

117TH CONGRESS
1ST SESSION

S. 784

To amend the Social Security Act to establish a new employment, training, and supportive services program for unemployed and underemployed individuals, including individuals with barriers to employment and those who are unemployed or underemployed as a result of COVID–19, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 17 (legislative day, MARCH 16), 2021

Mr. WYDEN (for himself, Ms. BALDWIN, Mr. VAN HOLLEN, Mr. BENNET, and Mr. BOOKER) 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 unemployed and underemployed individuals, including individuals with barriers to employment and those who are unemployed or underemployed as a result of COVID–19, 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,*

1 **SECTION 1. SHORT TITLE; AMENDMENT TO SOCIAL SECUR-**
 2 **RITY ACT; TABLE OF CONTENTS.**

3 (a) SHORT TITLE.—This Act may be cited as the
 4 “Jobs for Economic Recovery Act of 2021”.

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

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

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

13 **SEC. 2. PURPOSE.**

14 The purposes of this Act are the following:

15 (1) To provide immediate funding for sub-
 16 sidized employment programs that will create job op-
 17 portunities for individuals who are not employed or
 18 who are underemployed, including individuals who
 19 are not employed or who are underemployed as a re-
 20 sult of COVID–19, when it is safe to provide such
 21 opportunities, taking into account the need to pre-
 22 vent the spread or recurrence of COVID–19.

1 (2) To expand subsidized employment programs
 2 that reconnect unemployed and underemployed
 3 workers to the workforce.

4 (3) To drive economic recovery by allowing for
 5 sufficient State and local flexibility to create or ex-
 6 pand programs that place workers in jobs that fill
 7 community-specific workforce gaps and meet em-
 8 ployer needs.

9 (4) To prevent long-term joblessness and struc-
 10 tural unemployment and provide work opportunities
 11 for individuals with barriers to employment.

12 **SEC. 3. EMPLOYMENT, TRAINING, AND SUPPORTIVE SERV-**
 13 **ICES PROGRAM.**

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

17 **“TITLE XIII—REEMPLOYMENT**
 18 **AND OTHER JOB-RELATED**
 19 **ASSISTANCE AND BENEFITS**

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

21 “(a) PURPOSE.—The purpose of this title is to pro-
 22 vide funds to States, Indian tribes, local governments, and
 23 nonprofit organizations to initiate and expand the provi-
 24 sion of employment services, training and other services

1 and activities, and supportive services for eligible individ-
2 uals in order to—

3 “(1) promote subsidized employment programs
4 for public, private for-profit, private nonprofit, and
5 employment social enterprise sector jobs that enable
6 unemployed or underemployed individuals to earn in-
7 come and connect to the workforce;

8 “(2) expand the availability of jobs during eco-
9 nomic downturns or in areas with high unemploy-
10 ment or poverty;

11 “(3) provide economically and socially disadvan-
12 tagged individuals and individuals with barriers to
13 employment (such as the long-term unemployed, in-
14 dividuals with criminal records, former foster youth,
15 and other economically and socially disadvantaged
16 populations) with wages and the ability to gain job
17 experience;

18 “(4) provide employers with new pathways into
19 the workforce development system enabling them to
20 have a greater role in the training and hiring of new
21 workers and labor market re-entrants and facili-
22 tating their transition from subsidized job place-
23 ments to unsubsidized employment; and

24 “(5) allow for sufficient flexibility for States,
25 Indian tribes, local governments, and nonprofit orga-

1 nizations to design programs targeted at community-
 2 specific workforce gaps and employer needs.

3 “(b) DEFINITIONS.—In this title:

4 “(1) ADULT AND DISLOCATED WORKER EM-
 5 PLOYMENT AND TRAINING ACTIVITIES.—The term
 6 ‘adult and dislocated worker employment and train-
 7 ing activities’ means adult and dislocated worker
 8 employment and training activities funded under
 9 chapter 3 of subtitle B of title I of the Workforce
 10 Innovation and Opportunity Act.

11 “(2) DISLOCATED WORKER.—The term ‘dis-
 12 located worker’ has the meaning given that term in
 13 section 3 of the Workforce Innovation and Oppor-
 14 tunity Act.

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

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

22 “(B) being a dislocated worker; or

23 “(C) a period of economic downturn or ad-
 24 verse local or national economic conditions.

1 “(4) EMPLOYMENT SERVICES.—The term ‘em-
2 ployment services’ means a subsidized job placement
3 (including a transitional job described in section
4 134(d)(5) of the Workforce Innovation and Oppor-
5 tunity Act) in the public, private for-profit, private
6 nonprofit, or employment social enterprise sector
7 and includes payment or reimbursement of employer
8 subsidies for expenses such as wages, the employer
9 share of payroll taxes, employer costs for unemploy-
10 ment insurance, employer costs for workers’ com-
11 pensation premiums, and costs attributable to super-
12 vision and other administration directly related to
13 the employment of an eligible individual in the sub-
14 sidized job placement.

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

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

23 “(7) INTEGRATED EDUCATION AND TRAIN-
24 ING.—The term ‘integrated education and training’

1 has the meaning given that term in section 3 of the
2 Workforce Innovation and Opportunity Act.

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

7 “(9) PERIOD OF ECONOMIC DOWNTURN.—The
8 term ‘period of economic downturn’ means, with re-
9 spect to a State, a period in which, for each month
10 of such period—

11 “(A) the average rate of total unemploy-
12 ment in the United States (seasonally adjusted)
13 for the most recent 3 months for which data is
14 available is at least 5.5 percent; or

15 “(B) the average rate of total unemploy-
16 ment in such State (seasonally adjusted) for the
17 most recent 3 months for which data for all
18 States is available is at least 5.5 percent.

19 “(10) SUPPORTIVE SERVICES.—

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

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

1 “(i) Stipends for an eligible individual
2 provided with unpaid training services.

3 “(ii) Legal services.

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

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

15 “(12) TRAINING AND OTHER SERVICES OR AC-
16 TIVITIES.—The term ‘training and other services or
17 activities’ means any of the following services or ac-
18 tivities if provided in conjunction with, including in
19 preparation for, a subsidized job placement and de-
20 termined by the State as necessary to significantly
21 increase the likelihood that the job placement will be
22 successful for the employer and employee and may
23 improve the prospect of obtaining and retaining un-
24 subsidized jobs:

1 “(A) Services provided through adult and
2 dislocated worker employment and training ac-
3 tivities.

4 “(B) Integrated education and training.

5 “(C) Education directly related to employ-
6 ment.

7 “(D) Vocational and employment services
8 integrated with trauma-informed substance use
9 disorder treatment, in collaboration with a sub-
10 stance use disorder treatment provider.

11 “(E) Casework and job coaching.

12 “(F) Union-provided employment services,
13 including labor-management training.

14 “(c) ADMINISTRATION.—

15 “(1) IN GENERAL.—Subject to section 1302(d),
16 the program under this title shall be administered by
17 the Secretary through the Assistant Secretary for
18 the Administration for Children and Families within
19 the Department of Health and Human Services and
20 in consultation with the Secretary of Labor as ap-
21 propriate.

22 “(2) FUNDING FOR ADMINISTRATION.—Out of
23 any money in the Treasury not otherwise appro-
24 priated, for each fiscal year beginning with fiscal
25 year 2022, there are appropriated to the Secretary

1 \$15,000,000 to administer this title. Amounts ap-
 2 propriated under the preceding sentence shall re-
 3 main available until expended.

4 “(d) APPROPRIATED ENTITLEMENT.—

5 “(1) IN GENERAL.—This title establishes an en-
 6 titlement to payments under this title for States, In-
 7 dian tribes and tribal consortiums, and local govern-
 8 ments with plans approved under this title.

9 “(2) AUTHORIZATION OF APPROPRIATIONS.—

10 There are authorized to be appropriated to the Sec-
 11 retary to make payments to States, Indian tribes
 12 and tribal consortiums, and local governments under
 13 sections 1304, 1307, and 1308 for each fiscal year
 14 beginning with fiscal year 2021, such sums as are
 15 necessary.

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

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

20 “(1) the State’s strategy for creating or ex-
 21 panding programs that offer subsidized employment
 22 for eligible individuals and moving such individuals
 23 into unsubsidized employment;

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

4 “(3) the employment services, training and
5 other services or activities, and supportive services to
6 be provided under the State program funded under
7 this title;

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

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

17 “(6) the strategies the State will use to ensure
18 that its programs do not systematically exclude the
19 eligible individuals with the greatest barriers to em-
20 ployment;

21 “(7) 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 employers have the training necessary to
25 support eligible individuals;

1 “(8) the strategies the State will use to create
2 employment plans for eligible individuals partici-
3 pating in the State program funded under this title
4 and, based on such plans, provide eligible individuals
5 with employment services, training and other serv-
6 ices and activities, and supportive services;

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

16 “(10) how the State will ensure compliance with
17 the requirements of section 1305;

18 “(11) a strong logic model for the State’s pro-
19 posed strategy to provide employment services, train-
20 ing, or other services and activities and any existing
21 research or evidence supporting the effectiveness of
22 such strategy;

23 “(12) how the State will address gaps in em-
24 ployment and earnings by race, ethnicity, age, and

1 gender and collect data to measure progress in ad-
2 dressing those gaps;

3 “(13) how the State will incorporate feedback
4 from eligible individuals participating in the State
5 program to improve the program over time;

6 “(14) how the State will make use of planning
7 and implementation grants under section 1304(f);
8 and

9 “(15) such information about other aspects of
10 the plan as the Secretary may request.

11 “(b) OTHER REQUIREMENTS.—

12 “(1) CERTIFICATION.—The State shall include
13 with the plan a certification that supportive services
14 for eligible individuals will supplement, and not sup-
15 plant, other assistance provided by the State.

16 “(2) RESEARCH OR EVALUATION EFFORTS.—
17 The State shall agree to participate in any research
18 or evaluation efforts conducted by the Secretary
19 under section 1306(e), which may include random-
20 ized control trials.

21 “(c) DEADLINES FOR SUBMISSION.—

22 “(1) INITIAL PLAN.—The initial State plan
23 under this section shall be submitted by the State
24 agency or agencies responsible for administering the
25 State program under this title to the Secretary not

1 later than 90 days prior to the commencement of the
2 State program funded under this title and shall be
3 for the period beginning on the first day of the com-
4 mencement of the State program funded under the
5 title and ending on the day that is the last day of
6 the period covered by the unified State plan, the
7 combined State plan submitted by the State under
8 section 102 or 103 of the Workforce Innovation and
9 Opportunity Act, or a tribal plan submitted under
10 section 166 of such Act that is in effect as of the
11 date of submission.

12 “(2) SUBSEQUENT PLANS.—

13 “(A) IN GENERAL.—Subject to subpara-
14 graph (B), each State plan submitted under
15 this section after the initial State plan shall be
16 submitted at the same time and apply for the
17 same period, as a unified State plan, a com-
18 bined State plan submitted by the State under
19 section 102 or 103 of the Workforce Innovation
20 and Opportunity Act, or a tribal plan submitted
21 under section 166 of such Act.

22 “(B) AMENDMENTS TO PLANS.—The Sec-
23 retary shall establish procedures to allow States
24 to amend a State plan submitted under this

1 section prior to the expiration of the period de-
2 scribed in subparagraph (A).

3 “(3) APPROVAL.—Each State plan submitted
4 under this section by the State agency or agencies
5 responsible for administering the State program
6 under this title, and any amendments to the plan,
7 shall be subject to the approval of the Secretary, in
8 consultation with the Secretary of Labor as appro-
9 priate.

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

17 **“SEC. 1303. USE OF FUNDS.**

18 “(a) AUTHORIZED USES.—

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

22 “(A) employment services;

23 “(B) training and other services and activi-
24 ties; and

1 “(C) supportive services while eligible indi-
2 viduals are provided with employment services
3 and training and other services and activities.

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

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

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

1 “(b) EVIDENCE-BASED PRACTICES AND ACTUAL JOB
 2 PLACEMENTS REQUIRED.—State expenditures for em-
 3 ployment services, training and other services and activi-
 4 ties, and supportive services provided to eligible individ-
 5 uals shall be eligible for a Federal matching payment
 6 under section 1304 only if the State can demonstrate—

7 “(1) that the employment services, training and
 8 other services and activities, and supportive services
 9 provided for an eligible individual resulted in em-
 10 ployment (subsidized or unsubsidized) for the eligible
 11 individual; or

12 “(2) good cause for why the job placement or
 13 employment did not occur, which may include the
 14 failure of an employer or an eligible individual to
 15 carry out the employer’s or individual’s commit-
 16 ments to the State program.

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

18 “(a) PAYMENTS TO STATES.—Subject to section
 19 1303 and subsections (b) and (c) of this section, beginning
 20 with the first fiscal year quarter for which a State plan
 21 is approved under this title, and for each quarter there-
 22 after, the Secretary shall pay each State, out of any money
 23 in the Treasury not otherwise appropriated, an amount
 24 equal to the Federal medical assistance percentage that
 25 applies for the fiscal year to the State under section

1 1905(b) (without regard to any adjustments to such per-
 2 centage applicable under that section or any other provi-
 3 sion of law) of the total amount expended by the State
 4 during the quarter to provide eligible individuals with em-
 5 ployment services, training and other services and activi-
 6 ties, and supportive services authorized under this title in
 7 accordance with an approved State plan and, subject to
 8 subsection (e), for the proper and efficient administration
 9 of the program funded under this title.

10 “(b) INCREASED FEDERAL SUPPORT DURING ECO-
 11 NOMIC DOWNTURNS.—

12 “(1) INCREASED FMAP.—

13 “(A) IN GENERAL.—Beginning with any
 14 fiscal year quarter for which the total unem-
 15 ployment in a State (seasonally adjusted) for
 16 the period consisting of the most recent 3
 17 months for which data for all States are pub-
 18 lished equals or exceeds the applicable percent-
 19 age specified in paragraph (2), the Federal
 20 medical assistance percentage applicable to pay-
 21 ments made under subsection (a) to the State
 22 for the quarter shall be increased by the appli-
 23 cable number of percentage points specified in
 24 paragraph (2), except that in no case shall the
 25 Federal medical assistance percentage applica-

ble to payments under subsection (a) for a
State for a quarter exceed 100 percent.

“(B) DURATION.—

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

“(ii) ADDITIONAL INCREASE IN UNEM-
PLOYMENT.—If during the period for
which the Federal medical assistance per-
centage for a State is increased under this
subsection, the total unemployment in the
State (seasonally adjusted) for the period
consisting of the most recent 3 months for
which data for all States are published ex-
ceeds the applicable total unemployment
rate that was the basis for such increase,
the increase in the Federal medical assist-
ance percentage shall be the applicable
number of percentage points specified in
paragraph (2) that corresponds to the
most recent percentage of total unemploy-

ment in the State, beginning with the first
fiscal year quarter for which such percent-
age of total unemployment occurs and con-
tinuing for 3 succeeding fiscal year quar-
ters.

“(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—

“(A) equal to or greater than 5.5 percent
but less than 6 percent, the applicable number
of percentage points is 20;

“(B) equal to or greater than 6 percent
but less than 6.5 percent, the applicable num-
ber of percentage points is 30;

“(C) equal to or greater than 6.5 percent
but less than 7 percent, the applicable number
of percentage points is 40; and

“(D) equal to or greater than 7 percent,
the applicable number of percentage points is
50.

“(c) REQUIREMENTS FOR PAYMENTS.—

1 “(1) MAINTENANCE OF EFFORT.—As a condi-
2 tion of receiving payments under this section for a
3 fiscal year, the total amount of State expenditures
4 for work, education, and training activities and sup-
5 portive services under the State program funded
6 under part A of title IV and for qualified State ex-
7 penditures (as defined in section 409(a)(7)(B)(i))
8 for such fiscal year shall not be less than the total
9 amount of such State expenditures for fiscal year
10 2019.

11 “(2) NON-SUPPLANTATION REQUIREMENT.—
12 Funds paid to a State under this section shall be
13 used to supplement, not supplant, the total amount
14 of State expenditures for employment services, train-
15 ing and other services and activities, and supportive
16 services provided through the adult and dislocated
17 worker employment and training activities of the
18 State for the fiscal year.

19 “(d) ADMINISTRATION OF PAYMENTS.—

20 “(1) IN GENERAL.—Prior to the beginning of
21 each fiscal quarter, the Secretary shall estimate the
22 amount to which a State will be entitled under this
23 section for such quarter, based on—

24 “(A) a report filed by the State containing
25 its estimate of the total sum to be expended in

1 such quarter to provide eligible individuals with
2 employment services, training and other serv-
3 ices and activities, and supportive services
4 through the program funded under this title;
5 and

6 “(B) such other investigation as the Sec-
7 retary may find necessary.

8 “(2) PAYMENTS.—The Secretary shall then pay
9 to the State, in such installments as the Secretary
10 shall determine, the amount so estimated, reduced or
11 increased to the extent of any overpayment or un-
12 derpayment which the Secretary determines was
13 made under this section to such State for any prior
14 quarter and with respect to which adjustment has
15 not already been made under this subsection.

16 “(e) LIMITATION.—Beginning with the fifth fiscal
17 year quarter for which a State plan is approved under this
18 title, and for each quarter thereafter, a State shall not
19 receive a payment under this section for amounts ex-
20 pended by the State during the quarter for the proper and
21 efficient administration of the program funded under this
22 title that exceed the amount equal to 15 percent of the
23 amount expended by the State during the quarter to pro-
24 vide eligible individuals with employment services, training
25 and other services and activities, and supportive services.

1 “(f) PLANNING AND IMPLEMENTATION GRANTS;
2 TECHNICAL ASSISTANCE.—

3 “(1) IN GENERAL.—In addition to amounts
4 available to make payments to States under sub-
5 section (a), the Secretary shall make grants to
6 States, Indian tribes (or intertribal consortiums with
7 a tribal family assistance plan approved under sec-
8 tion 412), and local governments for costs attrib-
9 utable to the planning and implementation of a
10 State, tribal, or local program approved under sec-
11 tion 1302, 1307, or 1308 and funded under this title
12 and shall provide technical assistance to States and
13 Indian tribes with respect to the planning and imple-
14 mentation of such a program.

15 “(2) REQUIREMENTS.—

16 “(A) COMMUNITY ENGAGEMENT.—As a
17 condition of receiving a grant under this sub-
18 section, a State, Indian tribe, or local govern-
19 ment shall engage local communities, including
20 focus groups of target populations of eligible in-
21 dividuals and employers, in the planning and
22 implementation of the State, tribal, or local pro-
23 gram approved under section 1302, 1307, or
24 1308 and funded under this title.

1 “(B) 2-YEAR LIMIT.—No State, Indian
2 tribe, or local government shall receive a grant
3 under this subsection for more than 8 quarters.

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

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

8 “(a) ASSESSMENT AND EMPLOYMENT PLAN.—

9 “(1) IN GENERAL.—The State shall establish
10 procedures to—

11 “(A) assess, within 30 days of determining
12 that an individual is an eligible individual, the
13 eligible individual’s job skills, education, past
14 work experience, and potential barriers to em-
15 ployment; and

16 “(B) create, based on such assessment, an
17 individualized employment plan for each eligible
18 individual participating in the program that—

19 “(i) specifies—

20 “(I) the initial plan for the eligi-
21 ble individual, including whether the
22 eligible individual is to immediately
23 begin working in a subsidized job or
24 needs training and other services and

1 activities, or supportive services before
2 that placement can occur; and

3 “(II) the employment services
4 that will be provided to the eligible in-
5 dividual, as well as the training and
6 other services and activities, and sup-
7 portive services that will be provided
8 to the eligible individual while the eli-
9 gible individual is working in a sub-
10 sidized job; and

11 “(ii) provides that, near the end of the
12 individual’s initial placement in a sub-
13 sidized job, an assessment will be made re-
14 garding whether the eligible individual will
15 be converted to a permanent, unsubsidized
16 employee, and if not, the job search assist-
17 ance and additional employment services,
18 training and other services and activities,
19 and supportive services that will be pro-
20 vided to the eligible individual with the
21 goal of obtaining and retaining unsub-
22 sidized employment.

23 “(2) NO DISCRIMINATION AGAINST INDIVID-
24 UALS WITH HIGHEST BARRIERS TO EMPLOYMENT.—

25 The State shall prioritize job placements for individ-

1 uals with the highest barriers to employment and en-
 2 sure that the procedures established under para-
 3 graph (1) do not result in an eligible individual
 4 being less likely to receive employment services solely
 5 on the basis of the individual's barriers to employ-
 6 ment.

7 “(3) NONDISCRIMINATION.—The State shall en-
 8 sure that the procedures established under para-
 9 graph (1) do not have the effect of making any eligi-
 10 ble individual less likely to receive employment serv-
 11 ices on the basis of the individual's race, sex, reli-
 12 gious creed, national origin, or political affiliation.

13 “(b) EMPLOYMENT STANDARDS AND CRITERIA FOR
 14 SUBSIDIZED JOBS.—

15 “(1) GENERAL REQUIREMENTS.—Any sub-
 16 sidized job placement for an eligible individual par-
 17 ticipating in the State program funded under this
 18 title shall satisfy the following requirements:

19 “(A) Employment services that are pay-
 20 ment for or reimbursement of employer costs
 21 may only be used by an employer in the public,
 22 private for-profit, private nonprofit, or employ-
 23 ment social enterprise sector for costs that are
 24 attributable to the hiring of, compensation for,
 25 or on-the-job training of, the eligible individual.

1 “(B) An employer in the public, private
2 for-profit, private nonprofit, or employment so-
3 cial enterprise sector shall not be paid a subsidy
4 that exceeds 120 percent of wage costs.

5 “(C) An eligible individual in a subsidized
6 job placement shall be paid at a rate that is not
7 less than whichever of the following is highest:

8 “(i) the minimum hourly wage rate
9 applicable to the individual under the laws
10 of the State or locality in which the indi-
11 vidual is employed;

12 “(ii) the wage rate applicable under
13 section 6 of the Fair Labor Standards Act
14 of 1938 (29 U.S.C. 206);

15 “(iii) if determined appropriate by the
16 State program funded under this title, the
17 prevailing wage rate in the locality in
18 which the individual is employed as deter-
19 mined by the Secretary of Labor, based on
20 area surveys of wage rates conducted by
21 the Department of Labor; and

22 “(iv) where a collective-bargaining
23 agreement covers employees at the site of
24 the subsidized job placement, a rate set for
25 the eligible individual in accordance with

1 the rates provided for in the agreement, in-
2 cluding prospective wage increases pro-
3 vided for in the agreement.

4 “(D) An eligible individual in a subsidized
5 job placement shall be covered by all relevant
6 labor and employment laws.

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

17 “(F) Employers participating in the State
18 program agree to make a good faith effort to
19 hire an eligible individual placed in a subsidized
20 job in their employment if the individual has
21 demonstrated satisfactory performance and the
22 employer has a relevant job opening available
23 and to maintain a record of the share of sub-
24 sidized workers hired to unsubsidized positions
25 on a permanent basis.

1 “(G) Employers shall ensure that the site
2 of employment is a location where an eligible
3 individual in a subsidized job placement who is
4 an individual with a disability, as defined in
5 section 7 of the Rehabilitation Act of 1973 (29
6 U.S.C. 705), interacts with other persons who
7 are not such individuals with disabilities (not
8 including supervisory personnel or individuals
9 who are providing services to such worker) to
10 the same extent as individuals who are not such
11 individuals with disabilities and who are in com-
12 parable positions interact with other persons.

13 “(H) For a site of employment at which
14 workers are covered by a collective bargaining
15 agreement, no subsidized job placement shall be
16 made at the site without the consent of all labor
17 organizations representing workers at such site.

18 “(I) In a case where the State is consid-
19 ering placing an eligible individual with an em-
20 ployer who has previously participated in the
21 State program, the State shall consider feed-
22 back from workers previously placed with that
23 employer when determining whether to continue
24 placing eligible individuals in subsidized jobs
25 with that employer.

1 “(J) A subsidized job placement in a gov-
 2 ernment agency shall be subject to the same
 3 civil service protections otherwise applicable to
 4 similar jobs at such agency.

5 “(K) An eligible individual who works on
 6 average at least 30 hours of service per week in
 7 a subsidized job placement with an employer
 8 shall be treated as a full-time employee of such
 9 employer for purposes of section 4980H of the
 10 Internal Revenue Code of 1986.

11 “(2) EMPLOYER OF RECORD.—

12 “(A) IN GENERAL.—With respect to eligi-
 13 ble individuals in subsidized job placements, the
 14 employer of record may be—

15 “(i) the employer for whom the indi-
 16 vidual performs work;

17 “(ii) the State or a political subdivi-
 18 sion of the State; or

19 “(iii) a third party that has entered
 20 into an agreement with the State to serve
 21 as the employer of record with respect to
 22 eligible individuals participating in the
 23 State program funded under this title.

24 “(B) EVALUATIONS.—If the employer of
 25 record with respect to an eligible individual in

1 a subsidized job placement is not the employer
2 for whom the individual performs work, any
3 employer evaluation required under this title
4 with respect to such job placement shall include
5 an evaluation of both the employer of record
6 and the employer for whom the individual per-
7 forms work.

8 “(3) LIMITATION ON SUBSIDIZED JOB PLACE-
9 MENTS PER EMPLOYER.—

10 “(A) IN GENERAL.—No more than 10 per-
11 cent of the employees of an employer may be el-
12 igible individuals whose employment with such
13 employer is subsidized under this title, except
14 that—

15 “(i) an employer with fewer than 10
16 employees may employ 1 such individual;

17 “(ii) an employer with more than 500
18 employees may not employ more than 50
19 such individuals; and

20 “(iii) there shall be no limitation on
21 the number of subsidized job placements
22 per employer if the employer’s mission, as
23 reviewed and evaluated by the State on an
24 annual basis, includes the provision of em-
25 ployment services, training and other serv-

ices and activities, or supportive services to individuals with barriers to employment, subject to the State program's annual review of the outcomes and experiences of eligible individuals in subsidized job placements with the employer.

“(B) APPLICATION TO EMPLOYERS OF RECORD.—For purposes of the limitations described in subparagraph (A), if an eligible individual in a subsidized job placement performs work for an employer that is not the individual's employer of record—

“(i) the individual shall not be considered to be employed by the employer of record; and

“(ii) the individual shall be considered to be employed by the employer for whom the individual performs work.

“(4) ADDITIONAL PLACEMENTS.—If, after completing a subsidized job placement, an eligible individual is unemployed for at least 4 weeks (regardless of whether such weeks are consecutive), the eligible individual may apply for a new subsidized job placement but the immediately subsequent placement may only be with a different employer (but may be

1 with the same employer of record, provided that the
2 individual is performing work for a different em-
3 ployer than the employer for whom the individual
4 performed work in the previous subsidized job place-
5 ment).

6 “(5) STATE VARIATION PERMITTED.—Employer
7 subsidies for a subsidized job placement may vary
8 within a State and among States carrying out pro-
9 grams under this title provided that all eligible indi-
10 viduals employed in subsidized jobs shall be paid not
11 less than the rate specified in subsection (b)(1)(C)
12 and shall be covered by all relevant labor and em-
13 ployment laws.

14 “(6) EXCEPTION.—With respect to a period of
15 economic downturn, the Secretary may waive the
16 limit on the duration of a subsidized job placement
17 under paragraph (1)(E).

18 “(c) NONDISPLACEMENT.—An employer shall not
19 employ an eligible individual in a subsidized job placement
20 if—

21 “(1) employing such individual will result in the
22 layoff or partial displacement (such as a reduction
23 in hours, wages, or employment benefits) of an exist-
24 ing employee or position of the employer;

1 “(2) such individual will assume any of the du-
 2 ties or responsibilities of an employee who is partici-
 3 pating in a strike, collective bargaining, or union or-
 4 ganizing;

5 “(3) employing such individual infringes upon
 6 the promotional opportunities of an existing em-
 7 ployee of the employer; or

8 “(4) such individual will perform the same work
 9 or substantially the same work as that performed by
 10 any individual who has been laid off or partially dis-
 11 placed and has not received an offer from the em-
 12 ployer to be restored to the position the employee
 13 had immediately prior to being laid off or partially
 14 displaced.

15 “(d) GRIEVANCE PROCEDURES.—The State shall es-
 16 tablish and maintain a procedure for the filing and adju-
 17 dication of grievances from eligible individuals, labor orga-
 18 nizations, and other interested individuals concerning par-
 19 ticipating employers, including grievances relating to pro-
 20 posed placements of eligible workers with such employers.

21 **“SEC. 1306. REPORTS; TECHNICAL ASSISTANCE; RESEARCH;**

22 **AUDIT REQUIREMENT.**

23 “(a) QUARTERLY REPORTS.—

24 “(1) STATE REPORTS.—A State shall submit
 25 with each quarterly report required under section

1 411(a)(1) a report on the State program funded
 2 under this title that contains such data and informa-
 3 tion as the Secretary shall require.

4 “(2) REPORTS TO CONGRESS.—The Secretary
 5 shall submit with each annual report to Congress re-
 6 quired under section 411(b) a report on the State
 7 programs funded under this title.

8 “(b) ONGOING PERFORMANCE ASSESSMENT.—

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

11 “(A) measure the performances of the
 12 State programs funded under this title;

13 “(B) include information about the cat-
 14 egories of individuals and employers served by
 15 such programs and projects, including the ex-
 16 tent to which the State is serving the individ-
 17 uals with the greatest barriers to employment;
 18 and

19 “(C) describe the activities eligible individ-
 20 uals engaged in during the year and evaluate
 21 the quality of the services provided under such
 22 programs.

23 “(2) TIMING OF SUBMISSIONS.—The Secretary
 24 shall submit the reports required by paragraph
 25 (1)—

1 “(A) in the case of the first such report,
2 2 years after the date on which the first State
3 program funded under this title is established;
4 and

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

7 “(c) ALIGNMENT WITH WORKFORCE INNOVATION
8 AND OPPORTUNITY ACT PROGRAMS.—The Secretary shall
9 coordinate with the Secretary of Labor on aligning per-
10 formance measures and regulations for the State pro-
11 grams funded under this title with the performance meas-
12 ures and regulations applicable to the core programs of
13 States funded under the Workforce Innovation and Oppor-
14 tunity Act.

15 “(d) INDIVIDUAL ELIGIBILITY ASSESSMENT GUID-
16 ANCE.—The Secretary, in consultation with the Secretary
17 of Labor as appropriate, shall study and issue guidance
18 to States on best practices for assessing whether an indi-
19 vidual satisfies the criteria for being an eligible individual
20 under section 1301(b)(3) as being unlikely to find unsub-
21 sidized employment due to individual barriers, the individ-
22 ual’s status as a displaced worker, or economic conditions
23 in the State in which the individual lives or works.

24 “(e) RESEARCH AND EVALUATION.—

1 “(1) ONGOING EVALUATION OF STATE IMPLE-
2 MENTATION STRATEGIES.—

3 “(A) IN GENERAL.—The Secretary shall
4 develop an experimental or control group test-
5 ing protocol to continuously evaluate the impact
6 and effectiveness of State strategies for imple-
7 menting employment services, training and
8 other services and activities under this title, in-
9 cluding—

10 “(i) the impact of such State strate-
11 gies on employment outcomes for eligible
12 individuals;

13 “(ii) the relationship among engage-
14 ment, impact, and program outcomes, as
15 well as an examination of program per-
16 formance;

17 “(iii) an identification of successful
18 activities for achieving the purposes identi-
19 fied in section 1301;

20 “(iv) the impact on income and earn-
21 ings gains, job quality improvement, and
22 poverty reduction (relative to both the offi-
23 cial poverty line and the supplemental pov-
24 erty measure) for eligible individuals par-
25 ticipating in the State program funded

1 under this title and the families of such in-
 2 dividuals;

3 “(v) an evaluation of program access
 4 to determine the extent to which States are
 5 serving individuals with the greatest bar-
 6 riers to employment and the portion of
 7 State caseloads that are made up of such
 8 individuals; and

9 “(vi) any other analysis deemed ap-
 10 propriate by the Secretary.

11 “(B) OTHER REQUIREMENTS.—

12 “(i) DIVERSE SELECTION OF PRO-
 13 GRAMS.—In choosing State programs to
 14 participate in evaluations under this sub-
 15 section, the Secretary shall select programs
 16 representing a diversity of policy ap-
 17 proaches, geographic locations, labor mar-
 18 ket conditions, and populations served.

19 “(ii) DATA-DRIVEN EVALUATION.—
 20 Evaluations under this subsection shall be
 21 rigorous and use data to statistically meas-
 22 ure program outcomes and impacts.

23 “(2) REPORTS.—Not later than 2 years after
 24 the date of enactment of this section and every 2
 25 years thereafter, the Secretary shall submit to Con-

1 gress and make publicly available a report on the
2 initial implementation of activities conducted under
3 this title, including any available results of the eval-
4 uations conducted under paragraph (1) with respect
5 to such activities, together with such recommenda-
6 tions for legislation or administrative action as the
7 Secretary determines appropriate.

8 “(3) BEST PRACTICES.—The Secretary shall
9 use the results of the evaluations conducted under
10 paragraph (1) to recommend best practices for im-
11 plementing employment services, training and other
12 services and activities under this title and share such
13 information with participating States under this
14 title.

15 “(4) FUNDING.—Out of any money in the
16 Treasury not otherwise appropriated, there are ap-
17 propriated to the Secretary for fiscal year 2022
18 \$100,000,000 to conduct evaluations under this sub-
19 section. Amounts appropriated under the preceding
20 sentence shall remain available until expended.

21 “(f) COORDINATION OF DATA COLLECTION.—

22 “(1) IN GENERAL.—The Secretary, in consulta-
23 tion with the Secretary of Labor, shall determine the
24 data States shall collect and report regarding the
25 State program funded under this title and the extent

1 to which that data collection and reporting, and re-
2 quired evaluations, can be coordinated with the data
3 collection, reporting, and evaluations required for
4 the State program funded under part A of title IV
5 and the performance accountability measures under
6 section 116(b) of the Workforce Innovation and Op-
7 portunity Act for the adult and dislocated worker
8 employment and training activities of the State.

9 “(2) COORDINATION WITH OTHER EFFORTS.—
10 The Secretary, in consultation with the Secretary of
11 Labor and the Secretary of Education, shall assure
12 that the data collected under this title aligns as
13 much as possible with efforts to collect longitudinal
14 data related to the performance of education, train-
15 ing, and workforce programs.

16 “(g) DISAGGREGATED DATA.—Data collected and
17 submitted under this section shall be disaggregated by
18 race, ethnicity, age, gender, and classification in the
19 Standard Occupational Classification System of the Bu-
20 reau of Labor Statistics.

21 “(h) FUNDING.—The Secretary shall use funding
22 made available under section 1301(c)(2) to conduct the
23 performance assessments required under subsection (b)
24 and the research and evaluation required under subsection
25 (e).

1 “(i) INSPECTOR GENERAL AUDIT.—The Inspector
 2 General of the Department of Health and Human Services
 3 shall biennially audit a sample of the State programs
 4 funded under this title to ensure compliance with program
 5 requirements, including compliance with the nondisplace-
 6 ment requirements of section 1305(c), and to identify and
 7 protect against any waste, fraud, or abuse in such pro-
 8 grams.

9 **“SEC. 1307. DIRECT FUNDING AND ADMINISTRATION FOR**
 10 **PROGRAMS OPERATED BY INDIAN TRIBES.**

11 “(a) IN GENERAL.—An Indian tribe or intertribal
 12 consortium with a tribal family assistance plan approved
 13 under section 412 (or any Indian tribe that is a member
 14 of such a consortium) or under the Indian Employment,
 15 Training and Related Services Act (25 U.S.C. 3401 et
 16 seq.) that proposes to establish a program under this title
 17 shall submit an application to the Secretary to directly re-
 18 ceive payments for expenditures made to carry out the
 19 program (in this section referred to as a ‘tribal program
 20 application’).

21 “(b) TRIBAL PROGRAM APPLICATION REQUIRE-
 22 MENTS.—Subject to subsection (c), a tribal program appli-
 23 cation shall include a plan that meets the requirements
 24 of section 1302 in the same manner as such requirements
 25 apply to a State.

1 “(c) PROGRAM REQUIREMENTS.—

2 “(1) IN GENERAL.—The program requirements
3 specified in this title shall apply to an Indian tribe
4 or intertribal consortium with a tribal program ap-
5 plication and plan approved under this section in the
6 same manner as such requirements apply to a State
7 except to the extent that the Secretary determines
8 that a requirement cannot reasonably be met by a
9 tribe in the same or similar manner as such require-
10 ment would apply to a State.

11 “(2) NON-SUPPLANTATION REQUIREMENT.—

12 Funds paid to an Indian tribe or intertribal consor-
13 tium with a tribal program application and plan ap-
14 proved under this section or the Indian Employment,
15 Training and Related Services Act (25 U.S.C. 3401
16 et seq.) shall be used to supplement, not supplant,
17 the total amount of Indian tribe or intertribal con-
18 sortium expenditures for employment services, train-
19 ing and other services and activities, and supportive
20 services provided through the adult and dislocated
21 worker employment and training activities of the In-
22 dian tribe or intertribal consortium for the fiscal
23 year.

24 “(d) PAYMENTS.—

1 “(1) IN GENERAL.—Subject to paragraph (2),
2 the Secretary shall pay an Indian tribe or intertribal
3 consortium with a tribal program application and
4 plan approved under this section in the same man-
5 ner as States are paid under section 1304.

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

11 “(1) the State in which the local government or
 12 consortium is located has not elected to establish a
 13 State program under this title; or

14 “(2) the local government or consortium can
 15 demonstrate that a local program would meet a need
 16 or serve a population that is not met or sufficiently
 17 served by the State program under this title.

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

23 “(c) PROGRAM REQUIREMENTS.—

24 “(1) IN GENERAL.—The program requirements
 25 specified in this title shall apply to a local govern-
 26 ment or consortium with a local government pro-

1 gram application and plan approved under this sec-
 2 tion in the same manner as such requirements apply
 3 to a State except to the extent that the Secretary
 4 determines that a requirement cannot reasonably be
 5 met by a local government in the same or similar
 6 manner as such requirement would apply to a State.

7 “(2) NON-SUPPLANTATION REQUIREMENT.—
 8 Funds paid to a local government or consortium
 9 with a local government program application and
 10 plan approved under this section shall be used to
 11 supplement, not supplant, the total amount of local
 12 government or consortium expenditures for employ-
 13 ment services, training and other services and activi-
 14 ties, and supportive services provided through the
 15 adult and dislocated worker employment and train-
 16 ing activities of the local government or consortium
 17 for the fiscal year.

18 “(d) PAYMENTS.—The Secretary shall pay a local
 19 government or consortium with a local government pro-
 20 gram application and plan approved under this section in
 21 the same manner as States are paid under section 1304.

22 **“SEC. 1309. GRANTS TO NONPROFIT ORGANIZATIONS.**

23 “(a) IN GENERAL.—The Secretary, in consultation
 24 with the Secretary of Labor, shall award multi-year grants
 25 on a competitive basis to nonprofit organizations that sub-

1 mit applications to carry out employment services pro-
2 grams, if the nonprofit organization demonstrates that—

3 “(1) the nonprofit organization is unable to re-
4 ceive funding through the relevant State program
5 under this title; and

6 “(2) the employment services program of the
7 nonprofit organization would meet a need or serve a
8 population that is not met or sufficiently served by
9 the relevant State program under this title.

10 “(b) SCOPE OF GRANTS.—Grants under this sub-
11 section may be regional programs or serve specific popu-
12 lations.

13 “(c) APPLICATION PROCESS.—A nonprofit organiza-
14 tion seeking a grant under this subsection shall submit
15 an application to the Secretary at such a time, in such
16 a manner, and containing such information as the Sec-
17 retary may reasonably require. Such information shall, to
18 the extent practicable, include information similar to that
19 required in a State plan under section 1302.

20 “(d) SELECTION.—The Secretary shall select appli-
21 cants to receive a grant under this subsection based on—

22 “(1) the applicant’s level of experience and
23 commitment to providing subsidized jobs;

24 “(2) the applicant’s demonstrated ability to re-
25 cruit individuals of the region or other specific popu-

1 lation served by the grant and provide work opportu-
2 nities for such individuals; and

3 “(3) such other criteria as the Secretary deter-
4 mines appropriate.

5 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated to the Secretary to carry
7 out this section for each of fiscal years 2021 through
8 2026, such sums as are necessary.”.

9 (b) PUBLIC INFORMATION ABOUT AVAILABILITY OF
10 EMPLOYMENT SERVICES.—Not later than January 1,
11 2023, the Secretary of Health and Human Services shall
12 make information publicly available to jobseekers (either
13 on a website established for such purpose or on an existing
14 Federal online resource that provides information to job-
15 seekers) about—

16 (1) whether they are eligible for employment
17 services under a State, local government, or tribal
18 program under title XIII of the Social Security Act
19 (as added by subsection (a)); and

20 (2) the appropriate State, local government, or
21 tribal agency to contact for further information
22 about such services and programs.

1 **SEC. 4. EMPLOYEE RETENTION WORK OPPORTUNITY CRED-**
 2 **IT.**

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

6 “(1) EMPLOYEE RETENTION CREDIT.—

7 “(1) IN GENERAL.—The amount of the work
 8 opportunity credit determined under subsection (a)
 9 for the taxable year shall be increased by an amount
 10 equal to 40 percent of the qualified second-year
 11 wages for such year with respect to previously sub-
 12 sidized employees.

13 “(2) QUALIFIED SECOND-YEAR WAGES.—

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

19 “(i) which are paid to a previously
 20 subsidized employee, and

21 “(ii) which are attributable to service
 22 rendered during the 1-year period begin-
 23 ning on the day after the last day of the
 24 1-year period with respect to such em-
 25 ployee determined under subsection (b)(2).

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

5 “(3) PREVIOUSLY SUBSIDIZED EMPLOYEE.—
 6 For purposes of this subsection, the term ‘previously
 7 subsidized employee’ means an individual who is
 8 hired by an employer through the subsidized employ-
 9 ment program under title XIII of the Social Security
 10 Act and who has been employed by the same em-
 11 ployer for a consecutive 24 months as of the last day
 12 of the preceding taxable year.”.

13 (b) GAO STUDY.—The Comptroller General of the
 14 United States shall conduct a study on the employee re-
 15 tention credit under section 51(l) of the Internal Revenue
 16 Code of 1986 and, not later than 6 months after the last
 17 day of the second taxable year beginning after the date
 18 of the enactment of this Act, shall report to the Committee
 19 on Finance of the Senate and the Committee on Ways and
 20 Means of the House of Representatives—

21 (1) whether such retention credit had a mean-
 22 ingful impact on retention as compared with other
 23 currently existing and previous subsidized employ-
 24 ment programs; and

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

5 (c) EFFECTIVE DATE.—The amendments made by
 6 this section shall apply to taxable years beginning after
 7 the date of the enactment of this Act.

8 **SEC. 5. CONFORMING AMENDMENTS.**

9 (a) TANF.—

10 (1) STATE PLAN.—Section 402 (42 U.S.C. 602)
 11 is amended—

12 (A) in subsection (a)(1)—

13 (i) in subparagraph (A)(iii), by insert-
 14 ing “or employment services, training and
 15 other services and activities, and sup-
 16 portive services provided under the State
 17 program funded under title XIII” before
 18 the period; and

19 (ii) in subparagraph (B)—

20 (I) in clause (iv), by inserting “,
 21 unless the parent or caretaker is par-
 22 ticipating in the State program fund-
 23 ed under title XIII” before the period;
 24 and

1 (II) by adding at the end the fol-
 2 lowing:

3 “(vi) The document shall indicate
 4 whether the State elects to carry out
 5 a State program to provide employ-
 6 ment services, training and other serv-
 7 ices and activities, and supportive
 8 services under title XIII.”; and

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

10 “(d) STATE OPTION TO SUBMIT PLAN THAT ALIGNS
 11 WITH THE STATE PLAN UNDER TITLE XIII.—A State
 12 may elect to submit the State plan required under this
 13 section at the same time and in the same manner, and
 14 to apply for the same period, as the State plan required
 15 under section 1302.”.

16 (2) PARTICIPATION IN THE STATE EMPLOY-
 17 MENT, TRAINING, AND SUPPORTIVE SERVICES PRO-
 18 GRAM UNDER TITLE XIII—A DEEMED TO BE MEETING
 19 WORK PARTICIPATION REQUIREMENTS.—Section
 20 407(c)(2) (42 U.S.C. 607(c)(2)) is amended by add-
 21 ing at the end the following:

22 “(E) PARTICIPATION IN THE STATE EM-
 23 PLOYMENT, TRAINING, AND SUPPORTIVE SERV-
 24 ICES PROGRAM UNDER TITLE XIII—A DEEMED
 25 TO BE MEETING WORK PARTICIPATION RE-

1 QUIREMENTS.—For purposes of determining
2 monthly participation rates under paragraphs
3 (1)(B)(i) and (2)(B) of subsection (b), the fol-
4 lowing individuals are deemed to be engaged in
5 work for a month:

6 “(i) RECIPIENTS.—Any recipient who
7 is participating in the State employment,
8 training, and supportive services program
9 under title XIII (for any number of hours
10 per week during the month) and is receiv-
11 ing assistance under the State program
12 funded under this part or under any State
13 program funded with qualified State ex-
14 penditures (as defined in section
15 409(a)(7)(B)(i)).

16 “(ii) INDIVIDUALS WHO WOULD OTH-
17 ERWISE BE RECIPIENTS.—Any individual
18 who is participating in the State employ-
19 ment, training, and supportive services
20 program under title XIII (for any number
21 of hours per week during the month) and
22 would be a recipient of assistance under
23 the State program funded under this part
24 or under any State program funded with
25 qualified State expenditures (as defined in

1 section 409(a)(7)(B)(i)) but for the indi-
 2 vidual’s participation in the State employ-
 3 ment, training and supportive services pro-
 4 gram under title XIII.”.

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

8 “(4) OPTION TO SUBMIT PLAN THAT ALIGNS
 9 WITH THE PLAN UNDER TITLE XIII.—An Indian
 10 tribe or tribal consortium may elect to submit a trib-
 11 al family assistance plan required under this section
 12 at the same time and in the same manner, and to
 13 apply for the same period, as the plan required
 14 under section 1307.”.

15 (b) TITLE XI.—Section 1101(a)(1) of such Act (42
 16 U.S.C. 1301(a)(1)) is amended by striking “title XX” and
 17 inserting “titles XIII and XX”.

18 (c) INTERNAL REVENUE CODE.—Section
 19 51(c)(2)(B) of the Internal Revenue Code of 1986 is
 20 amended by striking “section 482(e)” and inserting “title
 21 XIII”.

22 (d) TABLE OF CONTENTS FOR TITLE XIII.—Title
 23 XIII, as added by section 3(a), is amended by inserting
 24 the following before section 1301:

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

“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. Grants to nonprofit organizations.”.

1 **SEC. 6. EFFECTIVE DATE; REGULATIONS.**

2 (a) EFFECTIVE DATE.—Except as provided in sec-
3 tion 4(c), the amendments made by this Act shall take
4 effect on January 1, 2023.

5 (b) OPTION TO ACCELERATE FUNDING.—

6 (1) IN GENERAL.—If the Secretary of Health
7 and Human Services receives from a State, Indian
8 tribe, or unit of local government, a written notice,
9 in such form and manner and containing such infor-
10 mation as the Secretary shall require, that the State,
11 Indian tribe, or unit of local government is oper-
12 ating, or wishes to operate, an employment assist-
13 ance program, then, during the period beginning on
14 the first day of the first fiscal quarter that begins
15 on or after the date that the Secretary receives such
16 notice and ending on December 31, 2022, the Sec-
17 retary shall make payments to the State, Indian
18 tribe, or unit of local government under paragraph
19 (3).

20 (2) DEFINITIONS.—In this subsection:

1 (A) EMPLOYMENT ASSISTANCE PRO-
2 GRAM.—The term “employment assistance pro-
3 gram” means a program operated by a State,
4 Indian tribe, or local government that provides
5 qualified program assistance, including a pro-
6 gram funded under part A of title IV of the So-
7 cial Security Act (42 U.S.C. 401 et seq.) or any
8 other State, tribal, or local program financed
9 with Federal funds.

10 (B) QUALIFIED PROGRAM ASSISTANCE.—
11 The term “qualified program assistance” means
12 employment services, training and other serv-
13 ices and activities, or supportive services (as
14 such terms are defined in section 1301(b) of
15 the Social Security Act, as added by section 3),
16 including any such services designed to reem-
17 ploy individuals who are unemployed or under-
18 employed for reasons related to COVID–19, but
19 shall not include any employment services,
20 training and other services and activities or
21 supportive services that cannot be provided in a
22 manner that is safe for both program adminis-
23 trators and participants due to a COVID–19
24 outbreak.

25 (3) PAYMENTS.—

1 (A) IN GENERAL.—Subject to subpara-
2 graph (B), the Secretary shall pay to any State,
3 Indian tribe, or local government that has a no-
4 tice in effect under paragraph (1) for a fiscal
5 quarter with respect to an employment assist-
6 ance program, an amount equal to the amount
7 that such State, tribe, or local government
8 would receive under title XIII of the Social Se-
9 curity Act (as added by section 3) if—

10 (i) such title were in effect with re-
11 spect to such State, tribe, or local govern-
12 ment;

13 (ii) the State, tribe, or local govern-
14 ment had a plan that met all requirements
15 of such title and was approved under such
16 title for such fiscal quarter, and the
17 amounts expended by the State, tribe, or
18 local government on qualified program as-
19 sistance under such program, were
20 amounts expended by the State, tribe, or
21 local government to provide such assist-
22 ance under such plan;

23 (iii) the requirements of sections
24 1303, 1304(c), 1305, and 1306 of such
25 title did not apply; and

1 (iv) the Federal medical assistance
2 percentage for the State, Indian tribe or
3 tribal consortium, or local government
4 were 100 percent.

5 (B) LIMITATIONS.—

6 (i) NO DUPLICATE FUNDING.—For
7 purposes of subparagraph (A), in deter-
8 mining the amounts expended by a State,
9 tribe, or local government under an em-
10 ployment assistance program to provide
11 qualified program assistance, the total
12 amount of State expenditures on such as-
13 sistance shall be reduced by the amount of
14 Federal funds (other than funds paid
15 under this subsection) that have been paid
16 or that are expected to be paid to the
17 State, tribe, or local government with re-
18 spect to such assistance.

19 (ii) NO FUNDING FOR ADMINISTRA-
20 TIVE EXPENSES UNRELATED TO QUALI-
21 FIED PROGRAM ASSISTANCE.—No payment
22 shall be made to a State, Indian tribe, or
23 local government under this subsection for
24 administrative expenses of an employment
25 assistance program that are not attrib-

1 utable to the administration of qualified
2 program assistance.

3 (c) REGULATIONS.—The Secretary of Health and
4 Human Services, in consultation with the Secretary of
5 Labor as appropriate, shall—

6 (1) not later than 30 days after the date of en-
7 actment of this Act, issue guidance to States on how
8 to seek accelerated funding under subsection (b);

9 (2) not later than 9 months after the date of
10 the enactment of this Act, issue proposed regulations
11 for the purpose of implementing title XIII of the So-
12 cial Security Act (as added by section 2 of this Act),
13 including regulations establishing uniform data col-
14 lection requirements; and

15 (3) not later than 18 months after the date of
16 enactment of this Act, publish final regulations for
17 such purpose.

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