

115TH CONGRESS
1ST SESSION

H. R. 1576

To direct the Secretary of Commerce to establish a job-training grant program for workers displaced by automation and to establish an Innovation Corps to enable recent college graduates to volunteer in job-training programs for workers displaced by automation, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2017

Ms. MATSUI introduced the following bill; which was referred to the
Committee on Education and the Workforce

A BILL

To direct the Secretary of Commerce to establish a job-training grant program for workers displaced by automation and to establish an Innovation Corps to enable recent college graduates to volunteer in job-training programs for workers displaced by automation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Innovation Corps Act
5 of 2017”.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) The acceleration of artificial intelligence is
4 enabling the automation of jobs that have tradition-
5 ally required human labor.

6 (2) Such automation opens up new opportuni-
7 ties for individuals, the economy, and society, but
8 such automation also has the potential to disrupt the
9 employment landscape for millions of people in the
10 United States.

11 (3) The potential for artificial intelligence to
12 improve the livelihoods and quality of life for the
13 United States workforce over the long run depends
14 on the institutions and policies in place.

15 (4) Job training for dislocated workers in the
16 skills needed in the innovation economy will be crit-
17 ical to maintaining the stability of the larger econ-
18 omy and individual families.

19 (5) Young people are often well equipped to
20 adapt to changes in technology and may be able to
21 provide unique expertise in retraining dislocated
22 workers.

23 (6) The outstanding balance of Federal student
24 loans now exceeds \$1 trillion. This debt burden is
25 limiting the ability of recent graduates to fully par-
26 ticipate in the economy.

1 **SEC. 3. JOB-TRAINING GRANT PROGRAM FOR WORKERS**
2 **DISPLACED BY AUTOMATION.**

3 (a) ESTABLISHMENT.—The Secretary of Commerce,
4 in consultation with the Chief Executive Officer of the
5 Corporation for National and Community Service, shall
6 establish a competitive program to make grants to institu-
7 tions of higher education to establish or enhance education
8 programs that retrain workers displaced from their jobs
9 by automation to provide such workers with skills needed
10 for jobs in the STEM fields.

11 (b) MANAGEMENT PLAN.—Not later than 90 days
12 after the date of the enactment of this Act, and not less
13 frequently than every 5 years thereafter, the Secretary
14 shall submit to the Committee on Energy and Commerce
15 and the Committee on Appropriations of the House of
16 Representatives and the Committee on Commerce,
17 Science, and Transportation and the Committee on Appro-
18 priations of the Senate a management plan for the grant
19 program established under this section. The plan shall in-
20 clude the organization, structure, and funding profiles of
21 the grant program for the 6 years following the submission
22 of the plan.

23 (c) ELIGIBILITY.—The Secretary may only make a
24 grant under this section to an institution of higher edu-
25 cation that submits an application at such time, in such

1 form, and accompanied by such information and assur-
2 ances as the Secretary may require.

3 (d) USE OF FUNDS.—An institution of higher edu-
4 cation that receives a grant under this section shall use
5 the grant funds for one or more education programs that
6 retrain workers displaced, or at risk of future displace-
7 ment, from their jobs by automation in order to enable
8 such workers to reenter the workforce in jobs in the
9 STEM fields.

10 (e) CONDITIONS FOR RECEIPT OF GRANT FUNDS.—
11 An institution of higher education may not receive grant
12 funds under this section unless the institution meets the
13 following requirements:

14 (1) The institution certifies that each education
15 program for which the institution receives grant
16 funds provides workers with training in skills needed
17 for jobs in the STEM fields.

18 (2) The institution uses graduate volunteers to
19 assist with the education program for which the in-
20 stitution receives grant funds.

21 (f) MAXIMUM AMOUNT OF GRANT.—A grant under
22 this section may not exceed \$5,000,000.

23 (g) RULES PRESCRIBING SELECTION CRITERIA.—
24 Not later than 180 days after the date of the enactment
25 of this Act, after a public comment period of not less than

1 60 days, the Secretary shall issue rules prescribing the cri-
2 teria for selection of an institution of higher education to
3 receive a grant under this section. Such criteria shall in-
4 clude performance requirements for an education program
5 for which an institution of higher education receives grant
6 funds. The Secretary shall update such rules as necessary.

7 (h) RULES FOR GRANT ADMINISTRATION.—Not later
8 than 180 days after the date of the enactment of this Act,
9 after a public comment period of not less than 60 days,
10 the Secretary shall issue rules to ensure that grants under
11 this section are made and administered in an accountable
12 fashion in order to prevent waste, fraud, and abuse. The
13 Secretary shall update such rules as necessary.

14 (i) DEADLINE TO BEGIN MAKING GRANTS.—The
15 Secretary shall begin making grants under this section not
16 later than 1 year after the date of the enactment of this
17 Act.

18 (j) REPORTS.—Not later than June 3 and December
19 31 of each year, the Inspector General of the Department
20 of Commerce and the Comptroller General of the United
21 States shall submit to the Committee on Energy and Com-
22 merce of the House of Representatives and the Committee
23 on Commerce, Science, and Transportation of the Senate
24 a report that reviews the grant program established under
25 this section during the 6 months preceding the submission

1 of the report. Such report shall include any recommenda-
2 tions to address waste, fraud, and abuse in such program.

3 (k) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated to carry out this section
5 \$250,000,000, of which not more than 5 percent shall be
6 available for the costs of administering the grant program
7 established under this section, for each of the fiscal years
8 2018 through 2028.

9 **SEC. 4. INNOVATION CORPS.**

10 (a) ESTABLISHMENT.—Not later than 1 year after
11 the date of the enactment of this Act, the Secretary shall
12 establish an Innovation Corps whereby recent college grad-
13 uates may volunteer, in an education program for which
14 an institution of higher education receives (or is eligible
15 to receive) a grant under section 3, to help retrain workers
16 that have been displaced from their jobs by automation.

17 (b) STIPEND.—The Secretary shall pay a monthly
18 stipend to each graduate volunteer in accordance with the
19 rules issued under subsection (c)(4).

20 (c) RULES.—Not later than 180 days after the date
21 of the enactment of this Act, after a public comment pe-
22 riod of not less than 60 days, the Secretary shall issue
23 rules containing—

24 (1) the eligibility requirements for graduate vol-
25 unteers;

1 (2) the application procedures to become a
2 graduate volunteer;

3 (3) the code of conduct for graduate volunteers;
4 and

5 (4) the amount of a monthly stipend for grad-
6 uate volunteers sufficient to furnish graduate volun-
7 teers with housing, food, and transportation to and
8 from the education program with which the graduate
9 volunteer volunteers.

10 (d) AUTHORIZATION OF APPROPRIATIONS.—There
11 are authorized to be appropriated to carry out this section
12 \$250,000,000 for each of the fiscal years 2018 through
13 2028.

14 **SEC. 5. STUDENT LOAN DEFERMENT AND FORGIVENESS**
15 **FOR GRADUATE VOLUNTEERS.**

16 (a) LOAN DEFERMENT.—Section 455(f)(2) of the
17 Higher Education Act of 1965 (20 U.S.C. 1087e(f)) is
18 amended—

19 (1) by striking “or” at the end of subparagraph
20 (C);

21 (2) by striking the period at the end of sub-
22 paragraph (D) and inserting “; or”; and

23 (3) by adding at the end the following:

24 “(E) during which the borrower is serving
25 as a graduate volunteer in the Innovation Corps

1 established under section 4 of the Innovation
2 Corps Act of 2017.”.

3 (b) LOAN FORGIVENESS.—With respect to any bor-
4 rower of Federal student loans who completes 2 years of
5 volunteer service as a graduate volunteer in the Innovation
6 Corps established under section 4, the Secretary of Com-
7 merce shall repay, on behalf of such borrower, not more
8 than \$100,000 of the balance of principal and interest due
9 on such loans as of the date of completion of such service.

10 **SEC. 6. DEFINITIONS.**

11 In this Act:

12 (1) AUTOMATION.—The term “automation”
13 means the introduction of machinery into any enter-
14 prise that is intended to, or has the effect of, replac-
15 ing human labor.

16 (2) FEDERAL STUDENT LOAN.—The term
17 “Federal student loan” means a loan made under
18 part D of title IV of the Higher Education Act of
19 1965 (20 U.S.C. 1087a et seq.).

20 (3) INSTITUTION OF HIGHER EDUCATION.—The
21 term “institution of higher education” has the
22 meaning given such term in section 101 of the High-
23 er Education Act of 1965 (20 U.S.C. 1001).

24 (4) GRADUATE VOLUNTEER.—The term “grad-
25 uate volunteer” means a recent college graduate who

1 volunteers in the Innovation Corps established under
2 section 4.

3 (5) RECENT COLLEGE GRADUATE.—The term
4 “recent college graduate” means an individual who
5 has graduated from an institution of higher edu-
6 cation not more than 2 years before applying to be-
7 come a graduate volunteer in the Innovation Corps
8 established under section 4.

9 (6) SECRETARY.—The term “Secretary” means
10 the Secretary of Commerce.

11 (7) STEM FIELD.—The term “STEM field”
12 means science, technology, engineering, or mathe-
13 matics.

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