

107TH CONGRESS
2^D SESSION

H. R. 3667

To measure the self-sufficiency of families leaving State programs providing temporary assistance to needy families, and to provide an incentive for States to help move families toward self-sufficiency.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 2002

Ms. WOOLSEY introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To measure the self-sufficiency of families leaving State programs providing temporary assistance to needy families, and to provide an incentive for States to help move families toward self-sufficiency.

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 “Self-Sufficiency Act”.

5 **SEC. 2. FINDINGS.**

6 The Congress finds the following:

7 (1) A principal objective of programs under the
8 Personal Responsibility and Work Opportunity Rec-

1 conciliation Act of 1996 (PRWORA) is to move eco-
2 nomicallly disadvantaged adults toward self-suffi-
3 ciency through employment that pays a wage and
4 benefits at a level that will allow these adults to sup-
5 port themselves and their dependents without public
6 assistance.

7 (2) While there is evidence that PRWORA has
8 been successful in moving people off welfare and into
9 jobs, it is not known whether these individuals are
10 on the path to economic independence. There is no
11 standardized method for measuring the extent to
12 which PRWORA is meeting the objective of moving
13 families toward self-sufficiency or the impact of pub-
14 lic work supports. There is no requirement that
15 States, Congress, or the Administration ascertain
16 the point at which individual families living in spe-
17 cific locations will reach self-sufficiency.

18 (3) At the same time, there is no way of deter-
19 mining what programs have been successful in pre-
20 paring individuals for the workforce, helping them
21 retain jobs, and moving them in the direction of eco-
22 nomic independence.

23 (4) Absent this information, the Congress can-
24 not fully evaluate the success of welfare reform or

1 ensure that state and federal funds are being allo-
2 cated where they will do the most good.

3 (5) States should understand when families
4 reach self-sufficiency, what programmatic invest-
5 ments help families toward economic independence,
6 and should be rewarded for putting programs in
7 place that will ensure the long-term success of wel-
8 fare leavers by helping them move toward economic
9 independence.

10 **SEC. 3. SELF-SUFFICIENCY STANDARDS.**

11 (a) IN GENERAL.—Section 402 of the Social Security
12 Act (42 U.S.C. 602) is amended—

13 (1) in subsection (a), by inserting “, subject to
14 subsection (b),” after “the Secretary has found”;
15 and

16 (2) by redesignating subsections (b) and (c) as
17 subsections (c) and (d), respectively, and by insert-
18 ing after subsection (a) the following:

19 “(b) SELF-SUFFICIENCY STANDARDS.—

20 “(1) IN GENERAL.—The Secretary may not find
21 that a State plan includes the material described in
22 subsection (a) unless the plan includes a specifica-
23 tion of the income needs of families (in this part re-
24 ferred to as ‘self-sufficiency standards’), adopted or
25 developed by the State, based on family size, the

1 number and ages of children in the family, and sub-
2 State geographical considerations.

3 “(2) CRITERIA.—The State self-sufficiency
4 standards shall separately specify the monthly costs
5 of housing, food, child care, transportation, health
6 care, other basic needs, and taxes (including tax
7 benefits), and shall be determined using national,
8 State, and local data on the cost of purchasing
9 goods and services in the marketplace.

10 “(3) CATEGORIES OF FAMILIES.—The State
11 self-sufficiency standards shall categorize families—

12 “(A) by whether there are 1 or 2 adults in
13 the family;

14 “(B) by whether there are 0, 1, 2, 3, or
15 more than 3 children in the family; and

16 “(C) by the age of each child in the family,
17 according to whether a child is an infant, of
18 pre-school age, of school age, or a teenager.

19 “(4) REGULATIONS.—The Secretary shall pre-
20 scribe the protocols, criteria, cost categories, defini-
21 tions, and means of making inflation adjustments to
22 be used in developing self-sufficiency standards pur-
23 suant to this subsection, which shall be based on
24 commonly accepted definitions of adequacy, such as
25 those used for establishing fair market rents, and

1 that reflect, to the extent possible, consensus and
2 use among those calculating family budgets and self-
3 sufficiency standards.

4 “(5) RECENCY OF DATA.—The self-sufficiency
5 standards developed pursuant to this subsection
6 shall—

7 “(A) be recalculated on adoption if the
8 data on which the standards are based is more
9 than 3 years old;

10 “(B) be recalculated every 5 years after
11 adoption; and

12 “(C) be updated for inflation each year
13 after adoption in which the standards are not
14 being recalculated pursuant to subparagraph
15 (B).”.

16 (b) REPORTS.—Section 411 of such Act (42 U.S.C.
17 611) is amended by adding at the end the following:

18 “(c) SELF-SUFFICIENCY REPORTS.—

19 “(1) COLLECTION OF INFORMATION ON INCOME
20 OF PERSONS LEAVING TANF.—With respect to each
21 family whose participation in the State program
22 funded under this part ends during a calendar quar-
23 ter in a fiscal year, the State shall collect informa-
24 tion on the monthly income of the family as of the
25 time the participation ends and during the same

1 quarter in each of the next 2 fiscal years, based on
2 data of the State unemployment insurance program
3 and benefit programs whose assistance, subsidies,
4 and services provided to the family by any agency of
5 government has the effect of reducing the cost of liv-
6 ing of the family.

7 “(2) ANNUAL REPORTS.—Each eligible State
8 shall submit to the Secretary annually a report that
9 contains the following information for the fiscal year
10 most recently ending before the date the report is
11 submitted:

12 “(A) INCOME INFORMATION.—The infor-
13 mation collected pursuant to paragraph (1) of
14 this subsection during the fiscal year as com-
15 pared with the State self-sufficiency standards
16 developed pursuant to section 402(b) for the
17 families involved.

18 “(B) INFORMATION ON PROGRAMS AND
19 SERVICES LEADING TO SELF-SUFFICIENCY.—A
20 description of the ways in which, during the fis-
21 cal year, the State program funded under this
22 part and support services provided by the State
23 to recipients of assistance from the program
24 moved families toward self-sufficiency, which
25 shall highlight programs and services that ap-

1 peared to have a particularly positive effect on
2 achieving self-sufficiency.

3 “(C) USES OF SELF-SUFFICIENCY STAND-
4 ARDS.—A description of how the State used the
5 self-sufficiency standards during the fiscal year,
6 including whether the standards were used—

7 “(i) in counseling recipients of assist-
8 ance from the State program funded under
9 this part about their income needs and ca-
10 reer options;

11 “(ii) as a benchmark for program
12 evaluation;

13 “(iii) to identify opportunities to im-
14 prove program performance, including
15 identifying sub-groups or geographic areas
16 in need of enhanced services;

17 “(iv) to assess need of recipients of
18 assistance for vocational training, pre-ap-
19 prenticeship and apprenticeship activities,
20 post-secondary education, and basic lit-
21 eracy, English-as-a-second-language, men-
22 tal health, substance abuse, domestic vio-
23 lence, and homelessness services; and

24 “(v) to identify programs or strategies
25 which are most promising in assisting

1 those who participate in the State program
2 to achieve self-sufficiency.

3 “(3) SUMMARIES OF STATE REPORTS.—The
4 Secretary shall annually submit to the Congress a
5 report that summarizes the reports submitted pursu-
6 ant to paragraph (2), and shall make the reports
7 available electronically to the general public in a
8 timely manner.”.

9 (c) FUNDING.—Section 413 of such Act (42 U.S.C.
10 613) is amended by adding at the end the following:

11 “(k) TECHNICAL ASSISTANCE IN DEVELOPING SELF-
12 SUFFICIENCY STANDARDS.—

13 “(1) IN GENERAL.—The Secretary may provide
14 financial or technical assistance to an eligible State
15 to enable the State to develop or improve the State
16 self-sufficiency standards and produce State reports
17 required by section 402(b). The Secretary shall
18 carry out this paragraph by making a grant to or
19 entering into a contract with an organization or in-
20 stitution with substantial experience in calculating
21 and implementing on the State level family budgets
22 and self-sufficiency standards. An organization or
23 institution desiring to provide technical assistance
24 described in this paragraph shall submit to the Sec-
25 retary an application at such time, in such manner,

1 and accompanied by such information as the Sec-
2 retary may reasonably require.

3 “(2) LIMITATIONS ON AUTHORIZATION OF AP-
4 PROPRIATIONS.—For the cost of carrying out para-
5 graph (1), there are authorized to be appropriated to
6 the Secretary not more than \$1,000,000 for each
7 fiscal year.”.

8 (d) EFFECTIVE DATE.—The amendments made by
9 this section shall take effect 1 year after the date of the
10 enactment of this Act.

11 **SEC. 4. SELF-SUFFICIENCY BONUS.**

12 (a) IN GENERAL.—Section 403(a) of the Social Secu-
13 rity Act (42 U.S.C. 603(a)) is amended by adding at the
14 end the following:

15 “(6) BONUS TO ENCOURAGE STATES TO MOVE
16 FAMILIES TO SELF-SUFFICIENCY.—

17 “(A) IN GENERAL.—The Secretary shall
18 make a grant pursuant to this paragraph to an
19 eligible State for each fiscal year specified in
20 subparagraph (G) for which the State is a self-
21 sufficiency improvement State.

22 “(B) AMOUNT OF GRANT.—

23 “(i) IN GENERAL.—The amount of
24 the grant payable under this paragraph to
25 a self-sufficiency improvement State for a

1 fiscal year shall, subject to clause (ii), be
2 an amount equal to 1 percent of the State
3 family assistance grant.

4 “(ii) PRO RATA INCREASE.—If the
5 dollar amount specified in subparagraph
6 (G) for a fiscal year exceeds the total
7 amount otherwise payable under this para-
8 graph for a fiscal year, the Secretary shall
9 increase the amount of the grant otherwise
10 payable to each State by such equal per-
11 centage as is necessary to ensure that such
12 dollar amount equals the total amount so
13 payable.

14 “(C) SELF-SUFFICIENCY IMPROVEMENT
15 STATE.—A State is a self-sufficiency improve-
16 ment State for a fiscal year for purposes of this
17 paragraph if the self-sufficiency score of the
18 State for the fiscal year is greater than the self-
19 sufficiency score of the State for the preceding
20 fiscal year.

21 “(D) STATE SELF-SUFFICIENCY SCORE.—
22 The self-sufficiency score of a State for a fiscal
23 year for purposes of this paragraph shall be an
24 amount equal to the average of the self-suffi-

1 ciency scores of the qualified leaver families in
2 the State for the fiscal year.

3 “(E) FAMILY SELF-SUFFICIENCY SCORE.—

4 “(i) IN GENERAL.—The self-suffi-
5 ciency score of a family for a fiscal year
6 for purposes of this paragraph shall be an
7 amount equal to the income of the family
8 for the fiscal year divided by the State self-
9 sufficiency standard for the family for the
10 fiscal year.

11 “(ii) DETERMINATION OF INCOME.—

12 In determining the income of a family, the
13 State shall take into account as income
14 earnings, child support, and the value of
15 benefits, assistance, subsidies, and services
16 of any kind that are provided to the family
17 by any agency of government and the re-
18 ceipt of which has the effect of reducing
19 the cost of living of the family, net of any
20 premium, copayment, or fee required to ob-
21 tain the benefit, assistance, or service.

22 “(F) DEFINITIONS.—In this paragraph:

23 “(i) QUALIFIED LEAVER FAMILIES.—

24 The term ‘qualified leaver families’ means,

1 with respect to a State, the leaver families
2 in the State.

3 “(ii) LEAVER FAMILIES.—The term
4 ‘leaver families’ means, with respect to a
5 State and a particular fiscal year, all fami-
6 lies that whose participation in the State
7 program funded under this part ended dur-
8 ing the period that begins with October 1
9 of the fiscal year in which this paragraph
10 is enacted, and ends with the end of the
11 particular fiscal year.

12 “(G) APPROPRIATION.—Out of any money
13 in the Treasury of the United States not other-
14 wise appropriated, there are appropriated for
15 each of fiscal years 2002 through 2006
16 \$200,000,000 for grants under this para-
17 graph.”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 subsection (a) shall take effect on October 1, 2002.

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