

Union Calendar No. 498

114TH CONGRESS
2^D SESSION

H. R. 2990

[Report No. 114–646]

To provide for the conduct of demonstration projects to test the effectiveness
of subsidized employment for TANF recipients.

IN THE HOUSE OF REPRESENTATIVES

JULY 9, 2015

Mr. DOLD introduced the following bill; which was referred to the Committee
on Ways and Means

JUNE 28, 2016

Additional sponsor: Mr. REED

JUNE 28, 2016

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on July 9, 2015]

A BILL

To provide for the conduct of demonstration projects to test the effectiveness of subsidized employment for TANF recipients.

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 “Accelerating Individuals*
 5 *into the Workforce Act”.*

6 **SEC. 2. DEMONSTRATION PROJECTS TO SUPPORT SUB-**
 7 **SIDIZED EMPLOYMENT FOR TANF RECIPI-**
 8 **ENTS.**

9 *Section 403 of the Social Security Act (42 U.S.C. 603)*
 10 *is amended by adding at the end the following:*

11 “(c) *SUBSIDIZED EMPLOYMENT DEMONSTRATION*
 12 *PROJECTS.—*

13 “(1) *IN GENERAL.—The Secretary shall make*
 14 *grants to States to conduct demonstration projects de-*
 15 *signed to implement and evaluate strategies that pro-*
 16 *vide wage subsidies to enable low-income individuals*
 17 *to enter into and retain employment.*

18 “(2) *APPLICATION REQUIREMENTS.—The Sec-*
 19 *retary shall require each State that applies for a*
 20 *grant under this subsection to do the following:*

21 “(A) *Describe how wage subsidies will be*
 22 *provided (such as whether paid directly to the*
 23 *employer or the individual), the duration of the*
 24 *subsidies, the amount of the subsidies, the struc-*
 25 *ture of the subsidies, and how employers will be*

1 *recruited to participate in the subsidized em-*
2 *ployment program.*

3 “(B) *Describe how the State expects those*
4 *participating in subsidized employment to be*
5 *able to retain employment after the subsidy ends.*

6 “(C) *Describe how the State will coordinate*
7 *subsidized employment funded under this sub-*
8 *section with other efforts to help low-income in-*
9 *dividuals enter work as conducted by the State.*

10 “(3) *USE OF FUNDS.—*

11 “(A) *IN GENERAL.—A State to which a*
12 *grant is made under this subsection may use the*
13 *grant to subsidize the wages of an eligible recipi-*
14 *ent for a period not exceeding 12 months, and*
15 *only to the extent that the total of the funds paid*
16 *under this project and any other Federal funds*
17 *so used with respect to the recipient does not ex-*
18 *ceed 50 percent of the amount of the wages re-*
19 *ceived by the recipient during the period.*

20 “(B) *ELIGIBLE RECIPIENT.—For purposes*
21 *of subparagraph (A), an eligible recipient is—*

22 “(i)(I) *a recipient of assistance under*
23 *the State program funded under this part*
24 *or any other State program funded with*

1 *qualified State expenditures (as defined in*
2 *section 409(a)(7)(B)(i)); or*

3 *“(II) a noncustodial parent of a minor*
4 *child who is receiving assistance referred to*
5 *in subclause (I);*

6 *“(ii) who, at the time the subsidy be-*
7 *gins, is unemployed; and*

8 *“(iii) whose income, at that time, is*
9 *less than 200 percent of the poverty line (as*
10 *defined by the Office of Management and*
11 *Budget, and revised annually in accordance*
12 *with section 673(2) of the Omnibus Budget*
13 *Reconciliation Act of 1981 (42 U.S.C.*
14 *9902(2))).*

15 *“(4) LIMITATIONS.—*

16 *“(A) NONDISPLACEMENT.—A State to which*
17 *a grant is made under this subsection shall en-*
18 *sure that no participant in a subsidized job pro-*
19 *gram funded in whole or in part under this sub-*
20 *section is employed or assigned to a job under*
21 *the program—*

22 *“(i) when any other individual is on*
23 *layoff from the same or any substantially*
24 *equivalent job; or*

1 “(ii) if the employer has terminated
 2 the employment of any regular employee or
 3 otherwise caused an involuntary reduction
 4 of its workforce in order to fill the vacancy
 5 so created with an adult described in para-
 6 graph (1).

7 “(B) *GRIEVANCE PROCEDURE.*—A State
 8 with a program funded under this subsection
 9 shall establish and maintain a grievance proce-
 10 dure for resolving complaints of alleged viola-
 11 tions of subparagraph (A).

12 “(C) *NO PREEMPTION.*—Nothing in this
 13 paragraph shall preempt or supersede any provi-
 14 sion of State or local law that provides greater
 15 protection for employees from displacement.

16 “(5) *REPORTS.*—As a condition of receiving
 17 funds under this subsection for a fiscal year, a State
 18 shall submit to the Secretary, within 6 months after
 19 the end of the fiscal year, a report that—

20 “(A) specifies, for each month of the fiscal
 21 year, the number of individuals whose employ-
 22 ment is subsidized with these funds;

23 “(B) describes the structure of the State ac-
 24 tivities to use the funds to subsidize employment,

1 *including the amount and duration of the sub-*
2 *sidies provided;*

3 “(C) *specifies the percentage of eligible re-*
4 *cipients who received a subsidy who are in un-*
5 *subsidized employment during the 2nd quarter*
6 *after the subsidy ended;*

7 “(D) *specifies the percentage of eligible re-*
8 *cipients who received a subsidy who are in un-*
9 *subsidized employment during the 4th quarter*
10 *after the subsidy ended; and*

11 “(E) *specifies the median earnings of eligi-*
12 *ble recipients who received a subsidy who are in*
13 *unsubsidized employment during the 2nd quarter*
14 *after the subsidy ended.*

15 “(6) *EVALUATION.—The Secretary, in consulta-*
16 *tion with each State conducting a demonstration*
17 *project, shall conduct a high-quality evaluation of the*
18 *demonstration project, and may reserve funds made*
19 *available under this subsection to conduct the evalua-*
20 *tion in accordance with the following:*

21 “(A) *EVALUATOR QUALIFICATIONS.—The*
22 *Secretary may not enter into a contract with an*
23 *evaluator unless the evaluator has demonstrated*
24 *experience in conducting rigorous evaluations of*
25 *program effectiveness including, where available*

1 *and appropriate, well-implemented randomized*
2 *controlled trials.*

3 “(B) *METHODOLOGIES TO BE USED.*—*The*
4 *evaluation of a demonstration project shall use*
5 *experimental designs using random assignment*
6 *or other reliable, evidence-based research meth-*
7 *odologies that allow for the strongest possible*
8 *causal inferences when random assignment is*
9 *not feasible.*

10 “(C) *PUBLIC DISCLOSURE.*—*The Secretary*
11 *shall publish the results of the evaluation on the*
12 *website of the Department of Health and Human*
13 *Services in a location easily accessible by the*
14 *public.*

15 “(7) *RECOMMENDATIONS TO CONGRESS.*—*The*
16 *Secretary shall submit recommendations to the Con-*
17 *gress on how to increase the employment, retention,*
18 *and advancement of individuals currently or formerly*
19 *receiving assistance under a State program funded*
20 *under this part or any other State program funded*
21 *with qualified State expenditures (as defined in sec-*
22 *tion 409(a)(7)(B)(i)).*

23 “(8) *FUNDING.*—*Of the amounts made available*
24 *to carry out subsection (b) for fiscal year 2017, the*

1 *Secretary shall reserve \$100,000,000 to carry out this*
2 *subsection.*

3 *“(9) USE OF CERTAIN FUNDS FOR CAREER PATH-*
4 *WAYS PROGRAMS.—The Secretary shall use 15 percent*
5 *of the amounts reserved to carry out this subsection,*
6 *to fund programs that offer career pathway (as de-*
7 *finied in section 3(7) of the Workforce Innovation and*
8 *Opportunity Act) services.*

9 *“(10) AVAILABILITY OF FUNDS.—Funds provided*
10 *to a State under this subsection in a fiscal year shall*
11 *be expended by the State in the fiscal year or in the*
12 *succeeding fiscal year.”.*

13 **SEC. 3. EFFECTIVE DATE.**

14 *The amendment made by this Act shall take effect on*
15 *October 1, 2016.*

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