

108TH CONGRESS
1ST SESSION

H. R. 692

To provide for racial equity and fair treatment under the program of block grants to States for temporary assistance for needy families.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2003

Ms. EDDIE BERNICE JOHNSON of Texas (for herself, Mrs. JONES of Ohio, Mr. TOWNS, Ms. JACKSON-LEE of Texas, Mr. PAYNE, Mr. OWENS, Mr. CUMMINGS, Ms. BALDWIN, Ms. NORTON, Ms. SCHAKOWSKY, Ms. LEE, Ms. KILPATRICK, Mr. CLYBURN, Mr. KENNEDY of Rhode Island, and Mr. LANTOS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide for racial equity and fair treatment under the program of block grants to States for temporary assistance for needy families.

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 “Racial Equity and Fair
5 Treatment Act of 2003”.

6 SEC. 2. TABLE OF CONTENTS.

7 The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. Amendment of Social Security Act.

TITLE I—ENSURING EQUAL ACCESS

Sec. 101. Competitive grants to improve access to various benefit programs.

Sec. 102. Assessments for TANF recipients.

Sec. 103. Revision of work activities.

Sec. 104. Provision of interpretation and translation services.

TITLE II—STRENGTHENING FAIR TREATMENT AND ANTIDISCRIMINATION PROTECTIONS

Subtitle A—Strengthening and Streamlining of Antidiscrimination Protections

Sec. 201. Requirement to establish expedited process for discrimination complaints.

Sec. 202. Establishment of standardized, fair sanction process.

Sec. 203. Requirement to provide opportunity to appeal adverse decision.

Sec. 204. Notification of potential services and protections.

Sec. 204. Penalties against individuals for unjustified refusal to work; additional justifications.

Sec. 205. Requirement to provide information to individuals who are, or are at risk of being, sanctioned.

Sec. 206. Nondiscrimination.

Sec. 207. Ban on diversion of potential applicants for assistance.

Subtitle B—Related Provisions

Sec. 211. Ban on penalizing entire family for misconduct of 1 family member.

Sec. 212. Eliminate double jeopardy for recipients with past drug offenses.

Sec. 213. 5-year time limit.

TITLE III—FAIRNESS FOR IMMIGRANTS

Sec. 301. Treatment of aliens under the TANF program.

Sec. 302. Treatment of aliens under the SSI program.

Sec. 303. Inclusion of participation in English-as-a-second-language program among permissible work activities.

TITLE IV—ENCOURAGE RACIAL EQUALITY

Sec. 401. Racial performance measure as evaluation criterion in determining high performance bonus.

Sec. 402. Ban on violating antidiscrimination law.

Sec. 403. Data collection and reporting.

Sec. 404. Access to welfare; welfare outcomes.

Sec. 405. Longitudinal studies of TANF recipients.

1 SEC. 3. AMENDMENT OF SOCIAL SECURITY ACT.

2 Except as otherwise expressly provided, wherever in
 3 this Act an amendment or repeal is expressed in terms
 4 of an amendment to, or repeal of, a section or other provi-

1 sion, the amendment or repeal shall be considered to be
2 made to a section or other provision of the Social Security
3 Act.

4 **TITLE I—ENSURING EQUAL
5 ACCESS**

6 **SEC. 101. COMPETITIVE GRANTS TO IMPROVE ACCESS TO
7 VARIOUS BENEFIT PROGRAMS.**

8 (a) PURPOSES.—The purposes of this section are
9 to—

10 (1) inform low-income families with children
11 about programs available to families leaving welfare
12 and other programs to support low-income families
13 with children;

14 (2) provide incentives to States and counties to
15 improve and coordinate application and renewal pro-
16 cedures for low-income family with children support
17 programs; and

18 (3) track the extent to which low-income fami-
19 lies with children receive the benefits and services
20 for which they are eligible.

21 (b) DEFINITIONS.—In this section:

22 (1) LOCALITY.—The term “locality” means a
23 municipality that does not administer a program
24 funded under part A of title IV of the Social Secu-
25 rity Act (in this section referred to as “TANF”).

7 (A) TANF;

12 (C) the medicaid program funded under
13 title XIX of the Social Security Act (42 U.S.C.
14 1396 et seq.);

15 (D) the State children's health insurance
16 program (SCHIP) funded under title XXI of
17 the Social Security Act (42 U.S.C. 1397aa et
18 seq.);

19 (E) the child care program funded under
20 the Child Care Development Block Grant Act of
21 1990 (42 U.S.C. 9858 et seq.);

22 (F) the child support program funded
23 under part D of title IV of the Social Security
24 Act (42 U.S.C. 651 et seq.);

1 (G) the earned income tax credit under
2 section 32 of the Internal Revenue Code of
3 1986;

4 (H) the low-income home energy assistance
5 program (LIHEAP) established under the Low-
6 Income Home Energy Assistance Act of 1981
7 (42 U.S.C 8621 et seq.);

12 (J) programs under the Workforce Invest-
13 ment Act of 1998 (29 U.S.C. 2801 et seq.); and

14 (K) any other Federal or State funded pro-
15 gram designed to provide family and work sup-
16 port to low-income families with children.

24 (4) SECRETARY.—The term “Secretary” means
25 the Secretary of Health and Human Services.

6 (c) AUTHORIZATION OF GRANTS.—

7 (1) STATES AND COUNTIES.—

16 (B) FEDERAL SHARE.—The Federal share
17 shall be 80 percent.

24 (d) GRANT APPROVAL CRITERIA.—

5 (A) the extent to which the proposal, if
6 funded, is likely to result in improved service
7 and higher participation rates in low-income
8 children's support programs;

11 (C) the level of innovation in the applic-
12 cant's grant proposal; and

13 (D) any partnerships between the public
14 and private sector in the applicant's grant pro-
15 posal.

16 (2) SEPARATE CRITERIA.—Separate criteria
17 shall be established for the grants authorized under
18 paragraphs (1) and (2) of subsection (c).

19 (e) USES OF FUNDS.—

20 (1) STATES AND COUNTIES.—

21 (A) IMPROVEMENTS IN PROGRAMS.—
22 Grants awarded to States and counties under
23 subsection (c)(1) shall be used to—

24 (i) simplify low-income family with
25 children support program application, re-

1 certification, reporting, and verification
2 rules;

3 (ii) create uniformity in eligibility cri-
4 teria for low-income family with children
5 support programs;

6 (iii) develop options for families to
7 apply for low-income family with children
8 support programs through the telephone,
9 mail, facsimile, Internet, or electronic mail,
10 and submit any recertifications or reports
11 required for such families through these
12 options;

13 (iv) co-locate eligibility workers for
14 various low-income family with children
15 support programs at strategically located
16 sites;

17 (v) develop or enhance one-stop serv-
18 ice centers for low-income family with chil-
19 dren support programs, including estab-
20 lishing evening and weekend hours at these
21 centers; and

22 (vi) improve training of staff in low-
23 income families with children support pro-
24 grams to enhance their ability to enroll eli-
25 gible applicants in low-income family with

1 children support programs, provide case
2 management, and refer eligible applicants
3 to other appropriate programs.

4 (B) CUSTOMER SURVEYS.—

5 (i) IN GENERAL.—A grant awarded to
6 a State or county under subsection (c)(1)
7 shall be used to carry out a customer sur-
8 vey.

9 (ii) MODEL SURVEYS.—The customer
10 survey under clause (i) of this subpara-
11 graph shall be modeled after a form devel-
12 oped by the Secretary under subsection
13 (g).

14 (iii) REPORTS TO SECRETARY.—Not
15 later than 1 year after a State or county
16 is awarded a grant under subsection (c)(1),
17 and annually thereafter, the State or coun-
18 ty shall submit a report to the Secretary
19 detailing the results of the customer survey
20 carried out under clause (i) of this sub-
21 paragraph.

22 (iv) REPORTS TO PUBLIC.—A State or
23 county receiving a grant under subsection
24 (c)(1) and the Secretary shall make the re-

1 port required under clause (iii) of this sub-
2 paragraph available to the public.

3 (v) PUBLIC COMMENT.—A State or
4 county receiving a grant under subsection
5 (c)(1) shall accept public comments and
6 hold public hearings on the report made
7 available under clause (iv) of this subpara-
8 graph.

9 (C) TRACKING SYSTEMS.—

10 (i) IN GENERAL.—A grant awarded to
11 a State or county under subsection (c)(1)
12 shall be used to implement a tracking sys-
13 tem to determine the level of participation
14 in low-income family with children support
15 programs of the eligible population.

16 (ii) REPORTS.—Not later than 1 year
17 after a State or county is awarded a grant
18 under subsection (c)(1), and annually
19 thereafter, the State or county shall submit
20 a report to the Secretary detailing the ef-
21 fectiveness of the tracking system imple-
22 mented under clause (i) of this subpara-
23 graph.

24 (D) IN-PERSON INTERVIEWS.—A State or
25 county awarded a grant under subsection (c)(1)

1 may expend funds made available under the
2 grant to provide for reporting and recertifi-
3 cation procedures through the telephone, mail,
4 facsimile, Internet, or electronic mail.

5 (E) JURISDICTION-WIDE IMPLEMENTA-
6 TION.—

7 (i) IN GENERAL.—A grant awarded to
8 a State or county under subsection (c)(1)
9 shall be used for activities throughout the
10 jurisdiction.

11 (ii) EXCEPTION.—A State or county
12 awarded a grant under subsection (c)(1)
13 may use grant funds to develop one-stop
14 service centers and telephone, mail, fac-
15 simile, Internet, or electronic mail applica-
16 tion and renewal procedures for low-income
17 family with children support programs
18 without regard to the requirements of
19 clause (i) of this subparagraph.

20 (F) SUPPLEMENT NOT SUPPLANT.—Funds
21 provided to a State or county under a grant
22 awarded under subsection (c)(1) shall be used
23 to supplement and not supplant other State or
24 county public funds expended to provide sup-
25 port services for low-income families.

4 (A) develop one-stop service centers for
5 low-income family with children support pro-
6 grams in cooperation with States and counties;
7 or

8 (B) provide information about and refer-
9 rals to low-income family with children support
10 programs through the dissemination of mate-
11 rials at strategic locations, including schools,
12 clinics, and shopping locations.

13 (f) APPLICATION.—

19 (2) STATES AND COUNTIES.—

20 (A) NON-FEDERAL SHARE.—Each State or
21 county applicant shall provide assurances that
22 the applicant will pay the non-Federal share of
23 the activities for which a grant is sought.

24 (B) PARTNERSHIPS.—Each State or coun-
25 ty applicant shall submit a memorandum of un-

1 derstanding demonstrating that the applicant
2 has entered into a partnership to coordinate its
3 efforts under the grant with the efforts of other
4 State and county agencies that have responsi-
5 bility for providing low-income families with as-
6 sistance or benefits.

7 (g) DUTIES OF THE SECRETARY.—

8 (1) SURVEY FORM.—The Secretary, in coopera-
9 tion with other relevant agencies, shall develop a
10 customer survey form to determine whether low-in-
11 come families—

12 (A) encounter any impediments in applying
13 for or renewing their participation in low-in-
14 come family with children support programs;
15 and

16 (B) are unaware of low-income family with
17 children support programs for which they are
18 eligible.

19 (2) REPORTS.—

20 (A) ANNUAL REPORTS.—Not later than 1
21 year after the date of enactment of this Act,
22 and annually thereafter, the Secretary shall
23 submit a report to Congress describing the uses
24 of grant funds awarded under this section.

1 (B) RESULTS OF TRACKING SYSTEMS AND
2 SURVEYS.—The Secretary shall submit a report
3 to Congress detailing the results of the tracking
4 systems implemented and customer surveys car-
5 ried out by States and counties under sub-
6 section (e) as the information becomes avail-
7 able.

8 (h) MISCELLANEOUS.—

12 (A) include in-kind services and expenditures by municipalities and private entities; and
13
14 (B) be considered a qualified State expenditure for purposes of determining whether the
15 State has satisfied the maintenance of effort requirements of the temporary assistance for
16 needy families program under section 409(a)(7)
17 of the Social Security Act (42 U.S.C.
18 609(a)(7)).
19
20

21 (2) LIMITATION ON EXPENDITURES.—Subject
22 to paragraph (3) of this subsection, not more than
23 20 percent of a grant awarded under subsection (c)
24 shall be expended on customer surveys or tracking
25 systems.

15 (5) ADMINISTRATIVE COSTS OF THE SEC-
16 RETARY.—Not more than 5 percent of the funds ap-
17 propriated to carry out this section shall be ex-
18 pended on administrative costs of the Secretary.

19 (i) LIMITATIONS ON AUTHORIZATION OF APPROPRIA-
20 TIONS.—There is authorized to be appropriated to carry
21 out this section not more than \$300,000,000 for fiscal
22 years 2003 through 2007.

23 SEC. 102. ASSESSMENTS FOR TANF RECIPIENTS.

24 Section 408(b) (42 U.S.C. 608(b)) is amended—

3 “(1) ASSESSMENT.—The State agency respon-
4 sible for administering the State program funded
5 under this part shall, for each recipient of assistance
6 under the program who is a head of household,
7 make an initial assessment of the skills, prior work
8 experience, and circumstances related to the employ-
9 ability of the recipient, including physical or mental
10 impairments, proficiency in English, child care
11 needs, and whether the recipient is a victim of do-
12 mestic violence.”; and

13 (2) by striking paragraph (4).

14 SEC. 103. REVISION OF WORK ACTIVITIES.

15 (a) IN GENERAL.—Section 407(d) (42 U.S.C.
16 607(d)) is amended—

17 (1) by striking paragraph (4) and inserting the
18 following:

19 “(4) transitional work experience leading to
20 jobs that provide an income of not less than 250
21 percent of the poverty line;”;

22 (2) by striking paragraph (7) and inserting the
23 following:

24 “(7) voluntary participation in a community
25 service program;”;

4 (4) by striking paragraphs (10) through (12)
5 and inserting the following:

6 “(10) participation in a State or Federal work-
7 study program under part C of title IV of the High-
8 er Education Act of 1965;”;

9 “(11) education, including not more than 6
10 hours of home study per week, in the case of a re-
11 cipient who is enrolled—

12 “(A) at an elementary or secondary school
13 (as defined in the Elementary and Secondary
14 Education Act of 1965);

18 “(C) at an institution of higher education
19 (as defined in section 102 of the Higher Edu-
20 cation Act of 1965), regardless of the content
21 of the course of study;

22 “(12) the provision of appropriate care to a
23 child who has a disability or a serious health condi-
24 tion (as defined in section 101(11) of the Family
25 Medical Leave Act) or has not attained 6 years of

1 age, by a recipient who is a parent or caretaker relative of the child; and

3 “(13) participation in treatment or an educational activity designed to address a mental health problem, disability, substance abuse, or domestic or sexual violence.”.

7 (b) CONFORMING AMENDMENTS.—Section 407 (42
8 U.S.C. 607) is amended—

9 (1) in subsection (b), by striking paragraph (5);
10 and

11 (2) in subsection (c)—
12 (A) in each of subparagraphs (A) and
13 (B)(i) of paragraph (1), by striking “not fewer
14 than” and all that follows through “subsection
15 (d),”;

16 (B) in paragraph (1)(B)(ii), by striking
17 “not fewer than” and all that follows through
18 “subsection (d)”;

19 (C) in paragraph (2), by striking subparagraph (D).

21 **SEC. 104. PROVISION OF INTERPRETATION AND TRANSLATION SERVICES.**

23 (a) IN GENERAL.—Section 408(a) (42 U.S.C. 608(a)
24 is amended by adding at the end the following:

1 “(12) PROVISION OF INTERPRETATION AND
2 TRANSLATION SERVICES.—A State to which a grant
3 is made under section 403(a) for a fiscal year shall
4 provide appropriate interpretation and translation
5 services at any office of the State program funded
6 under this part that is responsible for handling the
7 cases of 100 or more recipients of assistance under
8 the program who share a native language that is not
9 English.”.

10 (b) PENALTY.—Section 409(a)(7)(B)(ii) (42 U.S.C.
11 609(a)(7)(B)(ii)) is amended by adding at the end the fol-
12 lowing: “The applicable percentage otherwise in effect
13 with respect to a State for a fiscal year shall be increased
14 by 5 percentage points if the Secretary determines that
15 in the preceding fiscal year the State failed to comply with
16 section 408(a)(12).”.

1 **TITLE II—STRENGTHENING FAIR
2 TREATMENT AND ANTI-
3 DISCRIMINATION PROTEC-
4 TIONS**

5 **Subtitle A—Strengthening and
6 Streamlining of Antidiscrimina-
7 tion Protections**

8 **SEC. 201. REQUIREMENT TO ESTABLISH EXPEDITED PROC-
9 ESS FOR DISCRIMINATION COMPLAINTS.**

10 (a) IN GENERAL.—Section 408 (42 U.S.C. 608) is
11 further amended by adding at the end the following:

12 “(13) REQUIREMENT TO ESTABLISH EXP-
13 EITED PROCESS FOR DISCRIMINATION COM-
14 PLAINTS.—

15 “(A) INTAKE.—A State to which a grant is
16 made under section 403 shall establish 1 cen-
17 tral location at which a recipient of assistance
18 under the State program funded under this
19 part may file with the State and have adju-
20 dicated a complaint alleging discriminatory
21 treatment under the program.

22 “(B) DEADLINES.—

23 “(i) Within 30 days after a recipient
24 files a complaint pursuant to subparagraph

1 (A), the State shall notify the recipient
2 that the State has received the complaint.

11 “(3) NO INTERRUPTION IN ASSISTANCE WHILE
12 COMPLAINT IS PENDING.—During the pendency of a
13 complaint filed pursuant to paragraph (1), assist-
14 ance to any recipient under a State program funded
15 under this part shall not be affected by reason of the
16 complaint.”.

17 (b) PENALTY.—Section 409(a)(7)(B)(ii) (42 U.S.C.
18 609(a)(7)(B)(ii)) is amended by adding at the end the fol-
19 lowing: “The applicable percentage otherwise in effect
20 with respect to a State for a fiscal year shall be increased
21 by 5 percentage points if the Secretary determines that
22 in the preceding fiscal year the State failed to comply with
23 section 408(a)(13).”.

1 SEC. 202. ESTABLISHMENT OF STANDARDIZED, FAIR SANC- 2 TION PROCESS.

3 (a) REQUIREMENT TO PROVIDE NOTICE OF RIGHTS
4 OF RECIPIENTS, AND TRAIN PROGRAM PERSONNEL IN
5 RESPECTING THE RIGHTS.—

9 “(14) REQUIREMENT TO PROVIDE NOTICE OF
10 RIGHTS OF RECIPIENTS, AND TRAIN PROGRAM PER-
11 SONNEL TO CARRY OUT PROGRAM CONSISTENT WITH
12 THE RIGHTS.—A State to which a grant is made
13 under section 403 shall—

14 “(A) notify each recipient of assistance
15 under the program of the rights of recipients
16 under all laws applicable to the activities of the
17 State program funded under this part, and
18 shall provide the notice—

1 not English, a culturally competent trans-
2 lation shall be provided; and

3 “(B) train all program personnel on a reg-
4 ular basis in how to carry out the program con-
5 sistent with the rights.”.

14 (b) REVIEW AND CONCILIATION PROCESS.—

15 (1) REQUIREMENT.—Section 408(a) (42 U.S.C.
16 608(a)) is further amended by adding at the end the
17 following:

18 “(15) REVIEW AND CONCILIATION PROCESS RE-
19 QUIREMENTS.—A State to which a grant is made
20 under section 403 shall not impose a sanction
21 against a person under the State program funded
22 under this part, unless the State—

23 “(A) has attempted at least twice (using at
24 least 2 different methods) to notify the person
25 of the impending imposition of the sanction, the

1 reason for the proposed sanction, the amount of
2 the sanction, the length of time during which
3 the proposed sanction would be in effect, and
4 the steps required to come into compliance or to
5 show good cause for noncompliance;

6 “(B) has afforded the person an oppor-
7 tunity—

8 “(i) to meet with the caseworker in-
9 volved or another individual who has au-
10 thority to determine whether to impose the
11 sanction; and

12 “(ii) to explain why the person did not
13 comply with the requirement on the basis
14 of which the sanction is to be imposed;

15 “(C) has considered and taken any such
16 explanation into account in determining to im-
17 pose the sanction;

18 “(D) has specifically considered whether
19 certain conditions exist, such as a physical or
20 mental impairment, domestic violence, or lim-
21 ited proficiency in English, that contributed to
22 the noncompliance of the person; and

23 “(E) in determining whether to impose the
24 sanction, has used screening tools developed in
25 consultation with individuals or groups with ex-

1 pertise in matters described in subparagraph
2 (D).”.

3 (2) PENALTY.—Section 409(a) (42 U.S.C.
4 609(a)) is amended by adding at the end the fol-
5 lowing:

6 “(15) PENALTY FOR FAILURE OF STATE TO
7 USE REVIEW AND CONCILIATION PROCESS.—

8 “(A) IN GENERAL.—If the Secretary deter-
9 mines that a State to which a grant is made
10 under section 403 for a fiscal year has violated
11 section 408(a)(15) during the fiscal year, the
12 Secretary shall reduce the grant payable to the
13 State under section 403(a)(1) for the imme-
14 diately succeeding fiscal year by an amount
15 equal to 5 percent of the State family assist-
16 ance grant.

17 “(B) PENALTY BASED ON SEVERITY OF
18 FAILURE.—The Secretary shall impose reduc-
19 tions under subparagraph (A) with respect to a
20 fiscal year based on the degree of noncompli-
21 ance.”.

22 **SEC. 203. REQUIREMENT TO PROVIDE OPPORTUNITY TO**
23 **APPEAL ADVERSE DECISION.**

24 (a) IN GENERAL.—Section 408(a) (42 U.S.C. 608(a)
25 is further amended by adding at the end the following:

1 “(16) REQUIREMENT TO PROVIDE OPPOR-
2 TUNITY TO APPEAL ADVERSE DECISION.—A State to
3 which a grant is made under section 403 shall pro-
4 vide an applicant or recipient of assistance under the
5 State program funded under this part with the op-
6 portunity to appeal any adverse decision made with
7 respect to the applicant or recipient under the pro-
8 gram.”.

9 (b) PENALTY.—Section 409(a) (42 U.S.C. 608(a)) is
10 further amended by adding at the end the following:

11 “(16) PENALTY FOR FAILURE TO PROVIDE OP-
12 PORTUNITY TO APPEAL ADVERSE DECISION.—If the
13 Secretary determines that a State to which a grant
14 is made under section 403 for a fiscal year has vio-
15 lated section 408(a)(16) during the fiscal year, the
16 Secretary shall reduce the grant payable to the State
17 under section 403(a)(1) for the immediately suc-
18 ceeding fiscal year by an amount equal to 5 percent
19 of the State family assistance grant.”.

20 (c) REQUIREMENT TO PROVIDE RECIPIENTS PER-
21 FORMING A WORK ACTIVITY WITH A GRIEVANCE PROCE-
22 DURE.—

23 (1) IN GENERAL.—Section 408(a) (42 U.S.C.
24 608(a) is further amended by adding at the end the
25 following:

1 “(17) REQUIREMENT TO PROVIDE RECIPIENTS
2 WITH A GRIEVANCE PROCEDURE.—A State to which
3 a grant is made under section 403 shall provide an
4 applicant or recipient of assistance under the State
5 program who is engaged in a work activity pursuant
6 to section 407 with the same grievance procedure
7 that is available to other workers at same site, or if
8 there is no such procedure available, shall establish
9 a system that provides for timely dispute resolution,
10 does not limit preexisting fair hearing rights, and al-
11 lows for an anonymous proceeding in appropriate
12 circumstances.”.

13 (2) PENALTY.—Section 409(a)(7)(B)(ii) (42
14 U.S.C. 609(a)(7)(B)(ii)) is further amended by add-
15 ing at the end the following: “The applicable per-
16 centage otherwise in effect with respect to a State
17 for a fiscal year shall be increased by 5 percentage
18 points if the Secretary determines that in the pre-
19 ceding fiscal year the State failed to comply with
20 section 408(a)(17).”.

21 **SEC. 204. NOTIFICATION OF POTENTIAL SERVICES AND
22 PROTECTIONS.**

23 (a) STATE PLAN REQUIRED TO DESCRIBE HOW
24 STATES WILL NOTIFY APPLICANTS AND RECIPIENTS OF
25 THEIR RIGHTS UNDER THE PROGRAM AND OF POTEN-

1 TIAL BENEFITS AND SERVICES AVAILABLE UNDER THE
2 PROGRAM.—Section 402(a)(1)(B)(iii) (42 U.S.C.
3 602(a)(1)(B)(iii)) is amended by inserting “and will notify
4 applicants and recipients of assistance under the program
5 of the rights of individuals under all laws applicable to
6 program activities and of all potential benefits and services
7 available under the program” before the period.

8 (b) REQUIREMENT TO PROVIDE NOTICE TO APPLI-
9 CANTS AND RECIPIENTS OF RIGHTS AND OF POTENTIAL
10 PROGRAM BENEFITS AND SERVICES, AND TRAIN PRO-
11 GRAM PERSONNEL IN RESPECTING THE RIGHTS.—

12 (1) IN GENERAL.—Section 408(a) (42 U.S.C.
13 608(a)) is further amended by adding at the end the
14 following:

15 “(18) REQUIREMENT TO PROVIDE NOTICE TO
16 APPLICANTS AND RECIPIENTS OF RIGHTS AND OF
17 POTENTIAL PROGRAM BENEFITS AND SERVICES, AND
18 TRAIN PROGRAM PERSONNEL TO RESPECT THE
19 RIGHTS.—A State to which a grant is made under
20 section 403 shall—

21 “(A) notify each applicant for, and each
22 recipient of assistance under the program of the
23 rights of applicants and recipients under all
24 laws applicable to the activities of the State
25 program funded under this part (including the

1 right to claim good cause exceptions to program
2 requirements), and shall provide the notice—

3 “(i) to a recipient when the recipient
4 enters the program;

5 “(ii) to all such recipients on a semi-
6 annual basis; and

7 “(iii) orally and in writing, in the na-
8 tive language of the recipient and at a 6th
9 grade level, and if the native language is
10 not English, a culturally competent trans-
11 lation shall be provided; and

12 “(B) train all program personnel on a reg-
13 ular basis in how to carry out the program con-
14 sistent with the rights.”.

15 (2) PENALTY.—Section 409(a)(7)(B)(ii) (42
16 U.S.C. 609(a)(7)(B)(ii)) is amended by adding at
17 the end the following: “The applicable percentage
18 otherwise in effect with respect to a State for a fis-
19 cal year shall be increased by 5 percentage points if
20 the Secretary determines that in the preceding fiscal
21 year the State failed to comply with section
22 408(a)(18).”.

1 **SEC. 204. PENALTIES AGAINST INDIVIDUALS FOR UNJUSTI-**
2 **FIED REFUSAL TO WORK; ADDITIONAL JUS-**
3 **TIFICATIONS.**

4 (a) IN GENERAL.—Section 407(e) (42 U.S.C. 607(e))

5 is amended—

6 (1) by striking paragraph (1) and inserting the
7 following:

8 “(1) IN GENERAL.—Except as otherwise pro-
9 vided in this subsection, if an individual in a family
10 receiving assistance under the State program funded
11 under this part refuses to engage in work required
12 in accordance with this section, the State shall, sub-
13 ject to such good cause and other exceptions as the
14 State may establish, reduce the amount of assistance
15 otherwise payable to the family on a pro rata basis,
16 but to not less than the amount that would be pay-
17 able to a family with the same number of children
18 but with no adults, with respect to any period during
19 a month in which the individual so refuses.”;

20 (2) in paragraph (2)—

21 (A) by striking “EXCEPTION” and insert-
22 ing “CHILD CARE EXCEPTION”; and

23 (B) by striking “proves that the individual
24 has a demonstrated inability (as determined by
25 the State)” and inserting “certifies that the in-
26 dividual is unable”; and

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

3 Notwithstanding paragraph (1), a State may not re-
4 duce or terminate assistance under the State pro-
5 gram funded under this part based on a refusal of
6 an individual to engage in work required in accord-
7 ance with this section if the individual is a custodial
8 parent or caretaker relative caring for—

9 “(A) a child who has a disability or a seri-
10 ous health condition (as defined in section
11 101(11) of the Family Medical Leave Act), and
12 the individual does not have meaningful access
13 to safe, appropriate, affordable, and quality
14 care for the child; or

15 “(B) a child who has attained 6 years of
16 age, and the individual does not have meaning-
17 ful access to safe, appropriate, affordable, and
18 quality after-school or summer care for the
19 child.

20 “(4) MENTAL HEALTH PROBLEM, DISABILITY,
21 SUBSTANCE ABUSE, OR DOMESTIC OR SEXUAL VIO-
22 LENCE EXCEPTION.—Notwithstanding paragraph
23 (1), a State may not reduce or terminate assistance
24 under the State program funded under this part
25 based on the failure of any individual who has a

1 mental health problem, disability, or substance abuse
2 problem, or who is a victim of sexual or domestic vi-
3 olence to engage in work required in accordance with
4 this section if—

5 “(A) the individual is in the process of
6 being screened or assessed for the mental
7 health problem, disability, substance abuse
8 problem, or sexual or domestic violence situa-
9 tion but the screening or assessment has not
10 been completed;

11 “(B) the individual has not been offered
12 appropriate treatment, counseling, vocational
13 rehabilitation, job training, and other services
14 to address the problem or disability; or

15 “(C) the individual cannot comply because
16 of the need to seek medical, legal, or other serv-
17 ices in relation to the mental health problem,
18 disability, or sexual or domestic violence situa-
19 tion.

20 “(5) MINIMUM WAGE EXCEPTION.—Notwith-
21 standing paragraph (1), a State may not impose a
22 sanction under the State program funded under this
23 part on the basis of the refusal of an individual to
24 accept any employment (including any employment
25 offered under the program), if the wage rate for the

1 employment does not equal or exceed the greater
2 of—

3 “(A) the minimum wage rate then in effect
4 under section 6 of the Fair Labor Standards
5 Act of 1938; or

6 “(B) any minimum wage rate prescribed
7 by or under the law of the State.

8 “(6) DISCRIMINATION EXCEPTION.—

9 “(A) IN GENERAL.—Notwithstanding para-
10 graph (1), a State may not reduce or terminate
11 assistance under the State program funded
12 under this part based on the failure of any indi-
13 vidual to engage in work required in accordance
14 with this section if the individual certifies in a
15 manner described in subparagraph (B) that the
16 individual has left or refused work based on dis-
17 crimination.

18 “(B) CERTIFICATION.—An individual may
19 provide a certification required by subparagraph
20 (A) by sworn written statement or by providing
21 other documentation, including a police or court
22 record or documentation by a shelter worker, an
23 employee of a victim assistance program, an at-
24 torney, a member of the clergy, or a medical or

1 other professional from whom the individual has
2 sought assistance as a victim.”.

3 (b) CONFORMING AMENDMENTS.—Section

4 409(a)(11) (42 U.S.C. 609(a)(11)) is amended—

5 (1) in the paragraph heading, by striking “WHO
6 CANNOT OBTAIN CHILD CARE FOR CHILD UNDER
7 AGE 6” and inserting “WITH JUSTIFIED REFUSAL TO
8 WORK”; and

9 (2) in subparagraph (A), by striking
10 “407(e)(2)” and inserting “407(e)”.

11 **SEC. 205. REQUIREMENT TO PROVIDE INFORMATION TO IN-**
12 **DIVIDUALS WHO ARE, OR ARE AT RISK OF**
13 **BEING, SANCTIONED.**

14 (a) IN GENERAL.—Section 408(a) (42 U.S.C.
15 608(a)) is further amended by adding at the end the fol-
16 lowing:

17 “(19) STATE REQUIRED TO PROVIDE INFORMA-
18 TION TO INDIVIDUAL WHO HAS BEEN, OR IS AT RISK
19 OF BEING SANCTIONED.—A State to which a grant
20 is made under section 403 shall provide to any indi-
21 vidual who has been, or is at risk of being, sanc-
22 tioned under the State program funded under this
23 part for noncompliance with a program requirement,
24 orally and in writing, at not more than a 6th grade
25 level in the native language of the individual (and if

1 the native language is not English, a culturally com-
2 petent translation shall be provided), a notice—

3 “(A) of the noncompliance, the existence of
4 good cause exceptions to the requirement, and
5 how to claim such an exception;

6 “(B) that program requirements may be
7 waived for people dealing with a mental health,
8 disability, substance abuse, domestic violence,
9 or sexual assault issue;

10 “(C) that an individual dealing with a
11 mental health, disability, substance abuse, do-
12 mestic violence, or sexual assault issue may re-
13 quest (or if the individual has left or been re-
14 moved from the program, may return to the
15 program and request) to be assessed under the
16 program for services to address those issues, in-
17 cluding appropriate treatment, counseling, voca-
18 tional rehabilitation, job training, or other serv-
19 ices; and

20 “(D) that the State is required to keep any
21 such information strictly confidential.”.

22 (b) PENALTY.—Section 409(a)(7)(B)(ii) (42 U.S.C.
23 609(a)(7)(B)(ii)) is further amended by adding at the end
24 the following: “The applicable percentage otherwise in ef-
25 fect with respect to a State for a fiscal year shall be in-

1 creased by 5 percentage points if the Secretary determines
2 that in the preceding fiscal year the State failed to comply
3 with section 408(a)(19).”.

4 **SEC. 206. NONDISCRIMINATION.**

5 (a) RULE OF INTERPRETATION.—Section 408(d) (42
6 U.S.C. 608(d) is amended by adding at the end the fol-
7 lowing: “This part shall not be construed to supersede any
8 provision of Federal or State civil rights law.”.

9 (b) REQUIREMENTS.—

10 (1) IN GENERAL.—Section 408(a) (42 U.S.C.
11 608(a) is amended by adding at the end the fol-
12 lowing:

13 “(20) NONDISCRIMINATION.—A State to which
14 a grant is made under section 403 shall ensure equi-
15 table treatment of needy families in the State, and
16 shall not discriminate among families based on mar-
17 ital status or applicant or recipient status.”.

18 (2) PENALTY.—Section 409(a)(7)(B)(ii) (42
19 U.S.C. 609(a)(7)(B)(ii)) is amended by adding at
20 the end the following: “The applicable percentage
21 otherwise in effect with respect to a State for a fis-
22 cal year shall be increased by 5 percentage points if
23 the Secretary determines that in the preceding fiscal
24 year the State failed to comply with section
25 408(a)(20).”.

1 **SEC. 207. BAN ON DIVERSION OF POTENTIAL APPLICANTS**2 **FOR ASSISTANCE.**

3 (a) IN GENERAL.—Section 408(a) (42 U.S.C. 608(a)) is further amended by adding at the end the following:

6 “(21) BAN ON DIVERSION OF POTENTIAL AP-
7 PLICANTS FOR ASSISTANCE.—A State may not
8 refuse to accept, at the time of application, an appli-
9 cation for assistance from the State program funded
10 under this part, or give an individual reason to be-
11 lieve that, at the time of application, the State will
12 not unconditionally accept such an application from
13 any individual.”.

14 (b) PENALTY.—Section 409(a) (42 U.S.C. 608(a)) is
15 further amended by adding at the end the following:

16 “(21) PENALTY FOR DIVERTING POTENTIAL AP-
17 PLICANT FOR ASSISTANCE.—If the Secretary deter-
18 mines that a State to which a grant is made under
19 section 403 for a fiscal year has violated section
20 408(a)(21) during the fiscal year, the Secretary
21 shall reduce the grant payable to the State under
22 section 403(a)(1) for the immediately succeeding fis-
23 cal year by an amount equal to 5 percent of the
24 State family assistance grant.”.

1 Subtitle B—Related Provisions

2 SEC. 211. BAN ON PENALIZING ENTIRE FAMILY FOR MIS-

3 CONDUCT OF 1 FAMILY MEMBER.

4 (a) IN GENERAL.—Section 408(a) (42 U.S.C.
5 608(a)) is further amended by adding at the end the fol-
6 lowing:

7 “(22) BAN ON PENALIZING ENTIRE FAMILY
8 FOR MISCONDUCT OF 1 FAMILY MEMBER.—In impos-
9 ing a penalty under a State program funded under
10 this part for refusal of an individual in a family to
11 comply with a program requirement, the State may
12 reduce the amount of assistance otherwise payable to
13 the family on a pro rata basis with respect to any
14 period during a month in which the individual so re-
15 fuses, but may not reduce the amount of the assist-
16 ance to less than the amount that would be payable
17 to the family with the same number of children but
18 with no adults.”.

19 (b) PENALTY.—Section 409(a)(7)(B)(ii) (42 U.S.C.
20 609(a)(7)(B)(ii)) is amended by adding at the end the fol-
21 lowing: “The applicable percentage otherwise in effect
22 with respect to a State for a fiscal year shall be increased
23 by 5 percentage points if the Secretary determines that
24 in the preceding fiscal year the State failed to comply with
25 section 408(a)(22).”.

1 **SEC. 212. ELIMINATE DOUBLE JEOPARDY FOR RECIPIENTS**2 **WITH PAST DRUG OFFENSES.**

3 Section 115 of the Personal Responsibility and Work
4 Opportunity Reconciliation Act of 1996 (42 U.S.C. 862a)
5 is repealed.

6 **SEC. 213. 5-YEAR TIME LIMIT.**7 (a) **REMOVAL OF LIMITATIONS.—**

8 (1) **ELIMINATION OF LIMITATION ON HARDSHIP**
9 **EXCEPTION.**—Section 408(a)(7)(C) (42 U.S.C.
10 608(a)(7)(C)) is amended by striking clause (ii) and
11 redesignating clause (iii) as clause (ii).

12 (2) **COMPLIANCE EXCEPTION.**—Section
13 408(a)(7) (42 U.S.C. 608(a)(7)) is amended by add-
14 ing at the end the following:

15 “(H) **COMPLIANCE EXCEPTION.**—In deter-
16 mining the number of months for which an in-
17 dividual has received assistance under the State
18 program funded under this part, the State shall
19 disregard any month throughout which the indi-
20 vidual is in compliance with all applicable re-
21 quirements of the State program.”.

22 (b) **UNIFORM DURATION OF ASSISTANCE.**—Section
23 408(a)(7)(E) (42 U.S.C. 608(a)(7)(E)) is amended to
24 read as follows:

25 “(E) **REQUIREMENT TO PROVIDE ASSIST-
26 ANCE FOR 5 YEARS.**—Notwithstanding section

1 407(e), a State to which a grant is made under
2 section 403 shall not impose a limitation of
3 fewer than 60 months on the period for which
4 a recipient is eligible for assistance under the
5 State program funded under this part.”.

6 (c) PROTECTION AGAINST RECESSION.—Section
7 408(a)(7) (42 U.S.C. 608(a)(7)), as amended by sub-
8 section (a)(2) of this section, is amended by adding at the
9 end the following:

10 “(I) SPECIAL RULES RELATING TO MONTH
11 IN WHICH UNEMPLOYMENT IS HIGH OR HAS IN-
12 CREASED SHARPLY OVER PRIOR 2 YEARS.—

13 “(i) CLOCK STOPPED FOR CURRENT
14 RECIPIENTS.—In determining the number
15 of months for which an individual has re-
16 ceived assistance under the State program
17 funded under this part, the State shall dis-
18 regard any month that is a trigger month.

19 “(ii) TREATMENT OF FORMER RECIPI-
20 ENTS WHO REACHED TIME LIMIT.—

21 “(I) NOTICE; DETERMINATION
22 OF ELIGIBILITY.—On the occurrence
23 of a trigger month, the State shall—

1 “(aa) issue a public notice
2 that a trigger month has oc-
3 curred; and

4 “(bb) on request of an indi-
5 vidual who had become ineligible
6 for assistance under the State
7 program funded under this part
8 by reason of this paragraph, de-
9 termine the eligibility of the indi-
10 vidual for such assistance as if
11 the individual had received such
12 assistance for 59 months.

13 “(II) ADDITIONAL MONTH OF AS-
14 SISTANCE FOR OTHERWISE ELIGIBLE
15 FORMER RECIPIENTS.—If the indi-
16 vidual is so determined to be eligible
17 for such assistance, the State shall,
18 notwithstanding subparagraph (A),
19 provide such assistance to the indi-
20 vidual for any month that is a trigger
21 month, but shall not provide such as-
22 sistance to the individual for any
23 month that is not a trigger month.

24 “(iii) TRIGGER MONTH.—In this sub-
25 paragraph, the term ‘trigger month’

1 means, with respect to a State, any month
2 for which the unemployment rate of the
3 State—

“(I) is at least 5.5 percent; or
“(II) has increased by the lesser
of 50 percent, or 1.5 percentage
points, over the lesser of the average
rate of total unemployment in the
State (seasonally adjusted) for the
preceding fiscal year or the average
unemployment rate of the State for
the 2nd preceding fiscal year.”.

13 **TITLE III—FAIRNESS FOR**
14 **IMMIGRANTS**

15 SEC. 301. TREATMENT OF ALIENS UNDER THE TANF PRO-
16 GRAM.

17 (a) ELIGIBILITY OF QUALIFIED ALIENS FOR BENE-
18 FITS—

6 “(L) Assistance under a State program
7 funded under the program of block grants to
8 States for temporary assistance for needy fami-
9 lies under part A of title IV of the Social Secu-
10 rity Act.”.

11 (b) BENEFITS NOT SUBJECT TO REIMBURSE-
12 MENT.—Section 423(d) of the Personal Responsibility and
13 Work Opportunity Reconciliation Act of 1996 (8 U.S.C.
14 1138a note) is amended by adding at the end the fol-
15 lowing:

16 “(12) Benefits under part A of title IV of the
17 Social Security Act except for cash assistance pro-
18 vided to a sponsored alien who is subject to deeming
19 pursuant to section 408(h) of the Social Security
20 Act.”.

21 (c) TREATMENT OF ALIENS.—Section 408 (42
22 U.S.C. 608) is amended by adding at the end the fol-
23 lowing:

24 “(h) SPECIAL RULES RELATING TO THE TREAT-
25 MENT OF 213A ALIENS.—

1 “(1) IN GENERAL.—In determining whether a
2 213A alien is eligible for cash assistance under a
3 State program funded under this part, and in deter-
4 mining the amount or types of such assistance to be
5 provided to the alien, the State shall apply the rules
6 of paragraphs (1), (2), (3), (5), and (6) of sub-
7 section (f) of this section by substituting ‘213A’ for
8 ‘non-213A’ each place it appears, subject to section
9 421(e) of the Personal Responsibility and Work Op-
10 portunity Reconciliation Act of 1996, and subject to
11 section 421(f) of such Act (which shall be applied by
12 substituting ‘section 408(h) of the Social Security
13 Act’ for ‘subsection (a)’).

14 “(2) 213A ALIEN DEFINED.—An alien is a
15 213A alien for purposes of this subsection if the affi-
16 davit of support or similar agreement with respect to
17 the alien that was executed by the sponsor of the
18 alien’s entry into the United States was executed
19 pursuant to section 213A of the Immigration and
20 Nationality Act.”.

21 (d) CONFORMING AMENDMENTS.—

22 (1) AMENDMENTS TO PRWORA.—Section 402 of
23 the Personal Responsibility and Work Opportunity
24 Reconciliation Act of 1996 (8 U.S.C. 1612) is
25 amended—

(2) AMENDMENTS TO SSA.—

8 (A) Section 408 (42 U.S.C. 608) is amend-
9 ed by striking subsections (e) and (f) and by re-
10 designating subsection (g) as subsection (e).

11 (B) Section 409(a)(7)(B)(i)(IV) (42)
12 U.S.C. 609(a)(7)(B)(i)(IV)) is amended—

13 (I) by striking “part,” and inserting
14 “part and”; and

15 (II) by striking “, and families of
16 aliens lawfully present in the United States
17 that would be eligible for such assistance
18 but for the application of title IV of the
19 Personal Responsibility and Work Oppor-
20 tunity Reconciliation Act of 1996”.

21 SEC. 302. TREATMENT OF ALIENS UNDER THE SSI PRO-
22 GRAM.

23 (a) ELIGIBILITY OF QUALIFIED ALIENS FOR BENE-
24 FITS.—

13 “(M) Assistance or benefits under the sup-
14 plemental security income program under title
15 XVI of the Social Security Act, including sup-
16 plementary payments pursuant to an agreement
17 for Federal administration under section
18 1616(a) of the Social Security Act and pay-
19 ments pursuant to an agreement entered into
20 under section 212(b) of Public Law 93-66
21 (commonly known as SSI).”.

22 (b) BENEFITS NOT SUBJECT TO REIMBURSE-
23 MENT.—Section 423(d) of the Personal Responsibility and
24 Work Opportunity Reconciliation Act of 1996 (8 U.S.C.

1 1138a note) is further amended by adding at the end the
2 following:

3 “(13) Assistance under the supplemental secu-
4 rity income program under title XVI of the Social
5 Security Act, except assistance provided to a spon-
6 sored alien who is subject to deeming pursuant to
7 section 1621 of the Social Security Act.”.

8 (c) CONFORMING AMENDMENTS.—Section
9 402(b)(2)(F) of the Personal Responsibility and Work Op-
10 portunity Reconciliation Act of 1996 (8 U.S.C.
11 1612(b)(2)(F)) is amended by striking “program defined
12 in subsection (a)(3)(A) (relating to the supplemental secu-
13 rity income program)” and inserting “supplemental secu-
14 rity income program under title XVI of the Social Security
15 Act, including supplementary payments pursuant to an
16 agreement for Federal administration under section
17 1616(a) of the Social Security Act and payments pursuant
18 to an agreement entered into under section 212(b) of Pub-
19 lic Law 93–66”.

20 (d) PERIOD FOR ATTRIBUTION OF SPONSOR’S IN-
21 COME AND RESOURCES.—Section 1621 (42 U.S.C. 1382j)
22 is amended in each of subsections (a), (c), (d), and (e),
23 by striking “3” and inserting “5”.

1 **SEC. 303. INCLUSION OF PARTICIPATION IN ENGLISH-AS-A-**
2 **SECOND-LANGUAGE PROGRAM AMONG PER-**
3 **MISSIBLE WORK ACTIVITIES.**

4 Section 407(d) (42 U.S.C. 607(d)) is further amend-
5 ed—

6 (1) by striking “and” at the end of paragraph
7 (11);

8 (2) by striking the period at the end of para-
9 graph (12) and inserting “; and”; and

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

11 “(14) participation in a program in which
12 English is taught as a second language.”.

13 **TITLE IV—ENCOURAGE RACIAL**
14 **EQUALITY**

15 **SEC. 401. RACIAL PERFORMANCE MEASURE AS EVALUA-**
16 **TION CRITERION IN DETERMINING HIGH**
17 **PERFORMANCE BONUS.**

18 (a) ELIGIBILITY CONDITIONED ON PROVISION OF
19 DATA DISAGGREGATED BY RACE.—Section 403(a)(4)(A)
20 (42 U.S.C. 603(a)(4)(A)) is amended by inserting “, and
21 complies with the last sentence of section 411(a)(1)(A)
22 with respect to race”.

23 (b) RACIAL PERFORMANCE MEASURE AS EVALUA-
24 TION CRITERION.—Section 403(a)(4)(C) (42 U.S.C.
25 603(a)(4)(C)) is amended—

1 (1) by striking “Not later than 1 year after the
2 date of the enactment of the Personal Responsibility
3 and Work Opportunity Reconciliation Act of 1996,
4 the” and inserting the following:

6 (2) by adding at the end the following:

11 “(I) Employment and wages.

17 “(IV) Sanction rates.

24 “(I) White/non-Hispanic.

25 " (II) Hispanic.

1 “(III) African-American/black.

2 “(IV) Native American.

3 “(V) Asian-American/Pacific Is-
4 lander.

5 “(iv) CHARACTERISTICS OF FOR-
6 MULA.—The formula shall be designed so
7 that—

8 “(I) if the performance of a State
9 for a bonus year in an area described
10 in clause (ii) with respect to a cat-
11 egory of recipients set forth in clause
12 (iii) differs by 5 percentage points or
13 more from such performance for the
14 bonus year with respect to any other
15 category of recipients, then the State
16 shall be considered to have failed that
17 measure of State performance with re-
18 spect to the bonus year; and

19 “(II) if a State fails 2 or more of
20 the measures of State performance
21 with respect to a bonus year, then the
22 State shall not be eligible for a grant
23 under this paragraph for the bonus
24 year.”.

1 SEC. 402. BAN ON VIOLATING ANTIDISCRIMINATION LAW.

2 (a) IN GENERAL.—Section 408(a) (42 U.S.C. 608(a))
3 is further amended by adding at the end the following:

4 “(23) BAN ON VIOLATING ANTIDISCRIMINATION
5 LAW.—A State to which a grant is made under sec-
6 tion 403(a) shall not violate an antidiscrimination
7 law (as defined by the Office of Civil Rights in the
8 Department of Health and Human Services) in car-
9 rying out the State program funded under this
10 part.”.

11 (b) PENALTY.—Section 409(a)(7)(B)(ii) (42 U.S.C.
12 609(a)(7)(B)(ii)) is amended by adding at the end the fol-
13 lowing: “The applicable percentage otherwise in effect
14 with respect to a State for a fiscal year shall be increased
15 by 5 percentage points if the Office of Civil Rights in the
16 Department of Health and Human Services determines
17 that in the preceding fiscal year the State failed to comply
18 with section 408(a)(23).”.

19 SEC. 403. DATA COLLECTION AND REPORTING.

20 (a) COLLECTION OF DATA ON RACE, ETHNICITY/NA-
21 TIONAL ORIGIN, GENDER, PRIMARY LANGUAGE, AND
22 EDUCATIONAL LEVEL.—Section 411(a)(1)(A) (42 U.S.C.
23 611(a)(1)(A)) is amended by adding at the end the fol-
24 lowing new sentence:

25 “In complying with this paragraph, each eligible
26 State must ensure that the case record informa-

17 (c) COLLECTION OF DATA ON DIVERSION.—Section
18 411(a)(1) (42 U.S.C. 611(a)(1)) is amended by redesign-
19 nating subparagraph (B) as subparagraph (C) and insert-
20 ing after subparagraph (A) the following:

“(B) DATA ON DIVERSION.—Each eligible State shall collect on a monthly basis, and report to the Secretary on a quarterly basis, disaggregated case record information on the number of individuals who apply for but do not

1 receive assistance, the reason such assistance
2 was not provided, and the overall percentage of
3 applications for assistance that are approved
4 compared to those that are disapproved. In
5 complying with the preceding sentence, the
6 State shall ensure that the case record informa-
7 tion is reported in a manner that permits anal-
8 ysis of such information by race, ethnicity/national
9 origin, primary language, gender, and
10 educational level, including analysis using a
11 combination of these factors.”.

12 (d) COLLECTION OF DATA ON PARTICIPATION IN
13 EMPLOYMENT, EDUCATION, AND TRAINING.—Section
14 411(a)(1)(A) (42 U.S.C. 611(a)(1)(A)) is amended—

15 (1) by striking clause (v) and inserting the fol-
16 lowing:

17 “(v) The employment status, occupa-
18 tion (as defined by the current Federal
19 Standard Occupational Classification sys-
20 tem), and earnings of each employed adult
21 in the family.”; and

22 (2) by striking clause (xi) and inserting the fol-
23 lowing:

24 “(xi) If the adults participated in, and
25 the numbers of hours per week of partici-

1 pation in, the following activities, includ-
2 ing, to the extent such information is avail-
3 able, information on the specific type of
4 job, or education or training program.”.

5 (e) COLLECTION OF DATA ON FAMILIES LEAVING
6 WELFARE.—

7 (1) CASE CLOSURE REASONS.—Section
8 411(a)(1) (42 U.S.C. 611(a)(1)), as amended by the
9 preceding provisions of this Act, is amended by re-
10 designating subparagraph (C) as subparagraph (D)
11 and inserting after subparagraph (B) the following:

12 “(C) DEVELOPMENT OF COMPREHENSIVE
13 LIST OF CASE CLOSURE REASONS.—

14 “(i) The Secretary shall develop, in
15 consultation with States and policy ex-
16 perts, a comprehensive list of reasons why
17 individuals leave State programs funded
18 under this part. The full range of reasons
19 for case closures, including the following
20 reasons, shall be considered in making the
21 list as comprehensive as possible: lack of
22 access to specific programs or services such
23 as child care, transportation, or English as
24 a second language classes for clients with
25 limited English proficiency; clients’ medical

1 or health problems; clients' family responsibilities such as caring for a disabled family member; changes in eligibility status; or
2 different administrative reasons. The list
3 shall be aimed at substantially reducing
4 the number of case closures under the programs for which a reason is not known.
5 Further, States shall undertake efforts to
6 improve their tracking of reasons for case
7 closures and shall report on such efforts in
8 the quarterly reports submitted pursuant
9 to this subsection.

10
11
12
13 “(ii) The Secretary shall promulgate
14 for public comment regulations that list
15 the new case closure reasons to be used in
16 accordance with subparagraph (A)(xvi) no
17 later than December 2004. The regulations
18 also shall direct States to report on efforts
19 to improve State tracking of reasons for
20 case closures, including the identification
21 of additional reasons for case closures not
22 included on the list generated under this
23 subparagraph.

24
25 “(iii) The Secretary, through consultation and analysis of quarterly State

1 reports, shall review on an annual basis
2 whether the list of case closure reasons re-
3 quires modification. To the extent the Sec-
4 retary determines the need to modify the
5 list of case closure reasons, such changes
6 shall be published for notice and com-
7 ment.”.

11 (A) by striking “or” at the end of sub-
12 clause (IV);

13 (B) by striking the period at the end and
14 inserting “; or”; and

15 (C) by adding at the end the following:

25 “(I) employment:

9 (f) IMPROVING DATA QUALITY.—Section 411(a)(1)
10 (42 U.S.C. 611(a)(1)) is amended by adding at the end
11 the following:

12 “(D) QUALITY OF DATA.—Quarterly re-
13 ports submitted by each eligible State must de-
14 scribe what steps the State has taken to ensure
15 the accuracy of the data submitted pursuant to
16 this section.”.

17 (g) UNIFORMITY OF DATA.—Section 411(a)(1) (42
18 U.S.C. 611(a)(1)), as amended by subsection (f) of this
19 section, is amended by adding at the end the following:

1 timeline aimed at achieving this goal on or be-
2 fore September 30, 2006, with an assessment
3 of barriers and costs of implementation.”.

4 (h) ANNUAL REPORTS BY THE SECRETARY.—Section
5 411(b)(2) (42 U.S.C. 611(b)(2)) is amended by inserting
6 “, including the information submitted under section
7 411(a)(1)(A)(i) through (xvii) broken down by race, eth-
8 nicity/national origin, primary language, gender, and edu-
9 cational level” before the semicolon.

10 (i) GRANTS FOR ANALYSIS OF DATA THAT EXAM-
11 INES RACIAL, ETHNIC, OR GENDER DIFFERENCES IN THE
12 ADMINISTRATION OF STATE TANF PROGRAMS.—Section
13 411 (42 U.S.C. 611) is amended by adding at the end
14 the following:

15 “(c) RESEARCH AND ANALYSIS OF DATA.—

16 “(1) RESEARCH GRANTS.—Grants shall be
17 made available to undertake research analyzing data
18 submitted by States to evaluate racial, ethnic, or
19 gender differences in the administration of the pro-
20 gram funded under this part, including differences
21 in programs or services offered, employment and
22 earnings, and reasons for leaving assistance.

23 “(2) PUBLIC ACCESS TO DATA.—The Secretary
24 shall ensure that the data submitted by States pur-
25 suant to subsection (a) is made available to the pub-

1 lic for analysis by creating a public use database
2 that includes all case record information. The Sec-
3 retary shall take steps to ensure that any identifying
4 information about individual recipients of assistance
5 cannot be accessed and proper privacy safeguards
6 are established.”.

7 **SEC. 404. ACCESS TO WELFARE; WELFARE OUTCOMES.**

8 Section 411 (42 U.S.C. 611) is amended by adding
9 at the end the following:

10 “(c) ANNUAL REPORTS ON WELFARE ACCESS AND
11 OUTCOMES.—

12 “(1) STATE REPORTS.—Not later than January
13 1 of each fiscal year, each eligible State shall collect
14 and report to the Secretary, with respect to the pre-
15 ceding fiscal year, the following information:

16 “(A) The number of applications for as-
17 sistance from the State program funded under
18 this part, the percentage that are approved
19 versus those that are disapproved, and the rea-
20 sons for disapproval, broken down by race.

21 “(B) A copy of all rules and policies gov-
22 erning the State program funded under this
23 part that are not required by Federal law, and
24 a summary of the rules and policies, including
25 the amounts and types of assistance provided

1 and the types of sanctions imposed under the
2 program.

3 “(C) The types of occupations of, types of
4 job training received by, and types and levels of
5 educational attainment of recipients of assist-
6 ance from the State program funded under this
7 part, broken down by gender and race.

8 “(D) The incidence of homelessness, of the
9 use of food pantries and soup kitchens, and of
10 the use of shelters among recipients of assist-
11 ance from the State program funded under this
12 part and among individuals to whom assistance
13 under the State programs funded under this
14 part has ended within the past 12 months. The
15 information described in this subparagraph may
16 be provided by submitting disaggregated case
17 record information on a sample of families.

18 “(E) The number of individuals to whom
19 assistance under the State program funded
20 under this part has ended during the year, bro-
21 ken down by the reasons why the assistance has
22 ended (including employment, marriage, sanc-
23 tion, time limit, or State policy.

24 “(F) The economic conditions of individ-
25 uals to whom assistance under the State pro-

grams funded under this part has ended, including the types of occupations of, the duration of employment of, the income of, the benefits provided to, the types of job training received by, the types and levels of educational attainment of, and the incidence of homelessness, of the use of food pantries or soup kitchens, and of the use of shelters among, such individuals, broken down by gender and race.

10 “(G) The effects of applying the 5-year
11 time limit to individuals who, in the absence of
12 the limit, would continue to be eligible for as-
13 sistance from the State program funded under
14 this part, including the economic and social cir-
15 cumstances of the individuals, including income,
16 employment, homelessness, use of food pantries
17 or soup kitchens, and change in child custody
18 arrangements.

19 “(2) USE OF SAMPLING.—A State may comply
20 with this subsection by using a scientifically accept-
21 able sampling method approved by the Secretary.

22 “(3) REPORT TO THE CONGRESS.—Not later
23 than June 1 of each fiscal year, the Secretary shall
24 prepare and submit to the Committee on Ways and
25 Means of the House of Representatives and the

1 Committee on Finance of the Senate, publish in the
2 Federal Register, and make easily accessible to the
3 public through the Internet a compilation of the re-
4 ports submitted pursuant to paragraph (1) for the
5 preceding fiscal year.”.

6 **SEC. 405. LONGITUDINAL STUDIES OF TANF RECIPIENTS.**

7 (a) LONGITUDINAL STUDIES OF TANF APPLICANTS
8 AND RECIPIENTS TO DETERMINE THE FACTORS THAT
9 CONTRIBUTE TO POSITIVE EMPLOYMENT AND FAMILY
10 OUTCOMES.—Section 413(d) (42 U.S.C. 613) is amended
11 to read as follows:

12 “(d) LONGITUDINAL STUDIES OF TANF APPLI-
13 CANTS AND RECIPIENTS TO DETERMINE THE FACTORS
14 THAT CONTRIBUTE TO POSITIVE EMPLOYMENT AND
15 FAMILY OUTCOMES.—

16 “(1) IN GENERAL.—The Secretary, directly or
17 through grants, contracts, or interagency agree-
18 ments, shall conduct longitudinal studies in not less
19 than 30 States of a representative sample of families
20 that receive and applicants for assistance in a State
21 program funded under this part or under a program
22 funded with qualified State expenditures (as defined
23 in section 409(a)(7)(B)(i)). The studies shall follow
24 families that leave assistance, those that receive as-
25 sistance throughout the study period, and those di-

1 “(2) REPORTS.—

2 “(A) The Secretary shall publish, not later
3 than December 2005, interim findings from at
4 least 12 months of longitudinal data.

5 “(B) The Secretary shall publish, not later
6 than December 2007, findings from at least 36
7 months of longitudinal data.”.

8 (b) LONGITUDINAL STUDIES OF ECONOMIC WELL-
9 BEING OF CURRENT AND FORMER TANF FAMILIES.—

10 (1) ANNUAL REPORT TO CONGRESS.—Section
11 411(b) (42 U.S.C. 611(b)) is amended—

12 (A) in paragraph (2), by striking “financial
13 characteristics” and inserting “financial
14 characteristics (including types of sanctions or
15 other grant reductions)” and by striking the
16 semicolon at the end and adding “, broken
17 down by race, ethnicity/national origin, primary
18 language, gender, education level, and, for
19 closed TANF cases, reason the case was
20 closed;”;

21 (B) in paragraph (3), by striking “and” at
22 the end;

23 (C) in paragraph (4), by striking the pe-
24 riod and inserting “; and”; and

25 (D) by adding at the end the following:

1 “(5) the economic well-being of children and
2 families receiving assistance under the State pro-
3 grams funded under this part and of children and
4 families that have ceased to receive such assistance,
5 using longitudinal matched data gathered from fed-
6 erally supported programs, and including State by
7 State data that details the distribution of earnings
8 and stability of employment of such families and (to
9 the extent feasible) describes, with respect to such
10 families, the distribution of income from known
11 sources (including employer-reported wages, assist-
12 ance under the State program funded under this
13 part, and benefits under the food stamp program),
14 the ratio of such families’ income to the poverty line,
15 and the extent to which such families receive or re-
16 ceived noncash benefits and child care assistance.
17 Such information shall be broken down by race, eth-
18 nicity/national origin, primary language, gender,
19 education level, whether the TANF case remains
20 open, and, for closed TANF cases, reason the case
21 was closed.”.

22 (2) CONFORMING AMENDMENTS.—Section
23 411(a) (42 U.S.C. 611(a)) is amended by redesign-
24 inating paragraph (7) as paragraph (8) inserting
25 after paragraph (6) the following:

1 “(7) REPORT ON ECONOMIC WELL-BEING OF
2 CURRENT AND FORMER RECIPIENTS.—The report
3 required by paragraph (1) for a fiscal quarter shall
4 include for that quarter such information as the Sec-
5 retary may specify in order for the Secretary to in-
6 clude in the annual reports to Congress required
7 under subsection (b) the information described in
8 subsection (b)(5).”.

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