

106TH CONGRESS  
1ST SESSION

# H. R. 3150

To require the Secretary of Health and Human Services to provide bonus grants to high performance States based on certain criteria and to collect data to evaluate the outcome of welfare reform, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 26, 1999

Mrs. MALONEY of New York (for herself, Mr. STARK, Mr. HALL of Ohio, Mr. BARRETT of Wisconsin, Ms. BALDWIN, Mr. LEVIN, Mr. LEWIS of Georgia, Mr. JEFFERSON, Mr. MENENDEZ, Mr. RANGEL, Mr. MATSUI, Mr. KENNEDY of Rhode Island, Mr. MEEHAN, Mr. JACKSON of Illinois, Mr. HINCHEY, Ms. KAPTUR, Mr. GEORGE MILLER of California, Mr. LAFALCE, Mr. WAXMAN, Mr. DAVIS of Illinois, Ms. STABENOW, Mr. EVANS, Mr. CONYERS, Mrs. LOWEY, Mr. WATT of North Carolina, Mr. BROWN of Ohio, Mr. CAPUANO, Mr. OBERSTAR, Mrs. CHRISTENSEN, Mr. PAYNE, Mr. CLAY, Mr. BERMAN, and Mr. GREEN of Texas) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To require the Secretary of Health and Human Services to provide bonus grants to high performance States based on certain criteria and to collect data to evaluate the outcome of welfare reform, 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,*

1 **SECTION 1. EVALUATION OF OUTCOME OF WELFARE RE-**  
2 **FORM AND FORMULA FOR BONUSES TO HIGH**  
3 **PERFORMANCE STATES.**

4 (a) ADDITIONAL MEASURES OF STATE PERFORM-  
5 ANCE.—Section 403(a)(4)(C) of the Social Security Act  
6 (42 U.S.C. 603(a)(4)(C)) is amended—

7 (1) by striking “Not later” and inserting the  
8 following:

9 “(i) IN GENERAL.—Not later”;

10 (2) by inserting “The formula shall provide for  
11 the awarding of grants under this paragraph based  
12 on criteria contained in clause (ii) and in accordance  
13 with clauses (iii) and (iv).” after the period; and

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

15 “(ii) FORMULA CRITERIA.—The  
16 grants awarded under this paragraph shall  
17 be based on the following:

18 “(I) EMPLOYMENT-RELATED  
19 MEASURES.—Employment-related  
20 measures, including work force en-  
21 tries, job retention, increases in earn-  
22 ings of recipients and former recipi-  
23 ents of assistance under the State  
24 program funded under this part.

25 “(II) FOOD STAMPS MEAS-  
26 URES.—The change since 1995 in the

1 proportion of children in working poor  
2 families that receive food stamps to  
3 the total number of children in the  
4 State (or, if possible, to the estimated  
5 number of children in working fami-  
6 lies with incomes low enough to be eli-  
7 gible for food stamps).

8 “(III) MEDICAID AND SCHIP  
9 MEASURES.—The percentage of mem-  
10 bers of families who are former recipi-  
11 ents of assistance under the State  
12 program funded under this part (who  
13 have ceased to receive such assistance  
14 for approximately 6 months) who cur-  
15 rently receive medical assistance  
16 under the State plan approved under  
17 title XIX or the child health assist-  
18 ance under title XXI.

19 “(IV) CHILD CARE MEASURES.—  
20 In the case of a State that pays child  
21 care rates that are equal to at least  
22 the 75th percentile of market rates,  
23 based on a market rate survey that is  
24 not more than 2 years old, measures  
25 of the State’s success in providing

1 child care, as measured by the per-  
2 centage of children in families with in-  
3 comes below 85 percent of the State’s  
4 median income who receive subsidized  
5 child care in the State, and by the  
6 amount of public expenditures in the  
7 State on child care subsidies divided  
8 by the estimated number of children  
9 younger than 13 in families with in-  
10 comes below 85 percent of the State’s  
11 median income.

12 “(V) MEASURES OF ADDRESSING  
13 DOMESTIC VIOLENCE.—In the case of  
14 a State that has adopted the option  
15 under the State plan relating to do-  
16 mestic violence set forth in section  
17 402(a)(7) and that reports the pro-  
18 portion of eligible recipients of assist-  
19 ance under this part who disclose  
20 their status as domestic violence vic-  
21 tims or survivors, measures of the  
22 State’s success in addressing domestic  
23 violence as a barrier to economic self-  
24 sufficiency, as measured by the pro-  
25 portion of such recipients who are re-

1           ferred to and receive services under a  
2           service plan developed by an indi-  
3           vidual trained in domestic violence  
4           pursuant to section 260.55(c) of title  
5           45 of the Code of Federal Regula-  
6           tions.

7           “(VI) MEASURES OF CHANGES IN  
8           INCOME OR NUMBER OF CHILDREN  
9           BELOW HALF OF POVERTY.—For a  
10          sample of recipients of assistance  
11          under the State program funded  
12          under this part, longitudinal measures  
13          of annual changes in income (or meas-  
14          ures of changes in the proportion of  
15          children in families with income below  
16          ½ of the poverty line) according to  
17          the American Community Survey  
18          (ACS), including earnings and the  
19          value of benefits received under that  
20          State program and food stamps.

21          “(VII) DEFINITIONS.—In this  
22          clause:

23                  “(aa) DOMESTIC VIO-  
24                  LENCE.—The term ‘domestic vio-  
25                  lence’ has the meaning given the

1 term ‘battered or subjected to ex-  
2 treme cruelty’ in section  
3 408(a)(7)(C)(iii).

4 “(bb) WORKING POOR FAMI-  
5 LIES.—The term ‘working poor  
6 families’ means families that re-  
7 ceive earnings at least equal to a  
8 comparable amount that would  
9 be received by an individual  
10 working a half-time position for  
11 minimum wage for a full year.

12 “(iii) EMPLOYMENT, EARNING, AND  
13 INCOME RELATED MEASURES.—  
14 \$100,000,000 of the amount appropriated  
15 for a fiscal year under subparagraph (F)  
16 shall be used to award grants to States  
17 under this paragraph for that fiscal year  
18 based on the measures of employment,  
19 earnings, and income described in sub-  
20 clauses (I) and (VI) of clause (ii), includ-  
21 ing scores for the criteria described in  
22 those subclauses.

23 “(iv) MEASURES OF SUPPORT FOR  
24 WORKING FAMILIES.—\$100,000,000 of the  
25 amount appropriated for a fiscal year

1 under subparagraph (F) shall be used to  
2 award grants to States under this para-  
3 graph for that fiscal year based on meas-  
4 ures of support for working families, in-  
5 cluding scores for the criteria described in  
6 subclauses (II), (III), (IV), and (V) of  
7 clause (ii).

8 “(v) LIMITATION ON APPLYING FOR  
9 ONLY 1 BONUS.—To qualify under any one  
10 of the employment, earnings, food stamp,  
11 or health coverage criteria described in  
12 subclauses (I), (II), or (III) of clause (ii),  
13 a State must submit the data required to  
14 compete for all of the criteria described in  
15 those subclauses.

16 (b) DATA COLLECTION AND REPORTING.—Section  
17 411(a) of the Social Security Act (42 U.S.C. 611(a)) is  
18 amended by adding at the end the following:

19 “(8) REPORT ON OUTCOME OF WELFARE RE-  
20 FORM FOR STATES NOT PARTICIPATING IN BONUS  
21 GRANTS UNDER SECTION 403(a)(4).—

22 “(A) IN GENERAL.—In the case of a State  
23 which does not participate in the procedure for  
24 awarding grants under section 403(a)(4) pursu-  
25 ant to regulations prescribed by the Secretary,

1 the report required by paragraph (1) for a fis-  
2 cal quarter shall include data regarding the  
3 characteristics and well-being of former recipi-  
4 ents of assistance under the State program  
5 funded under this part for 6 months after such  
6 recipient has ceased receiving such assistance.

7 “(B) CONTENTS.—The data required  
8 under subparagraph (A) shall consist of infor-  
9 mation regarding former recipients, including—

10 “(i) employment status;

11 “(ii) job retention;

12 “(iii) changes in income;

13 “(iv) poverty status, including the  
14 number of children in families of such  
15 former recipients with income below  $\frac{1}{2}$  of  
16 the poverty line;

17 “(v) receipt of food stamps, medical  
18 assistance under the State plan approved  
19 under title XIX or child health assistance  
20 under title XXI, or subsidized child care;

21 “(vi) accessibility of child care and  
22 child care cost;

23 “(vii) the percentage of families in  
24 poverty receiving child care subsidies;

1           “(viii) measures of hardship, including  
2           lack of medical insurance and difficulty  
3           purchasing food; and

4           “(ix) the availability of the option  
5           under the State plan in section 402(a)(7)  
6           (relating to domestic violence) and the dif-  
7           ficulty accessing services for victims of do-  
8           mestic violence.

9           “(C) SAMPLING.—A State may comply  
10          with this paragraph by using a scientifically ac-  
11          ceptable sampling method approved by the Sec-  
12          retary.

13          “(D) REGULATIONS.—The Secretary shall  
14          prescribe such regulations as may be necessary  
15          to ensure that—

16               “(i) data reported under this para-  
17               graph are in such a form as to promote  
18               comparison of data among States;

19               “(ii) a State reports, for each meas-  
20               ure, changes in data over time and com-  
21               parisons in data between such former re-  
22               cipients and comparable groups of current  
23               recipients; and

24               “(iii) a State that is already con-  
25               ducting a scientifically acceptable study of

1 former recipients that provides sufficient  
2 data required under subparagraph (A) may  
3 use the results of such study to satisfy the  
4 requirements of this paragraph.”.

5 (c) REPORT OF CURRENTLY COLLECTED DATA.—

6 (1) IN GENERAL.—Not later than July 1, 2000,  
7 and annually thereafter, the Secretary of Health and  
8 Human Services shall transmit to Congress a report  
9 regarding characteristics of former and current re-  
10 cipients of assistance under State programs funded  
11 under part A of title IV of the Social Security Act,  
12 based on information currently being received from  
13 States.

14 (2) CHARACTERISTICS.—For purposes of para-  
15 graph (1), the characteristics shall include earnings,  
16 employment, and, to the extent possible, income (in-  
17 cluding earnings, the value of benefits received  
18 under the State program funded under part A of  
19 title IV of the Social Security Act, and food stamps),  
20 the ratio of income to poverty, receipt of food  
21 stamps, and other family resources.

22 (3) BASIS OF REPORT.—The report under para-  
23 graph (1) shall be based on longitudinal data of em-  
24 ployer reported earnings for a sample of States,  
25 which represents at least 80 percent of the popu-

1 lation of the United States, including separate data  
2 for each of fiscal years 1997 through 2000  
3 regarding—

4 (A) a sample of former recipients of assist-  
5 ance under State programs funded under part  
6 A of title IV of the Social Security Act;

7 (B) a sample of current recipients of such  
8 assistance; and

9 (C) a sample of food stamp recipients.

10 (d) REPORT ON DEVELOPMENT OF MEASURES.—The  
11 Secretary of Health and Human Services shall transmit  
12 to Congress—

13 (1) not later than July 1, 2000, a report re-  
14 garding the development of measures required under  
15 section 403(a)(4)(C)(ii)(IV) of the Social Security  
16 Act (42 U.S.C. 603(a)(4)(C)(ii)(IV)), as added by  
17 this Act, regarding subsidized child care and  
18 changes in income; and

19 (2) not later than January 1, 2001, a report,  
20 prepared in consultation with the Secretary of Labor  
21 and domestic violence organizations, regarding the  
22 domestic violence criteria required under subclause  
23 (V) of such section.

24 (e) EFFECTIVE DATES.—

1           (1) ADDITIONAL MEASURES OF STATE PER-  
2           FORMANCE.—The amendments made by subsection  
3           (a) of this section shall take effect on July 1, 2000,  
4           except that subclauses (IV) and (V) of section  
5           403(a)(4)(C)(ii) of the Social Security Act (42  
6           U.S.C. 603(a)(4)(C)(ii)(IV) and (V)), as added by  
7           this Act, shall not apply to grants awarded under  
8           section 403(a)(4) of the Social Security Act (42  
9           U.S.C. 603(a)(4)) before July 1, 2001, and shall  
10          have no force or effect before the report required by  
11          subsection (d)(2) of this section is made.

12          (2) DATA COLLECTION AND REPORTING.—The  
13          amendment made by subsection (b) shall apply to re-  
14          ports submitted in fiscal years beginning with fiscal  
15          year 2001.

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