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Congressional Black Caucus OF THE (I) THE UNITED STATES CONGRESS

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Change Course, Confront Crises, Continue the Legacy

December 9, 2009

The Honorable Barack Obama President The White House 1600 Pennsylvania Avenue, N.W. Washington, D.C. 20500

Dear President Obama:

As you work with House and Senate Leadership to structure the jobs package, we respectfully request that you include and prioritize the following proposals in the legislation:

Direct Job Creation and Training

- Utilize language that states that the \$139.3 billion of unobligated funds authorized for expenditure by the Troubled Asset Relief Program should be reprogrammed to be used to create jobs for United States citizens.
- Reauthorize language from the Humphrey Hawkins Act, Public Law 95-523, with a new provision establishing a "Green Jobs and Training Trust Fund." The trust fund would be funded by a financial transaction tax similar to that proposed by Congressman DeFazio. If the targets established in the Economic Reports mandated in Title I are not met, funds would automatically be disbursed from two separate trust funds to a list of 1) training programs enumerated in the bill and 2) a direct public sector jobs program. The training programs would include, amongst other programs:
 - o The Department of Labor's Green Construction Careers Demonstration Program (not yet authorized)
 - The Department of Energy's Labor's Efficiency and Renewable Energy Worker Training Program (EEREWTP) (authorized in the Green Jobs Act of 2007) – specifically, the Pathways Out of Poverty Demonstration Program.
 - The Department of Energy's Weatherization Program.
 - The Job Corps Program



- Grant programs that promote state and local hiring of police, firemen, and other public servants.
- O Additional programs identified by the Secretary of Labor that: 1) promote energy efficiency consistent with the EEREWTP Program or promote clean energy creation and 2) provide sustainable employment in the public or private sector.
- The government would provide grants to states and municipalities to set up "Green Corps, "Urban Corps," and/or a form of expanded Americorps. These jobs would be low human capital jobs where the ratio of government spending to job creation would be very low. Some activities these individuals would engage in include:
 - Home and public building weatherization
 - Greening of public spaces
 - Municipal waste and recycling
 - Public building solar installation and maintenance
 - Forestry
 - Tutoring or mentoring
- Utilize language throughout the bill that will provide a 10 percent for areas with high levels of poverty such as: Of the amounts appropriated in this [section] the following projects or programs, shall allocate at least 10 percent for assistance in qualified areas of economic hardship: Provided, that for the purposes of this [Title/Section], In general, the term "qualified area of economic hardship" means any census tract or block numbering area, where 20% or more of the population is at or below the federal poverty line. The term "poverty line" means the official poverty line defined by the Office of Management and Budget.

Job Creation and Training

- Increase funding for Youthbuild and the 2010 Youth Summer Jobs Program, to allow for the employment of 5 million teens, with a requirement that of the amounts appropriated in this [section] the following projects or programs, shall allocate no less than 10 percent for assistance in qualified areas of economic hardship: Provided, that for the purposes of this [Title/Section], In general, the term "qualified area of economic hardship" means any census tract or block numbering area, where 20% or more of the population is at or below the federal poverty line. The term "poverty line" means the official poverty line defined by the Office of Management and Budget.



- Creation of a federal assistance program through the Department of Labor to prepare economically disadvantaged unskilled adults or adults needing retraining for full-time jobs, for a period of 12 to 24 months in public agencies or not-for-profit organizations. The intent is to impart a marketable skill that will allow participants to move to an unsubsidized.
- Fully fund the Green Jobs Act, the Energy Efficiency and Conservation Block Grant Program, as authorized by the Energy and Independence Security Act, of the amounts appropriated in this [section] the following projects or programs, shall allocate no less than 10 percent for assistance in qualified areas of economic hardship: Provided, that for the purposes of this [Title/Section], In general, the term "qualified area of economic hardship" means any census tract or block numbering area, where 20% or more of the population is at or below the federal poverty line. The term "poverty line" means the official poverty line defined by the Office of Management and Budget.
- Increase funding for the National Service Corps programs with an emphasis on current college students and recent college graduates.
- Direct funding to career colleges, technical, and trade schools community colleges, and universities to train Americans in high-growth industries and healthcare professions, particularly focused on entry-level training and nursing programs, which allow participants to be able to continue to collect unemployment benefits through the period of training and/or allow them to receive a livable wage stipend during the period of training, with a requirement that of the amounts appropriated in this [section] the following projects or programs, shall allocate no less than 10 percent for assistance in qualified areas of economic hardship: Provided, that for the purposes of this [Title/Section], In general, the term "qualified area of economic hardship" means any census tract or block numbering area, where 20% or more of the population is at or below the federal poverty line. The term "poverty line" means the official poverty line defined by the Office of Management and Budget.
- Increase funding for High Growth Industries and/or grants for job creation in occupations identified by the Department of Labor as "the "fastest growing occupations and occupations projected to have the largest numerical increases in employment between 2006 and 2016," with a requirement that of the amounts appropriated in this [section] the following projects or programs, shall allocate no less than 10 percent for assistance in qualified areas of economic hardship: Provided, that for the purposes of this [Title/Section], In general, the term "qualified area of economic hardship" means any census tract or block numbering area, where 20% or more of the population is at or below the federal poverty line. The term "poverty line" means the official poverty line defined by the Office of Management and Budget.

- Increase funding for Employment and Training Administration, Training and Employment Services, with a requirement to that of the amounts appropriated in this [section] the following projects or programs, shall allocate no less than 10 percent for assistance in qualified areas of economic hardship: Provided, that for the purposes of this [Title/Section], In general, the term "qualified area of economic hardship" means any census tract or block numbering area, where 20% or more of the population is at or below the federal poverty line. The term "poverty line" means the official poverty line defined by the Office of Management and Budget.
- Increase funding for Welfare to Work program.
- Increase funding for the Second Chance Act (replaced and expanded Prisoner Reentry Initiative) and include language that eliminates or mitigates the bar on ex-offenders from receiving Federal financial aid programs, job-related training, public benefits, and public housing.
- Increase funding for pre-apprenticeship programs and the National Apprenticeship programs through the Department of Labor, Employment and Training Administration, with a requirement to that of the amounts appropriated in this [section] the following projects or programs, shall allocate no less than 10 percent for assistance in qualified areas of economic hardship: Provided, that for the purposes of this [Title/Section], In general, the term "qualified area of economic hardship" means any census tract or block numbering area, where 20% or more of the population is at or below the federal poverty line. The term "poverty line" means the official poverty line defined by the Office of Management and Budget.
- Language modification to allow for Americans to continue to collect unemployment benefits and/or TANF benefits while in an authorized job training program for up to 12 months.
- Expand the Title V Senior Community Service Employment Program (SCSEP) under the Older Americans Act to provide job training and employment for older job seekers by lowering it to age 50, eliminate requirement of unemployment allowing participants to be underemployed, and changing the cap to 35 weekly hour cap employment allowing.

Infrastructure

- Provide for Hope VI, green projects through the Energy Efficiency and Conservation Block Grant.
- Rehabilitation of housing through Neighborhood Stabilization Fund which provides for additional construction jobs.
- Funding for the Department of Transportation-Federal Highway Administration to allow state
 and local agencies to move forward on infrastructure projects, of the amounts appropriated in this



[section] the following projects or programs, shall allocate no less than 10 percent for assistance in qualified areas of economic hardship: Provided, that for the purposes of this [Title/Section], In general, the term "qualified area of economic hardship" means any census tract or block numbering area, where 20% or more of the population is at or below the federal poverty line. The term "poverty line" means the official poverty line defined by the Office of Management and Budget.

- Discretionary funding for Clean Energy technology and manufacturing through the Department of Energy, with a requirement that of the amounts appropriated in this [section] the following projects or programs, shall allocate no less than 10 percent for assistance in qualified areas of economic hardship: Provided, that for the purposes of this [Title/Section], In general, the term "qualified area of economic hardship" means any census tract or block numbering area, where 20% or more of the population is at or below the federal poverty line. The term "poverty line" means the official poverty line defined by the Office of Management and Budget.

Small Business

- Language modification to allow the Community Development Financial Initiatives Fund to access capital markets via the Department of Treasury Guaranteed Bond Issuance program.
- Expand and expedite the Small Business Administrations Community Express Loan program by reducing the interest rate to 1 percent, particularly focused on areas where local unemployment rates exceed the state and/or high rates of long-term unemployed.
- Long-term extension of Build America Bonds, to result in liquidity and a lower interest rate.
- Reform and modernize the Section (8) program to assist more small and disadvantaged business enterprises (DBE) remain in business and hire more workers by doing the following:
 - O Extend by at least 2 years the 9-year period in which Section 8(a) certified businesses can participate in the program.
 - o Reform the Section 8(a) program to permit reinstatement of companies who were graduated from the program after nine years.
 - O Reform the Section 8 program to create a new program for small businesses that did not qualify for admission to the 8(a) program or were graduated from the program before the 9 year period expired because their financial resources exceeded maximum limits. Under this new program, an eligible company would



be permitted to participate for a period of 7 years or until its financial resources exceeded 300 percent of the maximum amount allowable under Section 8(a).

- Language modification to the Workforce Investment Act performance measures in
 entrepreneurial training to allow for microenterprises to receive Self Employment
 Training and Technical Assistance from Workforce Investment Boards with a
 "successful/positive outcome" in order to support and spur further growth of small
 businesses/microenterprises.
- Language to support an appropriation to support payment of Black Farmers claims.

State/Local Fiscal Relief

With each provision, we would urge you to direct funding through the federal agencies
directly to localities: county/city/municipality/college/university or nonprofit
organizations, rather than through the state, to be quickly disbursed and used by most
economically depressed communities.

Our Nation has suffered substantial unemployment and underemployment over a prolonged period which has imposed significant economic and social costs, particularly in communities of color. We appreciate your attention to these prescriptive measures and look forward to working with you.

Sincerely,

Rep. Barbara Lee Chairwoman

Congressional Black Caucus

Rep. Emanuel Cleaver

Chairman

CBC Taskforce on Economic Recovery

CC: Honorable James E. Clyburn Majority Whip