

116TH CONGRESS
1ST SESSION

S. _____

To amend part A of title IV of the Social Security Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. DAINES introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend part A of title IV of the Social Security Act, 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.**

4 This Act may be cited as the “Jobs and Opportunity
5 with Benefits and Services for Success Act”.

6 **SEC. 2. TABLE OF CONTENTS.**

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

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. References.
- Sec. 4. Re-naming of program.
- Sec. 5. Helping more Americans enter and remain in the workforce.
- Sec. 6. Expecting universal engagement and case management.
- Sec. 7. Promoting accountability by measuring work outcomes.

- Sec. 8. Targeting funds to truly needy families.
- Sec. 9. Targeting funds to core purposes.
- Sec. 10. Strengthening program integrity by measuring improper payments.
- Sec. 11. Prohibition on State diversion of Federal funds to replace State spending.
- Sec. 12. Inclusion of poverty reduction as a program purpose.
- Sec. 13. Welfare for needs not weed.
- Sec. 14. Strengthening accountability through HHS approval of State plans.
- Sec. 15. Aligning and improving data reporting.
- Sec. 16. Technical corrections to data exchange standards to improve program coordination.
- Sec. 17. Set-aside for economic downturns.
- Sec. 18. Definitions related to use of funds.
- Sec. 19. Elimination of obsolete provisions.
- Sec. 20. Effective date.

1 **SEC. 3. REFERENCES.**

2 Except as otherwise expressly provided, wherever in
3 this Act an amendment or repeal is expressed in terms
4 of an amendment to, or repeal of, a section or other provi-
5 sion, the reference shall be considered to be made to a
6 section or other provision of the Social Security Act.

7 **SEC. 4. RE-NAMING OF PROGRAM.**

8 (a) IN GENERAL.—The heading for part A of title
9 IV is amended to read as follows:

10 **“PART A—JOBS AND OPPORTUNITY WITH**
11 **BENEFITS AND SERVICES PROGRAM”.**

12 (b) CONFORMING AMENDMENTS.—

13 (1) The heading for section 403(a)(2)(B) (42
14 U.S.C. 603(a)(2)(B)) is amended by striking
15 “TANF” and inserting “JOBS”.

16 (2) The heading for section 413 (42 U.S.C.
17 613) is amended by striking “**TEMPORARY AS-**
18 **SISTANCE FOR NEEDY FAMILIES**” and inserting

1 **“JOBS AND OPPORTUNITY WITH BENEFITS AND**
2 **SERVICES”**.

3 (3) The heading for section 413(a) (42 U.S.C.
4 613(a)) is amended by striking “TANF” and insert-
5 ing “JOBS”.

6 (4) The heading for section 471(e)(7)(B)(i) (42
7 U.S.C. 671(e)(7)(B)(i)), as in effect pursuant to the
8 amendment made by section 50711(a)(2) of division
9 E of the Bipartisan Budget Act of 2018 (Public
10 Law 115–123), is amended by striking “TANF”
11 and inserting “JOBS”.

12 **SEC. 5. HELPING MORE AMERICANS ENTER AND REMAIN IN**
13 **THE WORKFORCE.**

14 (a) FAMILY ASSISTANCE GRANTS.—Section
15 403(a)(1) (42 U.S.C. 603(a)(1)) is amended in each of
16 subparagraphs (A) and (C) by striking “2017 and 2018”
17 and inserting “2019 through 2024”.

18 (b) HEALTHY MARRIAGE PROMOTION AND RESPON-
19 SIBLE FATHERHOOD GRANTS.—Section 403(a)(2)(D) (42
20 U.S.C. 603(a)(2)(D)) is amended—

21 (1) by striking “2017 and 2018” and inserting
22 “2019 through 2024”; and

23 (2) by striking “for fiscal year 2017 or 2018”.

24 (c) TRIBAL GRANTS.—Section 412(a) (42 U.S.C.
25 612(a)) is amended in each of paragraphs (1)(A) and

1 (2)(A) by striking “2017 and 2018” and inserting “2019
2 through 2024”.

3 (d) IMPROVING ACCESS TO CHILD CARE TO SUPPORT
4 WORK.—Section 418(a)(3) (42 U.S.C. 618(a)(3)) is
5 amended to read as follows:

6 “(3) APPROPRIATION.—For grants under this
7 section, there are appropriated—

8 “(A) \$2,917,000,000 for fiscal year 2019;
9 and

10 “(B) \$3,525,000,000 for each of fiscal
11 years 2020 through 2024.”.

12 (e) GRANTS TO THE TERRITORIES.—Section
13 1108(b)(2) (42 U.S.C. 1308(b)(2)) is amended by striking
14 “2017 and 2018” and inserting “2019 through 2024”.

15 (f) PRORATING OF APPROPRIATIONS FOR FISCAL
16 YEAR 2019.—Notwithstanding the amendments made by
17 the subsections (a) through (c) and (e) of this section, the
18 amount appropriated in each provision of law amended by
19 such subsections for fiscal year 2019 shall be—

20 (1) the amount that would be so appropriated
21 in the absence of this subsection; multiplied by

22 (2) the number of days in the period from the
23 date of the enactment of this Act through September
24 30, 2019, divided by 365.

1 (g) EFFECTIVE DATE.—This section and the amend-
2 ments made by this section shall take effect on the date
3 of the enactment of this Act.

4 **SEC. 6. EXPECTING UNIVERSAL ENGAGEMENT AND CASE**
5 **MANAGEMENT.**

6 Section 408(b) (42 U.S.C. 608(b)) is amended to
7 read as follows:

8 “(b) INDIVIDUAL OPPORTUNITY PLANS.—

9 “(1) ASSESSMENT.—The State agency respon-
10 sible for administering the State program funded
11 under this part shall make an initial assessment of
12 the following for each work-eligible individual (as de-
13 fined in the regulations promulgated pursuant to
14 section 407(i)(1)(A)(i):

15 “(A) The education obtained, skills, prior
16 work experience, work readiness, and barriers
17 to work of the individual.

18 “(B) The well-being of the children in the
19 family of the individual and, where appropriate,
20 activities or services (such as services offered by
21 a program funded under section 511) to im-
22 prove the well-being of the children.

23 “(2) CONTENTS OF PLANS.—On the basis of
24 the assessment required by paragraph (1) of this
25 subsection, the State agency, in consultation with

1 the individual, shall develop an individual oppor-
2 tunity plan that—

3 “(A) includes a personal responsibility
4 agreement in which the individual acknowledges
5 receipt of publicly-funded benefits and responsi-
6 bility to comply with program requirements in
7 order to receive the benefits;

8 “(B) sets forth the obligations of the indi-
9 vidual to participate in work activities (as de-
10 fined in section 407(d)), and the number of
11 hours per month for which the individual will so
12 participate pursuant to section 407;

13 “(C) sets forth an employment goal and
14 planned short-, intermediate-, and long-term ac-
15 tions to achieve the goal, and, in the case of an
16 individual who has not attained 24 years of age
17 and is in secondary school or the equivalent, the
18 intermediate action may be completion of sec-
19 ondary school or the equivalent;

20 “(D) describes the job counseling and
21 other services the State will provide to the indi-
22 vidual to enable the individual to obtain and
23 keep unsubsidized employment;

1 “(E) may include referral to appropriate
2 substance abuse or mental health treatment;
3 and

4 “(F) is signed by the individual.

5 “(3) TIMING.—The State agency shall comply
6 with paragraph (1) and (2) with respect to a work-
7 eligible individual—

8 “(A) within 1 year after the effective date
9 of this subsection, in the case of an individual
10 who, as of such effective date, is a recipient of
11 assistance under the State program funded
12 under this part (as in effect immediately before
13 such effective date); or

14 “(B) within 60 days after the individual is
15 determined to be eligible for the assistance, in
16 the case of any other individual.

17 “(4) UNIVERSAL ENGAGEMENT.—Subject to the
18 exceptions in paragraph (3), each State shall require
19 all work-eligible recipients receiving funds under the
20 State program funded under this part to engage in
21 work in accordance with the provisions of section
22 407(c), 407(d) and 407(e).”

23 “(5) PENALTY FOR NONCOMPLIANCE BY INDI-
24 VIDUAL.—In addition to any other penalties required
25 under the State program funded under this part, the

1 State shall reduce, by such amount as the State con-
2 sidered appropriate, the amount of assistance other-
3 wise payable under the State program to a family
4 that includes an individual who fails without good
5 cause to comply with an individual opportunity plan
6 developed pursuant to this subsection, that is signed
7 by the individual.

8 “(6) PERIODIC REVIEW.—The State shall meet
9 with each work-eligible individual assessed by the
10 State under paragraph (1), not less frequently than
11 every 90 days, to—

12 “(A) review the individual opportunity plan
13 developed for the individual, including the eligi-
14 bility of the individual for benefits;

15 “(B) discuss with the individual the
16 progress made by the individual in achieving
17 the goals specified in the plan; and

18 “(C) update the plan, as necessary, to re-
19 flect any changes in the circumstances of the
20 individual since the plan was last reviewed.”.

21 **SEC. 7. PROMOTING ACCOUNTABILITY BY MEASURING**
22 **WORK OUTCOMES.**

23 (a) IN GENERAL.—Section 407(a) (42 U.S.C.
24 607(a)) is amended to read as follows:

1 “(a) PERFORMANCE ACCOUNTABILITY AND WORK
2 OUTCOMES.—

3 “(1) WORK OUTCOMES.—

4 “(A) IN GENERAL.—A State to which a
5 grant is made under section 403 shall achieve
6 the requisite minimum level of performance for
7 a fiscal year described in this paragraph with
8 respect to the percentage of employment exits
9 for families receiving assistance under the State
10 program funded under this part, or be subject
11 to penalty as described in section 409(a)(3).

12 “(B) CALCULATION OF PERCENTAGE OF
13 EMPLOYMENT EXITS.—For purposes of this
14 paragraph, the percentage of employment exits
15 with respect to a State equals the ratio of the
16 number of work-eligible individuals who are in
17 unsubsidized employment 6 months after their
18 exit to the average monthly number of families
19 receiving assistance under the State program
20 funded under this part.

21 “(C) AGREEMENT ON REQUISITE LEVEL
22 OF PERFORMANCE.—The Secretary and the
23 State shall negotiate the requisite level of per-
24 formance for the State with respect to employ-

1 ment exits for each fiscal year beginning with
2 fiscal year 2021.

3 “(2) PERFORMANCE ACCOUNTABILITY.—

4 “(A) PURPOSE.—The purpose of this para-
5 graph is to provide for the establishment of per-
6 formance accountability measures to assess the
7 effectiveness of States in increasing employ-
8 ment, retention, and advancement among fami-
9 lies receiving assistance under the State pro-
10 gram funded under this part.

11 “(B) IN GENERAL.—A State to which a
12 grant is made under section 403 for a fiscal
13 year shall achieve the requisite level of perform-
14 ance on an indicator described in subparagraph
15 (D) of this paragraph for the fiscal year.

16 “(C) MEASURING STATE PERFORMANCE.—
17 Each State, in consultation with the Secretary,
18 shall collect and submit to the Secretary the in-
19 formation necessary to measure the level of per-
20 formance of the State for each indicator de-
21 scribed in subparagraph (D), for fiscal year
22 2021 and each fiscal year thereafter, and the
23 Secretary shall use the information collected for
24 fiscal year 2021 to establish the baseline level

1 of performance for each State for each such in-
2 dicator.

3 “(D) INDICATORS OF PERFORMANCE.—
4 The indicators described in this subparagraph,
5 for a fiscal year, are the following:

6 “(i) The percentage of individuals who
7 were work-eligible individuals as of the
8 time of exit from the program, who are in
9 unsubsidized employment during the 2nd
10 quarter after the exit.

11 “(ii) The percentage of individuals
12 who were work-eligible individuals who
13 were in unsubsidized employment in the
14 2nd quarter after the exit, who are also in
15 unsubsidized employment during the 4th
16 quarter after the exit.

17 “(iii) The median earnings of individ-
18 uals who were work-eligible individuals as
19 of the time of exit from the program, who
20 are in unsubsidized employment during the
21 2nd quarter after the exit.

22 “(iv) The percentage of individuals
23 who have not attained 24 years of age, are
24 attending high school or enrolled in an
25 equivalency program, and are work-eligible

1 individuals or were work-eligible individ-
2 uals as of the time of exit from the pro-
3 gram, who obtain a high school degree or
4 its recognized equivalent while receiving as-
5 sistance under the State program funded
6 under this part or within 1 year after the
7 exit.

8 “(E) LEVELS OF PERFORMANCE.—

9 “(i) IN GENERAL.—For each State
10 submitting a State plan pursuant to sec-
11 tion 402(a), there shall be established, in
12 accordance with this subparagraph, levels
13 of performance for each of the indicators
14 described in subparagraph (D).

15 “(ii) WEIGHT.—The weight assigned
16 to such an indicator shall be the following:

17 “(I) 40 percent, in the case of
18 the indicator described in subpara-
19 graph (D)(i).

20 “(II) 25 percent, in the case of
21 the indicator described in subpara-
22 graph (D)(ii).

23 “(III) 25 percent, in the case of
24 the indicator described in subpara-
25 graph (D)(iii).

1 jective statistical model referred
2 to in clause (v), based on—

3 “(AA) the differences
4 among States in economic
5 conditions, including dif-
6 ferences in unemployment
7 rates or employment losses
8 or gains in particular indus-
9 tries; and

10 “(BB) the characteris-
11 ties of participants on entry
12 into the program, including
13 indicators of prior work his-
14 tory, lack of educational or
15 occupational skills attain-
16 ment, or other factors that
17 may affect employment and
18 earnings; and

19 “(CC) take into account
20 the extent to which the lev-
21 els involved promote contin-
22 uous improvement in per-
23 formance by each State.

24 “(iv) REVISIONS BASED ON ECONOMIC
25 CONDITIONS AND INDIVIDUALS RECEIVING

1 ASSISTANCE DURING THE FISCAL YEAR.—
2 The Secretary shall, in accordance with the
3 objective statistical model referred to in
4 clause (v), revise the requisite levels of per-
5 formance for a State and a fiscal year to
6 reflect the economic conditions and charac-
7 teristics of the relevant individuals in the
8 State during the fiscal year.

9 “(v) STATISTICAL ADJUSTMENT
10 MODEL.—The Secretary shall use an objec-
11 tive statistical model to make adjustments
12 to the requisite levels of performance for
13 the economic conditions and characteristics
14 of the relevant individuals, and shall con-
15 sult with the Secretary of Labor to develop
16 a model that is the same as or similar to
17 the model described in section
18 116(b)(3)(A)(viii) of the Workforce Inno-
19 vation and Opportunity Act (29 U.S.C.
20 3141(b)(3)(A)(viii)).

21 “(vi) DEFINITION OF EXIT.—In this
22 paragraph, the term ‘exit’ means, with re-
23 spect to a State program funded under
24 this part, ceases to a receive a JOBS ben-
25 efit under the program.

1 “(F) STATE OPTION TO ESTABLISH COM-
2 MON EXIT MEASURES.—Notwithstanding sub-
3 paragraph (E)(vi) of this paragraph, a State
4 that has not provided the notification under
5 section 121(b)(1)(C)(ii) of the Workforce Inno-
6 vation and Opportunity Act to exclude the State
7 program funded under this part as a mandatory
8 one-stop partner may adopt an alternative defi-
9 nition of ‘exit’ for the purpose of creating com-
10 mon exit measures to improve alignment with
11 workforce programs operated under title I of
12 such Act.

13 “(G) REGULATIONS.—In order to ensure
14 nationwide comparability of data, the Secretary,
15 after consultation the Secretary of Labor and
16 with States, shall issue regulations governing
17 the establishment of the performance account-
18 ability system under this paragraph and a tem-
19 plate for performance reports to be used by all
20 States consistent with subsection (b).”.

21 (b) REPORTS ON STATE PERFORMANCE ON HHS
22 ONLINE DASHBOARD.—Section 407(b) (42 U.S.C.
23 607(b)) is amended to read as follows:

24 “(b) PUBLICATION OF STATE PERFORMANCE.—The
25 Secretary shall, directly or through the use of grants or

1 contracts, establish and operate an Internet website that
2 is accessible to the public, with a dashboard that is regu-
3 larly updated and provides easy-to-understand information
4 on the performance of each State program funded under
5 this part, including a profile for each such program, ex-
6 pressed by use of a template, which shall include—

7 “(1) information on the indicators and requisite
8 performance levels established for the State under
9 subsection (a), including, with respect to each such
10 level, whether the State achieves, exceeds, or fails to
11 achieve the level on an ongoing basis, including—

12 “(A) information on any adjustments made
13 to the requisite levels using the statistical ad-
14 justment model described in subsection
15 (a)(3)(D)(v); and

16 “(B) a grade based on the overall perform-
17 ance of the State, as determined by the Sec-
18 retary and in consultation with the State, and
19 the overall performance shall be graded based
20 on the performance indicators and weights for
21 each such indicator as described in subsection
22 (a);

23 “(2) information reported under section 411 on
24 the characteristics and demographics of individuals

1 receiving assistance under the State program, in-
2 cluding—

3 “(A) the number and percentage of child-
4 only cases and reason why the cases are child-
5 only; and

6 “(B) the average weekly number of hours
7 that each work-eligible individual in the State
8 program participates in work activities, includ-
9 ing a separate section showing the number and
10 percentage of the work-eligible individuals with
11 zero hours of the participation and the reason
12 for non-participation;

13 “(3) information on the results of improper
14 payments reviews;

15 “(4) a link to the State plan approved under
16 section 402; and

17 “(5) information regarding any penalty im-
18 posed, or other corrective action taken, by the Sec-
19 retary against a State for failing to achieve a req-
20 uisite performance level or any other requirement
21 imposed by or under this part.”.

22 (c) MODIFICATION OF RULES FOR DETERMINING
23 WHETHER AN INDIVIDUAL IS ENGAGED IN WORK.—Sec-
24 tion 407(c) (42 U.S.C. 607(c)) is amended—

25 (1) in paragraph (1)—

1 (A) in subparagraph (A)—

2 (i) by striking “For purposes of sub-
3 section (b)(1)(B)(i), a” and inserting “A”;

4 and

5 (ii) by striking “, not fewer than” and
6 all that follows through “this subsection”;

7 and

8 (B) in subparagraph (B)—

9 (i) in the matter preceding clause (i),
10 by striking “For purposes of subsection
11 (b)(2)(B), an” and inserting “An”;

12 (ii) in clause (i), by striking “, not
13 fewer than” and all that follows through
14 “this subsection”; and

15 (iii) in clause (ii), by striking “, not
16 fewer than” and all that follows through
17 “subsection (d)”; and

18 (2) in paragraph (2)—

19 (A) by striking subparagraphs (A) and
20 (D);

21 (B) in each of subparagraphs (B) and (C),
22 by striking “For purposes of determining
23 monthly participation rates under subsection
24 (b)(1)(B)(i), a” and inserting “A”;

1 (C) by redesignating subparagraphs (B)
2 and (C) as subparagraphs (A) and (B), respec-
3 tively; and

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

5 “(C) STATE OPTION FOR PARTICIPATION
6 REQUIREMENT EXEMPTIONS.—For any fiscal
7 year, a State may, at its option, not require an
8 individual who is a single custodial parent car-
9 ing for a child who has not attained 12 months
10 of age to engage in work, for not more than 12
11 months.”.

12 (d) MODIFICATIONS TO ALLOWABLE WORK ACTIVI-
13 TIES.—Section 407(d) (42 U.S.C. 607(d)) is amended—

14 (1) in paragraph (5), by inserting “, including
15 apprenticeship” before the semicolon;

16 (2) in paragraph (6), by inserting “supervised”
17 before “job search”;

18 (3) in paragraph (8), by striking “(not to ex-
19 ceed 12 months with respect to any individual)” and
20 inserting “, including career technical education”;

21 (4) in paragraph (11), by striking “and” at the
22 end;

23 (5) in paragraph (12), by striking the period
24 and inserting “; and”; and

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

1 “(13) participation in an in-home program
2 teaching parenting skills that complies with the re-
3 quirements of section 407(e).”.

4 (e) PENALTY AGAINST STATES.—

5 (1) IN GENERAL.—Section 409(a)(3) (42
6 U.S.C. 609(a)(3)) is amended by striking all that
7 precedes subparagraph (B) and inserting the fol-
8 lowing:

9 “(3) FAILURE TO SATISFY WORK OUTCOMES
10 AND WORK ENGAGEMENT.—

11 “(A) IN GENERAL.—If the Secretary deter-
12 mines that a State to which a grant is made
13 under section 403 for a fiscal year has failed to
14 comply with any of section 407(a)(1), section
15 408(b)(3), or section 408(b)(4) for the fiscal
16 year, the Secretary shall reduce the grant pay-
17 able to the State under section 403(a)(1) for
18 the immediately succeeding fiscal year by an
19 amount equal to the applicable percentage of
20 the State family assistance grant.”.

21 (2) TRANSITION RULE.—The Secretary of
22 Health and Human Services may not impose a pen-
23 alty under section 409(a)(3) of the Social Security
24 Act by reason of the failure of a State to comply

1 with section 407(a) of such Act for any fiscal year
2 before fiscal year 2021.

3 (f) PRO RATA REDUCTION OF ASSISTANCE FOR INDI-
4 VIDUAL NONCOMPLIANCE.—Section 407(e) (42 U.S.C.
5 607(e)) is amended by adding at the end the following:

6 “(3) PRO RATA REDUCTION.—For purposes of
7 paragraph (1)(A), the amount of a pro rata reduc-
8 tion in assistance shall be determined by multiplying
9 the total amount of monthly assistance that would,
10 in the absence of the application of this paragraph,
11 be paid to the entire family, by the ratio of—

12 “(A) the number of hours of required work
13 activities as designated in subsection (d) actu-
14 ally performed by the individual during the
15 month; to

16 “(B) the number of hours of work activi-
17 ties that the individual was required to perform
18 during the month in accordance with subsection
19 (c).

20 “(4) PENALTIES AND ENGAGEMENT.—

21 “(A) IN GENERAL.—Subject to the limita-
22 tion in (B), if in a given month an individual
23 who received assistance under this part was re-
24 quired to engage in work under section 408
25 (b)(4), failed to fulfill those obligations and was

1 subsequently sanctioned in accordance with sec-
2 tion 407 (e) (2) and (3), that individual shall
3 judged to be engaged in work for that month
4 for purposes of section 408 (b) (4).

5 “(B) LIMITATION.—If an individual re-
6 ceives no benefits for two consecutive month
7 due to sanctioning under 407 (e) (2) and (3)
8 that individual shall not be counted as engaged
9 in work in subsequent months for purposes of
10 section 408 (b) (4) unless actual work in ac-
11 cordance with 407 (d) was resumed.”.

12 (g) CONFORMING AMENDMENT.—The heading of sec-
13 tion 412(c) (42 U.S.C. 612(c)) is amended by striking
14 “MINIMUM WORK PARTICIPATION REQUIREMENTS” and
15 inserting “REQUIREMENTS FOR WORK OUTCOME MEAS-
16 URES”.

17 **SEC. 8. TARGETING FUNDS TO TRULY NEEDY FAMILIES.**

18 (a) PROHIBITION ON USE OF FUNDS FOR FAMILIES
19 WITH INCOME GREATER THAN TWICE THE POVERTY
20 LINE.—Section 404(k) (42 U.S.C. 604(k)) is amended to
21 read as follows:

22 “(k) PROHIBITIONS.—

23 “(1) USE OF FUNDS FOR PERSONS WITH IN-
24 COME GREATER THAN TWICE THE POVERTY LINE.—

25 A State to which a grant is made under this part

1 shall not use the grant to provide any assistance or
2 services to a family whose monthly income exceeds
3 twice the poverty line (as defined by the Office of
4 Management and Budget, and revised annually in
5 accordance with section 673(2) of the Omnibus
6 Budget Reconciliation Act of 1981 (42 U.S.C.
7 9902(2))).”.

8 (b) ELIMINATION OF LIMITATION ON USE OF FUNDS
9 FOR CASE MANAGEMENT ACTIVITIES.—Section 404(b)(2)
10 (42 U.S.C. 604(b)(2)) is amended to read as follows:

11 “(2) EXCEPTIONS.—Paragraph (1) of this sub-
12 section shall not apply to the use of a grant for—

13 “(A) information technology and comput-
14 erization needed for tracking, monitoring, or
15 data collection required by or under this part;

16 or

17 “(B) case management activities to carry
18 out section 408(b).”.

19 (c) PROHIBITION ON USE OF FUNDS FOR DIRECT
20 SPENDING ON CHILD CARE SERVICES OR ACTIVITIES.—
21 Section 404(k) (42 U.S.C. 604(k)), as amended by sub-
22 section (a) of this section, is amended by adding at the
23 end the following:

24 “(2) DIRECT SPENDING ON CHILD CARE SERV-
25 ICES OR ACTIVITIES.—A State to which a grant is

1 made under this part shall not use the grant for di-
2 rect spending on child care and other early childhood
3 education programs, services, or activities.”.

4 (d) LIMITATION ON USE OF FUNDS FOR CHILD WEL-
5 FARE SERVICES OR ACTIVITIES.—Section 404(k) (42
6 U.S.C. 604(k)), as amended by subsections (a) and (c)
7 of this section, is amended—

8 (1) in the subsection heading, by inserting “;
9 LIMITATION” after “PROHIBITIONS”; and

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

11 “(3) LIMITATION ON USE OF FUNDS FOR CHILD
12 WELFARE SERVICES OR ACTIVITIES.—A State may
13 use not more than 10 percent of a grant made to
14 the State under section 403(a)(1) for child welfare
15 services or activities, taking into account any
16 amount transferred under subsection (d)(2) of this
17 section.”.

18 (e) EXPANSION OF AUTHORITY TO TRANSFER
19 FUNDS.—Section 404(d) (42 U.S.C. 604(d)) is amended
20 by striking paragraphs (1) through (3) and inserting the
21 following:

22 “(1) IN GENERAL.—A State may transfer not
23 more than 50 percent of the grant made to the State
24 under section 403(a)(1) to a State program pursu-
25 ant to any or all of the following provisions of law:

1 “(A) The Child Care and Development
2 Block Grant Act of 1990.

3 “(B) Title I of the Workforce Innovation
4 and Opportunity Act.

5 “(C) Subpart 1 of part B of this title.

6 “(2) LIMITATION ON AMOUNT TRANSFERRABLE
7 TO SUBPART 1 OF PART B.—A State may transfer
8 not more than 10 percent of a grant made to the
9 State under section 403(a)(1) to carry out State
10 programs operated pursuant to the State plan devel-
11 oped under subpart 1 of part B, taking into account
12 any amount used as described in subsection (k)(3)
13 of this section.

14 “(3) APPLICABLE RULES.—

15 “(A) IN GENERAL.—Except as provided in
16 subparagraph (B) of this paragraph, any
17 amount paid to a State under this part that is
18 used to carry out a State program pursuant to
19 a provision of law specified in paragraph (1)
20 shall not be subject to the requirements of this
21 part, but shall be subject to the requirements
22 that apply to Federal funds provided directly
23 under the provision of law to carry out the pro-
24 gram, and the expenditure of any amount so

1 used shall not be considered to be an expendi-
2 ture under this part.

3 “(B) FUNDS TRANSFERRED TO THE
4 WIOA.—In the case of funds transferred under
5 paragraph (1)(B) of this subsection—

6 “(i) the State shall provide an assur-
7 ance that the funds will be used to support
8 individuals eligible for assistance or serv-
9 ices under this part pursuant to subsection
10 (k)(1); and

11 “(ii) not more than 15 percent of the
12 funds will be reserved for statewide work-
13 force investment activities referred to in
14 section 128(a)(1) of the Workforce Innova-
15 tion and Opportunity Act.

16 “(4) WIOA TRANSFER AUTHORITY NOT AVAIL-
17 ABLE TO STATES EXCLUDING THE STATE JOBS PRO-
18 GRAM AS A MANDATORY ONE-STOP PARTNER UNDER
19 THE WIOA.—The authority provided by paragraph
20 (1)(B) of this subsection may not be exercised by a
21 State that has provided the notification referred to
22 in section 407(a)(2)(F).”.

23 **SEC. 9. TARGETING FUNDS TO CORE PURPOSES.**

24 (a) REQUIREMENT THAT STATES RESERVE 25 PER-
25 CENT OF JOBS GRANT FOR SPENDING ON CORE ACTIVI-

1 TIES.—Section 408(a) (42 U.S.C. 608(a)) is amended by
2 adding at the end the following:

3 “(13) REQUIREMENT THAT STATES RESERVE
4 25 PERCENT OF JOBS GRANT FOR SPENDING ON
5 CORE ACTIVITIES.—A State to which a grant is
6 made under section 403(a)(1) for a fiscal year shall
7 expend not less than 25 percent of the grant on as-
8 sistance, case management, work supports and sup-
9 portive services, work, wage subsidies, work activities
10 (as defined in section 407(d)), and non-recurring
11 short-term benefits.”.

12 (b) REQUIREMENT THAT AT LEAST 25 PERCENT OF
13 QUALIFIED STATE EXPENDITURES BE FOR CORE ACTIVI-
14 TIES.—Section 408(a) (42 U.S.C. 608(a)), as amended by
15 subsection (a) of this section, is amended by adding at
16 the end the following:

17 “(14) REQUIREMENT THAT AT LEAST 25 PER-
18 CENT OF QUALIFIED STATE EXPENDITURES BE FOR
19 CORE ACTIVITIES.—Not less than 25 percent of the
20 qualified State expenditures (as defined in section
21 409(a)(7)(B)(ii)) of a State during the fiscal year
22 shall be for assistance, case management, work sup-
23 ports and supportive services, work, wage subsidies,
24 work activities (as defined in section 407(d)), and
25 non-recurring short-term benefits.”.

1 (c) PHASE-OUT OF COUNTING OF THIRD-PARTY CON-
2 TRIBUTIONS AS QUALIFIED STATE EXPENDITURES.—Sec-
3 tion 408(a) (42 U.S.C. 608(a)), as amended by sub-
4 sections (a) and (b) of this section, is amended by adding
5 at the end the following:

6 “(15) PHASE-OUT OF COUNTING OF THIRD-
7 PARTY CONTRIBUTIONS AS QUALIFIED STATE EX-
8 PENDITURES.—

9 “(A) IN GENERAL.—The qualified State
10 expenditures (as defined in section
11 409(a)(7)(B)(i)) of a State for a fiscal year
12 that are attributable to the value of goods and
13 services provided by a source other than a State
14 or local government shall not exceed the appli-
15 cable percentage of the expenditures for the fis-
16 cal year.

17 “(B) APPLICABLE PERCENTAGE.—In sub-
18 paragraph (A), the term ‘applicable percentage’
19 means, with respect to a fiscal year—

20 “(i) 75 percent, in the case of fiscal
21 year 2020;

22 “(ii) 50 percent, in the case of fiscal
23 year 2021;

24 “(iii) 25 percent, in the case of fiscal
25 year 2022; and

1 “(iv) 0 percent, in the case of fiscal
2 year 2023 or any succeeding fiscal year.”.

3 **SEC. 10. STRENGTHENING PROGRAM INTEGRITY BY MEAS-**
4 **URING IMPROPER PAYMENTS.**

5 Section 404 (42 U.S.C. 604) is amended by adding
6 at the end the following:

7 “(1) APPLICABILITY OF IMPROPER PAYMENTS
8 LAWS.—

9 “(1) IN GENERAL.—The Improper Payments
10 Information Act of 2002 and the Improper Pay-
11 ments Elimination and Recovery Act of 2010 shall
12 apply to a State in respect of the State program
13 funded under this part in the same manner in which
14 such Acts apply to a Federal agency.

15 “(2) REGULATIONS.—Within 2 years after the
16 date of the enactment of this subsection, the Sec-
17 retary shall prescribe regulations governing how a
18 State reviews and reports improper payments under
19 the State program funded under this part.”.

20 **SEC. 11. PROHIBITION ON STATE DIVERSION OF FEDERAL**
21 **FUNDS TO REPLACE STATE SPENDING.**

22 (a) IN GENERAL.—Section 408(a) (42 U.S.C.
23 608(a)), as amended by section 9 of this Act, is amended
24 by adding at the end the following:

1 “(16) NON-SUPPLANTATION REQUIREMENT.—
2 Funds made available to a State under this part
3 shall be used to supplement, not supplant, State
4 general revenue spending on activities described in
5 section 404.”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 subsection (a) shall take effect on October 1, 2020.

8 **SEC. 12. INCLUSION OF POVERTY REDUCTION AS A PRO-**
9 **GRAM PURPOSE.**

10 Section 401(a) (42 U.S.C. 601(a)) is amended—

11 (1) by striking “and” at the end of paragraph
12 (3);

13 (2) by striking the period at the end of para-
14 graph (4) and inserting “; and”; and

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

16 “(5) reduce child poverty by increasing employ-
17 ment entry, retention, and advancement of needy
18 parents.”.

19 **SEC. 13. WELFARE FOR NEEDS NOT WEED.**

20 (a) PROHIBITION.—Section 408(a)(12)(A) (42
21 U.S.C. 608(a)(12)(A)) is amended—

22 (1) by striking “or” at the end of clause (ii);

23 (2) by striking the period at the end of clause

24 (iii) and inserting “; or”; and

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

1 gage in work activities consistent with sec-
2 tion 407(c). The document shall describe
3 any in-home parenting program participa-
4 tion in which will be considered by the
5 State as a work activity pursuant to sec-
6 tion 407(d)(13).”;

7 (II) by redesignating clauses (iv)
8 through (viii) as clauses (iii) through
9 (vii), respectively; and

10 (III) by adding at the end the
11 following:

12 “(viii) Describe the case management
13 practices of the State with respect to the
14 requirements of section 408(b), provide a
15 copy of the form or forms that will be used
16 to assess a work-eligible individual (as so
17 defined) and prepare an individual oppor-
18 tunity plan for the individual, describe how
19 the State will ensure that such a plan is
20 reviewed in accordance with section
21 408(b)(6), and describe how the State will
22 measure progress under the plan.

23 “(ix) Propose the requisite levels of
24 performance for the State for purposes of
25 section 407(a) for each year in the 2-year

1 period referred to in subsection (d) of this
2 section, and provide an explanation with
3 supporting data of why each such level is
4 appropriate.

5 “(x) Describe how the State will en-
6 gage low-income noncustodial parents who
7 owe child support and how such a parent
8 will be provided with access to work sup-
9 port and other services under the program
10 to which the parent is referred to support
11 their employment and advancement.

12 “(xi) Describe how the State will com-
13 ply with improper payments provisions in
14 section 404(l).

15 “(xii) Describe coordination with
16 other programs, including whether the
17 State intends to exercise authority pro-
18 vided by section 404(d) of this Act to
19 transfer any funds paid to the State under
20 this part, provide assurance that, in the
21 case of a transfer to carry out a program
22 under title I of the Workforce Innovation
23 and Opportunity Act, the State will comply
24 with section 404(d)(3)(B) of this Act and
25 coordinate with the one-stop delivery sys-

1 tem under the Workforce Innovation and
2 Opportunity Act, and describe how the
3 State will coordinate with the programs in-
4 volved to provide services to families re-
5 ceiving assistance under the program re-
6 ferred to in paragraph (1) of this sub-
7 section.

8 “(xiii) Describe how the State will
9 promote marriage, such as through tem-
10 porary disregard of the income of a new
11 spouse when an individual receiving assist-
12 ance under the State program marries so
13 that the couple doesn’t automatically lose
14 benefits due to marriage.

15 “(xiv) Describe how the State will
16 allow for a transitional period of benefits,
17 such as through temporary earned income
18 disregards or a gradual reduction in the
19 monthly benefit amount, for an individual
20 receiving assistance who obtains employ-
21 ment and becomes ineligible due to an in-
22 crease in income obtained through employ-
23 ment or through an increase in wages.”;
24 and

1 (ii) in subparagraph (B), by striking
2 clauses (iv) and (v);

3 (2) by striking subsection (c) and inserting the
4 following:

5 “(c) PUBLIC AVAILABILITY OF STATE PLANS.—The
6 Secretary shall make available to the public a link to any
7 plan or plan amendment submitted by a State under this
8 subsection.”; and

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

10 “(d) 2-YEAR PLAN.—A plan submitted pursuant to
11 this section shall be designed to be implemented during
12 a 2-year period.

13 “(e) COMBINED PLAN ALLOWED.—A State may sub-
14 mit to the Secretary and the Secretary of Labor a com-
15 bined State plan that meets the requirements of sub-
16 sections (a) and (d) and that is for programs and activities
17 under the Workforce Innovation and Opportunity Act.

18 “(f) APPROVAL OF PLANS.—The Secretary shall ap-
19 prove any plan submitted pursuant to this section that
20 meets the requirements of subsections (a) through (d).”.

21 (b) DUTIES OF THE SECRETARY.—

22 (1) COORDINATION OF ACTIVITIES; DISSEMINA-
23 TION OF INFORMATION.—Section 416 (42 U.S.C.
24 616) is amended—

1 (A) by inserting “(a) IN GENERAL.—” be-
2 fore “The programs”; and

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

4 “(b) COORDINATION OF ACTIVITIES.—The Secretary
5 shall coordinate all activities of the Department of Health
6 and Human Services relating to work activities (as defined
7 in section 407(d)) and requirements and measurement of
8 employment outcomes, and, to the maximum extent prac-
9 ticable, coordinate the activities of the Department in this
10 regard with similar activities of other Federal entities.

11 “(c) DISSEMINATION OF INFORMATION.—The Sec-
12 retary shall disseminate, for voluntary informational pur-
13 poses, information on practices that scientifically valid re-
14 search indicates are most successful in improving the qual-
15 ity of State and tribal programs funded under this part.”.

16 (c) TECHNICAL ASSISTANCE.—

17 (1) IN GENERAL.—Section 406 (42 U.S.C. 606)
18 is amended to read as follows:

19 **“SEC. 406. TECHNICAL ASSISTANCE.**

20 “(a) IN GENERAL.—The Secretary shall provide tech-
21 nical assistance to States and Indian tribes (which may
22 include providing technical assistance on a reimbursable
23 basis), which shall be provided by qualified experts on
24 practices grounded in scientifically valid research, where
25 appropriate, to support activities related publication of

1 State performance under section 407(b) and to carry out
2 State and tribal programs funded under this part.

3 “(b) RESERVATION OF FUNDS.—The Secretary shall
4 reserve not more than 0.25 percent of the amount appro-
5 priated by section 403(a)(1)(C) for a fiscal year to carry
6 out subsection (a) of this section.”.

7 (2) CONFORMING AMENDMENT.—Section
8 403(a)(1)(B) (42 U.S.C. 603(a)(1)(B)) is amended
9 by striking “percentage specified in section
10 413(h)(1)” and inserting “the sum of the percent-
11 ages specified in sections 406(b) and 413(h)”.

12 **SEC. 15. ALIGNING AND IMPROVING DATA REPORTING.**

13 (a) REQUIREMENT THAT STATES REPORT FULL-
14 POPULATION DATA.—Section 411(a)(1) (42 U.S.C.
15 611(a)(1)) is amended—

16 (1) by striking subparagraph (B);

17 (2) by striking “(1) GENERAL REPORTING RE-
18 QUIREMENT.—”; and

19 (3) by—

20 (A) redesignating—

21 (i) subparagraph (A) as paragraph
22 (1);

23 (ii) clauses (i) through (xvii) of sub-
24 paragraph (A) as subparagraphs (A)
25 through (Q), respectively;

1 (iii) subclauses (I) through (V) of
2 clause (ii) as clauses (i) through (v), re-
3 spectively;

4 (iv) subclauses (I) through (VII) of
5 clause (xi) as clauses (i) through (vii), re-
6 spectively; and

7 (v) subclauses (I) through (V) of
8 clause (xvi) as clauses (i) through (v), re-
9 spectively; and

10 (B) moving each such redesignated provi-
11 sion 2 ems to the left.

12 (b) REPORT ON PARTICIPATION IN WORK ACTIVI-
13 TIES.—Section 411(a)(1) (42 U.S.C. 611(a)(1)), as
14 amended by subsection (a)(3) of this section, is amended
15 by striking subparagraphs (K) and (L) and inserting the
16 following:

17 “(K) The work eligibility status of each in-
18 dividual in the family, and—

19 “(i) in the case of each work-eligible
20 individual (as defined in the regulations
21 promulgated pursuant to section
22 407(i)(1)(A)(i)) in the family—

23 “(I) the number of hours (includ-
24 ing zero hours) per month of partici-
25 pation in—

1 “(aa) work activities (as de-
2 fined in section 407(d)); and

3 “(bb) any other activity re-
4 quired by the State to remove a
5 barrier to employment; and

6 “(ii) in the case of each individual in
7 the family who is not a work-eligible indi-
8 vidual (as so defined), the reason for that
9 status.

10 “(L) For each work-eligible individual (as
11 so defined) and each adult in the family who
12 did not participate in work activities (as so de-
13 fined) during a month, the reason for the lack
14 of participation.”.

15 (c) REPORTING OF INFORMATION ON EMPLOYMENT
16 AND EARNINGS OUTCOMES.—Section 411(c) (42 U.S.C.
17 611(c)) is amended to read as follows:

18 “(c) REPORTING OF INFORMATION ON EMPLOYMENT
19 AND EARNINGS OUTCOMES.—The Secretary, in consulta-
20 tion with the Secretary of Labor, shall determine the in-
21 formation that is necessary to compute the employment
22 and earnings outcomes and the statistical adjustment
23 model for the employment and earnings outcomes required
24 under section 407, and each eligible State shall collect and
25 report that information to the Secretary.”.

1 **SEC. 16. TECHNICAL CORRECTIONS TO DATA EXCHANGE**
2 **STANDARDS TO IMPROVE PROGRAM COORDI-**
3 **NATION.**

4 (a) IN GENERAL.—Section 411(d) (42 U.S.C.
5 611(d)) is amended to read as follows:

6 “(d) DATA EXCHANGE STANDARDS FOR IMPROVED
7 INTEROPERABILITY.—

8 “(1) DESIGNATION.—The Secretary shall, in
9 consultation with an interagency work group estab-
10 lished by the Office of Management and Budget and
11 considering State government perspectives, by rule,
12 designate data exchange standards to govern, under
13 this part—

14 “(A) necessary categories of information
15 that State agencies operating programs under
16 State plans approved under this part are re-
17 quired under applicable Federal law to elec-
18 tronically exchange with another State agency;
19 and

20 “(B) Federal reporting and data exchange
21 required under applicable Federal law.

22 “(2) REQUIREMENTS.—The data exchange
23 standards required by paragraph (1) shall, to the ex-
24 tent practicable—

1 “(A) incorporate a widely accepted, non-
2 proprietary, searchable, computer-readable for-
3 mat, such as the eXtensible Markup Language;

4 “(B) contain interoperable standards devel-
5 oped and maintained by intergovernmental
6 partnerships, such as the National Information
7 Exchange Model;

8 “(C) incorporate interoperable standards
9 developed and maintained by Federal entities
10 with authority over contracting and financial
11 assistance;

12 “(D) be consistent with and implement ap-
13 plicable accounting principles;

14 “(E) be implemented in a manner that is
15 cost-effective and improves program efficiency
16 and effectiveness; and

17 “(F) be capable of being continually up-
18 graded as necessary.

19 “(3) RULE OF CONSTRUCTION.—Nothing in
20 this subsection shall be construed to require a
21 change to existing data exchange standards found to
22 be effective and efficient.”.

23 (b) EFFECTIVE DATE.—Not later than the date that
24 is 24 months after the date of the enactment of this sec-

1 tion, the Secretary of Health and Human Services shall
2 issue a proposed rule that—

3 (1) identifies federally required data exchanges,
4 include specification and timing of exchanges to be
5 standardized, and address the factors used in deter-
6 mining whether and when to standardize data ex-
7 changes; and

8 (2) specifies State implementation options and
9 describes future milestones.

10 **SEC. 17. SET-ASIDE FOR ECONOMIC DOWNTURNS.**

11 Section 404(e) (42 U.S.C. 604(e)) is amended to read
12 as follows:

13 “(e) DEADLINES FOR OBLIGATION AND EXPENDI-
14 TURES OF FUNDS BY STATES.—

15 “(1) IN GENERAL.—Except as provided in para-
16 graph (2), a State to which a grant is made under
17 section 403(a)(1) shall obligate the funds within 2
18 years after the date the funds are made available,
19 and shall expend the funds within 3 years after such
20 date.

21 “(2) EXCEPTION FOR LIMITED AMOUNT OF
22 FUNDS SET ASIDE FOR FUTURE USE.—

23 “(A) IN GENERAL.—A State to which
24 funds are paid under section 403(a)(1) may re-
25 serve not more than 15 percent of the funds for

1 use in the State program funded under this
2 part without fiscal year limitation.

3 “(B) NOTICE OF INTENT TO RESERVE
4 FUNDS.—A State that intends to reserve funds
5 paid to the State under section 402(a)(1) shall
6 notify the Secretary of the intention not later
7 than the end of the period in which the funds
8 are available for obligation without regard to
9 subparagraph (A) of this paragraph”.

10 **SEC. 18. DEFINITIONS RELATED TO USE OF FUNDS.**

11 Section 419 (42 U.S.C. 619) is amended by adding
12 at the end the following:

13 “(6) ASSISTANCE.—The term ‘assistance’
14 means cash, payments, vouchers, and other forms of
15 benefits designed to meet a family’s ongoing basic
16 needs (such as for food, clothing, shelter, utilities,
17 household goods, personal care items, and general
18 incidental expenses).

19 “(7) WORK SUPPORTS.—The term ‘work sup-
20 ports’ means assistance and non-assistance transpor-
21 tation benefits (such as the value of allowances, bus
22 tokens, car payments, auto repair, auto insurance
23 reimbursement, and van services provided in order
24 to help families obtain, retain, or advance in employ-
25 ment, participate in work activities (as defined in

1 section 407(d)), or as a non-recurrent, short-term
2 benefit, including goods provided to individuals in
3 order to help them obtain or maintain employment
4 (such as tools, uniforms, fees to obtain special li-
5 censes, bonuses, incentives, and work support allow-
6 ances and expenditures for job access).

7 “(8) SUPPORTIVE SERVICES.—The term ‘sup-
8 portive services’ means services such as domestic vio-
9 lence services, and mental health, substance abuse
10 and disability services, housing counseling services,
11 and other family supports, except to the extent that
12 the provision of the service would violate section
13 408(a)(6).

14 “(9) JOBS BENEFIT.—The term ‘JOBS ben-
15 efit’ means—

16 “(A) assistance; or

17 “(B) wage subsidies that are paid, with
18 funds provided under section 403(a) or with
19 qualified State expenditures, with respect to a
20 person who—

21 “(i) was a work-eligible individual (as
22 defined in the regulations promulgated
23 pursuant to section 407(i)(1)(A)(i)) at the
24 time of entry into subsidized employment,

1 such as on-the-job training or apprentice-
2 ship; and

3 “(ii) is not receiving assistance.”.

4 **SEC. 19. ELIMINATION OF OBSOLETE PROVISIONS.**

5 (a) **ELIMINATION OF SUPPLEMENTAL GRANTS TO**
6 **STATES.**—Section 403(a) (42 U.S.C. 603(a)) is amended
7 by striking paragraph (3).

8 (b) **ELIMINATION OF BONUS TO REWARD HIGH PER-**
9 **FORMANCE STATES.**—

10 (1) **IN GENERAL.**—Section 403(a) (42 U.S.C.
11 603(a)) is amended by striking paragraph (4).

12 (2) **CONFORMING AMENDMENT.**—Section
13 1108(a)(2) (42 U.S.C. 1308(a)(2)) is amended by
14 striking “403(a)(4),”.

15 (c) **ELIMINATION OF WELFARE-TO-WORK GRANTS.**—

16 (1) **IN GENERAL.**—Section 403(a) (42 U.S.C.
17 603(a)) is amended by striking paragraph (5).

18 (2) **CONFORMING AMENDMENTS.**—

19 (A) **ELIMINATION OF EXCLUSION FROM**
20 **TIME LIMIT.**—Section 408(a)(7) (42 U.S.C.
21 608(a)(7)) is amended by striking subpara-
22 graph (G).

23 (B) **ELIMINATION OF PENALTY FOR MIS-**
24 **USE OF COMPETITIVE WELFARE-TO-WORK**
25 **FUNDS.**—Section 409(a)(1) (42 U.S.C.

1 609(a)(1)) is amended by striking subpara-
2 graph (C).

3 (C) ELIMINATION OF EXCLUSION FROM
4 QUALIFIED STATE EXPENDITURES OF STATE
5 FUNDS USED TO MATCH WELFARE-TO-WORK
6 GRANT FUNDS.—Section 409(a)(7)(B)(iv) (42
7 U.S.C. 609(a)(7)(B)(iv)) is amended in the 1st
8 sentence—

9 (i) by adding “or” at the end of sub-
10 clause (II); and

11 (ii) by striking subclause (III) and re-
12 designating subclause (IV) as subclause
13 (III).

14 (D) ELIMINATION OF PENALTY FOR FAIL-
15 URE OF STATE TO MAINTAIN HISTORIC EFFORT
16 DURING YEAR IN WHICH WELFARE-TO-WORK
17 GRANT IS RECEIVED.—Section 409(a) (42
18 U.S.C. 609(a)) is amended by striking para-
19 graph (13).

20 (E) ELIMINATION OF REQUIREMENTS RE-
21 LATING TO WELFARE-TO-WORK GRANTS IN
22 QUARTERLY STATE REPORTS.—Section 411(a)
23 (42 U.S.C. 611(a)), as amended by section
24 15(a) of this Act, is amended—

1 (i) in paragraph (1), by striking “(ex-
2 cept for information relating to activities
3 carried out under section 403(a)(5))”; and

4 (ii) in each of paragraphs (2) through
5 (4), by striking the comma and all that fol-
6 lows and inserting a period.

7 (F) INDIAN TRIBAL PROGRAMS.—Section
8 412(a) (42 U.S.C. 612(a)) is amended by strik-
9 ing paragraph (3).

10 (G) ELIMINATION OF REQUIREMENT TO
11 DISCLOSE CERTAIN INFORMATION TO PRIVATE
12 INDUSTRY COUNCIL RECEIVING WELFARE-TO-
13 WORK FUNDS.—Section 454A(f) (42 U.S.C.
14 654a(f)) is amended by striking paragraph (5).

15 (H) GRANTS TO TERRITORIES.—Section
16 1108(a)(2) (42 U.S.C. 1308(a)(2)) is amended
17 by striking “403(a)(5),”.

18 (d) ELIMINATION OF CONTINGENCY FUND.—

19 (1) IN GENERAL.—Section 403 (42 U.S.C. 603)
20 is amended by striking all of subsection (b) except
21 paragraph (5).

22 (2) CONFORMING AMENDMENTS.—

23 (A) TRANSFER OF NEEDY STATE DEFINI-
24 TION.—

1 (i) IN GENERAL.—Paragraph (5) of
2 section 403(b) (42 U.S.C. 603(b)(5)) is—

3 (I) amended—

4 (aa) in the matter preceding
5 subparagraph (A), by striking
6 “paragraph (4)” and inserting
7 “subparagraph (C)”;

8 (bb) in each of subpara-
9 graphs (A) and (B), by redesign-
10 ating clauses (i) and (ii) as sub-
11 clauses (I) and (II), respectively;

12 (cc) by redesignating sub-
13 paragraphs (A) and (B) as
14 clauses (i) and (ii), respectively;

15 (dd) by redesignating such
16 paragraph as subparagraph (D);
17 and

18 (ee) by moving each provi-
19 sion 2 ems to the right; and

20 (II) as so amended, hereby trans-
21 ferred into section 409(a)(3) (42
22 U.S.C. 609(a)(3)) and added to the
23 end of such section.

24 (ii) CONFORMING AMENDMENT.—Sec-
25 tion 409(a)(3)(C) (42 U.S.C.

1 TORIES.—Section 1108(a)(2) (42 U.S.C.
2 1308(a)(2)) is amended by striking “406,”.

3 (f) ELIMINATION OF LIMITATIONS ON OTHER STATE
4 PROGRAMS FUNDED WITH QUALIFIED STATE EXPENDI-
5 TURES.—

6 (1) The following provisions are each amended
7 by striking “or any other State program funded with
8 qualified State expenditures (as defined in section
9 409(a)(7)(B)(i))”:

10 (A) Paragraphs (1) and (2) of section
11 407(e) (42 U.S.C. 607(e)(1) and (2)).

12 (B) Section 411(a)(1) (42 U.S.C.
13 611(a)(1)), as amended by section
14 15(a)(3)(A)(i) of this Act.

15 (C) Subsections (d) and (e)(1) of section
16 413 (42 U.S.C. 613(d) and (e)(1)).

17 (2) Section 413(a) (42 U.S.C. 613(a)) is
18 amended by striking “and any other State program
19 funded with qualified State expenditures (as defined
20 in section 409(a)(7)(B)(i))”.

21 (g) CONFORMING AMENDMENTS RELATED TO ELIMI-
22 NATION OF REPORT.—

23 (1) IN GENERAL.—Section 409(a)(2) (42
24 U.S.C. 609(a)(2)) is amended—

1 (A) in the paragraph heading, by inserting
2 “QUARTERLY” before “REPORT”;

3 (B) in subparagraph (A)(ii), by striking
4 “clause (i)” and inserting “subparagraph (A)”;

5 (C) by striking “(A) QUARTERLY RE-
6 PORTS.—”;

7 (D) by striking subparagraph (B); and

8 (E) by redesignating clauses (i) and (ii) of
9 subparagraph (A) as subparagraphs (A) and
10 (B), respectively (and adjusting the margins ac-
11 cordingly).

12 (2) CONFORMING AMENDMENTS.—

13 (A) Section 409(b)(2) (42 U.S.C.
14 609(b)(2)) is amended by striking “and,” and
15 all that follows and inserting a period.

16 (B) Section 409(c)(4) (42 U.S.C.
17 609(c)(4)) is amended by striking “(2)(B),”.

18 (h) ANNUAL REPORTS TO CONGRESS.—Section
19 411(b)(1)(A) (42 U.S.C. 611(b)(1)(A)) is amended by
20 striking “participation rates” and inserting “outcome
21 measures”.

22 (i) REDUCTION IN FORCE PROVISIONS.—Section
23 416(a) (42 U.S.C. 616(a)), as so designated by section
24 14(b)(1)(A) of this Act, is amended by striking “, and the
25 Secretary” and all that follows and inserting a period.

1 (j) CONFORMING CROSS-REFERENCES.—

2 (1) Section 409 (42 U.S.C. 609) is amended—

3 (A) in subsection (a)(7)(B)(i)(III), by
4 striking “(12)” and inserting “(10)”;

5 (B) in subsection (a) (as amended by sub-
6 sections (c)(2)(D), (d)(2)(B), and (e)(1)(A) of
7 this section), by redesignating paragraphs (7),
8 (8), (9), (11), (12), (14), (15), and (16) as
9 paragraphs (6) through (13), respectively;

10 (C) in subsection (b)(2), by striking “(8),
11 (10), (12), or (13)” and inserting “or (10)”;
12 and

13 (D) in subsection (c)(4), by striking “(8),
14 (10), (12), (13), or (16)” and inserting “(10),
15 or (13)”.

16 (2) Section 452 (42 U.S.C. 652) is amended in
17 each of subsections (d)(3)(A)(i) and (g)(1) by strik-
18 ing “409(a)(8)” and inserting “409(a)(7)”.

19 (k) MODIFICATIONS TO MAINTENANCE-OF-EFFORT

20 REQUIREMENT.—Section 409(a)(6)(B)(i) (42 U.S.C.

21 609(a)(6)(B)(i)), as redesignated by subsection (j)(1)(B)

22 of this section, is amended—

23 (1) in subclause (I)—

1 (A) in the matter preceding item (aa), by
2 striking “all State programs” and inserting
3 “the State program funded under this part”;

4 (B) by redesignating items (dd) and (ee)
5 as items (ee) and (ff), respectively, and insert-
6 ing after item (cc) the following:

7 “(dd) Expenditures for a
8 purpose described in paragraph
9 (3), (4), or (5) of section
10 401(a).”; and

11 (C) in item (ee) (as so redesignated), by
12 striking “and (ee)” and inserting “(dd), and
13 (ff)”;

14 (2) by striking subclause (V); and

15 (3) in subclause (IV), by inserting “, except any
16 of such families whose monthly income exceeds twice
17 the poverty line (as defined by the Office of Manage-
18 ment and Budget, and revised annually in accord-
19 ance with section 673(2) of the Omnibus Budget
20 Reconciliation Act of 1981 (42 U.S.C. 9902(2)))”
21 before the period.

22 **SEC. 20. EFFECTIVE DATE.**

23 Except as provided in sections 5(g), 11(b) and 13(b),
24 the amendments made by this Act shall take effect on Oc-
25 tober 1, 2019.