

115TH CONGRESS
2D SESSION

H. R. 5842

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

IN THE HOUSE OF REPRESENTATIVES

MAY 16, 2018

Mr. REED (for himself and Mr. SMITH of Nebraska) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title IV–A 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 “Helping Americans
5 Succeed by Measuring Outcomes Act”.

6 **SEC. 2. PROMOTING ACCOUNTABILITY BY MEASURING**
7 **WORK OUTCOMES.**

8 (a) IN GENERAL.—Section 407 of the Social Security
9 Act (42 U.S.C. 607), as amended by subsection (e) of this

1 section, is amended by inserting before subsection (b) the
2 following:

3 “(a) PERFORMANCE ACCOUNTABILITY AND WORK
4 OUTCOMES.—

5 “(1) PURPOSE.—The purpose of this subsection
6 is to provide for the establishment of performance
7 accountability measures to assess the effectiveness of
8 States in increasing employment, retention, and ad-
9 vancement among families receiving assistance under
10 the State program funded under this part or any
11 other State program funded with qualified State ex-
12 penditures.

13 “(2) IN GENERAL.—A State to which a grant
14 is made under section 403 for a fiscal year shall
15 achieve the requisite level of performance on an indi-
16 cator described in paragraph (3)(B) of this sub-
17 section for the fiscal year.

18 “(3) MEASURING STATE PERFORMANCE.—

19 “(A) IN GENERAL.—Each State, in con-
20 sultation with the Secretary, shall collect and
21 submit to the Secretary the information nec-
22 essary to measure the level of performance of
23 the State for each indicator described in sub-
24 paragraph (B), for fiscal year 2020 and each
25 fiscal year thereafter, and the Secretary shall

1 use the information collected for fiscal year
2 2020 to establish the baseline level of perform-
3 ance for each State for each such indicator.

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

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

12 “(ii) The percentage of individuals
13 who were work-eligible individuals as of the
14 time of exit from the program, who are in
15 unsubsidized employment during the 2nd
16 and 4th quarters 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 “(C) 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 (B) of this
15 paragraph.

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

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

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

1 “(III) 25 percent, in the case of
2 the indicator described in subpara-
3 graph (B)(iii).

4 “(IV) 10 percent, in the case of
5 the indicator described in subpara-
6 graph (B)(iv).

7 “(iii) AGREEMENT ON REQUISITE
8 PERFORMANCE LEVEL FOR EACH INDI-
9 CATOR.—

10 “(I) IN GENERAL.—The Sec-
11 retary and the State shall jointly es-
12 tablish the requisite level of perform-
13 ance for the State with respect to
14 each indicator described in clause (ii),
15 for each of fiscal years 2020 through
16 2023, and in the case of each of fiscal
17 years 2021 through 2023, shall do so
18 before the beginning of the respective
19 fiscal year.

20 “(II) REQUIREMENTS IN ESTAB-
21 LISHING PERFORMANCE LEVELS.—In
22 establishing the requisite levels of per-
23 formance, the State and the Secretary
24 shall—

1 “(aa) take into account how
2 levels involved compare with the
3 levels established for other
4 States;

5 “(bb) ensure the levels in-
6 volved are adjusted, using the ob-
7 jective statistical model referred
8 to in clause (v), based on—

9 “(AA) the differences
10 among States in economic
11 conditions, including dif-
12 ferences in unemployment
13 rates or employment losses
14 or gains in particular indus-
15 tries;

16 “(BB) the characteris-
17 ties of participants on entry
18 into the program, including
19 indicators of prior work his-
20 tory, lack of educational or
21 occupational skills attain-
22 ment, or other factors that
23 may affect employment and
24 earnings; and

1 “(CC) take into account
2 the extent to which the lev-
3 els involved promote contin-
4 uous improvement in per-
5 formance by each State.

6 “(iv) REVISIONS BASED ON ECONOMIC
7 CONDITIONS AND INDIVIDUALS RECEIVING
8 ASSISTANCE DURING THE FISCAL YEAR.—
9 The Secretary shall, in accordance with the
10 objective statistical model referred to in
11 clause (v), revise the requisite levels of per-
12 formance for a State and a fiscal year to
13 reflect the economic conditions and charac-
14 teristics of the relevant individuals in the
15 State during the fiscal year.

16 “(v) STATISTICAL ADJUSTMENT
17 MODEL.—The Secretary shall use an objec-
18 tive statistical model to make adjustments
19 to the requisite levels of performance for
20 the economic conditions and characteristics
21 of the relevant individuals, and shall con-
22 sult with the Secretary of Labor to develop
23 a model that is the same as or similar to
24 the model described in section
25 116(b)(3)(A)(viii) of the Workforce Inno-

1 vation and Opportunity Act (29 U.S.C.
2 3141(b)(3)(A)(viii)).

3 “(vi) DEFINITION OF EXIT.—In this
4 subsection, the term ‘exit’ means, with re-
5 spect to a State program funded under
6 this part, ceases to receive assistance
7 under the program.

8 “(D) REGULATIONS.—In order to ensure
9 nationwide comparability of data, the Secretary,
10 after consultation the Secretary of Labor and
11 with States, shall issue regulations governing
12 the establishment of the performance account-
13 ability system under this subsection and a tem-
14 plate for performance reports to be used by all
15 States.”.

16 **SEC. 3. TRANSITIONAL PHASE-OUT OF BENEFITS FOR FAMI-**
17 **LIES TO SUPPORT SUCCESS IN WORK.**

18 Section 402(a)(1)(B) of the Social Security Act (42
19 U.S.C. 602(a)(1)(B)) is amended by adding at the end
20 the following:

21 “(vi) The document shall include a de-
22 scription of how the State allows for a
23 transitional period of benefits, such as
24 through temporary earned income dis-
25 regards or a gradual reduction in the

1 monthly benefit amount, for an individual
2 receiving assistance who obtains employ-
3 ment and becomes ineligible due to an in-
4 crease in income obtained through the em-
5 ployment or through an increase in
6 wages.”.

7 **SEC. 4. EFFECTIVE DATE.**

8 The amendments made by this Act shall take effect
9 on October 1, 2018.

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