

115TH CONGRESS
1ST SESSION

H. R. 2249

To authorize a State or a portion of a State to conduct a demonstration project designed to test methods of program integration and coordination of services with the goals of moving individuals and families towards self-sufficiency, reducing welfare dependence, and increasing work and earnings.

IN THE HOUSE OF REPRESENTATIVES

APRIL 28, 2017

Mr. REED (for himself, Mr. BYRNE, Mr. KELLY of Pennsylvania, Mr. PITTINGER, and Mr. COFFMAN) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Agriculture, Financial Services, Education and the Workforce, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To authorize a State or a portion of a State to conduct a demonstration project designed to test methods of program integration and coordination of services with the goals of moving individuals and families towards self-sufficiency, reducing welfare dependence, and increasing work and earnings.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Help Americans in
3 Need Develop their Ultimate Potential Act” or the
4 “HAND UP Act”.

5 **SEC. 2. PROGRAM COORDINATION DEMONSTRATION**
6 **PROJECTS.**

7 (a) PURPOSE.—The purpose of this section is to es-
8 tablish a program of demonstration projects in a State or
9 portion of a State to provide supports to individuals and
10 families with the goal of moving them towards self-suffi-
11 ciency, reducing welfare dependence, and increasing work
12 and earnings by testing methods of program integration
13 and coordination of services which will result in more ef-
14 fective service delivery and better outcomes for recipients.

15 (b) DEFINITIONS.—In this section:

16 (1) ADMINISTERING SECRETARY.—The term
17 “administering Secretary” means, with respect to a
18 qualified program, the head of the Federal agency
19 responsible for administering the program.

20 (2) QUALIFIED PROGRAM.—The term “qualified
21 program” means—

22 (A) a program under part A of title IV of
23 the Social Security Act;

24 (B) the program under title XX of the So-
25 cial Security Act;

1 (C) activities funded under titles I and II
2 of the Workforce Innovation and Opportunity
3 Act (29 U.S.C. 3101 et seq.);

4 (D) activities funded under the United
5 States Housing Act of 1937 (42 U.S.C. 1437 et
6 seq.), except that such term shall not include
7 the program under section 7 of such Act (42
8 U.S.C. 1437e) for designating public housing
9 for occupancy by certain populations;

10 (E) the supplemental nutrition assistance
11 program as defined in section 3 of the Food
12 and Nutrition Act of 2008 (7 U.S.C. 2012); or

13 (F) the Medicaid program under title XIX
14 of the Social Security Act (42 U.S.C. 1396 et
15 seq.).

16 (c) APPLICATION REQUIREMENTS.—The head of a
17 State entity or of a sub-State entity administering 2 or
18 more qualified programs proposed to be included in a dem-
19 onstration project under this section shall (or, if the
20 project is proposed to include qualified programs adminis-
21 tered by 2 or more such entities, the heads of the admin-
22 istering entities (each of whom shall be considered an ap-
23 plicant for purposes of this section) shall jointly) submit
24 to the administering Secretary an application that con-
25 tains the following:

1 (1) PROGRAMS INCLUDED.—A statement identi-
2 fying each qualified program to be included in the
3 project, and describing how the purposes of each
4 such program will be achieved by the project.

5 (2) POPULATION SERVED.—A statement identi-
6 fying the population to be served by the project and
7 specifying the eligibility criteria to be used.

8 (3) DESCRIPTION AND JUSTIFICATION.—A de-
9 tailed description of the project, including—

10 (A) a description of how the project is ex-
11 pected to improve or enhance achievement of
12 the purposes of the programs to be included in
13 the project, from the standpoint of quality, of
14 cost-effectiveness, or of both;

15 (B) a description of the performance objec-
16 tives for the project, including any proposed
17 modifications to the performance measures and
18 reporting requirements used in the programs;

19 (C) a description of how the project will
20 achieve the goal of moving recipients to self-suf-
21 ficiency; and

22 (D) the length of time a project will last.

23 (4) WAIVERS REQUESTED.—A description of
24 the statutory and regulatory requirements with re-
25 spect to which a waiver is requested in order to

1 carry out the project, and a justification of the need
2 for each such waiver.

3 (5) COST LIMITATION.—Such information and
4 assurances as necessary to establish to the satisfac-
5 tion of the administering Secretary, in consultation
6 with the Director of the Office of Management and
7 Budget, that the proposed project is reasonably ex-
8 pected to meet the applicable cost limitation require-
9 ments of subsection (d)(4).

10 (6) USE OF CERTAIN SAVINGS.—

11 (A) IN GENERAL.—If the State or sub-
12 State entity desires to use not more than $\frac{1}{2}$ of
13 the savings to be realized from carrying out the
14 proposed project in a fiscal year, to meet 1 or
15 more requirements imposed by or under a Fed-
16 eral law pertaining to education, a description
17 of how the State or sub-State entity will so use
18 that portion of the savings.

19 (B) DEFINITIONS.—In this paragraph:

20 (i) SAVINGS.—The term “savings”
21 means, with respect to a proposed project
22 and a fiscal year, the amount (if any) by
23 which—

24 (I) the total of the amount that
25 would be payable by the Federal Gov-

1 ernment for the fiscal year with re-
2 spect to the affected programs in the
3 State in which the applicant is lo-
4 cated, if the proposed project were not
5 conducted, as determined by the Di-
6 rector of the Office of Management
7 and Budget; exceeds

8 (II) the total of the amounts that
9 would be payable by the Federal Gov-
10 ernment for the fiscal year with re-
11 spect to the programs if the proposed
12 project were conducted (as so deter-
13 mined).

14 (ii) AFFECTED PROGRAMS.—The term
15 “affected programs” means, with respect
16 to a proposed project, the programs that
17 would be affected if the proposed project
18 were conducted.

19 (7) EVALUATION AND REPORTS.—An assurance
20 that the applicant will—

21 (A) obtain an evaluation by an independent
22 contractor of the extent to which the project is
23 meeting the purposes of this section, using an
24 evaluation design that, to the maximum extent
25 feasible, includes random assignment of clients

1 (or entities serving clients) to service delivery
2 and control groups; and

3 (B) make an interim report and a final re-
4 port to the administering Secretary, in such
5 manner as the administering Secretary may re-
6 quire, and implement such data systems as are
7 necessary for the reports to be so made.

8 (8) PUBLIC HOUSING AGENCY PLAN.—In the
9 case of an application proposing a demonstration
10 project that includes activities referred to in sub-
11 section (b)(2)(D) of this section—

12 (A) a certification that the applicable an-
13 nual public housing agency plan of any agency
14 affected by the project that is approved under
15 section 5A of the United States Housing Act of
16 1937 (42 U.S.C. 1437c–1) by the Secretary of
17 Housing and Urban Development includes the
18 information specified in paragraphs (1) through
19 (4) of this subsection; and

20 (B) any resident advisory board rec-
21 ommendations, and other information, relating
22 to the project that, pursuant to section
23 5A(e)(2) of the United States Housing Act of
24 1937 (42 U.S.C. 1437c–1(e)(2)), is required to
25 be included in the public housing agency plan of

1 any public housing agency affected by the
2 project.

3 (9) OTHER INFORMATION AND ASSURANCES.—

4 Such other information and assurances as the ad-
5 ministering Secretary may require.

6 (d) APPROVAL OF APPLICATION.—

7 (1) IN GENERAL.—The administering Secretary
8 with respect to a qualified program that is identified
9 in an application submitted pursuant to subsection
10 (c) shall approve the application and, except as pro-
11 vided in paragraph (2), waive any requirement appli-
12 cable to the program, to the extent consistent with
13 this section and necessary and appropriate for the
14 conduct of the demonstration project proposed in the
15 application if the administering Secretary determines
16 that the project—

17 (A) has a reasonable likelihood of achieving
18 the objectives of the programs to be included in
19 the project;

20 (B) may reasonably be expected to meet
21 the applicable cost limitation requirements of
22 paragraph (4), as determined by the Director of
23 the Office of Management and Budget; and

24 (C) includes the coordination of 2 or more
25 qualified programs.

1 (2) PROVISIONS EXCLUDED FROM WAIVER AU-
2 THORITY.—A waiver shall not be granted under
3 paragraph (1)—

4 (A) with respect to any provision of law re-
5 lating to—

6 (i) civil rights or prohibition of dis-
7 crimination;

8 (ii) purposes or goals of any program;

9 (iii) maintenance of effort require-
10 ments;

11 (iv) health or safety;

12 (v) wage and hour requirements under
13 sections 6 and 7 of the Fair Labor Stand-
14 ards Act of 1938 (29 U.S.C. 206; 207); or

15 (vi) environmental protection;

16 (B) with respect to any work requirement
17 imposed pursuant to section 407 of the Social
18 Security Act;

19 (C) with respect to section 241(a) of the
20 Adult Education and Family Literacy Act (29
21 U.S.C. 3331(a));

22 (D) in the case of a program under the
23 United States Housing Act of 1937 (42 U.S.C.
24 1437 et seq.), with respect to any requirement
25 under section 5A of such Act (42 U.S.C.

1 1437c-1; relating to public housing agency
2 plans and resident advisory boards);

3 (E) in the case of a program under the
4 Workforce Innovation and Opportunity Act (29
5 U.S.C. 3101 et seq.), with respect to any re-
6 quirement the waiver of which would violate
7 section 189(i)(3)(A)(i) of such Act (29 U.S.C.
8 3249(i)(3)(A)(i));

9 (F) in the case of the supplemental nutri-
10 tion assistance program (as defined in section 3
11 of the Food and Nutrition Act of 2008 (7
12 U.S.C. 2012)), with respect to any requirement
13 under—

14 (i) section 6 (if waiving a requirement
15 under such section would have the effect of
16 expanding eligibility for the program), 7(b)
17 or 16(c) of such Act (7 U.S.C. 2011 et
18 seq.); or

19 (ii) title IV of the Personal Responsi-
20 bility and Work Opportunity Reconciliation
21 Act of 1996 (8 U.S.C. 1601 et seq.);

22 (G) with respect to any requirement that a
23 State pass through to a sub-State entity part or
24 all of an amount paid to the State;

1 (H) if the waiver would waive any funding
2 restriction or limitation provided in an appro-
3 priations Act, or would have the effect of trans-
4 ferring appropriated funds from 1 appropria-
5 tions account to another; or

6 (I) except as otherwise provided by statute,
7 if the waiver would waive any funding restric-
8 tion applicable to a program authorized under
9 an Act which is not an appropriations Act (but
10 not including program requirements such as ap-
11 plication procedures, performance standards,
12 reporting requirements, or eligibility standards),
13 or would have the effect of transferring funds
14 from a program for which there is direct spend-
15 ing (as defined in section 250(c)(8) of the Bal-
16 anced Budget and Emergency Deficit Control
17 Act of 1985) to another program.

18 (3) AGREEMENT OF EACH ADMINISTERING SEC-
19 RETARY REQUIRED.—

20 (A) IN GENERAL.—An applicant may not
21 conduct a demonstration project under this sec-
22 tion unless each administering Secretary with
23 respect to any program proposed to be included
24 in the project has approved the application to
25 conduct the project.

1 (B) AGREEMENT WITH RESPECT TO FUND-
2 ING AND IMPLEMENTATION.—Before approving
3 an application to conduct a demonstration
4 project under this section, an administering
5 Secretary shall have in place an agreement with
6 the applicant with respect to the payment of
7 funds and responsibilities of the administering
8 Secretary with respect to the project.

9 (4) COST LIMITATION REQUIREMENT.—

10 (A) GENERAL RULE.—Notwithstanding
11 any other provision of law (except subparagraph
12 (B)), the total of the amounts that may be paid
13 by the Federal Government for a fiscal year
14 with respect to the programs in the State in
15 which an entity conducting a demonstration
16 project under this section is located that are af-
17 fected by the project shall not exceed the esti-
18 mated total amount that the Federal Govern-
19 ment would have paid for the fiscal year with
20 respect to the programs if the project had not
21 been conducted, as determined by the Director
22 of the Office of Management and Budget.

23 (B) SPECIAL RULE.—If an applicant sub-
24 mits to the Director of the Office of Manage-
25 ment and Budget a request to apply the rules

1 of this subparagraph to the programs in the
2 State in which the applicant is located that are
3 affected by a demonstration project proposed in
4 an application submitted by the applicant pur-
5 suant to this section, during such period of not
6 more than 5 consecutive fiscal years in which
7 the project is in effect, and the Director deter-
8 mines, on the basis of supporting information
9 provided by the applicant, to grant the request,
10 then, notwithstanding any other provision of
11 law, the total of the amounts that may be paid
12 by the Federal Government for the period with
13 respect to the programs shall not exceed the es-
14 timated total amount that the Federal Govern-
15 ment would have paid for the period with re-
16 spect to the programs if the project had not
17 been conducted.

18 (5) 90-DAY APPROVAL DEADLINE.—

19 (A) IN GENERAL.—If an administering
20 Secretary receives an application to conduct a
21 demonstration project under this section and
22 does not disapprove the application within 90
23 days after the receipt, then—

24 (i) the administering Secretary is
25 deemed to have approved the application

1 for such period as is requested in the ap-
2 plication, except to the extent inconsistent
3 with subsection (e); and

4 (ii) any waiver requested in the appli-
5 cation which applies to a qualified program
6 that is identified in the application and is
7 administered by the administering Sec-
8 retary is deemed to be granted, except to
9 the extent inconsistent with paragraph (2)
10 or (4) of this subsection.

11 (B) DEADLINE EXTENDED IF ADDITIONAL
12 INFORMATION IS SOUGHT.—

13 (i) IN GENERAL.—The 90-day period
14 referred to in subparagraph (A) shall not
15 include any period that begins with the
16 date the administering Secretary requests
17 the applicant to provide additional infor-
18 mation with respect to the application and
19 ends with the date the additional informa-
20 tion is provided.

21 (ii) LIMITATION ON NUMBER OF RE-
22 QUESTS FOR ADDITIONAL INFORMATION.—
23 An administering Secretary may not make
24 more than 1 request for additional infor-

1 mation with respect to an application sub-
2 mitted pursuant to this section.

3 (iii) 1-YEAR LIMIT ON RESPONSE PE-
4 RIOD.—If 1 year has elapsed since the date
5 an administering Secretary made a request
6 to an applicant under this subparagraph
7 with respect to an application, and the ad-
8 ministering Secretary has not received
9 from the applicant a response to the re-
10 quest, the administering Secretary shall
11 immediately approve or disapprove the ap-
12 plication.

13 (6) RULE OF CONSTRUCTION.—Nothing in this
14 Act shall be construed to require the payment of the
15 minimum wage in effect under section 6 of the Fair
16 Labor Standards Act of 1938 (29 U.S.C. 206) to
17 any individual other than an employee of an em-
18 ployer subject to such section.

19 (7) DISAPPROVAL.—If an administering Sec-
20 retary disapproves an application submitted pursu-
21 ant to this section, the administering Secretary shall
22 include with the notice of disapproval an explanation
23 of the reasons for the disapproval with specific ref-
24 erence to the particular requirements of paragraph
25 (1) not met by the application.

1 (e) DURATION OF PROJECT.—A demonstration
2 project under this section may be approved for a term of
3 not more than 5 years.

4 (f) MODIFICATION OF PROJECT.—

5 (1) REQUEST FOR MODIFICATION.—An entity
6 conducting a demonstration project approved under
7 this section may submit to each administering Sec-
8 retary with respect to any program included in the
9 project a request to modify the project.

10 (2) REQUIREMENT.—An administering Sec-
11 retary may not approve a request submitted under
12 paragraph (1) with respect to a project, unless the
13 administering Secretary determines that, if the re-
14 quest is not approved, the project will not achieve its
15 performance objectives because economic conditions
16 have changed since the project was approved.

17 (3) 30-DAY APPROVAL DEADLINE AFTER RE-
18 SPONSE.—If an administering Secretary receives a
19 request made under this subsection and does not
20 disapprove the request within 30 days after the re-
21 ceipt, the administering Secretary is deemed to have
22 approved the request, except to the extent incon-
23 sistent with subsection (d)(2), (d)(4), or (e).

24 (4) AGREEMENT OF EACH ADMINISTERING SEC-
25 RETARY REQUIRED.—

1 (A) IN GENERAL.—The entity conducting
2 a demonstration project approved under this
3 section may not modify the project, except in
4 accordance with a request approved under this
5 subsection by each administering Secretary with
6 respect to any program included in the project.

7 (B) AGREEMENT WITH RESPECT TO FUND-
8 ING AND IMPLEMENTATION.—Before approving
9 a request to modify a demonstration project ap-
10 proved under this section, an administering
11 Secretary shall have in place an agreement with
12 the requestor with respect to the payment of
13 funds and responsibilities of the administering
14 Secretary with respect to the modified project.

15 (g) EARLY TERMINATION OF PROJECT.—An admin-
16 istering Secretary with respect to a demonstration project
17 conducted under this section may terminate the project
18 if the administering Secretary—

19 (1) determines that the entity conducting the
20 project has violated the substantive terms or condi-
21 tions of the project;

22 (2) notifies the entity in writing with sufficient
23 detail describing the violation; and

24 (3) determines that the State has not taken ac-
25 tion to correct the violation during the 90-day period

1 beginning with the date the entity received the no-
2 tice.

3 (h) REPORTS TO CONGRESS.—

4 (1) REPORT ON DISPOSITION OF APPLICA-
5 TIONS.—Within 90 days after an administering Sec-
6 retary receives an application submitted pursuant to
7 this section, the administering Secretary shall sub-
8 mit to each Committee of the Congress which has
9 jurisdiction over a qualified program identified in
10 the application notice of the receipt, a description of
11 the decision of the administering Secretary with re-
12 spect to the application, and the reasons for approv-
13 ing or disapproving the application.

14 (2) REPORTS ON PROJECTS.—Each admin-
15 istering Secretary that has jurisdiction over a quali-
16 fied program that is part of a demonstration project
17 approved under this section shall provide annually to
18 each Committee of the Congress that has jurisdic-
19 tion over the program a report, which shall in-
20 clude—

21 (A) the number of waivers granted for the
22 project under this section, and the specific stat-
23 utory provisions, if any, waived;

24 (B) in the case of a project for which such
25 a waiver is granted—

1 (i) how well the project is improving
2 or enhancing program achievement from
3 the standpoint of quality, cost-effective-
4 ness, or both;

5 (ii) how well the project is meeting the
6 performance objectives specified in sub-
7 section (c)(3)(B); and

8 (iii) how the project is conforming
9 with the cost limitation requirements of
10 subsection (d)(4);

11 (C) the number of individuals engaged in
12 the program under the project;

13 (D) the number of individuals so engaged
14 who completed education or workforce develop-
15 ment programs;

16 (E) the number of individuals so engaged
17 who reduced their dependence on government
18 benefits as a result of self-sufficiency;

19 (F) an explanation of the functions the
20 State or sub-State project employed to help in-
21 dividuals achieve self sufficiency;

22 (G) an up-to-date statement of the cost of
23 the project, and of the expected future costs of
24 continuing the project;

1 (H) to the extent the administering Sec-
2 retary deems appropriate, recommendations for
3 modifying programs based on project outcomes;
4 and

5 (I) if the project has been carried out for
6 at least 30 months, a statement as to whether
7 the project is meeting the goals of the project
8 and a determination as to whether the project
9 will be continued for the remainder of the term
10 for which the project was approved.

11 (3) FUNDING.—Each administering Secretary
12 that has jurisdiction over a qualified program that
13 is part of a demonstration project approved under
14 this section shall reserve an amount equal to not
15 more than 1 percent of the amount to be provided
16 for the conduct of the project, and use the amount
17 so reserved to carry out this subsection with respect
18 to the project.

19 **SEC. 3. AMENDMENT TO UNITED STATES HOUSING ACT OF**
20 **1937.**

21 Section 5A(d) of the United States Housing Act of
22 1937 (42 U.S.C. 1437c–1(d)) is amended—

23 (1) by redesignating paragraph (19) as para-
24 graph (20); and

1 (2) by inserting after paragraph (18) the fol-
2 lowing new paragraph:

3 “(19) PROGRAM COORDINATION DEMONSTRA-
4 TION PROJECTS.—In the case of an agency that ad-
5 ministers an activity referred to in section
6 2(b)(2)(D) of the HAND UP Act that, during such
7 fiscal year, will be included in a demonstration
8 project under section 2 of such Act, the information
9 that is required to be included in the application for
10 the project pursuant to paragraphs (1) through (4)
11 of section 2(c) of such Act.”.

○