inserting a semicolon,

(5) by redesignating paragraph (23) as paragraph (24), and

(6) by inserting after paragraph (22) the following:

“(23) services designed to support States, area agencies on aging, and local service providers carry out and coordinate, with respect to mental health services, activities including outreach, education, screening, and referral for treatment of older individuals; and”.

SEC. 22. NUTRITION SERVICE.

After the heading of part C of title III of the Older Americans Act of 1965 (42 U.S.C. 3030e–3030g–22), insert the following:

“SEC. 330. PURPOSE.

“It is the purpose of this part to promote socialization and the health and well-being of older individuals by assisting such individuals to gain access to disease prevention and health promotion services (including information, nutrition services, and programs of physical activity) to delay the onset of health conditions resulting from poor nutritional health or sedentary behavior.”.

SEC. 23. CONGREGATE NUTRITION PROGRAM.

Section 331 of the Older Americans Act of 1965 (42 U.S.C. 3030e) is amended—

(1) by striking “projects—” and inserting “projects that—”,

(2) in paragraph (1) by striking “which”,

(3) in paragraph (2)—

(A) by striking “which” the last place it appears, and

- (B) by striking “and” at the end,
- (4) by striking paragraph (3) and inserting the following:
 - “(3) provide nutrition education, nutrition counseling, and other nutrition services, as appropriate, based on the needs of meal participants; and
 - “(4) may provide along with a meal described in (1), a multivitamin-mineral supplement as an addition to such meal.”.

SEC. 24. HOME DELIVERED NUTRITION SERVICES.

Section 336 of the Older Americans Act of 1965 (42 U.S.C. 3030f) is amended to read as follows:

“SEC. 336. PROGRAM AUTHORIZED.

“The Assistant Secretary shall establish and carry out a program to make grants to States under State plans approved under section 307 for the establishment and operation of nutrition projects for older individuals which provide, on 5 or more days a week (except in a rural area where such frequency is not feasible (as defined by the Assistant Secretary by rule) and a lesser frequency is approved by the State agency)—

- “(1) at least 1 home delivered meal per day consisting of hot, cold, frozen, dried, canned, fresh, or supplemental foods and any additional meals that the recipient of a grant or contract under this subpart elects to provide; and
- “(2) nutrition education, nutrition counseling, and other nutrition services as appropriate, based on the needs of meal recipients.”.

SEC. 25. CRITERIA.

Section 337 of the Older Americans Act of 1965 (42 U.S.C. 3030g) is amended to read as follows:

“SEC. 337. CRITERIA.

“The Assistant Secretary, in consultation with experts in the field of nutrition science, dietetics, meal planning and food service management, and aging, shall develop minimum criteria of efficiency and quality for the furnishing of home delivered meal services for projects described in section 336.”.

SEC. 26. NUTRITION.

Section 339 of the Older Americans Act of 1965 (42 U.S.C. 3030g–21) is amended—

- (1) by amending paragraph (1) to read as follows:
 - “(1) solicit the expertise of a dietitian or other individual with equivalent education and training in nutrition science, or if such an individual is not available, an individual with comparable expertise in the planning of nutritional services, and”, and
 - (2) in paragraph (2)—
 - (A) in subparagraph (A)—
 - (i) by amending clause (i) to read as follows:
 - “(i) comply with the most recent Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture, and”, and
 - (ii) in clause (ii) by striking “daily recommended dietary allowances as” and inserting “dietary reference intakes”,
 - (B) in subparagraph (D)—
 - (i) by inserting “joint” after “encourages”, and
 - (ii) by inserting “shared” after “promote”,
 - (C) by amending subparagraph (G) to read as follows:
 - “(G) ensures that local meal providers solicit the advice and expertise of—
 - “(i) a dietitian or, if a dietitian is not available, an individual with comparable expertise in the planning of nutrition and food services,
 - “(ii) meal participants, and
 - “(iii) other individuals knowledgeable with regard to the needs of older individuals,”,
 - (D) in subparagraph (H) by striking “and accompany”,
 - (E) by amending subparagraph (J) to read as follows:
 - “(J) provides for nutrition screening and nutrition education, and nutrition assessment and counseling if appropriate, and”, and
 - (F) by adding at the end the following:
 - “(K) encourages professionals who distribute nutrition assistance under subpart 2 to provide information to homebound seniors on how to get an influenza vaccination in their local areas.”.

SEC. 27. EVALUATION OF NUTRITION PROJECTS.

(a) STUDY.—The Assistant Secretary for Aging shall use funds allocated in section 206(g) of the Older Americans Act of 1965 to enter into a contract with the Food

and Nutrition Board of the Institute of Medicine, for the purpose of establishing an independent panel of experts that will conduct an evidence-based evaluation of the nutrition projects authorized in such Act. Such study shall, to the extent data are available, include—

(1) an evaluation of the effect of nutrition projects authorized by such Act on—

- (A) health status of participants, including nutritional status,
 - (B) prevention of participant hunger and food insecurity, and
 - (C) ability of participants to remain living independently,
- (2) a cost-benefit analysis of nutrition projects authorized by such Act, including the potential to affect costs of Federal programs under title XIX of the Social Security Act, and
- (3) recommendations for how nutrition projects authorized by such Act may be modified to improve the outcomes described in paragraph (1), including recommendations for improving the nutritional quality of meals and other potential strategies to improve the nutritional status of participants, including vitamin-mineral supplementation.

(b) **TIMING.**—The Institute of Medicine shall establish an independent panel of experts not later than 90 days after the date of the enactment of this Act. The panel shall submit to the Assistant Secretary the report described in subsection (a) not later than 24 months after the date of the enactment of this Act. The Assistant Secretary shall submit a report on the findings of the evidence-based study described in such subsection to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate.

SEC. 28. IMPROVING INDOOR AIR QUALITY IN BUILDINGS WHERE SENIORS CONGREGATE.

Section 361 of the Older Americans Act of 1965 (42 U.S.C. 3030m) is amended by adding at the end the following:

“(c) The Assistant Secretary shall work in consultation with qualified experts to provide information on methods of improving indoor air quality in buildings where seniors congregate.”.

SEC. 29. CAREGIVER SUPPORT PROGRAM DEFINITIONS.

Section 372 of the National Family Caregiver Support Act (42 U.S.C. 3030s) is amended—

- (1) in paragraph (1) by inserting “or who is an individual with a disability” after “age”,
- (2) in paragraph (2) by inserting “or an individual with Alzheimer’s disease or a related disorder with neurological and organic brain dysfunction” before the period at the end, and
- (3) in paragraph (3) by striking “60” and inserting “55”.

SEC. 30. CAREGIVER SUPPORT PROGRAM.

Section 373 of the National Family Caregiver Support Act (42 U.S.C. 3030s–1) is amended—

- (1) in subsection by (b)(3) by striking “caregivers to assist” and all that follows through the end and inserting the following: “assist the caregivers in addressing caregiver issues related to the areas of health, nutrition, and financial literacy, and in making decisions and solving problems relating to their caregiving roles;”,
- (2) by amending subsection (d) to read as follows:

“(d) **USE OF VOLUNTEERS.**—In carrying out this subpart, each area agency on aging shall encourage the use of trained volunteers to expand the available services described in subsection (b) and shall, if possible, coordinate with volunteer programs (including programs administered by the Corporation for National Service) designed to provide training, placement, and stipends for volunteers in community service settings.”.

- (3) in subsection (e)(3) by adding at the end the following: “The reports shall describe any mechanisms used in the State to provide family caregivers of an older individual and relative caregivers of a child or an adult child with a disability, information about and access to various services so that caregivers can better carry out their care responsibilities.”, and

- (4) in subsection (f)(1) by striking “2001 through 2005” and inserting “2007, 2008, 2009, 2010, and 2011”.

SEC. 31. ACTIVITIES OF NATIONAL SIGNIFICANCE.

Section 376(a) of the National Family Caregiver Support Act (42 U.S.C. 3030s–12(a)) is amended—

- (1) by striking “(a) **IN GENERAL.**—”,
- (2) by striking “shall” and inserting “may”,

- (3) by striking “program” and inserting “programs that include”,
- (4) by striking “research.” and inserting “research, including—
- “(1) intergenerational programs, including supports for grandparents and other older relatives raising children (such as kinship navigator programs), and sustaining and replicating innovative intergenerational family support programs that involve senior volunteers;
- “(2) Programs providing support and information to families who have a child with a disability or chronic illness and to other families in need of such family support programs;
- “(3) programs addressing unique issues faced by rural caregivers;
- “(4) programs focusing on the needs of older persons with Alzheimer’s disease and related dementia and their caregivers; and
- “(5) programs supporting caregivers in the role they play in health promotion and disease prevention.”; and
- (5) by striking subsection (b).

SEC. 32. TITLE IV GRANT PROGRAMS.

Section 411 of the Older Americans Act of 1965 (42 U.S.C. 3032) is amended—

- (1) in subsection (a)—
 - (A) in paragraph (8) by striking “and” at the end,
 - (B) by redesignating paragraph (9) as paragraph (11), and
 - (C) by inserting after paragraph (8) the following:
 - “(9) planning activities to prepare communities for the aging of the population, which include—
 - “(A) efforts to assess the aging population;
 - “(B) activities to coordinate State and local agencies in order to meet the needs of older individuals; and
 - “(C) training and technical assistance to support States, area agencies on aging, and tribal organizations receiving a grant under title VI, engage in community planning activities; and
 - “(10) the development, implementation, and assessment of technology-based service models and best practices, to support the use of health monitoring and assessment technologies, communication devices, assistive technologies, and other technologies that may remotely connect family and professional caregivers to frail elderly residing in home- and community-based settings or rural areas; and”;
- (2) in subsection (b) by striking “year” and all that follows through “years”, and inserting “years 2007, 2008, 2009, 2010, and 2011”.

SEC. 33. CAREER PREPARATION FOR THE FIELD OF AGING.

Section 412(a) of the Older Americans Act of 1965 (42 U.S.C. 3032a(a)) is amended by amending subsection (a) to read as follows:

“(a) GRANTS.—The Assistant Secretary shall make grants to institutions of higher education, including historically Black colleges or universities, Hispanic serving institutions, and Hispanic Centers of Excellence in Applied Gerontology, to provide education and training that prepares students for careers in the field of aging.”.

SEC. 34. HEALTH CARE SERVICE DEMONSTRATION PROJECTS IN RURAL AREAS.

Section 414 of the Older Americans Act of 1965 (42 U.S.C. 3032d) is amended—

- (1) in subsection (a) by inserting “mental health services,” after “care,”; and
- (2) in subsection (b)(1)(B)(i) by inserting “mental health,” after “health.”.

SEC. 35. DEMONSTRATION PROJECTS FOR MULTIGENERATIONAL ACTIVITIES.

Section 417(c)(2) of the Older Americans Act of 1965 (42 U.S.C. 3032f(c)(2)) is amended by striking “(with particular attention to low-income minority individuals and older individuals residing in rural areas)” and inserting “(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)”.

SEC. 36. NATIVE AMERICAN PROGRAMS.

Section 418(a)(2)(B)(i) of the Older Americans Act of 1965 (42 U.S.C. 3032g(a)(2)(B)(i)) is amended by inserting “(including mental health)” after “problems”.

SEC. 37. RESPONSIBILITIES OF ASSISTANT SECRETARY.

Section 432(c)(2)(B) of the Older Americans Act of 1965 (42 U.S.C. 3033a(c)(2)(B)) is amended by inserting “, including preparing an analysis of such services, projects, and programs, and of how the evaluation relates to improvements in such services, projects, and programs and in the strategic plan of the Administration” before the period at the end.

SEC. 38. COMMUNITY SERVICE EMPLOYMENT-BASED TRAINING FOR OLDER AMERICANS.

Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.) is amended to read as follows:

“TITLE V—COMMUNITY SERVICE EMPLOYMENT-BASED TRAINING FOR OLDER AMERICANS

“SEC. 501. SHORT TITLE.

“This title may be cited as the ‘Older American Community Service Employment-Based Training Act’.

“SEC. 502. OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT-BASED TRAINING PROGRAM.

“(a) To foster individual economic self-sufficiency and to increase the number of individuals who may enjoy the benefits of unsubsidized employment in both the public and private sectors, the Secretary of Labor (hereafter in this title referred to as the ‘Secretary’) may establish an older American community service employment-based training program to foster and promote useful part-time public and private-sector employment-based training opportunities for unemployed low-income eligible individuals who have poor employment prospects and to provide vital social and human services to communities by providing work experience to eligible individuals in public agencies, community-based and faith-based organizations.

“(b)(1) To carry out this title, the Secretary may make grants to public and non-profit agencies and organizations, agencies of a State, and tribal organizations to carry out the program established under subsection (a). Such grants may provide for the payment of costs, as provided in subsection (c), of projects developed by such organizations and agencies in cooperation with the Secretary in order to make such program effective or to supplement such program. No payment shall be made by the Secretary toward the cost of any project established or administered by any organization or agency unless the Secretary determines that such project—

“(A) shall provide authorized activities only for eligible individuals, and that not less than 50 percent of hours worked (in the aggregate) shall be in community service employment-based training provided by a grantee in a program year;

“(B)(i) shall provide authorized activities for eligible individuals in the community in which such individuals reside, or in nearby communities, and that not less than 50 percent of hours worked (in the aggregate) shall be in community service employment-based training provided by a grantee in a program year; or

“(ii) if such project is carried out by a tribal organization that receives a grant under this subsection or receives assistance from a State that receives a grant under this subsection, will provide authorized activities, including community service employment-based training for such individuals, including those who are Indians residing on an Indian reservation, as defined in section 2601(2) of the Energy Policy Act of 1992 (25 U.S.C. 3501(2));

“(C) together with all the projects carried out under this title in each program year by a grantee, will not provide for participation under this title by eligible individuals (in the aggregate) for an average period per capita that exceeds 24 months (whether or not consecutive) during the period including the program year for which the determination under this subparagraph is made and the previous program years in which such grantee carried out projects under this title;

“(D) will provide employment-based training to eligible individuals in service related to publicly owned and operated facilities and projects, or projects sponsored by profitmaking or nonprofit organizations (excluding political parties exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986), but excluding projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

“(E) will contribute to the general welfare of the community, which may include support for children, youth, and families;

“(F) is intended to result in unsubsidized employment for eligible individuals after completion of such program;

“(G)(i) will not reduce the number of job opportunities or vacancies that would otherwise be available to individuals not participating in such program;

“(ii) will not displace currently employed workers (including partial displacement, such as a reduction in the hours of non-overtime work, wages, or employment benefits);

“(iii) will not impair existing contracts or result in the substitution of Federal funds for other funds in connection with work that would otherwise be performed; and

“(iv) will not place an eligible individual in employment-based training to perform work the same or substantially the same work as that performed by any other individual who is on layoff;

“(H) will coordinate with training and other services provided under title I of the Workforce Investment Act, including utilizing the One-Stop delivery system to recruit eligible individuals to ensure that the maximum number of eligible individuals will have an opportunity to participate in the project;

“(I) will include such training (such as community service employment-based training, work experience, on-the-job training, and classroom training) as may be necessary to make the most effective use of the skills and talents of those individuals who are participating;

“(J) will ensure that safe and healthy conditions of the employment-based training facility or other training facility will be provided, and will ensure that individuals employed in community service and other jobs assisted under this title shall be paid wages that shall not be lower than whichever is the highest of—

“(i) the minimum wage that would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if the participant were not exempt under section 13 thereof;

“(ii) the State or local minimum wage for the most nearly comparable covered employment; or

“(iii) the prevailing rates of pay for individuals employed in similar occupations by the same employer;

“(K) will be established or administered with the advice of persons competent in the field of service in which job training is being provided, and of persons who are knowledgeable about the needs of older individuals;

“(L) will authorize payment for necessary supportive services costs, (including transportation costs) of eligible individuals that may be incurred in training in any project funded under this title, in accordance with rules issued by the Secretary;

“(M) will ensure that, to the extent feasible, such project will serve the needs of minority, limited English-speaking, and Indian eligible individuals, and eligible individuals who have the greatest economic need, at least in proportion to their numbers in the State and take into consideration their rates of poverty and unemployment;

“(N)(i) will prepare an assessment of the participants’ skills and talents and their needs for services, except to the extent such project has, for the participant involved, recently prepared an assessment of such skills and talents, and such needs, pursuant to another employment or training program (such as a program under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.), the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.), or part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

“(ii) will provide training and employment counseling to eligible individuals based on strategies that identify appropriate employment objectives and the need for supportive services, developed as a result of the assessment and service strategy provided for in clause (i), and provide other appropriate information regarding such program; and

“(iii) will provide counseling to participants on their progress in meeting such objectives and satisfying their need for supportive services;

“(O) will provide appropriate services for participants through the One-Stop delivery system as established under section 134(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(c)), and will be involved in the planning and operations of such system pursuant to a memorandum of understanding with the local workforce investment board in accordance with section 121(c) of such Act (29 U.S.C. 2841(c));

“(P) will post in such project workplace a notice, and will make available to each person associated with such project a written explanation—

“(i) clarifying the law with respect to political activities allowable and unallowable under chapter 15 of title 5, United States Code, applicable to the project and to each category of individuals associated with such project; and

“(ii) containing the address and telephone number of the Inspector General of the Department of Labor, to whom questions regarding the application of such chapter may be addressed;

“(Q) will provide to the Secretary the description and information described in—

“(i) paragraph (8), relating to coordination with other Federal programs, of section 112(b) of the Workforce and Investment Act of 1998; and

“(ii) paragraph (14), relating to implementation of One-Stop delivery systems, of section 112(b) of the Workforce Investment Act of 1998; and

“(R) will ensure that entities that carry out activities under the project (including State agencies, local entities, subgrantees, subcontractors) and affiliates of such entities receive an amount of the administrative cost allocation determined by the Secretary to be sufficient.

“(2) The Secretary may establish, issue, and amend such regulations as may be necessary to effectively carry out this title.

“(3)(A) An assessment and service strategy required by paragraph (1) to be prepared for an eligible individual shall satisfy any condition for an assessment and service strategy or individual employment plan for an adult participant under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), in order to determine whether such eligible individual also qualifies for intensive or training services described in section 134(d) of such Act (29 U.S.C. 2864(d)).

“(B) An assessment and service strategy or individual employment plan prepared under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.) for an eligible individual may be used to comply with the requirement specified in subparagraph (A).

“(c)(1) The Secretary may pay a share not to exceed 90 percent of the cost of any project for which a grant is made under subsection (b), except that the Secretary may pay all of such cost if such project is—

“(A) an emergency or disaster project; or

“(B) a project located in an economically depressed area, as determined by the Secretary in consultation with the Secretary of Commerce and the Secretary of Health and Human Services.

“(2) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to services and facilities contributed from non-Federal sources.

“(3) Of the amount to be paid under this subsection by the Secretary for a project, not to exceed 13.5 percent shall be available for any fiscal year to pay the administrative costs of such project, except that—

“(A) the Secretary may increase the amount available to pay administrative costs to an amount not to exceed 15 percent of the cost of such project if the Secretary determines, based on information submitted by the grantee under subsection (b), that such increase is necessary to carry out such project; and

“(B) if the grantee under subsection (b) demonstrates to the Secretary that—

“(i) major administrative cost increases are being incurred in necessary program components, including liability insurance, payments for workers’ compensation, costs associated with achieving unsubsidized placement goals, and other operation requirements imposed by the Secretary;

“(ii) the number of positions in the project or the number of minority eligible individuals participating in the project will decline if the amount available to pay administrative costs is not increased; or

“(iii) the size of the project is so small that the amount of administrative costs incurred to carry out the project necessarily exceeds 13.5 percent of the cost of such project;

the Secretary shall increase the amount available for such fiscal year to pay administrative costs to an amount not to exceed 15 percent of the cost of such project.

“(4) Administrative costs are the costs, both personnel and non-personnel and both direct and indirect, associated with the following:

“(A) The costs of performing general administrative functions and of providing for the coordination of functions, such as—

“(i) accounting, budgeting, financial, cash management and related data processing;

“(ii) quality assurance;

“(iii) preparing program plans;

“(iv) procurement and purchasing;

“(v) property management;

“(vi) personnel management, including personnel administration, administration of affirmative action plans, and training and staff development;

“(vii) administrative salaries, including clerical and other support staff salaries;

“(viii) payroll functions;

“(ix) coordinating the resolution of findings arising from audits, reviews, investigations, and incident reports;

“(x) audit;

“(xi) general legal services;

“(xii) developing systems and procedures, including information systems, required for administrative functions;

“(xiii) preparing reports; and

“(xiv) other activities necessary for the general administration of government funds and associated programs.

“(B) The costs of performing oversight and monitoring responsibilities.

“(C) The costs of goods and services required for administrative functions of such program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space.

“(D) The travel costs incurred for official business in carrying out such program, excluding travel costs related to providing services.

“(E) The costs of information systems related to personnel, procurement, purchasing, property management, accounting, and payroll systems), including the purchase, systems development, and operating costs of such systems.

“(F) The costs of technical assistance, professional organization membership dues, removal of architectural barriers, operating and maintaining assistive technology, and evaluating program results against stated objectives.

“(5) To the extent practicable, an entity that carries out a project under this title shall provide for the payment of the expenses described in paragraph (4) from non-Federal sources.

“(6)(A) Amounts made available for a project under this title that are not used to pay for the administrative costs shall be used to pay for the costs of programmatic activities, including—

“(i) participant wages, such benefits as are required by law (such as workers compensation or unemployment compensation) the costs of physical examinations, compensation for scheduled work hours during which an employer is closed for a Federal holiday, and necessary sick leave that is not part of an accumulated sick leave program, except that no amounts provided under this title may be used to pay the cost of pension benefits, annual leave, accumulated sick leave, or bonuses;

“(ii) participant training (including the payment of reasonable costs of instructors, classroom rental, training supplies, materials, equipment, and tuition) which may be provided prior to or subsequent to placement and which may be provided on the job, in a classroom setting or pursuant to other appropriate arrangements;

“(iii) job placement assistance, including job development and job search assistance;

“(iv) participant supportive services to enable a participant to successfully participate in a project under this title, which may include the payment of reasonable costs of transportation, special job-related or personal counseling, incidentals (such as work shoes, badges, uniforms, eyeglasses, and tools), child and adult care, temporary shelter, and follow-up services; and

“(v) outreach, recruitment, and selection, intake, orientation, and assessments.

“(B) Not less than 65 percent of the funds made available under a grant made under this title (excluding a grant made under subsection (d)) shall be used to pay wages and benefits for eligible individuals who are employed under projects carried out under this title.

“(d) PILOT, DEMONSTRATION, AND EVALUATION PROJECTS.—The Secretary shall use funds reserved under section 506(a)(1) to carry out demonstration projects, pilot projects, and evaluation projects, for the purpose of developing and implementing techniques and approaches, and demonstrating the effectiveness of the specialized methods, in addressing the employment and training needs of eligible individuals. Such projects may include—

“(1) activities linking businesses and eligible individuals, including assistance to participants transitioning from subsidized activities to private-sector employment; and

“(2) demonstration projects and pilot projects designed to—

“(A) attract more eligible individuals into the labor force;

“(B) improve the provision of services to eligible individuals under the One-Stop delivery system established in accordance with title I of the Workforce Investment Act of 1998;

“(C) enhance the technological skills of eligible individuals; and

“(D) provide incentives to grantees under this title for exemplary performance and incentives to businesses to promote their participation in the program under this title;

“(3) demonstration projects and pilot projects, as described in paragraph (2), for older workers only if such demonstration projects and pilot projects are designed to assist in developing and implementing techniques and approaches in addressing the employment and training needs of eligible individuals;

“(4) training and technical assistance to support any project funded under this title;

“(5) dissemination of best practices; and

“(6) evaluation of the activities authorized under this title.

“SEC. 503. ADMINISTRATION.

“(a) STATE PLAN.—

“(1) CHIEF EXECUTIVE OFFICER SUBMITS PLAN.—For a State to be eligible to receive an allotment under section, 506, the chief executive officer of the State shall submit to the Secretary for consideration and approval, a single State plan (referred to in this title as the ‘State plan’) that outlines a 3-year strategy for the statewide provision of training and related activities for eligible individuals under this title. The plan shall contain such provisions as the Secretary may require, consistent with this title, including a description of the process used to ensure the participation of individuals described in paragraph (2).

“(2) RECOMMENDATIONS.—In developing the State plan prior to its submission to the Secretary, the chief executive officer of the State shall seek the advice and recommendations of—

“(A) individuals representing the State agency and the area agencies on aging in the State, and the State and local workforce investment boards established under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.);

“(B) individuals representing public and nonprofit private agencies and organizations providing employment services, including each grantee operating a project under this title in the State; and

“(C) individuals representing social service organizations providing services to older individuals, grantees under title III of this Act, affected communities, unemployed older individuals, community-based organizations serving the needs of older individuals, business organizations, and labor organizations.

“(D) COMMENTS.—Any State plan submitted by the chief executive officer in accordance with paragraph (1) shall be accompanied by copies of public comments relating to the plan received pursuant to paragraph (4) and a summary thereof.

“(4) PLAN PROVISIONS.—The State plan shall identify and address—

“(A) the relationship that the number of eligible individuals in each area bears to the total number of eligible individuals, respectively, in the State;

“(B) the relative distribution of eligible individuals residing in rural and urban areas in the State; and

“(C) the relative distribution of—

“(i) eligible individuals who are individuals with greatest economic need;

“(ii) eligible individuals who are minority individuals, including individuals who are limited English proficient; and

“(iii) eligible individuals who are individuals with greatest social need;

“(D) the current and projected employment opportunities in the State, by occupation, and the type of skills possessed by local eligible individuals;

“(E) the localities and populations for which projects of the type authorized by this title are most needed; and

“(F) plans for facilitating the coordination of activities of grantees in the State under this title with activities carried out in the State under title I of the Workforce Investment Act of 1998.

“(5) CHIEF EXECUTIVE OFFICER’S RECOMMENDATIONS ON GRANT PROPOSALS.—Before a proposal for a grant under this title for any fiscal year is submitted to the Secretary, the chief executive officer of each State in which projects are proposed to be conducted under such grant shall be afforded a reasonable opportunity to submit recommendations to the Secretary—

“(A) regarding the anticipated effect of each such proposal upon the overall distribution of enrollment positions under this title in the State (including such distribution among urban and rural areas), taking into account the total number of positions to be provided by all grantees in the State;

“(B) any recommendations for redistribution of positions to underserved areas as vacancies occur in previously encumbered positions in other areas; and

“(C) in the case of any increase in funding that may be available for use in the State under this title for any fiscal year, any recommendations for distribution of newly available positions in excess of those available during the preceding year to underserved areas.

“(6) DISRUPTIONS.—In developing plans and considering recommendations under this subsection, disruptions in the provision of services for current participants shall be avoided to the greatest possible extent.

“(7) DETERMINATION; REVIEW.—

“(A) DETERMINATION.—In order to effectively carry out this title, each State shall make the State plan available for public comment. The Secretary, in consultation with the Assistant Secretary, shall review the plan and make a written determination with findings and a decision regarding the plan.

“(B) REVIEW.—The Secretary may review, on the Secretary’s own initiative or at the request of any public or private agency or organization or of any agency of the State, the distribution of projects and services under this title in the State including the distribution between urban and rural areas in the State. For each proposed reallocation of projects or services in a State, the Secretary shall give notice and opportunity for public comment.

“(8) EXEMPTION.—The grantees that serve eligible individuals who are older Indians with funds reserved under section 506(a)(3) may not be required to participate in the State planning processes described in this section but will collaborate with the Secretary to develop a plan for projects and services to eligible individuals who are Indians.

“(b) COORDINATION WITH OTHER FEDERAL PROGRAMS.—

“(1) The Secretary and the Assistant Secretary shall coordinate the program carried out under this title with programs carried out under other titles of this Act, to increase job opportunities available to older individuals.

“(2) The Secretary shall coordinate programs carried out under this title with the program carried out under the Workforce Investment Act of 1998, the Community Services Block Grant Act, the Rehabilitation Act of 1973, the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.), the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.), and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.). The Secretary shall coordinate the administration of this title with the administration of other titles of this Act by the Assistant Secretary to increase the likelihood that eligible individuals for whom employment opportunities under this title are available and who need services under such titles receive such services. Funds appropriated to carry out this title may not be used to carry out any program under the Workforce Investment Act of 1998, the Community Services Block Grant Act, the Rehabilitation Act of 1973, the Carl D. Perkins Vocational and Technical Education Act of 1998, the National and Community Service Act of 1990, or the Domestic Volunteer Service Act of 1973. The preceding sentence shall not be construed to prohibit carrying out projects under this title jointly with programs, projects, or activities under any Act specified in such sentence, or from carrying out section 512.

“(3) The Secretary shall distribute to grantees under this title, for distribution to program participants, and at no cost to grantees or participants, informational materials developed and supplied by the Equal Employment Opportunity Commission and other appropriate Federal agencies that the Secretary determines are designed to help participants identify age discrimination and to understand their rights under the Age Discrimination in Employment Act of 1967.

“(c) In carrying out this title, the Secretary may use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, and facilities.

“(d) Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

“(e) The Secretary shall not delegate any function of the Secretary under this title to any other Federal officer or entity.

“(f)(1) The Secretary shall monitor projects for which grants are made under this title to determine whether the grantees are complying with rules and regulations

issued to carry out this title (including the statewide planning, consultation, and coordination requirements of this title).

“(2) Each grantee that receives funds under this title shall comply with the applicable uniform cost principles and appropriate administrative requirements for grants and contracts that are applicable to the type of entity that receives funds, as issued as circulars or rules of the Office of Management and Budget.

“(3) Each grantee described in paragraph (2) shall prepare and submit a report in such manner and containing such information as the Secretary may require regarding activities carried out under this title.

“(4) Each grantee described in paragraph (2) shall keep records that—

“(A) are sufficient to permit the preparation of reports required by this title;

“(B) are sufficient to permit the tracing of funds to a level of expenditure adequate to ensure that the funds have not been spent unlawfully; and

“(C) contain any other information that the Secretary determines to be appropriate.

“(g) The Secretary shall establish by rule and implement a process to evaluate, in accordance with section 513, the performance of projects and services carried out under this title. The Secretary shall report to the Congress, and make available to the public, the results of each such evaluation and shall use such evaluation to improve services delivered by, or the operation of, projects carried out under this title.

“SEC. 504. PARTICIPANTS NOT FEDERAL EMPLOYEES.

“(a) Eligible individuals who are participants in authorized activities in any project funded under this title shall not be considered to be Federal employees as a result of such participation and shall not be subject to part III of title 5, United States Code.

“(b) No grant, subgrant, contract or subcontract shall be entered into under this title with an entity who is, or whose employees are, under State law, exempted from operation of the State workers’ compensation law, generally applicable to employees unless the entity shall undertake to provide either through insurance by a recognized carrier or by self-insurance, as authorized by State law, that the persons employed under the grant, contract, subgrant, or subcontract shall enjoy workers’ compensation coverage equal to that provided by law for covered employment.

“SEC. 505. INTERAGENCY COOPERATION.

“(a) The Secretary shall consult with and obtain the written views of the Assistant Secretary before issuing rules and before establishing general policy in the administration of this title.

“(b) The Secretary shall consult and cooperate with the Director of the Office of Community Services, the Secretary of Health and Human Services, and the heads of other Federal agencies that carry out related programs, in order to achieve optimal coordination with such other programs. In carrying out this section, the Secretary shall promote programs or projects of a similar nature. Each Federal agency shall cooperate with the Secretary in disseminating information relating to the availability of assistance under this title and in promoting the identification and interests of individuals eligible for employment in projects assisted under this title.

“(c)(1) The Secretary shall promote and coordinate carrying out projects under this title jointly with programs, projects, or activities carried out under other Acts, especially activities provided under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.), including activities provided through One-Stop delivery systems established under section 134(c) of such Act (29 U.S.C. 2864(c)), that provide training and employment opportunities to eligible individuals.

“(2) The Secretary shall consult with the Secretary of Education to promote and coordinate carrying out projects under this title jointly with workforce investment activities in which eligible individuals may participate that are carried out under the Carl D. Perkins Vocational and Technical Education Act of 1998.

“SEC. 506. DISTRIBUTION OF ASSISTANCE.

“(a) RESERVATIONS.—

“(1) RESERVATION FOR NATIONAL ACTIVITIES.—Of the funds appropriated to carry out this title for each fiscal year, the Secretary may first reserve up to 1.5 percent to carry out demonstration projects, pilot projects, and evaluation projects under section 502(d).

“(2) RESERVATION FOR TERRITORIES.—Of the funds appropriated to carry out this title for each fiscal year, the Secretary shall reserve up to 0.75 percent, of which—

“(A) Guam, American Samoa, and the United States Virgin Islands shall each receive 30 percent of the funds so reserved; and

“(B) the Commonwealth of the Northern Mariana Islands shall receive 10 percent of the funds so reserved.

“(3) RESERVATION FOR ORGANIZATIONS.—Of the funds appropriated to carry out this title for each fiscal year, the Secretary shall reserve such amount as may be necessary to make national grants to public or nonprofit national Indian aging organizations with the ability to provide authorized activities for eligible individuals who are Indians and to national public or nonprofit Pacific Island and Asian American aging organizations with the ability to provide authorized activities for eligible individuals who are Pacific Island and Asian Americans.

“(b) STATE ALLOTMENTS.—The allotment for each State shall be the sum of the amounts allotted for national grants in such State under subsection (d) and for the grant to such State under subsection (e).

“(c) DIVISION BETWEEN NATIONAL GRANTS AND GRANTS TO STATES.—The funds appropriated to carry out this title for any fiscal year that remain after amounts are reserved under paragraphs (1), (2), and (3) of subsection (a), shall be divided by the Secretary between national grants and grants to States as follows:

“(1) RESERVATION OF FUNDS FOR FISCAL YEAR 2006 LEVEL OF ACTIVITIES.—

“(A) The Secretary shall reserve the amount of funds necessary to maintain the fiscal year 2006 level of activities supported by grantees that operate under this title under national grants from the Secretary, and the fiscal year 2006 level of activities supported by State grantees under this title, in proportion to their respective fiscal year 2006 levels of activities.

“(B) If in any fiscal year for which the funds appropriated to carry out this title are insufficient to satisfy the requirement specified in subparagraph (A), then the amount described in subparagraph (A) shall be reduced proportionally.

“(2) FUNDING IN EXCESS OF FISCAL YEAR 2006 LEVEL OF ACTIVITIES.—

“(A) UP TO \$35,000,000.—The amount of funds remaining after the application of paragraph (1), but not to exceed \$35,000,000, shall be divided so that 75 percent shall be provided to State grantees and 25 percent shall be provided to grantees that operate under this title under national grants from the Secretary.

“(B) OVER \$35,000,000.—The amount of funds remaining (if any) after the application of subparagraph (A) shall be divided so that 50 percent shall be provided to State grantees and 50 percent shall be provided to grantees that operate under this title under national grants from the Secretary.

“(d) ALLOTMENTS FOR NATIONAL GRANTS.—From funds available under subsection (c) for national grants, the Secretary shall allot for public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary in each State, an amount that bears the same ratio to such funds as the product of the number of individuals 55 years of age or older in the State and the allotment percentage of such State bears to the sum of the corresponding products for all States, except as follows:

“(1) MINIMUM ALLOTMENT.—No State shall be provided an amount under this subsection that is less than $\frac{1}{2}$ of 1 percent of the amount provided under subsection (c) for public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary in all of the States.

“(2) HOLD HARMLESS.—If the amount provided under subsection (c) is—

“(A) equal to or less than the amount necessary to maintain the fiscal year 2006 level of activities, allotments for grantees that operate under this title under national grants from the Secretary in each State shall be proportional to their fiscal year 2006 level of activities; or

“(B) greater than the amount necessary to maintain the fiscal year 2006 level of activities, no State shall be provided a percentage increase above the fiscal year 2006 level of activities for grantees that operate under this title under national grants from the Secretary in the State that is less than 30 percent of such percentage increase above the fiscal year 2006 level of activities for public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary in all of the States.

“(3) REDUCTION.—Allotments for States not affected by paragraphs (1) and (2)(B) of this subsection shall be reduced proportionally to satisfy the conditions in such paragraphs.

“(e) ALLOTMENTS FOR GRANTS TO STATES.—From the amount provided for grants to States under subsection (c), the Secretary shall allot for the State grantee in each State an amount that bears the same ratio to such amount as the product of the number of individuals 55 years of age or older in the State and the allotment percentage of such State bears to the sum of the corresponding product for all States, except as follows:

“(1) MINIMUM ALLOTMENT.—No State shall be provided an amount under this subsection that is less than ½ of 1 percent of the amount provided under subsection (c) for State grantees in all of the States.

“(2) HOLD HARMLESS.—If the amount provided under subsection (c) is—

“(A) equal to or less than the amount necessary to maintain the fiscal year 2006 level of activities, allotments for State grantees in each State shall be proportional to their fiscal year 2006 level of activities; or

“(B) greater than the amount necessary to maintain the fiscal year 2006 level of activities, no State shall be provided a percentage increase above the fiscal year 2006 level of activities for State grantees in the State that is less than 30 percent of such percentage increase above the fiscal year 2006 level of activities for State grantees in all of the States.

“(3) REDUCTION.—Allotments for States not affected by paragraphs (1) and (2)(B) of this subsection shall be reduced proportionally to satisfy the conditions in such paragraphs.

“(f) ALLOTMENT PERCENTAGE.—For purposes of subsections (d) and (e)—

“(1) the allotment percentage of each State shall be 100 percent less than percentage that bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the United States, except that—

“(A) the allotment percentage shall be not more than 75 percent and not less than 33 percent; and

“(B) the allotment percentage for the District of Columbia and the Commonwealth of Puerto Rico shall be 75 percent;

“(2) the number of individuals 55 years of age or older in any State and in all States, and the per capita income in any State and in all States, shall be determined by the Secretary on the basis of the most satisfactory data available to the Secretary; and

“(3) for the purpose of determining the allotment percentage, the term ‘United States’ means the 50 States and the District of Columbia.

“(g) DEFINITIONS.—For purposes of this section:

“(1) COST PER AUTHORIZED POSITION.—The term ‘cost per authorized position’ means the sum of—

“(A) the hourly minimum wage rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)), multiplied by the number of hours equal to the product of 21 hours and 52 weeks;

“(B) an amount equal to 11 percent of the amount specified under subparagraph (A), for the purpose of covering Federal payments for fringe benefits; and

“(C) an amount determined by the Secretary, for the purpose of covering Federal payments for the remainder of all other program and administrative costs.

“(2) FISCAL YEAR 2006 LEVEL OF ACTIVITIES.—The term ‘fiscal year 2006 level of activities’ means—

“(A) with respect to public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary, their level of activities for fiscal year 2006; and

“(B) with respect to State grantees, their level of activities for fiscal year 2006.

“(3) GRANTS TO STATES.—The term ‘grants to States’ means grants made under this title by the Secretary to the States.

“(4) LEVEL OF ACTIVITIES.—The term ‘level of activities’ means the number of authorized positions multiplied by the cost per authorized position.

“(5) NATIONAL GRANTS.—The term ‘national grants’ means grants made under this title by the Secretary to public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary.

“(6) STATE.—The term ‘State’ does not include Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands.

“SEC. 507. EQUITABLE DISTRIBUTION.

“(a) INTERSTATE ALLOCATION.—In making grants under section 506, the Secretary shall ensure, to the extent feasible, an equitable distribution of activities under such grants, in the aggregate, among the States, taking into account the needs of underserved States.

“(b) INTRASTATE ALLOCATION.—The amount allocated for projects within each State under section 506 shall be allocated among areas in the State in an equitable manner, taking into consideration the State priorities set out in the State plan in effect under section 503(a).

“SEC. 508. REPORT.

“To carry out the Secretary’s responsibilities for reporting in section 503(g), the Secretary shall require the State agency for each State that receives funds under this title to prepare and submit a report at the beginning of each fiscal year on such State’s compliance with section 507(b). Such report shall include the names and geographic location of all projects assisted under this title and carried out in the State and the amount allocated to each such project under section 506.

“SEC. 509. EMPLOYMENT ASSISTANCE AND FEDERAL HOUSING AND FOOD STAMP PROGRAMS.

“Funds received by eligible individuals from projects carried out under the program established in this title shall not be considered to be income of such individuals for purposes of determining the eligibility of such individuals, or of any other individuals, to participate in any housing program for which Federal funds may be available or for any income determination under the Food Stamp Act of 1977.

“SEC. 510. ELIGIBILITY FOR WORKFORCE INVESTMENT ACTIVITIES.

“Eligible individuals under this title may be considered by local workforce investment boards established under title I of the Workforce Investment Act of 1998 to satisfy the requirements for receiving services under such title I that are applicable to adults.

“SEC. 511. TREATMENT OF ASSISTANCE.

“Assistance provided under this title shall not be considered to be financial assistance described in section 245A(h)(1)(A) of the Immigration and Nationality Act (8 U.S.C. 1255A(h)(1)(A)).

“SEC. 512. COORDINATION WITH THE WORKFORCE INVESTMENT ACT OF 1998.

“(a) PARTNERS.—Grantees under this title shall be One-Stop partners as described in subparagraphs (A) and (B)(vi) of section 121(b)(1) of the Workforce Investment Act of 1998 (29 U.S.C. 2841(b)(1)) in the One-Stop delivery system established under section 134(c) of such Act (29 U.S.C. 2864(c)) for the appropriate local workforce investment areas, and shall carry out the responsibilities relating to such partners.

“(b) COORDINATION.—In local workforce investment areas where more than 1 grantee under this title provides services, the grantees shall—

“(1) coordinate their activities related to the One-Stop delivery system; and

“(2) shall be signatories of the memorandum of understanding established under section 121(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2841(c)).

“SEC. 513. PERFORMANCE.

“(a) MEASURES.—

“(1) ESTABLISHMENT OF MEASURES.—The Secretary shall establish, in consultation with grantees, subgrantees, and host agencies under this title, States, older individuals, area agencies on aging, and other organizations serving older individuals, performance measures for each grantee for projects and services carried out under this title.

“(2) CONTENT.—

“(A) COMPOSITION OF MEASURES.—The performance measures established by the Secretary in accordance with paragraph (1) shall consist of—

“(i) core indicators of performance specified in subsection (b)(1) and the expected levels of performance applicable to each core indicator of performance, and

“(ii) additional indicators of performance specified in subsection (b)(2)

“(B) CONTINUOUS IMPROVEMENT.—The measures described in subparagraph (A)(i) shall be designed to promote continuous improvement in performance.

“(C) EXPECTED LEVELS OF PERFORMANCE.—The Secretary and each grantee shall reach agreement on the expected levels of performance for each program year for each of the core indicators of performance specified in subsection (b)(1). The agreement shall take into account the factors described in subparagraphs (B) and (D) and other appropriate factors as determined by the Secretary, and shall be consistent with the requirements of subparagraph (E). Funds under the grant may not be awarded until such agreement is reached.

“(D) ADJUSTMENT.—The expected levels of performance described in subparagraph (C) applicable to a grantee shall be adjusted after the agreement under subparagraph (C) has been reached only with respect to the following factors:

“(i) High rates of unemployment or of poverty or welfare participation, in the areas served by a grantee, relative to other areas of the State or Nation.

“(ii) Significant downturns in the areas served by the grantee or in the national economy.

“(iii) Significant numbers or proportions of participants with 1 or more barriers to employment served by a grantee relative to grantees serving other areas of the State or Nation.

“(iv) Changes in Federal, State, or local minimum wage requirements.

“(E) PLACEMENT.—

“(i) LEVEL OF PERFORMANCE.—For all grantees, the Secretary shall establish a level of performance of not less than the percentage specified in clause (ii) (adjusted in accordance with subparagraph (D)) for the entry into unsubsidized employment core indicator of performance described in subsection (b)(1)(A). If a grantee achieved a level of performance less than the percentage specified in such clause for the preceding fiscal year for which results are available before the enactment of the Senior Independence Act of 2006, the Secretary shall provide technical assistance to assist such grantee to achieve the applicable percentage specified in such clause.

“(ii) REQUIRED PLACEMENT PERCENTAGES.—The minimum percentage for the entry into unsubsidized employment described in subsection (b)(1)(A) is—

“(I) 22 percent in fiscal year 2007;

“(II) 24 percent in fiscal year 2008;

“(III) 26 percent in fiscal year 2009;

“(IV) 28 percent in fiscal year 2010; and

“(V) 30 percent in fiscal year 2011.

“(3) PERFORMANCE EVALUATION OF GRANTEEES.—The Secretary shall annually establish national performance measures for each grantee under this title, which shall be applicable to the grantee without regard to whether such grantee operates such program directly or through contracts, grants, or agreements with other entities. The measures shall include the core indicators of performance and expected level of performance for each such indicator, and the additional indicators of performance. In addition, the Secretary shall annually publish the actual performance of each grantee with respect to—

“(A) the levels achieved for each of the core indicators of performance, compared to expected levels of performance under paragraph (2)(C) (including any adjustments to such levels made in accordance with to paragraph (2)(D)); and

“(B) the levels achieved for each of the additional indicators of performance.

“(4) LIMITATION.—An agreement to be evaluated on the performance measures shall be a requirement for application for, and a condition of, all grants authorized by this title.

“(b) INDICATORS OF PERFORMANCE.—

“(1) CORE INDICATORS.—The core indicators of performance described in subsection (a)(2)(A)(i) shall consist of—

“(A) entry into unsubsidized employment;

“(B) retention in unsubsidized employment for 6 months;

“(C) earnings; and

“(D) hours (in the aggregate) of community service employment-based training pursuant to subparagraphs (A) and (B)(I) of section 502(b)(1); and

“(2) ADDITIONAL INDICATORS.—The additional indicators of performance described in subsection (a)(2)(A)(ii) shall consist of—

“(A) retention in unsubsidized employment for 1 year;

“(B) the number of eligible individuals served, including the number of participating individuals described in section 516(2)(A)(ii), and

“(C) any other indicators of performance that the Secretary determines to be appropriate to evaluate services and performance.

“(c) DEFINITIONS OF INDICATORS.—The Secretary, after consultation with national and State grantees, representatives of business and labor organizations, and providers of services, shall issue rules that define the indicators of performance described in subsection (b).

“(d) CORRECTIVE EFFORTS.—

“(1) NATIONAL GRANTEEES.—

“(A) IN GENERAL.—Not later than 120 days after the end of each program year, the Secretary shall determine if a national grantee awarded a grant under section 514 has met the expected levels of performance established under subsection (a)(2)(c) (including any adjustments to such levels made

in accordance with to subsection (a)(2)(D)) for the core indicators of performance described in subsection (b)(1).

“(B) TECHNICAL ASSISTANCE AND CORRECTIVE ACTION PLAN.—

“(i) IN GENERAL.—If the Secretary determines that a grantee fails to meet the expected levels of performance described in paragraph (1), the Secretary shall provide technical assistance and require such grantee to submit a corrective action plan not later than 160 days after the end of the program year.

“(ii) CONTENT.—The plan submitted under subparagraph (A) shall detail the steps the grantee will take to meet the national performance measures in the next program year.

“(2) STATE GRANTEEES.—

“(A) IN GENERAL.—Not later than 120 days after the end of the program year, the Secretary shall determine if a State grantee allotted funds under section 506(e) has met the expected levels of performance established under subsection (a)(2)(C) (including any adjustments to such levels made in accordance with to subsection (a)(2)(D)) for the core indicators of performance described in subsection (b)(1).

“(B) TECHNICAL ASSISTANCE AND CORRECTIVE ACTION PLAN.—If a State fails to meet the levels of performance described in subparagraph (A), the Secretary shall provide technical assistance and require the State to submit a corrective action plan not later than 160 days after the end of the program year.

“(C) CONTENT.—The plan described in subparagraph (B) shall detail the steps the State will take to meet the standards.

“(D) FAILURE TO MEET PERFORMANCE MEASURES FOR SECOND AND THIRD YEARS.—

“(i) AFTER SECOND YEAR OF FAILURE.—If a State fails to meet the levels of performance described in subparagraph (A) for a second consecutive program year, the Secretary shall provide for the conduct by the State of a competition to award, for the first full program year following the determination (minimizing, to the extent possible, the disruption of services provided to participants), an amount equal to 25 percent of the funds available to the State for such year.

“(ii) AFTER THIRD YEAR OF FAILURE.—If the State fails to meet the levels of performance described in subparagraph (A) for a third consecutive program year, the Secretary shall provide for the conduct by the State of a competition to award the funds allocated to the State for the first full program year following the Secretary’s determination that the State has not met the performance measures.

“SEC. 514. COMPETITIVE REQUIREMENTS RELATING TO GRANT AWARDS.

“(a) PROGRAM AUTHORIZED.—From the funds available for national grants under section 506(d), the Secretary shall award grants to eligible applicants to carry out projects under this title through a competitive process that is conducted every 3 years.

“(b) ELIGIBLE APPLICANTS.—An applicant shall be eligible to receive a grant under subsection (a) in accordance with section 502(b)(1), and subsections (c) and (d).

“(c) CRITERIA.—The Secretary shall select the eligible applicants to receive grants under subsection (a) based on the following:

“(1) The applicant’s ability to administer a program that serves the greatest number of eligible individuals, giving particular consideration to individuals with greatest economic need, greatest social need, poor employment history or prospects, and over the age of 65.

“(2) The applicant’s ability to administer a program that provides employment for eligible individuals in the communities in which such individuals reside, or in nearby communities, that will contribute to the general welfare of the community.

“(3) The applicant’s ability to administer a program that moves eligible individuals into unsubsidized employment.

“(4) The applicant’s prior performance, if any, in meeting performance measures under this title and under other Federal or State programs.

“(5) The applicant’s ability to move individuals with multiple barriers to employment into unsubsidized employment.

“(6) The applicant’s ability to coordinate with other organizations at the State and local level.

“(7) The applicant’s plan for fiscal management of the program to be administered with funds received under this section.

“(8) Any additional criteria that the Secretary considers to be appropriate in order to minimize disruption for current participants.

“(d) RESPONSIBILITY TESTS.—

“(1) IN GENERAL.—Before final selection of a grantee, the Secretary shall conduct a review of available records to assess the applicant’s overall responsibility to administer Federal funds.

“(2) REVIEW.—As part of the review described in paragraph (1), the Secretary may consider any information, including the organization’s history with regard to the management of other grants.

“(3) FAILURE TO SATISFY TEST.—The failure to satisfy any 1 responsibility test that is listed in paragraph (4), excluding those listed in subparagraphs (A) and (B), does not establish that the organization is not responsible unless such failure is substantial or persists for 2 or more consecutive years.

“(4) TEST.—The responsibility tests include review of the following factors:

“(A) Unsuccessful efforts by the organization to recover debts, after 3 demand letters have been sent, that are established by final agency action, or a failure to comply with an approved repayment plan.

“(B) Established fraud or criminal activity of a significant nature within the organization.

“(C) Serious administrative deficiencies identified by the Secretary, such as failure to maintain a financial management system as required by Federal rules or regulations.

“(D) Willful obstruction of the audit process.

“(E) Failure to provide services to applicants as agreed to in a current or recent grant or to meet applicable performance measures.

“(F) Failure to correct deficiencies brought to the grantee’s attention in writing as a result of monitoring activities, reviews, assessments, or other activities.

“(G) Failure to return a grant closeout package or outstanding advances within 90 days of the grant expiration date or receipt of closeout package, whichever is later, unless an extension has been requested and granted.

“(H) Failure to submit required reports.

“(I) Failure to properly report and dispose of Government property as instructed by the Secretary.

“(J) Failure to have maintained effective cash management or cost controls resulting in excess cash on hand.

“(K) Failure to ensure that a subrecipient complies with its Office of Management and Budget Circular A–133 audit requirements specified at section 667.200(b) of title 20, Code of Federal Regulations.

“(L) Failure to audit a subrecipient within the required period.

“(M) Final disallowed costs in excess of 5 percent of the grant or contract award if, in the judgment of the grant officer, the disallowances are egregious findings.

“(N) Failure to establish a mechanism to resolve a subrecipient’s audit in a timely fashion.

“(5) DETERMINATION.—Applicants that are determined to be not responsible shall not be selected as grantees.

“(6) DISALLOWED COSTS.—Interest on disallowed costs shall accrue in accordance with the Debt Collection Improvement Act of 1996.

“SEC. 515. AUTHORIZATION OF APPROPRIATIONS.

“(a) There is authorized to be appropriated to carry out this title such sums as may be necessary for fiscal years 2007, 2008, 2009, 2010, and 2011.

“(b) Amounts appropriated under this section for any fiscal year shall be available for obligation during the annual period that begins on July 1 of the calendar year immediately following the beginning of such fiscal year and that ends on June 30 of the following calendar year. The Secretary may extend the period during which such amounts may be obligated or expended in the case of a particular organization or agency that receives funds under this title if the Secretary determines that such extension is necessary to ensure the effective use of such funds by such organization or agency.

“(c) At the end of the program year, the Secretary may recapture any unexpended funds for the program year, and reobligate such funds within the 2 succeeding program years for—

“(1) technical assistance; or

“(2) grants or contracts for any other program under this title.

“SEC. 516. DEFINITIONS.

“For purposes of this title:

“(1) **COMMUNITY SERVICE EMPLOYMENT-BASED TRAINING.**—The term ‘community service employment-based training’ means work experience that is related to providing social, health, welfare, and educational services (including literacy tutoring), legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational, and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; weatherization activities; economic development; and such other services essential and necessary to the community as the Secretary determines by rule.

“(2) **ELIGIBLE INDIVIDUAL.**—The term ‘eligible individual’ means an individual who is 55 years of age or older and who has a low income (including any such individual whose income is not more than 125 percent of the poverty line), excluding any income that is unemployment compensation, benefits received under title XVI of the Social Security Act, veterans payments, or 25 percent of the benefits received under title II of the Social Security Act, but—

“(A) pursuant to regulations prescribed by the Secretary, any such individual who meets one or more of the following criteria shall have priority for the work opportunities provided under this title—

“(i) is 65 years of age or older; or

“(ii) has one or more of the following barriers to employment:

“(I) has a disability;

“(II) has limited English proficiency or low literacy skills;

“(III) resides in a rural area;

“(IV) is a veteran;

“(V) has low employment prospects; or

“(VI) has failed to find employment after utilizing services provided under title I of the Workforce Investment Act of 1998; and

“(B) notwithstanding any other provision of this paragraph, excludes—

“(i) an individual who has participated in projects under this title for a period of 48 months in the aggregate (whether or not consecutive) after the date of the enactment of the Senior Independence Act of 2006; and

“(ii) an individual who has participated in projects under this title for a period of 24 months in the aggregate (whether or not consecutive) after the date of the enactment of the Senior Independence Act of 2006 if such individual participated more than 24 months in the aggregate (whether or not consecutive) under title V of this Act, as in effect before the date of the enactment of the Senior Independence Act of 2006.

“(3) **LOW INCOME.**—The term ‘low income’ means income received during the 12-month period (or, at the option of the grantee involved, the 6-month period that is not multiplied) ending on the date an eligible individual submits an application to participate in the project carried out under this title by such grantee.

“(4) **PACIFIC ISLAND AND ASIAN AMERICANS.**—The term ‘Pacific Island and Asian Americans’ means Americans having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands.

“(5) **PROGRAM.**—The term ‘program’ means the older American community service employment-based training program established under this title.

“(6) **SUPPORTIVE SERVICES.**—The term ‘supportive services’ means services such as transportation, child care, dependent care, housing, and needs-related payments, that are necessary to enable an individual to participate in activities authorized under this title, consistent with the provisions of this title.

“(7) **UNEMPLOYED INDIVIDUAL.**—The term ‘unemployed individual’ means an individual who is without a job and who wants and is available for work, including an individual who may have occasional employment that does not result in a constant source of income.”

SEC. 39. NATIVE AMERICANS CAREGIVER SUPPORT PROGRAM.

Section 643 of the Older Americans Act of 1965 (42 U.S.C. 3057n) is amended by striking “2001” each place it appears and inserting “2007”.

SEC. 40. VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES.

Section 702 of the Older Americans Act of 1965 (42 U.S.C. 3058a) is amended by striking “2001” each place it appears and inserting “2007”.

SEC. 41. NATIVE AMERICAN ORGANIZATION PROVISIONS.

Section 751(d) of the Older Americans Act of 1965 (42 U.S.C. 3058aa(b)) is amended by striking “2001” and inserting “2007”.

SEC. 42. ELDER ABUSE, NEGLECT, AND EXPLOITATION PREVENTION.

Section 721 (b) of the Older Americans Act of 1965 (42 U.S.C. 3058i(b)) is amended—

- (1) by inserting after paragraph (1) the following new paragraph:
“(2) providing for public education and outreach to promote financial literacy and prevent identity theft and financial exploitation of older individuals;”; and
- (2) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9), respectively.

SEC. 43. TECHNICAL AMENDMENTS.

The Older Americans Act of 1965 (42 U.S.C. 2001 et seq.) is amended—

- (1) in section 202(e)(1)(A) by striking the semicolon at the end and inserting a period, and
- (2) by inserting before section 401 the following:

**“TITLE IV—ACTIVITIES FOR HEALTH,
INDEPENDENCE AND LONGEVITY”.**

PURPOSE

H.R. 5293, the Senior Independence Act of 2006, amends the Older Americans Act to authorize appropriations for fiscal years 2007 through 2011; and for other purposes.

COMMITTEE ACTION

COMMITTEE HEARINGS

On May 25, 2005, the Subcommittee on Select Education held a hearing entitled An Examination of the Older Americans Act. The hearing was the first in a series of hearings to review the implementation of the amendments to the law enacted in 2000, explore issues facing today’s seniors, and to begin debating the appropriate federal response to these circumstances. The witnesses who testified before the Subcommittee included: Joan Lawrence, Director of the Ohio Department of Aging, Columbus, OH; Michael O’Donnell, Executive Director of the East Central Illinois Area Agency on Aging (AAA), Bloomington, IL; Jane Metzger, President Elect of the Meals on Wheels Association of America, Topeka, KS; and Jesse Leos, National Director of the Senior Community Service Employment Program (SCSEP) Program of SER-Jobs for Progress, Inc., Irving, TX.

On April 3, 2006 the Subcommittee on Education Reform held a field hearing entitled The Older Americans Act: Strengthening Communities to Support the Next Generation of Older Americans at the University of Texas Pan-American in Edinburg, TX. The hearing allowed Members to gain a local perspective on issues involved in the Older Americans Act. The witnesses included: Karl Urban, Manager of Policy Analysis and Support at the Texas Department of Aging and Disability, Austin, TX; Armondo Dominguez, Assistant Director of the Center on Aging and Health at the University of Texas-Pan American, Edinburg, TX; Marlon Sullivan, Senior Director of Staffing of The Home Depot, Atlanta, GA; Jose Perez, Executive Director of the Senior Community Outreach Services, Inc., Donna, TX; and Rosa Anzaldua, program participant at Amigos del Valle, Mission, TX.

On April 28, 2006, the Subcommittee on Select Education held a second field hearing, entitled The Older Americans Act: Improving Quality of Life for Aging Americans, at the Westerville Senior

Center in Westerville, OH. The field hearing allowed Members to gain more information and recommendations for reauthorization at the local level. The Witnesses included: Elise Geig, Legislative Liaison at the Ohio Department of Aging, Columbus, OH; David Bibler, Executive Director of the Licking County Aging Program, Newark, OH; Charles Gehring, President and CEO of Lifecare Alliance, Columbus, OH; Bob Horrocks, Executive Director of the Council for Older Adults of Delaware County, Columbus, OH; and Virginia Ragan, community representative for Westerville, OH.

On May 2, 2006, the Subcommittee on Select Education held a hearing entitled The Senior Independence Act of 2006. The hearing was held to hear comments and recommendations on a discussion draft of the bill. The Witnesses included: Josefina Carbonell, Assistant Secretary for Aging at the Department of Health and Human Services, Washington, DC; Mason Bishop, Deputy Assistant Secretary for the Employment Training Administration at the Department of Labor, Washington, DC; Andre Bauer, Lieutenant Governor, SC; Vinsen Faris, Executive Director of Meals on Wheels of Johnson and Ellis Counties, Cleburne, TX; Ling Cheung, President of the Chinese American Senior Service Association, Montgomery County, MD; and Richard Browdie, President and CEO of the Benjamin Rose Institute, Cleveland, OH.

LEGISLATIVE ACTION

On Thursday, May 4, 2006, Mr. Patrick J. Tiberi, along with Mr. Ruben Hinojosa, introduced H.R. 5293, the Senior Independence Act of 2006, a bill to reauthorize the Older Americans Act through 2011.

On Wednesday, May 10, 2006, the Subcommittee on Education Reform considered H.R. 5293 in a legislative session and reported it favorably, as amended, to the Committee on Education and the Workforce by voice vote. The Subcommittee adopted the following amendments:

An amendment in the nature of a substitute offered by Mr. Patrick J. Tiberi, adopted by voice vote. The substitute amendment contained changes to H.R. 5293 to:

- Make technical and clarifying amendments to the legislation;
- Authorize caregivers of persons of any age with Alzheimer's Disease to receive services under the National Family Caregiver Support Program;
- Allow a grandparent caregiver who is 55 years of age or older to participate in the National Family Caregiver Support program—an amendment of particular interest to Mr. Danny K. Davis;
- Authorize additional activities to promote the civic engagement of older Americans;
- Support the development, implementation, and assessment of technologies that enable family and professional caregivers to remotely monitor the health status of older individuals residing in home and community-based settings; and
- Reauthorize and make permanent activities of national significance to support issues facing caregivers, including: intergenerational family support, the needs of persons with

Alzheimer's disease, and assistance to caregivers of a family member with a disability.

An amendment offered by Mr. Luis G. Fortuño, adopted by voice vote. Mr. Fortuño's amendment adds "or who is an individual with a disability" to the definition of a child under the Caregiver Support Program.

On May 17, 2006 the Committee on Education and the Workforce considered H.R. 5293 in legislative session, and reported the bill favorably, as amended, to the House of Representatives by voice vote. The Committee adopted the following amendments:

An amendment in the nature of a substitute offered by Mr. Howard P. "Buck" McKeon, adopted by voice vote. The substitute amendment contained the following technical and clarifying changes to H.R. 5293 to:

- Require the Assistant Secretary to make available to States information and technical assistance to support the provision of evidence-based disease prevention and health promotion services;
- Encourage States, at their discretion, to include information about the State's preparedness for a change in the number of older individuals residing in the State as part of their State plan;
- Reauthorize the Nutrition Services Incentive Program and provide cash to all states for the operation of nutrition programs authorized under the Act. State Units on Aging could continue to purchase and distribute commodities through another State agency, or local meal providers could purchase commodities through school food authorities within the planning and service area;
- Recognize that older individuals with disabilities may need access to assistive technologies and other supportive services that may be provided under the Act;
- Recognize the need for older individuals to have access to mental health screening and, if necessary, referrals for treatment;
- Require the Assistant Secretary, as part of the program evaluation process, to prepare an analysis of how the evaluation will be used to improve programs and influence the Administration's strategic planning process;
- Include "hours of community service employment-based training" as a core indicator of performance under the SCSEP program;
- Reinsert a current law requirement that states include public comments as part of their SCSEP plan submission;
- Clarify what constitutes barriers to employment for purposes of adjusting the performance measures;
- Specify that each SCSEP national grant will last 3 years, as in current law;
- Allow current SCSEP participants to have at least 24 months from date of enactment to transition to unsubsidized employment;
- Ensure that individuals who have occasional employment, such as lawn mowing or babysitting, still could be eligible for the SCSEP program; and
- Include additional technical and clarifying amendments.

An Amendment offered by Mr. Mark E. Souder, adopted by voice vote. This amendment authorizes the Assistant Secretary to conduct an evidence-based evaluation of the nutrition programs included in the Act.

An Amendment offered by Mr. John R. “Randy” Kuhl, adopted by voice vote. Mr. Kuhl’s amendment authorizes federal entities to implement and build awareness of programs providing benefits to older Americans.

An Amendment offered by Mr. Jon C. Porter and Mr. Danny K. Davis, adopted by voice vote. This Amendment strengthens efforts to prevent elder abuse and neglect and improves coordination of elder justice activities at the Federal, State, and local levels.

An Amendment offered by Mr. Rush D. Holt, adopted by voice vote. This Amendment excludes certain sources of income for the purpose of determining eligibility for Title V. The amendment excludes SSDI, 25 percent of Social Security, veterans’ payments, and unemployment compensation—all of which were previously not counted as income.

An Amendment offered by Mr. Danny K. Davis and Mr. Jon C. Porter, adopted by voice vote. This Amendment supports consumer-driven models of home and community-based care and helps prevent high-risk individuals from spending down their savings to receive Medicaid.

An Amendment offered by Mr. Raul M. Grijalva, adopted by voice vote. This Amendment changes the look-back period for determining an individual’s income for purposes of SCSEP eligibility to allow grantees to either annualize six months of income or the individual’s previous 12 months of income.

An Amendment offered by Mr. Robert E. Andrews, adopted by voice vote. This Amendment encourages professionals who provide nutrition services under the Act to also provide information about the availability of flu shots.

An Amendment offered by Mr. Robert E. Andrews, adopted by voice vote. This Amendment authorizes the Assistant Secretary to work in consultation with qualified experts to provide information on methods of improving indoor air quality to buildings where seniors congregate.

SUMMARY

H.R. 5293, the Senior Independence Act of 2006, reauthorizes all titles of the Older Americans Act through 2011 and authorizes such sums as may be necessary to carry out programs and services under the Act.

Title II of the Act stipulates functions of the Assistant Secretary in administering the Older Americans Act. The legislation strengthens the roles and responsibilities of the Secretary on Aging to assist states, area agencies on aging, and service providers to better serve older Americans.

The Senior Independence Act seeks to improve coordination and cooperation among multiple federal agencies involved in programs and services for older Americans. The legislation requires the Assistant Secretary to coordinate federal elder justice activities, including elder abuse prevention, detection, intervention, and response; to consult and coordinate with the Centers for Medicare & Medicaid to assist in benefit enrollment and outreach; and to

strengthen coordination at the federal, state, and local levels for long-term care provided in home and community-based settings.

H.R. 5293 encourages the Assistant Secretary to provide outreach and technical assistance to promote evidence-based health promotion and prevent disease prevention initiatives. Additionally, it requires the Assistant Secretary to provide information on methods to improve indoor air quality in buildings where seniors congregate.

Title III of the Act authorizes grants and stipulates state requirements and conditions for receiving grants to operate state units on aging and fund local area agencies on aging within a state.

Under the legislation, states and area agencies on aging are required to develop and implement a comprehensive, coordinated system for providing long-term care in home- and community-based settings. Additionally, it requires states to provide assurances to the Assistant Secretary that area agencies on aging will advance state efforts to furnish long-term care services in a manner consistent with consumer focused self-directed care models.

H.R. 5293 encourages both states and area agencies on aging to plan for demographic shifts that are expected to increase the population of older Americans. The legislation encourages states and area agencies on aging to conduct an assessment of anticipated change in the number of older individuals within the state or planning and service area, and to work in cooperation with public agencies and other state and community partners to prepare for an increased number of older Americans.

H.R. 5293 also clarifies that service providers may enter into contractual, commercial, or private pay relationships provided that such provider operate in a manner consistent with the public purpose mission and targeting provision under the Act.

The Senior Independence Act encourages efforts by states, area agencies on aging, and local providers to improve access to supportive services that help foster independence and maintain a good quality of life. The legislation encourages the creation of opportunities for civic engagement and seeks to enhance the coordination of senior volunteer programs. H.R. 5293 requires public outreach to facilitate program access for eligible individuals with limited English proficiency, and promotes financial literacy and pension counseling for older Americans who may need assistance in planning for future financial needs, including budgeting for long-term care expenses. States and local providers also are encouraged to promote evidence-based preventive care, including screenings for nutritional deficiencies or impaired mental health, and access to assistive technology devices for older adults with disabilities.

Title III of the Act authorizes the provision of home delivered and congregate meals to older individuals. H.R. 5293 updates nutrition program requirements consistent with current science and the most recent Dietary Guidelines for Americans. To support this effort, the bill requires the Assistant Secretary to consult with experts in the field of nutrition science, dietetics, meal planning, food service, and aging, and to establish guidelines for the efficiency and quality of home delivered meals. The legislation simplifies nutrition requirements by allowing providers to average key nutrients over time.

H.R. 5293 maintains the dual purpose of OAA nutrition programs to ensure the effective delivery of nutritious meals to older adults, and to provide opportunities for socialization and assistance in accessing other health and social services provided in and outside the aging network. The bill encourages local meal providers to provide information to homebound seniors on how to obtain an influenza vaccine in their area, and allows but does not require congregate meal providers to offer a single multivitamin-mineral supplement to seniors who also receive a meal. Older individuals participating in meal programs under the Act also are eligible to receive nutrition screening, nutrition education or counseling as needed to support the health of participants.

The Senior Independence Act strengthens a current law provision allowing service providers to solicit voluntary contributions from eligible individuals who receive services. H.R. 5293 clarifies that service providers, including nutrition service providers may encourage voluntary contributions from clients. Providers are required to encourage such contributions for services provided to individuals with self-declared incomes at or above 125 percent of poverty.

H.R. 5293 also reauthorizes the Nutrition Services Incentive Program, which provides commodity support to states and tribal organization operating senior nutrition programs. The legislation streamlines access to commodity foods by providing cash to purchase commodities through school food authorities.

To ensure that nutrition services are effectively supporting the nutritional needs of program participants, H.R. 5293 authorizes a study by the Institute of Medicine to evaluate the effectiveness of program, including the value of the investment in nutrition services funded under the Act.

Title III of the Act also authorizes the National Family Caregiver Support Act. Under current law, this program provides caregiver support to relative caregivers of individuals age 60 and over, and to grandparents who are the primary caregiver of grandchildren up to age 18. H.R. 5293 modifies eligibility for caregiver support by decreasing from 60 to 55 the age of eligibility for grandparent participation. The legislation also provides support to grandparents who care for an adult child with a disability. H.R. 5293 also authorizes caregiver support for relatives responsible for the care of an individual of any age who is diagnosed with Alzheimer's disease or a related neurological disorder.

H.R. 5293 continues ongoing research and demonstration grants awarded competitively by the Assistant Secretary to support intergenerational programs, families who have a child with a disability, programs unique to rural areas, Alzheimer's programs, and family caregiver support programs.

Under current law, the Assistant Secretary may use a limited amount of funds to conduct evaluations of programs and services funded by the Act. H.R. 5293 limits the total amount of funding that may be used for evaluation to an amount that does not exceed $\frac{1}{2}$ of 1 percent of title III appropriations.

Title IV of the Act provides technical assistance and supports a range of ongoing research and demonstration activities designed to spur innovation and identify best practices in the field of aging. These activities as authorized under current law include career preparation in the field of aging, protection from violence projects,

and grants to improve the delivery of health care services to older individuals residing in rural areas. H.R. 5293 authorizes the Secretary to use these funds, in part, to develop and assess technology-based service models and best practices. The bill revises eligibility criteria for Career Preparation in the Field of Aging grants to include Hispanic serving organizations among the entities eligible to receive a grant.

Title V of the Act authorizes community service employment and training for older Americans. H.R. 5293 revises the name of title V of the Act to the Older American Community Service Employment-Based Training Act. In addition, the bill revises the purposes of the program commonly called the Senior Community Service Employment Program (SCSEP). The bill authorizes the Secretary of Labor to establish an older American community service employment-based training program to foster and promote useful part-time public and private-sector employment-based training opportunities for unemployed low-income eligible individuals who have poor employment prospects and to provide vital social and human services to communities by providing work experience to eligible individuals in public agencies, community-based and faith-based organizations.

The bill requires that not less than 50 percent of hours are worked in authorized activities to be in community-service employment-based training provided by a grantee in a program year.

Current law does not limit the duration of participation in SCSEP. The bill requires grantees to have an average period per capita that does not exceed 24 months (whether or not consecutive) during each program year in which the grantee has participated in the program.

Current law permits work placements in publicly owned and operated facilities or in nonprofit organizations. In addition to these placements, H.R. 5293 also allows placements in for-profit organizations.

The bill allows grantees to provide payment for necessary supportive services costs to allow participants to participate in the program. The bill defines supportive services as services such as transportation, child care, dependent care, housing, and needs-related payments, which are necessary to enable an individual to participate in authorized activities under the program.

Under current law, the administrative costs are costs both personnel and non-personnel and both direct and indirect associated with the following: (1) the costs of performing overall general administrative functions such as accounting, budgeting, financial, and cash management functions; procurement and purchasing functions; property management functions; personnel management functions; payroll functions; coordinating the resolution of findings arising from audits, reviews, investigations, and incident reports; audit functions; general legal services functions; and developing systems and procedures; (2) the costs of performing oversight and monitoring responsibilities related to administrative functions; (3) the costs of goods and services required for administrative functions; (4) travel costs incurred for official business in carrying out administrative activities or overall management; and (5) the costs of information systems related to administrative functions. Under the bill, the following additional items are classified as administra-

tive costs: quality assurance; preparing program plans; administrative salaries; preparing reports; all travel costs other than travel costs related to the provision of services; and the costs of technical assistance, professional organization membership dues, removal of architectural barriers and operating and maintaining assistive technology, public information, and evaluating program results.

Under current law grants may be used to pay for enrollee wages and fringe benefits. H.R. 5293 clarifies what benefits may be included, which are those required by law (such as workers compensation or unemployment compensation), the costs of physical examinations, compensation for scheduled work hours during which an employer is closed for a federal holiday, and necessary sick leave that is not part of an accumulated sick leave program. No amounts provided under the program may be used to pay the cost of pension benefits, annual leave, accumulated sick leave or bonuses.

Currently, not less than 75 percent of the funds made available under a grant to operate a SCSEP program shall be used to pay wages and benefits for eligible individuals who are employed to carry out projects. The bill requires grantees to spend not less than 65 percent of their funds on wages and benefits to allow additional flexibility and resources for classroom or on-the-job training opportunities.

Under current law, the Secretary may use monies reserved under section 506(a)(1) to fund special projects designed to assure second career training and the placement of eligible individuals in employment opportunities with private business concerns. H.R. 5293 replaces this authority with new authority for the Secretary to conduct pilot, demonstration, and evaluation projects. Projects may include activities linking businesses and eligible individuals; demonstration projects and pilot projects designed to attract more eligible individuals into the labor force, improve the provision of services to eligible individuals under the One-Stop delivery system established under the Workforce Investment Act (WIA), enhance the technological skills of eligible individuals, and provide incentives to grantees for exemplary performance; demonstration and pilot projects for older workers if the projects are designed to assist in developing and implementing techniques and approaches in addressing the employment and training needs of eligible individuals; training and technical assistance to support the projects; dissemination of best practices; and evaluation of activities authorized.

Currently funds under the program are distributed to states and national organizations according to a set of requirements that include a fiscal year 2000 hold harmless amount so that funds are distributed to state agencies and national organizations at their fiscal year 2000 level of activities. Additional funds are distributed based on relative state population 55 years of age or older and the relative state per capital income. The bill updates the hold harmless provision so that the distribution of funds between states and national organizations will be based on fiscal year 2006 distribution.

Currently, states and national grantees are measured on the following performance indicators: (1) the number of participants served, with particular consideration given to individuals with greatest economic need, greatest social need, or poor employment

history or prospects, and individuals who are over the age of 60; (2) community services provided; (3) placement into and retention in unsubsidized public or private employment; (4) satisfaction of the enrollees, employers, and their host agencies with their experiences and the services provided; and (5) additional indicators that the Secretary determines to be appropriate. H.R. 5293 establishes four core performance measures: entry into unsubsidized employment; retention in unsubsidized employment for six months; earnings; and hours (in the aggregate) of community services employment based training pursuant to subparagraphs (A) and (B)(i) or section 502(b)(1) (which requires at least 50 percent of placement in community service positions). States and national grantees also will report on retention in unsubsidized employment for one year; the number of eligible individuals served, including the number of participating individuals age 65 and older or who have barriers to employment; and any other indicators of performance that the Secretary determines to be appropriate.

Under current law states and national grantees negotiate expected levels of performance. H.R. 5293 continues this practice and requires adjustment for significant numbers or proportions of participants with barriers to employment.

Current law requires the minimum percentage for the entry into unsubsidized employment to be 20 percent. The bill incrementally increases this requirement by two percentage points each year so that the required placement rate is 22 percent in fiscal year 2007, 24 percent in fiscal year 2008, 26 percent in fiscal year 2009, 28 percent in fiscal year 2010, and 30 percent in fiscal year 2011.

States and national grantees both now face sanctions for failure to meet expected levels of performance. H.R. 5293 maintains this structure for states. However, national grantees that fail to attain expected levels of performance now only will receive technical assistance. Each such grantee also will submit a corrective action plan not later than 160 days after the end of the program year. The plan shall detail the steps the grantee will take to meet the national performance measures in the next program year.

Under current law, the Secretary shall award grants to national organizations for a period not to exceed three years. In addition, the Secretary shall hold a competition for program funds when a state or national grantee fails to meet its performance measures for at least two consecutive years. The bill maintains this structure for states. The bill replaces current requirements to compete the funds of national grantees that fail to meet performance with a requirement that all grants be competed every three years. The bill maintains current law's criteria for selection of grantees and has added as an additional criterion review of the applicant's prior performance, if any, in meeting performance measures under this program and under other federal or state programs.

The bill changes the term "community service" to "community service employment-based training" and defines the term as work experience that is related to providing social, health, welfare, and educational services (including literacy tutoring), legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational, and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; anti-

pollution and environmental quality efforts; weatherization activities; economic development; and such other services essential and necessary to the community as the Secretary determines by rule.

Current law allows services to be provided to individuals 55 years of age or older who have a low income (including those with incomes not more than 125 percent of the federal poverty guidelines). In addition, current law includes a priority for those individuals over 60 years of age. H.R. 5293 continues to allow low-income individuals 55 years of age or older to be eligible for SCSEP, but the bill creates a new priority of service for older individuals or those with barriers to employment. Under the bill, an individual who is 65 years of age or older, has a disability, has limited English proficiency, resides in a rural area, is a veteran, has low employment prospects, or has failed to find employment after utilizing services provided under title I of WIA shall have priority for the work opportunities provided under the program.

States and grantees shall exclude any income that is unemployment compensation, Supplemental Security Income (SSI) benefits received under Title XVI of the Social Security Act, or veterans' payments and 25 percent of benefits received under title II of the Social Security Act (Old-Age, Survivors and Disability Insurance [OASDI] payments). In addition, H.R. 5293 provides state and national grantees operating SCSEP the flexibility to use either the income for the 12 months preceding an individual's application or an individual's income for the six months preceding one's application when determining eligibility.

The bill excludes an individual who has participated in the program for a period of 48 months in the aggregate (whether or not consecutive) from participation in the program. However, to create a transition period for those already participating in the program, the bill allows individuals who have already participated in the program for at least 24 months to have an additional 24 months of eligibility. Anyone who has been participating in the program for 24 months or less at the time of enactment will have a four year time limit, inclusive of time already spent in the program.

H.R. 5293 makes no additional substantive amendments to titles VI and VII of the Older Americans Act.

COMMITTEE STATEMENT AND VIEWS

OVERVIEW

The Older Americans Act of 1965 (OAA) is the major federal statute governing the delivery of social services for elderly Americans and their family caregivers. The Act provides a wide range of supports such as information and personal assistance, transportation, nutritional services, personal care, chore services, and adult day care. Nutrition services include the "Meals on Wheels" home delivery meal program and congregate meal programs. The OAA also funds research, demonstration projects, and elder rights protection activities.

The OAA, first enacted in the 89th Congress, created a series of federal programs specifically designed to meet the service needs of older persons. Although older persons may receive services under other federal programs, this Act is the major vehicle for the organization and delivery of services to senior citizens. It authorizes a

wide array of programs through a network of 56 state agencies on aging, 655 area agencies on aging, 238 tribal organizations, 29,000 local service organizations, and a cadre of 500,000 volunteers.

The Administration on Aging (AoA) within the Department of Health and Human Services is the primary federal entity charged with serving the needs of older Americans and coordinating the development of a comprehensive, nationwide system of services that will enable older adults to remain in their own homes and communities as long as possible. OAA programs administered by the AoA received \$1.366 billion for fiscal year 2006.

The OAA also authorizes the Senior Community Service Employment Program (SCSEP) administered by the Department of Labor (DoL). The principal purpose of SCSEP is to help low-income older workers gain employment skills and job training through temporary subsidized community service activities or unsubsidized employment. SCSEP serves low-income older workers beginning at age 55. Most participants are initially placed in government subsidized, part-time community service activities, with the goal of gaining skills that lead to unsubsidized employment. Subsidized participants are paid no less than the federal or state minimum wage or the local prevailing rate of pay for similar employment, whichever is higher.

Funds are distributed to states and national organizations to operate the program, and since 2002, DoL has distributed funds to national organizations through a competitive grant process. There are currently 13 participating national non-profit organizations. SCSEP received \$432.3 million for fiscal year 2006.

Since its enactment in 1965, the Act has been reauthorized 14 times. The 1969 amendments strengthened the community service programs and charged state agencies on aging with statewide responsibilities for planning, coordination, and evaluation of programs for older persons. Major amendments to the Act occurred in the early 1970s, including the enactment of the nutrition component, which evolved from nutrition demonstration projects first funded in 1968.

The 1972 amendments authorized grants to public and nonprofit sponsors for the development of congregate meal services to meet the nutrition and social services needs of older persons. In addition to providing meals, Congress envisioned the program to serve as an important vehicle for fostering social interaction among participants and to facilitate social service delivery. The program's dual purposes of maintaining health through good nutrition and by providing opportunities for social interaction continue today.

The 1973 amendments significantly restructured the Act with the aim of improving the planning and organization of services for older persons at the state and local levels. State agencies were required to divide the state into geographic areas, or planning and service areas, and to establish area agencies on aging at the community level for the purpose of developing area-wide social service delivery systems for older persons. Area agencies were given responsibility for planning and coordinating of programs for older persons within defined planning and service areas designated by the state agencies on aging. In addition, area agencies were responsible for advocating on behalf of older persons.

The 1978 amendments represented a major change in the structure of the program when the separately authorized supportive, nutrition and multipurpose senior center programs were folded into the title III administrative structure. Another major change was the addition of a separate authorization of appropriations for home-delivered nutrition services, which were previously an allowable service under the congregate nutrition program. These amendments also established the state long-term care ombudsman program to investigate and resolve complaints of nursing home and board and care home residents, and a new title VI authorizing grants to Indian tribal organizations for supportive and nutrition services to older Indians. The amendments also incorporated the community service employment program as title V of the Act.

Amendments in 1981 and 1984 gave states greater flexibility in the administration of the nutrition and supportive services programs. The 1987 amendments created new separately authorized service components under the state and area agency on aging program, including in-home services for the frail elderly, and health promotion and disease prevention programs. These amendments also incorporated a grant program for older Native Hawaiians under title VI. The amendments in 1992 again restructured some of the Act's programs by shifting some of the title III service responsibilities to title VII for elder rights protection activities.

The 2000 amendments consolidated several funding authorities and increased state and local flexibility in program administration. The 2000 amendments also established the National Family Caregiver Support Program and required the Secretary of Labor to establish performance measures and award grants competitively for the Senior Community Service Employment Program.

In 2005, authorization for the Act expired. However, OAA programs continue to receive funding through the appropriations process. For fiscal year 2006, \$1.78 billion was appropriated for these programs.

Since its creation, the OAA has grown to be one of the most visible service programs for older persons. In fiscal year 2005, the largest component of the Act, the title III nutrition program, provided 250 million meals to about 2.6 million older persons. About 50 percent of the meals were provided in congregate settings, such as senior centers and community centers, and 50 percent were delivered to frail older persons in their homes. The supportive services program provides funds to states for a host of social services and activities. The most frequently used services are transportation, information and referral, senior centers, outreach services, home care, and recreation. In fiscal year 2005, the program funded approximately 6,400 senior centers, 36 million rides, 13 million responses to request for information and assistance, and 20 million home care services. The Senior Community Service Employment Program accounted for about 25 percent of the OAA funds in fiscal year 2006. The program supports about 61,000 employment positions for approximately 91,500 low-income individuals age 55 and older. Funds are provided to State agencies and, through competitive grant awards, to non-profit national organizations. Enrollees work in a variety of community service activities including social services, education, nutrition services, senior centers, home care services, and parks and recreation.

The Senior Independence Act of 2006 is specifically designed to modernize the Older Americans Act in preparation for a growing number of Americans age 60 and older. The U.S. is facing the aging of the largest demographic cohort in its history. In 2006, the first children of the “baby boom” generation will turn age 60, adding to the 49 million Americans who already are age 60 or older, including over 5 million who are older than age 85.

By 2030, 70 million Americans—twice their number in 2000—will be 65 and over and comprise 20 percent of the U.S. population, representing one in every five Americans. With life expectancy also rising, older adults will collectively live longer than their predecessors. With a high percentage of baby boomers expected to live beyond 85, experts predict a 60 percent surge in the population of Americans age 85 and older between 2030 and 2040.

The Senior Independence Act aims to ensure flexibility, streamline services, target resources to individuals with the greatest need, foster consumer choice, improve nutrition services, support family caregivers, and enhance the performance of senior employment programs, so that seniors can live healthier, productive, and longer lives independently in their communities.

Additionally, H.R. 5293 establishes a clear role for the aging network in providing information to assist older Americans make decisions about home and community-based long-term care options, and to gain access to long-term care and other support services when they are needed. The services provided by the OAA are helping older Americans avoid institutional care and have the potential to save billions in federal entitlement spending on Medicare and Medicaid. By the year 2020, CBO projects that total public and private expenditures will reach well over \$207 billion.

STATE AND COMMUNITY PLANNING

The first baby boomers have begun turning 60 this year, yet most communities are unprepared to handle the increased demands that this population shift will create. According to Mr. Michael O'Donnell, Executive Director, East Central Illinois Area Agency on Aging, who testified May 24, 2005 before the Select Education Subcommittee:

Over the course of the next three decades, the aging of the baby boomers will have a direct and dramatic impact on the social, physical and fiscal fabric of our nation's cities and counties. The aging of our nation's population will not only impact traditional aging services, it will also affect every aspect of local government programs, policies and services in the areas of health, human services, land use, housing, transportation, public safety, workforce development, economic development, recreation, education/lifelong learning, and volunteerism/civic engagement.

Despite the demographic forecast, few communities have begun to prepare for an aging population . . . AAAs and title VI Native American aging programs are uniquely positioned to serve as a liaison to local agencies to help them prepare to address the challenges and opportunities posed by aging population.

The Committee recognizes that the rise in the number of aging citizens will impact our Nation's cities and counties. H.R. 5293 en-

courages state and local aging agencies to help communities plan and prepare for the impact of the aging population. The Senior Independence Act authorizes the AoA to support planning activities that include assessment, coordination, and training and technical assistance. The Senior Independence Act also encourages state units on aging and area agencies on aging to incorporate into their state and area plans an assessment of how prepared the state or planning and service area is for the anticipated change in the number of older individuals over the next ten years.

CHOICES FOR INDEPENDENCE

The Committee finds that the United States can best meet the challenges associated with the aging of the baby boom generation by strengthening the Nation's capacity to foster the independence of older people. Consistent with the Choices for Independence plan proposed by President George W. Bush, the Committee is committed to strengthening the Act's role in promoting consumer choice, control, and the independence of older Americans as they age.

Choices for Independence was developed to supplement the President's New Freedom Initiative and the Administration's policy for modernizing Medicare and Medicaid. Choices for Independence integrates best practices to promote consumer choice, access to information, and health promotion. Research shows that by empowering individuals to make informed decisions about their long-term support options; providing more choices for individuals at high-risk of nursing home placement; and enabling older people to make behavioral changes that will reduce their risk of disease, disability, and injury, older individuals can maintain a good quality of life and reduce health care costs.

Assistant Secretary on Aging, Josefina Carbonell, best described the Administration's Choices for Independence plan at the May 2, 2006 hearing of the Subcommittee on Select Education:

Choices embodies three interrelated strategies for advancing systems change at the State and community level and is intended to test the effectiveness of this combined set of strategies. The demonstration builds on the unique assets of the aging network, its core programs and the best practices that have come from AoA's strategic investments since the last reauthorization.

The Committee commends the Administration for its leadership role in advancing long-term care systems change and strongly supports its recent efforts to help move states toward consumer-directed models of care. The Committee recognizes the success of several recent HHS initiatives rooted in the principles of consumer choice, access to information, and preventive health care, such as the Aging and Disability Resource Center Initiative; the Own Your Future Long Term Care Awareness Campaign; the Cash and Counseling Demonstration Program; and the Evidence-Based Disease Prevention for the Elderly Program.

These initiatives, which are part of the larger Choices for Independence plan, build on the mission and success of the OAA and support the Committee's goal of modernizing the Act. The OAA is uniquely positioned to advance these changes; it has a statutory

focus on keeping older people independent and living in their own homes and communities for as long as possible, and a successful history of providing low-cost, non-medical supports through federal, state and local partnerships.

The Committee is confident that the core principles of Choices for Independence are elements essential to the strengthening of our Nation's long-term care systems. These principles will make the system more consumer driven and more cost-effective, and should be implemented nationwide. Accordingly, the Committee has embedded the principles of Choices into the core structure of the Act. The Committee also believes Choices for Independence has the potential to generate significant savings to large, taxpayer-funded entitlement programs like Medicare and Medicaid.

Consumer Choice: Research demonstrates that consumer driven, self-directed care models that provide for the assessment of the needs and preferences of an individual at risk for institutional placement can help individuals avoid unnecessary nursing home placement. Furthermore, consumer driven models better respond to individuals' needs and preferences and provide the option for the individual to direct and control the receipt of support services provided.

H.R. 5293 includes an amendment offered by Mr. Danny K. Davis and Mr. Jon C. Porter to support consumer-driven models of home and community-based care and to help prevent high-risk individuals from spending down their savings to receive Medicaid. The provision directs the AoA to develop policy alternatives for long-term care provided in home and community-based settings.

Access to Information: The Senior Independence Act encourages service delivery models that provide consumer-directed and community-based long term care options. For example, H.R. 5293 authorizes the establishment of Aging and Disability Resource Centers (ADRC) in each state and Puerto Rico (AoA currently funds one or more ADRCs in 43 states). ADRCs conduct public outreach and provide individual support through "one stop" centers designed to be "visible and trusted" sources for information on all available support options, including private financing options such as long-term care insurance and home equity instruments. These centers can empower individuals—both those in immediate need and those who have the ability to plan ahead for their long-term care—to make informed decisions about their support options. This will reduce the confusion and frustration consumers and their families often face as they explore long-term care options. It also will improve government efficiency by integrating the multiple eligibility forms and procedures for various public programs that help finance long-term support options.

Health Promotion: The Committee recognizes the importance of evidence-based disease prevention and health promotion initiatives. There is a growing body of scientific evidence on the efficacy of low-cost programs that can empower older individuals, including functionally impaired individuals, to better maintain their health. These programs focus on interventions such as chronic disease self-management, falls prevention, exercise, and nutrition. Activities such as screening for early disease detection and lifestyle changes to increase physical activity, consume healthful foods, stop tobacco

use, and avoid risky behaviors can help prevent or delay the onset of chronic disease or functional disabilities.

The Senior Independence Act will strengthen the role of the OAA in translating research into practice by promoting the use of evidence-based health promotion and disease prevention programs at the community-level through local aging services provider organizations such as senior centers, nutrition programs, senior housing projects, and faith-based groups. These programs can improve quality of life, reduce health care costs, and complement the increasing focus on prevention in our health care system.

Overall, H.R. 5293 will, consistent with the Choices for Independence plan, give states and communities greater flexibility under the OAA to help moderate and low-income individuals to remain in their homes and delay their premature entry into nursing homes. Choices will provide flexible funding that will be targeted at individuals, not at service categories as with the current titles under the Act. This will make it easier for states to respond to people's individualized needs and preferences. It also will promote the use of consumer-directed approaches, including "cash and counseling" models that give consumers more control over the care they receive.

TARGETING SERVICES TO INDIVIDUALS WITH THE GREATEST ECONOMIC AND SOCIAL NEED

According to the U.S. Census, 4.4 million people (12.6 percent) of individuals age 65 or older spoke a language other than English at home. Less than half of these individuals (47 percent) spoke English "very well." The same report states that in 2003, 83 percent of older Americans were white, 8 percent black, 6 percent Hispanic, and 3 percent Asian. By 2030, those percentages are projected to be 72 percent white, 11 percent Hispanic, 10 percent black, and 5 percent Asian.

The Older Americans Act throughout its history has targeted services to those with the greatest economic and social need. The Act directs states and local area agencies on aging to pay particular attention to low-income, minority and rural populations. The Committee recognizes that individuals with limited English proficiency (LEP) may have unique needs, and that language often is a significant barrier to older individuals seeking information or access to services within a community. The Committee included amendments to direct states and local area agencies on aging and service providers to make special efforts in their outreach and services to meet the needs of older individuals who have limited English proficiency.

BENEFITS OUTREACH AND ENROLLMENT

The Committee is aware that older Americans who are eligible for important public benefits are not always receiving them. An estimated 47 percent of the elderly eligible for Supplemental Security Income, 70 percent of seniors eligible for food stamps, 67 percent of people eligible for Qualified Medicare Beneficiary protections, and 87 percent of those eligible for Specified Low-Income Medicare Beneficiary protections are not participating in these programs. While poverty among those age 65 and older has fallen from one-in-three older persons in 1960 to one-in-ten today, an estimated 28

percent of Americans age 65 and older had incomes of less than \$10,000 in 2004 (Congressional Research Service, 2006). It is the Committee's view that the aging network should help to ensure that eligible beneficiaries age 65 and older receive support in accessing the full range of public and private services and assistance for which they are eligible.

An amendment offered by Mr. John R. "Randy" Kuhl, Jr. encourages the AoA to support identification and outreach to low-income seniors eligible for public assistance. There are many trusted, non-profit community organizations and many caregivers that can help find and assist low-income seniors, but they need easy-to-use tools to help seniors understand what they are eligible for and to assist them with enrollment. Trusted intermediary organizations also need resources to be able to reach beneficiaries and provide one-on-one counseling and enrollment assistance. While some support is currently being provided in conjunction with outreach for the new Medicare prescription drug benefit and other federal programs such as Food Stamps, there is no focused, coordinated effort to assist low-income seniors in receiving the range of assistance for which they may be eligible.

H.R. 5293 will help improve the health and independence of low-income seniors who are not receiving assistance available to them. The provision has the potential to significantly boost efforts to find and enroll additional low-income seniors in the Medicare prescription drug discount program.

FINANCIAL LITERACY

The Committee is aware that vulnerable older Americans are too often victimized by identity theft or other financial exploitation. Family caregivers often must make financial decisions with little or no support or understanding about options and their consequences. Therefore, the Committee included amendments to strengthen financial literacy services in the Act. The first amendment includes financial literacy as one of the family caregiver support activities. The second adds public outreach and education to support financial literacy and prevent identity theft as activities in the prevention of elder abuse.

SENIOR VOLUNTEERS

Adults over 60 represent a source of human capital to meet critical social needs. Tapping this resource through paid and unpaid public service has the potential to expand the economy while providing civic benefit. It is projected that the productivity of seniors could add over \$3 trillion to the GNP by 2045.

The Committee recognizes the value and potential return on investment of civic engagement and volunteerism among the Nation's senior population, and encourages the development of new models for civic engagement. Older adults across the country can be strategically mobilized to tutor and mentor children, facilitate access to health services, strengthen communities and families, provide respite to caregivers, and bolster the long-term care system—all civic activities shown also to contribute to their own well-being.

H.R. 5293 includes amendments to promote volunteerism and the coordination of OAA programs with other national volunteer programs such as those authorized through the Corporation for Na-

tional and Community Service. Volunteers play a critical role in the aging network. Seniors do not just receive services from the Older Americans Act programs; they are primary service providers, contributing countless hours and expertise to improve their communities. The Committee recognizes the tremendous potential in the soon to retire baby-boom generation and encourages the aging network to leverage that resource by expanding opportunities for volunteerism and employment.

NUTRITION

Older Americans Nutrition Programs serve about 250 million congregate and in-home meals to about 2.6 million older adults annually and are intended to reduce nutrition risk among older adults. The goals are to support quality of life, improve functionality, promote independence, and decrease early nursing home admissions and hospitalizations, and reduce health disparities, through better nutrition.

Food is an essential component of quality of life; an unacceptable or unpalatable diet can lead to poor food and fluid intake, resulting in weight loss, under nutrition and a spiral of negative health effects. Normal aging brings about a decrease in both the energy an individual requires and the amount of food consumed.

The Committee is aware that older Americans are often malnourished. Approximately 40 percent of individuals residing in the community age 65 years and older have inadequate nutrient intakes. The malnutrition rate for older Americans is 1 in 4, and 1 in 3 OAA program participants are underweight (Institute of Medicine, 2003). Inadequate nutrient intake is complicated by the fact that as individuals age, the body loses some of its ability to make and absorb nutrients.

The combined effect of poor diet and the inability to make and digest nutrients causes vitamin and mineral deficiencies in many older Americans. According to the Baltimore Longitudinal Study on Aging, a majority of older men and women are deficient in calcium, zinc, iron, magnesium, and vitamin D. Older adults are more susceptible to nutrient deficiencies for a number of reasons, including chronic diseases that impair absorption and utilization of nutrients, oral problems such as gum disease and dysphagia, and loss of appetite due to medications and their side effects. A study conducted by the Institute of Medicine (IOM) found that inadequate nutrient intake affects up to 40 percent of community dwelling older adults, and 87 percent of older Americans suffer from chronic conditions which can be managed in part by appropriate nutrition intervention. Thirty percent of individuals receiving home-delivered meals have three or more activities of daily living (ADL) impairments, comparable to individuals receiving nursing home care.

The Committee finds that stronger and more comprehensive and coordinated nutrition services will improve quality of life, reduce health care costs, and complement efforts focused on prevention. Comprehensive nutrition services, which may include nutrition screening, assessment and counseling, can benefit OAA clients who receive meals, especially those who are homebound. Further, these activities can prevent the devastating and debilitating conditions often seen upon admission to hospitals and nursing homes, such as

dehydration, pressure ulcers, unexplained weight loss and uncontrolled diabetes.

Maintaining a healthy body weight is important for older adults, since being overweight or obese is associated with a greater risk of disease and can worsen existing conditions. While research shows that obesity is the most common nutritional disorder in older persons, malnutrition and being underweight also continue to be pervasive problems. One in three older Americans are underweight, and all have a high risk of being deficient in commonly required nutrients (Institute of Medicine, 2000).

Chronic diseases are extremely prevalent in older population and can be prevented, delayed or diminished through diet, exercise, and other positive lifestyle choices. According to the Centers for Disease Control, 85 percent of individuals over the age of 65 have at least one chronic disease. Heart disease and cancer are two chronic diseases that can be prevented or managed by making healthy lifestyle choices, particularly by maintaining a proper diet. According to the American Cancer Society, one third of all cancer deaths are related to unhealthy diet and lifestyle behaviors. Proper nutrition is an important factor in preventing cancer; and studies have shown that greater consumption of fruits and vegetables lowers an individual's risk of developing several cancers including lung, mouth, colon, and stomach (American Cancer Society. Diet, Physical Activity and Cancer . . . What's the Connection? Byers, Tim, MD and Doyle, Colleen, MS, RD. American Cancer Society website: www.cancer.org).

The nutrition services provided under the OAA play a vital role in helping seniors to continue to lead active, independent, healthy lives and avoid unnecessary institutionalization. The OAA nutrition program serves a population that is older, poorer, less healthful, more racially and ethnically diverse, and with more functional impairments than the general US population.

Congregate and home delivered meals provided with OAA funding must deliver 33 $\frac{1}{3}$ percent of dietary requirements per meal. For the majority of meal program participants, the meal they receive provides over 50 percent of participant's daily dietary intake. Home delivered meals provide about 62 percent of a participant's daily dietary intake. For congregate meal participants, meal participants receive 58 percent of daily dietary intake from the meal provided.

A consistent total diet and eating pattern over a period of time is more important than any single meal to establish a healthy diet in accordance with the most recent dietary guidance. H.R. 5293 simplifies nutrient requirements by authorizing nutrition providers to average key nutrients. There is precedence for averaging nutrient intake in the National School Lunch Program. When local service providers are allowed to average the nutrients their meals provide over time, rather than adhering each meal to the strict 33 $\frac{1}{3}$ daily value percentages, they can plan meals that better accommodate the preferences of the clients they serve. Furthermore, as the title III language strongly encourages, when registered dietitians and qualified nutrition professionals are closely involved in meal planning, meals can be planned in such a way to be both palatable and appropriate for the client while still meeting their nutritional needs.

Section 23 of the Senior Independence Act allows local meal providers the option of offering a single multivitamin-mineral supplement to a congregate meal participant along with a complete meal. The supplement may not replace all or any part of a meal and is not intended to be factored into the nutrient requirements of such meal. A single, daily multivitamin supplement can help prevent nutrition deficiencies common in many older Americans. A daily multivitamin-mineral supplement is an inexpensive strategy to help insure the nutritional health of older Americans. Multivitamins are broadly available for less than \$40 per year per person (7 cents per day at retail price, cheaper if bought in bulk). A 2003 report by the Lewin Group estimated that daily use of a multivitamin by adults over the age of 65 could lead to approximately \$1.6 billion in Medicare savings over five years.

ROLE OF NUTRITION PROFESSIONALS

The essential factor in keeping older adults active, healthy and at home is applying the basic nutrition science from the Recommended Dietary Allowances and the Dietary Guidelines for Americans. Nutrition science has become increasingly complex, and the most recent scientific evidence should be put into practice to benefit older adults. Nutrition professionals such as registered dietitians have the necessary education and training to integrate and disseminate scientific information to the providers of nutrition services. Registered dietitians bring specific skills to the design, implementation and evaluation of nutrition programs that are invaluable to service providers. Qualified nutrition professionals also ensure that the role of nutrition is addressed in the context of long-term care for individuals involved in home- and community-based services. These programs are serving frail older adults who often have more complex nutritional needs than a member of the average population. A registered dietitian or other qualified nutrition professional should, when possible, serve as a resource for training other professionals and as a team member in designing the comprehensive and coordinated services that will meet the unique needs of older adults in each state.

NUTRITION PROGRAM EVALUATION

An amendment offered by Representative Mark E. Souder (R-IN) requires the Administration on Aging to contract with the Food and Nutrition Board at the IOM to conduct an independent study to evaluate the nutrition services provided under the OAA. This study would be the first independent evaluation of the impact the nutrition services provided by the OAA have on older adults' health and quality of life. The advances that have occurred in nutrition knowledge and its application have made the public aware of the importance of food and nutrition for a healthy life, illness or injury risk reduction and disease management and prevention. However, older adults account for a disproportionate share of the escalating costs of Medicaid and Medicare. The purpose of this study is to determine whether the nutrition services are meeting the goal of helping seniors live healthier lives, which in the long term should reduce health care costs. The American Dietetic Association, the National Association of Nutrition Service Providers and the Meals on Wheels Association of America all recognize the importance of this study

to ensure that their programs are successful and the public's tax dollars are being spent in the most effective manner.

The Committee also supports the action of the AoA to contract with an outside entity to conduct an administrative review of the title III nutrition program, but notes that the evaluation recently commissioned by AoA serves a different purpose, and therefore is not duplicative of the IOM study authorized by H.R. 5293.

NUTRITION RESOURCE CENTER

The Committee supports the continued funding of a National Center for Nutrition, Physical Activity and Aging. The Administration on Aging has funded such a center through a competitive grant process since 1995. The Center provides senior nutrition service providers and the public vital information to improve food and nutrition services provided to older individuals. The Center encourages risk-based nutrition screening to identify and serve the neediest, provides technical training, disseminates timely information, and conducts policy analysis and outcomes research. The Center's applied, community-based research has fostered vital links among researchers, local nutrition service providers, older adults, and caregivers.

NSIP

Nutrition Services Incentive Program (NSIP) authorized in section 311 of the Older Americans Act provides incentives to States and Tribes for the effective delivery of nutritious meals to older adults. Since 2003, the program is administered by AoA, which provides cash and/or commodities through the United States Department of Agriculture (USDA) to supplement meals provided under the authority of the OAA. State Units on Aging (SUAs) funded through title III of the OAA and Indian Tribal Organizations (ITOs) funded through title VI of the OAA may receive grants of cash from the AoA and/or commodities from the USDA to support OAA nutrition programs. The NSIP cash or cash and commodity allocation to SUAs and ITOs is a proportional share of the annual appropriation based on the number of meals served in the prior year.

Section 19 of the Senior Independence Act converts NSIP into a cash only program. This change in program operation was requested by the Administration on Aging and supported by the Department of Agriculture. The provision is intended to streamline the purchase and delivery of small amounts of commodities by providing cash to states for the purchase of commodities. The provision authorizes but does not mandate that a local nutrition service provider funded under the Older Americans Act make a local agreement with a local school district to better meet unique, local community needs. Local school districts could benefit from discounts provided to larger bulk purchase orders when the needs of the local nutrition service provider and the local school district are combined.

While the proposal would provide cash only to all states, the proposed language does not preclude a state unit on aging from reaching an agreement with another state agency to continue the purchase and distribution of commodities at a state level.

VOLUNTARY CONTRIBUTIONS

The Committee recognizes that seniors have many reasons for needing OAA services, and that those needs are not always economic. The majority of its Members believe that those seniors who can afford to contribute to the cost of their meals and other services should do so. While nutrition programs receive the bulk of the funding under the Older Americans Act, funding is not available to cover all eligible individuals. In many communities there are other programs that provide meals to older individuals. The major source of additional funding for these programs comes from seniors in the form of voluntary contributions. Until the 2000 amendments, the law restricted efforts to solicit voluntary contributions from program participants.

H.R. 5293 retains the long-standing federal policy of prohibiting states from applying cost-sharing to certain services: information and assistance, outreach, benefits counseling, and case management; ombudsman, elder abuse prevention, legal assistance, or other consumer protection services; congregate and home delivered meals; and any services delivered through tribal organizations.

The Committee understands the increasing demand for services and the need to collect additional funding and expand supportive and nutrition services under title III. According to some local providers, confusion remains regarding the extent to which a provider may solicit voluntary contributions. Therefore, the legislation clarifies and strengthens the existing provision relating to the solicitation of voluntary contributions by expressly authorizing service providers to solicit voluntary contributions. Further, service providers are required to encourage such contributions from eligible individuals whose self declared income is at or above 125 percent of the federal poverty line.

Mr. Vinsen Faris, Executive Director, Meals on Wheels of Johnson and Ellis Counties, Texas testified that the need for home-delivered meal services by older individuals is not always economic. As he noted at the Subcommittee on Select Education's May 2, 2006 hearing:

We learned that by giving people an opportunity to do their part, the welfare stigma can be alleviated. We also learned several other important lessons from that experience. We learned that senior meal programs are misunderstood by many in the community and thought to be only for low income people. We learned that voluntary contributions are essential to expanding our program. Our success at encouraging donations from clients has been great. In fact, our client donations have generally accounted for seven to ten percent of our overall revenue. Client contributions have been one of our largest single sources of revenue in our budget each year.

Last time Congress reauthorized the Older Americans Act, you helped us accomplish this by changing the law to allow us to actively solicit contributions. It has made a real difference. I believe the change that you are proposing in your reauthorization bill will have the same effect. It will enable us to be more effective about bringing those seniors who need our services, but also have the ability to pay,

into our program. And it will assist our program in encouraging contributions from them.

Determination of the best method of accepting contributions remains a local decision. The law permits providers to send individualized client benefit summaries to program participants in order to increase voluntary contributions. Providers have pointed out that many individuals want to contribute at a level that covers the cost of the meal service if they were provided a statement that summarized the actual cost of their meals. However, H.R. 5293 maintains current law that any contribution is voluntary and all solicitations shall be non-coercive. Written requests should solicit contributions for a fixed period of service (such as a month) only and not reflect any past due balances. Such written requests should state clearly that contributions are voluntary and the statement should not be construed as a bill.

The Committee does not support any method of soliciting voluntary contributions or cost-sharing that would deny meals to eligible individuals due to their inability or refusal to pay. However, the Committee has found that most individuals want to contribute to the cost of their meals or other service and will do so willingly, even if a contribution does not cover the full cost of the meal or service provided.

Further, H.R. 5293 stipulates that monies collected through contributions are supplemental funds for the provision of services from which they are collected and may not be used to supplant other funds provided under the Act. Title III allocations to any service provider should not be reduced based on the amount of voluntary contributions received.

TRANSFER AUTHORITY

Current law allows States to transfer up to 30 percent of Title III-C funding (nutrition services) to Title III-B (supportive services). The allowance of transfers is important because such flexibility of programming and financing in States recognizes the close interrelationship between meals and supportive services that exists in the communities. Flexibility allows States to adapt the use of funding to the needs that arise where they are, and avoid one-size-fits all models of programming. The current flexibility of transfer authority allows State and local entities to accurately identify the units of service being provided under the Act and the unit cost of those services.

The 2000 amendments liberalized current law restrictions on the transferability of funds from congregate and home-delivered nutrition services allotments. Because the demand for services can change from month to month, states and local providers need the flexibility to fund services when and where they are needed. As such, the Committee supports state flexibility to transfer up to 50 percent of funds between congregate and home-delivered nutrition services. This flexibility allows local providers greater ability to allocate funding based on the types of nutritional services actually needed by older individuals residing in their community.

Most transfers from nutrition to supportive services are from congregate meals funds (which is funded at higher levels than home-delivered meals), and there is justification for such transfers.

For many congregate meals programs, there is an almost inseparable relationship between meals and supportive services activities. It is very common, for example, for frail elderly people to be transported between their homes and the congregate meals sites on almost a daily basis, and these transportation services are classified as supportive services.

Transfer authority allows States, where needed, to ensure that they can match the level of financing needed for non-meal costs that are associated with their congregate meals programs. For example, if States were not allowed to use such transfers, the cost of transporting elderly people to congregate meal sites might adversely affect other necessary supportive services for homebound individuals. Similarly, significant other non-meals services, such as exercise services, information, assistance, and counseling, are provided to elderly individuals in congregate meal sites, and so are closely related to the delivery of the meals.

The Committee notes that some nutrition providers are advocating for a prohibition on funds transfers between title III-B, which provides supportive services, and title III-C, which provides nutrition services. In 2005, \$708,000 (0.2 percent) was transferred from supportive services to meals, and \$36 million (6.4 percent) was transferred from meals to supportive services. Both these amounts are significantly below transfers allowed under the OAA and are slightly less than the percentages transferred in 2003. According to analysis of AoA data, rates of transfer between nutrition and supportive services have remained consistent over time. The Committee finds no indications of widespread interest among the States in increasing levels of transfers.

The Committee cautions States from transferring funds from nutrition services to non-nutrition supportive services unless such transfers support, facilitate, or foster participation in senior nutrition programs. In particular, States with a high prevalence of food insecurity are strongly discouraged from diverting funding provided for food services to non-food expenditures and should do so only as a last resort. Further, the Committee strongly encourages states to use general and administrative dollars provided in the specific line item or category for which the funds were intended. The Committee believes strongly that, while flexibility should be preserved, Title III-C dollars should not be used by states to pay the administrative cost associated with managing Title III-B services.

CONTRACTUAL, COMMERCIAL, AND PRIVATE PAY RELATIONSHIPS

Current law requires area agencies on aging to maintain the integrity and public purpose of services in all partnerships, contractual, and commercial relationships. This provision has been interpreted to prohibit area agencies on aging and other service providers from using any OAA funds, including administrative funds or staff time, to develop contractual or commercial relationships that would result in payment for services to the non-profit agency.

The Committee recognizes that the aging services provider network has knowledge, skills and services that are needed by a growing number of older individuals, adults with disabilities, caregivers and persons planning for longer-term care needs. These skills and services are currently provided by the network while a new industry has developed in the marketplace of unskilled individuals who

attempt to sell sometimes inferior information and services to those who can pay. The aging network, if able to implement a system to respond to this market, could provide reliable services—from a known and trusted community resource—to those individuals and businesses accustomed and able to pay for services.

Section 9 of the Senior Independence Act clarifies intent that efforts by the aging services network to be more entrepreneurial, expand services to help support the aging baby boom populations, and allow for private pay opportunities are permissible and encouraged. At the same time, this provision maintains safeguards to ensure that aging network providers operate in a manner consistent with the public purpose mission and targeting provisions of the OAA.

SUPPORTING FAMILY CAREGIVERS

Despite substantial public spending for long-term care (primarily for nursing home care), relatives provide the bulk of long-term care services to family members with physical and cognitive disabilities. Over 7 million caregivers provide informal, or unpaid, care to elderly family members each week. Typically, adult children provide this care to elderly parents. About two-thirds of the functionally impaired elderly rely exclusively on informal assistance. Research has documented the enormous responsibilities that families face in caring for relatives who have significant impairments.

Section 30 of H.R. 5293 reauthorizes the National Family Caregiver Support Act and strengthens assistance available to caregivers. The Family Caregiver program provides grants to States for services such as counseling, training, support groups, respite-care, informational assistance, and supplemental services to family members caring for an aging family member, and for grandparents age 60 or older caring for a grandchild. Funding for the program is distributed on the basis of a State's relative share of individuals age 70 and older in order to target resources to the most frail, however, individuals age 60 and older in need of caregiver services will be eligible to receive the services. Within States, funding is distributed to those seniors who have the greatest social and economic need with particular attention to low-income older individuals.

Since its inception in 2001, the National Family Caregiver Support Program has proven successful in enhancing the quality of life for frail individuals and those who care for them. Today, the program serves over 500,000 caregivers. The Administration on Aging has documented that in 2004, 52 percent of caregivers reported that services provided by the National Family Caregiver Support Program helped them to provide care longer.

Further, the program is saving taxpayer money by preventing or delaying institutionalization of older individuals who, with caregiver supports, are able to live independently. Approximately over 4.5 million persons age 65 and older living in the community need long-term care assistance due to a functional disability. Functional disability is defined as the inability to perform, without assistance, the following activities of daily living (ADLs): dressing, eating, bathing, transferring from a bed to a chair, and toileting; and/or, the inability to perform certain instrumental activities of daily living (IADLs): light housekeeping, meal preparation, shopping, taking medications, and managing money. Caregivers provide an aver-

age of 20 hours of unpaid help each week to older individuals with certain functional limitations. Unpaid work, if replaced by paid home care, would cost an estimated \$45 billion to \$94 billion annually.

According to the 2000 U.S. Census, more than 2.4 million grandparents in the United States have the primary responsibility for raising grandchildren, and 6 million children, or 1 in 12, under the age of 18 live in a home of a grandparent or other relative. Section 29 of the Senior Independence Act expands eligibility for caregiver support to grandparents and other relatives age 55 years of age or older who care for a grandchild or an adult child with a disability. Under current law, a local AAA may reserve up to 10 percent of the programs funds to serve older caregivers age 60 and older. Because a significant number of grandparents raising a grandchild are under age 60, this change increases to nearly half the number of grandparents eligible for caregiver assistance. A May 2006 letter to Congress co-signed by the National Council on Aging, Generations United, Child Welfare League, and Easter Seals stated, "Lowering the age limit to 55 better responds to the demographics of relative caregivers and the unique challenges they face."

Research suggests that grandparents raising grandchildren have health problems more comparable to individuals of a greater age. A 1999 study reported in the American Journal of Public Health demonstrated that caregiving grandparents had a 50 greater chance of having a functional limitation than non-caregiving grandparents.

The Senior Independence Act allows caregivers who care for individuals of any age with Alzheimer's disease or other dementias or neurological disorders to receive support from the National Family Caregiver Support program. Under current law, caregivers only receive support when they are caring for adults age 60 or over, however, it is estimated that about 300,000 individuals—about six to eight percent of the four million Americans diagnosed with Alzheimer's disease—are cases of early onset (Mayo Clinic, 2005). It is the view of this Committee that in this unfortunate situation, family caregivers should be eligible for services provided under the National Family Caregiver Support Act.

According to the Alzheimer's Association, "increased use of respite care at mild and moderate stages of Alzheimer's have shown to delay nursing home placement significantly, which result in a net savings of as much as \$600 to \$1,000 per week. Similarly, delaying nursing home admissions for people with Alzheimer's disease by just one month could save at least \$1.12 billion a year."

SUPPORTING OLDER AMERICANS WITH DISABILITIES

Assistive Technology (AT) plays an important role in the lives of millions of Americans with and without disabilities. In no segment of the population, is the impact of AT more significant than with elders who experience a decline in functional skills. AT enables seniors to improve functional abilities and to live independently and safely in the community. Without AT, aging in place would not be possible for many older Americans. Research suggests that keeping people in their communities and avoiding unnecessary institutionalization not only improves quality of life but also reduces the cost of both public and private health care.

Encompassing a range of items, AT can be as complex as a tilt in space wheelchair or an Augmentative Alternative Communication System that gives voice to a person who has lost the ability to speak. AT can also be simple and as commonplace as Velcro or a large handle on a toothbrush that makes it easier to hold. The common denominator is that AT makes it easier to perform activities of daily life. While AT is often used by seniors with disabilities, the Committee notes that other older individuals also may benefit from AT.

PREVENTING ELDER ABUSE AND NEGLECT

While an accurate account of how many seniors experience abuse or neglect in the United States is not known, the best estimates suggest that between one to two million seniors are mistreated (included physical abuse, psychological abuse, and neglect) each year.

According to the National Research Council, the occurrence and severity of elder mistreatment are expected to increase significantly in future decades due in part to the increasing numbers of individuals over 65 (National Research Council, 2003).

The Administration on Aging serves as the primary agency for preventing and addressing elder abuse and neglect. OAA authorizes the National Center on Elder Abuse and a grant program to states to develop and implement programs specifically focused on the prevention and treatment of elder abuse. Several other authorities to address elder care issues are established within HHS and other Federal entities.

The Federal government plays an important role in promoting research, training, public safety, data collection, and the identification, development, and dissemination of promising health care, social, protective services, and law enforcement practices relating to child abuse and neglect, domestic violence, and violence against women. It is the view of the Committee that the federal government, along with its state and local partners, should promote similar efforts and protections relating to elder abuse, neglect, and exploitation.

During Select Education Subcommittee hearings, witnesses testified that a fragmented elder justice system is not serving vulnerable older Americans well, and that information gaps inhibit efforts to protect elders from abuse and neglect.

Mr. David Bibler, Executive Director, Licking County Aging Program in Newark, Ohio testified April 28, 2006, at the Select Education Subcommittee field hearing in Westerville, Ohio about the need to better coordinate elder justice activities:

Abuse, exploitation and neglect are common occurrences for far too many of today's older adults and this problem will only be exacerbated by the rapid growth of the aging population over the next decade. To date there is no federal law that comprehensively addresses elder abuse and neglect, from prevention to intervention through prosecution. Individuals and agencies that are dedicated to protecting older adults against abuse, exploitation and neglect, often do so within a fragmented system and with limited resources. In Licking County we have only one case manager in Adult Protective Services for a senior popu-

lation of 23,534. This is an injustice to our elderly. Too many seniors are abused and neglected, many by their own family members. This area needs to be addressed.

The Committee supports the utilization of existing federal entities with responsibility for protecting seniors who are at risk or have experienced elder abuse or neglect, and supports a comprehensive infrastructure for elder abuse prevention and treatment. H.R. 5293 seeks to address the apparent need for federal coordination and leadership.

An amendment offered by Mr. Jon C. Porter and Mr. Danny M. Davis authorizes the Assistant Secretary on Aging to develop objectives, priorities, policy, and a long-term plan for carrying out and coordinating federal elder justice activities. Specifically, this amendment provides authority for the Assistant Secretary on Aging to: carry out elder justice programs and activities relating to elder abuse prevention, detection, treatment, intervention, and response (including the training of individuals regarding these matters); collect and disseminate data relating to the abuse, neglect, and exploitation of elders; identify best practices; conduct research; and provide technical assistance to States. The Committee encourages efforts by the AoA to promote collaboration and diminish duplicative efforts in the development and carrying out of elder justice programs at the federal, state, and local levels.

COMMUNITY SERVICES EMPLOYMENT-BASED TRAINING

The Committee views the Senior Community Service Employment Program (SCSEP) as a community-oriented, subsidized employment-based training program for low-income older Americans. It provides work experience and training opportunities to those seniors with the capacity and interest to transition into unsubsidized employment. In addition, the program provides invaluable services to our nation's communities. The Committee is committed to supporting the dual nature of the program and has revised the purposes of the program accordingly.

H.R. 5293 authorizes the Secretary of Labor to establish a program to foster and promote useful part-time public and private sector employment-based training opportunities. In addition, the program is to provide vital social and human services to communities by providing work experience to eligible individuals in public agencies, and community-based and faith-based organizations.

To reinforce this dual goal, the legislation renames "community service" to "community service employment-based training," which is defined as "work experience that is related to providing social, health, welfare, and educational services (including literacy tutoring), legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; weatherization activities; economic development; and such other services essential and necessary to the community as the Secretary determines by rule." Thus, the bill emphasizes the desire to achieve training but maintains the focus on meeting the needs of communities.

TRANSITION INTO UNSUBSIDIZED EMPLOYMENT

The majority of Committee Members believe that the SCSEP program should be a limited program to assist individuals in transitioning to unsubsidized jobs. Program placements are not intended to be permanent jobs. The work experience received through these positions is intended to allow individuals to gain necessary skills or experience to find work.

Our nation is experiencing significant demographic change as our population ages, which underscores the value of the SCSEP program and its role in assisting individuals as they move into unsubsidized positions. As Mason Bishop, Deputy Assistant Secretary of Labor for Employment and Training at the Department of Labor, testified before the Subcommittee on Select Education on May 2, 2006:

According to the Census Bureau's American Community Survey, 12 percent of the total population in 2004 was aged 65 or over, and this percentage is set to expand rapidly in the coming decades. After the first Baby Boomers turn 65 in 2011, the older population will become twice as large by 2030 as it was in 2000 . . . [Most of the Baby Boomer cohort of older workers] envision a very different retirement than that of their parents—one that includes at least some work, whether for social engagement, intellectual stimulation, or because of financial necessity. However, despite a need for their skills and their desire to remain in or re-enter the workforce, many older Americans find themselves unable to find suitable work.

Through SCSEP, individuals gain new skills and access to employment opportunities, which enables them to find suitable work.

The Committee recognizes that direct skills training, in addition to community-based placements, may help some individuals achieve their employment goals. The current law requirement that no less than 75 percent of a grantee's funds be spent on wages and fringe benefits could limit the kinds of training opportunities available to participants. When coupled with the allowance to use between 13.5 and 15 percent of funds for administrative costs, a grantee currently may use only approximately 10 percent of its funds for classroom training and other supportive services necessary to allow individuals to move into employment. H.R. 5293 changes this requirement to permit grantees to spend no less than 65 percent of their grant funds on wages and benefits. This would allow grantees, if they choose and it is in the best interest of participants, to spend approximately 20 percent of their funds on services such as classroom training or on-the-job training.

A witness at the Subcommittee on Select Education hearing on April 3, 2006 testified regarding the opportunity that on-the-job training presents. Marlon Sullivan, Senior Director of Staffing for the Home Depot, described the benefit of Home Depot's participation in a pilot project conducted under the Secretary's existing discretionary authority and operated by SER—Jobs for Progress, one of the SCSEP national grantees:

As part of SER National's 502(e) On the Job Training program (OJT), 23 participants in each of the 6 markets underwent 2 weeks of pre-employment training. The 80 hours of training included skills such as computer basics, customer service, interview best practices and preparing for the Home Depot application. Having recently completed the training, the 138 total applicants are currently applying on line for Home Depot opportunities, which include but are not limited to Lot Associate, Cashier, Sales Associate and Sales Specialist.

Similar opportunities could be available nationally if grantees have the flexibility to develop such partnerships.

The Committee views the program as a means to an end, and not as permanent employment for participants. To reflect this belief, H.R. 5293 requires national grantees annually to have an average participation by eligible individuals of not more than 24 months in the aggregate. The Committee recognizes that some individuals may be ready to move into unsubsidized employment within months of enrollment, while others may have barriers to employment that make finding a job more challenging. In addition, individuals may live in an area where fewer jobs are available. Requiring average participation of 24 months provides grantees with sufficient flexibility to address the individual needs and circumstances of their participants while reinforcing the temporary nature of the program. According to the Department of Labor, the average time a participant currently remains in the program is 27 months.

To ensure that grantees are assisting participants in moving to employment, the bill creates a four year time-limit (whether or not consecutive) for individual participants. However, to create a transition period for those already participating in the program, the Committee added language allowing individuals who have already participated in the program for at least 24 months to have an additional 24 months eligibility. As a result, someone who already has been enrolled for four years may participate an additional two years if necessary to prepare further for an unsubsidized job. Anyone who has been participating in the program for 24 months or less at the time of enactment will have a four year time limit, inclusive of time already spent in the program.

In addition, a time limit for participants will ensure that the program can serve the greatest number of eligible individuals. In 2000, nine million people were eligible for SCSEP programs. The SCSEP funds support about 61,000 positions, through which about 100,000 participants are served annually. Although State and national grantees are not required to keep or report waiting lists, some do. As of June 30, 2005, there were over 2,100 people on these waiting lists. Clearly demand and unmet need exists.

Under current law, national grantees are expected to move 20 percent of their participants into unsubsidized employment annually. To increase the expectation of job placements, H.R. 5293 incrementally increases this percentage by two percentage points annually so that in 2011 grantees will be expected to place 30 percent of their caseloads in unsubsidized employment. The Committee believes that this phase-in allows grantees sufficient time to adjust their programs, as necessary, to reach higher placement goals.

COMMUNITY SERVICE

The Committee wants to ensure that, while moving individuals toward unsubsidized employment, the program continues to provide the vital services to communities for which it is known. According to the Department of Labor, the program has provided over 45 million hours in community service. Many of the program's participants provide needed services for other older adults. For example, participants work in community senior centers or deliver meals to frail elderly individuals. Others work in health clinics, libraries, or on the campus of Job Corps centers assisting the next generation of workers.

While grantees are free to make placements with either public or private, for profit, or not-for-profit organizations as appropriate for the participant, the Committee recognizes and commends the program for the invaluable contribution participants have made to local communities. Therefore, in addition to maintaining community service as a central purpose of the program, H.R. 5293 requires that not less than 50 percent of hours worked (in the aggregate) by the participants of each grantee shall be in community service employment-based training. This requirement ensures that public agencies and charitable organizations that depend on the assistance of SCSEP participants will continue to receive the support they need.

Further, States and national grantees will be evaluated on the level of community service they provide. H.R. 5293 includes, as a core indicator of performance, hours (in the aggregate) of community service employment-based training pursuant to the requirement that 50 percent of hours worked (in the aggregate) shall be in such positions. By including community service as a core indicator, States may face sanctions for failure to meet expected levels of community service, and national grantees will be evaluated on their level of community service when applying for future grants. The Committee commends the program for successes in community betterment and believes the bill will continue to support these efforts.

IMPORTANCE OF COMPETITION

H.R. 5293 reinforces Congressional intent that full and open competition is the best way to assure the highest quality services to eligible individuals.

Under current law, the Department must hold a competition for SCSEP funds when a State or national grantee fails to meet its performance measures or the responsibility tests established in section 514 of the Act. In addition, the Department may hold a full and open competition before the beginning of a new grant period, or if additional grantees are funded. Current law specifies that the Secretary shall award grants for a period not to exceed three years. The Department first conducted a competition in November 2002 to award national grants starting in program year 2003. The Department's authority to conduct these grant competitions was upheld in U.S. District Court (*Experience Works v. Elaine Chao*, 2003). Judge Gladys Kessler wrote:

While it is clear that Congress intended to make grantees more accountable for the manner in which they carried

out their programs, there is absolutely nothing in the statute which precludes the Secretary from using a national competition to decide under the appropriate criteria set forth in Section 30561, who is the best qualified to receive program year 2003 grants. The use of competitive procedures is a time-honored method for obtaining the most highly qualified awardees of government funds, for allowing new and innovative ideas and organizations to receive those funds, and for assuring public confidence in the integrity of the process to distribute government funds.

The Department published a Solicitation for Grant Application (SGA) on March 2, 2006 for grants beginning in program year 2006.

The Committee supports competition for the selection of national grantees, and the bill eliminates sanctions for national grantees in favor of competition. Current requirements to compete the funds of national grantees that fail to meet performance would be replaced with a requirement that all grants be competed every three years. However, the Committee does not intend to diminish the importance of attaining expected levels of performance, as they are indicators of grantees' ability to assist eligible individuals. Therefore, H.R. 5293 includes the applicant's prior performance, if any, in meeting performance measures under this title and under other Federal or State programs as one of the criterion upon which competitive selection shall be based. Including consideration of past performance should help ensure selection of the highest quality providers.

The Committee also notes that H.R. 5293 maintains authority for the Secretary to provide for the State to conduct a competition to award 25 percent of a State's SCSEP grant after two consecutive years of failure to meet performance measures. In addition, the Secretary shall require a competition to award all of the funds allocated to a State after three years of consecutive failure to meet its expected levels of performance. (The Secretary shall provide technical assistance and require the development of a corrective action plan for the first year States fail to achieve performance measures and for each year a national grantee fails to achieve its performance targets.)

The Committee acknowledges that States face sanctions while national grantees do not. However, States receive funds annually based on formula and are not subject to competition for funds upfront. Therefore, States appropriately should face sanctions and possible requirements to compete funds for failure to perform.

PERFORMANCE INDICATORS

The Committee recognizes that the Department has instituted common outcome measures across employment and training programs. H.R. 5293 holds States and national grantees accountable for these three core measures: (1) entry into unsubsidized employment; (2) retention in unsubsidized employment for six months; and (3) earnings. The Committee believes use of these common measures will allow easier comparisons across employment and training programs for purposes of program evaluation. In addition, using common measures simplifies efforts to coordinate employ-

ment and training programs at the State and local level. This may ease coordination with Workforce Investment Act (WIA) services, in particular, to help improve services to older workers.

As previously described, the Committee also has included hours (in the aggregate) of community service employment-based training as a core indicator of performance. The Committee believes that including community service provided as a measure on which possible sanctions and evaluation for purposes of competition will be based appropriately reinforces community service as a purpose of the program.

States and national grantees also report to the Secretary on additional indicators, which include retention in unsubsidized employment for one year, the number of eligible individuals served, and any other indicators the Secretary determines to be appropriate to evaluate the program. Data on the number of individuals served shall include the number of participating individuals with barriers to employment, including those over 65 years of age. Although sanctions are not tied to these indicators, Congress, the Department, and the public will have access to this information to determine whether those most in need are receiving services.

States and national grantees negotiate their expected level of performance with the Department. Expected levels of performance also may be adjusted based on changes in the following factors: high rates of unemployment or of poverty or welfare participation in the areas served by a grantee relative to other areas of the State or nation; significant downturns in the areas served by the grantee or in the national economy; significant number or proportions of participants with one or more barriers to employment served by a grantee relative to grantees serving other areas of the State or Nation; and changes in Federal, State or local minimum wage requirements. For purposes of developing or adjusting levels of performance, barriers to employment include (but are not limited to) having a disability, having limited English proficiency or low literacy skills, residing in a rural area, being a veteran, having low employment prospects, or having failed to find employment after utilizing services provided under title I of the Workforce Investment Act of 1998. The Committee recognizes the unique challenges of placing individuals who reside in remote areas and believes that "low employment prospects" includes geographically isolated areas with the availability of public transportation limited or nonexistent.

Inclusion of adjustment factors allows the expected levels of performance to reflect accurately the population each grantee is to serve, which helps to ensure that the grantee has no disincentive to serve those most in need.

ELIGIBILITY

Current law allows services to be provided to individuals 55 years of age or older who have a low income (including those with incomes not more than 125 percent of the federal poverty guidelines). In addition, current law includes a priority for those individuals over 60 years of age.

The Committee believes that the one-stop delivery system created under the WIA should serve individuals between the ages of 55 and 64, since such individuals have not yet reached the traditional age of retirement. The one-stop delivery system is intended

to be a universal system available to all job seekers. The SCSEP program is a mandatory partner in the one-stop delivery system and makes services available through the job centers. However, the Committee recognizes that many older individuals have unique barriers to employment and may need more specialized services than WIA provides.

Therefore, H.R. 5293 continues to allow low-income individuals 55 years of age or older to be eligible for SCSEP, but the bill creates a new priority of service for older individuals or those with barriers to employment. Under the bill, an individual who is 65 years of age or older, has a disability, has limited English proficiency, resides in a rural area, is a veteran, has low employment prospects, or has failed to find employment after utilizing services provided under title I of WIA shall have priority for the work opportunities provided under the program. The Committee aims to ensure that the program serves those most in need of SCSEP's intensive services.

The Committee has clarified that certain sources of unearned income shall not be counted when determining whether an individual meets the low-income threshold of 125 percent of poverty. States and grantees shall exclude any income that is unemployment compensation, Supplemental Security Income (SSI) benefits received under Title XVI of the Social Security Act, or veterans' payments and 25 percent of benefits received under title II of the Social Security Act (Old-Age, Survivors and Disability Insurance [OASDI] payments). This change restores prior operating practice that was in place before 2004 and allows additional low-income seniors to be eligible to participate in the program.

The Committee also aims to ensure that an individual's income is accurately counted. The Department issued guidance in January 2005 that requires grantees to annualize an applicant's income based upon the six months prior to application. Under current practice, annualizing six months of income could distort income for those who only had earnings during that six-month period (such as older individuals who work during the planting and harvesting seasons but are unemployed for the remainder of the year). Basing income determination on individual's six-month income annualized makes many seasonal workers ineligible for SCSEP or can have the unintended consequence of including some individuals who would not otherwise be eligible for the program if a 12-month period was applied.

Allowing grantees the flexibility to use either six months or 12 months of actual income would negate these unintended consequences and promote more accurate eligibility determinations. Therefore, H.R. 5293 provides State and national grantees operating SCSEP the flexibility to use either the income for the 12 months preceding an individual's application or an individual's income for the six months preceding one's application when determining eligibility. Providing grantees with this flexibility when determining income eligibility returns the program to operating practice prior to the January 2005 guidance.

The bill also clarifies who is an unemployed individual for purposes of participating in the program. Under current law, and the bill, the program serves unemployed low-income individuals who have low employment prospects. The Department properly has in-

terpreted this to mean an individual currently must not have any earned income. SCSEP resources are limited, and the Committee is committed to serving those most in need. Therefore, the program is intended for individuals without any employment. WIA services are available through the one-stop delivery system to serve those individuals who have part-time employment and are therefore not eligible for SCSEP.

However, the Committee believes and H.R. 5293 specifies that occasional employment that does not result in a constant source of income should not disqualify an individual from participating in SCSEP if he or she meets other eligibility criteria. As a result, occasional income from sources such as babysitting, mowing lawns for cash, or picking fruits and vegetables at harvest time, does not need to preclude eligibility for SCSEP.

LIMITING FRINGE BENEFITS

H.R. 5293 eliminates fringe benefits for participants. Current law allows grantees to offer annual leave, sick leave, paid holidays, health insurance, social security, physical examinations, and any other fringe benefits approved in the grant agreement. The bill also allows grantees to use funds to pay for benefits required by law, such as workers' compensation accident insurance; the costs of physical examinations; compensation for scheduled work hours during which an employer is closed for a Federal holiday; and necessary sick leave that is not part of an accumulated sick leave program. However, the bill prohibits funds from being used to pay the cost of annual leave, accumulated sick leave, or bonuses. Grantees already have limited these benefits. For example, only four of 13 grantees provide annual leave.

In addition, the bill specifies that no program funds may be used to pay the cost of pension benefits. Some grantees have expressed concerns that pension law allows SCSEP participants to participate in their pension programs.

The Committee believes that providing participants with the benefits now excluded or a pension would serve as a disincentive to obtain unsubsidized employment and is not appropriate for a time-limited assistance program. In addition, the program funds do not provide for payment toward pension programs or other fringe benefits and providing such benefits would reduce the amount of funds available to serve additional participants.

REFERENCES

Institute of Medicine. *The Role of Nutrition in Maintaining the Health of the Nation's Elderly*. Food and Nutrition Board. National Academies Press, Washington, DC. 2000.

American Cancer Society. *Diet, Physical Activity and Cancer . . . What's the Connection?* Byers, Tim, MD and Colleen Doyle, MS, RD. www.cancer.org.

Mayo Clinic. *Early On-set of Alzheimer's: An interview with a Mayo Clinic specialist*. www.mayoclinic.com/health/alzheimers/AZO009. 2005.

National Research Council. *Elder Mistreatment: Abuse, Neglect, and Exploitation in an Aging America*. Bonnie, Richard J. and Robert B. Wallace, eds. Committee on National Statistics and Com-

mittee on Law and Justice, Division of Behavioral and Social Sciences and Education. National Academies Press, Washington, DC. 2003.

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title; Table of Contents. Cites the short title as the “Senior Independence Act of 2006” and includes the table of contents.

Section 2. Definitions. Amends Section 102 of the Older Americans Act (42 U.S.C. 3002). Modifies and adds to the definitions under this act, including definitions of “assistive device, assistive technology, and assistive technology service”, amends paragraph (12)(D) to include evidence-based health promotion programs, including programs related to prevention of chronic disease, “exploitation”, “neglect”, “Aging and Disability Resource Center”, “at risk for institutional placement”, “elder justice”, “Hispanic serving institution”, “long-term care”, multivitamin-mineral supplement”, “self-directed care”, “self-neglect”, “State system of long-term care”.

Section 3. Establishment of Administration on Aging. Amends Section 201 of the Older Americans Act (42 U.S.C. 3011). Includes elder abuse prevention and services as a responsibility of the Administration on Aging.

Section 4. Functions of the Assistant Secretary. Amends Section 202 of the Older Americans Act (42 U.S.C. 3012). Modifies and adds to the functions of the Assistant Secretary, including language to provide for the increased use of assistive technology, coordination with the Centers for Medicare & Medicaid and other federal entities to assist in benefit enrollment and outreach, strengthen coordination on the Federal, State, and local levels for providing long-term care in home and community-based settings.

Section 5. Federal Agency Consultation. Amends Section 203(a)(3)(A) of the Older Americans Act (42 U.S.C. 3013(a)(3)(A)). Adds language to support individuals with limited English proficiency.

Section 6. Administration. Amends Section 205 of the Older Americans Act (42 U.S.C. 3016). Adds language to strengthen the design, implementation, and evaluation of evidence-based programs to support improved nutrition and regular physical activity.

Section 7. Evaluation. Amends Section 206(g) of the Older Americans Act (42 U.S.C. 3017(g)). Modifies the total amount appropriated for each fiscal year to carry out title III to use such sums, but not to exceed $\frac{1}{2}$ of 1 percent of such amount, for purposes of conducting evaluations under this section, either directly or through grants or contracts.

Section 8. Reports. Amends Section 207(b)(2) of the Older Americans Act (42 U.S.C. 3018(b)(2)) to revise the names of House and Senate Committee of jurisdiction.

Section 9. Contractual, Commercial and Private Pay Relationships; Appropriate Use of Act Funds. Amends Section 212 of the Older Americans Act (42 U.S.C. 3020c) to expand services and allow for private pay opportunities while maintaining safeguards that the aging network providers operate in a manner consistent with the public purpose mission and targeting provision of the Older Americans Act.

Section 10. Nutrition Education. Amends Section 214 of the Older Americans Act (42 U.S.C. 3020e) to require the Assistant Secretary to provide outreach and technical assistance to promote health and prevent disease through improved nutrition.

Section 11. Pension Counseling and Information Programs. Amends Section 215 of the Older Americans Act (42 U.S.C. 3020E-1) to expand outreach and improve program access to individuals with limited English proficiency.

Section 12. Authorization of Appropriations. Amends Section 216 of the Older Americans Act (42 U.S.C. 3020F) by striking “2001, 2002, 2003, 2004, and 2005” and inserting “2007, 2008, 2009, 2010, and 2011”.

Section 13. Purpose; Administration. Amends section 301(a)(2) of the Older Americans Act (42 U.S.C. 3021(a)(2)) to support program access for individuals with limited English proficiency; promote financial literacy; and enhance coordination among senior volunteer programs.

Section 14. Authorization of Appropriations; Uses of Funds. Amends Section 303 of the Older Americans Act (42 U.S.C. 3023) by striking “year 2001” and all that follows through “years” each place it appears, and inserting “years 2007, 2008, 2009, 2010, and 2011”.

Section 15. Organization. Amends Section 305(a) of the Older Americans Act (42 U.S.C. 3025a) to improve program access for individuals with limited English proficiency and requires States to develop and implement a comprehensive, coordinated system for providing long-term care in home- and community-based settings.

Section 16. Area Plans. Amends Section 306 of the Older Americans Act (42 U.S.C. 3026) to improve program access for individuals with limited English proficiency; updates area plan requirements for area agencies on aging to develop and implement a comprehensive coordinated system for providing long-term care in home and community-based settings. Adds mental health services to the list of services that may be accessed. Also authorizes area agencies on aging to conduct an assessment of anticipated change in the number of older individuals and encourages AAA’s, in cooperation with public agencies, to support community planning efforts to prepare for an increased number of older Americans.

Section 17. State Plans. Amends Section 307(a) of the Older Americans Act (42 U.S.C. 3027(a)) to improve program access for individuals with limited English proficiency and require States to provide assurances that area agencies on aging will furnish services consistent with self-directed care as well as to prepare for the increased number of older individuals.

Section 18. Payments. Amends Section 309(b)(2) of the Older Americans Act (42 U.S.C. 3029(b)(2)) to update payments to States.

Section 19. Nutrition Services Incentive Program. Amends Section 311 of the Older Americans Act (42 U.S.C. 3030a) to authorize a cash only program to purchase food through school food authorities.

Section 20. Consumer Contributions. Amends Section 315 of the Older Americans Act (42 U.S.C. 3030c-2) to encourage voluntary contributions for individuals with self-declared income at or above 125 percent of poverty and improves program access for individuals with limited English proficiency.

Section 21. Supportive Services and Senior Centers Program. Amends Section 321(a) of the Older Americans Act (42 U.S.C. 3030d(a)) to include mental health screenings in the types of screenings provided to detect or prevent illness. Also includes assistive technology devices and services as types of services to be provided for older adults.

Section 22. Nutrition Service. Amends the heading of part C of title III of the Older Americans Act (42 U.S.C. 3030e–3030g–22) to add a purpose to describe activities under Part C of title III.

Section 23. Congregate Nutrition Program. Amends Section 331 of the Older Americans Act (42 U.S.C. 3030e) to encourage nutrition education and counseling and provides local meal providers the option to provide a single multivitamin-mineral supplement to older individuals as an addition to a meal.

Section 24. Home Delivered Nutrition Services. Amends Section 336 of the Older Americans Act (42 U.S.C. 3030f) to expand the type of meal to be delivered to include fresh and supplemental foods and to encourage nutrition education and counseling.

Section 25. Criteria. Amends Section 337 of the Older Americans Act (42 U.S.C. 3030g) to update the professions of people qualified to consult on the minimum criteria of efficiency and quality for the furnishing of home delivered meal services.

Section 26. Nutrition. Amends Section 339 of the Older Americans Act (42 U.S.C. 3030g–21) to update the nutrition program requirements consistent with current science in addition to encourage professionals who distribute nutrition assistance to provide information to homebound seniors on how to obtain a flu shot in their area.

Section 27. Evaluation of Nutrition Projects. Authorizes a study by the Food and Nutrition Board of the Institute of Medicine to conduct an evidence-based evaluation of the nutrition projects authorized in the Older Americans Act.

Section 28. Improving Indoor Air Quality in Building Where Seniors Congregate. Amends Section 361 of the Older Americans Act (42 U.S.C. 3030m) to work with qualified experts to provide information on methods of improving indoor air quality in buildings where seniors congregate.

Section 29. Caregiver Support Program Definitions. Amends Section 372 of the National Family Support Caregiver Act (42 U.S.C. 3030s) to add an individual with a disability to the definition of child, add individuals with Alzheimer’s disease or a related neurological disorder to the type of individuals being cared for by a family caregiver, and by striking “60” and inserting “55” as the qualifying age for a grandparent who is caring for a child.

Section 30. Caregiver Support Program. Amends Section 373 of the National Family Support Caregiver Act (42 U.S.C. 3030s–1) to strengthen assistance available to caregivers and encourage the use of volunteers to care for older individuals. Also, the authorization date is updated through 2011.

Section 31. Activities of National Significance. Amends Section 376(a) of the National Family Support Caregiver Act (42 U.S.C. 3030s–12(a)) to encourage research and demonstrations to support intergenerational programs, families who have a child with a disability, programs unique to rural areas, Alzheimer’s programs, and family caregiver support programs.

Section 32. Title IV Grant Programs. Amends Section 411 of the Older Americans Act (42 U.S.C. 3032) to authorize additional uses of funds to support activities to prepare for the aging of the population, and to develop and assess technology-based service models and best practices. Also updates authorization year through 2011.

Section 33. Career Preparation for the Field of Aging. Amends Section 412(a) of the Older Americans Act (42 U.S.C. 3032a(a)) to include grants to Hispanic serving institutions and Hispanic Centers of Excellence in Applied Gerontology to educate and train students for a career in the field of aging.

Section 34. Health Care Service Demonstration Projects in Rural Areas. Amends Section 414 of the Older Americans Act (42 U.S.C. 3032d) to include mental health in the types of service projects that may be funded and the types of graduate programs that are eligible to receive such grant.

Section 35. Demonstration Projects for Multigenerational Activities. Amends Section 417(c)(2) of the Older Americans Act (42 U.S.C. 3032f(c)(2)) to improve program access to individuals with limited English proficiency.

Section 36. Native American Programs. Amends Section 418(a)(2)(B)(i) of the Older Americans Act (42 U.S.C. 3032g(a)(2)(B)(i) to add mental health to the list of areas of concern for the Resource Center on Native American Elders.

Section 37. Responsibilities of Assistant Secretary. Amends Section 432(c)(2)(B) of the Older Americans Act (42 U.S.C. 3033a(c)(2)(B) to authorize the Assistant Secretary to include in its evaluation the effect of such improvements in the yearly report.

Section 38. Community Service Employment-Based Training for Older Americans. Amends title V of the Older Americans Act (42 U.S.C. 3056 et seq.) to reauthorize the community service employment-based training program for older Americans. Requires grantees to serve those with greatest need; clarifies use of SCSEP funds; sets an average time limit for participation; and phases in a requirement to place a greater percentage of exiting participants in unsubsidized employment. Additionally it requires the Department of Labor to exclude certain sources of income for the purpose of determining eligibility for Title V and changes the look-back period for determining an individual's income for purposes of SCSEP eligibility.

Section 39. Native Americans Caregiver Support Program. Amends Section 643 of the Older Americans Act (42 U.S.C. 3057n) by striking "2001" each place it appears and inserting "2007".

Section 40. Vulnerable Elder Rights Protection Activities. Amends Section 702 of the Older Americans Act (42 U.S.C. 3058a) by striking "2001" each place it appears and inserting "2007".

Section 41. Native American Organization Provisions. Amends Section 751(d) of the Older Americans Act (42 U.S.C. 3058aa(b)) by striking "2001" and inserting "2007".

Section 42. Elder Abuse, Neglect, and Exploitation Prevention Amendment. Amends Section 721(b) of the Older Americans Act (42 U.S.C. 3058i(b)) to provide education and outreach to promote financial literacy and prevent identity theft and financial exploitation.

Section 43. Technical Amendments. Amends the Older American Act (42 U.S.C. 2001 et seq.) to include a heading for title IV of the Act.

EXPLANATION OF AMENDMENTS

The provisions of the substitute, as amended, are explained in the descriptive portions of this report.

ROLLCALL VOTES

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 1 BILL H.R. 5293 DATE May 17, 2006

AMENDMENT NUMBER 15 DEFEATED 21 - 23

SPONSOR/AMENDMENT Mr. Kucinich / amendment to provide additional funding specifically to cover the increased expense of transportation due to high energy costs.

| MEMBER | AYE | NO | PRESENT | NOT VOTING |
|--------------------------|-----------|-----------|---------|------------|
| Mr. McKEON, Chairman | | X | | |
| Mr. PETRI, Vice Chairman | | X | | |
| Mr. CASTLE | | | | X |
| Mr. JOHNSON | | X | | |
| Mr. SOUDER | | X | | |
| Mr. NORWOOD | | X | | |
| Mr. EHLERS | | X | | |
| Mrs. BIGGERT | | X | | |
| Mr. PLATTS | | | | X |
| Mr. TIBERI | | X | | |
| Mr. KELLER | | X | | |
| Mr. OSBORNE | | X | | |
| Mr. WILSON | | X | | |
| Mr. PORTER | | X | | |
| Mr. KLINE | | X | | |
| Mrs. MUSGRAVE | | X | | |
| Mr. INGLIS | | X | | |
| Ms. McMORRIS | | X | | |
| Mr. MARCHANT | | X | | |
| Mr. PRICE | | X | | |
| Mr. FORTUNO | | X | | |
| Mr. JINDAL | | | | X |
| Mr. BOUSTANY | | X | | |
| Mrs. FOXX | | X | | |
| Mrs. DRAKE | | X | | |
| Mr. KUHL | | X | | |
| Vacancy | | | | |
| Mr. MILLER | X | | | |
| Mr. KILDEE | X | | | |
| Mr. OWENS | X | | | |
| Mr. PAYNE | X | | | |
| Mr. ANDREWS | X | | | |
| Mr. SCOTT | X | | | |
| Ms. WOOLSEY | X | | | |
| Mr. HINOJOSA | X | | | |
| Mrs. McCARTHY | X | | | |
| Mr. TIERNEY | X | | | |
| Mr. KIND | X | | | |
| Mr. KUCINICH | X | | | |
| Mr. WU | X | | | |
| Mr. HOLT | X | | | |
| Mrs. DAVIS | X | | | |
| Ms. McCOLLUM | X | | | |
| Mr. DAVIS | X | | | |
| Mr. GRIJALVA | X | | | |
| Mr. VAN HOLLEN | X | | | |
| Mr. RYAN | X | | | |
| Mr. BISHOP | X | | | |
| Vacancy | | | | |
| TOTALS | 21 | 23 | | 3 |

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 2 BILL H.R. 5293 DATE May 17, 2006
 AMENDMENT NUMBER 3 DEFEATED 21 - 23
 SPONSOR/AMENDMENT Mr. Miller / amendment regarding a requirement to pay SCSEP
 participants \$7.20 an hour

| MEMBER | AYE | NO | PRESENT | NOT VOTING |
|--------------------------|-----------|-----------|---------|------------|
| Mr. McKEON, Chairman | | X | | |
| Mr. PETRI, Vice Chairman | | X | | |
| Mr. CASTLE | | | | X |
| Mr. JOHNSON | | X | | |
| Mr. SOUDER | | X | | |
| Mr. NORWOOD | | X | | |
| Mr. EHLERS | | X | | |
| Mrs. BIGGERT | | X | | |
| Mr. PLATTS | | | | X |
| Mr. TIBERI | | X | | |
| Mr. KELLER | | X | | |
| Mr. OSBORNE | | X | | |
| Mr. WILSON | | X | | |
| Mr. PORTER | | X | | |
| Mr. KLINE | | X | | |
| Mrs. MUSGRAVE | | X | | |
| Mr. INGLIS | | X | | |
| Ms. McMORRIS | | X | | |
| Mr. MARCHANT | | X | | |
| Mr. PRICE | | X | | |
| Mr. FORTUNO | | X | | |
| Mr. JINDAL | | | | X |
| Mr. BOUSTANY | | X | | |
| Mrs. FOXX | | X | | |
| Mrs. DRAKE | | X | | |
| Mr. KUHLE | | X | | |
| Vacancy | | | | |
| Mr. MILLER | X | | | |
| Mr. KILDEE | X | | | |
| Mr. OWENS | X | | | |
| Mr. PAYNE | X | | | |
| Mr. ANDREWS | X | | | |
| Mr. SCOTT | X | | | |
| Ms. WOOLSEY | X | | | |
| Mr. HINOJOSA | X | | | |
| Mrs. McCARTHY | X | | | |
| Mr. TIERNEY | X | | | |
| Mr. KIND | X | | | |
| Mr. KUCINICH | X | | | |
| Mr. WU | X | | | |
| Mr. HOLT | X | | | |
| Mrs. DAVIS | X | | | |
| Ms. McCOLLUM | X | | | |
| Mr. DAVIS | X | | | |
| Mr. GRIJALVA | X | | | |
| Mr. VAN HOLLEN | X | | | |
| Mr. RYAN | X | | | |
| Mr. BISHOP | X | | | |
| Vacancy | | | | |
| TOTALS | 21 | 23 | | 3 |

CORRESPONDENCE

MICHAEL N. CASTLE
DELAWARE, AT-LARGE
COMMITTEES:
FINANCIAL SERVICES
EDUCATION AND THE WORKFORCE
CHAIRMAN:
SUBCOMMITTEE ON EDUCATION REFORM

Congress of the United States
House of Representatives
Washington, DC 20515-0801

1233 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0801
(202) 225-4165
DISTRICT OFFICES
201 NORTH WALLEY STREET
SUITE 107
WILMINGTON, DE 19801-3970
(302) 428-1902
300 SOUTH NEW STREET
SUITE 2005
DOVER, DE 19904
(302) 736-1666 (KENT)
(302) 856-3334 (SUSSEX)
www.house.gov/castle/

June 6, 2006

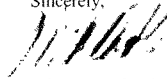
Hon. Howard P. "Buck" McKeon
Committee on Education and the Workforce
2181 Rayburn House Office Building
Washington, DC 20515

Chairman McKeon:

During the Committee's markup of H.R. 5293, the *Senior Independence Act of 2006*, I was unavoidably detained and unable to vote during the roll calls for Mr. Kucinich's amendment regarding additional funding to cover transportation expenses and Mr. Miller's amendment regarding a requirement to pay SCSEP participants \$7.20 an hour.

Had I been present, I would have voted against the Kucinich amendment and in favor of the Miller amendment.

Sincerely,



Michael N. Castle
Member of Congress

MNC:sr

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. H.R. 5293 amends the Older Americans Act to authorize appropriations for fiscal years 2007 through 2011.

Legislative branch employees and their families, to the extent that they are otherwise eligible for the benefits provided by this legislation, have equal access to its benefits.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

CONSTITUTIONAL AUTHORITY STATEMENT

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress to enact the law proposed by H.R. 5293. Article I, Section 8, Clause 18 of the Constitution of the United States grants the Congress the power to enact this law.

FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104–4) requires a statement whether the provisions of the reported include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 5293. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST
ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 5293 from the Director of Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 2, 2006.

Hon. HOWARD P. "BUCK" MCKEON,
*Chairman, Committee on Education and the Workforce,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 5293, the Senior Independence Act of 2006.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Christina Hawley Anthony.

Sincerely,

DONALD B. MARRON,
Acting Director.

Enclosure.

H.R. 5293—Senior Independence Act of 2006

Summary: H.R. 5293 would reauthorize programs under the Older Americans Act of 1965, which provides funding for services such as home and community-based supportive services, congregate and home-delivered meals, family caregiver support, and other services for the elderly. Authorizations for most of those programs expired at the end of fiscal year 2005, although a few of those programs are permanently authorized. Appropriations for the programs covered by this bill totaled \$1.8 billion in fiscal year 2006. CBO estimates that H.R. 5293 would increase authorizations by \$1.7 billion in 2007 and by \$8.8 billion from 2007 to 2011. Appropriation of those amounts would result in \$7.3 billion of discretionary spending over the next five years (in addition to amounts spent under current law).

H.R. 5293 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA); any costs to state, local, or tribal governments would be incurred voluntarily.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 5293 is shown in the following table. The costs of this legislation fall within budget function 500 (education, training, employment and social services).

| | By fiscal year, in millions of dollars— | | | | | |
|--|---|-------|-------|-------|-------|-------|
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| SPENDING SUBJECT TO APPROPRIATION | | | | | | |
| Spending Under Current Law: | | | | | | |
| Budget Authority ¹ | 1,795 | 92 | 94 | 95 | 97 | 99 |
| Estimated Outlays | 1,810 | 908 | 155 | 101 | 96 | 98 |
| Proposed Changes: | | | | | | |
| Estimated Authorization Level | 0 | 1,688 | 1,720 | 1,751 | 1,783 | 1,814 |
| Estimated Outlays | 0 | 877 | 1,164 | 1,722 | 1,760 | 1,791 |
| Spending Under H.R. 5293: | | | | | | |
| Estimated Authorization Level ¹ | 1,795 | 1,780 | 1,813 | 1,846 | 1,880 | 1,913 |
| Estimated Outlays | 1,810 | 1,784 | 1,796 | 1,823 | 1,856 | 1,889 |

¹The 2006 level is the amount appropriated for that year for programs under the Older Americans Act of 1965.

Basis of estimate: H.R. 5293 would reauthorize programs established under the Older Americans Act of 1965. Through those programs, the Department of Health and Human Services and the Department of Labor provide grants to states and other eligible entities that provide services such as home-delivered meals, subsidized employment and training opportunities, and services to prevent abuse and neglect of older individuals. The authorizations for many of those programs expired at the end of fiscal year 2005. However, those programs received appropriations for fiscal year 2006 totaling \$1.8 billion.

The bill would reauthorize most of the programs at “such sums as may be necessary” for fiscal years 2007 through 2011. In those instances, CBO estimated the authorization levels by adjusting the 2006 appropriation levels for anticipated inflation. Those programs, along with their fiscal year 2006 appropriation levels, are listed below.

[Dollars in millions]

| <i>Program</i> | <i>2006 Appropriation</i> |
|--|---------------------------|
| Home and Community-Based Supportive Services | \$351 |
| Congregate Nutrition Services | 385 |
| Home-Delivered Nutrition Services | 182 |
| Nutrition Services Incentive Program | 148 |
| Preventive Health Services | 21 |
| Program Administration | 18 |
| Community Service Employment | 432 |

Based on the above amounts appropriated for fiscal year 2006 (which total a little more than \$1.5 billion), CBO estimates authorization levels for those programs to total about \$1.6 billion in fiscal year 2007, and \$8.1 billion over the 2007–2011 period.

The bill would authorize the appropriation of \$125 million for the National Family Caregiver Support program for fiscal year 2007, and such sums as may be necessary for the following four fiscal years. That program received an appropriation of \$156 million for fiscal year 2006; its authorization expired at the end of fiscal year 2005.

The Native American Caregiver Support program—which is permanently authorized under current law—received an appropriation of \$6 million for 2006. H.R. 5293 would set the authorization level for that program at \$5 million for fiscal year 2007 and such sums as may be necessary in following years.

A handful of other programs are permanently authorized under current law: Native American Nutrition and Supportive Services, the Long-Term Care Ombudsman program, grants to prevent elder

abuse and neglect, grants for program innovations, and aging network support activities (including pension counseling and eldercare locator services). Appropriations for those programs totaled \$84 million in fiscal year 2006. Three of those (Native American Nutrition and Supportive Services, the Long-Term Care Ombudsman program, and grants to prevent elder abuse and neglect) would retain their permanent authorization under H.R. 5293. The others would be authorized at “such sums as may be necessary” for fiscal years 2007 through 2011. Because those programs are permanently authorized, their reauthorization under H.R. 5293 would not represent an increase in authorization levels for fiscal years 2007 through 2011.

Intergovernmental and private-sector impact: H.R. 5293 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would authorize funds that would benefit state, local, and tribal governments that provide services authorized in the Older Americans Act. Any costs they might incur to comply with grant requirements would be incurred voluntarily.

Estimate prepared by: Federal Costs: Christina Hawley Anthony. Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum. Impact on the Private Sector: Jennifer Doleac.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

OLDER AMERICANS ACT OF 1965

* * * * *

TITLE I—DECLARATION OF OBJECTIVES; DEFINITIONS

* * * * *

DEFINITIONS

SEC. 102. For the purposes of this Act—

[(13)] (1) The term “abuse” means the willful—

(A) * * *

* * * * *

[(14)] (2) The term “Administration” means the Administration on Aging.

[(15)] (3) The term “adult child with a disability” means a child who—

(A) * * *

* * * * *

(4) *The term “Aging and Disability Resource Center” means a program established by a State as part of the State’s system of long-term care, to provide a coordinated system for providing—*

(A) comprehensive information on available public and private long-term care programs, options, and resources;

(B) personal counseling to assist individuals in assessing their existing or anticipated long-term care needs, and developing and implementing a plan for long-term care designed to meet their specific needs and circumstances; and

(C) consumer access to the range of publicly-supported long-term care programs for which they may be eligible, by serving as a convenient point of entry for such programs.

[(16)] (5) The term “aging network” means the network of—
(A) * * *

* * * * *

[(17)] (6) The term “area agency on aging” means an area agency on aging designated under section 305(a)(2)(A) or a State agency performing the functions of an area agency on aging under section 305(b)(5).

[(2)] (7) The term “Assistant Secretary” means the Assistant Secretary for Aging.

[(10)] The term “assistive technology” means technology, engineering methodologies, or scientific principles appropriate to meet the needs of, and address the barriers confronted by, older individuals with functional limitations.】

(8) The terms “assistive device”, “assistive technology”, and “assistive technology service” have the meanings given such terms in section 3 of the Assistive Technology Act of 1998 (29 U.S.C. 3002).

(9) The term “at risk for institutional placement” means, with respect to an older individual, that such individual is unable to perform at least two activities of daily living without substantial human assistance (including verbal reminding, physical cuing, or supervision) and is determined by the State to be in need of placement in a long-term care facility.

[(18)] (10) The term “board and care facility” means an institution regulated by a State pursuant to section 1616(e) of the Social Security Act (42 U.S.C. 1382e(e)).

[(21)] (11) The term “case management service”—
(A) * * *

* * * * *

(12) The term “disease prevention and health promotion services” means—

(A) * * *

* * * * *

[(D)] health promotion programs, including but not limited to programs relating to prevention and reduction of effects of chronic disabling conditions (including osteoporosis and cardiovascular disease), alcohol and substance abuse reduction, smoking cessation, weight loss and control, and stress management;】

(D) evidence-based health promotion programs, including programs related to the prevention and mitigation of the effects of chronic disease (including osteoporosis, hypertension, obesity, diabetes, and cardiovascular disease), alcohol and substance abuse reduction, smoking cessation,

weight loss and control, stress management, falls prevention, physical activity, and improved nutrition through the consumption of a healthful diet and multivitamin-mineral supplementation;

* * * * *

[(8)] (13) The term “disability” means (except when such term is used in the phrase “severe disability”, “developmental disabilities”, “physical or mental disability”, “physical and mental disabilities”, or “physical disabilities”) a disability attributable to mental or physical impairment, or a combination of mental and physical impairments, that results in substantial functional limitations in 1 or more of the following areas of major life activity: (A) self-care, (B) receptive and expressive language, (C) learning, (D) mobility, (E) self-direction, (F) capacity for independent living, (G) economic self-sufficiency, (H) cognitive functioning, and (I) emotional adjustment.

[(22)] (14) The term “elder abuse” means abuse of an older individual.

[(23)] (15) The term “elder abuse, neglect, and exploitation” means abuse, neglect, and exploitation, of an older individual.

(16) *The term “elder justice” means efforts to prevent, detect, treat, intervene in, and respond to elder abuse, neglect, and exploitation and to protect elders with diminished capacity while maximizing their autonomy.*

[(24)] The term “exploitation” means the illegal or improper act or process of an individual, including a caregiver, using the resources of an older individual for monetary or personal benefit, profit, or gain.】

(17) *The term “exploitation” means the fraudulent or otherwise illegal, unauthorized, or improper act or process of an individual that uses the resources of an older individual for monetary or personal benefit, profit, or gain, or that results in depriving an older individual of rightful access to, or use of, benefits, resources, belongings, or assets.*

[(42)] (18) The term “family violence” has the same meaning given the term in the Family Violence Prevention and Services Act.

[(25)] (19) The term “focal point” means a facility established to encourage the maximum collocation and coordination of services for older individuals.

[(26)] (20) The term “frail” means, with respect to an older individual in a State, that the older individual is determined to be functionally impaired because the individual—

(A) * * *

* * * * *

[(27)] (21) The term “greatest economic need” means the need resulting from an income level at or below the poverty line.

[(28)] (22) The term “greatest social need” means the need caused by noneconomic factors, which include—

(A) * * *

* * * * *

(23) *The term “Hispanic serving institution” has the meaning as defined in section 502 of the Higher Education Act of 1965 (20 U.S.C. 1101A).*

[(19)] (24) The term “in-home services” includes—
 (A) * * *

* * * * *
 [(5)] (25) The term “Indian” means a person who is a member of an Indian tribe.

[(6)] (26) Except for the purposes of title VI of this Act, the term “Indian tribe” means any tribe, band, nation, or other organized group or community of Indians (including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (Public Law 92–203; 85 Stat. 688) which (A) is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; or (B) is located on, or in proximity to, a Federal or State reservation or rancheria.

[(29)] (27) The term “information and assistance service” means a service for older individuals that—
 (A) * * *

* * * * *
 (E) serves the entire community of older individuals, particularly—
 (i) older individuals with greatest social need; [and]
 (ii) older individuals with greatest economic need[.];
and
 (iii) *older individuals at risk for institutional placement.*

[(11)] (28) The term “information and referral” includes information relating to assistive technology.

[(30)] (29) The term “institution of higher education” has the meaning given the term in section 101 of the Higher Education Act of 1965.

[(31)] (30) The term “legal assistance”—
 (A) means legal advice and representation provided by an attorney to older individuals with economic or social needs; and
 (B) includes—
 (i) to the extent feasible, counseling or other appropriate assistance by a paralegal or law student under the direct supervision of an attorney; and
 (ii) counseling or representation by a nonlawyer where permitted by law.

(31) *The term “long-term care” means any services, care, or items (including assistive devices), including disease prevention and health promotion services, in-home services, and case management service—*

(A) *intended to assist individuals in coping with, and to the extent practicable compensate for, functional impairments in carrying out activities of daily living;*
 (B) *furnished at home, in a community care setting (including a small community care setting as defined in subsection (g)(1), and a large community care setting as de-*

fined in subsection (h)(1), of section 1929 of the Social Security Act (42 U.S.C. 1396t), or in a long-term care facility; and

(C) not furnished to prevent, diagnose, treat, or cure a medical disease or condition.

* * * * *

[(34)] The term “neglect” means—

[(A)] the failure to provide for oneself the goods or services that are necessary to avoid physical harm, mental anguish, or mental illness; or

[(B)] the failure of a caregiver to provide the goods or services.]

(34) The term “multivitamin-mineral supplement” means a dietary supplement that provides at least two-third’s of the essential vitamins and minerals at 100 percent of the daily value levels as determined by the Food and Drug Administration.

[(20)] (35) The term “Native American” means—

(A) * * *

* * * * *

(36) The term “neglect” means—

(A) the failure of a caregiver or fiduciary to provide goods or services that are necessary to maintain the health or safety of an elder; or

(B) self neglect.

[(4)] (37) The term “nonprofit” as applied to any agency, institution, or organization means an agency, institution, or organization which is, or is owned and operated by, one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

[(35)] (38) The term “older individual” means an individual who is 60 years of age or older.

[(36)] (39) The term “physical harm” means bodily injury, impairment, or disease.

[(37)] (40) The term “planning and service area” means an area designated by a State agency under section 305(a)(1)(E), including a single planning and service area described in section 305(b)(5)(A).

[(38)] (41) The term “poverty line” means the official poverty line (as defined by the Office of Management and Budget, and adjusted by the Secretary in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

[(39)] (42) The term “representative payee” means a person who is appointed by a governmental entity to receive, on behalf of an older individual who is unable to manage funds by reason of a physical or mental incapacity, any funds owed to such individual by such entity.

[(1)] (43) The term “Secretary” means the Secretary of Health and Human Services, except that for purposes of title V such term means the Secretary of Labor.

(44) The term “self-directed care” means an approach to providing services (including programs, benefits, supports, and technology) under this Act intended to an older individual to assist such individual with activities of daily living, in which—

(A) such services (including the amount, duration, scope, provider, and location of such services) are planned, budgeted, and purchased under the direction and control of such individual;

(B) such individual is provided with such information and assistance as necessary and appropriate to enable such individual to make informed decisions about his or her care options;

(C) the needs, capabilities, and preferences of such individual with respect to such services, and such individual's ability to direct and control his or her receipt of such services, are assessed by the area agency on aging (or other agency designated by the area agency on aging);

(D) based on the assessment made under subparagraph (C), the area agency on aging (or other agency designated by the area agency on aging) develops together with such individual and his or her family, caregiver, or legal representative—

(i) a plan of services for such individual that specifies which services such individual will be responsible for directing;

(ii) a determination of the role of family members (and others whose participation is sought by such individual) in providing services under such plan; and

(iii) a budget for such services; and

(E) the area agency on aging or State agency provides for oversight of such individual's self-directed receipt of services, including steps to ensure the quality of services provided and the appropriate use of funds under this Act.

(45) The term "self-neglect" means an adult's inability, due to physical or mental impairment or diminished capacity, to perform essential self-care tasks including—

(A) obtaining essential food, clothing, shelter, and medical care;

(B) obtaining goods and services necessary to maintain physical health, mental health, or general safety; or

(C) managing one's own financial affairs.

[(9)] (46) The term "severe disability" means a severe, chronic disability attributable to mental or physical impairment, or a combination of mental and physical impairments, that—

(A) is likely to continue indefinitely; and

(B) results in substantial functional limitation in 3 or more of the major life activities specified in subparagraphs (A) through (G) of paragraph (8).

[(43)] (47) The term "sexual assault" has the meaning given the term in section 2003 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-2).

[(3)] (48) The term "State" means any of the several States, the District of Columbia, the Virgin Islands of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

[(40)] (49) The term "State agency" means the agency designated under section 305(a)(1).

(50) *The term “State system of long-term care” means the Federal, State, and local programs and activities administered by a State that provide, support, or facilitate access to long-term care to individuals in such State.*

[(41)] (51) *The term “supportive service” means a service described in section 321(a).*

[(7)] (52) *Except for the purposes of title VI of this Act, the term “tribal organization” means the recognized governing body of any Indian tribe, or any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body. In any case in which a contract is let or grant made to an organization to perform services benefiting more than one Indian tribe, the approval of each such Indian tribe shall be a prerequisite to the letting or making of such contract or grant.*

* * * * *

TITLE II—ADMINISTRATION ON AGING

ESTABLISHMENT OF ADMINISTRATION ON AGING

SEC. 201. (a) * * *

* * * * *

(e)(1) *The Assistant Secretary may designate within the Administration responsibility for elder abuse prevention and services.*

(2) *It shall be the duty of the assistant secretary, acting through the person designated with responsibility for elder abuse prevention and services, to develop objectives, priorities, policy, and a long-term plan for—*

(A) *carrying out elder justice programs and activities relating to—*

(i) *elder abuse prevention, detection, treatment, and intervention, and response;*

(ii) *training of individuals regarding the matters described in clause (i); and*

(iii) *the improvement of the elder justice system in the United States;*

(B) *collecting and disseminating data relating to the abuse, neglect, and exploitation of older individuals;*

(C) *disseminating information concerning best practices regarding, and providing training on, carrying out activities related to abuse, neglect, and exploitation of older individuals;*

(D) *conducting research related to abuse, neglect, and exploitation of older individuals;*

(E) *providing technical assistance to States and other eligible entities under title VII;*

(F) *assisting States and other eligible entities under title VII to develop strategic plans to better coordinate elder justice activities, research, and training; and*

(G) *promoting collaborative efforts and diminishing duplicative efforts in the development and carrying out of elder justice programs at the Federal, State, and local levels.*

FUNCTIONS OF ASSISTANT SECRETARY

SEC. 202. (a) It shall be the duty and function of the Administration to—

(1) * * *

* * * * *

(5) develop plans, conduct and arrange for research in the field of aging, and assist in the establishment and implementation of programs designed to meet the needs of older individuals for supportive services, including nutrition, hospitalization, education and training services (including preretirement training, and continuing education), low-cost transportation and housing, *assistive technology*, and health (including mental health) services;

* * * * *

(12)(A) *consult and coordinate activities with the Centers for Medicare & Medicaid Services and other federal entities to implement and build awareness of programs providing benefits affecting older individuals; and*

(B) carry on a continuing evaluation of the programs and activities related to the objectives of this Act, with particular attention to the impact of medicare and medicaid, the Age Discrimination in Employment Act of 1967, and the programs of the National Housing Act relating to housing for older individuals and the setting of standards for the licensing of nursing homes, intermediate care homes, and other facilities providing care for such individuals;

* * * * *

(20)(A) encourage, and provide technical assistance to, States **and area agencies on aging**, *area agencies on aging, and service providers* to carry out outreach to inform older individuals with greatest economic need who may be eligible to receive, but are not receiving, supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) (or assistance under a State plan program under such title), medical assistance under title XIX of such Act (42 U.S.C. 1396 et seq.), **and** benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), *benefits under any other applicable Federal program, or any other service (including technology and internet-based decision support tools) to assist consumers to learn about, to receive benefits under, and to participate in programs for which they may be eligible* of the requirements for eligibility to receive such benefits and such assistance; and

(B) *provide technical assistance and support for benefits enrollment assistance and outreach to support existing efforts to inform and enroll older individuals who may be eligible to participate, but who are not participating, in programs for which they are eligible, and may in cooperation with Federal partners, establish a National Center on Senior Benefits Outreach and Enrollment, which shall—*

(i) *develop, maintain, and update web-based decision supports and enrollment tools and integrated, person-centered systems designed to inform older individuals about the full range of benefits for which they may be eligible;*

(ii) utilize strategies to find and enroll those with greatest economic need;

(iii) create and support efforts for Aging and Disability Resource Centers, and other public and private state and community-based organizations, including faith-based organizations, to serve as enrollment benefit centers;

(iv) develop and maintain an information clearinghouse on best practices and cost effective methods for enrolling limited income older Americans in benefits for which they are eligible; and

(v) provide, in collaboration with Federal partners administering programs, training and technical assistance on effective outreach, screening, enrollment and follow-up strategies.

* * * * *

(26) design and implement, for purposes of compliance with paragraph (19), uniform data collection procedures for use by State agencies, including—

(A) * * *

* * * * *

(D) procedures for collecting information on [gaps in] services needed by older individuals (including services that would permit such individuals to receive long-term care in home and community-based settings), as identified by service providers in assisting clients through the provision of the supportive services; and

(E) procedures for the assessment of unmet needs for services under this Act; [and]

(27) improve the delivery of services to older individuals living in rural areas through—

(A) synthesizing results of research on how best to meet the service needs of older individuals in rural areas;

(B) developing a resource guide on best practices for States, area agencies on aging, and service providers; and

(C) providing training and technical assistance to States to implement these best practices of service delivery; [and.]

[(D) submitting a report on the States' experiences in implementing these best practices and the effect these innovations are having on improving service delivery in rural areas to the relevant committees not later than 36 months after enactment.]

(28) make available to States information and technical assistance to support the provision of evidence-based disease prevention and health promotion services.

[(b) In order to strengthen the involvement of the Administration in the development of policy alternatives in long-term care and to insure that the development of community alternatives is given priority attention, the Assistant Secretary shall—

(1) develop planning linkages with utilization and quality control peer review organizations under title XI of the Social Security Act, with the Substance Abuse and Mental Health Services Administration and the Administration on Developmental Disabilities;

【(2) participate in all departmental and interdepartmental activities which concern issues of institutional and noninstitutional long-term health care services development;

【(3) review and comment on all departmental regulations and policies regarding community health and social service development for older individuals; and

【(4) participate in all departmental and interdepartmental activities to provide a leadership role for the Administration, State agencies, and area agencies on aging in the development and implementation of a national community-based long-term care program for older individuals.

【(c) In executing the duties and functions of the Administration under this Act and carrying out the programs and activities provided for by this Act, the Assistant Secretary, in consultation with the Corporation for National and Community Service, shall take all possible steps to encourage and permit voluntary groups active in supportive services, including youth organizations active at the high school or college levels, to participate and be involved individually or through representative groups in such programs or activities to the maximum extent feasible, through the performance of advisory or consultative functions, and in other appropriate ways.】

(b) To promote the development and implementation of comprehensive, coordinated systems at Federal, State, and local levels for providing long-term care in home and community-based settings, in a manner responsive to the needs and preferences of older individuals and their family caregivers, the Assistant Secretary shall, consistent with the applicable provisions of this title—

(1) collaborate, coordinate, and consult with other Federal agencies and departments responsible for formulating and implementing programs, benefits, and services related to providing long-term care, and may make grants, contracts, and cooperative agreements with funds received from other Federal entities;

(2) conduct research and demonstration projects to identify innovative, cost-effective strategies for modifying State systems of long-term care to—

(A) respond to the needs and preferences of older individuals and family caregivers; and

(B) target services to individuals at risk for institutional placement, to permit such individuals to remain in home and community-based care settings;

(3) establish criteria and promote the implementation (through area agencies on aging, service providers, and such other entities as the Assistant Secretary determines to be appropriate) of evidence-based programs to assist older individuals and their family caregivers in learning about and making behavioral changes intended to reduce the risk of injury, disease, and disability among older individuals;

(4) facilitate, in coordination with the Centers for Medicare & Medicaid Services, the provision of long-term care in home and community-based settings, including the provision of self-directed care models that—

(A) provide for the assessment of the needs and preferences of an individual at risk for institutional placement to help such individual avoid unnecessary nursing home

placement and depletion of income and assets to qualify for Medicaid eligibility;

(B) respond to the needs and preferences of such individual and provide the option for the individual (or representative, as appropriate) to direct and control the receipt of support services provided;

(C) assist an older individual (or a representative, as appropriate) develop a plan for long-term support, including the selecting, budgeting, and purchasing of home and community-based long-term care and supportive services; (for purposes of this paragraph, the term "representative" means a person appointed by the eligible individual, or legally acting on the individual's behalf, to represent or advise the individual in financial or service coordination matters);

(5) provide for the Administration to play a lead role with respect to issues concerning home and community-based long-term care, including—

(A) directing (as the Secretary or the President determines to be appropriate) or otherwise participating in departmental and interdepartmental activities concerning long-term care;

(B) reviewing and commenting on departmental rules, regulations, and policies related to providing long-term care; and

(C) making recommendations to the Secretary with respect to home and community-based long-term care, including recommendations based on findings made through projects conducted under paragraph (2);

(6) promote, in coordination with other appropriate Federal agencies, enhanced awareness by the public of the importance of planning in advance for long-term care and the availability of information and resources to assist in such planning;

(7) implement in all states Aging and Disability Resource Centers—

(A) to serve as visible and trusted sources of information on the full range of long-term care options that are available in the community, including both institutional and home and community-based care;

(B) to provide personalized and consumer friendly assistance to empower people to make informed decisions about their care options;

(C) to provide coordinated and streamlined access to all publicly supported long-term care options so that consumers can obtain the care they need through a single intake, assessment and eligibility determination process;

(D) to help people to plan ahead for their future long-term care needs; and

(E) to assist, in coordination with the State Health Insurance Assistance Program, Medicare beneficiaries in understanding and accessing the Prescription Drug Coverage and preventative health benefits available under the Medicare Modernization Act;

(8) establish, either directly or through grants or contracts, a national technical assistance program to assist State agencies, area agencies on aging, and community-based service providers

funded under this Act in implementing such home and community-based long-term care systems including evidence-based programs;

(9) develop, in collaboration with the Administrator of the Centers for Medicare & Medicaid Services, performance standards and measures for use by States to determine the extent to which their systems of long-term care fulfill the objectives described in this subsection; and

(10) conduct such other activities as the Assistant Secretary determines to be appropriate.

(c) The Assistant Secretary, in consultation with the Corporation for National and Community Service, shall—

(1) encourage and permit voluntary groups active in supportive services, including youth organizations active at the secondary or postsecondary levels, to participate and be involved individually or through representative groups, in such programs or activities to the maximum extent feasible;

(2) develop a comprehensive strategy for utilizing older individuals to address critical local needs of national concern; and

(3) encourage other community capacity building initiatives involving older individuals.

* * * * *

(e)(1)(A) The Assistant Secretary shall make grants or enter into contracts with eligible entities to establish the National Aging Information Center (in this subsection referred to as the “Center”) to—

(i) * * *

* * * * *

(vi) be a national resource on statistical data regarding aging[;].

FEDERAL AGENCY CONSULTATION

SEC. 203. (a)(1) * * *

* * * * *

(3) The head of each department, agency, or instrumentality of the Federal Government administering programs and services substantially related to the objectives of this Act shall collaborate with the Assistant Secretary in carrying out this Act, and shall develop a written analysis, for review and comment by the Assistant Secretary, of the impact of such programs and services on—

(A) older individuals [(with particular attention to low-income minority older individuals and older individuals residing in rural areas)] *(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)* and eligible individuals (as defined in section 507); and

* * * * *

(b) For the purposes of subsection (a), programs related to the objectives of this Act shall include—

(1) * * *

* * * * *

(17) the Developmental Disabilities Assistance and Bill of Rights Act of 2000; **[and]**

(18) the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, established under part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750–3766b)**[.]**; *and*

(19) *sections 4 and 5 of the Assistive Technology Act of 1998 (29 U.S.C. 3003–3004).*

* * * * *

ADMINISTRATION OF THE ACT

SEC. 205. (a)(1) In carrying out the objectives of this Act, the Assistant Secretary is authorized to—

(A) * * *

(B) provide short-term training and technical instruction;

(C) conduct research and demonstrations; *and*

(D) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this Act**[; and]**.

[(E) provide staff and other technical assistance to the Federal Council on the Aging.]

(2)(A) The Assistant Secretary shall designate an officer or employee who shall serve on a full-time basis and who shall be responsible for the administration of the nutrition services described in subparts 1 and 2 of part C of title III and shall have duties that include—

[(i) designing, implementing, and evaluating nutrition programs;]

(i) designing, implementing, and evaluating evidence-based programs to support improved nutrition and regular physical activity for older individuals;

* * * * *

[(iii) disseminating information to nutrition service providers about nutrition advancements and developments;]

(iii) conducting outreach and disseminating evidence-based information to nutrition service providers about the benefits of healthful diets and regular physical activity, including information about the most current Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341), the Food Guide Pyramid published jointly by the Secretary and the Secretary of Agriculture, and advances in nutrition science;

* * * * *

(vii) developing model menus and other appropriate materials for serving special needs populations and meeting cultural meal preferences; **[and]**

[(viii) providing technical assistance to the regional offices of the Administration with respect to each duty described in clauses (i) through (vii).]

(viii) disseminating guidance that describes strategies for improving the nutritional quality of meals provided under title III, particularly strategies for increasing the consumption of whole grains, lowfat dairy products, fruits and vegetables;

(ix) developing and disseminating guidelines for conducting nutrient analyses of meals provided in subparts 1 and 2 of part C, including guidelines for averaging key nutrients over an appropriate period of time; and

(x) providing technical assistance to the regional offices of the Administration with respect to each duty described in clauses (i) through (viii).

* * * * *

(C) The officer or employee designated under subparagraph (A) shall—

[(i) have expertise in nutrition and dietary services and planning; and]

(i) have expertise in nutrition, energy balance, and meal planning; and

* * * * *

EVALUATION

SEC. 206. (a) * * *

* * * * *

(g) [The Secretary may use such sums as may be necessary, but not to exceed \$3,000,000 (of which not to exceed \$1,500,000 shall be available from funds appropriated to carry out title III and not to exceed \$1,500,000 shall be available from funds appropriated to carry out title IV), to conduct directly evaluations under this section.] *From the total amount appropriated for each fiscal year to carry out title III, the Secretary may use such sums as may be necessary, but not to exceed 1/2 of 1 percent of such amount, for purposes of conducting evaluations under this section, either directly or through grants or contracts.* No part of such sums may be reprogrammed, transferred, or used for any other purpose. Funds expended under this subsection shall be justified and accounted for by the Secretary.

REPORTS

SEC. 207. (a) * * *

(b)(1) * * *

(2) The Assistant Secretary shall submit the report required by paragraph (1) to—

(A) * * *

(B) the Committee on Education and [Labor] *the Workforce* of the House of Representatives; and

(C) the Committee on [Labor and Human Resources] *Health, Education, Labor, and Pensions* of the Senate.

* * * * *

[CONTRACTING AND GRANT AUTHORITY

[SEC. 212. None of the provisions of this Act shall be construed to prevent a recipient of a grant or a contract from entering into an agreement, subject to the approval of the State agency (or in the case of a grantee under title VI, subject to the recommendation of the Director of the Office for American Indian, Alaskan Native, and Native Hawaiian Aging and the approval of the Assistant Sec-

retary), with a profitmaking organization to carry out the provisions of this Act and of the appropriate State plan.】

SEC. 212. CONTRACTING AND GRANT AUTHORITY; PRIVATE PAY RELATIONSHIPS; APPROPRIATE USE OF FUNDS.

(a) *IN GENERAL.*—Subject to subsection (b), this Act shall not be construed to prevent a recipient of a grant or a contract from entering into an agreement—

(1) with a profitmaking organization;

(2) under which funds provided under such grant or contract are used to pay part or all of a cost (including an administrative cost) incurred by such recipient to carry out a contract or commercial relationship for the benefit of older individuals or their family caregivers, whether such relationship is carried out to implement a provision of this Act or to conduct activities inherently associated with implementing such provision; or

(3) under which any individual, regardless of age or income (including the family caregiver of such individual), who seeks to receive 1 or more services pays, at their own private expense, to receive such services based on the fair market value of such services.

(b) *ENSURING APPROPRIATE USE OF FUNDS.*—An agreement described under subsection (a) may not—

(1) be made without the prior approval of the State agency (or, in the case of a grantee under title VI, without the prior recommendation of the Director of the Office for American Indian, Alaska Native, and Native Hawaiian Aging and the prior approval of the Assistant Secretary);

(2) directly or indirectly provide for, or have the effect of, paying, reimbursing, or otherwise compensating an entity under such agreement in an amount that exceeds the fair market value of the goods or services furnished by such entity under such agreement;

(3) result in the displacement of services otherwise available to an older individual with the greatest social need, an older individual with greatest economic need, or an older individual who is at risk for institutional placement; or

(4) in any other way compromise, undermine, or be inconsistent with the objective of serving the needs of older individuals, as determined by the Assistant Secretary.

* * * * *

【SEC. 214. NUTRITION EDUCATION.

【The Assistant Secretary and the Secretary of Agriculture may provide technical assistance and appropriate material to agencies carrying out nutrition education programs in accordance with section 339(2)(J).】

SEC. 214. NUTRITION EDUCATION.

The Assistant Secretary, in consultation with the Secretary of Agriculture, shall conduct outreach and provide technical assistance to agencies and organizations that serve older individuals to assist such agencies and organizations to carry out integrated health promotion and disease prevention programs that are designed for older individuals and that include nutrition education, physical activity, and other activities to modify behavior and to improve health lit-

eracy (including information on optimal nutrient intake) through education and counseling in accordance with section 339(2)(J).

SEC. 215. PENSION COUNSELING AND INFORMATION PROGRAMS.

(a) * * *

* * * * *

(e) APPLICATION.—To be eligible to receive a grant under this section, an entity shall submit an application to the Assistant Secretary at such time, in such manner, and containing such information as the Assistant Secretary may require, including—

(1) a plan to establish a pension counseling and information program that—

(A) * * *

* * * * *

(J) establishes or continues an outreach program to provide information, counseling, referral and assistance regarding pension and other retirement benefits, with particular emphasis on outreach to women, minorities, older individuals residing in rural areas [and low income retirees], *low-income retirees, and older individuals with limited English proficiency*; and

* * * * *

(f) CRITERIA.—The Assistant Secretary shall consider the following criteria in awarding grants under this section:

(1) * * *

[(2) The ability of the entity to perform effective outreach to affected populations, particularly populations that are identified in need of special outreach.]

(2) The ability of the entity to perform effective outreach to affected populations, particularly populations with limited English proficiency and other populations that are identified in need of special outreach.

* * * * *

(h) PENSION ASSISTANCE HOTLINE AND INTRAGENCY COORDINATION.—

(1) * * *

(2) CONTENT.—Such hotline described in paragraph (1) shall provide information for individuals (*including individuals with limited English proficiency*) seeking outreach, information, counseling, referral, and assistance regarding pension and other retirement benefits, and rights related to such benefits.

* * * * *

SEC. 216. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—For purposes of carrying out this Act, there are authorized to be appropriated for administration, salaries, and expenses of the Administration such sums as may be necessary for fiscal years [2001, 2002, 2003, 2004, and 2005] *2007, 2008, 2009, 2010, and 2011.*

(b) ELDERCARE LOCATOR SERVICE.—There are authorized to be appropriated to carry out section 202(a)(24) (relating to the National Eldercare Locator Service) such sums as may be necessary for fiscal [year 2001, and such sums as may be necessary for each

of the 4 succeeding fiscal years] *years 2007, 2008, 2009, 2010, and 2011.*

(c) PENSION COUNSELING AND INFORMATION PROGRAMS.—There are authorized to be appropriated to carry out section 215, such sums as may be necessary for fiscal [year 2001 and for each of the 4 succeeding fiscal years] *years 2007, 2008, 2009, 2010, and 2011.*

* * * * *

TITLE III—GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

PART A—GENERAL PROVISIONS

PURPOSE; ADMINISTRATION

SEC. 301. (a)(1) * * *

(2) The persons referred to in paragraph (1) include—

(A) * * *

* * * * *

(D) the providers, including voluntary organizations or other private sector organizations, of supportive services, nutrition services, and multipurpose senior centers; [and]

(E) organizations representing or employing older individuals or their families[.]; and

(F) *organizations with experience in providing senior volunteer services, such as Federal volunteer programs administered by the Corporation for National and Community Service designed to provide training, placement, and stipends for volunteers in community service settings.*

* * * * *

AUTHORIZATION OF APPROPRIATIONS; USES OF FUNDS

SEC. 303. (a)(1) There are authorized to be appropriated to carry out part B (relating to supportive services) such sums as may be necessary for fiscal [year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years] *years 2007, 2008, 2009, 2010, and 2011.*

* * * * *

(b)(1) There are authorized to be appropriated to carry out subpart 1 of part C (relating to congregate nutrition services) such sums as may be necessary for fiscal [year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years] *years 2007, 2008, 2009, 2010, and 2011.*

(2) There are authorized to be appropriated to carry out subpart 2 of part C (relating to home delivered nutrition services) such sums as may be necessary for fiscal [year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years] *years 2007, 2008, 2009, 2010, and 2011.*

* * * * *

(d) There are authorized to be appropriated to carry out part D (relating to disease prevention and health promotion services) such sums as may be necessary for fiscal [year 2001, and such sums as

may be necessary for each of the 4 succeeding fiscal years] *years 2007, 2008, 2009, 2010, and 2011.*

(e)(1) There are authorized to be appropriated to carry out part E (relating to family caregiver support) \$125,000,000 for fiscal year **[2001] 2007** if the aggregate amount appropriated under subsection (a)(1) (relating to part B, supportive services), paragraphs (1) (relating to subpart 1 of part C, congregate nutrition services) and (2) (relating to subpart 2 of part C, home delivered nutrition services) of subsection (b), and (d) (relating to part D, disease prevention and health promotion services) of this section for fiscal year **[2001] 2007** is not less than the aggregate amount appropriated under subsection (a)(1), paragraphs (1) and (2) of subsection (b), and subsection (d) of section 303 of the Older Americans Act of 1965 for fiscal year 2000.

* * * * *

ORGANIZATION

SEC. 305. (a) In order for a State to be eligible to participate in programs of grants to States from allotments under this title—

(1) the State shall, in accordance with regulations of the Assistant Secretary, designate a State agency as the sole State agency to—

(A) * * *

* * * * *

(E) divide the State into distinct planning and service areas (or in the case of a State specified in subsection (b)(5)(A), designate the entire State as a single planning and service area), in accordance with guidelines issued by the Assistant Secretary, after considering the geographical distribution of older individuals in the State, the incidence of the need for supportive services, nutrition services, multipurpose senior centers, and legal assistance, the distribution of older individuals who have greatest economic need **[(with particular attention to low-income minority individuals and older individuals residing in rural areas)]** *(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)* residing in such areas, the distribution of older individuals who have greatest social need **[(with particular attention to low-income minority individuals and older individuals residing in rural areas)]** *(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)* residing in such areas, the distribution of older individuals who are Indians residing in such areas, the distribution of resources available to provide such services or centers, the boundaries of existing areas within the State which were drawn for the planning or administration of supportive services programs, the location of units of general purpose local government within the State, and any other relevant factors; and

(2) the State agency shall—

(A) * * *

* * * * *

(E) provide assurance that preference will be given to providing services to older individuals with greatest economic need and older individuals with greatest social need, [with particular attention to low-income minority individuals and older individuals residing in rural areas] *with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas*, and include proposed methods of carrying out the preference in the State plan;

* * * * *

(3) *the State agency shall, consistent with this section, promote the development and implementation of a comprehensive, coordinated system in such State for providing long-term care in home and community-based settings, in a manner responsive to the needs and preferences of older individuals and their family caregivers, by—*

(A) *collaborating, coordinating, and consulting with other agencies in such State responsible for formulating, implementing, and administering programs, benefits, and services related to providing long-term care;*

(B) *participating in any State government activities concerning long-term care, including reviewing and commenting on any State rules, regulations, and policies related thereto;*

(C) *conducting analyses, making recommendations, and implementing programs and strategies to modify the State's system of long-term care to better—*

(i) respond to the needs and preferences of older individuals and family caregivers;

(ii) facilitate the provision of long-term care in home and community-based settings through service providers;

(iii) target services to individuals at risk for institutional placement, to permit such individuals to remain in home and community-based care settings; and

(iv) implement (through area agencies on aging, service providers, and such other entities as the State determines to be appropriate) evidence-based programs to assist older individuals and their family caregivers in learning about and making behavioral changes intended to reduce the risk of injury, disease, and disability among older individuals; and

(D) *providing for the availability and distribution (through public education campaigns, aging and disability resource centers, area agencies on aging, and other appropriate means) of information relating to—*

(i) the need to plan in advance for long-term care; and

(ii) *the range of available public and private long-term care programs, options, and resources.*

* * * * *

AREA PLANS

SEC. 306. (a) Each area agency on aging designated under section 305(a)(2)(A) shall, in order to be approved by the State agency, prepare and develop an area plan for a planning and service area for a two-, three-, or four-year period determined by the State agency, with such annual adjustments as may be necessary. Each such plan shall be based upon a uniform format for area plans within the State prepared in accordance with section 307(a)(1). Each such plan shall—

(1) provide, through a comprehensive and coordinated system, for supportive services, nutrition services, and, where appropriate, for the establishment, maintenance, or construction of multipurpose senior centers, within the planning and service area covered by the plan, including determining the extent of need for supportive services, nutrition services, and multipurpose senior centers in such area (taking into consideration, among other things, the number of older individuals with low incomes residing in such area, the number of older individuals who have greatest economic need [(with particular attention to low-income minority individuals and older individuals residing in rural areas)] (*with particular attention to low-income older individuals, low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas*) residing in such area, the number of older individuals who have greatest social need (with particular attention to low-income minority individuals) residing in such area, *the number of older individuals at risk for institutional placement residing in such area*, and the number of older individuals who are Indians residing in such area, and the efforts of voluntary organizations in the community), evaluating the effectiveness of the use of resources in meeting such need, and entering into agreements with providers of supportive services, nutrition services, or multipurpose senior centers in such area, for the provision of such services or centers to meet such need;

(2) provide assurances that an adequate proportion, as required under section 307(a)(2), of the amount allotted for part B to the planning and service area will be expended for the delivery of each of the following categories of services—

(A) services associated with access to services (transportation, *health services (including mental health services)*, outreach, information and assistance, and case management services);

* * * * *

(4)(A)(i) provide assurances that the area agency on aging will set specific objectives for providing services to older individuals with greatest economic need and older individuals with greatest social need, include specific objectives for providing services to low-income minority individuals and older individuals residing in rural areas, and include proposed methods of

carrying out the preference in the area plan;] (i) provide assurances that the area agency on aging will—

(I) set specific objectives, consistent with State policy, for providing services to older individuals with greatest economic need, older individuals with greatest social need, and older individuals at risk for institutional placement;

(II) include in the area plan specific objectives for providing services to low-income minority older individuals and older individuals residing in rural areas; and

(III) include in the area plan proposed methods to achieve such objectives;

(ii) provide assurances that the area agency on aging will include in each agreement made with a provider of any service under this title, a requirement that such provider will—

(I) specify how the provider intends to satisfy the service needs of low-income minority individuals (including older individuals with limited English proficiency) and older individuals residing in rural areas in the area served by the provider;

(II) to the maximum extent feasible, provide services to low-income minority individuals (including older individuals with limited English proficiency) and older individuals residing in rural areas in accordance with their need for such services; and

(III) meet specific objectives established by the area agency on aging, for providing services to low-income minority individuals (including older individuals with limited English proficiency) and older individuals residing in rural areas within the planning and service area; and

* * * * *

(B) provide assurances that the area agency on aging will use outreach efforts that will—

(i) identify individuals eligible for assistance under this Act, with special emphasis on—

(I) older individuals residing in rural areas;

(II) older individuals with greatest economic need (with particular attention to low-income minority individuals and older individuals residing in rural areas);

(III) older individuals with greatest social need (with particular attention to low-income minority individuals and older individuals residing in rural areas);

(IV) older individuals with severe disabilities;

(V) older individuals with limited English-speaking ability; [and]

(VI) older individuals at risk for institutional placement; and

[(VI)] (VII) older individuals with Alzheimer’s disease or related disorders with neurological and organic brain dysfunction (and the caretakers of such individuals); and

(ii) inform the older individuals referred to in subclauses (I) through (VI) of clause (i), and the caretakers of such individuals, of the availability of such assistance; and

* * * * *

(5) provide assurances that the area agency on aging will coordinate planning, identification, assessment of needs, and provision of services for older individuals with disabilities, with particular attention to individuals with severe disabilities *and individuals at risk for institutional placement*, with agencies that develop or provide services for individuals with disabilities;

(6) provide that the area agency on aging will—

(A) * * *

* * * * *

(C)(i) where possible, enter into arrangements with organizations providing day care services for children, assistance to older individuals caring for relatives who are children, and respite for families, so as to provide opportunities for older individuals to aid or assist on a voluntary basis in the delivery of such services to children, adults, and families; **[and]**

(ii) if possible regarding the provision of services under this title, enter into arrangements and coordinate with organizations that have a proven record of providing services to older individuals, that—

(I) * * *

* * * * *

and that meet the requirements under section 676B of the Community Services Block Grant Act; *and*

(iii) *make use of trained volunteers in providing direct services delivered to elderly and disabled individuals needing such care and, if possible, work in coordination with volunteer programs (including programs administered by the Corporation for National Service) designed to provide training, placement, and stipends for volunteers in community service settings.*

(D) establish an advisory council consisting of older individuals (including minority individuals and older individuals residing in rural areas) who are participants or who are eligible to participate in programs assisted under this Act, *family caregivers of such individuals*, representatives of older individuals, *service providers, the business community*, local elected officials, providers of veterans' health care (if appropriate), and the general public, to advise continuously the area agency on aging on all matters relating to the development of the area plan, the administration of the plan and operations conducted under the plan;

* * * * *

(F) coordinate any mental health services provided (*including mental health screening*) with funds expended by the area agency on aging for part B with the mental health services provided by community health centers and by other public agencies and nonprofit private organizations; and

* * * * *

[(7) provide that the area agency on aging will facilitate the coordination of community-based, long-term care services de-

signed to enable older individuals to remain in their homes, by means including—

[(A) development of case management services as a component of the long-term care services, consistent with the requirements of paragraph (8);

[(B) involvement of long-term care providers in the coordination of such services; and

[(C) increasing community awareness of and involvement in addressing the needs of residents of long-term care facilities;]

(7) *provide that the area agency on aging shall, consistent with this section, facilitate the area-wide development and implementation of a comprehensive, coordinated system for providing long-term care in home and community-based settings, in a manner responsive to the needs and preferences of older individuals and their family caregivers, by—*

(A) collaborating, coordinating, and consulting with other local public and private agencies and organizations responsible for administering programs, benefits, and services related to providing long-term care;

(B) conducting analyses and making recommendations with respect to strategies for modifying the local system of long-term care to better—

(i) respond to the needs and preferences of older individuals and family caregivers;

(ii) facilitate the provision, through service providers, of long-term care in home and community-based settings; and

(iii) target services to older individuals at risk for institutional placement, to permit such individuals to remain in home and community-based care settings;

(C) implementing, through the agency or service providers, evidence-based programs to assist older individuals and their family caregivers in learning about and making behavioral changes intended to reduce the risk of injury, disease, and disability among older individuals; and

(D) providing for the availability and distribution (through public education campaigns, aging and disability resource centers, and other appropriate means) of information relating to—

(i) the need to plan in advance for long-term care; and

(ii) the range of available public and private long-term care programs, options, and resources;

* * * * *

[(14) provide assurances that funds received under this title will not be used to pay any part of a cost (including an administrative cost) incurred by the area agency on aging to carry out a contract or commercial relationship that is not carried out to implement this title; and

[(15) provide assurances that preference in receiving services under this title will not be given by the area agency on aging to particular older individuals as a result of a contract or commercial relationship that is not carried out to implement this title.

[(15) provide assurances that funds received under this title will not be used to pay any part of a cost (including an administrative cost) incurred by the area agency on aging to carry out a contract or commercial relationship that is not carried out to implement this title;]

[(16)] (14) provide assurances that preference in receiving services under this title will not be given by the area agency on aging to particular older individuals as a result of a contract or commercial relationship that is not carried out to implement this title;

(15) provide assurances that funds received under this title will be used—

(A) in a manner, consistent with paragraph (4), that gives priority in furnishing benefits and services to older individuals with greatest economic need, older individuals with greatest social need, and older individuals at risk for institutional placement; and

(B) in compliance with the assurances specified in paragraph (13) and the limitations specified in section 212(b); and

(16) provide, to the maximum extent feasible, for the furnishing of services under this Act consistent with self-directed care.

(b)(1) An area agency on aging may include in the area plan an assessment of how prepared the planning and service area is for any anticipated change in the number of older individual during the 10-year period following the fiscal year for which the plan is submitted. Such assessment may include—

(A) the projected change in the number of older individuals in the planning and service area;

(B) an analysis of how such change may affect such individuals, including such individuals with low incomes, such individuals with greatest economic need, minority older individuals, older individuals residing in rural areas, and older individuals with limited English proficiency;

(C) an analysis of how the programs, policies, and services provided in the planning and service area can be improved, and how resource levels can be adjusted, to meet the needs of the changing population of older individuals in such area; and

(D) an analysis of how the change in the number of individuals 85 years of age and older is expected to affect the need for supportive services.

(2) An area agency on aging, in cooperation with government officials, State agencies, tribal organizations, or local entities, may make recommendations to government officials in the planning and service area and the State, on actions determined by the area agency to build the capacity in the planning and service area to meet the needs of older individuals for—

(A) health and human services;

(B) land use;

(C) housing;

(D) transportation;

(E) public safety;

(F) workforce and economic development;

(G) recreation;

- (H) education;
- (I) civic engagement; and
- (J) any other service as determined by such agency.

[(b)] (c) Each State, in approving area agency on aging plans under this section, shall waive the requirement described in paragraph (2) of subsection (a) for any category of services described in such paragraph if the area agency on aging demonstrates to the State agency that services being furnished for such category in the area are sufficient to meet the need for such services in such area and had conducted a timely public hearing upon request.

[(c)] (d)(1) * * *

* * * * *

[(d)] (e) An area agency on aging may not require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.

[(e)] (f)(1) * * *

* * * * *

STATE PLANS

SEC. 307. (a) Except as provided in the succeeding sentence and section 309(a), each State, in order to be eligible for grants from its allotment under this title for any fiscal year, shall submit to the Assistant Secretary a State plan for a two-, three-, or four-year period determined by the State agency, with such annual revisions as are necessary, which meets such criteria as the Assistant Secretary may by regulation prescribe. If the Assistant Secretary determines, in the discretion of the Assistant Secretary, that a State failed in 2 successive years to comply with the requirements under this title, then the State shall submit to the Assistant Secretary a State plan for a 1-year period that meets such criteria, for subsequent years until the Assistant Secretary determines that the State is in compliance with such requirements. Each such plan shall comply with all of the following requirements:

(1) * * *

* * * * *

(4) The plan shall provide that the State agency will conduct periodic evaluations of, and public hearings on, activities and projects carried out in the State under this title and title VII, including evaluations of the effectiveness of services provided to individuals with greatest economic need, greatest social need, or disabilities, [with particular attention to low-income minority individuals and older individuals residing in rural areas] *low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas.*

* * * * *

(14) *The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared—*

- (A) *identify the number of low-income minority older individuals in the State, including the number of low-income older individuals with limited English proficiency; and*

(B) describe the methods used to satisfy the service needs of such minority older individuals, including the plan to service the needs of older individuals with limited English proficiency.

[(14)] (15) The plan shall provide assurances that, if a substantial number of the older individuals residing in any planning and service area in the State are of limited English-speaking ability, then the State will require the area agency on aging for each such planning and service area—

(A) * * *

* * * * *

[(15)] The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

[(A)] identify the number of low-income minority older individuals in the State; and

[(B)] describe the methods used to satisfy the service needs of such minority older individuals. **]**

(16) The plan shall provide assurances that the State agency will require outreach efforts that will—

(A) identify individuals eligible for assistance under this Act, with special emphasis on—

(i) older individuals residing in rural areas;

(ii) older individuals with greatest economic need **[(with particular attention to low-income minority individuals and older individuals residing in rural areas)]** *(with particular attention to low-income older individuals, low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas);*

(iii) older individuals with greatest social need **[(with particular attention to low-income minority individuals and older individuals residing in rural areas)]** *(with particular attention to low-income older individuals, low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas);*

* * * * *

(27) *The plan shall provide assurances that area agencies on aging will, to the maximum extent feasible, provide for the furnishing of services under this Act consistent with self-directed care.*

(28)(A) *The plan shall include, at the election of the State, an assessment of how prepared the State is, under the State's state-wide service delivery model, for a change in the number of older individuals during the 10-year period following the fiscal year for which the plan is submitted.*

(B) *Such assessment may include—*

(i) the projected change in the number of older individuals in the State;

(ii) an analysis of how such change may affect such individuals, including individuals with low incomes, individuals with great economic need, minority older individuals, older individuals residing in rural areas, and older individuals with limited English proficiency;

(iii) *an analysis of how the programs, policies, and services provided by the State can be improved, including coordinating with area agencies on aging, and how resource levels can be adjusted to meet the needs of the changing population of older individuals in the State; and*

(iv) *an analysis of how the change in the number of individuals 85 years of age and older in the State is expected to affect the need for supportive services.*

* * * * *

PAYMENTS

SEC. 309. (a) * * *

(b)(1) * * *

(2) Funds required to meet the non-Federal share required by section 304(d)(1)(D), in amounts exceeding **the non-Federal share required prior to fiscal year 1981** 10 percent of the cost of the services specified in such section 304(d)(1)(D), shall be from State sources.

* * * * *

NUTRITION SERVICES INCENTIVE PROGRAM

SEC. 311. (a) * * *

(b)(1) * * *

* * * * *

(3) *Each State agency shall promptly and equitably disburse amounts received under this subsection to recipients of grants and contracts.*

(c)(1) Agricultural commodities (*including bonus commodities*) and products purchased by the Secretary of Agriculture under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be donated to a recipient of a grant or contract to be used for providing nutrition services in accordance with the provisions of this title.

(2) The Commodities Credit Corporation shall dispose of food commodities (*including bonus commodities*) under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) by donating them to a recipient of a grant or contract to be used for providing nutrition services in accordance with the provisions of this title.

(3) Dairy products (*including bonus commodities*) purchased by the Secretary of Agriculture under section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a-1) shall be used to meet the requirements of programs providing nutrition services in accordance with the provisions of this title.

(4) *Among the commodities delivered under this subsection, the Secretary of Agriculture shall give special emphasis to high protein foods. The Secretary of Agriculture, in consultation with the Assistant Secretary, is authorized to prescribe the terms and conditions respecting the donation of commodities under this subsection.*

[(d)(1) Each State agency and each grantee under title VI shall be entitled to use all or any part of amounts allotted under subsection (b) to obtain from the Secretary of Agriculture commodities available through any Federal food commodity processing program, at the rates at which such commodities are valued for purposes of such program.

[(2) The Secretary of Agriculture shall determine and report to the Secretary, by such date as the Secretary may require, the amount (if any) of its allotment under subsection (b) which each State agency and title VI grantee has elected to receive in the form of commodities. Such amount shall include an amount bearing the same ratio to the costs to the Secretary of Agriculture of providing such commodities under this subsection as the value of commodities received by such State agency or title VI grantee under this subsection bears to the total value of commodities so received.]

[(3) From the allotment under subsection (b) for each State agency and title VI grantee, the Secretary shall first reimburse the Secretary of Agriculture for costs of commodities received by such State agency or grantee under this subsection, and shall then pay the balance (if any) to such State agency or grantee.]

[(4) Each State agency shall promptly and equitably disburse amounts received under this subsection to recipients of grants and contracts. Such disbursements shall only be used by such recipients of grants or contracts to purchase United States agricultural commodities and other foods for their nutrition projects.]

[(5) Among the commodities delivered under subsection (c), the Secretary of Agriculture shall give special emphasis to high protein foods. The Secretary of Agriculture, in consultation with the Assistant Secretary, is authorized to prescribe the terms and conditions respecting the provision of commodities under this subsection.]

(d)(1) Amounts provided under subsection (b) to State grantees and contractors, and to title VI grantees, shall be available only for the purchase by such entities of United States agricultural commodities and other foods for their respective nutrition projects, subject to paragraph (2).

(2) Part or all of the amounts received by an entity specified in paragraph (1) may be used to pay a school food authority (as referred to under the Richard B. Russell National School Lunch Act (42 U.S.C.1751 et seq.) to obtain United States agricultural commodities for such entity's nutrition projects, in accordance with an agreement between the entity and the school food authority, under which such payments—

(A) shall cover the cost of such commodities; and

(B) may cover related expenses incurred by the school food authority, including the cost of transporting, distributing, processing, storing, and handling such commodities.

(e) There are authorized to be appropriated to carry out this section (other than subsection (c)(1)) such sums as may be necessary for fiscal year [2001] 2007 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(f) In each fiscal year, [the Secretary of Agriculture and the Secretary of Health and Human Services] *the Assistant Secretary and the Secretary of Agriculture* shall jointly disseminate to State agencies, area agencies on aging, and providers of nutrition services assisted under this title, information concerning—

[(1) the existence of any Federal commodity processing program in which such State agencies, area agencies on aging, and providers may be eligible to participate; and

[(2) the procedures to be followed to participate in the program.]

(1) school food authorities participating in programs authorized under the Richard B. Russell National School Lunch Act within the geographic area served by each such State agency; and

(2) the donated foods available to such State agencies, area agencies on aging, and providers under subsection (c).

* * * * *

SEC. 315. CONSUMER CONTRIBUTIONS.

(a) * * *

(b) VOLUNTARY CONTRIBUTIONS.—

(1) IN GENERAL.—Voluntary contributions shall be allowed and may be solicited for all services for which funds are received under this Act [provided that], and such contributions shall be encouraged for individuals whose self-declared income is at or above 125 percent of the poverty line and may be requested at contribution levels based on the actual cost of services, if the method of solicitation is noncoercive.

* * * * *

(4) REQUIRED ACTS.—The area agency on aging shall ensure that each service provider will—

(A) * * *

* * * * *

(E) use all collected contributions to expand the service for which the contributions were given and to supplement (not supplant) funds received under this Act.

(c) PARTICIPATION.—

(1) * * *

(2) PLANS.—Prior to the implementation of cost sharing under subsection (a), each State and area agency on aging shall develop plans that are designed to ensure that the participation of low-income older individuals [(with particular attention to low-income minority individuals and older individuals residing in rural areas)] (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas) receiving services will not decrease with the implementation of the cost sharing under such subsection.

(d) EVALUATION.—Not later than 1 year after the date of the enactment of the Older Americans Act Amendments of 2000, and annually thereafter, the Assistant Secretary shall conduct a comprehensive evaluation of practices for cost sharing to determine its impact on participation rates [with particular attention to low-income and minority older individuals and older individuals residing in rural areas], with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas. If the Assistant Secretary finds that there is a disparate impact upon low-income or minority older individuals or older individuals residing in rural areas in any State or region within the State regarding the provision of services, the Assistant Secretary shall take corrective action to assure that such services

are provided to all older individuals without regard to the cost sharing criteria.

* * * * *

PART B—SUPPORTIVE SERVICES AND SENIOR CENTERS

PROGRAM AUTHORIZED

SEC. 321. (a) The Assistant Secretary shall carry out a program for making grants to States under State plans approved under section 307 for any of the following supportive services:

(1) * * *

* * * * *

(8) services designed to provide health screening (*including mental health screening*) to detect or prevent illnesses, or both, that occur most frequently in older individuals;

* * * * *

(11) services (*including assistive technology devices and assistive technology services*) which are designed to meet the unique needs of older individuals who are disabled, and of older individuals who provide uncompensated care to their adult children with disabilities;

* * * * *

(14) a program, to be known as “Senior Opportunities and Services”, designed to identify and meet the needs of low-income older individuals in one or more of the following areas: (A) development and provision of new volunteer services; (B) effective referral to existing health (*including mental health*), employment, housing, legal, consumer, transportation, and other services; (C) stimulation and creation of additional services and programs to remedy gaps and deficiencies in presently existing services and programs; and (D) such other services as the Assistant Secretary may determine are necessary or especially appropriate to meet the needs of low-income older individuals and to assure them greater self-sufficiency;

* * * * *

(22) in-home services for frail older individuals, including individuals with Alzheimer’s disease and related disorders with neurological and organic brain dysfunction, and their families, including in-home services defined by a State agency in the State plan submitted under section 307, taking into consideration the age, economic need, and noneconomic and nonhealth factors contributing to the frail condition and need for services of the individuals described in this paragraph, and in-home services defined by an area agency on aging in the area plan submitted under section 306[.];

(23) services designed to support States, area agencies on aging, and local service providers carry out and coordinate, with respect to mental health services, activities including outreach, education, screening, and referral for treatment of older individuals; and

[(23)] (24) any other services necessary for the general welfare of older individuals;

* * * * *

PART C—NUTRITION SERVICE

SEC. 330. PURPOSE.

It is the purpose of this part to promote socialization and the health and well-being of older individuals by assisting such individuals to gain access to disease prevention and health promotion services (including information, nutrition services, and programs of physical activity) to delay the onset of health conditions resulting from poor nutritional health or sedentary behavior.

Subpart 1—Congregate Nutrition Services

PROGRAM AUTHORIZED

SEC. 331. The Assistant Secretary shall carry out a program for making grants to States under State plans approved under section 307 for the establishment and operation of nutrition projects that—

(1) [which,] 5 or more days a week (except in a rural area where such frequency is not feasible (as defined by the Assistant Secretary by regulation) and a lesser frequency is approved by the State agency), provide at least one hot or other appropriate meal per day and any additional meals which the recipient of a grant or contract under this subpart may elect to provide;

(2) [which] shall be provided in congregate settings, including adult day care facilities and multigenerational meal sites; [and]

[(3) which may include nutrition education services and other appropriate nutrition services for older individuals.]

(3) provide nutrition education, nutrition counseling, and other nutrition services, as appropriate, based on the needs of meal participants; and

(4) may provide along with a meal described in (1), a multi-vitamin-mineral supplement as an addition to such meal.

* * * * *

Subpart 2—Home Delivered Nutrition Services

[PROGRAM AUTHORIZED

[SEC. 336. The Assistant Secretary shall carry out a program for making grants to States under State plans approved under section 307 for the establishment and operation of nutrition projects for older individuals which, 5 or more days a week (except in a rural area where such frequency is not feasible (as defined by the Assistant Secretary by regulation) and a lesser frequency is approved by the State agency), provide at least one home delivered hot, cold, frozen, dried, canned, or supplemental foods (with a satisfactory storage life) meal per day and any additional meals which the recipient of a grant or contract under this subpart may elect to provide.

【CRITERIA

【SEC. 337. The Assistant Secretary, in consultation with organizations of and for the aged, blind, and disabled, and with representatives from the American Dietetic Association, the Dietary Managers Association, the National Association of Area Agencies on Aging, the National Association of Nutrition and Aging Services Programs, the National Association of Meals Programs, Incorporated, and any other appropriate group, shall develop minimum criteria of efficiency and quality for the furnishing of home delivered meal services for projects described in section 336. The criteria required by this section shall take into account the ability of established home delivered meals programs to continue such services without major alteration in the furnishing of such services.】

SEC. 336. PROGRAM AUTHORIZED.

The Assistant Secretary shall establish and carry out a program to make grants to States under State plans approved under section 307 for the establishment and operation of nutrition projects for older individuals which provide, on 5 or more days a week (except in a rural area where such frequency is not feasible (as defined by the Assistant Secretary by rule) and a lesser frequency is approved by the State agency)—

(1) at least 1 home delivered meal per day consisting of hot, cold, frozen, dried, canned, fresh, or supplemental foods and any additional meals that the recipient of a grant or contract under this subpart elects to provide; and

(2) nutrition education, nutrition counseling, and other nutrition services as appropriate, based on the needs of meal recipients.

SEC. 337. CRITERIA.

The Assistant Secretary, in consultation with experts in the field of nutrition science, dietetics, meal planning and food service management, and aging, shall develop minimum criteria of efficiency and quality for the furnishing of home delivered meal services for projects described in section 336.

Subpart 3—General Provisions

SEC. 339. NUTRITION.

A State that establishes and operates a nutrition project under this chapter shall—

【(1) solicit the advice of a dietitian or individual with comparable expertise in the planning of nutritional services, and】

(1) solicit the expertise of a dietitian or other individual with equivalent education and training in nutrition science, or if such an individual is not available, an individual with comparable expertise in the planning of nutritional services, and

(2) ensure that the project—

(A) provides meals that—

【*(i) comply with the Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture,】*

(i) comply with the most recent Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture, and

(ii) provide to each participating older individual—

(I) a minimum of 33 $\frac{1}{3}$ percent of the [daily recommended dietary allowances as] *dietary reference intakes* established by the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences, if the project provides one meal per day,

* * * * *

(D) where feasible, encourages *joint* arrangements with schools and other facilities serving meals to children in order to promote *shared* intergenerational meal programs,

* * * * *

[(G) ensures that meal providers carry out such project with the advice of dietitians (or individuals with comparable expertise), meal participants, and other individuals knowledgeable with regard to the needs of older individuals.]

(G) ensures that local meal providers solicit the advice and expertise of—

(i) a dietitian or, if a dietitian is not available, an individual with comparable expertise in the planning of nutrition and food services,

(ii) meal participants, and

(iii) other individuals knowledgeable with regard to the needs of older individuals,

(H) ensures that each participating area agency on aging establishes procedures that allow nutrition project administrators the option to offer a meal, on the same basis as meals provided to participating older individuals, to individuals providing volunteer services during the meal hours, and to individuals with disabilities who reside at home with [and accompany] older individuals eligible under this chapter,

* * * * *

[(J) provide for nutrition screening and, where appropriate, for nutrition education and counseling.]

(J) provides for nutrition screening and nutrition education, and nutrition assessment and counseling if appropriate, and

(K) encourages professionals who distribute nutrition assistance under subpart 2 to provide information to homebound seniors on how to get an influenza vaccination in their local areas.

* * * * *

PART D—DISEASE PREVENTION AND HEALTH PROMOTION SERVICES

PROGRAM AUTHORIZED

SEC. 361. (a) * * *

* * * * *

(c) *The Assistant Secretary shall work in consultation with qualified experts to provide information on methods of improving indoor air quality in buildings where seniors congregate.*

* * * * *

PART E—NATIONAL FAMILY CAREGIVER SUPPORT PROGRAM

SEC. 371. SHORT TITLE.

This part may be cited as the “National Family Caregiver Support Act”.

Subpart 1—Caregiver Support Program

SEC. 372. DEFINITIONS.

In this subpart:

(1) **CHILD.**—The term “child” means an individual who is not more than 18 years of age *or who is an individual with a disability.*

(2) **FAMILY CAREGIVER.**—The term “family caregiver” means an adult family member, or another individual, who is an informal provider of in-home and community care to an older individual *or an individual with Alzheimer’s disease or a related disorder with neurological and organic brain dysfunction.*

(3) **GRANDPARENT OR OLDER INDIVIDUAL WHO IS A RELATIVE CAREGIVER.**—The term “grandparent or older individual who is a relative caregiver” means a grandparent or stepgrandparent of a child, or a relative of a child by blood or marriage, who is **[60]** 55 years of age or older and—

(A) * * *

* * * * *

SEC. 373. PROGRAM AUTHORIZED.

(a) * * *

(b) **SUPPORT SERVICES.**—The services provided, in a State program under subsection (a), by an area agency on aging, or entity that such agency has contracted with, shall include—

(1) * * *

* * * * *

(3) individual counseling, organization of support groups, and caregiver training to **[**caregivers to assist the caregivers in making decisions and solving problems relating to their caregiving roles;**]** *assist the caregivers in addressing caregiver issues related to the areas of health, nutrition, and financial literacy, and in making decisions and solving problems relating to their caregiving roles;*

* * * * *

[(d) COORDINATION WITH SERVICE PROVIDERS.—In carrying out this subpart, each area agency on aging shall coordinate the activities of the agency, or entity that such agency has contracted with, with the activities of other community agencies and voluntary organizations providing the types of services described in subsection (b).**]**

(d) *USE OF VOLUNTEERS.*—In carrying out this subpart, each area agency on aging shall encourage the use of trained volunteers to expand the available services described in subsection (b) and shall, if possible, coordinate with volunteer programs (including programs administered by the Corporation for National Service) designed to provide training, placement, and stipends for volunteers in community service settings.

(e) *QUALITY STANDARDS AND MECHANISMS AND ACCOUNTABILITY.*—

(1) * * *

* * * * *

(3) *REPORTS.*—The State shall prepare and submit to the Assistant Secretary reports on the data and records required under paragraph (2), including information on the services funded under this subpart, and standards and mechanisms by which the quality of the services shall be assured. *The reports shall describe any mechanisms used in the State to provide family caregivers of an older individual and relative caregivers of a child or an adult child with a disability, information about and access to various services so that caregivers can better carry out their care responsibilities.*

(f) *CAREGIVER ALLOTMENT.*—

(1) *IN GENERAL.*—

(A) From sums appropriated under section 303(e) for fiscal years ~~2001 through 2005~~ 2007, 2008, 2009, 2010, and 2011, the Assistant Secretary shall allot amounts among the States proportionately based on the population of individuals 70 years of age or older in the States.

* * * * *

Subpart 2—National Innovation Programs

* * * * *

SEC. 376. ACTIVITIES OF NATIONAL SIGNIFICANCE.

[(a) *IN GENERAL.*—]The Assistant Secretary [shall] *may*, directly or by grant or contract, carry out activities of national significance to promote quality and continuous improvement in the support provided to family and other informal caregivers of older individuals through [program] *programs that include* evaluation, training, technical assistance, and [research.] *research, including—*

(1) *intergenerational programs, including supports for grandparents and other older relatives raising children (such as kinship navigator programs), and sustaining and replicating innovative intergenerational family support programs that involve senior volunteers;*

(2) *programs providing support and information to families who have a child with a disability or chronic illness and to other families in need of such family support programs;*

(3) *programs addressing unique issues faced by rural caregivers;*

(4) *programs focusing on the needs of older persons with Alzheimer's disease and related dementia and their caregivers; and*

(5) programs supporting caregivers in the role they play in health promotion and disease prevention.

[(b) SUNSET PROVISION.—This section shall be effective for 3 fiscal years after the date of the enactment of the Older Americans Act Amendments of 2000.]

* * * * *

TITLE IV—ACTIVITIES FOR HEALTH, INDEPENDENCE AND LONGEVITY

* * * * *

PART A—GRANT PROGRAMS

SEC. 411. PROGRAM AUTHORIZED.

(a) IN GENERAL.—For the purpose of carrying out this section, the Assistant Secretary may make grants to and enter into contracts with States, public agencies, private nonprofit agencies, institutions of higher education, and organizations, including tribal organizations, for—

(1) * * *

* * * * *

(8) the training of graduate level professionals specializing in the mental health needs of older individuals; [and]

(9) *planning activities to prepare communities for the aging of the population, which include—*

(A) efforts to assess the aging population;

(B) activities to coordinate State and local agencies in order to meet the needs of older individuals; and

(C) training and technical assistance to support States, area agencies on aging, and tribal organizations receiving a grant under title VI, engage in community planning activities; and

(10) *the development, implementation, and assessment of technology-based service models and best practices, to support the use of health monitoring and assessment technologies, communication devices, assistive technologies, and other technologies that may remotely connect family and professional caregivers to frail elderly residing in home- and community-based settings or rural areas; and*

[(9)] (11) any other activities that the Assistant Secretary determines will achieve the objectives of this section.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal [year 2001, and such sums as may be necessary for subsequent fiscal years] *years 2007, 2008, 2009, 2010, and 2011.*

SEC. 412. CAREER PREPARATION FOR THE FIELD OF AGING.

[(a) GRANTS.—The Assistant Secretary shall make grants to institutions of higher education, historically Black colleges or universities, Hispanic Centers of Excellence in Applied Gerontology, and other educational institutions that serve the needs of minority stu-

dents, to provide education and training to prepare students for careers in the field of aging.】

(a) GRANTS.—*The Assistant Secretary shall make grants to institutions of higher education, including historically Black colleges or universities, Hispanic serving institutions, and Hispanic Centers of Excellence in Applied Gerontology, to provide education and training that prepares students for careers in the field of aging.*

* * * * *

SEC. 414. HEALTH CARE SERVICE DEMONSTRATION PROJECTS IN RURAL AREAS.

(a) AUTHORITY.—The Assistant Secretary, after consultation with the State agency of the State involved, shall make grants to eligible public agencies and nonprofit private organizations to pay part or all of the cost of developing or operating model health care service projects (including related home health care services, adult day health care, *mental health services*, outreach, and transportation) through multipurpose senior centers that are located in rural areas and that provide nutrition services under section 331, to meet the health care needs of medically underserved older individuals residing in such areas.

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), a public agency or nonprofit private organization shall submit to the Assistant Secretary an application containing such information and assurances as the Secretary may require, including—

(1) information describing the nature and extent of the applicant's—

(A) * * *

(B) coordination and cooperation with—

(i) institutions of higher education having graduate programs with capability in public health, *mental health*, the medical sciences, psychology, pharmacology, nursing, social work, health education, nutrition, or gerontology, for the purpose of designing and developing such project; and

* * * * *

SEC. 417. DEMONSTRATION PROJECTS FOR MULTIGENERATIONAL ACTIVITIES.

(a) * * *

* * * * *

(c) PREFERENCE.—In awarding grants and entering into contracts under subsection (a), the Assistant Secretary shall give preference to—

(1) * * *

(2) eligible organizations proposing projects that will serve older individuals with greatest economic need [(with particular attention to low-income minority individuals and older individuals residing in rural areas)] (*with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas*).

* * * * *

SEC. 418. NATIVE AMERICAN PROGRAMS.

(a) ESTABLISHMENT.—

(1) * * *

(2) FUNCTIONS.—

(A) * * *

(B) AREAS OF CONCERN.—In conducting the functions described in subparagraph (A), a Resource Center shall focus on priority areas of concern for the Resource Centers regarding Native Americans who are older individuals, which areas shall be—

(i) health problems (*including mental health*);

* * * * *

PART B—GENERAL PROVISIONS

* * * * *

SEC. 432. RESPONSIBILITIES OF ASSISTANT SECRETARY.

(a) * * *

* * * * *

(c) EVALUATIONS.—

(1) * * *

(2) RESULTS.—The Assistant Secretary shall—

(A) * * *

(B) use such evaluation to improve services delivered, or the operation of projects and programs carried out, under this Act, *including preparing an analysis of such services, projects, and programs, and of how the evaluation relates to improvements in such services, projects, and programs and in the strategic plan of the Administration.*

* * * * *

[TITLE V—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

[SEC. 501. SHORT TITLE.

[This title may be cited as the “Older American Community Service Employment Act”.

[SEC. 502. OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM.

[(a)(1) In order to foster and promote useful part-time opportunities in community service activities for unemployed low-income persons who are 55 years or older and who have poor employment prospects, and in order to foster individual economic self-sufficiency and to increase the number of persons who may enjoy the benefits of unsubsidized employment in both the public and private sectors, the Secretary of Labor (hereafter in this title referred to as the “Secretary”) is authorized to establish an older American community service employment program.

[(2) Amounts appropriated to carry out this title shall be used only to carry out the provisions contained in this title.

[(b)(1) In order to carry out the provisions of this title, the Secretary is authorized to enter into agreements, subject to section

514, with State and national public and private nonprofit agencies and organizations, agencies of a State government or a political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or tribal organizations in order to further the purposes and goals of the program. Such agreements may include provisions for the payment of costs, as provided in subsection (c) of this section, of projects developed by such organizations and agencies in cooperation with the Secretary in order to make the program effective or to supplement the program. No payment shall be made by the Secretary toward the cost of any project established or administered by any organization or agency unless the Secretary determines that such project—

【(A) will provide employment only for eligible individuals except for necessary technical, administrative, and supervisory personnel, but such personnel shall, to the fullest extent possible, be recruited from among eligible individuals;

【(B)(i) will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities; or

【(ii) if such project is carried out by a tribal organization that enters into an agreement under this subsection or receives assistance from a State that enters into such an agreement, will provide employment for such individuals, including those who are Indians residing on an Indian reservation, as the term is defined in section 2601(2) of the Energy Policy Act of 1992 (25 U.S.C. 3501(2));

【(C) will employ eligible individuals in service related to publicly owned and operated facilities and projects, or projects sponsored by organizations, other than political parties, exempt from taxation under the provisions of section 501(c)(3) of the Internal Revenue Code of 1986, except projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

【(D) will contribute to the general welfare of the community;

【(E) will provide employment for eligible individuals;

【(F)(i) will result in an increase in employment opportunities over those opportunities which would otherwise be available;

【(ii) will not result in the displacement of currently employed workers (including partial displacement, such as a reduction in the hours of nonovertime work or wages or employment benefits); and

【(iii) will not impair existing contracts or result in the substitution of Federal funds for other funds in connection with work that would otherwise be performed;

【(G) will not employ or continue to employ any eligible individual to perform work the same or substantially the same as that performed by any other person who is on layoff;

【(H) will utilize methods of recruitment and selection (including participating in a one-stop delivery system as established under section 134(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(c)) and listing of job vacancies with the employment agency operated by any State or political subdivision thereof) which will assure that the maximum number of

eligible individuals will have an opportunity to participate in the project;

【(I) will include such training as may be necessary to make the most effective use of the skills and talents of those individuals who are participating, and will provide for the payment of the reasonable expenses of individuals being trained, including a reasonable subsistence allowance;

【(J) will assure that safe and healthy conditions of work will be provided, and will assure that persons employed in community service and other jobs assisted under this title shall be paid wages which shall not be lower than whichever is the highest of—

【(i) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if the participant were not exempt under section 13 thereof;

【(ii) the State or local minimum wage for the most nearly comparable covered employment; or

【(iii) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

【(K) will be established or administered with the advice of persons competent in the field of service in which employment is being provided, and of persons who are knowledgeable with regard to the needs of older persons;

【(L) will authorize pay for necessary transportation costs of eligible individuals which may be incurred in employment in any project funded under this title, in accordance with regulations promulgated by the Secretary;

【(M) will assure that, to the extent feasible, such project will serve the needs of minority, limited English-speaking, and Indian eligible individuals, and eligible individuals who have the greatest economic need, at least in proportion to their numbers in the State and take into consideration their rates of poverty and unemployment;

【(N)(i) will prepare an assessment of the participants' skills and talents and their needs for services, except to the extent such project has, for the participant involved, recently prepared an assessment of such skills and talents, and such needs, pursuant to another employment or training program (such as a program under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.), the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.), or part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.));

【(ii) will provide to eligible individuals training and employment counseling based on strategies that identify appropriate employment objectives and the need for supportive services, developed as a result of the assessment and service strategy provided for in clause (i); and

【(iii) will provide counseling to participants on their progress in meeting such objectives and satisfying their need for supportive services;

【(O) will provide appropriate services for participants through the one-stop delivery system as established under sec-

tion 134(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(c)), and will be involved in the planning and operations of such system pursuant to a memorandum of understanding with the local workforce investment board in accordance with section 121(c) of such Act (29 U.S.C. 2841(c));

[(P) will post in such project workplace a notice, and will make available to each person associated with such project a written explanation, clarifying the law with respect to allowable and unallowable political activities under chapter 15 of title 5, United States Code, applicable to the project and to each category of individuals associated with such project and containing the address and telephone number of the Inspector General of the Department of Labor, to whom questions regarding the application of such chapter may be addressed;

[(Q) will provide to the Secretary the description and information described in paragraphs (8) and (14) of section 112(b) of the Workforce Investment Act of 1998; and

[(R) will ensure that entities carrying out activities under the project, including State offices, local offices, subgrantees, subcontractors, or other affiliates of such organization or agency shall receive an amount of the administration cost allocation that is sufficient for the administrative activities under the project to be carried out by such State office, local office, subgrantee, subcontractor, or other affiliate.

[(2) The Secretary is authorized to establish, issue, and amend such regulations as may be necessary to effectively carry out the provisions of this title.

[(3) The Secretary shall develop alternatives for innovative work modes and provide technical assistance in creating job opportunities through work sharing and other experimental methods to labor organizations, groups representing business and industry and workers as well as to individual employers, where appropriate.

[(4)(A) An assessment and service strategy provided for an eligible individual under this title shall satisfy any condition for an assessment and service strategy or individual employment plan for an adult participant under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), in order to determine whether such individual qualifies for intensive or training services described in section 134(d) of such Act (29 U.S.C. 2864(d)), in accordance with such Act.

[(B) An assessment and service strategy or individual employment plan provided for an adult participant under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.) shall satisfy any condition for an assessment and service strategy for an eligible individual under this title.

[(c)(1) The Secretary is authorized to pay a share, but not to exceed 90 percent of the cost of any project which is the subject of an agreement entered into under subsection (b) of this section, except that the Secretary is authorized to pay all of the costs of any such project which is—

[(A) an emergency or disaster project; or

[(B) a project located in an economically depressed area, as determined by the Secretary in consultation with the Secretary of Commerce and the Secretary of Health and Human Services.

[(2) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary is authorized to attribute fair market value to services and facilities contributed from non-Federal sources.

[(3) Of the amount for any project to be paid by the Secretary under this subsection, not more than 13.5 percent for any fiscal year shall be available for paying the costs of administration for such project, except that—

[(A) whenever the Secretary determines that it is necessary to carry out the project assisted under this title, based on information submitted by the grantee with which the Secretary has an agreement under subsection (b), the Secretary may increase the amount available for paying the cost of administration to an amount not more than 15 percent of the cost of such project; and

[(B) whenever the grantee with which the Secretary has an agreement under subsection (b) demonstrates to the Secretary that—

[(i) major administrative cost increases are being incurred in necessary program components, including liability insurance, payments for workers' compensation, costs associated with achieving unsubsidized placement goals, and other operation requirements imposed by the Secretary;

[(ii) the number of employment positions in the project or the number of minority eligible individuals participating in the project will decline if the amount available for paying the cost of administration is not increased; or

[(iii) the size of the project is so small that the amount of administrative expenses incurred to carry out the project necessarily exceeds 13.5 percent of the amount for such project,

the Secretary shall increase the amount available for the fiscal year for paying the cost of administration to an amount not more than 15 percent of the cost of such project.

[(4) The costs of administration are the costs, both personnel and non-personnel and both direct and indirect, associated with the following:

[(A) The costs of performing overall general administrative functions and providing for the coordination of functions, such as—

[(i) accounting, budgeting, financial, and cash management functions;

[(ii) procurement and purchasing functions;

[(iii) property management functions;

[(iv) personnel management functions;

[(v) payroll functions;

[(vi) coordinating the resolution of findings arising from audits, reviews, investigations, and incident reports;

[(vii) audit functions;

[(viii) general legal services functions; and

[(ix) developing systems and procedures, including information systems, required for these administrative functions.

[(B) The costs of performing oversight and monitoring responsibilities related to administrative functions.

[(C) The costs of goods and services required for administrative functions of the program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space.

[(D) The travel costs incurred for official business in carrying out administrative activities or overall management.

[(E) The costs of information systems related to administrative functions (for example, personnel, procurement, purchasing, property management, accounting, and payroll systems) including the purchase, systems development, and operating costs of such systems.

[(5) To the extent practicable, an entity that carries out a project under this title shall provide for the payment of the expenses described in paragraph (4) from non-Federal sources.

[(6)(A) Amounts made available for a project under this title that are not used to pay for the cost of administration shall be used to pay for the costs of programmatic activities, including—

[(i) enrollee wages and fringe benefits (including physical examinations);

[(ii) enrollee training, which may be provided prior to or subsequent to placement, including the payment of reasonable costs of instructors, classroom rental, training supplies, materials, equipment, and tuition, and which may be provided on the job, in a classroom setting, or pursuant to other appropriate arrangements;

[(iii) job placement assistance, including job development and job search assistance;

[(iv) enrollee supportive services to assist an enrollee to successfully participate in a project under this title, including the payment of reasonable costs of transportation, health care and medical services, special job-related or personal counseling, incidentals (such as work shoes, badges, uniforms, eyeglasses, and tools), child and adult care, temporary shelter, and followup services; and

[(v) outreach, recruitment and selection, intake, orientation, and assessments.

[(B) Not less than 75 percent of the funds made available through a grant made under this title shall be used to pay wages and benefits for older individuals who are employed under projects carried out under this title.

[(d) Whenever a grantee conducts a project within a planning and service area in a State, such grantee shall conduct such project in consultation with the area agency on aging of the planning and service area and shall submit to the State agency and the area agency on aging a description of such project to be conducted in the State, including the location of the project, 90 days prior to undertaking the project, for review and public comment according to guidelines the Secretary shall issue to assure efficient and effective coordination of programs under this title.

[(e)(1) The Secretary, in addition to any other authority contained in this title, shall conduct projects designed to assure second career training and the placement of eligible individuals in employment opportunities with private business concerns. The Secretary

shall enter into such agreements with States, public agencies, non-profit private organizations, and private business concerns as may be necessary, to conduct the projects authorized by this subsection to assure that placement and training. The Secretary, from amounts reserved under section 506(a)(1) in any fiscal year, may pay all of the costs of any agreements entered into under the provisions of this subsection. The Secretary shall, to the extent feasible, assure equitable geographic distribution of projects authorized by this subsection.

[(2) The Secretary shall issue, and amend from time to time, criteria designed to assure that agreements entered into under paragraph (1) of this subsection—

[(A) will involve different kinds of work modes, such as flex-time, job sharing, and other arrangements relating to reduced physical exertion;

[(B) will emphasize projects involving second careers and job placement and give consideration to placement in growth industries in jobs reflecting new technological skills; and

[(C) require the coordination of projects carried out under such agreements, with the programs carried out under title I of the Workforce Investment Act of 1998.

[(f) The Secretary shall, on a regular basis, carry out evaluations of the activities authorized under this title, which may include but are not limited to projects described in subsection (e).

[SEC. 503. ADMINISTRATION.

[(a) STATE SENIOR EMPLOYMENT SERVICES COORDINATION PLAN.—

[(1) GOVERNOR SUBMITS PLAN.—The Governor of each State shall submit annually to the Secretary a State Senior Employment Services Coordination Plan, containing such provisions as the Secretary may require, consistent with the provisions of this title, including a description of the process used to ensure the participation of individuals described in paragraph (2).

[(2) RECOMMENDATIONS.—In developing the State plan prior to its submission to the Secretary, the Governor shall obtain the advice and recommendations of—

[(A) individuals representing the State and area agencies on aging in the State, and the State and local workforce investment boards established under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.);

[(B) individuals representing public and private non-profit agencies and organizations providing employment services, including each grantee operating a project under this title in the State; and

[(C) individuals representing social service organizations providing services to older individuals, grantees under title III of this Act, affected communities, underserved older individuals, community-based organizations serving the needs of older individuals, business organizations, and labor organizations.

[(3) COMMENTS.—Any State plan submitted by a Governor in accordance with paragraph (1) shall be accompanied by copies of public comments relating to the plan received pursuant to paragraph (4) and a summary thereof.

[(4) PLAN PROVISIONS.—The State Senior Employment Services Coordination Plan shall identify and address—

[(A) the relationship that the number of eligible individuals in each area bears to the total number of eligible individuals, respectively, in that State;

[(B) the relative distribution of individuals residing in rural and urban areas within the State;

[(C) the relative distribution of—

[(i) eligible individuals who are individuals with greatest economic need;

[(ii) eligible individuals who are minority individuals; and

[(iii) eligible individuals who are individuals with greatest social need;

[(D) consideration of the employment situations and the type of skills possessed by local eligible individuals;

[(E) the localities and populations for which community service projects of the type authorized by this title are most needed; and

[(F) plans for facilitating the coordination of activities of grantees in the State under this title with activities carried out in the State under title I of the Workforce Investment Act of 1998.

[(5) GOVERNOR'S RECOMMENDATIONS ON GRANT PROPOSALS.—Prior to the submission to the Secretary of any proposal for a grant under this title for any fiscal year, the Governor of each State in which projects are proposed to be conducted under such grant shall be afforded a reasonable opportunity to submit recommendations to the Secretary—

[(A) regarding the anticipated effect of each such proposal upon the overall distribution of enrollment positions under this title within the State (including such distribution among urban and rural areas), taking into account the total number of positions to be provided by all grantees within the State;

[(B) any recommendations for redistribution of positions to underserved areas as vacancies occur in previously encumbered positions in other areas; and

[(C) in the case of any increase in funding that may be available for use within the State under this title for any fiscal year, any recommendations for distribution of newly available positions in excess of those available during the preceding year to underserved areas.

[(6) DISRUPTIONS.—In developing plans and considering recommendations under this subsection, disruptions in the provision of community service employment opportunities for current enrollees shall be avoided, to the greatest possible extent.

[(7) DETERMINATION; REVIEW.—

[(A) DETERMINATION.—In order to effectively carry out the provisions of this title, each State shall make available for public comment its senior employment services coordination plan. The Secretary, in consultation with the Assistant Secretary, shall review the plan and public comments received on the plan, and make a written determination with findings and a decision regarding the plan.

[(B) REVIEW.—The Secretary may review on the Secretary's own initiative or at the request of any public or private agency or organization, or an agency of the State government, the distribution of projects and services under this title within the State including the distribution between urban and rural areas within the State. For each proposed reallocation of projects or services within a State, the Secretary shall give notice and opportunity for public comment.

[(8) EXEMPTION.—The grantees serving older American Indians under section 506(a)(3) will not be required to participate in the State planning processes described in this section but will collaborate with the Secretary to develop a plan for projects and services to older American Indians.

[(b)(1) The Secretary of Labor and the Assistant Secretary shall coordinate the programs under this title and the programs under other titles of this Act to increase job opportunities available to older individuals.

[(2) The Secretary shall coordinate the program assisted under this title with programs authorized under the Workforce Investment Act of 1998, the Community Services Block Grant Act, the Rehabilitation Act of 1973 (as amended by the Rehabilitation Act Amendments of 1998 (29 U.S.C. 701 et seq.)), the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.), the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.), and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.). The Secretary shall coordinate the administration of this title with the administration of other titles of this Act by the Assistant Secretary to increase the likelihood that eligible individuals for whom employment opportunities under this title are available and who need services under such titles receive such services. Appropriations under this title shall not be used to carry out any program under the Workforce Investment Act of 1998, the Community Services Block Grant Act, the Rehabilitation Act of 1973 (as amended by the Rehabilitation Act Amendments of 1998), the Carl D. Perkins Vocational and Technical Education Act of 1998, the National and Community Service Act of 1990, or the Domestic Volunteer Service Act of 1973. The preceding sentence shall not be construed to prohibit carrying out projects under this title jointly with programs, projects, or activities under any Act specified in such sentence, or from carrying out section 512.

[(3) The Secretary shall distribute to grantees under this title, for distribution to program enrollees, and at no cost to grantees or enrollees, informational materials developed and supplied by the Equal Employment Opportunity Commission and other appropriate Federal agencies which the Secretary determines are designed to help enrollees identify age discrimination and understand their rights under the Age Discrimination in Employment Act of 1967.

[(c) In carrying out the provisions of this title, the Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, and facilities.

[(d) Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

[(e) The Secretary shall not delegate any function of the Secretary under this title to any other department or agency of the Federal Government.

[(f)(1) The Secretary shall monitor projects receiving financial assistance under this title to determine whether the grantees are complying with the provisions of and regulations issued under this title, including compliance with the statewide planning, consultation, and coordination provisions under this title.

[(2) Each grantee receiving funds under this title shall comply with the applicable uniform cost principles and appropriate administrative requirements for grants and contracts that are applicable to the type of entity receiving funds, as issued as circulars or rules of the Office of Management and Budget.

[(3) Each grantee described in paragraph (2) shall prepare and submit a report in such manner and containing such information as the Secretary may require regarding activities carried out under this title.

[(4) Each grantee described in paragraph (2) shall keep records that—

[(A) are sufficient to permit the preparation of reports required pursuant to this title;

[(B) are sufficient to permit the tracing of funds to a level of expenditure adequate to ensure that the funds have not been spent unlawfully; and

[(C) contain any other information that the Secretary determines to be appropriate.

[(g) The Secretary shall establish by regulation and implement a process to evaluate the performance of projects and services, pursuant to section 513, carried out under this title. The Secretary shall report to Congress and make available to the public the results of each such evaluation and use such evaluation to improve services delivered, or the operation of projects carried out under this title.

[SEC. 504. PARTICIPANTS NOT FEDERAL EMPLOYEES.

[(a) Eligible individuals who are employed in any project funded under this title shall not be considered to be Federal employees as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

[(b) No contract shall be entered into under this title with a contractor who is, or whose employees are, under State law, exempted from operation of the State workmen's compensation law, generally applicable to employees, unless the contractor shall undertake to provide either through insurance by a recognized carrier or by self-insurance, as authorized by State law, that the persons employed under the contract shall enjoy workmen's compensation coverage equal to that provided by law for covered employment.

[SEC. 505. INTERAGENCY COOPERATION.

[(a) The Secretary shall consult with, and obtain the written views of, the Assistant Secretary for Aging in the Department of Health and Human Services prior to the establishment of rules or

the establishment of general policy in the administration of this title.

[(b) The Secretary shall consult and cooperate with the Director of the Office of Community Services, the Secretary of Health and Human Services, and the heads of other Federal agencies carrying out related programs, in order to achieve optimal coordination with such other programs. In carrying out the provisions of this section, the Secretary shall promote programs or projects of a similar nature. Each Federal agency shall cooperate with the Secretary in disseminating information relating to the availability of assistance under this title and in promoting the identification and interests of individuals eligible for employment in projects assisted under this title.

[(c)(1) The Secretary shall promote and coordinate carrying out projects under this title jointly with programs, projects, or activities under other Acts, especially activities provided under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.), including activities provided through one-stop delivery systems established under section 134(c) of such Act (29 U.S.C. 2864(c)), that provide training and employment opportunities to eligible individuals.

[(2) The Secretary shall consult with the Secretary of Education to promote and coordinate carrying out projects under this title jointly with workforce investment activities in which eligible individuals may participate that are carried out under the Carl D. Perkins Vocational and Technical Education Act of 1998.

ISEC. 506. DISTRIBUTION OF ASSISTANCE.

[(a) RESERVATIONS.—

[(1) RESERVATION FOR PRIVATE EMPLOYMENT PROJECTS.— From sums appropriated under this title for each fiscal year, the Secretary shall first reserve not more than 1.5 percent of the total amount of such sums for the purpose of entering into agreements under section 502(e), relating to improved transition to private employment.

[(2) RESERVATION FOR TERRITORIES.—From sums appropriated under this title for each fiscal year, the Secretary shall reserve 0.75 percent of the total amount of such sums, of which—

[(A) Guam, American Samoa, and the United States Virgin Islands shall each receive 30 percent; and

[(B) the Commonwealth of the Northern Mariana Islands shall receive 10 percent.

[(3) RESERVATION FOR ORGANIZATIONS.—The Secretary shall reserve such sums as may be necessary for national grants with public or nonprofit national Indian aging organizations with the ability to provide employment services to older Indians and with national public or nonprofit Pacific Island and Asian American aging organizations with the ability to provide employment to older Pacific Island and Asian Americans.

[(b) STATE ALLOTMENTS.—The allotment for each State shall be the sum of the amounts allotted for national grants in such State under subsection (d) and for the grant to such State under subsection (e).

[(c) DIVISION BETWEEN NATIONAL GRANTS AND GRANTS TO STATES.—From the sums appropriated to carry out this title for any fiscal year that remain after amounts are reserved under para-

graphs (1), (2), and (3) of subsection (a), the Secretary shall divide the remainder between national grants and grants to States, as follows:

[(1) RESERVATION OF FUNDS FOR FISCAL YEAR 2000 LEVEL OF ACTIVITIES.—The Secretary shall reserve the amounts necessary to maintain the fiscal year 2000 level of activities supported by public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary, and the fiscal year 2000 level of activities supported by State grantees under this title, in proportion to their respective fiscal year 2000 levels of activities. In any fiscal year for which the appropriations are insufficient to provide the full amounts so required, then such amounts shall be reduced proportionally.

[(2) FUNDING IN EXCESS OF FISCAL YEAR 2000 LEVEL OF ACTIVITIES.—

[(A) UP TO \$35,000,000.—From the amounts remaining after the application of paragraph (1), the portion of such remaining amounts up to the sum of \$35,000,000 shall be divided so that 75 percent shall be provided to State grantees and 25 percent shall be provided to public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary.

[(B) OVER \$35,000,000.—Any amounts remaining after the application of subparagraph (A) shall be divided so that 50 percent shall be provided to State grantees and 50 percent shall be provided to public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary.

[(d) ALLOTMENTS FOR NATIONAL GRANTS.—From the sums provided for national grants under subsection (c), the Secretary shall allot for public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary in each State, an amount that bears the same ratio to such sums as the product of the number of persons aged 55 or over in the State and the allotment percentage of such State bears to the sum of the corresponding product for all States, except as follows:

[(1) MINIMUM ALLOTMENT.—No State shall be provided an amount under this subsection that is less than $\frac{1}{2}$ of 1 percent of the amount provided under subsection (c) for public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary in all of the States.

[(2) HOLD HARMLESS.—If the amount provided under subsection (c) is—

[(A) equal to or less than the amount necessary to maintain the fiscal year 2000 level of activities, allotments for public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary in each State shall be proportional to their fiscal year 2000 level of activities; or

[(B) greater than the amount necessary to maintain the fiscal year 2000 level of activities, no State shall be provided a percentage increase above the fiscal year 2000

level of activities for public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary in the State that is less than 30 percent of such percentage increase above the fiscal year 2000 level of activities for public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary in all of the States.

[(3) REDUCTION.—Allotments for States not affected by paragraphs (1) and (2)(B) of this subsection shall be reduced proportionally to satisfy the conditions in such paragraphs.

[(e) ALLOTMENTS FOR GRANTS TO STATES.—From the sums provided for grants to States under subsection (c), the Secretary shall allot for the State grantee in each State an amount that bears the same ratio to such sums as the product of the number of persons aged 55 or over in the State and the allotment percentage of such State bears to the sum of the corresponding product for all States, except as follows:

[(1) MINIMUM ALLOTMENT.—No State shall be provided an amount under this subsection that is less than $\frac{1}{2}$ of 1 percent of the amount provided under subsection (c) for State grantees in all of the States.

[(2) HOLD HARMLESS.—If the amount provided under subsection (c) is—

[(A) equal to or less than the amount necessary to maintain the fiscal year 2000 level of activities, allotments for State grantees in each State shall be proportional to their fiscal year 2000 level of activities; or

[(B) greater than the amount necessary to maintain the fiscal year 2000 level of activities, no State shall be provided a percentage increase above the fiscal year 2000 level of activities for State grantees in the State that is less than 30 percent of such percentage increase above the fiscal year 2000 level of activities for State grantees in all of the States.

[(3) REDUCTION.—Allotments for States not affected by paragraphs (1) and (2)(B) of this subsection shall be reduced proportionally to satisfy the conditions in such paragraphs.

[(f) ALLOTMENT PERCENTAGE.—For the purposes of subsections (d) and (e)—

[(1) the allotment percentage of each State shall be 100 percent less that percentage which bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the United States, except that: (A) the allotment percentage shall in no case be more than 75 percent or less than 33 percent; and (B) the allotment percentage for the District of Columbia and the Commonwealth of Puerto Rico shall be 75 percent;

[(2) the number of persons aged 55 or over in any State and in all States, and the per capita income in any State and in all States, shall be determined by the Secretary on the basis of the most satisfactory data available to the Secretary; and

[(3) for the purpose of determining the allotment percentage, the term “United States” means the 50 States and the District of Columbia.

[(g) DEFINITIONS.—In this section:

[(1) COST PER AUTHORIZED POSITION.—The term “cost per authorized position” means the sum of—

[(A) the hourly minimum wage rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) (as amended), multiplied by the number of hours equal to the product of 21 hours and 52 weeks;

[(B) an amount equal to 11 percent of the amount specified under subparagraph (A), for the purpose of covering Federal payments for fringe benefits; and

[(C) an amount determined by the Secretary, for the purpose of covering Federal payments for the remainder of all other program and administrative costs.

[(2) FISCAL YEAR 2000 LEVEL OF ACTIVITIES.—The term “fiscal year 2000 level of activities” means—

[(A) with respect to public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary, their level of activities for fiscal year 2000, or the amount remaining after the application of section 514(e); and

[(B) with respect to State grantees, their level of activities for fiscal year 2000, or the amount remaining after the application of section 514(f).

[(3) GRANTS TO STATES.—The term “grants to States” means grants under this title to the States from the Secretary.

[(4) LEVEL OF ACTIVITIES.—The term “level of activities” means the number of authorized positions multiplied by the cost per authorized position.

[(5) NATIONAL GRANTS.—The term “national grants” means grants to public and private nonprofit agency and organization grantees that operate under this title under national grants from the Secretary.

[(6) STATE.—The term “State” does not include Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands.

[SEC. 507. EQUITABLE DISTRIBUTION.

[(a) INTERSTATE ALLOCATION.—The Secretary, in awarding grants and contracts under section 506, shall, to the extent feasible, assure an equitable distribution of activities under such grants and contracts, in the aggregate, among the States, taking into account the needs of underserved States.

[(b) INTRASTATE ALLOCATION.—The amount allocated for projects within each State under section 506 shall be allocated among areas within the State in an equitable manner, taking into consideration the State priorities set out in the State plan pursuant to section 503(a).

[SEC. 508. REPORT.

[In order to carry out the Secretary’s responsibilities for reporting in section 503(g), the Secretary shall require the State agency for each State receiving funds under this title to prepare and submit a report at the beginning of each fiscal year on such State’s compliance with section 507(b). Such report shall include the names and geographic location of all projects assisted under this

title and carried out in the State and the amount allocated to each such project under section 506.

[SEC. 509. EMPLOYMENT ASSISTANCE AND FEDERAL HOUSING AND FOOD STAMP PROGRAMS.

[Funds received by eligible individuals from projects carried out under the program established in this title shall not be considered to be income of such individuals for purposes of determining the eligibility of such individuals, or of any other persons, to participate in any housing program for which Federal funds may be available or for any income determination under the Food Stamp Act of 1977.

[SEC. 510. ELIGIBILITY FOR WORKFORCE INVESTMENT ACTIVITIES.

[Eligible individuals under this title may be deemed by local workforce investment boards established under title I of the Workforce Investment Act of 1998 to satisfy the requirements for receiving services under such title that are applicable to adults.

[SEC. 511. TREATMENT OF ASSISTANCE.

[Assistance furnished under this title shall not be construed to be financial assistance described in section 245A(h)(1)(A) of the Immigration and Nationality Act (8 U.S.C. 1255A(h)(1)(A)).

[SEC. 512. COORDINATION WITH THE WORKFORCE INVESTMENT ACT OF 1998.

[(a) PARTNERS.—Grantees under this title shall be one-stop partners as described in subparagraphs (A) and (B)(vi) of section 121(b)(1) of the Workforce Investment Act of 1998 (29 U.S.C. 2841(b)(1)) in the one-stop delivery system established under section 134(c) of such Act (29 U.S.C. 2864(c)) for the appropriate local workforce investment areas, and shall carry out the responsibilities relating to such partners.

[(b) COORDINATION.—In local workforce investment areas where more than one grantee under this title provides services, the grantees shall coordinate their activities related to the one-stop delivery system, and grantees shall be signatories of the memorandum of understanding established under section 121(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2841(c)).

[SEC. 513. PERFORMANCE.

[(a) MEASURES.—

[(1) ESTABLISHMENT OF MEASURES.—The Secretary shall establish, in consultation with grantees, subgrantees, and host agencies under this title, States, older individuals, area agencies on aging, and other organizations serving older individuals, performance measures for each grantee for projects and services carried out under this title.

[(2) CONTENT.—

[(A) COMPOSITION OF MEASURES.—The performance measures as established by the Secretary and described in paragraph (1) shall consist of indicators of performance and levels of performance applicable to each indicator. The measures shall be designed to promote continuous improvement in performance.

[(B) ADJUSTMENT.—The levels of performance described in subparagraph (A) applicable to a grantee shall be adjusted only with respect to the following factors:

[(i) High rates of unemployment, poverty, or welfare reciprocity in the areas served by a grantee, relative to other areas of the State or Nation.

[(ii) Significant downturns in the areas served by the grantee or in the national economy.

[(iii) Significant numbers or proportions of enrollees with one or more barriers to employment served by a grantee relative to grantees serving other areas of the State or Nation.

[(C) PLACEMENT.—For all grantees, the Secretary shall establish a measure of performance of not less than 20 percent (adjusted in accordance with subparagraph (B)) for placement of enrollees into unsubsidized public or private employment as defined in subsection (c)(2).

[(3) PERFORMANCE EVALUATION OF PUBLIC OR PRIVATE NON-PROFIT AGENCIES AND ORGANIZATIONS.—The Secretary shall annually establish national performance measures for each public or private nonprofit agency or organization that is a grantee under this title, which shall be applicable to the grantee without regard to whether such grantee operates the program directly or through contracts, grants, or agreements with other entities. The performance of the grantees with respect to such measures shall be evaluated in accordance with section 514(e)(1) regarding performance of the grantees on a national basis, and in accordance with section 514(e)(3) regarding the performance of the grantees in each State.

[(4) PERFORMANCE EVALUATION OF STATES.—The Secretary shall annually establish performance measures for each State that is a grantee under this title, which shall be applicable to the State grantee without regard to whether such grantee operates the program directly or through contracts, grants, or agreements with other entities. The performance of the State grantees with respect to such measures shall be evaluated in accordance with section 514(f).

[(5) LIMITATION.—An agreement to be evaluated on the performance measures shall be a requirement for application for, and a condition of, all grants authorized by this title.

[(b) REQUIRED INDICATORS.—The indicators described in subsection (a) shall include—

[(1) the number of persons served, with particular consideration given to individuals with greatest economic need, greatest social need, or poor employment history or prospects, and individuals who are over the age of 60;

[(2) community services provided;

[(3) placement into and retention in unsubsidized public or private employment;

[(4) satisfaction of the enrollees, employers, and their host agencies with their experiences and the services provided; and

[(5) any additional indicators of performance that the Secretary determines to be appropriate to evaluate services and performance.

[(c) DEFINITIONS OF INDICATORS.—

[(1) IN GENERAL.—The Secretary, after consultation with national and State grantees, representatives of business and labor organizations, and providers of services, shall, by regula-

tion, issue definitions of the indicators of performance described in subsection (b).

[(2) DEFINITIONS OF CERTAIN TERMS.—In this section:

[(A) PLACEMENT INTO PUBLIC OR PRIVATE UNSUBSIDIZED EMPLOYMENT.—The term “placement into public or private unsubsidized employment” means full- or part-time paid employment in the public or private sector by an enrollee under this title for 30 days within a 90-day period without the use of funds under this title or any other Federal or State employment subsidy program, or the equivalent of such employment as measured by the earnings of an enrollee through the use of wage records or other appropriate methods.

[(B) RETENTION IN PUBLIC OR PRIVATE UNSUBSIDIZED EMPLOYMENT.—The term “retention in public or private unsubsidized employment” means full- or part-time paid employment in the public or private sector by an enrollee under this title for 6 months after the starting date of placement into unsubsidized employment without the use of funds under this title or any other Federal or State employment subsidy program.

[(d) CORRECTIVE EFFORTS.—A State or other grantee that does not achieve the established levels of performance on the performance measures shall submit to the Secretary, for approval, a plan of correction as described in subsection (e) or (f) of section 514 to achieve the established levels of performance.

[SEC. 514. COMPETITIVE REQUIREMENTS RELATING TO GRANT AWARDS.

[(a) PROGRAM AUTHORIZED.—In accordance with section 502(b), the Secretary shall award grants to eligible applicants to carry out projects under this title for a period of 1 year, except that, after the promulgation of regulations for this title and the establishment of the performance measures required by section 513(a), the Secretary shall award grants for a period of not to exceed 3 years.

[(b) ELIGIBLE APPLICANTS.—An applicant shall be eligible to receive a grant under subsection (a) in accordance with section 502(b)(1), and subsections (c) and (d).

[(c) CRITERIA.—The Secretary shall select the eligible applicants to receive grants under subsection (a) based on the following:

[(1) The applicant’s ability to administer a program that serves the greatest number of eligible individuals, giving particular consideration to individuals with greatest economic need, greatest social need, poor employment history or prospects, and over the age of 60.

[(2) The applicant’s ability to administer a program that provides employment for eligible individuals in the communities in which such individuals reside, or in nearby communities, that will contribute to the general welfare of the community.

[(3) The applicant’s ability to administer a program that moves eligible individuals into unsubsidized employment.

[(4) The applicant’s ability to move individuals with multiple barriers to employment into unsubsidized employment.

[(5) The applicant’s ability to coordinate with other organizations at the State and local level.

[(6) The applicant's plan for fiscal management of the program to be administered with funds received under this section.

[(7) Any additional criteria that the Secretary deems appropriate in order to minimize disruption for current enrollees.

[(d) RESPONSIBILITY TESTS.—

[(1) IN GENERAL.—Before final selection of a grantee, the Secretary shall conduct a review of available records to assess the applicant's overall responsibility to administer Federal funds.

[(2) REVIEW.—As part of the review described in paragraph (1), the Secretary may consider any information, including the organization's history with regard to the management of other grants.

[(3) FAILURE TO SATISFY TEST.—The failure to satisfy any one responsibility test that is listed in paragraph (4), except for those listed in subparagraphs (A) and (B) of such paragraph, does not establish that the organization is not responsible unless such failure is substantial or persistent (for 2 or more consecutive years).

[(4) TEST.—The responsibility tests include review of the following factors:

[(A) Efforts by the organization to recover debts, after three demand letters have been sent, that are established by final agency action and have been unsuccessful, or that there has been failure to comply with an approved repayment plan.

[(B) Established fraud or criminal activity of a significant nature within the organization.

[(C) Serious administrative deficiencies identified by the Secretary, such as failure to maintain a financial management system as required by Federal regulations.

[(D) Willful obstruction of the audit process.

[(E) Failure to provide services to applicants as agreed to in a current or recent grant or to meet applicable performance measures.

[(F) Failure to correct deficiencies brought to the grantee's attention in writing as a result of monitoring activities, reviews, assessments, or other activities.

[(G) Failure to return a grant closeout package or outstanding advances within 90 days of the grant expiration date or receipt of closeout package, whichever is later, unless an extension has been requested and granted.

[(H) Failure to submit required reports.

[(I) Failure to properly report and dispose of Government property as instructed by the Secretary.

[(J) Failure to have maintained effective cash management or cost controls resulting in excess cash on hand.

[(K) Failure to ensure that a subrecipient complies with its Office of Management and Budget Circular A-133 audit requirements specified at section 667.200(b) of title 20, Code of Federal Regulations.

[(L) Failure to audit a subrecipient within the required period.

[(M) Final disallowed costs in excess of 5 percent of the grant or contract award if, in the judgment of the grant officer, the disallowances are egregious findings.

[(N) Failure to establish a mechanism to resolve a sub-recipient's audit in a timely fashion.

[(5) DETERMINATION.—Applicants that are determined to be not responsible shall not be selected as grantees.

[(6) DISALLOWED COSTS.—Interest on disallowed costs shall accrue in accordance with the Debt Collection Improvement Act of 1996.

[(e) NATIONAL PERFORMANCE MEASURES AND COMPETITION FOR PUBLIC AND PRIVATE NONPROFIT AGENCIES AND ORGANIZATIONS.—

[(1) IN GENERAL.—Not later than 120 days after the end of each program year, the Secretary shall determine if each public or private nonprofit agency or organization that is a grantee has met the national performance measures established pursuant to section 513(a)(3).

[(2) TECHNICAL ASSISTANCE AND CORRECTIVE ACTION PLAN.—

[(A) IN GENERAL.—If the Secretary determines that a grantee fails to meet the national performance measures for a program year, the Secretary shall provide technical assistance and require such organization to submit a corrective action plan not later than 160 days after the end of the program year.

[(B) CONTENT.—The plan submitted under subparagraph (A) shall detail the steps the grantee will take to meet the national performance measures in the next program year.

[(C) AFTER SECOND YEAR OF FAILURE.—If a grantee fails to meet the national performance measures for a second consecutive program year, the Secretary shall conduct a national competition to award, for the first full program year following the determination (minimizing, to the extent possible, the disruption of services provided to enrollees), an amount equal to 25 percent of the funds awarded to the grantee for such year.

[(D) COMPETITION AFTER THIRD CONSECUTIVE YEAR OF FAILURE.—If a grantee fails to meet the national performance measures for a third consecutive program year, the Secretary shall conduct a national competition to award the amount of the grant remaining after deduction of the portion specified in subparagraph (C) for the first full program year following the determination. The eligible applicant that receives the grant through the national competition shall continue service to the geographic areas formerly served by the grantee that previously received the grant.

[(3) COMPETITION REQUIREMENTS FOR PUBLIC AND PRIVATE NONPROFIT AGENCIES AND ORGANIZATIONS IN A STATE.—

[(A) IN GENERAL.—In addition to the actions required under paragraph (2), the Secretary shall take corrective action if the Secretary determines at the end of any program year that, despite meeting the established national performance measures, a public or private nonprofit agency or organization that is a grantee has attained levels of performance 20 percent or more below the national per-

formance measures with respect to the project carried out in a State and has failed to meet the performance measures as established by the Secretary for the State grantee in such State, and there are not factors, such as the factors described in section 513(a)(2)(B), or size of the project, that justify the performance.

[(B) FIRST YEAR OF FAILURE.—After the first program year of failure to meet the performance criteria described in subparagraph (A), the Secretary shall require a corrective action plan, and may require the transfer of the responsibility for the project to other grantees, provide technical assistance, and take other appropriate actions.

[(C) SECOND YEAR OF FAILURE.—After the second consecutive program year of failure to meet the performance criteria described in subparagraph (A), the corrective actions to be taken by the Secretary may include the transfer of the responsibility for a portion or all of the project to a State or public or private nonprofit agency or organization, or a competition for a portion or all of the funds to carry out such project among all eligible entities that meet the responsibility tests under section 514(d) except for the grantee that is the subject of the corrective action.

[(D) THIRD YEAR OF FAILURE.—After the third consecutive program year of failure to meet the performance criteria described in subparagraph (A), the Secretary shall conduct a competition for the funds to carry out such project among all eligible entities that meet the responsibility tests under section 514(d) except for the grantee that is the subject of the corrective action.

[(4) REQUEST BY GOVERNOR.—Upon the request of the Governor of a State for a review of the performance of a public or private nonprofit agency or organization within the State, the Secretary shall undertake such a review in accordance with the criteria described in paragraph (3)(A). If the performance of such grantee is not justified under such criteria, the Secretary shall take corrective action in accordance with paragraph (3).

[(f) PERFORMANCE MEASURES AND COMPETITION FOR STATES.—

[(1) IN GENERAL.—Not later than 120 days after the end of the program year, the Secretary shall determine if a State grantee has met the performance measures established pursuant to section 513(a)(4).

[(2) TECHNICAL ASSISTANCE AND CORRECTIVE ACTION PLAN.—If a State that receives a grant fails to meet the performance measures for a program year, the Secretary shall provide technical assistance and require the State to submit a corrective action plan not later than 160 days after the end of the program year.

[(3) CONTENT.—The plan described in paragraph (2) shall detail the steps the State will take to meet the standards.

[(4) FAILURE TO MEET PERFORMANCE MEASURES FOR SECOND AND THIRD YEARS.—

[(A) AFTER SECOND YEAR OF FAILURE.—If a State fails to meet the performance measures for a second consecutive program year, the Secretary shall provide for the conduct by the State of a competition to award, for the first full

program year following the determination (minimizing, to the extent possible, the disruption of services provided to enrollees), an amount equal to 25 percent of the funds available to the State for such year.

[(B) AFTER THIRD YEAR OF FAILURE.—If the State fails to meet the performance measures for a third consecutive program year, the Secretary shall provide for the conduct by the State of a competition to award the funds allocated to the State for the first full program year following the Secretary’s determination that the State has not met the performance measures.

[SEC. 515. AUTHORIZATION OF APPROPRIATIONS.

[(a) There is authorized to be appropriated to carry out this title—

[(1) \$475,000,000 for fiscal year 2001 and such sums as may be necessary for fiscal year 2002 through 2005; and

[(2) such additional sums as may be necessary for each such fiscal year to enable the Secretary, through programs under this title, to provide for at least 70,000 part-time employment positions for eligible individuals.

For purposes of paragraph (2), “part-time employment position” means an employment position within a workweek of at least 20 hours.

[(b) Amounts appropriated under this section for any fiscal year shall be available for obligation during the annual period which begins on July 1 of the calendar year immediately following the beginning of such fiscal year and which ends on June 30 of the following calendar year. The Secretary may extend the period during which such amounts may be obligated or expended in the case of a particular organization or agency receiving funds under this title if the Secretary determines that such extension is necessary to ensure the effective use of such funds by such organization or agency.

[(c) At the end of the program year, the Secretary may recapture any unexpended funds for the program year, and reobligate such funds within the 2 succeeding program years for—

[(1) incentive grants;

[(2) technical assistance; or

[(3) grants or contracts for any other program under this title.

[SEC. 516. DEFINITIONS.

[In this title:

[(1) COMMUNITY SERVICE.—The term “community service” means social, health, welfare, and educational services (including literacy tutoring), legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational, and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; weatherization activities; economic development; and such other services essential and necessary to the community as the Secretary, by regulation, may prescribe.

[(2) ELIGIBLE INDIVIDUALS.—The term “eligible individuals” means an individual who is 55 years old or older, who has a

low income (including any such individual whose income is not more than 125 percent of the poverty guidelines established by the Office of Management and Budget), except that, pursuant to regulations prescribed by the Secretary, any such individual who is 60 years old or older shall have priority for the work opportunities provided for under this title.

[(3) PACIFIC ISLAND AND ASIAN AMERICANS.—The term “Pacific Island and Asian Americans” means Americans having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands.

[(4) PROGRAM.—The term “program” means the older American community service employment program established under this title.]

TITLE V—COMMUNITY SERVICE EMPLOYMENT-BASED TRAINING FOR OLDER AMERICANS

SEC. 501. SHORT TITLE.

This title may be cited as the “Older American Community Service Employment-Based Training Act”.

SEC. 502. OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT-BASED TRAINING PROGRAM.

(a) To foster individual economic self-sufficiency and to increase the number of individuals who may enjoy the benefits of unsubsidized employment in both the public and private sectors, the Secretary of Labor (hereafter in this title referred to as the “Secretary”) may establish an older American community service employment-based training program to foster and promote useful part-time public and private-sector employment-based training opportunities for unemployed low-income eligible individuals who have poor employment prospects and to provide vital social and human services to communities by providing work experience to eligible individuals in public agencies, community-based and faith-based organizations.

(b)(1) To carry out this title, the Secretary may make grants to public and nonprofit agencies and organizations, agencies of a State, and tribal organizations to carry out the program established under subsection (a). Such grants may provide for the payment of costs, as provided in subsection (c), of projects developed by such organizations and agencies in cooperation with the Secretary in order to make such program effective or to supplement such program. No payment shall be made by the Secretary toward the cost of any project established or administered by any organization or agency unless the Secretary determines that such project—

(A) shall provide authorized activities only for eligible individuals, and that not less than 50 percent of hours worked (in the aggregate) shall be in community service employment-based training provided by a grantee in a program year;

(B)(i) shall provide authorized activities for eligible individuals in the community in which such individuals reside, or in nearby communities, and that not less than 50 percent of hours worked (in the aggregate) shall be in community service employ-

ment-based training provided by a grantee in a program year; or

(ii) if such project is carried out by a tribal organization that receives a grant under this subsection or receives assistance from a State that receives a grant under this subsection, will provide authorized activities, including community service employment-based training for such individuals, including those who are Indians residing on an Indian reservation, as defined in section 2601(2) of the Energy Policy Act of 1992 (25 U.S.C. 3501(2));

(C) together with all the projects carried out under this title in each program year by a grantee, will not provide for participation under this title by eligible individuals (in the aggregate) for an average period per capita that exceeds 24 months (whether or not consecutive) during the period including the program year for which the determination under this subparagraph is made and the previous program years in which such grantee carried out projects under this title;

(D) will provide employment-based training to eligible individuals in service related to publicly owned and operated facilities and projects, or projects sponsored by profitmaking or non-profit organizations (excluding political parties exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986), but excluding projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

(E) will contribute to the general welfare of the community, which may include support for children, youth, and families;

(F) is intended to result in unsubsidized employment for eligible individuals after completion of such program;

(G)(i) will not reduce the number of job opportunities or vacancies that would otherwise be available to individuals not participating in such program;

(ii) will not displace currently employed workers (including partial displacement, such as a reduction in the hours of non-overtime work, wages, or employment benefits);

(iii) will not impair existing contracts or result in the substitution of Federal funds for other funds in connection with work that would otherwise be performed; and

(iv) will not place an eligible individual in employment-based training to perform work the same or substantially the same work as that performed by any other individual who is on lay-off;

(H) will coordinate with training and other services provided under title I of the Workforce Investment Act, including utilizing the One-Stop delivery system to recruit eligible individuals to ensure that the maximum number of eligible individuals will have an opportunity to participate in the project;

(I) will include such training (such as community service employment-based training, work experience, on-the-job training, and classroom training) as may be necessary to make the most effective use of the skills and talents of those individuals who are participating;

(J) will ensure that safe and healthy conditions of the employment-based training facility or other training facility will be

provided, and will ensure that individuals employed in community service and other jobs assisted under this title shall be paid wages that shall not be lower than whichever is the highest of—

(i) the minimum wage that would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if the participant were not exempt under section 13 thereof;

(ii) the State or local minimum wage for the most nearly comparable covered employment; or

(iii) the prevailing rates of pay for individuals employed in similar occupations by the same employer;

(K) will be established or administered with the advice of persons competent in the field of service in which job training is being provided, and of persons who are knowledgeable about the needs of older individuals;

(L) will authorize payment for necessary supportive services costs, (including transportation costs) of eligible individuals that may be incurred in training in any project funded under this title, in accordance with rules issued by the Secretary;

(M) will ensure that, to the extent feasible, such project will serve the needs of minority, limited English-speaking, and Indian eligible individuals, and eligible individuals who have the greatest economic need, at least in proportion to their numbers in the State and take into consideration their rates of poverty and unemployment;

(N)(i) will prepare an assessment of the participants' skills and talents and their needs for services, except to the extent such project has, for the participant involved, recently prepared an assessment of such skills and talents, and such needs, pursuant to another employment or training program (such as a program under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.), the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.), or part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.));

(ii) will provide training and employment counseling to eligible individuals based on strategies that identify appropriate employment objectives and the need for supportive services, developed as a result of the assessment and service strategy provided for in clause (i), and provide other appropriate information regarding such program; and

(iii) will provide counseling to participants on their progress in meeting such objectives and satisfying their need for supportive services;

(O) will provide appropriate services for participants through the One-Stop delivery system as established under section 134(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(c)), and will be involved in the planning and operations of such system pursuant to a memorandum of understanding with the local workforce investment board in accordance with section 121(c) of such Act (29 U.S.C. 2841(c));

(P) will post in such project workplace a notice, and will make available to each person associated with such project a written explanation—

(i) clarifying the law with respect to political activities allowable and unallowable under chapter 15 of title 5,

United States Code, applicable to the project and to each category of individuals associated with such project; and

(ii) containing the address and telephone number of the Inspector General of the Department of Labor, to whom questions regarding the application of such chapter may be addressed;

(Q) will provide to the Secretary the description and information described in—

(i) paragraph (8), relating to coordination with other Federal programs, of section 112(b) of the Workforce and Investment Act of 1998; and

(ii) paragraph (14), relating to implementation of One-Stop delivery systems, of section 112(b) of the Workforce Investment Act of 1998; and

(R) will ensure that entities that carry out activities under the project (including State agencies, local entities, subgrantees, subcontractors) and affiliates of such entities receive an amount of the administrative cost allocation determined by the Secretary to be sufficient.

(2) The Secretary may establish, issue, and amend such regulations as may be necessary to effectively carry out this title.

(3)(A) An assessment and service strategy required by paragraph (1) to be prepared for an eligible individual shall satisfy any condition for an assessment and service strategy or individual employment plan for an adult participant under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), in order to determine whether such eligible individual also qualifies for intensive or training services described in section 134(d) of such Act (29 U.S.C. 2864(d)).

(B) An assessment and service strategy or individual employment plan prepared under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.) for an eligible individual may be used to comply with the requirement specified in subparagraph (A).

(c)(1) The Secretary may pay a share not to exceed 90 percent of the cost of any project for which a grant is made under subsection (b), except that the Secretary may pay all of such cost if such project is—

(A) an emergency or disaster project; or

(B) a project located in an economically depressed area, as determined by the Secretary in consultation with the Secretary of Commerce and the Secretary of Health and Human Services.

(2) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to services and facilities contributed from non-Federal sources.

(3) Of the amount to be paid under this subsection by the Secretary for a project, not to exceed 13.5 percent shall be available for any fiscal year to pay the administrative costs of such project, except that—

(A) the Secretary may increase the amount available to pay administrative costs to an amount not to exceed 15 percent of the cost of such project if the Secretary determines, based on information submitted by the grantee under subsection (b), that such increase is necessary to carry out such project; and

(B) if the grantee under subsection (b) demonstrates to the Secretary that—

(i) major administrative cost increases are being incurred in necessary program components, including liability insurance, payments for workers' compensation, costs associated with achieving unsubsidized placement goals, and other operation requirements imposed by the Secretary;

(ii) the number of positions in the project or the number of minority eligible individuals participating in the project will decline if the amount available to pay administrative costs is not increased; or

(iii) the size of the project is so small that the amount of administrative costs incurred to carry out the project necessarily exceeds 13.5 percent of the cost of such project; the Secretary shall increase the amount available for such fiscal year to pay administrative costs to an amount not to exceed 15 percent of the cost of such project.

(4) Administrative costs are the costs, both personnel and non-personnel and both direct and indirect, associated with the following:

(A) The costs of performing general administrative functions and of providing for the coordination of functions, such as—

(i) accounting, budgeting, financial, cash management and related data processing;

(ii) quality assurance;

(iii) preparing program plans;

(iv) procurement and purchasing;

(v) property management;

(vi) personnel management, including personnel administration, administration of affirmative action plans, and training and staff development;

(vii) administrative salaries, including clerical and other support staff salaries;

(viii) payroll functions;

(ix) coordinating the resolution of findings arising from audits, reviews, investigations, and incident reports;

(x) audit;

(xi) general legal services;

(xii) developing systems and procedures, including information systems, required for administrative functions;

(xiii) preparing reports; and

(xiv) other activities necessary for the general administration of government funds and associated programs.

(B) The costs of performing oversight and monitoring responsibilities.

(C) The costs of goods and services required for administrative functions of such program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space.

(D) The travel costs incurred for official business in carrying out such program, excluding travel costs related to providing services.

(E) The costs of information systems related to personnel, procurement, purchasing, property management, accounting, and payroll systems, including the purchase, systems development, and operating costs of such systems.

(F) *The costs of technical assistance, professional organization membership dues, removal of architectural barriers, operating and maintaining assistive technology, and evaluating program results against stated objectives.*

(5) *To the extent practicable, an entity that carries out a project under this title shall provide for the payment of the expenses described in paragraph (4) from non-Federal sources.*

(6)(A) *Amounts made available for a project under this title that are not used to pay for the administrative costs shall be used to pay for the costs of programmatic activities, including—*

(i) *participant wages, such benefits as are required by law (such as workers compensation or unemployment compensation) the costs of physical examinations, compensation for scheduled work hours during which an employer is closed for a Federal holiday, and necessary sick leave that is not part of an accumulated sick leave program, except that no amounts provided under this title may be used to pay the cost of pension benefits, annual leave, accumulated sick leave, or bonuses;*

(ii) *participant training (including the payment of reasonable costs of instructors, classroom rental, training supplies, materials, equipment, and tuition) which may be provided prior to or subsequent to placement and which may be provided on the job, in a classroom setting or pursuant to other appropriate arrangements;*

(iii) *job placement assistance, including job development and job search assistance;*

(iv) *participant supportive services to enable a participant to successfully participate in a project under this title, which may include the payment of reasonable costs of transportation, special job-related or personal counseling, incidentals (such as work shoes, badges, uniforms, eyeglasses, and tools), child and adult care, temporary shelter, and follow-up services; and*

(v) *outreach, recruitment, and selection, intake, orientation, and assessments.*

(B) *Not less than 65 percent of the funds made available under a grant made under this title (excluding a grant made under subsection (d)) shall be used to pay wages and benefits for eligible individuals who are employed under projects carried out under this title.*

(d) **PILOT, DEMONSTRATION, AND EVALUATION PROJECTS.**—*The Secretary shall use funds reserved under section 506(a)(1) to carry out demonstration projects, pilot projects, and evaluation projects, for the purpose of developing and implementing techniques and approaches, and demonstrating the effectiveness of the specialized methods, in addressing the employment and training needs of eligible individuals. Such projects may include—*

(1) *activities linking businesses and eligible individuals, including assistance to participants transitioning from subsidized activities to private-sector employment; and*

(2) *demonstration projects and pilot projects designed to—*

(A) *attract more eligible individuals into the labor force;*

(B) *improve the provision of services to eligible individuals under the One-Stop delivery system established in accordance with title I of the Workforce Investment Act of 1998;*

- (C) enhance the technological skills of eligible individuals; and
- (D) provide incentives to grantees under this title for exemplary performance and incentives to businesses to promote their participation in the program under this title;
- (3) demonstration projects and pilot projects, as described in paragraph (2), for older workers only if such demonstration projects and pilot projects are designed to assist in developing and implementing techniques and approaches in addressing the employment and training needs of eligible individuals;
- (4) training and technical assistance to support any project funded under this title;
- (5) dissemination of best practices; and
- (6) evaluation of the activities authorized under this title.

SEC. 503. ADMINISTRATION.

(a) STATE PLAN.—

(1) CHIEF EXECUTIVE OFFICER SUBMITS PLAN.—For a State to be eligible to receive an allotment under section, 506, the chief executive officer of the State shall submit to the Secretary for consideration and approval, a single State plan (referred to in this title as the “State plan”) that outlines a 3-year strategy for the statewide provision of training and related activities for eligible individuals under this title. The plan shall contain such provisions as the Secretary may require, consistent with this title, including a description of the process used to ensure the participation of individuals described in paragraph (2).

(2) RECOMMENDATIONS.—In developing the State plan prior to its submission to the Secretary, the chief executive officer of the State shall seek the advice and recommendations of—

(A) individuals representing the State agency and the area agencies on aging in the State, and the State and local workforce investment boards established under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.);

(B) individuals representing public and nonprofit private agencies and organizations providing employment services, including each grantee operating a project under this title in the State; and

(C) individuals representing social service organizations providing services to older individuals, grantees under title III of this Act, affected communities, unemployed older individuals, community-based organizations serving the needs of older individuals, business organizations, and labor organizations.

(D) COMMENTS.—Any State plan submitted by the chief executive officer in accordance with paragraph (1) shall be accompanied by copies of public comments relating to the plan received pursuant to paragraph (4) and a summary thereof.

(4) PLAN PROVISIONS.—The State plan shall identify and address—

(A) the relationship that the number of eligible individuals in each area bears to the total number of eligible individuals, respectively, in the State;

(B) the relative distribution of eligible individuals residing in rural and urban areas in the State; and

(C) the relative distribution of—

(i) eligible individuals who are individuals with greatest economic need;

(ii) eligible individuals who are minority individuals, including individuals who are limited English proficient; and

(iii) eligible individuals who are individuals with greatest social need;

(D) the current and projected employment opportunities in the State, by occupation, and the type of skills possessed by local eligible individuals;

(E) the localities and populations for which projects of the type authorized by this title are most needed; and

(F) plans for facilitating the coordination of activities of grantees in the State under this title with activities carried out in the State under title I of the Workforce Investment Act of 1998.

(5) CHIEF EXECUTIVE OFFICER'S RECOMMENDATIONS ON GRANT PROPOSALS.—Before a proposal for a grant under this title for any fiscal year is submitted to the Secretary, the chief executive officer of each State in which projects are proposed to be conducted under such grant shall be afforded a reasonable opportunity to submit recommendations to the Secretary—

(A) regarding the anticipated effect of each such proposal upon the overall distribution of enrollment positions under this title in the State (including such distribution among urban and rural areas), taking into account the total number of positions to be provided by all grantees in the State;

(B) any recommendations for redistribution of positions to under served areas as vacancies occur in previously encumbered positions in other areas; and

(C) in the case of any increase in funding that may be available for use in the State under this title for any fiscal year, any recommendations for distribution of newly available positions in excess of those available during the preceding year to underserved areas.

(6) DISRUPTIONS.—In developing plans and considering recommendations under this subsection, disruptions in the provision of services for current participants shall be avoided to the greatest possible extent.

(7) DETERMINATION; REVIEW.—

(A) DETERMINATION.—In order to effectively carry out this title, each State shall make the State plan available for public comment. The Secretary, in consultation with the Assistant Secretary, shall review the plan and make a written determination with findings and a decision regarding the plan.

(B) REVIEW.—The Secretary may review, on the Secretary's own initiative or at the request of any public or private agency or organization or of any agency of the State, the distribution of projects and services under this title in the State including the distribution between urban and rural areas in the State. For each proposed reallocation of projects or services in a State, the Secretary shall give notice and opportunity for public comment.

(8) *EXEMPTION.*—*The grantees that serve eligible individuals who are older Indians with funds reserved under section 506(a)(3) may not be required to participate in the State planning processes described in this section but will collaborate with the Secretary to develop a plan for projects and services to eligible individuals who are Indians.*

(b) *COORDINATION WITH OTHER FEDERAL PROGRAMS.*—

(1) *The Secretary and the Assistant Secretary shall coordinate the program carried out under this title with programs carried out under other titles of this Act, to increase job opportunities available to older individuals.*

(2) *The Secretary shall coordinate programs carried out under this title with the program carried out under the Workforce Investment Act of 1998, the Community Services Block Grant Act, the Rehabilitation Act of 1973, the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.), the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.), and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.). The Secretary shall coordinate the administration of this title with the administration of other titles of this Act by the Assistant Secretary to increase the likelihood that eligible individuals for whom employment opportunities under this title are available and who need services under such titles receive such services. Funds appropriated to carry out this title may not be used to carry out any program under the Workforce Investment Act of 1998, the Community Services Block Grant Act, the Rehabilitation Act of 1973, the Carl D. Perkins Vocational and Technical Education Act of 1998, the National and Community Service Act of 1990, or the Domestic Volunteer Service Act of 1973. The preceding sentence shall not be construed to prohibit carrying out projects under this title jointly with programs, projects, or activities under any Act specified in such sentence, or from carrying out section 512.*

(3) *The Secretary shall distribute to grantees under this title, for distribution to program participants, and at no cost to grantees or participants, informational materials developed and supplied by the Equal Employment Opportunity Commission and other appropriate Federal agencies that the Secretary determines are designed to help participants identify age discrimination and to understand their rights under the Age Discrimination in Employment Act of 1967.*

(c) *In carrying out this title, the Secretary may use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, and facilities.*

(d) *Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.*

(e) *The Secretary shall not delegate any function of the Secretary under this title to any other Federal officer or entity.*

(f)(1) *The Secretary shall monitor projects for which grants are made under this title to determine whether the grantees are complying with rules and regulations issued to carry out this title (in-*

cluding the statewide planning, consultation, and coordination requirements of this title).

(2) Each grantee that receives funds under this title shall comply with the applicable uniform cost principles and appropriate administrative requirements for grants and contracts that are applicable to the type of entity that receives funds, as issued as circulars or rules of the Office of Management and Budget.

(3) Each grantee described in paragraph (2) shall prepare and submit a report in such manner and containing such information as the Secretary may require regarding activities carried out under this title.

(4) Each grantee described in paragraph (2) shall keep records that—

(A) are sufficient to permit the preparation of reports required by this title;

(B) are sufficient to permit the tracing of funds to a level of expenditure adequate to ensure that the funds have not been spent unlawfully; and

(C) contain any other information that the Secretary determines to be appropriate.

(g) The Secretary shall establish by rule and implement a process to evaluate, in accordance with section 513, the performance of projects and services carried out under this title. The Secretary shall report to the Congress, and make available to the public, the results of each such evaluation and shall use such evaluation to improve services delivered by, or the operation of, projects carried out under this title.

SEC. 504. PARTICIPANTS NOT FEDERAL EMPLOYEES.

(a) Eligible individuals who are participants in authorized activities in any project funded under this title shall not be considered to be Federal employees as a result of such participation and shall not be subject to part III of title 5, United States Code.

(b) No grant, subgrant, contract or subcontract shall be entered into under this title with an entity who is, or whose employees are, under State law, exempted from operation of the State workers' compensation law, generally applicable to employees unless the entity shall undertake to provide either through insurance by a recognized carrier or by self-insurance, as authorized by State law, that the persons employed under the grant, contract, subgrant, or subcontract shall enjoy workers' compensation coverage equal to that provided by law for covered employment.

SEC. 505. INTERAGENCY COOPERATION.

(a) The Secretary shall consult with and obtain the written views of the Assistant Secretary before issuing rules and before establishing general policy in the administration of this title.

(b) The Secretary shall consult and cooperate with the Director of the Office of Community Services, the Secretary of Health and Human Services, and the heads of other Federal agencies that carry out related programs, in order to achieve optimal coordination with such other programs. In carrying out this section, the Secretary shall promote programs or projects of a similar nature. Each Federal agency shall cooperate with the Secretary in disseminating information relating to the availability of assistance under this title

and in promoting the identification and interests of individuals eligible for employment in projects assisted under this title.

(c)(1) *The Secretary shall promote and coordinate carrying out projects under this title jointly with programs, projects, or activities carried out under other Acts, especially activities provided under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.), including activities provided through One-Stop delivery systems established under section 134(c) of such Act (29 U.S.C. 2864(c)), that provide training and employment opportunities to eligible individuals.*

(2) *The Secretary shall consult with the Secretary of Education to promote and coordinate carrying out projects under this title jointly with workforce investment activities in which eligible individuals may participate that are carried out under the Carl D. Perkins Vocational and Technical Education Act of 1998.*

SEC. 506. DISTRIBUTION OF ASSISTANCE.

(a) **RESERVATIONS.**—

(1) **RESERVATION FOR NATIONAL ACTIVITIES.**—*Of the funds appropriated to carry out this title for each fiscal year, the Secretary may first reserve up to 1.5 percent to carry out demonstration projects, pilot projects, and evaluation projects under section 502(d).*

(2) **RESERVATION FOR TERRITORIES.**—*Of the funds appropriated to carry out this title for each fiscal year, the Secretary shall reserve up to 0.75 percent, of which—*

(A) *Guam, American Samoa, and the United States Virgin Islands shall each receive 30 percent of the funds so reserved; and*

(B) *the Commonwealth of the Northern Mariana Islands shall receive 10 percent of the funds so reserved.*

(3) **RESERVATION FOR ORGANIZATIONS.**—*Of the funds appropriated to carry out this title for each fiscal year, the Secretary shall reserve such amount as may be necessary to make national grants to public or nonprofit national Indian aging organizations with the ability to provide authorized activities for eligible individuals who are Indians and to national public or nonprofit Pacific Island and Asian American aging organizations with the ability to provide authorized activities for eligible individuals who are Pacific Island and Asian Americans.*

(b) **STATE ALLOTMENTS.**—*The allotment for each State shall be the sum of the amounts allotted for national grants in such State under subsection (d) and for the grant to such State under subsection (e).*

(c) **DIVISION BETWEEN NATIONAL GRANTS AND GRANTS TO STATES.**—*The funds appropriated to carry out this title for any fiscal year that remain after amounts are reserved under paragraphs (1), (2), and (3) of subsection (a), shall be divided by the Secretary between national grants and grants to States as follows:*

(1) **RESERVATION OF FUNDS FOR FISCAL YEAR 2006 LEVEL OF ACTIVITIES.**—

(A) *The Secretary shall reserve the amount of funds necessary to maintain the fiscal year 2006 level of activities supported by grantees that operate under this title under national grants from the Secretary, and the fiscal year 2006 level of activities supported by State grantees under*

this title, in proportion to their respective fiscal year 2006 levels of activities.

(B) If in any fiscal year for which the funds appropriated to carry out this title are insufficient to satisfy the requirement specified in subparagraph (A), then the amount described in subparagraph (A) shall be reduced proportionally.

(2) FUNDING IN EXCESS OF FISCAL YEAR 2006 LEVEL OF ACTIVITIES.—

(A) UP TO \$35,000,000.—The amount of funds remaining after the application of paragraph (1), but not to exceed \$35,000,000, shall be divided so that 75 percent shall be provided to State grantees and 25 percent shall be provided to grantees that operate under this title under national grants from the Secretary.

(B) OVER \$35,000,000.—The amount of funds remaining (if any) after the application of subparagraph (A) shall be divided so that 50 percent shall be provided to State grantees and 50 percent shall be provided to grantees that operate under this title under national grants from the Secretary.

(d) ALLOTMENTS FOR NATIONAL GRANTS.—From funds available under subsection (c) for national grants, the Secretary shall allot for public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary in each State, an amount that bears the same ratio to such funds as the product of the number of individuals 55 years of age or older in the State and the allotment percentage of such State bears to the sum of the corresponding products for all States, except as follows:

(1) MINIMUM ALLOTMENT.—No State shall be provided an amount under this subsection that is less than $\frac{1}{2}$ of 1 percent of the amount provided under subsection (c) for public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary in all of the States.

(2) HOLD HARMLESS.—If the amount provided under subsection (c) is—

(A) equal to or less than the amount necessary to maintain the fiscal year 2006 level of activities, allotments for grantees that operate under this title under national grants from the Secretary in each State shall be proportional to their fiscal year 2006 level of activities; or

(B) greater than the amount necessary to maintain the fiscal year 2006 level of activities, no State shall be provided a percentage increase above the fiscal year 2006 level of activities for grantees that operate under this title under national grants from the Secretary in the State that is less than 30 percent of such percentage increase above the fiscal year 2006 level of activities for public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary in all of the States.

(3) REDUCTION.—Allotments for States not affected by paragraphs (1) and (2)(B) of this subsection shall be reduced proportionally to satisfy the conditions in such paragraphs.

(e) *ALLOTMENTS FOR GRANTS TO STATES.*—From the amount provided for grants to States under subsection (c), the Secretary shall allot for the State grantee in each State an amount that bears the same ratio to such amount as the product of the number of individuals 55 years of age or older in the State and the allotment percentage of such State bears to the sum of the corresponding product for all States, except as follows:

(1) *MINIMUM ALLOTMENT.*—No State shall be provided an amount under this subsection that is less than $\frac{1}{2}$ of 1 percent of the amount provided under subsection (c) for State grantees in all of the States.

(2) *HOLD HARMLESS.*—If the amount provided under subsection (c) is—

(A) equal to or less than the amount necessary to maintain the fiscal year 2006 level of activities, allotments for State grantees in each State shall be proportional to their fiscal year 2006 level of activities; or

(B) greater than the amount necessary to maintain the fiscal year 2006 level of activities, no State shall be provided a percentage increase above the fiscal year 2006 level of activities for State grantees in the State that is less than 30 percent of such percentage increase above the fiscal year 2006 level of activities for State grantees in all of the States.

(3) *REDUCTION.*—Allotments for States not affected by paragraphs (1) and (2)(B) of this subsection shall be reduced proportionally to satisfy the conditions in such paragraphs.

(f) *ALLOTMENT PERCENTAGE.*—For purposes of subsections (d) and (e)—

(1) the allotment percentage of each State shall be 100 percent less that percentage that bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the United States, except that—

(A) the allotment percentage shall be not more than 75 percent and not less than 33 percent; and

(B) the allotment percentage for the District of Columbia and the Commonwealth of Puerto Rico shall be 75 percent;

(2) the number of individuals 55 years of age or older in any State and in all States, and the per capita income in any State and in all States, shall be determined by the Secretary on the basis of the most satisfactory data available to the Secretary; and

(3) for the purpose of determining the allotment percentage, the term “United States” means the 50 States and the District of Columbia.

(g) *DEFINITIONS.*—For purposes of this section:

(1) *COST PER AUTHORIZED POSITION.*—The term “cost per authorized position” means the sum of—

(A) the hourly minimum wage rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)), multiplied by the number of hours equal to the product of 21 hours and 52 weeks;

(B) an amount equal to 11 percent of the amount specified under subparagraph (A), for the purpose of covering Federal payments for fringe benefits; and

(C) an amount determined by the Secretary, for the purpose of covering Federal payments for the remainder of all other program and administrative costs.

(2) **FISCAL YEAR 2006 LEVEL OF ACTIVITIES.**—The term “fiscal year 2006 level of activities” means—

(A) with respect to public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary, their level of activities for fiscal year 2006; and

(B) with respect to State grantees, their level of activities for fiscal year 2006.

(3) **GRANTS TO STATES.**—The term “grants to States” means grants made under this title by the Secretary to the States.

(4) **LEVEL OF ACTIVITIES.**—The term “level of activities” means the number of authorized positions multiplied by the cost per authorized position.

(5) **NATIONAL GRANTS.**—The term “national grants” means grants made under this title by the Secretary to public and nonprofit private agency and organization grantees that operate under this title under national grants from the Secretary.

(6) **STATE.**—The term “State” does not include Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands.

SEC. 507. EQUITABLE DISTRIBUTION.

(a) **INTERSTATE ALLOCATION.**—In making grants under section 506, the Secretary shall ensure, to the extent feasible, an equitable distribution of activities under such grants, in the aggregate, among the States, taking into account the needs of underserved States.

(b) **INTRASTATE ALLOCATION.**—The amount allocated for projects within each State under section 506 shall be allocated among areas in the State in an equitable manner, taking into consideration the State priorities set out in the State plan in effect under section 503(a).

SEC. 508. REPORT.

To carry out the Secretary’s responsibilities for reporting in section 503(g), the Secretary shall require the State agency for each State that receives funds under this title to prepare and submit a report at the beginning of each fiscal year on such State’s compliance with section 507(b). Such report shall include the names and geographic location of all projects assisted under this title and carried out in the State and the amount allocated to each such project under section 506.

SEC. 509. EMPLOYMENT ASSISTANCE AND FEDERAL HOUSING AND FOOD STAMP PROGRAMS.

Funds received by eligible individuals from projects carried out under the program established in this title shall not be considered to be income of such individuals for purposes of determining the eligibility of such individuals, or of any other individuals, to participate in any housing program for which Federal funds may be available or for any income determination under the Food Stamp Act of 1977.

SEC. 510. ELIGIBILITY FOR WORKFORCE INVESTMENT ACTIVITIES.

Eligible individuals under this title may be considered by local workforce investment boards established under title I of the Work-

force Investment Act of 1998 to satisfy the requirements for receiving services under such title I that are applicable to adults.

SEC. 511. TREATMENT OF ASSISTANCE.

Assistance provided under this title shall not be considered to be financial assistance described in section 245A(h)(1)(A) of the Immigration and Nationality Act (8 U.S.C. 1255A(h)(1)(A)).

SEC. 512. COORDINATION WITH THE WORKFORCE INVESTMENT ACT OF 1998.

(a) **PARTNERS.**—Grantees under this title shall be One-Stop partners as described in subparagraphs (A) and (B)(vi) of section 121(b)(1) of the Workforce Investment Act of 1998 (29 U.S.C. 2841(b)(1)) in the One-Stop delivery system established under section 134(c) of such Act (29 U.S.C. 2864(c)) for the appropriate local workforce investment areas, and shall carry out the responsibilities relating to such partners.

(b) **COORDINATION.**—In local workforce investment areas where more than 1 grantee under this title provides services, the grantees shall—

(1) coordinate their activities related to the One-Stop delivery system; and

(2) shall be signatories of the memorandum of understanding established under section 121(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2841(c)).

SEC. 513. PERFORMANCE.

(a) **MEASURES.**—

(1) **ESTABLISHMENT OF MEASURES.**—The Secretary shall establish, in consultation with grantees, subgrantees, and host agencies under this title, States, older individuals, area agencies on aging, and other organizations serving older individuals, performance measures for each grantee for projects and services carried out under this title.

(2) **CONTENT.**—

(A) **COMPOSITION OF MEASURES.**—The performance measures established by the Secretary in accordance with paragraph (1) shall consist of—

(i) core indicators of performance specified in subsection (b)(1) and the expected levels of performance applicable to each core indicator of performance, and

(ii) additional indicators of performance specified in subsection (b)(2)

(B) **CONTINUOUS IMPROVEMENT.**—The measures described in subparagraph (A)(i) shall be designed to promote continuous improvement in performance.

(C) **EXPECTED LEVELS OF PERFORMANCE.**—The Secretary and each grantee shall reach agreement on the expected levels of performance for each program year for each of the core indicators of performance specified in subsection (b)(1). The agreement shall take into account the factors described in subparagraphs (B) and (D) and other appropriate factors as determined by the Secretary, and shall be consistent with the requirements of subparagraph (E). Funds under the grant may not be awarded until such agreement is reached.

(D) ADJUSTMENT.—The expected levels of performance described in subparagraph (C) applicable to a grantee shall be adjusted after the agreement under subparagraph (C) has been reached only with respect to the following factors:

(i) High rates of unemployment or of poverty or welfare participation, in the areas served by a grantee, relative to other areas of the State or Nation.

(ii) Significant downturns in the areas served by the grantee or in the national economy.

(iii) Significant numbers or proportions of participants with 1 or more barriers to employment served by a grantee relative to grantees serving other areas of the State or Nation.

(iv) Changes in Federal, State, or local minimum wage requirements.

(E) PLACEMENT.—

(i) LEVEL OF PERFORMANCE.—For all grantees, the Secretary shall establish a level of performance of not less than the percentage specified in clause (ii) (adjusted in accordance with subparagraph (D)) for the entry into unsubsidized employment core indicator of performance described in subsection (b)(1)(A). If a grantee achieved a level of performance less than the percentage specified in such clause for the preceding fiscal year for which results are available before the enactment of the Senior Independence Act of 2006, the Secretary shall provide technical assistance to assist such grantee to achieve the applicable percentage specified in such clause.

(ii) REQUIRED PLACEMENT PERCENTAGES.—The minimum percentage for the entry into unsubsidized employment (including those listed in section 516(2)(A)(ii)) described in subsection (b)(1)(A) is—

- (I) 22 percent in fiscal year 2007;*
- (II) 24 percent in fiscal year 2008;*
- (III) 26 percent in fiscal year 2009;*
- (IV) 28 percent in fiscal year 2010; and*
- (V) 30 percent in fiscal year 2011.*

(3) PERFORMANCE EVALUATION OF GRANTEES.—The Secretary shall annually establish national performance measures for each grantee under this title, which shall be applicable to the grantee without regard to whether such grantee operates such program directly or through contracts, grants, or agreements with other entities. The measures shall include the core indicators of performance and expected level of performance for each such indicator, and the additional indicators of performance. In addition, the Secretary shall annually publish the actual performance of each grantee with respect to—

(A) the levels achieved for each of the core indicators of performance, compared to expected levels of performance under paragraph (2)(C) (including any adjustments to such levels made in accordance with to paragraph (2)(D)); and

(B) the levels achieved for each of the additional indicators of performance.

(4) *LIMITATION.*—An agreement to be evaluated on the performance measures shall be a requirement for application for, and a condition of, all grants authorized by this title.

(b) *INDICATORS OF PERFORMANCE.*—

(1) *CORE INDICATORS.*—The core indicators of performance described in subsection (a)(2)(A)(i) shall consist of—

- (A) entry into unsubsidized employment;
- (B) retention in unsubsidized employment for 6 months;
- (C) earnings; and
- (D) hours (in the aggregate) of community service employment-based training pursuant to subparagraphs (A) and (B)(I) of section 502(b)(1); and

(2) *ADDITIONAL INDICATORS.*—The additional indicators of performance described in subsection (a)(2)(A)(ii) shall consist of—

- (A) retention in unsubsidized employment for 1 year;
- (B) the number of eligible individuals served, including the number of participating individuals described in section 516(2)(A)(ii), and
- (C) any other indicators of performance that the Secretary determines to be appropriate to evaluate services and performance.

(c) *DEFINITIONS OF INDICATORS.*—The Secretary, after consultation with national and State grantees, representatives of business and labor organizations, and providers of services, shall issue rules that define the indicators of performance described in subsection (b).

(d) *CORRECTIVE EFFORTS.*—

(1) *NATIONAL GRANTEEES.*—

(A) *IN GENERAL.*—Not later than 120 days after the end of each program year, the Secretary shall determine if a national grantee awarded a grant under section 514 has met the expected levels of performance established under subsection (a)(2)(c) (including any adjustments to such levels made in accordance with to subsection (a)(2)(D)) for the core indicators of performance described in subsection (b)(1).

(B) *TECHNICAL ASSISTANCE AND CORRECTIVE ACTION PLAN.*—

(i) *IN GENERAL.*—If the Secretary determines that a grantee fails to meet the expected levels of performance described in paragraph (1), the Secretary shall provide technical assistance and require such grantee to submit a corrective action plan not later than 160 days after the end of the program year.

(ii) *CONTENT.*—The plan submitted under subparagraph (A) shall detail the steps the grantee will take to meet the national performance measures in the next program year.

(2) *STATE GRANTEEES.*—

(A) *IN GENERAL.*—Not later than 120 days after the end of the program year, the Secretary shall determine if a State grantee allotted funds under section 506(e) has met the expected levels of performance established under subsection (a)(2)(C) (including any adjustments to such levels made in accordance with to subsection (a)(2)(D)) for the

core indicators of performance described in subsection (b)(1).

(B) **TECHNICAL ASSISTANCE AND CORRECTIVE ACTION PLAN.**—If a State fails to meet the levels of performance described in subparagraph (A), the Secretary shall provide technical assistance and require the State to submit a corrective action plan not later than 160 days after the end of the program year.

(C) **CONTENT.**—The plan described in subparagraph (B) shall detail the steps the State will take to meet the standards.

(D) **FAILURE TO MEET PERFORMANCE MEASURES FOR SECOND AND THIRD YEARS.**—

(i) **AFTER SECOND YEAR OF FAILURE.**—If a State fails to meet the levels of performance described in subparagraph (A) for a second consecutive program year, the Secretary shall provide for the conduct by the State of a competition to award, for the first full program year following the determination (minimizing, to the extent possible, the disruption of services provided to participants), an amount equal to 25 percent of the funds available to the State for such year.

(ii) **AFTER THIRD YEAR OF FAILURE.**—If the State fails to meet the levels of performance described in subparagraph (A) for a third consecutive program year, the Secretary shall provide for the conduct by the State of a competition to award the funds allocated to the State for the first full program year following the Secretary's determination that the State has not met the performance measures.

SEC. 514. COMPETITIVE REQUIREMENTS RELATING TO GRANT AWARDS.

(a) **PROGRAM AUTHORIZED.**—From the funds available for national grants under section 506(d), the Secretary shall award grants to eligible applicants to carry out projects under this title through a competitive process that is conducted every 3 years.

(b) **ELIGIBLE APPLICANTS.**—An applicant shall be eligible to receive a grant under subsection (a) in accordance with section 502(b)(1), and subsections (c) and (d).

(c) **CRITERIA.**—The Secretary shall select the eligible applicants to receive grants under subsection (a) based on the following:

(1) The applicant's ability to administer a program that serves the greatest number of eligible individuals, giving particular consideration to individuals with greatest economic need, greatest social need, poor employment history or prospects, and over the age of 65.

(2) The applicant's ability to administer a program that provides employment for eligible individuals in the communities in which such individuals reside, or in nearby communities, that will contribute to the general welfare of the community.

(3) The applicant's ability to administer a program that moves eligible individuals into unsubsidized employment.

(4) The applicant's prior performance, if any, in meeting performance measures under this title and under other Federal or State programs.

(5) *The applicant's ability to move individuals with multiple barriers to employment into unsubsidized employment.*

(6) *The applicant's ability to coordinate with other organizations at the State and local level.*

(7) *The applicant's plan for fiscal management of the program to be administered with funds received under this section.*

(8) *Any additional criteria that the Secretary considers to be appropriate in order to minimize disruption for current participants.*

(d) *RESPONSIBILITY TESTS.—*

(1) *IN GENERAL.—Before final selection of a grantee, the Secretary shall conduct a review of available records to assess the applicant's overall responsibility to administer Federal funds.*

(2) *REVIEW.—As part of the review described in paragraph (1), the Secretary may consider any information, including the organization's history with regard to the management of other grants.*

(3) *FAILURE TO SATISFY TEST.—The failure to satisfy any 1 responsibility test that is listed in paragraph (4), excluding those listed in subparagraphs (A) and (B), does not establish that the organization is not responsible unless such failure is substantial or persists for 2 or more consecutive years.*

(4) *TEST.—The responsibility tests include review of the following factors:*

(A) *Unsuccessful efforts by the organization to recover debts, after 3 demand letters have been sent, that are established by final agency action, or a failure to comply with an approved repayment plan.*

(B) *Established fraud or criminal activity of a significant nature within the organization.*

(C) *Serious administrative deficiencies identified by the Secretary, such as failure to maintain a financial management system as required by Federal rules or regulations.*

(D) *Willful obstruction of the audit process.*

(E) *Failure to provide services to applicants as agreed to in a current or recent grant or to meet applicable performance measures.*

(F) *Failure to correct deficiencies brought to the grantee's attention in writing as a result of monitoring activities, reviews, assessments, or other activities.*

(G) *Failure to return a grant closeout package or outstanding advances within 90 days of the grant expiration date or receipt of closeout package, whichever is later, unless an extension has been requested and granted.*

(H) *Failure to submit required reports.*

(I) *Failure to properly report and dispose of Government property as instructed by the Secretary.*

(J) *Failure to have maintained effective cash management or cost controls resulting in excess cash on hand.*

(K) *Failure to ensure that a subrecipient complies with its Office of Management and Budget Circular A-133 audit requirements specified at section 667.200(b) of title 20, Code of Federal Regulations.*

(L) *Failure to audit a subrecipient within the required period.*

(M) Final disallowed costs in excess of 5 percent of the grant or contract award if, in the judgment of the grant officer, the disallowances are egregious findings.

(N) Failure to establish a mechanism to resolve a sub-recipient's audit in a timely fashion.

(5) DETERMINATION.—Applicants that are determined to be not responsible shall not be selected as grantees.

(6) DISALLOWED COSTS.—Interest on disallowed costs shall accrue in accordance with the Debt Collection Improvement Act of 1996.

SEC. 515. AUTHORIZATION OF APPROPRIATIONS.

(a) There is authorized to be appropriated to carry out this title such sums as may be necessary for fiscal years 2007, 2008, 2009, 2010, and 2011.

(b) Amounts appropriated under this section for any fiscal year shall be available for obligation during the annual period that begins on July 1 of the calendar year immediately following the beginning of such fiscal year and that ends on June 30 of the following calendar year. The Secretary may extend the period during which such amounts may be obligated or expended in the case of a particular organization or agency that receives funds under this title if the Secretary determines that such extension is necessary to ensure the effective use of such funds by such organization or agency.

(c) At the end of the program year, the Secretary may recapture any unexpended funds for the program year, and reobligate such funds within the 2 succeeding program years for—

(1) technical assistance; or

(2) grants or contracts for any other program under this title.

SEC. 516. DEFINITIONS.

For purposes of this title:

(1) COMMUNITY SERVICE EMPLOYMENT-BASED TRAINING.—The term “community service employment-based training” means work experience that is related to providing social, health, welfare, and educational services (including literacy tutoring), legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational, and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; weatherization activities; economic development; and such other services essential and necessary to the community as the Secretary determines by rule.

(2) ELIGIBLE INDIVIDUAL.—The term “eligible individual” means an individual who is 55 years of age or older and who has a low income (including any such individual whose income is not more than 125 percent of the poverty line), excluding any income that is unemployment compensation, benefits received under title XVI of the Social Security Act, veterans payments, or 25 percent of the benefits received under title II of the Social Security Act, but—

(A) pursuant to regulations prescribed by the Secretary, any such individual who meets one or more of the following criteria shall have priority for the work opportunities provided under this title—

(i) is 65 years of age or older; or
 (ii) has one or more of the following barriers to employment:

- (I) has a disability;
- (II) has limited English proficiency or low literacy skills;
- (III) resides in a rural area;
- (IV) is a veteran;
- (V) has low employment prospects; or
- (VI) has failed to find employment after utilizing services provided under title I of the Workforce Investment Act of 1998; and

(B) notwithstanding any other provision of this paragraph, excludes—

- (i) an individual who has participated in projects under this title for a period of 48 months in the aggregate (whether or not consecutive) after the date of the enactment of the Senior Independence Act of 2006; and
- (ii) an individual who has participated in projects under this title for a period of 24 months in the aggregate (whether or not consecutive) after the date of the enactment of the Senior Independence Act of 2006 if such individual participated more than 24 months in the aggregate (whether or not consecutive) under title V of this Act, as in effect before the date of the enactment of the Senior Independence Act of 2006.

(3) **LOW INCOME.**—The term “low income” means income received during the 12-month period (or, at the option of the grantee involved, for any period that is not multiplied and that does not exceed the 6-month period) ending on the date an eligible individual submits an application to participate in the project carried out under this title by such grantee.

(4) **PACIFIC ISLAND AND ASIAN AMERICANS.**—The term “Pacific Island and Asian Americans” means Americans having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands.

(5) **PROGRAM.**—The term “program” means the older American community service employment-based training program established under this title.

(6) **SUPPORTIVE SERVICES.**—The term “supportive services” means services such as transportation, child care, dependent care, housing, and needs-related payments, that are necessary to enable an individual to participate in activities authorized under this title, consistent with the provisions of this title.

(7) **UNEMPLOYED INDIVIDUAL.**—The term “unemployed individual” means an individual who is without a job and who wants and is available for work, including an individual who may have occasional employment that does not result in a constant source of income.

TITLE VI—GRANTS FOR NATIVE AMERICANS

* * * * *

SEC. 643. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title—

- (1) for parts A and B, such sums as may be necessary for fiscal year **[2001]** 2007, and such sums as may be necessary for subsequent fiscal years; and
- (2) for part C, \$5,000,000 for fiscal year **[2001]** 2007, and such sums as may be necessary for subsequent fiscal years.

* * * * *

TITLE VII—ALLOTMENTS FOR VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES

Subtitle A—State Provisions

CHAPTER 1—GENERAL STATE PROVISIONS

* * * * *

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

(a) OMBUDSMAN PROGRAM.—There are authorized to be appropriated to carry out chapter 2, such sums as may be necessary for fiscal year **[2001]** 2007, and such sums as may be necessary for subsequent fiscal years.

(b) PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION.—There are authorized to be appropriated to carry out chapter 3, such sums as may be necessary for fiscal year **[2001]** 2007, and such sums as may be necessary for subsequent fiscal years.

(c) LEGAL ASSISTANCE DEVELOPMENT PROGRAM.—There are authorized to be appropriated to carry out chapter 4, such sums as may be necessary for fiscal year **[2001]** 2007, and such sums as may be necessary for subsequent fiscal years.

* * * * *

CHAPTER 3—PROGRAMS FOR PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION

SEC. 721. PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION.

(a) * * *

(b) USE OF ALLOTMENTS.—The State agency shall use an allotment made under subsection (a) to carry out, through the programs described in subsection (a), activities to develop, strengthen, and carry out programs for the prevention and treatment of elder abuse, neglect, and exploitation (including financial exploitation), including—

(1) * * *

(2) *providing for public education and outreach to promote financial literacy and prevent identity theft and financial exploitation of older individuals;*

[(2)] (3) ensuring the coordination of services provided by area agencies on aging with services instituted under the State adult protection service program, State and local law enforcement systems, and courts of competent jurisdiction;

[(3)] (4) promoting the development of information and data systems, including elder abuse reporting systems, to quantify the extent of elder abuse, neglect, and exploitation in the State;

[(4)] (5) conducting analyses of State information concerning elder abuse, neglect, and exploitation and identifying unmet service, enforcement, or intervention needs;

[(5)] (6) conducting training for individuals, including caregivers described in part E of title III, professionals, and paraprofessionals, in relevant fields on the identification, prevention, and treatment of elder abuse, neglect, and exploitation, with particular focus on prevention and enhancement of self-determination and autonomy;

[(6)] (7) providing technical assistance to programs that provide or have the potential to provide services for victims of elder abuse, neglect, and exploitation and for family members of the victims;

[(7)] (8) conducting special and on-going training, for individuals involved in serving victims of elder abuse, neglect, and exploitation, on the topics of self-determination, individual rights, State and Federal requirements concerning confidentiality, and other topics determined by a State agency to be appropriate; and

[(8)] (9) promoting the development of an elder abuse, neglect, and exploitation system—
(A) * * *

* * * * *

Subtitle B—Native American Organization Provisions

SEC. 751. NATIVE AMERICAN PROGRAM.

(a) * * *

* * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year [2001] 2007, and such sums as may be necessary for subsequent fiscal years.

* * * * *

ADDITIONAL VIEWS

THE DUAL PURPOSE OF THE TITLE V EMPLOYMENT PROGRAM

The main purpose of the Title V Senior Community Service Employment Program (SCSEP) is to place low-income older individuals with poor employment prospects in subsidized employment so that they may increase their income and to provide a source of labor to expand community services.

For over 40 years, SCSEP has provided a critical source of assistance to maintain and expand community services. In 2004, program participants provided more than 45 million hours worth of community services, including work in local schools, libraries, hospitals, senior centers, and meals-on-wheels programs. The bill diminishes the community service purpose of Title V and relegates community service to one of several allowable activities for SCSEP participants.

Decades of this community service component has demonstrated its important role in serving low-income older individuals with multiple barriers to employment. With resources dwindling for non-profits, the need is even greater for older workers to have access to employment services that place an emphasis on part-time paid work experience to maintain their self-sufficiency while at the same time providing services to their communities.

We believe SCSEP is a critical program which has the primary purpose of providing employment and training opportunities for low-income seniors and to provide vital community services that would frequently be unavailable without Title V.

RAISE THE MINIMUM WAGE

Congressman Miller offered an amendment in Committee markup to increase the minimum wage for seniors employed under Older Americans Act programs over three years to \$7.25 per hour. The Majority rejected this amendment.

It has been nine years since the last minimum wage increase, during which time Members of Congress have raised their own pay eight times, by \$31,600. Meanwhile, 37 million Americans live in poverty. Almost 3 million full-time year round workers live under the poverty line (a 100% increase since the 1970's) according to the U.S. Bureau of the Census in 2005.

The value of the current minimum wage has declined 20% since the last increase in 1997. According to the Bureau of Labor Statistics, the real value of the minimum wage is lower today than at any time since 1968. To have the purchasing power it had in 1968, the minimum wage would have to be increased to almost \$7.54 an hour. For it to equal 50% of the average wage, as it was in the 1950's and 60's, it would need to be increased to \$8.20.

Under the OAA, older workers placed in subsidized or unsubsidized employment and training must be paid the greater of the federal or local minimum wage. In 21 states older workers are paid the minimum wage or pennies above the minimum wage. In 29 states older workers earn the higher local minimum wage.

All 97,000 OAA Title V recipients have income under 125% of poverty. The average wage payment is \$7,172.

The Committee needs to act to raise the minimum wage for older workers and for all workers—this is the most effective measure for alleviating poverty.

LENGTH OF GRANT

Mr. Hinojosa offered and withdrew an amendment to lengthen the time between grant competitions in the Senior Community Service Employment Program from every 3 years to every 5 years. This change would better align the length of the grant with the performance, continuous improvement, and accountability provisions in the law. It would also provide the benefit of program continuity without sacrificing accountability for results.

The 2000 amendments to the Older Americans Act phased in a performance based competitive grant program for the Senior Community Service Employment Program. It is now time to focus on the implementation of the performance-based system. The 3-year grant cycle could result in an endless stream of new grantees that never have enough time to demonstrate the performance outcomes, continuous improvement and results that the program requires. Additionally, the most successful programs under this title involve extensive partnerships. These partnerships take time to mature. Partners must believe that the program is stable in order to make their participation worthwhile. A 3-year revolving door of grantees will discourage partners—especially from the private sector.

It is our view that the grants under Title V of the Older Americans Act should be awarded for a period of 5 years.

GEORGE MILLER.
 BETTY MCCOLLUM.
 TIM BISHOP.
 LYNN WOOLSEY.
 RON KIND.
 ROBERT ANDREWS.
 CAROLYN MCCARTHY.
 RAÚL M. GRIJALVA.
 BOBBY SCOTT.
 CHRIS VAN HOLLEN.
 MAJOR R. OWENS.
 DALE E. KILDEE.
 RUSH HOLT.
 DAVID WU.
 DENNIS J. KUCINICH.
 SUSAN DAVIS.
 JOHN F. TIERNEY.
 DANNY K. DAVIS.

160

RUBÉN HINOJOSA.
TIM RYAN.
DONALD PAYNE.

ADDITIONAL VIEWS

KUCINICH AMENDMENT

Congressman Kucinich offered an amendment that would help provide relief for Administrations on Aging and thousands of volunteers nationwide from being squeezed by the rising cost of gas. It provides a non-binding formula for calculating annual increases in fuel costs for the three Older Americans Act programs that are the most heavily dependent on transportation. These programs include the in-home nutrition services, the congregate nutrition services, and the supportive services that provide rides to doctor's appointments, trips to the grocery store and to senior centers, among other services. The Majority rejected this amendment.

When the cost of the basic goods and services necessary for daily life increases, the effect is highly regressive. Those with lower incomes pay a higher percentage of their income for the essentials of life than their high-income counterparts. The effect is particularly pronounced on people with fixed incomes like seniors.

At the same time that gas prices have gone up, funding has gone down. Supportive Services and congregate meals funding has decreased since FY02, losing significant fiscal ground each year to inflation.

The Committee should act to protect seniors from oil companies' price gouging.

DENNIS J. KUCINICH.

○