

116TH CONGRESS
1ST SESSION

S. 136

To amend the Social Security Act to establish a new employment, training, and supportive services program for the long-term unemployed and individuals with barriers to employment, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 15, 2019

Mr. WYDEN (for himself, Mr. CASEY, Mr. BLUMENTHAL, Mr. VAN HOLLEN, and Mr. JONES) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Social Security Act to establish a new employment, training, and supportive services program for the long-term unemployed and individuals with barriers to employment, 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,*
3 **SECTION 1. SHORT TITLE; AMENDMENT TO SOCIAL SECU-
4 RITY ACT; TABLE OF CONTENTS.**

5 (a) SHORT TITLE.—This Act may be cited as the
6 “Economic Ladders to End Volatility and Advance Train-
7 ing and Employment Act of 2019” or the “ELEVATE
8 Act of 2019”.

1 (b) AMENDMENTS TO SOCIAL SECURITY ACT.—Ex-
2 cept as otherwise specifically provided, whenever in this
3 Act an amendment is expressed in terms of an amendment
4 to or repeal of a section or other provision, the reference
5 shall be considered to be made to that section or other
6 provision of the Social Security Act.

7 (c) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

Sec. 1. Short title; amendment to Social Security Act; table of contents.
Sec. 2. Employment, training, and supportive services program.
Sec. 3. Self-employment assistance benefits and relocation assistance benefits.
Sec. 4. Employee retention work opportunity credit.
Sec. 5. Conforming amendments.
Sec. 6. Effective date; regulations.

9 **SEC. 2. EMPLOYMENT, TRAINING, AND SUPPORTIVE SERV-
10 ICES PROGRAM.**

11 (a) ESTABLISHMENT.—The Social Security Act (42
12 U.S.C. 301 et seq.) is amended by inserting after title XII
13 the following:

14 **“TITLE XIII—REEMPLOYMENT
15 AND OTHER JOB-RELATED
16 ASSISTANCE AND BENEFITS
17 “PART A—EMPLOYMENT, TRAINING, AND
18 SUPPORTIVE SERVICES PROGRAM**

19 **“SEC. 1301. PURPOSE; DEFINITIONS; ADMINISTRATION.**

20 “(a) PURPOSE.—The purpose of this part is to pro-
21 vide funds to States to initiate and expand the provision
22 of employment services, training and other services and

1 activities, and supportive services for eligible individuals
2 in order to—

3 “(1) promote subsidized employment programs
4 for public, private for-profit, private non-profit, and
5 social enterprise sector jobs;

6 “(2) expand the availability of jobs during eco-
7 nomic downturns or in areas with persistently high
8 unemployment or poverty;

9 “(3) provide economically and socially disadvan-
10 taged individuals (such as the long-term unem-
11 ployed, people with criminal records, former foster
12 youth, and other economically and socially disadvan-
13 taged populations) with the ability to gain job expe-
14 rience;

15 “(4) provide employers with new pathways into
16 the workforce development system enabling them to
17 have a greater role in the training and hiring of new
18 workers and labor market re-entrants; and

19 “(5) allow for sufficient State flexibility to de-
20 sign programs targeted at community-specific work-
21 force gaps and employer needs.

22 “(b) DEFINITIONS.—In this part:

23 “(1) ADULT AND DISLOCATED WORKER EM-
24 PLOYMENT AND TRAINING ACTIVITIES.—The term
25 ‘adult and dislocated worker employment and train-

1 ing activities’ means adult and dislocated worker
2 employment and training activities funded under
3 chapter 3 of subtitle B of title I of the Workforce
4 Innovation and Opportunity Act.

5 “(2) DISLOCATED WORKER.—The term ‘dis-
6 located worker’ has the meaning given that term in
7 section 3 of the Workforce Innovation and Oppor-
8 tunity Act.

9 “(3) ELIGIBLE INDIVIDUAL.—The term ‘eligible
10 individual’ means an individual who, on the basis of
11 an assessment by the State, has been determined to
12 be unlikely to find unsubsidized employment due
13 to—

14 “(A) being an individual with a barrier to
15 employment;

16 “(B) being a dislocated worker; or

17 “(C) local or national economic conditions.

18 “(4) EMPLOYMENT SERVICES.—The term ‘em-
19 ployment services’ means a subsidized job placement
20 in the public, private for-profit, private non-profit, or
21 social enterprise sector and includes payment or re-
22 imbursement of employer subsidies for wages, the
23 employer share of payroll taxes, employer costs for
24 unemployment insurance, employer costs for work-
25 ers’ compensation premiums, and costs attributable

1 to supervision and other administration directly re-
2 lated to the employment of an eligible individual in
3 the subsidized job placement.

4 “(5) INDIAN TRIBE.—The term ‘Indian tribe’
5 has the meaning given that term in section 419(4).

6 “(6) INDIVIDUAL WITH A BARRIER TO EMPLOY-
7 MENT.—The term ‘individual with a barrier to em-
8 ployment’ has the meaning given that term in sec-
9 tion 3 of the Workforce Innovation and Opportunity
10 Act and includes an individual who is an offender
11 (as defined in such section).

12 “(7) INTEGRATED EDUCATION AND TRAIN-
13 ING.—The term ‘integrated education and training’
14 has the meaning given that term in section 3 of the
15 Workforce Innovation and Opportunity Act.

16 “(8) PAYROLL TAXES.—The term ‘payroll
17 taxes’ means taxes under section 3111, 3221, 3301,
18 or 3321 of the Internal Revenue Code of 1986, and
19 any similar State or local tax imposed on employers.

20 “(9) SUPPORTIVE SERVICES.—

21 “(A) IN GENERAL.—The term ‘supportive
22 services’ has the meaning given that term in
23 section 3 of the Workforce Innovation and Op-
24 portunity Act.

1 “(B) ADDITIONAL SERVICES.—Such term
2 includes any of the following:

3 “(i) Stipends for an eligible individual
4 provided with unpaid training services.

5 “(ii) Legal services.

6 “(iii) Other supplemental services nec-
7 essary for an eligible individual to partici-
8 pate in the State program funded under
9 this part.

10 “(10) STATE EXPENDITURES.—The term ‘State
11 expenditures’ means all State or local funds that are
12 expended by the State or a local agency including
13 State or local funds that are matched or reimbursed
14 by the Federal Government and State or local funds
15 that are not matched or reimbursed by the Federal
16 Government.

17 “(11) TIER-1 PRACTICE.—Subject to subsection
18 (c), the term ‘tier-1 practice’ means a practice
19 that—

20 “(A) offers a new or potentially more effec-
21 tive strategy for addressing widely shared chal-
22 lenges;

23 “(B) has not been systematically studied
24 but is supported by a strong logic model; and

1 “(C) is a departure from existing work-
2 force strategies.

3 “(12) TIER-2 PRACTICE.—Subject to subsection
4 (c), the term ‘tier-2 practice’ means a practice that
5 will expand knowledge about the efficacy of a work-
6 force strategy and provide more information about
7 the feasibility of implementing proven workforce
8 strategies in different contexts and is, with respect
9 to a State—

10 “(A) a practice that has been implemented
11 by a State program and evaluated by a State or
12 by a neutral third-party and the evaluation re-
13 sults indicate some potential for positive im-
14 pacts on participant or system-wide outcomes;
15 or

16 “(B) a practice that has not been pre-
17 viously implemented by the State, but is sup-
18 ported by strong evidence of positive change
19 and has been evaluated before using an out-
20 come, quasi-experimental, or random assign-
21 ment design, and evaluation findings indicate
22 some statistically significant positive change.

23 “(13) TIER-3 PRACTICE.—Subject to subsection
24 (c), the term ‘tier-3 practice’ means with respect to
25 a State, a practice that—

1 “(A) previously has been implemented by a
2 program funded by a State; and

3 “(B) previously has been evaluated using a
4 random assignment design and the evaluation
5 findings indicate some positive impacts on par-
6 ticipant or system wide outcomes.

7 “(14) TRAINING AND OTHER SERVICES OR AC-
8 TIVITIES.—The term ‘training and other services or
9 activities’ means any of the following services or ac-
10 tivities if provided in conjunction with a subsidized
11 job placement and determined by the State as nec-
12 essary to significantly increase the likelihood that
13 the job placement will be successful for the employer
14 and employee and may improve the prospect of ob-
15 taining and retaining unsubsidized jobs:

16 “(A) Services provided through adult and
17 dislocated worker employment and training ac-
18 tivities.

19 “(B) Integrated education and training.

20 “(C) Education directly related to employ-
21 ment.

22 “(D) Vocational and employment services
23 integrated with trauma-informed substance use
24 disorder treatment, in collaboration with a sub-
25 stance use disorder treatment provider.

1 “(E) Casework and job coaching.

2 “(F) Union-provided job training services.

3 “(c) OUTCOME MEASURES REQUIRED.—A practice
4 shall not be considered to be a tier-1, tier-2, or tier-3 prac-
5 tice unless the practice is intended, studied, or evaluated
6 for purposes of making meaningful improvements in vali-
7 dated measures of important outcomes for eligible individ-
8 uals and their families, such as recidivism, health, employ-
9 ment, and economic well-being over the short and long-
10 term.

11 “(d) ADMINISTRATION.—Subject to section 1302(d),
12 the program under this part shall be administered by the
13 Secretary through the Assistant Secretary for the Admin-
14 istration for Children and Families within the Department
15 of Health and Human Services and in consultation with
16 the Secretary of Labor and the Secretary of Education.

17 “(e) STATE ENTITLEMENT.—This part constitutes
18 budget authority in advance of appropriations Acts and
19 represents the obligation of the Federal Government to
20 provide payments to States under section 1304(a).

21 **“SEC. 1302. STATE PLAN REQUIREMENTS.**

22 “(a) IN GENERAL.—A State is not eligible for pay-
23 ment under section 1304 unless the State has submitted
24 to the Secretary a plan that describes—

1 “(1) the State’s strategy for creating or ex-
2 panding programs that offers subsidized employment
3 for eligible individuals and moving such individuals
4 into unsubsidized employment;

5 “(2) how such strategy fits with the State’s
6 overall strategy for, and assessment of, the State’s
7 workforce needs;

8 “(3) the employment services, training and
9 other services or activities, and supportive services to
10 be provided under the State program funded under
11 this part;

12 “(4) which specific populations of eligible indi-
13 viduals the State will serve, with a focus on how the
14 State plans to assess and serve the eligible individ-
15 uals with serious or multiple barriers to employment;

16 “(5) the strategies the State will use for out-
17 reach and engagement with the populations specified
18 under paragraph (4) to ensure that such populations
19 are aware of subsidized employment opportunities in
20 their community;

21 “(6) the strategies the State will use for out-
22 reach, engagement, and ongoing collaboration with
23 employers to promote employers’ use of the program
24 and ensure they have the training necessary to sup-
25 port eligible individuals;

1 “(7) the strategies the State will use, based on
2 such assessments, to create employability plans for
3 eligible individuals participating in the State pro-
4 gram funded under this part and, based on such
5 plans, assign and provide eligible individuals with
6 employment services, training and other services and
7 activities, and supportive services;

8 “(8) how the State will coordinate the State
9 program funded under this part with other relevant
10 systems and programs based on the populations
11 identified which may include criminal justice, child
12 support, juvenile justice, child welfare, homeless
13 services and other human services and workforce de-
14 velopment programs of the State, including pro-
15 grams supported through the Workforce Innovation
16 and Opportunity Act;

17 “(9) how the State will ensure employers par-
18 ticipating in the program comply with the non-
19 displacement requirements of section 1305(c); and

20 “(10) a plan for regular, rigorous evaluation of
21 the State program funded under this part, including
22 how the State plans to measure program outcomes
23 and impacts.

24 “(b) OTHER REQUIREMENTS.—The State shall in-
25 clude with the plan a certification that supportive services

1 for eligible individuals will supplement, and not supplant,
2 other assistance provided by the State.

3 “(c) DEADLINES FOR SUBMISSION.—

4 “(1) INITIAL PLAN.—The initial State plan
5 under this section shall be submitted by the State
6 agency or agencies responsible for administering the
7 State program under this part to the Secretary and,
8 as appropriate, to the Secretary of Labor and the
9 Secretary of Education, not later than 90 days prior
10 to the commencement of the State program funded
11 under this part and shall be for the period beginning
12 on the first day of the commencement of the State
13 program funded under the part and ending on the
14 day that is the last day of the period covered by the
15 unified State plan or combined State plan submitted
16 by the State under section 102 or 103 of the Work-
17 force Innovation and Opportunity Act that is in ef-
18 fect as of the date of submission.

19 “(2) SUBSEQUENT PLANS.—Each State plan
20 submitted under this section after the initial State
21 plan shall be submitted at the same time, in the
22 same manner, and apply for the same period, as a
23 unified State plan or a combined State plan sub-
24 mitted by the State under section 102 or 103 of the
25 Workforce Innovation and Opportunity Act.

1 “(3) APPROVAL.—Each State plan submitted
2 under this section by the State agency or agencies
3 responsible for administering the State program
4 under this part, and any amendments to the plan,
5 shall be subject to the approval of the Secretary, in
6 consultation with the Secretary of Labor or the Sec-
7 retary of Education as appropriate.

8 “(d) STATE AGENCY.—At the option of the State, the
9 program funded under this part shall be administered by
10 the lead State agency responsible for administering the
11 State program funded under part A of title IV, the lead
12 State agencies responsible for administering the adult and
13 dislocated worker employment and training activities of
14 the State, or jointly by such agencies.

15 **“SEC. 1303. USE OF FUNDS.**

16 “(a) AUTHORIZED USES.—

17 “(1) IN GENERAL.—Subject to paragraph (2), a
18 State shall use funds paid under section 1304 to
19 provide eligible individuals with—

20 “(A) employment services;

21 “(B) training and other services and activi-
22 ties; and

23 “(C) supportive services while eligible indi-
24 viduals are provided with employment services
25 and training and other services and activities.

1 “(2) SPENDING REQUIREMENT.—Not less than
2 70 percent of the total amount paid to a State for
3 a fiscal year quarter shall be for expenditures attrib-
4 utable to employment services that are payment for
5 or reimbursement of employer costs for wages, the
6 employer share of payroll taxes, employer costs for
7 unemployment insurance, employer costs for work-
8 ers’ compensation premiums, or costs for employer-
9 provided on-the-job training for subsidized job place-
10 ments of eligible individuals.

11 “(3) TRAINING.—A State may use such funds
12 for training employers, agency personnel, and other
13 individuals related to the administration of the State
14 program funded under this part on issues related to
15 providing eligible individuals with employment serv-
16 ices, training and other services and activities, and
17 supportive services.

18 “(4) ADMINISTRATIVE COSTS.—Subject to sec-
19 tion 1304(e), a State may use such funds for the
20 proper and efficient administration of the State pro-
21 gram funded under this part.

22 “(b) EVIDENCE-BASED PRACTICES AND ACTUAL JOB
23 PLACEMENTS REQUIRED.—

24 “(1) IN GENERAL.—Subject to paragraph (3),
25 only State expenditures for employment services,

1 training and other services and activities, and sup-
2 portive services provided to eligible individuals that
3 meet the following conditions shall be eligible for a
4 Federal matching payment under section 1304:

5 “(A) The employment services, training
6 and other services and activities, supportive
7 services are provided in accordance with prac-
8 tices that meet the requirements for being con-
9 sidered a tier-1, tier-2, or tier-3 practice.

10 “(B) The State can demonstrate that the
11 employment services, training and other serv-
12 ices and activities, and supportive services pro-
13 vided for an eligible individual directly resulted
14 in employment (subsidized or unsubsidized) for
15 the eligible individual, or can demonstrate good
16 cause for why the job placement or employment
17 did not occur, which may include the failure of
18 an employer or an eligible individual to carry
19 out the employer’s or individual’s commitments
20 to the State program.

21 “(2) TIER-2 OR TIER-3 PRACTICES.—Beginning
22 with the 21st fiscal year quarter for which the State
23 carries out the program funded under this part, not
24 less than 50 percent of the total amount expended
25 by the State for the quarter shall be for employment

1 services, training and other services and activities,
2 and supportive services provided in accordance with
3 practices that meet the requirements for being con-
4 sidered a tier-2 or tier-3 practice.

5 “(3) PERIODS OF ECONOMIC DOWNTURN.—The
6 Secretary may waive any of the limitations on eligi-
7 ble expenditures under paragraphs (1) and (2) with
8 respect to 1 or more State programs funded under
9 this part during any period of local or national eco-
10 nomic downturn (as defined by the Secretary).

11 “(c) EVALUATIONS.—A State shall be eligible to re-
12 ceive a payment under section 1304 for expenditures at-
13 tributable to evaluating the State program funded under
14 this part if—

15 “(1) the State submits to the Secretary a de-
16 scription of the proposed evaluation; and

17 “(2) the Secretary determines that the design
18 and approach of the proposed evaluation is rigorous,
19 will measure program outcomes and impacts, and is
20 likely to yield information that is credible and will
21 be useful to the State.

22 **“SEC. 1304. PAYMENTS TO STATES.**

23 “(a) PAYMENTS TO STATES.—Subject to section
24 1303 and subsections (b) and (c) of this section, beginning
25 with the first fiscal year quarter for which a State plan

1 is approved under this part, and for each quarter there-
2 after, the Secretary shall pay each State, out of any money
3 in the Treasury not otherwise appropriated, an amount
4 equal to the Federal medical assistance percentage that
5 applies for the fiscal year to the State under section
6 1905(b) (without regard to any adjustments to such per-
7 centage applicable under that section or any other provi-
8 sion of law) of the total amount expended by the State
9 during the quarter to provide eligible individuals with em-
10 ployment services, training and other services and activi-
11 ties, and supportive services and, subject to subsection (e),
12 for the proper and efficient administration of the program
13 funded under this part.

14 “(b) INCREASED FEDERAL SUPPORT DURING ECO-
15 NOMIC DOWNTURNS.—

16 “(1) INCREASED FMAP.—

17 “(A) IN GENERAL.—Beginning with any
18 fiscal year quarter for which the total unem-
19 ployment in a State (seasonally adjusted) for
20 the period consisting of the most recent 3
21 months for which data for all States are pub-
22 lished equals or exceeds the applicable percent-
23 age specified in paragraph (2), the Federal
24 medical assistance percentage applicable to pay-
25 ments made under subsection (a) to the State

1 for the quarter shall be increased by the appli-
2 cable number of percentage points specified in
3 paragraph (2), except that in no case shall the
4 Federal medical assistance percentage applica-
5 ble to payments under subsection (a) for a
6 State for a quarter exceed 100 percent.

7 “(B) DURATION.—

8 “(i) IN GENERAL.—Subject to clause
9 (ii), an increase in the Federal medical as-
10 sistance percentage made in accordance
11 with this subsection shall remain in effect
12 with respect to payments made to a State
13 under subsection (a) for at least 4 consecu-
14 tive fiscal year quarters.

15 “(ii) ADDITIONAL INCREASE IN UNEM-
16 PLOYMENT.—If during the period for
17 which the Federal medical assistance per-
18 centage for a State is increased under this
19 subsection, the total unemployment in the
20 State (seasonally adjusted) for the period
21 consisting of the most recent 3 months for
22 which data for all States are published ex-
23 ceeds the applicable total unemployment
24 rate that was the basis for such increase,
25 the increase in the Federal medical assist-

“(2) APPLICABLE PERCENTAGE; APPLICABLE NUMBER OF PERCENTAGE POINTS.—For purposes of paragraph (1), if the total unemployment in a State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States are published is—

16 “(A) equal to or greater than 6.5 percent
17 but less than 7 percent, the applicable number
18 of percentage points is 20;

19 “(B) equal to or greater than 7 percent
20 but less than 7.5 percent, the applicable num-
21 ber of percentage points is 30;

22 “(C) equal to or greater than 7.5 percent
23 but less than 8 percent, the applicable number
24 of percentage points is 40; and

1 “(D) equal to or greater than 8 percent,
2 the applicable number of percentage points is
3 50.

4 “(c) MAINTENANCE OF EFFORT.—As a condition of
5 receiving payments under this section for a fiscal year—

6 “(1) the total amount of State expenditures for
7 employment services, training and other services and
8 activities, and supportive services provided through
9 the adult and dislocated worker employment and
10 training activities of the State for the fiscal year
11 shall not be less than the amount of such expendi-
12 tures for fiscal year 2017; and

13 “(2) the total amount of State expenditures for
14 work, education, and training activities and work
15 supports under the State program funded under
16 part A of title IV shall not be less than the total
17 amount of such State expenditures for the preceding
18 fiscal year.

19 “(d) ADMINISTRATION OF PAYMENTS WITH TITLE
20 IV—A.—Section 405 shall apply to payments made to
21 States under this part in the same manner as section 405
22 applies to payments made to States under State programs
23 funded under part A of title IV.

24 “(e) LIMITATION.—Beginning with the fifth fiscal
25 year quarter for which a State plan is approved under this

1 part, and for each quarter thereafter, a State shall not
2 receive a payment under this section for amounts ex-
3 pended by the State during the quarter for the proper and
4 efficient administration of the program funded under this
5 part that exceed the amount equal to 15 percent of the
6 amount expended by the State during the quarter to pro-
7 vide eligible individuals with employment services, training
8 and other services and activities, and supportive services.

9 “(f) PLANNING AND IMPLEMENTATION GRANTS;

10 TECHNICAL ASSISTANCE.—

11 “(1) IN GENERAL.—In addition to amounts
12 available to make payments to States under sub-
13 section (a), the Secretary shall make grants to
14 States and Indian tribes (or intertribal consortiums
15 with a tribal family assistance plan approved under
16 section 412), for costs attributable to the planning
17 and implementation of a State or tribal program
18 funded under this part and shall provide technical
19 assistance to States and Indian tribes with respect
20 to the planning and implementation of such a pro-
21 gram.

22 “(2) REQUIREMENTS.—

23 “(A) COMMUNITY ENGAGEMENT.—As a
24 condition of receiving a grant under this sub-
25 section, a State or Indian tribe shall engage

1 local communities, including focus groups of
2 target populations of eligible individuals and
3 employers, in the planning and implementation
4 of the State or tribal program funded under
5 this part.

6 “(B) 2-YEAR LIMIT.—No State or Indian
7 tribe shall receive a grant under this subsection
8 for more than 8 quarters.

9 “(C) NO MATCHING PAYMENT RE-
10 QUIRED.—No matching payment shall apply to
11 the grants made under this subsection.

12 “(3) AUTHORIZATION OF APPROPRIATIONS.—
13 There are authorized to be appropriated to the Sec-
14 retary to carry out this subsection for each fiscal
15 year beginning with fiscal year 2020, such sums as
16 are necessary.

17 **“SEC. 1305. OTHER PROGRAM REQUIREMENTS.**

18 “(a) ASSESSMENT AND EMPLOYABILITY PLAN.—The
19 State shall establish procedures to—

20 “(1) assess, within 30 days of determining that
21 an individual is an eligible individual, the eligible in-
22 dividual’s job skills, education, past work experience,
23 and potential barriers to employment; and

1 “(2) create, based on such assessment, an individualized employability plan for each eligible individual participating in the program that—

4 “(A) specifies—

5 “(i) the initial plan for the eligible individual, including whether the eligible individual is to immediately begin working in a subsidized job or needs training and other services and activities or supportive services before that placement can occur; and

12 “(ii) the employment services that will be provided to the eligible individual, as well as the training and other services and activities, and supportive services that will be provided to the eligible individual while the eligible individual is working in a subsidized job; and

19 “(B) provides that, near the end of the individual’s initial placement in a subsidized job, an assessment will be made regarding whether the eligible individual will be converted to a permanent employee, and if not, the job search assistance and additional employment services, training and other services and activities, and

1 supportive services that will be provided to the
2 eligible individual with the goal of obtaining
3 and retaining unsubsidized employment.

4 **“(b) EMPLOYMENT STANDARDS AND CRITERIA FOR**
5 **SUBSIDIZED JOBS.—**

6 “(1) GENERAL REQUIREMENTS.—Any sub-
7 sidized job placement for an eligible individual par-
8 ticipating in the State program funded under this
9 part shall satisfy the following requirements:

10 “(A) Employment services that are pay-
11 ment for or reimbursement of employer costs
12 may only be used by an employer in the public,
13 private for-profit, private non-profit, or social
14 enterprise sector for such costs that are attrib-
15 utable to the hiring of, compensation for, or on-
16 the-job training of, the eligible individual.

17 “(B) An employer in the public, private
18 for-profit, private non-profit, or social enter-
19 prise sector shall not be paid a subsidy that ex-
20 ceeds 120 percent of wage costs.

21 “(C) An eligible individual in a subsidized
22 job placement shall be paid not less than the
23 prevailing minimum wage in the relevant juris-
24 diction and shall be covered by all relevant
25 labor and employment laws.

1 “(D) Subject to paragraph (4), a sub-
2 sidized job placement for an eligible individual
3 shall not exceed 6 months unless the placement
4 is extended for not more than 6 additional
5 months for purposes of improving the work ex-
6 perience, training and other services and activi-
7 ties, and supportive services needs of an eligible
8 individual with less prior work experience, more
9 skill development and training needs, or greater
10 employment barriers.

11 “(E) Employers participating in the State
12 program agree to make a good faith effort to
13 hire an eligible individual placed in a subsidized
14 job in their employment if the individual has
15 demonstrated satisfactory performance and the
16 employer has a relevant job opening available
17 and to maintain a record of the share of sub-
18 sidized workers hired on a permanent basis.

19 “(2) ADDITIONAL PLACEMENTS.—If, after com-
20 pleting a subsidized job placement, an eligible indi-
21 vidual is unemployed for at least 6 weeks (regardless
22 of whether such weeks are consecutive), the eligible
23 individual may apply for a new subsidized job place-
24 ment but the immediately subsequent placement

1 may only be with a different public or private sector
2 employer.

3 “(3) STATE VARIATION PERMITTED.—Employer
4 subsidies for a subsidized job placement may vary
5 within a State and among States carrying out pro-
6 grams under this part provided that all eligible indi-
7 viduals employed in subsidized jobs shall be paid not
8 less than the prevailing minimum wage in the rel-
9 evant jurisdiction and shall be covered by all rel-
10 evant labor and employment laws.

11 “(4) EXCEPTIONS.—With respect to any period
12 for which the total unemployment in a State (sea-
13 sonally adjusted) for the period consisting of the
14 most recent 3 months for which data for all States
15 are published equals or exceeds 7.5 percent, the Sec-
16 retary may waive the limit on the duration of a sub-
17 sidized job placement under paragraph (1)(D).

18 “(c) NONDISPLACEMENT.—A public or private sector
19 employer shall not use an eligible individual subsidized job
20 placement to—

21 “(1) displace or replace an employee, position,
22 or volunteer, or to partially displace or replace an
23 employee, position, or volunteer, such as through a
24 reduction in hours, wages, or employment benefits;
25 or

1 “(2) displace or replace an employee participating in a strike, collective bargaining or union activities, or union organizing.

4 **“SEC. 1306. REPORTS; TECHNICAL ASSISTANCE; RESEARCH;**
5 **AUDIT REQUIREMENT.**

6 **“(a) QUARTERLY REPORTS.—**

7 “(1) STATE REPORTS.—A State shall submit with each quarterly report required under section 411(a)(1) a report on the State program funded under this part that contains such data and information as the Secretary shall require.

12 “(2) REPORTS TO CONGRESS.—The Secretary shall submit with each annual report to Congress required under section 411(b) a report on the State programs funded under this part, including demonstration projects conducted under section 1309.

17 **“(b) ONGOING PERFORMANCE ASSESSMENT.—**

18 “(1) IN GENERAL.—The Secretary shall study and submit annual reports to Congress that—

20 “(A) measure the performances of the State programs funded under this part, including demonstration projects conducted under section 1309;

1 “(B) include information about the cat-
2 egories of individuals and employers served by
3 such programs and projects; and

4 “(C) describe the activities eligible individ-
5 uals engaged in during the year.

6 “(2) TIMING OF SUBMISSIONS.—The Secretary
7 shall submit the reports required by paragraph
8 (1)—

9 “(A) in the case of the first such report,
10 2 years after the date on which the first State
11 program funded under this part is established;
12 and

13 “(B) in the case of subsequent reports, an-
14 nually thereafter.

15 “(c) ALIGNMENT WITH WORKFORCE INNOVATION
16 AND OPPORTUNITY ACT PROGRAMS.—The Secretary shall
17 coordinate with the Secretary of Labor on aligning per-
18 formance measures and regulations for the State pro-
19 grams funded under this part with the performance meas-
20 ures and regulations applicable to the core programs of
21 States funded under the Workforce Innovation and Oppor-
22 tunity Act.

23 “(d) INDIVIDUAL ELIGIBILITY ASSESSMENT GUID-
24 ANCE.—The Secretary, in consultation with the Secretary
25 of Labor, shall study and issue guidance to States on best

1 practices for assessing whether an individual satisfies the
2 criteria for being an eligible individual under section
3 1301(b)(3)(B) as being unlikely to find unsubsidized em-
4 ployment due to individual barriers, local economic condi-
5 tions, or national economic conditions.

6 “(e) NEW PERFORMANCE MEASURES.—

7 “(1) IN GENERAL.—The Secretary shall create
8 new performance measures that address income
9 gains and poverty reduction for eligible individuals
10 participating in the State program funded under this
11 part and the families of such individuals. Such per-
12 formance measures shall be in addition to the per-
13 formance accountability measures under section
14 116(b) of the Workforce Innovation and Opportunity
15 Act for the adult and dislocated worker employment
16 and training activities of the State and aligned with
17 the State program funded under this part.

18 “(2) PROGRAM ACCESS.—The Secretary shall
19 create a measure of program access to determine the
20 extent to which States are serving individuals with
21 the most significant barriers to employment and the
22 portion of State caseloads that are made up of such
23 workers.

24 “(f) COORDINATION OF DATA COLLECTION.—The
25 Secretary, in consultation with the Secretary of Labor,

1 and, as appropriate, the Secretary of Treasury and the
2 Secretary of Education, shall determine the data States
3 shall collect and report regarding the State program fund-
4 ed under this part and the extent to which that data col-
5 lection and reporting, and required evaluations, can be co-
6 ordinated with the data collection, reporting, and evalua-
7 tions required for the State program funded under part
8 A of title IV and the performance accountability measures
9 under section 116(b) of the Workforce Innovation and Op-
10 portunity Act for the adult and dislocated worker employ-
11 ment and training activities of the State.

12 “(g) FUNDING.—The Secretary shall use funding
13 made available under section 413(h)(1) for research, tech-
14 nical assistance, and evaluation to conduct the perform-
15 ance assessments required under subsection (b).

16 “(h) INSPECTOR GENERAL AUDIT.—The Inspector
17 General of the Department of Health and Human Services
18 shall biennially audit a sample of the State programs
19 funded under this part to ensure compliance with program
20 requirements, including compliance with the nondisplace-
21 ment requirements of section 1305(c), and to identify and
22 protect against any waste, fraud, or abuse in such pro-
23 grams.

1 **“SEC. 1307. DIRECT FUNDING AND ADMINISTRATION FOR**
2 **PROGRAMS OPERATED BY INDIAN TRIBES.**

3 “(a) IN GENERAL.—An Indian tribe or intertribal
4 consortium with a tribal family assistance plan approved
5 under section 412 (or any Indian tribe that is a member
6 of such a consortium) that proposes to establish a pro-
7 gram under this part shall submit an application to the
8 Secretary to directly receive payments for expenditures
9 made to carry out the program (in this section referred
10 to as a ‘tribal program application’).

11 “(b) TRIBAL PROGRAM APPLICATION REQUIRE-
12 MENTS.—Subject to subsection (c), a tribal program appli-
13 cation shall include a plan that meets the requirements
14 of section 1302 in the same manner as such requirements
15 apply to a State.

16 “(c) PROGRAM REQUIREMENTS.—The program re-
17 quirements specified in this part shall apply to an Indian
18 tribe or intertribal consortium with a tribal program appli-
19 cation and plan approved under this section in the same
20 manner as such requirements apply to a State except to
21 the extent that an Indian tribe or intertribal consortium
22 requests, and the Secretary approves, a waiver or modi-
23 fication of any such requirements.

24 “(d) PAYMENTS.—

25 “(1) IN GENERAL.—Subject to paragraph (2),
26 the Secretary shall pay an Indian tribe or intertribal

1 consortium with a tribal program application and
2 plan approved under this section in the same man-
3 ner as States are paid under section 1304.

4 “(2) APPLICATION OF TRIBAL FMAP.—The
5 Federal medical assistance percentage that would
6 apply under subsection (d) of section 479B if an In-
7 dian tribe or tribal consortium operated a program
8 under that section (in this subsection referred to as
9 the ‘tribal FMAP’), shall apply to payments made to
10 the Indian tribe or tribal consortium for expendi-
11 tures attributable to carrying out a program under
12 this part, unless the tribal FMAP is less than the
13 Federal medical assistance percentage that applies
14 to the State in which the Indian tribe or tribal con-
15 sortium is located in which case the State Federal
16 medical assistance percentage shall apply. In the
17 case of an Indian tribe or tribal consortium that is
18 located in more than 1 State, the State in which the
19 Indian tribe or tribal consortium is located that has
20 the highest Federal medical assistance percentage
21 shall apply to the preceding sentence.

1 **“SEC. 1308. DIRECT FUNDING AND ADMINISTRATION FOR**
2 **PROGRAMS OPERATED BY LOCAL GOVERN-**
3 **MENTS.**

4 “(a) IN GENERAL.—The Secretary shall establish
5 procedures under which a local government, or a consor-
6 tium of local governments within a State, may submit an
7 application to the Secretary to establish a program under
8 this part and directly receive payments for expenditures
9 made to carry out the program (in this section referred
10 to as a ‘local government program application’), if the
11 State in which the local government or consortium is lo-
12 cated does not elect to establish a State program under
13 this part.

14 “(b) LOCAL GOVERNMENT PROGRAM APPLICATION
15 REQUIREMENTS.—Subject to subsection (c), a local gov-
16 ernment program application shall include a plan that
17 meets the requirements of section 1302 in the same man-
18 ner as such requirements apply to a State.

19 “(c) PROGRAM REQUIREMENTS.—The program re-
20 quirements specified in this part shall apply to a local gov-
21 ernment or consortium with a local government program
22 application and plan approved under this section in the
23 same manner as such requirements apply to a State except
24 to the extent that a local government or consortium re-
25 quests, and the Secretary approves, a waiver or modifica-
26 tion of any such requirements.

1 “(d) PAYMENTS.—The Secretary shall pay a local
2 government or consortium with a local government pro-
3 gram application and plan approved under this section in
4 the same manner as the State in which the local govern-
5 ment or consortium is located would have been paid under
6 section 1304 if the State had established a State program
7 under this part.

10 “(a) AUTHORITY TO APPROVE DEMONSTRATION
11 PROJECTS.—The Secretary may authorize States to con-
12 duct demonstration projects pursuant to this section which
13 the Secretary finds are likely to promote 1 or more of the
14 purposes described in section 1301(a) through subsidized
15 employment for eligible individuals working for certified
16 pro-worker employers.

17 "(b) CONDITIONS FOR STATE ELIGIBILITY.—A State
18 may be authorized to conduct such demonstration project
19 only if the State satisfies the following conditions:

20 “(1) The State submits an application to the
21 Secretary, at such time, in such manner, and con-
22 taining the information specified in paragraph (2)
23 and such other information as the Secretary re-
24 quires.

1 “(2) The State includes the following informa-
2 tion in the application submitted to the Secretary:

3 “(A) The criteria for being an eligible indi-
4 vidual if the State elects to include individuals
5 not described in section 1301(b)(3).

6 “(B) A description of the scientific or
7 quasi-scientific design for the demonstration
8 project that includes a randomized controlled
9 trial or another valid control group.

10 “(C) The outcome measures for evaluating
11 the impact of the demonstration project that
12 shall include, at a minimum, the following:

13 “(i) The percentage of eligible individ-
14 uals who are in unsubsidized employment
15 during the second quarter after exiting
16 from the demonstration project.

17 “(ii) The percentage of eligible individ-
18 uals who are in unsubsidized employ-
19 ment during the fourth quarter after
20 exiting from the demonstration project.

21 “(iii) The median earnings of eligible
22 individuals who are in unsubsidized em-
23 ployment during the second quarter after
24 exiting from the demonstration project.

1 “(iv) Other measures of employment
2 and earnings as specified by the Secretary
3 which, to the greatest extent practicable,
4 shall be based on the information required
5 for State performance reports under sec-
6 tion 116(d)(2) of the Workforce Innovation
7 and Opportunity Act (29 U.S.C.
8 3141(d)(2)).

9 “(c) WAIVER AUTHORITY.—

10 “(1) IN GENERAL.—The Secretary may waive
11 compliance with any requirement of this part or part
12 A of title IV which (if applied) would prevent a
13 State from carrying out a demonstration project
14 under this section or prevent the State from effec-
15 tively achieving the purpose of such a project.

16 “(2) COST AND BUDGET NEUTRALITY.—The
17 Secretary shall not impose cost or budget neutrality
18 requirement as a condition for approving a dem-
19 onstration project under this section.

20 “(d) PAYMENT TO STATES.—

21 “(1) TREATMENT AS PROGRAM EXPENDI-
22 TURES.—The Secretary shall consider the expendi-
23 tures of any State to conduct a demonstration
24 project under this section to be expenditures under
25 this part.

1 “(2) ENHANCED FMAP.—The enhanced FMAP
2 described in the first sentence of section 2105(b)
3 that is applicable to a State for a fiscal year shall
4 apply to payments made to the State for a fiscal
5 year quarter for expenditures to conduct a dem-
6 onstration project under this section in lieu of the
7 Federal medical assistance percentage applicable to
8 payments made under section 1304(a) to the State
9 for the quarter. If the State is eligible for an in-
10 crease in the Federal medical assistance percentage
11 applicable to payments under section 1304(a) in ac-
12 cordance with subsection (b) of section 1304, the en-
13 hanced FMAP applicable to the State for the fiscal
14 year shall be used to determine the amount of the
15 increase.

16 “(e) DURATION OF DEMONSTRATION.—A demonstra-
17 tion project under this section may be conducted for such
18 period of years as the Secretary and a State shall agree,
19 but for not more than 5 years, unless in the judgment
20 of the Secretary, the demonstration project should be al-
21 lowed to continue.

22 “(f) INDIAN TRIBES AND LOCAL GOVERNMENTS.—
23 An Indian tribe or intertribal consortium approved for
24 payments under section 1307 and a local government or
25 a consortium of local governments within a State approved

1 for payments under section 1308 may be considered a
2 State for purposes of conducting a demonstration project
3 under this section.

4 “(g) PRO-WORKER EMPLOYER STANDARD.—

5 “(1) ESTABLISHMENT OF STANDARD.—Not
6 later than 2 years after the date of enactment of
7 this part, the Secretary and the Secretary of Labor,
8 jointly shall establish a standard for employers to
9 meet in order to be a certified pro-worker employer
10 for purposes of a demonstration project under this
11 section. At a minimum, the standard shall require
12 that an employer does the following:

13 “(A) OFFER PREDICTABLY.—The employer
14 has scheduling practices with predictable work
15 hours.

16 “(B) PROVIDE FAMILY-FRIENDLY BENE-
17 FITS.—The employer offers paid family and
18 medical leave programs, paid sick days, health
19 insurance, child care, paid time off, and other
20 benefits that contribute to work-life balance,
21 and provides similar or portable benefits to
22 freelance, independent contractors, consultants,
23 outsourced and non-permanent workers, or
24 other contingent workers.

1 “(C) ENSURE ADEQUATE PAY.—The em-
2 ployer pays employees a living wage that en-
3 ables the employees to meet their basic needs
4 and has policies to ensure fair compensation for
5 freelance, independent contractors, consultants,
6 outsourced and non-permanent workers, or
7 other contingent workers by adopting clear con-
8 tractual language and committing to on-time
9 payments.

10 “(D) INVEST IN EMPLOYEE GROWTH AND
11 DEVELOPMENT.—The employer provides in-
12 house or through employee stipends and other
13 financial assistance, access to education and
14 training opportunities and promotes career
15 pathways for entry-level workers which demon-
16 strably improve income and job responsibilities.

17 “(E) REWARD WORKERS WHEN COMPANY
18 DOES WELL.—The employer has profit-sharing
19 practices or other mechanisms that ensure
20 workers benefit when the company grows or in-
21 creases profits.

22 “(2) PROCESS FOR CERTIFICATION.—The Sec-
23 retary of Labor, in consultation with the Secretary
24 shall establish a process by which an employer may
25 apply for and be issued a certification as a pro-work-

1 er employer. The process may allow for applications
2 for certification to be considered and issued by a
3 State, the Secretary of Labor, or the Secretary, or
4 an entity under a contract or other arrangement
5 with the Secretary of Labor.

6 “(h) REPORTS AND PERFORMANCE ASSESSMENTS.—
7 The Secretary shall report on and assess the demonstra-
8 tion projects conducted under this section as part of the
9 reports and ongoing performance assessments required
10 under section 1306.

11 “(i) DEFINITIONS.—In this section:

12 “(1) CERTIFIED PRO-WORKER EMPLOYER.—
13 The term ‘certified pro-worker employer’ means an
14 employer who has applied for and been issued a cer-
15 tification as having met the pro-worker employer
16 standard established under subsection (g).

17 “(2) ELIGIBLE INDIVIDUALS.—The term ‘eli-
18 gible individuals’ has the meaning given that term in
19 section 1301(b)(3) and includes individuals who
20 meet such other criteria and a State conducting a
21 demonstration project under this section specifies
22 and the Secretary approves.”.

23 (b) STUDY REGARDING INCENTIVES FOR ELEVATE
24 PROGRAM PERFORMANCE.—

22 SEC. 3. SELF-EMPLOYMENT ASSISTANCE BENEFITS AND
23 RELOCATION ASSISTANCE BENEFITS.

24 (a) ESTABLISHMENT.—Title XIII, as added by sec-
25 tion 2(a), is amended by adding at the end the following:

1 **“PART B—SELF-EMPLOYMENT AND RELOCATION**2 **ASSISTANCE BENEFITS**3 **“SEC. 1321. SELF-EMPLOYMENT ASSISTANCE BENEFITS.**

4 “(a) IN GENERAL.—Every individual who—

5 “(1) is determined to be an eligible self-employ-
6 ment assistance individual (as defined in section
7 1325); and8 “(2) has filed an application for self-employ-
9 ment assistance under this title,10 shall be entitled to a self-employment assistance benefit
11 for each week beginning with the first week in which such
12 individual meets the criteria specified in paragraphs (1)
13 and (2) and ending with the benefit termination week (as
14 defined in section 1325) determined with respect to the
15 individual.

16 “(b) AMOUNT.—

17 “(1) IN GENERAL.—Subject to paragraph (2),
18 the self-employment assistance benefit for an indi-
19 vidual shall be the amount equal to $\frac{1}{2}$ of the aver-
20 age weekly earnings from the individual’s most re-
21 cent employment.22 “(2) MAXIMUM LIMIT.—The self-employment
23 assistance benefit for any individual shall not exceed
24 the amount equal to the maximum weekly unemploy-
25 ment insurance benefit in the State in which the in-
26 dividual resides.

1 **“SEC. 1322. RELOCATION ASSISTANCE BENEFITS.**

2 “(a) IN GENERAL.—Every individual who—

3 “(1) is determined to be an eligible relocation
4 assistance individual (as defined in section 1325);5 “(2) has filed an application for relocation as-
6 sistance under this title,

7 shall be entitled to a relocation assistance benefit.

8 “(b) AMOUNT.—

9 “(1) IN GENERAL.—Subject paragraphs (2) and
10 (3), the relocation assistance benefit for an indi-
11 vidual shall be a lump-sum amount sufficient to en-
12 able the individual to move to a new area to earn
13 family-sustaining wages in employment and may in-
14 clude up to 90 percent of the reasonable and nec-
15 essary expenses incurred in relocating the individual,
16 the individual’s family, and household effects, includ-
17 ing subsistence and transportation expenses.

18 “(2) MAXIMUM LIMIT.—

19 “(A) IN GENERAL.—The relocation assist-
20 ance benefit for any individual shall not exceed
21 \$2,000.22 “(B) ANNUAL ADJUSTMENT.—The dollar
23 amount specified in subparagraph (A) shall be
24 increased, beginning with 2020, from year to
25 year based on the percentage increase in the
26 consumer price index for all urban consumers

1 (all items; United States city average), rounded
2 up to the nearest \$10.

3 “(3) ADJUSTMENT FOR FAMILY SIZE.—An eli-
4 gible relocation assistance individual who is relo-
5 cating with a family may be paid a relocation assist-
6 ance benefit greater than the benefit limit applicable
7 to a year. The size of an individual’s family shall be
8 taken into account in determining the amount of
9 such benefit.

10 "(c) LIMITATION.—An individual may not be paid a
11 relocation assistance benefit more than 1 time during any
12 5-year period.

13 "SEC. 1323. ADMINISTRATIVE PROVISIONS.

14 "(a) ADMINISTRATION.—Self-employment assistance
15 benefits and relocation assistance benefits shall be admin-
16 istered by the Director, in consultation with the Secretary
17 of Labor.

18 "(b) OTHER ELIGIBILITY CRITERIA; APPLICATION.—
19 The Director, in consultation with the Secretary of Labor,
20 shall establish—

21 “(1) such additional criteria as appropriate for
22 an individual to be eligible for a self-employment as-
23 sistance benefit or a relocation assistance benefit
24 under this title and for determining the amount of
25 such benefit;

1 “(2) application procedures, including with re-
2 spect to the filing of applications, the furnishing of
3 information and other material, and the reporting of
4 events and changes in circumstances, as may be nec-
5 essary for the effective and efficient administration
6 of this title, and which shall include permitting ap-
7 plications for a self-employment assistance benefit or
8 relocation assistance benefit to be submitted—

9 “(A) online;

10 “(B) at field offices of the Social Security
11 Administration;

12 “(C) through a one-stop center, as defined
13 in section 3 of the Workforce Innovation and
14 Opportunity Act; or

15 “(D) at offices of the Small Business Ad-
16 ministration; and

17 “(3) audit procedures and other program integ-
18 rity activities related to the provision of self-employ-
19 ment assistance benefits and relocation assistance
20 benefits.

21 “(c) DIRECT PAYMENTS.—A self-employment assist-
22 ance benefit or a relocation assistance benefit shall be paid
23 directly to an individual and may be included with other
24 benefits or assistance payable to, or on behalf of, the indi-
25 vidual under this Act.

1 “(d) ENTITLEMENT REDETERMINATIONS.—An indi-
2 vidual’s entitlement to a self-employment assistance ben-
3 efit or a relocation assistance benefit under this title, and
4 the amount of such benefit, may be redetermined at such
5 time or times as the Director determines to be appro-
6 priate.

7 “(e) REGULATIONS AND ADMINISTRATIVE ARRANGE-
8 MENTS.—

9 “(1) IN GENERAL.—The Director, in consulta-
10 tion with the Secretary of Labor, may promulgate
11 such regulations, and make such administrative and
12 other arrangements, as may be necessary or appro-
13 priate to carry out this title.

14 “(2) SUSPENSION AND TERMINATION OF AS-
15 SISTANCE.—Regulations promulgated by the Direc-
16 tor may provide for the suspension and termination
17 of entitlement to a benefit under this title as the Di-
18 rector determines is appropriate.

19 “(3) OVERPAYMENTS AND UNDERPAYMENTS;
20 PENALTIES FOR FRAUD.—Regulations promulgated
21 by the Director shall apply the provisions of sections
22 808 and 811 to self-employment assistance benefits
23 and relocation assistance benefits payable under this
24 title in the same manner as such provisions apply to
25 benefits payable under title VIII.

1 “(f) EVALUATIONS.—Not later than January 1,
2 2025, and periodically thereafter, the Director, in con-
3 sultation with the Secretary of Labor, shall evaluate and
4 report to Congress on the effectiveness of the self-employ-
5 ment assistance benefits, relocation assistance benefits,
6 and other activities carried out under this title.

7 **“SEC. 1324. MISCELLANEOUS PROVISIONS.**

8 “(a) SPECIAL RULES.—A self-employment assistance
9 benefit or a relocation assistance benefit—

10 “(1) except as provided in subsection (b), shall
11 be paid in addition to any other benefit or assistance
12 for which the individual is entitled to or eligible for
13 under this Act or any other provision of law; and
14 “(2) shall not be subject to Federal tax.

15 “(b) NO CONCURRENT RECEIPT OF SELF-EMPLOY-
16 MENT ASSISTANCE BENEFIT AND UNEMPLOYMENT COM-
17 PENSATION.—An individual may not receive a self-employ-
18 ment assistance benefit for any week if the individual re-
19 ceives unemployment compensation under any State or
20 Federal law (including under the Federal-State Unemploy-
21 ment Compensation Act of 1970 and including unemploy-
22 ment compensation paid as self-employment assistance)
23 for such week.

24 “(c) SUPPLEMENT NOT SUPPLANT.—Funds made
25 available to carry out this title shall be used to supplement

1 the level of Federal funds that, in the absence of such
2 availability, would be expended to provide a self-employ-
3 ment assistance benefit or reemployment assistance ben-
4 efit to individuals and in no case to supplant such Federal
5 funds.

6 **“SEC. 1325. DEFINITIONS.**

7 “In this title:

8 “(1) **BENEFIT TERMINATION WEEK.**—The term
9 ‘benefit termination week’ means, with respect to an
10 individual, the first week that occurs after the first
11 week of any 10-year period in which the individual
12 is paid a self-employment assistance benefit and is—

13 “(A) the week during which the individual
14 is determined to have sufficient earnings from
15 employment, as determined in accordance with
16 criteria established under section 1323;

17 “(B) the week during which the individual
18 is determined to no longer have a viable busi-
19 ness plan or has stopped carrying out that plan;
20 or

21 “(C) the 26th week for which the indi-
22 vidual has been paid such benefit.

23 “(2) **DIRECTOR.**—The term ‘Director’ means
24 the Director of the Office of Reemployment Assist-
25 ance established under section 714.

1 “(3) ELIGIBLE SELF-EMPLOYMENT ASSISTANCE
2 INDIVIDUAL.—

3 “(A) IN GENERAL.—The term ‘eligible self-
4 employment assistance individual’ means an in-
5 dividual—

6 “(i) who—
7 “(I) is eligible for unemployment
8 compensation under any State of Fed-
9 eral law (including under the Federal-
10 State Unemployment Compensation
11 Act of 1970 and including unemploy-
12 ment compensation paid as self-em-
13 ployment assistance);

14 “(II) has become unemployed
15 through no fault of his or her own
16 during the most recent 12-week period
17 and is not eligible for any unemploy-
18 ment compensation described in
19 clause (i); or

20 “(III) in the case of a self-em-
21 ployed individual or an independent
22 contractor, whose hiring contract or
23 other arrangement has ended during
24 the most recent 12-week period and—

1 “(aa) whose most recent
2 Federal income tax return shows
3 an average profit of at least
4 \$4,600; or

5 “(bb) who attests to an av-
6 erage of \$1,500 in quarterly
7 profits for the most recently
8 ended taxable year, more than 50
9 percent of which come from in-
10 come from self-employment; and

11 “(ii) has a viable business plan, as de-
12 termined by the Department of Labor of
13 the State in which the individual resides, a
14 local workforce development board in such
15 State, or the Small Business Administra-
16 tion, is working on that business at least
17 20 hours per week, and is—

18 “(I) fully unemployed; or

19 “(II) partially unemployed and
20 earning not less than $\frac{1}{2}$ of the aver-
21 age weekly earnings from the individ-
22 ual’s most recent employment or $\frac{1}{2}$ of
23 the amount of their weekly self-em-
24 ployment assistance benefit, whichever
25 is greater.

1 “(B) ANNUAL ADJUSTMENT.—The dollar
2 amounts specified in subclause (III) of subpara-
3 graph (A)(i) shall be increased, beginning with
4 2020, from year to year based on the percent-
5 age increase in the consumer price index for all
6 urban consumers (all items; United States city
7 average), rounded up to the nearest \$10.

8 “(4) ELIGIBLE RELOCATION ASSISTANCE INDIVIDUAL.—The term ‘eligible relocation assistance individual’ means an individual—

11 “(A) who is—

12 “(i) a dislocated worker, as defined in
13 section 3 of the Workforce Innovation and
14 Opportunity Act;

15 “(ii) a long-term unemployed individual, as determined in accordance with
16 criteria established under section 1323; or

17 “(iii) an underemployed individual, as
18 so determined;

20 “(B) who has filed an application for relocation assistance before relocating within the
21 United States; and

23 “(C) with respect to whom a determination
24 has been made that the individual—

1 “(i) has obtained suitable employment
2 affording a reasonable expectation of long-
3 term duration in the area in which the in-
4 dividual wishes to relocate, has obtained a
5 bona fide offer of such employment, or has
6 a reasonable expectation of obtaining such
7 employment; and

8 “(ii) cannot reasonably be expected to
9 secure comparable employment in the com-
10 muting area in which the individual re-
11 sides.

12 “(5) LOCAL WORKFORCE DEVELOPMENT
13 BOARD.—The term ‘local workforce development
14 board’ means a local workforce development board
15 established under section 107 of the Workforce In-
16 novation and Opportunity Act.

17 **“SEC. 1326. AUTHORIZATION OF APPROPRIATIONS.**

18 “For the purpose of carrying out this part, there are
19 authorized to be appropriated such sums as may be nec-
20 essary for each fiscal year beginning with fiscal year
21 2020.”.

22 (b) ESTABLISHMENT OF OFFICE OF REEMPLOYMENT
23 ASSISTANCE.—Title VII of the Social Security Act (42
24 U.S.C. 901 et seq.) is amended by adding at the end the
25 following:

1 **“SEC. 714. OFFICE OF REEMPLOYMENT ASSISTANCE.**

2 “(a) ESTABLISHMENT.—The Commissioner, in con-
3 sultation with the Secretary, shall establish in the Social
4 Security Administration an Office of Reemployment As-
5 sistance. The Office shall be headed by a Director who
6 shall be appointed by the Commissioner, in consultation
7 with the Secretary.

8 “(b) DUTIES.—The Director shall—

9 “(1) administer self-employment assistance ben-
10 efits under part B of title XIII;

11 “(2) administer relocation assistance benefits
12 under part B of title XIII;

13 “(3) advise the Commissioner and the Secretary
14 on the effects of current policies and proposed statu-
15 tory, regulatory, administrative, and budgetary
16 changes affecting self-employment assistance bene-
17 fits and relocation assistance benefits under part B
18 of title XIII;

19 “(4) establish and maintain a clearinghouse for
20 collecting and disseminating information on—

21 “(A) issues relating to self-employment as-
22 sistance benefits and relocation assistance bene-
23 fits;

24 “(B) research findings relating to such
25 benefits and reemployment programs; and

1 “(C) innovative reemployment programs
2 and activities;

3 “(5) coordinate the activities within the Admin-
4 istration and the Department of Labor that relate to
5 the provision of self-employment assistance benefits
6 and relocation assistance benefits under part B of
7 title XIII;

8 “(6) provide information to the Commissioner,
9 Secretary, and others in the Administration and De-
10 partment of Labor with respect to the activities of
11 other Federal departments and agencies that relate
12 to self-employment assistance benefits and relocation
13 assistance benefits and reemployment programs and
14 activities; and

15 “(7) administer grants, cooperative agreements,
16 and contracts to provide technical assistance and
17 other activities as necessary to support activities re-
18 lated to the provision of self-employment assistance
19 benefits, relocation assistance benefits, and reem-
20 ployment programs and activities.

21 “(c) DEFINITIONS.—In this section:

22 “(1) ADMINISTRATION.—The term ‘Administra-
23 tion’ means the Social Security Administration.

24 “(2) COMMISSIONER.—The term ‘Commis-
25 sioner’ means the Commissioner of Social Security.

1 “(3) DIRECTOR.—The term ‘Director’ means
2 the Director of the Office of Reemployment Assist-
3 ance established under this section.

4 “(4) OFFICE.—The term ‘Office’ means the Of-
5 fice of Reemployment Assistance established under
6 this section.

7 “(5) SECRETARY.—The term ‘Secretary’ means
8 the Secretary of Labor.

9 “(d) AUTHORIZATION OF APPROPRIATIONS.—For the
10 purpose of carrying out this section, there are authorized
11 to be appropriated such sums as may be necessary for
12 each fiscal year beginning with fiscal year 2020.”.

13 **SEC. 4. EMPLOYEE RETENTION WORK OPPORTUNITY CRED-
14 IT.**

15 (a) IN GENERAL.—Section 51 of the Internal Rev-
16 enue Code of 1986 is amended by adding at the end the
17 following new subsection:

18 “(l) EMPLOYEE RETENTION CREDIT.—

19 “(1) IN GENERAL.—The amount of the work
20 opportunity credit determined under subsection (a)
21 for the taxable year shall be increased by an amount
22 equal to 40 percent of the qualified second-year
23 wages for such year with respect to ELEVATE em-
24 ployees.

25 “(2) QUALIFIED SECOND-YEAR WAGES.—

1 “(A) IN GENERAL.—For purposes of this
2 subsection, the term ‘qualified second-year
3 wages’ means qualified wages (determined as if
4 ELEVATE employees were members of a tar-
5 geted group)—

6 “(i) which are paid to an ELEVATE
7 employee, and

8 “(ii) which are attributable to service
9 rendered during the 1-year period begin-
10 ning on the day after the last day of the
11 1-year period with respect to such em-
12 ployee determined under subsection (b)(2).

13 “(B) LIMITATION.—The amount of the
14 qualified second-year wages which may be taken
15 into account with respect to any individual shall
16 not exceed \$6,000 per year.

17 “(3) ELEVATE EMPLOYEE.—For purposes of
18 this subsection, the term ‘ELEVATE employee’
19 means an individual who is hired by the employer
20 through the subsidized employment program under
21 part A of title XIII of the Social Security Act and
22 who has been employed by the same employer for a
23 consecutive 24 months as of the last day of the pre-
24 ceding taxable year.”.

1 (b) GAO STUDY.—The Comptroller General of the
2 United States shall conduct a study on the employee re-
3 tention credit under section 51(l) of the Internal Revenue
4 Code of 1986 and, not later than 6 months after the last
5 day of the second taxable year beginning after the date
6 of the enactment of this Act, shall report to the Committee
7 on Finance of the Senate and the Committee on Ways and
8 Means of the House of Representatives—

9 (1) whether such retention credit had a mean-
10 ingful impact on retention as compared with other
11 currently existing and previous subsidized employ-
12 ment programs; and

13 (2) whether such retention credit was easily un-
14 derstood by employers and had an impact on hiring
15 decisions in addition to any subsidy received under
16 title XIII of the Social Security Act.

17 (c) EXTENSION OF WORK OPPORTUNITY CREDIT.—
18 Paragraph (4) of section 51(c) of the Internal Revenue
19 Code of 1986 is amended by striking “December 31,
20 2019” and inserting “December 31, 2021”.

21 (d) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 the date of the enactment of this Act.

24 **SEC. 5. CONFORMING AMENDMENTS.**

25 (a) TANF.—

1 (1) STATE PLAN.—Section 402 (42 U.S.C. 602)

2 is amended—

3 (A) in subsection (a)(1)—

4 (i) in subparagraph (A)(iii), by inserting
5 “or employment services, training and
6 other services and activities, and sup-
7 portive services provided under the State
8 program funded under part A of title
9 XIII” before the period; and

10 (ii) in subparagraph (B)—

11 (I) in clause (iv), by inserting “,
12 unless the parent or caretaker is par-
13 ticipating in the State program fund-
14 ed under part A of title XIII” before
15 the period; and

16 (II) by adding at the end the fol-
17 lowing:

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

1 “(d) STATE OPTION TO SUBMIT PLAN THAT ALIGNS
2 WITH THE STATE PLAN UNDER TITLE XIII–A.—A State
3 may elect to submit the State plan required under this
4 section at the same time and in the same manner, and
5 to apply for the same period, as the State plan required
6 under section 1302.”.

7 (2) PARTICIPATION IN THE STATE EMPLOY-
8 MENT, TRAINING, AND SUPPORTIVE SERVICES PRO-
9 GRAM UNDER TITLE XIII–A DEEMED TO BE MEETING
10 WORK PARTICIPATION REQUIREMENTS.—Section
11 407(c)(2) (42 U.S.C. 607(c)(2)) is amended by add-
12 ing at the end the following:

13 “(E) PARTICIPATION IN THE STATE EM-
14 PLOYMENT, TRAINING, AND SUPPORTIVE SERV-
15 ICES PROGRAM UNDER TITLE XIII–A DEEMED
16 TO BE MEETING WORK PARTICIPATION RE-
17 QUIREMENTS.—For purposes of determining
18 monthly participation rates under paragraphs
19 (1)(B)(i) and (2)(B) of subsection (b), the fol-
20 lowing individuals are deemed to be engaged in
21 work for a month:

22 “(i) RECIPIENTS.—Any recipient who
23 is participating in the State employment,
24 training, and supportive services program
25 under part A of title XIII (for any number

1 of hours per week during the month) and
2 is receiving assistance under the State pro-
3 gram funded under this part or under any
4 State program funded with qualified State
5 expenditures (as defined in section
6 409(a)(7)(B)(i)).

22 (3) TRIBAL PROGRAMS.—Section 412(b) (42
23 U.S.C. 612(b)) is amended by adding at the end the
24 following:

1 “(4) OPTION TO SUBMIT PLAN THAT ALIGNS
2 WITH THE STATE PLAN UNDER TITLE XIII—A.—Sub-
3 section (d) of section 402 shall apply to a tribal fam-
4 ily assistance plan in the same manner as that sec-
5 tion applies to a plan under that section.”.

6 (4) ADMINISTRATION.—Section 416 (42 U.S.C.
7 616) is amended—

8 (A) by striking “and part D shall be ad-
9 ministered by an Assistant Secretary for Family
10 Support within the Department of Health and
11 Human Services” and inserting “, part D, and
12 part A of title XIII shall be administered by the
13 Assistant Secretary for the Administration for
14 Children and Families within the Department
15 of Health and Human Services (and in the case
16 of part A of title XIII, in consultation with the
17 Secretary of Labor and the Secretary of Edu-
18 cation)”;

19 (B) by striking “by law,” and all that fol-
20 lows through the period and inserting “by
21 law.”.

22 (b) TITLE VII.—Section 701(b) of such Act (42
23 U.S.C. 901(b)) is amended—

24 (1) by inserting a comma after “title II”; and

4 (c) TITLE XI.—Section 1101(a)(1) of such Act (42
5 U.S.C. 1301(a)(1)) is amended by striking “title XX” and
6 inserting “titles XIII and XX”.

7 (d) INTERNAL REVENUE CODE.—

16 (A) by striking “and” at the end of sub-
17 clause (IV) of clause (viii);

18 (B) by striking the period at the end of
19 clause (ix) and inserting “; and”; and

20 (C) by inserting after clause (ix) the fol-
21 lowing new clause:

1 (e) TABLE OF CONTENTS FOR TITLE XIII.—Title
 2 XIII, as added by section 2(a) and amended by section
 3 3(a), is amended by inserting the following before part A:

“TITLE XIII—REEMPLOYMENT AND OTHER JOB-RELATED
 ASSISTANCE AND BENEFITS

“PART A—EMPLOYMENT, TRAINING, AND SUPPORTIVE SERVICES PROGRAM

- “Sec. 1301. Purpose; definitions; administration.
- “Sec. 1302. State plan requirements.
- “Sec. 1303. Use of funds.
- “Sec. 1304. Payments to States.
- “Sec. 1305. Other program requirements.
- “Sec. 1306. Reports; technical assistance; research; audit requirement.
- “Sec. 1307. Direct funding and administration for programs operated by Indian tribes.
- “Sec. 1308. Direct funding and administration for programs operated by local governments.
- “Sec. 1309. Pro-worker employers demonstration projects.

“PART B—SELF-EMPLOYMENT AND RELOCATION ASSISTANCE BENEFITS

- “Sec. 1321. Self-employment assistance benefits.
- “Sec. 1322. Relocation assistance benefits.
- “Sec. 1323. Administrative provisions.
- “Sec. 1324. Miscellaneous provisions.
- “Sec. 1325. Definitions.
- “Sec. 1326. Authorization of appropriations.”.

4 SEC. 6. EFFECTIVE DATE; REGULATIONS.

5 (a) EFFECTIVE DATE.—Except as provided in section
 6 4(d), the amendments made by this Act shall take
 7 effect on October 1, 2019.

8 (b) REGULATIONS.—

9 (1) EMPLOYMENT, TRAINING, AND SUPPORTIVE
 10 SERVICES PROGRAM.—The Secretary of Health and
 11 Human Services, in consultation with the Secretary
 12 of Labor and the Secretary of Education, shall—

13 (A) not later than 6 months after the date
 14 of the enactment of this Act, issue proposed

1 regulations for the purpose of implementing
2 part A of title XIII of the Social Security Act
3 (as added by section 2 of this Act), including
4 regulations establishing uniform data collection
5 requirements; and

6 (B) not later than 1 year after the date of
7 enactment of this Act, publish final regulations
8 for such purpose.

9 (2) SELF-EMPLOYMENT AND RELOCATION AS-
10 SISTANCE BENEFITS.—The Commissioner of Social
11 Security, through the Director of the Office of Re-
12 employment Assistance (as established under section
13 3(b) of this Act) and in consultation with the Sec-
14 retary of Labor, shall—

15 (A) not later than 6 months after the date
16 of enactment of this Act, issue proposed regula-
17 tions for the purpose of implementing part B of
18 title XIII of the Social Security Act (as added
19 by section 3 of this Act), including regulations
20 establishing uniform data collection require-
21 ments; and

22 (B) not later than 1 year after the date of
23 the enactment of this Act, publish final regula-
24 tions for such purpose.

