

OPERATION OF CENTERS

SEC. 214. (a) For the establishment and operation of Residential Skill Centers the Commissioner shall enter into contracts with the State or with a political subdivision of a State, or with a public or private, nonprofit agency or organization.

(b) The Commissioner shall encourage States and political subdivisions to enter into reciprocal agreements or joint contracts for operation of centers under this part where such agreements would be desirable.

(c) Each such contract shall contain provisions to insure that the State or States, political subdivision of subdivisions, and public or private, nonprofit agency or organization which is to operate a center (hereinafter referred to as the "Skill Center Contractor") will meet the requirements of this part.

(d) The Commissioner is authorized to pay 100 per centum of the costs of contracts under this part until July 1, 1970, and after such date the Commissioner shall pay such portion of the costs of such contracts as he deems necessary.

SEC. 215. (a) Except as otherwise specifically provided in this part, a trainee in a Residential Skill Center shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(b) Trainees shall be deemed to be employees of the United States for the purpose of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.), and of title II of the Social Security Act (42 U.S.C. 401 et seq.), and any service performed by an individual as such a trainee shall be deemed for such purposes to be performed in the employ of the United States.

(c) (1) Trainees under this part shall, for the purposes of the administration of the Federal Employees' Compensation Act (5 U.S.C. 751 et seq.), be deemed to be civil employee of the United States within the meaning of the term "employee" as defined in section 40 of such Act (5 U.S.C. 790) and the provisions thereof shall apply except as hereinafter provided.

(2) For purposes of this subsection:

(A) The term "performance of duty" in the Federal Employees' Compensation Act shall not include any act of a trainee while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction or supervision of the Skill Center Contractor.

(B) In computing compensation benefits for disability or death under the Federal Employees' Compensation Act, the monthly pay of a trainee shall be deemed to be \$150, except that with respect to compensation for disability accruing after the individual concerned reaches the age of twenty-one, such monthly pay shall be deemed to be that received under the entrance salary for GS-2 under the Classification Act of 1949 (5 U.S.C. 1071 et seq.), and section 6(d) (1) of the former Act (5 U.S.C. 756(d) (1)) shall apply to trainees.

(C) Compensation for disability shall not begin to accrue until the day following the date on which the injured trainee's participation in the program is terminated.

(d) A trainee shall be deemed to be an employee of the Government for the purposes of the Federal tort claims provisions of title 23, United States Code.

ALLOWANCE AND MAINTENANCE

SEC. 216. (a) Each trainee shall be provided by the Skill Center Contractor with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital and other health services, and other expenses as the Commissioner may deem necessary or appropriate for his needs. The Skill Center Contractor should graduate living allotments in a manner which will provide monetary incentive for excellent and exceptional achievement. Reasonable transportation and travel allowances may also be provided, in such circumstances as the Commissioner may determine, for applicants for admission to a Residential Skill Center to or from the Center, and for former trainees from the Center to their homes, provided that travel arrangements and expenses are as economical as possible consistent with the circumstances and shall not be more