

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 2299
OFFERED BY MS. OMAR OF MINNESOTA**

Strike page 1, line 1, and all that follows through
the end and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Wage Theft Prevention
3 and Wage Recovery Act”.

**4 TITLE I—AMENDMENTS TO THE
5 FAIR LABOR STANDARDS ACT
6 OF 1938**

**7 SEC. 101. REQUIREMENTS TO PROVIDE CERTAIN DISCLO-
8 SURES, REGULAR PAYSTUBS, AND FINAL PAY-
9 MENTS.**

10 The Fair Labor Standards Act of 1938 is amended
11 by inserting after section 4 (29 U.S.C. 204) the following:

**12 “SEC. 5. REQUIREMENTS TO PROVIDE CERTAIN DISCLO-
13 SURES, REGULAR PAYSTUBS, AND FINAL PAY-
14 MENTS.**

15 “(a) DISCLOSURES.—

16 “(1) INITIAL DISCLOSURES.—Not later than 15
17 days after the date on which an employer hires an
18 employee who in any workweek is engaged in com-

1 merce or in the production of goods for commerce,
2 or is employed in an enterprise engaged in commerce
3 or in the production of goods for commerce, the em-
4 ployer of such employee shall provide such employee
5 with an initial disclosure containing the information
6 described in paragraph (3). Such initial disclosure
7 shall be—

8 “(A) provided as a written statement or, if
9 the employee so chooses, as a digital document
10 provided through electronic communication; and

11 “(B) made available in the employee’s pri-
12 mary language.

13 “(2) MODIFICATION DISCLOSURES.—Not later
14 than the earlier of 5 days after the date on which
15 any of the information described in paragraph (3)
16 changes with respect to an employee described in
17 paragraph (1) or the date of the next paystub fol-
18 lowing the date on which such information changes,
19 the employer of such employee shall provide the em-
20 ployee with a modification disclosure containing all
21 the information described in paragraph (3).

22 “(3) INFORMATION.—The information de-
23 scribed in this paragraph shall include—

24 “(A) the rate of pay and whether the em-
25 ployee is paid by the hour, shift, day, week, or

1 job, or by salary, piece rate, commission, or
2 other form of compensation;

3 “(B)(i) an indication of whether the em-
4 ployee is being classified by the employer as an
5 employee subject to the minimum wage require-
6 ments of section 6 or as an employee that is ex-
7 empt from (or otherwise not subject to) such
8 requirements as provided under section
9 3(m)(2), 6, 13, or 14; and

10 “(ii) in the case that such employee is not
11 classified as being an employee subject to such
12 minimum wage requirements, an identification
13 of the section described in clause (i) providing
14 for such classification;

15 “(C)(i) an indication of whether the em-
16 ployee is being classified by the employer as an
17 employee subject to the overtime compensation
18 requirements of section 7 or as an employee ex-
19 empt from such requirements as provided under
20 section 7 or 13; and

21 “(ii) in the case that such employee is not
22 classified as being an employee subject to such
23 overtime compensation requirements, an identi-
24 fication of the section described in clause (i)
25 providing for such classification;

1 “(D) the name of the employer and any
2 other name used by the employer to conduct
3 business; and

4 “(E) the physical address of and telephone
5 number for the employer’s main office or prin-
6 cipal place of business, and a mailing address
7 for such office or place of business if the mail-
8 ing address is different than the physical ad-
9 dress.

10 “(b) PAYSTUBS.—

11 “(1) IN GENERAL.—Every employer shall pro-
12 vide each employee of such employer who in any
13 workweek is engaged in commerce or in the produc-
14 tion of goods for commerce, or is employed in an en-
15 terprise engaged in commerce or in the production
16 of goods for commerce, a paystub that corresponds
17 to work performed by the employee during the appli-
18 cable pay period and contains the information re-
19 quired under paragraph (3) in any form provided
20 under paragraph (2).

21 “(2) FORMS.—A paystub required under this
22 subsection shall be a written statement and may be
23 provided in any of the following forms:

1 “(A) As a separate document accom-
2 panying any payment to an employee for work
3 performed during the applicable pay period.

4 “(B) In the case of an employee who re-
5 ceives paychecks from the employer, as a de-
6 tachable statement accompanying each pay-
7 check.

8 “(C) As a digital document provided
9 through electronic communication, subject to
10 the employee affirmatively consenting to receive
11 the paystubs in this form.

12 “(3) CONTENTS.—Each paystub shall contain
13 all of the following information:

14 “(A) The name of the employee.

15 “(B) Except in the case of an employee
16 who is exclusively paid a salary and is exempt
17 from the overtime requirements of section 7,
18 the total number of hours worked by the em-
19 ployee, including the number of hours worked
20 per workweek, during the applicable pay period.

21 “(C) The total gross and net wages paid,
22 and, except in the case of an employee who is
23 exclusively paid a salary and is exempt from the
24 overtime requirements of section 7, the rate of

1 pay for each hour worked during the applicable
2 pay period.

3 “(D) In the case of an employee who is
4 paid any salary, the amount of any salary paid
5 during the applicable pay period.

6 “(E) In the case of an employee employed
7 at piece rates, the number of piece rate units
8 earned, the applicable piece rates, and the total
9 amount paid to the employee per workweek for
10 the applicable pay period in accordance with
11 such piece rates.

12 “(F) The rate of pay per workweek of the
13 employee during the applicable pay period and
14 an explanation of the basis for such rate.

15 “(G) The number of overtime hours per
16 workweek worked by the employee during the
17 applicable pay period and the compensation re-
18 quired under section 7 that is provided to the
19 employee for such hours.

20 “(H) Any additional compensation pro-
21 vided to the employee during the applicable pay
22 period, with an explanation of each type of com-
23 pensation, including any allowances or reim-
24 bursements such as amounts related to meals,
25 clothing, lodging, or any other item, and any

1 cost to the employee associated with such allow-
2 ance or reimbursements.

3 “(I) Itemized deductions from the gross in-
4 come of the employee during the applicable pay
5 period, and an explanation for each deduction.

6 “(J) The date that is the beginning of the
7 applicable pay period and the date that is the
8 end of such applicable pay period.

9 “(K) The name of the employer and any
10 other name used by the employer to conduct
11 business.

12 “(L) The name and phone number of a
13 representative of the employer for contact pur-
14 poses.

15 “(M) Any additional information that the
16 Secretary reasonably requires to be included
17 through notice and comment rulemaking.

18 “(c) FINAL PAYMENTS.—

19 “(1) IN GENERAL.—Not later than 14 days
20 after an individual described in paragraph (4) termi-
21 nates employment with an employer (by action of
22 the employer or the individual), or on the date on
23 which such employer pays other employees for the
24 pay period during which the individual so terminates
25 such employment, whichever date is earlier, the em-

1 ployer shall provide the individual with a final pay-
2 ment, which includes all compensation due to such
3 individual for all time worked and benefits incurred
4 (including retirement, health, leave, fringe, and
5 other benefits) by the individual as an employee for
6 the employer.

7 “(2) CONTINUING WAGES.—An employer who
8 violates the requirement under paragraph (1) shall,
9 for each day, not to exceed 30 days, of such violation
10 provide the individual described in paragraph (4)
11 with compensation at a rate that is equal to the reg-
12 ular rate of compensation, as determined under this
13 Act, to which such individual was entitled when such
14 individual was an employee of such employer.

15 “(3) LIMITATION.—Notwithstanding para-
16 graphs (1) and (2), any individual described in para-
17 graph (4) who intentionally avoids receiving a final
18 payment described in paragraph (1), or who refuses
19 to receive the final payment when fully tendered, re-
20 sulting in the employer violating the requirement
21 under such paragraph, shall not be entitled to the
22 compensation provided under paragraph (2) for the
23 time during which the individual so avoids final pay-
24 ment or refuses to receive the final payment.

1 “(4) INDIVIDUAL.—An individual described in
2 this paragraph is an individual who was employed by
3 the employer, and through such employment, in any
4 workweek, was engaged in commerce or in the pro-
5 duction of goods for commerce, or was employed in
6 an enterprise engaged in commerce or in the produc-
7 tion of goods for commerce.”.

8 **SEC. 102. RIGHT TO FULL COMPENSATION.**

9 (a) IN GENERAL.—The Fair Labor Standards Act of
10 1938 is amended by inserting after section 7 (29 U.S.C.
11 207) the following:

12 **“SEC. 8. RIGHT TO FULL COMPENSATION.**

13 “(a) IN GENERAL.—In the case of an employment
14 contract or other employment agreement, including a col-
15 lective bargaining agreement, that specifies that an em-
16 ployer shall compensate an employee (who is described in
17 subsection (b)) at a rate that is higher than the rate other-
18 wise required under this Act, the employer shall com-
19 pensate such employee at the rate specified in such con-
20 tract or other employment agreement.

21 “(b) EMPLOYEE ENGAGED IN COMMERCE.—The re-
22 quirement under subsection (a) shall apply with respect
23 to any employee who in any workweek is engaged in com-
24 merce or in the production of goods for commerce, or is

1 employed in an enterprise engaged in commerce or in the
2 production of goods for commerce.”.

3 (b) CONFORMING AMENDMENT.—The Fair Labor
4 Standards Act of 1938 is amended by repealing section
5 10 (29 U.S.C. 210).

6 **SEC. 103. CIVIL AND CRIMINAL ENFORCEMENT.**

7 (a) PROHIBITED ACTS.—Section 15(a) of the Fair
8 Labor Standards Act of 1938 (29 U.S.C. 215(a)) is
9 amended—

10 (1) in paragraph (1), by striking “section 6 or
11 section 7” and inserting “section 6, 7, or 8”; and

12 (2) in paragraph (2), by striking “section 6 or
13 section 7” and inserting “section 5, 6, 7, or 8”.

14 (b) DAMAGES.—The Fair Labor Standards Act of
15 1938 (29 U.S.C. 201 et seq.) is amended—

16 (1) in section 4(f) (29 U.S.C. 204(f)), in the
17 third sentence, by striking “for unpaid minimum
18 wages, or unpaid overtime compensation, and liq-
19 uidated damages” and inserting “for unpaid wages,
20 or unpaid overtime compensation, as well as interest
21 and liquidated damages,”;

22 (2) in section 6(d)(3) (29 U.S.C. 206(d)(3)), by
23 striking “minimum”;

24 (3) in section 16 (29 U.S.C. 216)—

25 (A) in subsection (b)—

1 (i) by striking “section 6 or section 7”
2 each place it appears and inserting “sec-
3 tion 6, 7, or 8”;

4 (ii) by striking “minimum” each place
5 it appears;

6 (iii) in the first sentence, by striking
7 “and in an additional equal amount as liq-
8 uidated damages” and inserting “, the
9 amount of any interest on such unpaid
10 wages or unpaid overtime compensation ac-
11 crued at the prevailing rate, and an addi-
12 tional amount as liquidated damages that
13 is equal to (subject to the second sentence
14 of this subsection) 2 times such amount of
15 unpaid wages or unpaid overtime com-
16 pensation”;

17 (iv) in the second sentence, by strik-
18 ing “wages lost and an additional equal
19 amount as liquidated damages” and insert-
20 ing “wages lost, including any unpaid
21 wages or any unpaid overtime compensa-
22 tion, the amount of any interest on such
23 wages lost accrued at the prevailing rate,
24 and an additional amount as liquidated

1 damages that is equal to 3 times the
2 amount of such wages lost”;

3 (v) by striking the fifth sentence; and

4 (vi) by adding at the end the fol-
5 lowing: “Notwithstanding chapter 1 of title
6 9, United States Code (commonly known
7 as the ‘Federal Arbitration Act’), or any
8 other law, the right to bring an action, in-
9 cluding a joint, class, or collective claim, in
10 court under this section cannot be waived
11 by an employee as a condition of employ-
12 ment or in a predispute arbitration agree-
13 ment.”; and

14 (B) in subsection (c)—

15 (i) by striking “minimum” each place
16 the term appears;

17 (ii) in the first sentence—

18 (I) by striking “section 6 or 7”
19 and inserting “section 6, 7, or 8”; and

20 (II) by striking “and an addi-
21 tional equal amount as liquidated
22 damages” and inserting “, any inter-
23 est on such unpaid wages or unpaid
24 overtime compensation accrued at the
25 prevailing rate, and an additional

1 amount as liquidated damages that is
2 equal to (subject to the third sentence
3 of this subsection) 2 times such
4 amount of unpaid wages or unpaid
5 overtime compensation”;

6 (iii) in the second sentence, by strik-
7 ing “and an equal amount as liquidated
8 damages.” and inserting “, any interest on
9 such unpaid wages or unpaid overtime
10 compensation accrued at the prevailing
11 rate, and an additional amount as liq-
12 uidated damages that is equal to (subject
13 to the third sentence of this subsection) 2
14 times such amount of unpaid wages or un-
15 paid overtime compensation. In the event
16 that the employer violates section 15(a)(3),
17 the Secretary may bring an action in any
18 court of competent jurisdiction to recover
19 the amount of any wages lost, including
20 any unpaid wages or any unpaid overtime
21 compensation, any interest on such wages
22 lost accrued at the prevailing rate, an addi-
23 tional amount as liquidated damages that
24 is equal to 3 times the amount of such

1 wages lost, and any such legal or equitable
2 relief as may be appropriate.”; and

3 (iv) in the fourth sentence, by striking
4 “sections 6 and 7” and inserting “section
5 6, 7, or 8”; and

6 (4) in section 17 (29 U.S.C. 217), by striking
7 “minimum”.

8 (c) CIVIL FINES.—Section 16(e) of the Fair Labor
9 Standards Act of 1938 (29 U.S.C. 216(e)) is amended—
10 (1) by striking paragraph (2) and inserting the
11 following:

12 “(2)(A) Subject to subparagraph (B), any per-
13 son who violates section 6, 7, or 8, relating to wages,
14 shall be subject to a civil fine that is not to exceed
15 \$22,030 per each employee affected for each initial
16 violation of such section.

17 “(B) Any person who repeatedly or willfully vio-
18 lates section 6, 7, or 8, relating to wages, shall be
19 subject to a civil fine that is not to exceed \$110,150
20 per each employee affected for each such violation.

21 “(C) Any person who violates section
22 3(m)(2)(B) shall be subject to a civil penalty not to
23 exceed \$12,340 for each such violation, as the Sec-
24 retary determines appropriate, in addition to being
25 liable to the employee or employees affected for all

1 tips unlawfully kept, any interest on such wages lost
2 accrued at the prevailing rate, and an additional
3 amount as liquidated damages that is equal to 2
4 times the amount of such wages lost, as described in
5 subsection (b).”;

6 (2) by redesignating paragraphs (3), (4), and
7 (5) as paragraphs (5), (6), and (7), respectively; and
8 (3) by inserting after paragraph (2) the fol-
9 lowing:

10 “(3) Any person who violates subsection (a) or
11 (b) of section 5 shall—

12 “(A) for the initial violation of such sub-
13 section, be subject to a civil fine that is not to
14 exceed \$50 per each employee affected; and

15 “(B) for each repeated or willful violation
16 of such subsection, be subject to a civil fine that
17 is not to exceed \$100 per each employee af-
18 fected.

19 “(4) Any person who violates section 11(c)
20 shall—

21 “(A) for the initial violation, be subject to
22 a civil fine that is not to exceed \$1,000 per
23 each employee affected; and

1 “(B) for each repeated or willful violation,
2 be subject to a civil fine that is not to exceed
3 \$5,000 per each employee affected.”.

4 (d) CRIMINAL PENALTIES.—Section 16(a) of the
5 Fair Labor Standards Act of 1938 (29 U.S.C. 216(a)) is
6 amended—

7 (1) by striking “Any person” and inserting “(1)
8 Any person”;

9 (2) in the first sentence, by striking “\$10,000”
10 and inserting “\$10,000 per each employee affected”;

11 (3) in the second sentence, by striking “No per-
12 son” and inserting “Subject to paragraph (2), no
13 person”; and

14 (4) by adding at the end the following:

15 “(2)(A) Notwithstanding any other provision of
16 this Act, the Secretary shall refer any case involving
17 a covered offender described in subparagraph (B) to
18 the Department of Justice for prosecution.

19 “(B) A covered offender described in this sub-
20 paragraph is a person who willfully violates each of
21 the following:

22 “(i) Section 11(c) by falsifying any records
23 described in such section.

24 “(ii) Section 6, 7, or 8, relating to wages.

25 “(iii) Section 15(a)(3).”.

1 **SEC. 104. RECORDKEEPING.**

2 (a) IN GENERAL.—Section 11(c) of the Fair Labor
3 Standards Act of 1938 (29 U.S.C. 211(c)) is amended by
4 adding at the end the following: “In the event that an em-
5 ployee requests an inspection of the records described in
6 this subsection that pertain to such employee from the em-
7 ployer, orally or in writing, the employer shall provide the
8 employee with a copy of the records for a period of up
9 to 5 years prior to such request being made. Not later
10 than 21 days after an employee requests such an inspec-
11 tion, the employer shall comply with the request.”.

12 (b) REBUTTABLE PRESUMPTION.—Section 15 of the
13 Fair Labor Standards Act of 1938 (29 U.S.C. 215) is
14 amended by adding at the end the following:

15 “(c) In the event that an employer violates section
16 11(c) and any regulations issued pursuant to such section,
17 resulting in a lack of a complete record of an employee’s
18 hours worked or wages owed, the employee’s production
19 of credible evidence and testimony regarding the amount
20 or extent of the work for which the employee was not com-
21 pensated in compliance with the requirements under this
22 Act shall be sufficient to create a rebuttable presumption
23 that the employee’s records are accurate. Such presump-
24 tion shall be rebutted only if the employer produces evi-
25 dence of the precise amount or extent of work performed

1 or evidence to show that the inference drawn from the em-
2 ployee's evidence is not reasonable.”.

3 **TITLE II—AMENDMENTS TO THE**
4 **PORTAL-TO-PORTAL ACT OF 1947**

5 **SEC. 201. INCREASING AND TOLLING STATUTE OF LIMITA-**
6 **TIONS.**

7 Section 6 of the Portal-to-Portal Act of 1947 (29
8 U.S.C. 255) is amended—

9 (1) in the matter preceding subsection (a), by
10 striking “minimum”;

11 (2) in subsection (a)—

12 (A) by striking “may be commenced within
13 two years” and inserting “may be commenced
14 within 4 years”;

15 (B) by striking “unless commenced within
16 two years” and inserting “unless commenced
17 within 4 years”; and

18 (C) by striking “may be commenced within
19 three years” and inserting “may be commenced
20 within 5 years”;

21 (3) in subsection (d), by striking the period and
22 inserting “; and”; and

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

24 “(e) with respect to the running of any statutory pe-
25 riod of limitation described in this section, the running

1 of such statutory period shall be deemed suspended during
2 the period beginning on the date on which the Secretary
3 of Labor notifies an employer of an initiation of an inves-
4 tigation or enforcement action and ending on the date on
5 which the Secretary notifies the employer that the matter
6 has been officially resolved by the Secretary.”.

7 **TITLE III—WAGE THEFT PRE-**
8 **VENTION AND WAGE RECOV-**
9 **ERY GRANT PROGRAM**

10 **SEC. 301. DEFINITIONS.**

11 In this title:

12 (1) ADMINISTRATOR.—The term “Adminis-
13 trator” means the Administrator of the Wage and
14 Hour Division of the Department of Labor.

15 (2) COMMUNITY PARTNER.—The term “com-
16 munity partner” means any stakeholder with a com-
17 mitment to enforcing wage and hour laws and pre-
18 venting abuses of such laws, including any—

19 (A) State department of labor;

20 (B) attorney general of a State, or other
21 similar authorized official of a political subdivi-
22 sion thereof;

23 (C) law enforcement agency;

24 (D) consulate;

1 (E) employee or advocate of employees, in-
2 cluding a labor organization, community- and
3 faith-based organization, business association,
4 or nonprofit legal aid organization;

5 (F) academic institution that plans, coordi-
6 nates, and implements programs and activities
7 to prevent wage and hour violations and recover
8 unpaid wages, damages, and penalties; or

9 (G) any municipal agency responsible for
10 the enforcement of local wage and hour laws.

11 (3) COMMUNITY PARTNERSHIP.—The term
12 “community partnership” means a partnership be-
13 tween—

14 (A) a working group consisting of commu-
15 nity partners; and

16 (B) the Department of Labor.

17 (4) ELIGIBLE ENTITY.—The term “eligible enti-
18 ty” means an entity that is any of the following:

19 (A) A nonprofit organization, including
20 such an organization that is a community-based
21 organization, faith-based organization, or labor
22 organization, that provides services and support
23 to employees, including assisting such employ-
24 ees in recovering unpaid wages.

25 (B) An employer.

1 (C) A business association.

2 (D) An institution of higher education, as
3 defined by section 101 of the Higher Education
4 Act of 1965 (20 U.S.C. 1001).

5 (E) A partnership between any of the enti-
6 ties described in subparagraphs (A) through
7 (D).

8 (5) EMPLOY; EMPLOYEE; EMPLOYER.—The
9 terms “employ”, “employee”, and “employer” have
10 the meanings given such terms in section 3 of the
11 Fair Labor Standards Act of 1938 (29 U.S.C. 203).

12 (6) SECRETARY.—The term “Secretary” means
13 the Secretary of Labor.

14 (7) STRATEGIC ENFORCEMENT.—The term
15 “strategic enforcement” means the process by which
16 the Secretary—

17 (A) targets highly noncompliant industries,
18 as identified by the Secretary, using industry-
19 specific structures to influence, and ultimately
20 reform, networks of interconnected employers;

21 (B) analyzes regulatory regimes under
22 which specific industries operate; and

23 (C) modifies the enforcement approach of
24 such regulatory regimes in order to ensure the
25 greatest impact.

1 (8) WAGE AND HOUR LAW.—The term “wage
2 and hour law” means any Federal law enforced by
3 the Wage and Hour Division of the Department of
4 Labor, including any provision of this Act enforced
5 by such division.

6 (9) WAGE AND HOUR VIOLATION.—The term
7 “wage and hour violation” refers to any violation of
8 a Federal law enforced by the Wage and Hour Divi-
9 sion of the Department of Labor, including any pro-
10 vision of this Act enforced by such division.

11 **SEC. 302. WAGE THEFT PREVENTION AND WAGE RECOVERY**
12 **GRANT PROGRAM.**

13 (a) IN GENERAL.—The Secretary, acting through the
14 Administrator, shall provide grants to eligible entities to
15 assist such entities in enhancing the enforcement of wage
16 and hour laws, in accordance with this section and con-
17 sistent with the purposes of this Act.

18 (b) GRANTS.—A grant provided under this section
19 shall be designed to—

20 (1) support an eligible entity in establishing
21 and supporting the activities described in subsection
22 (c)(1); and

23 (2) develop community partnerships to expand
24 and improve cooperative efforts between enforcement
25 agencies and members of the community to—

1 (A) prevent and reduce wage and hour vio-
2 lations; and

3 (B) assist employees in recovering back
4 pay for any such violations.

5 (c) USE OF FUNDS.—

6 (1) PERMISSIBLE ACTIVITIES.—The grants de-
7 scribed in this section shall assist eligible entities in
8 establishing and supporting activities that include—

9 (A) disseminating information and con-
10 ducting outreach and training to educate em-
11 ployees about their rights under wage and hour
12 laws;

13 (B) conducting educational training for
14 employers about their obligations under wage
15 and hour laws;

16 (C) conducting orientations and trainings
17 jointly with officials of the Wage and Hour Di-
18 vision of the Department of Labor;

19 (D) providing assistance to employees in
20 filing claims of wage and hour violations;

21 (E) assisting enforcement agencies in con-
22 ducting investigations, including in the collec-
23 tion of evidence and recovering back pay;

24 (F) monitoring compliance with wage and
25 hour laws;

1 (G) performing joint visitations to work-
2 sites that violate wage and hour laws with offi-
3 cials from the Wage and Hour Division of the
4 Department of Labor;

5 (H) establishing networks for education,
6 communication, and participation in the work-
7 place and community;

8 (I) evaluating the effectiveness of pro-
9 grams designed to prevent wage and hour viola-
10 tions and enforce wage and hour laws;

11 (J) recruiting and hiring of staff and vol-
12 unteers;

13 (K) production and dissemination of out-
14 reach and training materials; and

15 (L) any other activities as the Secretary
16 may reasonably prescribe through notice and
17 comment rulemaking.

18 (2) PROHIBITED ACTIVITIES.—Notwithstanding
19 paragraph (1), an eligible entity receiving a grant
20 under this section may not use the grant funds for
21 any purpose reasonably prohibited by the Secretary
22 through notice and comment rulemaking.

23 (d) TERM OF GRANTS.—Each grant made under this
24 section shall be available for expenditure for a period that
25 is not to exceed 3 years.

1 (e) APPLICATIONS.—

2 (1) IN GENERAL.—An eligible entity seeking a
3 grant under this section shall submit an application
4 for such grant to the Secretary in accordance with
5 this subsection.

6 (2) PARTNERSHIPS.—In the case of an eligible
7 entity that is a partnership described in section
8 301(4)(E), the eligible entity may submit a joint ap-
9 plication that designates a single entity as the lead
10 entity for purposes of receiving and disbursing
11 funds.

12 (3) CONTENTS.—An application under this sub-
13 section shall include—

14 (A) a description of a plan for the program
15 that the eligible entity proposes to carry out
16 with a grant under this section, including a
17 long-term strategy and detailed implementation
18 plan that reflects expected participation of, and
19 partnership with, community partners;

20 (B) information on the prevalence of wage
21 and hour violations in each community or State
22 of the eligible entity;

23 (C) information on any industry or geo-
24 graphic area targeted by the plan for such pro-
25 gram;

1 (D) information on the type of outreach
2 and relationship building that will be conducted
3 under such program;

4 (E) information on the training and edu-
5 cation that will be provided to employees and
6 employers under such program; and

7 (F) the method by which the eligible entity
8 will measure results of such program.

9 (f) SELECTION.—

10 (1) COMPETITIVE BASIS.—In accordance with
11 this subsection, the Secretary shall, on a competitive
12 basis, select grant recipients from among eligible en-
13 tities that have submitted an application under sub-
14 section (e).

15 (2) PRIORITY.—In selecting grant recipients
16 under paragraph (1), the Secretary shall give pri-
17 ority to eligible entities that—

18 (A) serve employees in any industry or ge-
19 ographic area that is most highly at risk for
20 noncompliance with wage and hour violations,
21 as identified by the Secretary; and

22 (B) demonstrate past and ongoing work to
23 prevent wage and hour violations or to recover
24 unpaid wages.

1 (3) OTHER CONSIDERATIONS.—In selecting
2 grant recipients under paragraph (1), the Secretary
3 shall also consider—

4 (A) the prevalence of ongoing community
5 support for each eligible entity, including finan-
6 cial and other contributions; and

7 (B) the eligible entity’s past and ongoing
8 partnerships with other organizations.

9 (g) MEMORANDA OF UNDERSTANDING.—

10 (1) IN GENERAL.—Not later than 60 days after
11 receiving a grant under this section, the grant recipi-
12 ent shall negotiate and finalize with the Secretary a
13 memorandum of understanding that sets forth spe-
14 cific goals, objectives, strategies, and activities that
15 will be carried out under the grant by such recipient
16 through a community partnership.

17 (2) SIGNATURES.—A representative of the
18 grant recipient (or, in the case of a grant recipient
19 that is an eligible entity described in section
20 301(4)(E), a representative of each entity that
21 composes the grant recipient) and the Secretary
22 shall sign the memorandum of understanding under
23 this subsection.

24 (3) REVISIONS.—The memorandum of under-
25 standing under this subsection shall be reviewed and

1 revised by the grant recipient and the Secretary each
2 year of the duration of the grant.

3 (h) PERFORMANCE EVALUATIONS.—

4 (1) IN GENERAL.—Each grant recipient under
5 this section shall develop procedures for reporting,
6 monitoring, measuring, and evaluating the activities
7 of each program or project funded under this sec-
8 tion.

9 (2) GUIDELINES.—The procedures required
10 under paragraph (1) shall be in accordance with
11 guidelines established by the Secretary.

12 (i) REVOCATION OR SUSPENSION OF FUNDING.—If
13 the Secretary determines that a recipient of a grant under
14 this section is not in compliance with the terms and re-
15 quirements of the memorandum of understanding under
16 subsection (g), the Secretary may revoke or suspend (in
17 whole or in part) the funding of the grant.

18 (j) USE OF COMPONENTS.—In addition to the Wage
19 and Hour Division, the Secretary (acting through the Ad-
20 ministrator) may use any division or agency of the Depart-
21 ment of Labor in carrying out this title.

22 **SEC. 303. GAO STUDY.**

23 (a) IN GENERAL.—The Comptroller General of the
24 United States shall conduct a study to identify successful
25 programs carried out by grants under section 302, and

1 the elements, policies, or procedures of such programs that
2 can be replicated by other programs carried out by grants
3 under such section.

4 (b) REPORT.—Not later than 3 years after the date
5 of enactment of this Act, the Comptroller General of the
6 United States shall submit a report to the Secretary and
7 Congress containing the results of the study conducted
8 under subsection (a).

9 (c) USE OF INFORMATION.—The Secretary shall use
10 information contained in the report submitted under sub-
11 section (b)—

12 (1) to improve the quality of community part-
13 nership programs assisted or carried out under this
14 title that are in existence as of the publication of the
15 report; and

16 (2) to develop models for new community part-
17 nership programs to be assisted or carried out under
18 this title.

19 **SEC. 304. AUTHORIZATION OF APPROPRIATIONS.**

20 There is authorized to be appropriated \$50,000,000
21 for fiscal year 2026 and for each subsequent fiscal year
22 through fiscal year 2029, to remain available until ex-
23 pended, to carry out the grant program under section 302.

1 **TITLE IV—REGULATIONS AND**
2 **EFFECTIVE DATE**

3 **SEC. 401. REGULATIONS.**

4 Not later than 18 months after the date of enactment
5 of this Act, the Secretary of Labor shall promulgate such
6 regulations as are necessary to carry out this Act, and
7 the amendments made by this Act.

8 **SEC. 402. EFFECTIVE DATE.**

9 The amendments made by titles I and II shall take
10 effect on the date that is the earlier of—

11 (1) the date that is 6 months after the date on
12 which the final regulations are promulgated by the
13 Secretary of Labor under section 401; and

14 (2) the date that is 18 months after the date
15 of enactment of this Act.

