

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.

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## 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

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## 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 tagged 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-

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

“(2) DISLOCATED WORKER.—The term ‘dislocated worker’ has the meaning given that term in section 3 of the Workforce Innovation and Opportunity Act.

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

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

“(B) being a dislocated worker; or

“(C) local or national economic conditions.

“(4) EMPLOYMENT SERVICES.—The term ‘employment services’ means a subsidized job placement in the public, private for-profit, private non-profit, or social enterprise sector and includes payment or reimbursement of employer subsidies for wages, the employer share of payroll taxes, employer costs for unemployment insurance, employer costs for workers’ 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-

1           ance percentage shall be the applicable  
 2           number of percentage points specified in  
 3           paragraph (2) that corresponds to the  
 4           most recent percentage of total unemploy-  
 5           ment in the State, beginning with the first  
 6           fiscal year quarter for which such percent-  
 7           age of total unemployment occurs and con-  
 8           tinuing for 3 succeeding fiscal year quar-  
 9           ters.

10           “(2) APPLICABLE PERCENTAGE; APPLICABLE  
 11           NUMBER OF PERCENTAGE POINTS.—For purposes of  
 12           paragraph (1), if the total unemployment in a State  
 13           (seasonally adjusted) for the period consisting of the  
 14           most recent 3 months for which data for all States  
 15           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 indi-  
2       vidualized employability plan for each eligible indi-  
3       vidual participating in the program that—

4           “(A) specifies—

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

12             “(ii) the employment services that will  
13             be provided to the eligible individual, as  
14             well as the training and other services and  
15             activities, and supportive services that will  
16             be provided to the eligible individual while  
17             the eligible individual is working in a sub-  
18             sidized job; and

19           “(B) provides that, near the end of the in-  
20       dividual’s initial placement in a subsidized job,  
21       an assessment will be made regarding whether  
22       the eligible individual will be converted to a per-  
23       manent employee, and if not, the job search as-  
24       sistance and additional employment services,  
25       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 partici-  
 2           pating in a strike, collective bargaining or union ac-  
 3           tivities, 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  
 8           with each quarterly report required under section  
 9           411(a)(1) a report on the State program funded  
 10          under this part that contains such data and infor-  
 11          mation as the Secretary shall require.

12          “(2) REPORTS TO CONGRESS.—The Secretary  
 13          shall submit with each annual report to Congress re-  
 14          quired under section 411(b) a report on the State  
 15          programs funded under this part, including dem-  
 16          onstration projects conducted under section 1309.

17          “(b) ONGOING PERFORMANCE ASSESSMENT.—

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

20                 “(A) measure the performances of the  
 21                 State programs funded under this part, includ-  
 22                 ing demonstration projects conducted under  
 23                 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.

8       **“SEC. 1309. PRO-WORKER EMPLOYERS DEMONSTRATION**  
 9                   **PROJECTS.**

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 indi-  
18                          viduals 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 ‘eligi-  
 18 ble 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.—



1           (1) IN GENERAL.—The Secretary of Health and  
 2       Human Services shall enter into an agreement with  
 3       the National Academy of Sciences to evaluate State  
 4       programs carried out under part A of title XIII of  
 5       the Social Security Act (as added by subsection (a)),  
 6       including demonstration projects conducted under  
 7       section 1309 of that Act (as so added). The evalua-  
 8       tion shall analyze the relationships between engage-  
 9       ment, impacts, and outcome measures. The evalua-  
 10      tion shall also examine the issue of program per-  
 11      formance and include recommendations to Congress  
 12      as to whether and how program performance could  
 13      be tied to fiscal incentives.

14           (2) REPORT.—Not later than 7 years after the  
 15      date of enactment of this Act, the Secretary of  
 16      Health and Human Services shall submit to Con-  
 17      gress a report containing the results of the evalua-  
 18      tion conducted under paragraph (1), together with  
 19      recommendations for such legislation and adminis-  
 20      trative action as the Secretary determines appro-  
 21      priate.

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); and

8                   “(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 or 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 in-  
 9           dividual’ 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 indi-  
 16           vidual, as determined in accordance with  
 17           criteria established under section 1323; or

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

20           “(B) who has filed an application for relo-  
 21           cation assistance before relocating within the  
 22           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          “(1) 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.—

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

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

“(ii) which are attributable to service rendered during the 1-year period beginning on the day after the last day of the 1-year period with respect to such employee determined under subsection (b)(2).

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

“(3) ELEVATE EMPLOYEE.—For purposes of this subsection, the term ‘ELEVATE employee’ means an individual who is hired by the employer through the subsidized employment program under part A of title XIII of the Social Security Act and who has been employed by the same employer for a consecutive 24 months as of the last day of the preceding 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 insert-  
5                           ing “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:

18   “(VI) The document shall indi-  
19   cate whether the State elects to carry  
20   out a State program to provide em-  
21   ployment services, training and other  
22   services and activities, and supportive  
23   services under part A of title XIII.”;  
24   and

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)).

7 “(ii) INDIVIDUALS WHO WOULD OTH-  
8 ERWISE BE RECIPIENTS.—Any individual  
9 who is participating in the State employ-  
10 ment, training, and supportive services  
11 program under part A of title XIII (for  
12 any number of hours per week during the  
13 month) and would be a recipient of assist-  
14 ance under the State program funded  
15 under this part or under any State pro-  
16 gram funded with qualified State expendi-  
17 tures (as defined in section  
18 409(a)(7)(B)(i)) but for the individual’s  
19 participation in the State employment,  
20 training and supportive services program  
21 under part A of title XIII.”.

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)”; and

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

1           (2) by inserting , “and the benefits program es-  
 2           tablished under part B of title XIII” before the pe-  
 3           riod.

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.—

8           (1) WORK OPPORTUNITY CREDIT.—Section  
 9           51(c)(2)(B) of the Internal Revenue Code of 1986 is  
 10          amended by striking “section 482(e)” and inserting  
 11          “part A of title XIII”.

12          (2) DISCLOSURE OF RETURNS AND RETURN IN-  
 13          FORMATION.—Subparagraph (D) of section  
 14          6103(l)(7) of the Internal Revenue Code of 1986 is  
 15          amended—

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:

22                       “(x) any benefits or assistance under  
 23                       part B of title XIII of the Social Security  
 24                       Act.”.

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 In-  
 dian 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 sec-  
 6 tion 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.

○