

113TH CONGRESS  
1ST SESSION

# H. R. 814

To reauthorize and amend the program of block grants to States for temporary assistance for needy families and related programs.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 2013

Ms. MOORE (for herself, Ms. BROWN of Florida, Mr. CONYERS, Ms. DELAURO, Ms. NORTON, Mr. GRIJALVA, Mr. BRADY of Pennsylvania, and Ms. SCHAKOWSKY) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Oversight and Government Reform, 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

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## A BILL

To reauthorize and amend the program of block grants to States for temporary assistance for needy families and related programs.

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 “Rewriting to Improve  
5       and Secure an Exit Out of Poverty Act” or the “RISE  
6       Out of Poverty Act”.

**1 SEC. 2. TABLE OF CONTENTS.**

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

- 3 Sec. 1. Short title.
- 4 Sec. 2. Table of contents.
- 5 Sec. 3. References.
- 6 Sec. 4. State plans required to address whether and how States will provide as-  
7 sistance to neediest geographic areas.
- 8 Sec. 5. Funding of the TANF program.
- 9 Sec. 6. Work requirements.
- 10 Sec. 7. Work rules.
- 11 Sec. 8. Prohibition on imposing limit of less than 60 months on duration of as-  
12 sistance.
- 13 Sec. 9. Response of TANF program to economic recessions.
- 14 Sec. 10. Requirement that States use merit-based system in administration of  
15 TANF programs.
- 16 Sec. 11. Ban on using Federal TANF funds to replace State and local spending  
17 that does not meet the definition of qualified State expendi-  
18 tures.
- 19 Sec. 12. TANF assistance to meet basic family economic needs.
- 20 Sec. 13. State plans and reports on child poverty.
- 21 Sec. 14. Requirement that States adopt standards and procedures to address  
22 domestic and sexual violence among TANF recipients.
- 23 Sec. 15. Child care entitlement.
- 24 Sec. 16. Child support enforcement.
- 25 Sec. 17. State option to extend eligibility for assistance to children through age  
26 21; prohibition on considering financial aid tied to education of  
27 child in determining eligibility for, or amount of assistance;  
28 prohibition on imposing additional requirements based on edu-  
29 cational enrollment of child.
- 30 Sec. 18. Elimination of certain other bars to TANF assistance.
- 31 Sec. 19. Effective date.

**3 SEC. 3. REFERENCES.**

4 Except as otherwise expressly provided in this Act,  
5 wherever in this Act an amendment or repeal is expressed  
6 in terms of an amendment to, or repeal of, a section or  
7 other provision, the amendment or repeal shall be consid-  
8 ered to be made to a section or other provision of the So-  
9 cial Security Act.

1 **SEC. 4. STATE PLANS REQUIRED TO ADDRESS WHETHER**  
2 **AND HOW STATES WILL PROVIDE ASSIST-**  
3 **ANCE TO NEEDIEST GEOGRAPHIC AREAS.**

4 Section 402(a)(1)(A)(i) (42 U.S.C. 602(a)(1)(A)(i))  
5 is amended by inserting “, including whether and how the  
6 State will give priority to providing benefits and services  
7 in areas of the State with the greatest need (such as areas  
8 with the greatest unemployment rates, the greatest pov-  
9 erty rates, and the least job opportunity to population ra-  
10 tios)” before the period.

11 **SEC. 5. FUNDING OF THE TANF PROGRAM.**

12 (a) STATE FAMILY ASSISTANCE GRANT.—

13 (1) IN GENERAL.—Section 403(a)(1) (42  
14 U.S.C. 603(a)(1)) is amended—

15 (A) in subparagraph (A), by striking “fis-  
16 cal years 1996,” and all that follows through  
17 “2003,” and inserting “fiscal year 2013 and  
18 each succeeding fiscal year”; and

19 (B) by striking subparagraphs (B) and (C)  
20 and inserting the following:

21 “(B) STATE FAMILY ASSISTANCE  
22 GRANT.—

23 “(i) IN GENERAL.—The State family  
24 assistance grant payable to a State for a  
25 fiscal year shall be the greater of—

1           “(I) the adjusted basic block  
2 grant, plus the amount required to be  
3 paid to the State under paragraph (3)  
4 (as in effect on September 30, 2010)  
5 for fiscal year 2010; or

6           “(II) the amount required to be  
7 paid to the State under this para-  
8 graph for the preceding fiscal year.

9           “(ii) ADJUSTED BASIC BLOCK  
10 GRANT.—In clause (i), the term ‘adjusted  
11 block grant’ means, with respect to a  
12 State, the product of—

13           “(I) the amount required to be  
14 paid to the State under this para-  
15 graph for fiscal year 2010 (deter-  
16 mined without regard to any reduction  
17 pursuant to section 409 or 412(a)(1));

18           “(II) 1.00, plus the percentage  
19 (if any) by which the average of the  
20 CPI for the 12-month period ending  
21 with June of the preceding fiscal year  
22 exceeds the average of the CPI for the  
23 12-month period ending with June  
24 1996, expressed as a decimal; and

1                   “(III) 1.00, plus the percentage  
2                   (if any) by which the most recent esti-  
3                   mate by the Bureau of the Census of  
4                   the population of the State that has  
5                   not attained 18 years of age exceeds  
6                   the most recent estimate by the Bu-  
7                   reau of the Census of that population  
8                   as of July 1, 1996, expressed as a  
9                   decimal.

10                   “(iii) CPI DEFINED.—In clause (ii),  
11                   the term ‘CPI’ means the last Consumer  
12                   Price Index for All Urban Consumers pub-  
13                   lished by the Department of Labor for the  
14                   period involved.

15                   “(C) APPROPRIATION.—Out of any money  
16                   in the Treasury of the United States not other-  
17                   wise appropriated, there are appropriated such  
18                   sums as are necessary for grants under this  
19                   paragraph for each fiscal year.”.

20                   (2) CONFORMING AMENDMENT TO ELIMINATE  
21                   SUPPLEMENTAL GRANTS FOR POPULATION IN-  
22                   CREASES IN CERTAIN STATES.—Section 403(a) (42  
23                   U.S.C. 603(a)) is amended by striking paragraph  
24                   (3).

1 (b) PENALTY FOR FAILURE TO MAINTAIN EFFORT  
2 ADJUSTED FOR INFLATION.—Section 409(a)(7) (42  
3 U.S.C. 609(a)(7)) is amended—

4 (1) in subparagraph (A), by inserting “the in-  
5 flation-adjusted” before “historic State expendi-  
6 tures”; and

7 (2) in subparagraph (B), by redesignating  
8 clauses (iii) through (v) as clauses (iv) through (vi),  
9 respectively, and inserting after clause (ii) the fol-  
10 lowing:

11 “(iii) INFLATION-ADJUSTED HISTORIC  
12 STATE EXPENDITURES.—The term ‘infla-  
13 tion-adjusted historic State expenditures’  
14 means, with respect to a fiscal year—

15 “(I) historic State expenditures;  
16 multiplied by

17 “(II) 1.00, plus (in the case of  
18 fiscal year 2014 or any succeeding fis-  
19 cal year) the percentage (if any) by  
20 which the average of the CPI (as de-  
21 fined in section 403(a)(1)(B)(iii)) for  
22 the 12-month period ending with June  
23 of the preceding fiscal year exceeds  
24 the average of the CPI (as so defined)

1 for the 12-month period ending with  
2 June 2012, expressed as a decimal.”.

3 (c) MODIFICATION OF CONTINGENCY FUND.—

4 (1) IN GENERAL.—Section 403(b) (42 U.S.C.  
5 603(b)) is amended by striking all that follows para-  
6 graph (1) and inserting the following:

7 “(2) GRANTS.—

8 “(A) IN GENERAL.—The Secretary shall  
9 make a grant to each eligible State and each  
10 Indian tribe that is an economically needy enti-  
11 ty for a calendar quarter, in an amount equal  
12 to 80 percent of the amount (if any) by which  
13 the total amount of relevant expenditures of the  
14 entity for the quarter exceeds the total amount  
15 of the relevant expenditures of the entity for  
16 the corresponding quarter in the base year of  
17 the entity, subject to paragraph (2).

18 “(B) LIMITATION.—The total amount pay-  
19 able to an entity under this subsection for a fis-  
20 cal year shall not exceed an amount equal to 25  
21 percent of the amount payable to the entity—

22 “(i) if the entity is a State, under sec-  
23 tion 403(a)(1) for the fiscal year; or

24 “(ii) if the entity is an Indian tribe,  
25 under section 412(a)(1) for the fiscal year.

1 “(3) DEFINITIONS.—In paragraph (2):

2 “(A) ECONOMICALLY NEEDY ENTITY.—

3 The term ‘economically needy entity’ means an  
4 entity with respect to a calendar quarter—

5 “(i) if the seasonally adjusted average  
6 unemployment rate with respect to entity  
7 for the quarter or any of the preceding 4  
8 calendar quarters exceeds 6.5 percent; or

9 “(ii) in the case that the unemploy-  
10 ment rate information described in clause  
11 (i) is not available with respect to the enti-  
12 ty, if the entity meets such qualifications  
13 as the Secretary, in consultation with the  
14 Secretary of Labor, shall, by regulation,  
15 prescribe.

16 “(B) BASE YEAR.—The term ‘base year’  
17 means, with respect to an entity, and a cal-  
18 endar quarter in a fiscal year—

19 “(i) except as provided in clause (ii),  
20 whichever of the 2 fiscal years most re-  
21 cently preceding the 1st fiscal year of the  
22 most recent contingency fund eligibility pe-  
23 riod for the entity, is the fiscal year in  
24 which the relevant expenditures of the enti-  
25 ty were the lesser; or



1           “(ii) if the 1st year of the period re-  
2           ferred to in clause (i) is fiscal year 2013,  
3           whichever of fiscal year 2007 or 2008 is  
4           the fiscal year in which the relevant ex-  
5           penditures of the entity were the lesser.

6           “(C) CONTINGENCY FUND ELIGIBILITY PE-  
7           RIOD.—The term ‘contingency fund eligibility  
8           period’ means, with respect to an entity, a pe-  
9           riod of 1 or more consecutive calendar quarters  
10          for which the entity is an economically needy  
11          entity.

12          “(D) RELEVANT EXPENDITURES.—

13                 “(i) IN GENERAL.—The term ‘relevant  
14                 expenditures’ means expenditures—

15                         “(I) for assistance under the pro-  
16                         gram funded under this part of the  
17                         entity (including, in the case of a  
18                         State, any qualified State expendi-  
19                         tures (as defined in section  
20                         409(a)(7)(B)(i)) and any expenditures  
21                         under any other State program fund-  
22                         ed by such expenditures);

23                         “(II) for child care;

24                         “(III) for subsidized employment  
25                         under the program funded under this

1 part of the entity (including, in the  
2 case of a State, such expenditures  
3 under any other State program fund-  
4 ed by qualified State expenditures (as  
5 defined in section 409(a)(7)(B)(i)),  
6 other than expenditures made using  
7 Federal funds or with respect to  
8 which the entity received a grant  
9 made under paragraph (3) of this  
10 subsection; and

11 “(IV) for administrative costs as-  
12 sociated with making the expenditures  
13 referred to in the preceding sub-  
14 clauses of this clause.

15 “(ii) CHILD CARE EXPENDITURES.—  
16 For purposes of clause (i), expenditures for  
17 child care consist of the following:

18 “(I) Amounts transferred under  
19 section 404(d)(1)(B).

20 “(II) Expenditures for child care  
21 assistance from Federal funds pro-  
22 vided under this part.

23 “(III) In the case of an entity  
24 that is a State, expenditures for child  
25 care assistance that are qualified

1 State expenditures (as defined in sec-  
2 tion 409(a)(7)(B)(i)), but only to the  
3 extent exceeding the total expendi-  
4 tures of the State (other than from  
5 Federal funds) for child care in fiscal  
6 year 1994 or 1995 (whichever is the  
7 greater).

8 “(iii) AUTHORITY TO COLLECT AND  
9 ADJUST DATA.—In determining the  
10 amount of the expenditures of a State for  
11 basic assistance, child care, and subsidized  
12 employment, during any period for which  
13 the State requests funds under this sub-  
14 section, and during the base year of the  
15 State, the Secretary may make appropriate  
16 adjustments to the data, on a State-by-  
17 State basis, to ensure that the data are  
18 comparable with respect to the groups of  
19 families served and the types of aid pro-  
20 vided. The Secretary may develop a mecha-  
21 nism for collecting expenditure data, in-  
22 cluding procedures which allow States to  
23 make reasonable estimates, and may set  
24 deadlines for making revisions to the data.

1           “(4) USE OF GRANT.—Each State to which a  
2 grant is made under this subsection shall use the  
3 grant to serve areas of the State with the greatest  
4 need (as referred to in section 402(a)(1)(A)).

5           “(5) APPROPRIATION.—

6           “(A) IN GENERAL.—Out of any funds in  
7 the Treasury of the United States not otherwise  
8 appropriated, there are appropriated for pay-  
9 ment to the Fund—

10                   “(i) \$2,500,000,000 for fiscal year  
11                   2013; and

12                   “(ii) for each succeeding fiscal year,  
13 the amount appropriated under this para-  
14 graph for the then preceding fiscal year,  
15 increased by the percentage (if any) by  
16 which the amount appropriated under sec-  
17 tion 403(a)(1) for the fiscal year involved  
18 exceeds the amount appropriated under  
19 such section for the then preceding fiscal  
20 year.

21           “(B) AVAILABILITY.—Amounts made  
22 available under this paragraph for a fiscal year  
23 shall remain available until expended.

24           “(6) ACTIONS TO BE TAKEN IN ANTICIPATION  
25 OF EXHAUSTION OF FUND.—The Secretary shall

1 monitor the amount in, and the rate at which  
2 amounts are paid from, the Fund, and if the Sec-  
3 retary determines that the Fund will be exhausted  
4 within 6 months, the Secretary shall—

5 “(A) notify the Congress of the determina-  
6 tion; and

7 “(B) develop and communicate to each  
8 State and Indian tribe that is an economically  
9 needy entity as of the date of the determina-  
10 tion, the procedure for allocating amounts in  
11 the Fund among such entities.”.

12 (2) ELIMINATION OF PENALTY FOR FAILURE  
13 OF STATE RECEIVING AMOUNTS FROM CONTINGENCY  
14 FUND TO MAINTAIN 100 PERCENT OF HISTORIC EF-  
15 FORT.—

16 (A) IN GENERAL.—Section 409(a) (42  
17 U.S.C. 609(a)) is amended by striking para-  
18 graph (10) and redesignating paragraphs (11)  
19 through (16) as paragraphs (10) through (15),  
20 respectively.

21 (B) CONFORMING AMENDMENTS.—Section  
22 409 (42 U.S.C. 609) is amended in each of sub-  
23 sections (b)(2) and (c)(4), by striking “(10),  
24 (12), or (13)” and inserting “(11), or (12)”.

1           (3) CONFORMING AMENDMENT.—Section  
2           409(a)(3)(C) (42 U.S.C. 609(a)(3)(C)) is amended  
3           by striking “needy State (as defined in section  
4           403(b)(6))” and inserting “economically needy enti-  
5           ty (as defined in section 403(b)(3)(A))”.

6           (4) AMOUNTS PROVIDED TO TERRITORIES  
7           FROM THE CONTINGENCY FUND TO BE DIS-  
8           REGARDED FOR PURPOSES OF LIMITATION ON PAY-  
9           MENTS TO THE TERRITORIES.—Section 1108(a)(2)  
10          (42 U.S.C. 1308(a)(2)) is amended by inserting  
11          “403(b),” before “406,”.

12          (d) MATCHING GRANTS FOR SUBSIDIZED EMPLOY-  
13          MENT.—

14               (1) IN GENERAL.—Section 403(a) (42 U.S.C.  
15               603(a)), as amended by subsection (a)(2) of this sec-  
16               tion, is further amended by inserting after para-  
17               graph (2) the following:

18                       “(3) MATCHING GRANTS FOR SUBSIDIZED EM-  
19                       PLOYMENT.—

20                               “(A) IN GENERAL.—The Secretary shall  
21                               make a grant—

22                                       “(i) to each eligible State that is 1 of  
23                                       the 50 States or the District of Columbia,  
24                                       for each fiscal year for which the State is  
25                                       an MOE State; and

1           “(ii) to each State that is not 1 of the  
2           50 States or the District of Columbia, and  
3           to each Indian tribe, for each fiscal year  
4           for which the State or tribe, as the case  
5           may be, meets such terms and conditions  
6           as the Secretary shall, by regulation, estab-  
7           lish, which shall be comparable to the  
8           terms and conditions under which grants  
9           are made under clause (i).

10           “(B) MOE STATE.—In subparagraph (A),  
11           the term ‘MOE State’ means a State if the  
12           qualified expenditures of the State (as defined  
13           in section 409(a)(7)(B)(i)) for the fiscal year  
14           exceeds the applicable percentage (as defined in  
15           clause (ii) of such section) of inflation-adjusted  
16           historic State expenditures (as defined in clause  
17           (iii) of such section) of the State with respect  
18           to the fiscal year.

19           “(C) AMOUNT OF GRANT.—

20           “(i) STATES.—

21           “(I) IN GENERAL.—The grant to  
22           be made to a State under subpara-  
23           graph (A)(i) for a fiscal year shall be  
24           in an amount equal to 50 percent of  
25           the excess expenditures of the State

1 for subsidized employment during the  
2 fiscal year.

3 “(II) EXCESS EXPENDITURES OF  
4 THE STATE FOR SUBSIDIZED EMPLOY-  
5 MENT.—The term ‘excess expendi-  
6 tures of the State for subsidized em-  
7 ployment’ means, with respect to a  
8 fiscal year, the lesser of—

9 “(aa) the excess described in  
10 subparagraph (B) with respect to  
11 the State for the fiscal year; or

12 “(bb) an amount equal to  
13 the total expenditures of the  
14 State for subsidized employment  
15 funded under this part or under  
16 any other State program funded  
17 by qualified State expenditures  
18 (as defined in section  
19 409(a)(7)(B)(i)), excluding those  
20 with respect to which a grant is  
21 made to the State under sub-  
22 section (b) of this section, during  
23 the fiscal year.

24 “(ii) INDIAN TRIBES.—The grant to  
25 be made to an Indian tribe under this



1 paragraph shall be in such amount as the  
2 Secretary deems appropriate.

3 “(D) USE OF GRANT.—Notwithstanding  
4 section 404, a State or Indian tribe to which a  
5 grant is made under this paragraph shall use  
6 the grant solely to finance subsidized employ-  
7 ment activities, and to serve areas of the State  
8 with the greatest need (as referred to in section  
9 402(a)(1)(A)).

10 “(E) APPROPRIATION.—Out of any funds  
11 in the Treasury of the United States not other-  
12 wise appropriated, there are appropriated such  
13 sums as are necessary for grants under this  
14 paragraph for each fiscal year.”.

15 (2) AMOUNTS PROVIDED TO TERRITORIES  
16 FROM THE MATCHING GRANT TO BE DISREGARDED  
17 FOR PURPOSES OF LIMITATION ON PAYMENTS TO  
18 THE TERRITORIES.—Section 1108(a)(2) (42 U.S.C.  
19 1308(a)(2)) is amended by inserting “403(a)(3),”  
20 after “403(a)(2),”.

21 (3) DATA REPORTS REQUIRED WITH RESPECT  
22 TO FAMILIES THAT INCLUDE AN INDIVIDUAL PAR-  
23 TICIPATING IN SUBSIDIZED EMPLOYMENT PRO-  
24 GRAMS.—Section 411(a)(1)(A) (42 U.S.C.  
25 611(a)(1)(A)) is amended, in the matter before

1 clause (i), by inserting “, and families that include  
2 an individual participating in subsidized employment  
3 funded with Federal funds or qualified State expend-  
4 itures (as so defined)” before the colon.

5 (e) TRIBAL FAMILY ASSISTANCE GRANTS.—Section  
6 412(a)(1) (42 U.S.C. 612(a)(1)) is amended—

7 (1) in subparagraph (A), by striking “fiscal  
8 year 2012” and inserting “each fiscal year”; and

9 (2) in subparagraph (B)—

10 (A) by redesignating clause (ii) as clause  
11 (iii); and

12 (B) by striking clause (i) and inserting the  
13 following:

14 “(i) IN GENERAL.—The amount de-  
15 termined under this subparagraph for a  
16 fiscal year is an amount equal to the sum  
17 of the adjusted historic expenditures for  
18 the fiscal year with respect to each State  
19 in which there lies a service area of the In-  
20 dian tribe is located.

21 “(ii) ADJUSTED HISTORIC EXPENDI-  
22 TURES DEFINED.—In clause (i), the term  
23 ‘adjusted historic expenditures’ means,  
24 with respect to a fiscal year, a State, and  
25 an Indian tribe, the total amount of the

1 Federal payments to the State under sec-  
2 tion 403 (as then in effect) for fiscal year  
3 1994 attributable to expenditures (other  
4 than child care expenditures) by the State  
5 under parts A and F (as so in effect) for  
6 fiscal year 1994 for Indian families resid-  
7 ing in the service areas identified by the  
8 tribe pursuant to subsection (b)(1)(C) of  
9 this section that are in the State, increased  
10 by the percentage (if any) by which the  
11 amount of the grant payable under section  
12 403(a)(1) for the fiscal year to the State  
13 exceeds the amount of the grant so payable  
14 to the State for fiscal year 2010.”.

15 (f) CENSUS BUREAU STUDY.—Section 414 (42  
16 U.S.C. 614) is amended—

17 (1) by striking subsection (a) and inserting the  
18 following:

19 “(a) IN GENERAL.—The Director of the Bureau of  
20 the Census shall conduct a study to assess the effects of  
21 policies and programs related to low-income families, in-  
22 cluding policies and programs under State programs fund-  
23 ed under this part or funded with qualified State expendi-  
24 tures (as defined in section 409(a)(7)(B)(i)), including  
25 changes and policies in such programs made pursuant to

1 the Rewriting to Improve and Secure an Exit Out of Pov-  
 2 erty Act. The Director shall design the study in consulta-  
 3 tion with the Secretary. Every 5 years, the Director shall,  
 4 in consultation with the Secretary, revise the content and  
 5 nature of the study to reflect emerging policy issues re-  
 6 lated to low-income families.”; and

7           (2) in subsection (b), by striking “fiscal year  
 8           2012” and inserting “each fiscal year”.

9           (g) FUNDING OF STUDIES AND EVALUATIONS.—Sec-  
 10 tion 413(h)(1) (42 U.S.C. 613(h)(1)) is amended by strik-  
 11 ing “fiscal year 2012” and inserting “each fiscal year”.

12           (h) MATCHING GRANTS TO CERTAIN TERRI-  
 13 TORIES.—Section 1108 (42 U.S.C. 1308) is amended—

14           (1) in subsection (a)(2), by inserting “section  
 15           403(a)(1) (to the extent exceeding the amount re-  
 16           quired to be so paid to the territory for fiscal year  
 17           2011),” before “403(a)(2)”;

18           (2) in subsection (b)(2), by striking “fiscal year  
 19           2012” and inserting “each fiscal year”.

20 **SEC. 6. WORK REQUIREMENTS.**

21           (a) PARTICIPATION RATE REQUIREMENT.—Section  
 22 407 (42 U.S.C. 607) is amended by striking subsections  
 23 (a) and (b) and inserting the following:

24           “(a) PARTICIPATION RATE REQUIREMENT.—

1           “(1) IN GENERAL.—A State to which a grant  
2 is made under section 403 for a fiscal year shall  
3 achieve a minimum participation rate of 50 percent  
4 with respect to all families residing in the State that  
5 include a work-eligible individual.

6           “(2) WORK-ELIGIBLE INDIVIDUAL DEFINED.—

7           “(A) IN GENERAL.—In subsection (a), the  
8 term ‘work-eligible individual’, subject to sub-  
9 paragraphs (B) and (C), means—

10           “(i) an adult recipient of assistance  
11 under the State program funded under this  
12 part or under any other State program  
13 funded by qualified State expenditures (as  
14 defined in section 409(a)(7)(B)(i));

15           “(ii) a former recipient of such assist-  
16 ance who is—

17           “(I) a parent of a dependent  
18 child who is such a recipient; and

19           “(II) no longer eligible for assist-  
20 ance under the State program funded  
21 under this part by reason of section  
22 408(a)(7); and

23           “(iii) a participant in a subsidized em-  
24 ployment program funded under this part  
25 or under any other State program funded

1 by qualified State expenditures (as defined  
2 in section 409(a)(7)(B)(i)).

3 “(B) EXCLUSION OF INDIVIDUALS SANC-  
4 TIONED OR UNDERGOING PRE-SANCTION RE-  
5 VIEW.—The term ‘work-eligible individual’ does  
6 not include any individual with respect to  
7 whom—

8 “(i) there is in effect a penalty im-  
9 posed by the State under subsection (e) of  
10 this section; or

11 “(ii) the State has initiated (but not  
12 completed) the pre-sanction review process  
13 pursuant to section 408(a)(14)(A).

14 “(C) STATE OPTION TO EXCLUDE CERTAIN  
15 INDIVIDUALS.—A State may exclude from the  
16 term ‘work-eligible individual’ any resident of  
17 the State who is—

18 “(i) a single parent caring for a child  
19 who has not attained 1 year of age;

20 “(ii) a recipient of supplemental secu-  
21 rity income benefits under title XVI, dis-  
22 ability insurance benefits under title II, or  
23 other Federal or State benefits based on  
24 disability;

1           “(iii) an applicant for supplemental  
2 security income benefits under title XVI;

3           “(iv) an individual who is needed in  
4 the home of the individual to care for a  
5 disabled member of the family of the indi-  
6 vidual; or

7           “(v) an individual who (but for the ex-  
8 ercise of the State option under this  
9 clause) would be a work-eligible individual  
10 under a tribal family assistance plan ap-  
11 proved under section 412 or under a tribal  
12 work program to which funds are provided  
13 under this part.

14       “(b) CALCULATION OF PARTICIPATION RATES.—

15           “(1) AVERAGE MONTHLY RATE.—For purposes  
16 of subsection (a), the participation rate of a State  
17 for a fiscal year is the average of the participation  
18 rates of the State for each month in the fiscal year.

19           “(2) MONTHLY PARTICIPATION RATE.—For  
20 purposes of paragraph (1), the participation rate of  
21 a State for a month, expressed as a percentage, is—

22           “(A) the number of families residing in the  
23 State that include a work-eligible individual who  
24 is engaged in work for the month; divided by

1                   “(B) the number of families residing in the  
2                   State that include a work-eligible individual.”.

3           (b)     PARTICIPATION     REQUIREMENTS.—Section  
4 407(c) (42 U.S.C. 607(c)) is amended to read as follows:

5           “(c) ENGAGED IN WORK.—For purposes of sub-  
6 section (b):

7                   “(1) GENERAL RULE.—An individual is en-  
8                   gaged in work for a month in a fiscal year if the re-  
9                   cipient is participating in work activities for an aver-  
10                  age of at least 20 hours per week during the month.

11                  “(2) INDIVIDUALS COMPLYING WITH A MODI-  
12                  FIED EMPLOYABILITY PLAN DEEMED TO BE EN-  
13                  GAGED IN WORK.—An individual is deemed to be en-  
14                  gaged in work for a month if the State determines  
15                  that the individual is in substantial compliance with  
16                  the activities and hourly participation requirements  
17                  of a modified employability plan developed for the  
18                  individual in accordance with section 408(h).

19                  “(3) SINGLE TEEN HEAD OF HOUSEHOLD OR  
20                  MARRIED TEEN WHO MAINTAINS SATISFACTORY  
21                  SCHOOL ATTENDANCE DEEMED TO BE ENGAGED IN  
22                  WORK.—An individual who is married or a head of  
23                  household and has not attained 20 years of age is  
24                  deemed to be engaged in work for a month if the re-



1 recipient maintains satisfactory attendance at sec-  
2 ondary school or the equivalent during the month.”.

3 (c) ELIMINATION OF 12-MONTH LIMIT ON COUNTING  
4 VOCATIONAL EDUCATIONAL TRAINING AS A WORK ACTIV-  
5 ITY.—Section 407(d)(8) (42 U.S.C. 607(d)(8)) is amend-  
6 ed by striking “(not to exceed 12 months with respect to  
7 any individual)”.

8 **SEC. 7. WORK RULES.**

9 (a) OPTION OF RECIPIENT TO HAVE TRAINED PER-  
10 SONNEL ASSESS CERTAIN BARRIERS TO EMPLOYMENT;  
11 ADDITIONAL MATTERS REQUIRED TO BE ASSESSED.—  
12 Section 408(b)(1) (42 U.S.C. 608(b)(1)) is amended—

13 (1) by inserting “(which, at the option of the  
14 recipient, shall be conducted by trained personnel  
15 with respect to barriers to employment specified by  
16 the recipient)” after “assessment”; and

17 (2) by striking “and employability” and insert-  
18 ing “employability, physical and mental impair-  
19 ments, English proficiency, child care needs, and  
20 whether the recipient is a victim of domestic or sex-  
21 ual violence,”.

22 (b) INDIVIDUAL RESPONSIBILITY PLANS.—

23 (1) PLANS REQUIRED; PLANS TO INCLUDE  
24 WELL-BEING PLANS FOR CHILDREN.—Section

1 408(b)(2)(A) (42 U.S.C. 608(b)(2)(A)) is amend-  
2 ed—

3 (A) in the matter preceding clause (i), by  
4 striking “may” and inserting “shall”;

5 (B) in clause (iv)—

6 (i) by inserting “, supports,” after  
7 “counseling”; and

8 (ii) by striking “and” at the end;

9 (C) in clause (v), by striking the period  
10 and inserting “; and”; and

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

12 “(vi) describe a well-being plan for  
13 each child in the family.”.

14 (2) DEADLINE FOR COMPLETION OF PLAN.—

15 Section 408(b)(2)(B) (42 U.S.C. 608(b)(2)(B)) is  
16 amended by striking “individual—” and all that fol-

17 lows and inserting “individual within 90 days after  
18 the individual is determined eligible for the assist-

19 ance.”.

20 (3) SANCTION FOR FAILURE OF STATE TO DE-

21 VELOP PLAN.—Section 409(a) (42 U.S.C. 609(a)),

22 as amended by section 5(c)(2)(A) of this Act, is

23 amended by adding at the end the following:

1           “(16) PENALTY FOR FAILURE OF STATE TO DE-  
2           VELOP REQUIRED INDIVIDUAL RESPONSIBILITY  
3           PLAN.—

4           “(A) IN GENERAL.—If the Secretary deter-  
5           mines that a State to which a grant is made  
6           under section 403 in a fiscal year has violated  
7           section 408(b)(2) during the fiscal year, the  
8           Secretary shall reduce the grant payable to the  
9           State under section 403(a)(1) for the imme-  
10          diately succeeding fiscal year by an amount  
11          equal to not more than 5 percent of the State  
12          family assistance grant.

13          “(B) PENALTY BASED ON SEVERITY OF  
14          FAILURE.—The Secretary shall impose reduc-  
15          tions under subparagraph (A) with respect to a  
16          fiscal year based on the degree of noncompli-  
17          ance.”.

18          (4) CONFORMING AMENDMENT.—Section  
19          408(b) (42 U.S.C. 608(b)) is amended by striking  
20          paragraph (4).

21          (c) MODIFIED EMPLOYABILITY PLANS FOR CERTAIN  
22          INDIVIDUALS WITH DISABILITIES.—Section 408 (42  
23          U.S.C. 608) is amended by adding at the end the fol-  
24          lowing:

1       “(h) AUTHORITY TO DEVELOP MODIFIED EMPLOY-  
2 ABILITY PLAN FOR A RECIPIENT OF ASSISTANCE WITH,  
3 OR CARING FOR A FAMILY MEMBER WITH, A DIS-  
4 ABILITY.—

5           “(1) IN GENERAL.—A State may develop a  
6 modified employability plan for a recipient of assist-  
7 ance under the State program funded under this  
8 part—

9           “(A) who—

10               “(i) is a work-eligible individual (as  
11 defined in section 407(a)(2)); and

12               “(ii) has been determined by a quali-  
13 fied medical, mental health, addiction, or  
14 social services professional (as determined  
15 by the State) to have a disability; or

16           “(B) who is caring for a family member  
17 with a disability (as so determined).

18           “(2) CONTENTS OF PLAN.—The modified em-  
19 ployability plan shall—

20           “(A) include a determination that, because  
21 of the disability of the recipient or the indi-  
22 vidual for whom the recipient is caring, reason-  
23 able modification of work activities, hourly par-  
24 ticipation requirements, or both, is needed in

1 order for the recipient to participate in the ac-  
2 tivities;

3 “(B) describe the modified work activities  
4 in which the recipient is required to participate;

5 “(C) specify the number of hours per week  
6 for which the recipient is required to participate  
7 in the modified work activities, based on an  
8 evaluation by the State of the circumstances of  
9 the family;

10 “(D) describe the services, supports, and  
11 modifications that the State will provide to the  
12 recipient or the family of the recipient;

13 “(E) be developed in cooperation with the  
14 recipient; and

15 “(F) be reviewed not less often than every  
16 6 months.

17 “(3) DEFINITIONS.—In this subsection:

18 “(A) DISABILITY.—The term ‘disability’  
19 means a mental or physical impairment, includ-  
20 ing substance abuse or addiction, that—

21 “(i) constitutes or results in a sub-  
22 stantial impediment to employment; or

23 “(ii) substantially limits 1 or more  
24 major life activities.

1           “(B) MODIFIED WORK ACTIVITIES.—The  
2           term ‘modified work activities’ means activities  
3           which the State has determined will help the re-  
4           cipient become employable.”.

5           (d) SANCTIONS.—

6           (1) GENERAL SANCTION PROVISIONS.—

7           (A) PROHIBITION ON IMPOSING LIFETIME  
8           OR FULL FAMILY SANCTION.—

9           (i) PROHIBITION.—Section 408(a) (42  
10           U.S.C. 608(a)) is amended by adding at  
11           the end the following:

12           “(13) PROHIBITION ON IMPOSING LIFETIME OR  
13           FULL FAMILY SANCTION.—A State to which a grant  
14           is made under section 403 shall not impose a life-  
15           time prohibition on the provision of assistance to  
16           any individual or family under the State program  
17           funded under this part or under a program funded  
18           with qualified State expenditures (as defined in sec-  
19           tion 409(a)(7)(B)(i)) on the basis of the failure of  
20           a member of the family to comply with a program  
21           requirement.”.

22           (ii) PENALTY.—Section 409(a) (42  
23           U.S.C. 609), as amended by section  
24           5(c)(2)(A) of this Act and subsection

1 (b)(3) of this section, is amended by add-  
2 ing at the end the following:

3 “(17) PENALTY FOR IMPOSING LIFETIME OR  
4 FULL FAMILY SANCTION.—If the Secretary deter-  
5 mines that a State to which a grant is made under  
6 section 403 in a fiscal year has violated section  
7 408(a)(13) during the fiscal year, the Secretary  
8 shall reduce the grant payable to the State under  
9 section 403(a)(1) for the immediately succeeding fis-  
10 cal year by an amount equal to 5 percent of the  
11 State family assistance grant.”.

12 (B) DUE PROCESS PROTECTIONS.—

13 (i) IN GENERAL.—Section 408(a) (42  
14 U.S.C. 608(a)), as amended by subpara-  
15 graph (A)(i) of this paragraph, is amended  
16 by adding at the end the following:

17 “(14) SANCTION PROCEDURES.—

18 “(A) PRE-SANCTION REVIEW PROCESS.—  
19 Before imposing a sanction against an indi-  
20 vidual or family receiving assistance under the  
21 State program funded under this part or under  
22 a program funded with qualified State expendi-  
23 tures (as defined in section 409(a)(7)(B)(i)) for  
24 failure to comply with program requirements,  
25 the State shall take the following steps:

1           “(i) Provide or send notice to the indi-  
2           vidual or family, and, if the recipient’s na-  
3           tive language is not English, through a  
4           culturally competent written or verbal  
5           translation, of the following information:

6                   “(I) The specific reason for the  
7                   proposed sanction.

8                   “(II) The amount of the pro-  
9                   posed sanction.

10                  “(III) The length of time during  
11                  which the proposed sanction would be  
12                  in effect.

13                  “(IV) The steps required to come  
14                  into compliance or to show good cause  
15                  for noncompliance.

16                  “(V) That the agency will provide  
17                  assistance to help the individual dem-  
18                  onstrate good cause for noncompli-  
19                  ance, or come into compliance with  
20                  program requirements.

21                  “(VI) That the individual may  
22                  appeal the determination to impose a  
23                  sanction, and the steps that the indi-  
24                  vidual must take to pursue such an  
25                  appeal.



1 “(ii)(I) Ensure that, subject to clause  
2 (iii)—

3 “(aa) an individual, other than  
4 the individual who determined that a  
5 sanction be imposed, will review the  
6 determination and have the authority  
7 to take the actions described in sub-  
8 clause (II); and

9 “(bb) the individual or family  
10 against whom the sanction is to be  
11 imposed shall be afforded the oppor-  
12 tunity to meet with the individual who  
13 is reviewing the determination to im-  
14 pose the sanction.

15 “(II) The action described in this sub-  
16 clause are the following:

17 “(aa) Modify the determination  
18 to impose a sanction.

19 “(bb) Determine that there was  
20 good cause for the failure to comply.

21 “(cc) Recommend modifications  
22 to the individual responsibility or em-  
23 ployment plan of an individual.

1           “(dd) Make such other deter-  
2           minations and take such other actions  
3           as may be appropriate.

4           “(iii) The review required under  
5           clause (ii) shall include consideration of the  
6           following:

7                   “(I) To the extent applicable,  
8                   whether barriers to compliance exist,  
9                   such as a physical or mental impair-  
10                  ment (including mental illness, sub-  
11                  stance abuse, mental retardation, or a  
12                  learning disability), domestic or sexual  
13                  violence, limited proficiency in  
14                  English, limited literacy, homeless-  
15                  ness, or the need to care for a child  
16                  with a disability or health condition,  
17                  that contributed to the noncompli-  
18                  ance.

19                   “(II) Whether the noncompliance  
20                  resulted from failure to receive or  
21                  have access to services identified as  
22                  necessary in an individual responsi-  
23                  bility or employment plan.

24                   “(III) Whether changes to the in-  
25                  dividual responsibility or employment

1 plan of an individual should be made  
2 in order for the individual to come  
3 into compliance.

4 “(IV) Whether there is good  
5 cause for any noncompliance.

6 “(V) Whether the sanction poli-  
7 cies of the State have been applied  
8 properly.

9 “(B) SANCTION FOLLOW-UP REQUIRE-  
10 MENTS.—If a State imposes a sanction on a  
11 family or individual for failing to comply with  
12 program requirements, the State shall—

13 “(i) provide or send notice to the indi-  
14 vidual or family, in language calculated to  
15 be understood by the individual or family,  
16 and, if the individual’s or family’s native  
17 language is not English, through a cul-  
18 turally competent translation, of the reason  
19 for the sanction and the steps the indi-  
20 vidual or family must take to end the sanc-  
21 tion;

22 “(ii) resume full assistance, services,  
23 or benefits to the individual or family  
24 under the program (if the individual or  
25 family is otherwise eligible for the assist-

1           ance, services, or benefits) once the indi-  
2           vidual who was not in compliance with pro-  
3           gram requirements that led to the sanction  
4           complies with the requirements for a rea-  
5           sonable period of time, as determined by  
6           the State and subject to State discretion to  
7           reduce the period; and

8           “(iii) if the State has not resumed  
9           providing the assistance, services, or bene-  
10          fits as of the end of the 120-day period  
11          that begins on the date that is 60 days  
12          after the date on which the sanction was  
13          imposed, provide notice to the individual or  
14          family, in language calculated to be under-  
15          stood by the individual or family, of the  
16          steps the individual or family must take to  
17          end the sanction, and of the availability of  
18          assistance to come into compliance or dem-  
19          onstrate good cause for noncompliance.

20          “(C) NOTICE TO EVICTED PERSONS.—The  
21          State shall make a reasonable effort to provide  
22          to an individual or family that has been evicted  
23          from a residence for failure to pay rent or as  
24          a result of another problem related to poverty,

1 any notice required by this paragraph to be  
2 provided to the individual or family.”.

3 (ii) PENALTY.—Section 409(a) (42  
4 U.S.C. 609(a)), as amended by section  
5 5(c)(2)(A) of this Act, subsection (b)(3) of  
6 this section, and subparagraph (A)(ii) of  
7 this paragraph, is amended by adding at  
8 the end the following:

9 “(18) PENALTY FOR FAILURE TO FOLLOW  
10 SANCTION PROCEDURES.—

11 “(A) IN GENERAL.—If the Secretary deter-  
12 mines that a State to which a grant is made  
13 under section 403 in a fiscal year has violated  
14 section 408(a)(14) during the fiscal year, the  
15 Secretary shall reduce the grant payable to the  
16 State under section 403(a)(1) for the imme-  
17 diately succeeding fiscal year by an amount  
18 equal to not more than 5 percent of the State  
19 family assistance grant.

20 “(B) PENALTY BASED ON SEVERITY OF  
21 FAILURE.—The Secretary shall impose reduc-  
22 tions under subparagraph (A) with respect to a  
23 fiscal year based on the degree of noncompli-  
24 ance.”.

1                   (iii) STATE PLAN REQUIREMENT TO  
2 DESCRIBE HOW STATES WILL NOTIFY AP-  
3 PPLICANTS AND RECIPIENTS OF THEIR  
4 RIGHTS UNDER THE PROGRAM AND OF PO-  
5 TENTIAL BENEFITS AND SERVICES AVAIL-  
6 ABLE UNDER THE PROGRAM.—Section  
7 402(a)(1)(B)(iii) (42 U.S.C.  
8 602(a)(1)(B)(iii)) is amended by inserting  
9 “, and will notify applicants and recipients  
10 of assistance under the program of the  
11 rights of individuals under all laws applica-  
12 ble to program activities and of all poten-  
13 tial benefits and services available under  
14 the program” before the period.

15 (2) MODIFICATIONS TO WORK SANCTION.—

16 (A) ELIMINATION OF FULL FAMILY SANC-  
17 TION; STATE REQUIRED TO ESTABLISH CER-  
18 TAIN GOOD CAUSE EXCEPTIONS.—Section  
19 407(e)(1) (42 U.S.C. 607(e)(1)) is amended—

20 (i) by striking “shall—” and all that  
21 follows through subparagraph (B) and in-  
22 serting “shall reduce the amount of assist-  
23 ance otherwise payable to the family pro  
24 rata with respect to any period during a

1 month in which the individual so refuses,”;

2 and

3 (ii) by striking “may establish” and  
4 inserting the following “shall establish,  
5 which shall include the decline of an offer  
6 of employment at a wage less than the  
7 greater of the applicable Federal or State  
8 minimum wage, or 80 percent of the wage  
9 that would have governed had the min-  
10 imum hourly rate under the Fair Labor  
11 Standards Act been applicable to the offer  
12 of employment, at a site subject to a strike  
13 or lockout at the time of refusal, or for  
14 medical reasons or a lack of sufficient  
15 physical strength or stamina”.

16 (B) PROHIBITION ON SANCTIONING INDI-  
17 VIDUAL FOR FAILURE TO ENGAGE IN WORK IF  
18 INDIVIDUAL HAS A CHILD UNDER AGE 6  
19 MONTHS OR IF FAILURE RESULTS FROM IN-  
20 ABILITY TO SECURE CHILD CARE OR AFTER-  
21 SCHOOL ARRANGEMENTS FOR A CHILD UNDER  
22 AGE 13.—Section 407(e)(2) (42 U.S.C.  
23 607(e)(2)) is amended by striking “refusal”  
24 and all that follows and inserting “failure of an

1 individual to engage in work required in accord-  
2 ance with this section if—

3 “(A) the individual is a single custodial  
4 parent caring for a child who has not attained  
5 6 months of age; or

6 “(B) the individual is the single custodial  
7 parent caring for a child who has not attained  
8 13 years of age, and the failure resulted from  
9 the inability of the individual to secure child  
10 care or after-school arrangements for the  
11 child”.

12 (3) MODIFICATIONS TO CHILD SUPPORT SANC-  
13 TION.—Section 408(a)(2) (42 U.S.C. 608(a)(2)) is  
14 amended by striking “State—” and all that follows  
15 and inserting “State shall deduct from the assist-  
16 ance that would otherwise be provided to the family  
17 of the individual under the State program funded  
18 under this part an amount equal to 25 percent of  
19 the amount of the assistance.”.

20 (e) RELATED STATE PLAN REQUIREMENT.—Section  
21 402(a) (42 U.S.C. 602(a)) is amended by adding at the  
22 end the following:

23 “(8) CERTIFICATION THAT EMPLOYMENT AS-  
24 SESSMENTS AND SANCTION REVIEWS WILL BE CON-  
25 DUCTED BY COMPETENT PERSONNEL.—A certifi-



1 cation by the chief executive officer of the State that  
 2 the employment assessments conducted pursuant to  
 3 section 408(b)(1) and the sanction reviews con-  
 4 ducted pursuant to section 408(a)(14)(A) will be  
 5 conducted by personnel who have sufficient edu-  
 6 cation, training, and professional competence to do  
 7 so, which shall include information on the education,  
 8 training, and professional competence that State will  
 9 require of the personnel.”.

10 **SEC. 8. PROHIBITION ON IMPOSING LIMIT OF LESS THAN 60**  
 11 **MONTHS ON DURATION OF ASSISTANCE.**

12 (a) PROHIBITION.—

13 (1) IN GENERAL.—Section 408(a)(7) (42  
 14 U.S.C. 608(a)(7)) is amended—

15 (A) in the paragraph heading, by striking  
 16 “NO ASSISTANCE FOR MORE THAN 5 YEARS”  
 17 and inserting “DURATIONAL LIMITS ON ASSIST-  
 18 ANCE”;

19 (B) in the heading for subparagraph (A),  
 20 by striking “IN GENERAL” and inserting “NO  
 21 ASSISTANCE FOR MORE THAN 5 YEARS”; and

22 (C) by adding at the end the following:

23 “(H) PROHIBITION ON LIMITING DURA-  
 24 TION OF ASSISTANCE TO LESS THAN 60  
 25 MONTHS.—A State to which a grant is made

1 under section 403 shall not impose a limit of  
2 less than 60 months on the duration for which  
3 a family may be provided assistance from Fed-  
4 eral or State funds under the State program  
5 funded under this part or under a program  
6 funded with qualified State expenditures (as de-  
7 fined in section 409(a)(7)(B)(i)).”.

8 (2) CONFORMING AMENDMENT.—The heading  
9 of section 409(a)(9) (42 U.S.C. 609(a)(9)) is  
10 amended by striking “5-YEAR LIMIT” and inserting  
11 “RULES GOVERNING DURATIONAL LIMITS”.

12 (b) REQUIREMENT TO CONDUCT OUTREACH TO IN-  
13 FORM POTENTIALLY ELIGIBLE FAMILIES OF ELIMI-  
14 NATION OF DURATIONAL LIMIT ON ASSISTANCE OF LESS  
15 THAN 60 MONTHS.—

16 (1) IN GENERAL.—Section 408(a) (42 U.S.C.  
17 608(a)), as amended by section 7(d)(1) of this Act,  
18 is amended by adding at the end the following:

19 “(15) REQUIREMENT TO CONDUCT OUTREACH  
20 TO INFORM POTENTIALLY ELIGIBLE RECIPIENTS OF  
21 ASSISTANCE OF ELIMINATION OF DURATIONAL LIMIT  
22 ON ASSISTANCE OF LESS THAN 60 MONTHS.—A  
23 State to which a grant is made under section 403  
24 for a fiscal year that, before the effective date of this  
25 paragraph, denied assistance under the State pro-

1       gram funded under this part or any other State pro-  
2       gram funded by qualified State expenditures (as de-  
3       fined in section 409(a)(7)(B)(i)) to an individual or  
4       family on the basis of a durational limit on the as-  
5       sistance that was imposed other than under section  
6       408(a)(7) shall conduct outreach to inform individ-  
7       uals and families who were so denied that they may  
8       be eligible for additional months of the assistance.”.

9               (2) PENALTY.—Section 409(a) (42 U.S.C.  
10       609(a)), as amended by sections 5(c)(2)(A) and  
11       7(d)(1) of this Act, is amended by adding at the end  
12       the following:

13               “(19) FAILURE TO CONDUCT OUTREACH TO IN-  
14       FORM POTENTIALLY ELIGIBLE RECIPIENTS OF AS-  
15       SISTANCE OF ELIMINATION OF DURATIONAL LIMIT  
16       ON ASSISTANCE OF LESS THAN 60 MONTHS.—If the  
17       Secretary determines that a State to which a grant  
18       is made under section 403 in a fiscal year has vio-  
19       lated section 408(a)(15) during the fiscal year, the  
20       Secretary shall reduce the grant payable to the State  
21       under section 403(a)(1) for the immediately suc-  
22       ceeding fiscal year by an amount equal to 5 percent  
23       of the State family assistance grant.”.

24               (c) STATE PLAN REQUIRED TO INCLUDE DESCRIP-  
25       TION OF HOW POTENTIALLY ELIGIBLE RECIPIENTS WILL

1 BE INFORMED OF ELIMINATION OF DURATIONAL LIMIT  
2 ON ASSISTANCE OF LESS THAN 60 MONTHS.—Section  
3 402(a)(1)(B) (42 U.S.C. 602(a)(1)(B)) is amended by  
4 adding at the end the following:

5                   “(vi) In the case of a State that, be-  
6 fore the date this clause takes effect, de-  
7 nied assistance under the program to an  
8 individual or family on the basis of a  
9 durational limit on the assistance that was  
10 imposed other than under section  
11 408(a)(7), the document shall describe how  
12 the State intends to inform the individuals  
13 and families who were so denied that they  
14 may be eligible for additional months of  
15 the assistance.”.

16 **SEC. 9. RESPONSE OF TANF PROGRAM TO ECONOMIC RE-**  
17 **CESSIONS.**

18           (a) INAPPLICABILITY OF DURATIONAL LIMIT ON AS-  
19 SISTANCE.—Section 408(a)(7) (42 U.S.C. 608(a)(7)), as  
20 amended by section 8(a)(1)(C) of this Act, is amended by  
21 adding at the end the following:

22                   “(I) INAPPLICABILITY OF DURATIONAL  
23 LIMIT DURING RECESSION.—Subparagraph (A)  
24 shall not apply in a State during any month

1           which is in a high unemployment period with  
2           respect to the State.

3           “(J) DISREGARD OF ASSISTANCE PRO-  
4           VIDED DURING RECESSION.—In determining  
5           the number of months for which an adult has  
6           received assistance under a State or tribal pro-  
7           gram funded under this part or any other State  
8           program funded by qualified State expenditures  
9           (as defined in section 409(a)(7)(B)(i)), the  
10          State or tribe shall disregard any month which  
11          is in a high unemployment period with respect  
12          to the State.

13          “(K) 6-MONTH GRACE PERIOD REQUIRED  
14          AFTER RECESSION.—Subparagraph (A) shall  
15          not apply to a recipient of assistance under the  
16          State program funded under this part or any  
17          other State program funded by qualified State  
18          expenditures (as defined in section  
19          409(a)(7)(B)(i)) during the 6-month period  
20          that begins with the month immediately fol-  
21          lowing a high unemployment period with re-  
22          spect to the State if the recipient received the  
23          assistance for the last month of the period.”.

1 (b) REQUIREMENT TO CONDUCT OUTREACH TO IN-  
2 FORM POTENTIALLY ELIGIBLE FAMILIES OF SUSPENSION  
3 OF DURATIONAL LIMIT ON ASSISTANCE.—

4 (1) IN GENERAL.—Section 408(a) (42 U.S.C.  
5 608(a)), as amended by sections 7(d)(1) and 8(b)(1)  
6 of this Act, is amended by adding at the end the fol-  
7 lowing:

8 “(16) REQUIREMENT TO CONDUCT OUTREACH  
9 TO INFORM POTENTIALLY ELIGIBLE RECIPIENTS OF  
10 ASSISTANCE OF SUSPENSION OF DURATIONAL LIMIT  
11 ON ASSISTANCE.—In each month which is a high un-  
12 employment period with respect to a State to which  
13 a grant is made under section 403 for a fiscal year,  
14 the State shall conduct outreach to inform individ-  
15 uals and families who are potentially eligible for as-  
16 sistance under the State program funded under this  
17 part or any other State program funded by qualified  
18 State expenditures (as defined in section  
19 409(a)(7)(B)(i)) of the suspension of any durational  
20 limit on assistance under the program.”.

21 (2) PENALTY.—Section 409(a) (42 U.S.C.  
22 609(a)), as amended by sections 5(c)(2)(A), 7(d)(1),  
23 and 8(b)(2) of this Act, is amended by adding at the  
24 end the following:

1           “(20) FAILURE TO CONDUCT OUTREACH TO IN-  
2           FORM POTENTIALLY ELIGIBLE RECIPIENTS OF AS-  
3           SISTANCE OF SUSPENSION OF DURATIONAL LIMIT  
4           ON ASSISTANCE.—If the Secretary determines that a  
5           State to which a grant is made under section 403  
6           in a fiscal year has violated section 408(a)(16) dur-  
7           ing the fiscal year, the Secretary shall reduce the  
8           grant payable to the State under section 403(a)(1)  
9           for the immediately succeeding fiscal year by an  
10          amount equal to 5 percent of the State family assist-  
11          ance grant.”.

12          (c) STATE PLAN REQUIRED TO INCLUDE DESCRIP-  
13          TION OF HOW POTENTIALLY ELIGIBLE RECIPIENTS WILL  
14          BE INFORMED OF SUSPENSION OF TIME LIMITS DURING  
15          RECESSION.—Section 402(a)(1)(B) (42 U.S.C.  
16          602(a)(1)(B)), as amended by section 8(c) of this Act, is  
17          amended by adding at the end the following:

18                           “(vii) The document shall describe  
19                           how the State intends to inform potentially  
20                           eligible recipients of assistance under the  
21                           program of the suspension of durational  
22                           limits on the assistance during a high un-  
23                           employment period with respect to the  
24                           State.”.

1 (d) HIGH UNEMPLOYMENT PERIOD DEFINED.—Sec-  
2 tion 419 (42 U.S.C. 619) is amended by adding at the  
3 end the following:

4 “(6) HIGH UNEMPLOYMENT PERIOD DE-  
5 FINED.—The term ‘high unemployment period’  
6 means, with respect to a State, a period of 1 or  
7 more consecutive months if the average rate of total  
8 unemployment in the State (seasonally adjusted) for  
9 the period consisting of the then most recent 3  
10 months for which data for all States are published  
11 equals or exceeds 6.5 percent.”.

12 **SEC. 10. REQUIREMENT THAT STATES USE MERIT-BASED**  
13 **SYSTEM IN ADMINISTRATION OF TANF PRO-**  
14 **GRAMS.**

15 (a) PROGRAM REQUIREMENT.—Section 408(a) (42  
16 U.S.C. 608(a)), as amended by sections 7(d)(1), 8(b)(1),  
17 and 9(b)(1) of this Act, is amended by adding at the end  
18 the following:

19 “(17) REQUIREMENT TO USE MERIT-BASED  
20 SYSTEM IN ADMINISTERING PROGRAM.—A State to  
21 which a grant is made under section 403 shall estab-  
22 lish and maintain personnel standards through a  
23 merit-based system, in administering the State pro-  
24 gram funded under this part and any other State



1 program funded by qualified State expenditures (as  
2 defined in section 409(a)(7)(B)(i)).”.

3 (b) PENALTY.—Section 409(a) (42 U.S.C. 609), as  
4 amended by sections 5(c)(2)(A), 7(d)(1), 8(b)(2), and  
5 9(b)(2) of this Act, is amended by adding at the end the  
6 following:

7 “(21) PENALTY FOR FAILURE TO USE MERIT-  
8 BASED SYSTEM IN ADMINISTERING PROGRAM.—If  
9 the Secretary determines that a State to which a  
10 grant is made under section 403 in a fiscal year has  
11 violated section 408(a)(17) during the fiscal year,  
12 the Secretary shall reduce the grant payable to the  
13 State under section 403(a)(1) for the immediately  
14 succeeding fiscal year by an amount equal to 5 per-  
15 cent of the State family assistance grant.”.

16 **SEC. 11. BAN ON USING FEDERAL TANF FUNDS TO RE-**  
17 **PLACE STATE AND LOCAL SPENDING THAT**  
18 **DOES NOT MEET THE DEFINITION OF QUALI-**  
19 **FIED STATE EXPENDITURES.**

20 (a) PROHIBITION.—Section 408(a) (42 U.S.C.  
21 608(a)), as amended by sections 7(d)(1), 8(b)(1), 9(b)(1),  
22 and 10(a) of this Act, is amended by adding at the end  
23 the following:

24 “(18) BAN ON USING FEDERAL TANF FUNDS  
25 TO REPLACE STATE OR LOCAL SPENDING THAT IS

1 NOT A QUALIFIED STATE EXPENDITURE.—A State  
2 to which a grant is made under section 403, and a  
3 sub-State entity that receives funds from such a  
4 grant, shall not expend any part of the grant funds  
5 to supplant State or local spending for benefits or  
6 services which are not qualified State expenditures  
7 (within the meaning of section 409(a)(7)(B)(i)).”.

8 (b) PENALTY.—Section 409(a) (42 U.S.C. 609), as  
9 amended by sections 5(c)(2)(A), 7(d)(1), 8(b)(2), 9(b)(2),  
10 and 10(b) of this Act, is amended by adding at the end  
11 the following:

12 “(22) USE OF FEDERAL TANF FUNDS TO RE-  
13 PLACE STATE OR LOCAL SPENDING THAT IS NOT A  
14 QUALIFIED STATE EXPENDITURE.—If the Secretary  
15 determines that a State to which a grant is made  
16 under section 403 in a fiscal year has violated sec-  
17 tion 408(a)(18) during the fiscal year, the Secretary  
18 shall reduce the grant payable to the State under  
19 section 403(a)(1) for the immediately succeeding fis-  
20 cal year by an amount equal to 5 percent of the  
21 State family assistance grant.”.

22 **SEC. 12. TANF ASSISTANCE TO MEET BASIC FAMILY ECO-**  
23 **NOMIC NEEDS.**

24 (a) STATE PLAN REQUIREMENT.—Section  
25 402(a)(1)(B) (42 U.S.C. 602(a)(1)(B)), as amended by

1 sections 8(c) and 9(d) of this Act, is amended by adding  
2 at the end the following:

3                   “(viii) FAMILY BUDGET PROVI-  
4                   SIONS.—The document shall set forth a  
5                   family budget of a dollar amount sufficient  
6                   to meet the basic economic needs (includ-  
7                   ing food, clothing, shelter, utilities, house-  
8                   hold goods, personal care items, and gen-  
9                   eral incidental expenses) of a family, how  
10                  the family budget is adjusted for family  
11                  size, the method used to estimate the fam-  
12                  ily budget (including a statement of the re-  
13                  lationship between shelter and utility costs  
14                  and the fair market rents in localities in  
15                  the State), and the relationship between  
16                  the amount of assistance provided to each  
17                  family under the program and the amount  
18                  of the family budget for the family.”.

19                  (b) PROGRAM REQUIREMENT.—Section 408(a) (42  
20 U.S.C. 608(a)), as amended by sections 7(d)(1), 8(b)(1),  
21 9(b)(1), 10(a), and 11(a) of this Act, is amended by add-  
22 ing at the end the following:

23                   “(19) REQUIREMENT THAT AMOUNT OF ASSIST-  
24                   ANCE MEET BASIC ECONOMIC NEEDS.—A State to  
25                   which a grant is made under section 403 shall en-

1       sure that the total amount of assistance provided to  
2       a family under the State program funded under this  
3       part and all programs funded with qualified State  
4       expenditures (as defined in section 409(a)(7)(B)(i))  
5       for which the family is eligible is sufficient to meet  
6       the basic economic needs of the family, taking into  
7       account all earned and unearned income of the fam-  
8       ily and an amount not to exceed the value of the  
9       supplemental nutrition assistance benefits provided  
10      to the family under the Food and Nutrition Act of  
11      2008.”.

12      (c) PENALTY.—Section 409(a) (42 U.S.C. 609), as  
13      amended by sections 5(c)(2)(A), 7(d)(1), 8(b)(2), 9(b)(2),  
14      10(b), and 11(b) of this Act, is amended by adding at the  
15      end the following:

16               “(23) PENALTY FOR FAILURE OF STATE TANF  
17      ASSISTANCE TO MEET BASIC ECONOMIC NEEDS OF A  
18      RECIPIENT FAMILY.—If the Secretary determines  
19      that a State to which a grant is made under section  
20      403 in a fiscal year has violated section 408(a)(19)  
21      during the fiscal year, the Secretary shall reduce the  
22      grant payable to the State under section 403(a)(1)  
23      for the immediately succeeding fiscal year by an  
24      amount equal to 5 percent of the State family assist-  
25      ance grant.”.

1 **SEC. 13. STATE PLANS AND REPORTS ON CHILD POVERTY.**

2 (a) CHILD POVERTY REDUCTION AS A PURPOSE OF  
3 THE TANF PROGRAM.—Section 401(a)(1) (42 U.S.C.  
4 601(a)(1)) is amended by redesignating paragraphs (1)  
5 through (4) as paragraphs (2) through (5), respectively,  
6 and by inserting before paragraph (2) (as so redesignated)  
7 the following:

8 “(1) reduce poverty among children;”.

9 (b) STATE PLAN PROVISIONS.—

10 (1) MATTERS REQUIRED TO BE ADDRESSED.—  
11 Section 402(a)(1)(A) (42 U.S.C. 602(a)(1)(A)) is  
12 amended by adding at the end the following:

13 “(ix) GOALS AND METHODS FOR RE-  
14 DUCING CHILD POVERTY.—Reduce child  
15 poverty using Federal funds provided  
16 under this part and State funds, including  
17 establishing numerical goals for reducing  
18 child poverty.

19 “(x) GOALS AND TRACKING OF WORK  
20 OUTCOMES.—Track work-related outcomes  
21 for recipients of assistance under the pro-  
22 gram, such as employment entries, wages,  
23 and job retention, including establishing  
24 numerical goals for work-related outcomes  
25 for recipients.

1           “(xi) PROVIDE PREVENTATIVE SERV-  
2           ICES TO FAMILIES AT-RISK OF ABUSE OR  
3           NEGLECT.—Provide benefits and services  
4           to families at-risk of having their children  
5           removed from the home because of abuse  
6           and neglect, using Federal funds provided  
7           under this part and State funds.

8           “(xii) HOW NONCUSTODIAL PARENTS  
9           WILL BE SERVED.—Serve noncustodial  
10          parents, using Federal funds provided  
11          under this part and State funds.”.

12          (2) PUBLIC AVAILABILITY.—Section 402(c) (42  
13          U.S.C. 602(c)) is amended to read as follows:

14          “(c) PUBLIC AVAILABILITY.—

15                 “(1) IN GENERAL.—The State shall make avail-  
16                 able to the public, including by posting on a public  
17                 website of the State or another appropriate  
18                 website—

19                         “(A) each draft of any plan or plan  
20                         amendment to be submitted by the State under  
21                         this section, for at least 45 days before the sub-  
22                         mission; and

23                         “(B) any such plan or amendment certified  
24                         by the Secretary to be complete.

1           “(2) PROCEDURES.—The State shall establish  
2           procedures to receive and respond to comments from  
3           the public, private sector organizations, and local  
4           governments on any draft referred to in paragraph  
5           (1).”.

6           (c) ANNUAL PERFORMANCE REPORT.—Section 411  
7           (42 U.S.C. 611) is amended by adding at the end the fol-  
8           lowing:

9           “(e) ANNUAL PERFORMANCE REPORT BY STATES.—  
10          Not later than December 31 of each year, each eligible  
11          State shall submit to the Secretary (in accordance with  
12          such form and content rules as the Secretary, in consulta-  
13          tion with the National Governor’s Association, National  
14          Association of State Legislatures, and the American Pub-  
15          lic Human Services Association, develops) a report on the  
16          following aspects of the State program funded under this  
17          part in the preceding fiscal year:

18                 “(1) Whether the State met the child poverty  
19                 reduction goals set forth in the State plan. This part  
20                 of the report shall include a discussion of the fac-  
21                 tors, including benefits, services, and activities fund-  
22                 ed with Federal funds provided under this part or  
23                 State funds, which contributed to the meeting of, or  
24                 the failure to meet, the goals.

1           “(2) Whether the work programs of the State  
2 were effective in meeting the objectives and numer-  
3 ical goals of the State plan. This part of the report  
4 shall include a discussion of data derived from the  
5 tracking of recipients, including—

6           “(A) the number of families that left the  
7 State program funded under this part;

8           “(B) the employment rate for those who  
9 left the program in each calendar quarter;

10           “(C) the wage rates of those who left the  
11 program, including the percentage of leavers  
12 who, in each calendar quarter, earned an  
13 amount equal to at least 50 percent of the aver-  
14 age wage then paid in the State; and

15           “(D) the employment outcomes of those  
16 who left the program because of a durational  
17 limit on assistance, reported at 6 months, 12  
18 months, 24 months, and 36 months after leav-  
19 ing the program.

20           The Secretary shall provide States with technical as-  
21 sistance in preparing this part of the report, includ-  
22 ing by providing States with data from the National  
23 Directory of New Hires.

24           “(3) Whether the State has been effective in  
25 providing benefits and services under the program to



1 persons with disabilities. This part of the report  
2 shall include a report on recipients of assistance  
3 under the State program funded under this part who  
4 participated in work activities (as defined in section  
5 407(d)) pursuant to a modified employability plan  
6 due to disability, including the following:

7 “(A) The aggregate number of recipients  
8 with modified employability plans due to a dis-  
9 ability.

10 “(B) The percentage of all recipients with  
11 modified employability plans who substantially  
12 complied with activities set forth in the plans  
13 each month of the fiscal year.

14 “(C) Information regarding the most prev-  
15 alent types of physical and mental impairments  
16 that provided the basis for the disability deter-  
17 minations.

18 “(D) The percentage of cases with a modi-  
19 fied employability plan in which the recipient  
20 had a disability, was caring for a child with a  
21 disability, or was caring for another family  
22 member with a disability.

23 “(E) A description of the most prevalent  
24 types of modification in work activities or hours

1 of participation that were included in the modi-  
2 fied employability plans.

3 “(F) A description of the qualifications of  
4 the staff who determined whether individuals  
5 had a disability, of the staff who determined  
6 that individuals needed modifications to their  
7 work requirements, and of the staff who devel-  
8 oped the modified employability plans.

9 “(4) The effectiveness of the benefits and serv-  
10 ices provided under the State program in reducing  
11 the number of children removed from their homes  
12 because of abuse and neglect. This part of the report  
13 shall include an analysis which includes the fol-  
14 lowing:

15 “(A) The number of families provided the  
16 benefits or services that were at risk of having  
17 their children removed from the home.

18 “(B) The number of families served by the  
19 program that had 1 or more children removed  
20 from the home because of abuse or neglect.

21 “(5) An analysis of the extent to which the ben-  
22 efits and services under the State program were pro-  
23 vided to noncustodial parents.

24 “(6) How funds provided to the State under  
25 this part, with a separate accounting for funds pro-

1 vided under section 403(a)(3) and funds provided  
2 under section 403(b), were used to serve areas of the  
3 State with the greatest need (as referred to in sec-  
4 tion 402(a)(1)(A)(i)). This part of the report shall  
5 include supporting data.”.

6 (d) ANNUAL REPORT TO CONGRESS ON THE EF-  
7 FORTS OF STATE PROGRAMS TO PROMOTE AND SUPPORT  
8 EMPLOYMENT FOR INDIVIDUALS WITH DISABILITIES.—  
9 Section 411 (42 U.S.C. 611), as amended by subsection  
10 (c) of this section, is amended by adding at the end the  
11 following:

12 “(f) REPORT BY SECRETARY.—Not later than July  
13 31 of each fiscal year, the Secretary shall submit to the  
14 Congress a report, entitled ‘Efforts in State TANF Pro-  
15 grams to Promote and Support Employment for Individ-  
16 uals with Disabilities’, that includes information on State  
17 efforts to engage individuals with disabilities in work ac-  
18 tivities during the preceding fiscal year. The report shall  
19 include the following information:

20 “(1) For each State, the number of individuals  
21 for whom the State has developed a modified em-  
22 ployability plan.

23 “(2) The types of physical and mental impair-  
24 ments that provided the basis for the disability de-  
25 termination, and whether the individual with the dis-

1 ability was an adult recipient or minor child head of  
2 household, a child, or a non-recipient family mem-  
3 ber.

4 “(3) The types of modifications that States  
5 have included in modified employability plans.

6 “(4) The extent to which individuals with a  
7 modified employability plan are participating in work  
8 activities.

9 “(5) For each State, an analysis of the extent  
10 to which the option to establish modified employ-  
11 ability plans was a factor in the State achieving or  
12 not achieving the minimum participation rate re-  
13 quired by section 407(a).”.

14 (e) REPORT TO CONGRESS ON LEGISLATIVE OPTIONS  
15 TO REWARD STATES WITH HIGH EMPLOYMENT RATES  
16 AND HIGH RATES OF EMPLOYMENT AT GOOD WAGES.—  
17 Within 4 years after the effective date of this section, the  
18 Secretary of Health and Human Services shall submit to  
19 the Congress a report that sets forth options for the enact-  
20 ment of legislation to provide financial or other rewards  
21 to States that have high rates of employment and high  
22 rates of employment at good wages.

1 **SEC. 14. REQUIREMENT THAT STATES ADOPT STANDARDS**  
2 **AND PROCEDURES TO ADDRESS DOMESTIC**  
3 **AND SEXUAL VIOLENCE AMONG TANF RE-**  
4 **CIPIENTS.**

5 (a) IN GENERAL.—Section 402(a)(7) (42 U.S.C.  
6 602(a)(7)) is amended—

7 (1) by striking the paragraph heading and in-  
8 sserting “CERTIFICATION OF STANDARDS AND PRO-  
9 CEDURES REGARDING DOMESTIC AND SEXUAL VIO-  
10 LENCE”;

11 (2) by striking subparagraph (A) and inserting  
12 the following:

13 “(A) IN GENERAL.—A certification by the  
14 chief executive officer of the State that the  
15 State has established and is enforcing stand-  
16 ards and procedures to ensure the right and en-  
17 titlement of victims of domestic or sexual vio-  
18 lence (notwithstanding section 401(b)) seeking  
19 or receiving assistance under the State program  
20 funded under this part or any other State pro-  
21 gram funded by qualified State expenditures (as  
22 defined in section 409(a)(7)(B)(i))—

23 “(i) to be screened and identified  
24 while maintaining the confidentiality of the  
25 victims;

1           “(ii) to be referred to counseling and  
2           supportive services;

3           “(iii) to be granted a waiver, pursuant  
4           to a determination of good cause, of pro-  
5           gram requirements such as time limits (for  
6           so long as necessary), residency require-  
7           ments, child support cooperation require-  
8           ments, and family cap provisions, in cases  
9           where compliance with the requirements  
10          would make it more difficult for the vic-  
11          tims to escape domestic or sexual violence  
12          or unfairly penalize the victims or other in-  
13          dividuals who are at risk of further domes-  
14          tic or sexual violence;

15          “(iv) to apply to participate in the  
16          program on the same day the victim ap-  
17          pears in person in a program office during  
18          office hours;

19          “(v) to have an application that con-  
20          tains the name, address, and signature of  
21          the victim considered to be filed on the  
22          date the application is submitted;

23          “(vi) to receive at the time of applica-  
24          tion a clear, written statement explaining  
25          what the victim must do to cooperate in

1           obtaining verification and otherwise com-  
2           pleting the application process; and

3           “(vii) if the victim has completed the  
4           application process, to have the eligibility  
5           of the victim for assistance determined  
6           promptly, and to be provided assistance  
7           retroactive to the application date if deter-  
8           mined eligible within 30 days after the ap-  
9           plication date.”; and

10          (3) in subparagraph (B)—

11           (A) in the subparagraph heading, by in-  
12           serting “OR SEXUAL” after “DOMESTIC”; and

13           (B) in the text, by inserting “or sexual”  
14           after “domestic”.

15          (b) REPORT TO THE CONGRESS ON BEST PRACTICES  
16 OF STATES.—Section 413 (42 U.S.C. 613) is amended by  
17 adding at the end the following:

18          “(k) REPORT TO CONGRESS ON BEST PRACTICES OF  
19 STATES IN ADDRESSING DOMESTIC AND SEXUAL VIO-  
20 LENCE SUFFERED BY TANF RECIPIENTS.—Every 4  
21 years, the Secretary shall prepare and submit to the Con-  
22 gress a report which examines the practices of States in  
23 implementing section 402(a)(7), and identifies the best  
24 practices used to do so.”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect on October 1, 2013.

3 **SEC. 15. CHILD CARE ENTITLEMENT.**

4 (a) REPLACEMENT OF REQUIREMENT THAT POR-  
5 TION OF FUNDS BE USED FOR CERTAIN POPULATIONS  
6 WITH CHILD CARE GUARANTEE.—Section 418(b)(2) (42  
7 U.S.C. 618(b)(2)) is amended to read as follows:

8 “(2) CHILD CARE TO BE GUARANTEED FOR  
9 CERTAIN POPULATIONS.—As a condition of receiving  
10 funds under this section, a State shall guarantee the  
11 provision of child care services to—

12 “(A) each recipient of assistance under the  
13 State program funded under this part or under  
14 a State program funded with qualified State ex-  
15 penditures (as defined in section  
16 409(a)(7)(B)(i)) of this Act, and to each work-  
17 eligible individual (as defined in section  
18 407(a)(2) of this Act), for any period in which  
19 the recipient or individual is—

20 “(i) participating in a work activity  
21 (as defined in section 407(d) of this Act);

22 “(ii) employed, and in a family the  
23 total income of which does not exceed 250  
24 percent of the poverty line (within the  
25 meaning of section 673(2) of the Omnibus



1           Budget Reconciliation Act of 1981, includ-  
2           ing any revision required by such section  
3           applicable to a family of the size involved);  
4           or

5           “(iii) engaged in employment sub-  
6           sidized by the State; or

7           “(B) each individual who is a former re-  
8           cipient of assistance under such a program or  
9           a former work-eligible individual, for any por-  
10          tion of the 24-month period, beginning with the  
11          date the individual left the program involved, in  
12          which the individual is employed and in a fam-  
13          ily that meets the income requirement of sub-  
14          paragraph (A)(ii).”.

15          (b) ELIMINATION OF STATE CAPS.—Section 418(a)  
16          (42 U.S.C. 618(a)) is amended—

17                 (1) in paragraph (2)—

18                         (A) by striking subparagraphs (B) and (D)  
19                         and redesignating subparagraph (C) as sub-  
20                         paragraph (B); and

21                         (B) in subparagraph (B) (as so redesi-  
22                         gnated), by striking “the lesser of the State’s al-  
23                         lotment under subparagraph (B) or”; and

24                 (2) in paragraph (5), by striking “(2)(C)” and  
25                 inserting “(2)(B)”.

1 (c) OPEN-ENDED ENTITLEMENT.—Section 418(a)  
2 (42 U.S.C. 618(a)) is amended—

3 (1) in paragraph (1), by striking “Subject to  
4 the amount appropriated under paragraph (3),  
5 each” and inserting “Each”; and

6 (2) in paragraph (3), by striking “appro-  
7 priated—” and all that follows and inserting “appro-  
8 priated such sums as are necessary to carry out this  
9 section for each fiscal year.”.

10 (d) USE OF FUNDS IN ACCORDANCE WITH CHILD  
11 CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990  
12 EXCEPT AS REQUIRED BY CHILD CARE GUARANTEE.—  
13 Section 418(c) (42 U.S.C. 618(c)) is amended by inserting  
14 “except to the extent that such a requirement or limitation  
15 would interfere with the provision of child care services  
16 required by subsection (b)(2)” before the period.

17 **SEC. 16. CHILD SUPPORT ENFORCEMENT.**

18 (a) ELIMINATION OF BAN ON PROVIDING ASSIST-  
19 ANCE TO FAMILIES NOT ASSIGNING CERTAIN SUPPORT  
20 RIGHTS TO THE STATE.—

21 (1) IN GENERAL.—Section 408(a) (42 U.S.C.  
22 608(a)) is amended by striking paragraph (3).

23 (2) CONFORMING AMENDMENTS.—The fol-  
24 lowing provisions are each amended by inserting  
25 after “section 408(a)(3)” the following: “(as in ef-

1       fect before the effective date of the amendments  
2       made by section 10(a) of the Rewriting to Improve  
3       and Secure an Exit Out of Poverty Act took ef-  
4       fect)”:

5               (A) Section 452(a)(10)(C) (42 U.S.C.  
6               652(a)(10)(C)).

7               (B) Section 452(h) (42 U.S.C. 652(h)).

8               (C) Section 454(5)(A) (42 U.S.C.  
9               654(5)(A)).

10              (D) Section 456(a)(1) (42 U.S.C.  
11              656(a)(1)).

12              (E) Section 457(a)(2)(B)(i) (42 U.S.C.  
13              657(a)(2)(B)(i)).

14              (F) Section 457(a)(3)(A) (42 U.S.C.  
15              657(a)(3)(A)).

16              (G) Section 457(a)(3)(B) (42 U.S.C.  
17              657(a)(3)(B)).

18              (H) Section 464(a)(1) (42 U.S.C.  
19              664(a)(1)).

20              (I) Section 466(a)(3)(B) (42 U.S.C.  
21              666(a)(3)(B)).

22              (b) REQUIREMENT THAT ALL CHILD SUPPORT COL-  
23       LECTED ON BEHALF OF A CHILD IN A FAMILY RECEIVING  
24       TANF BE DISTRIBUTED TO THE FAMILY.—

1           (1) IN GENERAL.—Section 457 (42 U.S.C. 657)  
2       is amended—

3           (A) in subsection (c)(1), by striking  
4       “means—” and all that follows through “(B)  
5       foster” and inserting “means foster”; and

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

7       “(f) Notwithstanding the preceding provisions of this  
8       section, all amounts collected by a State as child support  
9       on behalf of a child in a family that is receiving assistance  
10      under the State program funded under part A or under  
11      the State plan approved under part A of this title (as in  
12      effect on the day before the date of the enactment of the  
13      Personal Responsibility and Work Opportunity Reconcili-  
14      ation Act of 1996) shall be distributed to the family.”.

15          (2) CONFORMING AMENDMENTS.—Section  
16      458(b)(5)(C)(i)(I) (42 U.S.C. 658(b)(5)(C)(i)(I)) is  
17      amended—

18           (A) by inserting “is collected on behalf of  
19       a child described in section 457(f) or” after  
20       “involved”; and

21           (B) by striking “A or”.

1 **SEC. 17. STATE OPTION TO EXTEND ELIGIBILITY FOR AS-**  
2 **SISTANCE TO CHILDREN THROUGH AGE 21;**  
3 **PROHIBITION ON CONSIDERING FINANCIAL**  
4 **AID TIED TO EDUCATION OF CHILD IN DE-**  
5 **TERMINING ELIGIBILITY FOR, OR AMOUNT**  
6 **OF ASSISTANCE; PROHIBITION ON IMPOSING**  
7 **ADDITIONAL REQUIREMENTS BASED ON EDU-**  
8 **CATIONAL ENROLLMENT OF CHILD.**

9 (a) STATE OPTION TO EXTEND TANF TO CHIL-  
10 DREN UNDER AGE 22.—Section 419(2) (42 U.S.C.  
11 619(2)) is amended—

12 (1) by striking “or” at the end of subparagraph

13 (A);

14 (2) by striking the period at the end of sub-  
15 paragraph (B) and inserting “; or”; and

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

17 “(C) at the option of the State, has not at-  
18 tained 22 years of age.”.

19 (b) BAN ON CONSIDERING FINANCIAL AID TIED TO  
20 EDUCATION OF CHILD IN DETERMINING ELIGIBILITY  
21 FOR, OR AMOUNT OF ASSISTANCE; BAN ON IMPOSING AD-  
22 DITIONAL REQUIREMENTS BASED ON EDUCATIONAL EN-  
23 ROLLMENT OF CHILD.—

24 (1) PROHIBITIONS.—Section 408(a) (42 U.S.C.  
25 608(a)), as amended by sections 5(c)(2)(A), 7(d)(1),

1 8(b)(1), 9(b)(1), 10(a), 11(a), and 12(b) of this Act,  
2 is amended by adding at the end the following:

3 “(20) BAN ON CONSIDERING FINANCIAL AID  
4 TIED TO EDUCATION OF CHILD IN DETERMINING  
5 ELIGIBILITY FOR, OR AMOUNT OF ASSISTANCE; BAN  
6 ON IMPOSING ADDITIONAL REQUIREMENTS BASED  
7 ON EDUCATIONAL ENROLLMENT OF CHILD.—A  
8 State to which a grant is made under section 403  
9 for a fiscal year shall not—

10 “(A) consider financial aid tied to the  
11 training, school attendance, or postsecondary  
12 school attendance of a minor child in deter-  
13 mining that the eligibility of the family of the  
14 child for, or the amount of assistance to be pro-  
15 vided to the family, under the State program  
16 funded under this part or any other State pro-  
17 gram funded by qualified State expenditures (as  
18 defined in section 409(a)(7)(B)(i)); or

19 “(B) impose additional requirements on a  
20 family solely because the family includes a  
21 minor child who is enrolled in a training pro-  
22 gram, school, or post-secondary educational in-  
23 stitution.”.

24 (2) PENALTY.—Section 409(a) (42 U.S.C.  
25 609), as amended by sections 5(c)(2)(A), 7(d)(1),

1 8(b)(2), 9(b)(2), 10(b), 11(b), and 12(c) of this Act,  
2 is amended by adding at the end the following:

3 “(24) CONSIDERING EDUCATIONAL ENROLL-  
4 MENT OF CHILD OR OF FINANCIAL AID TIED TO  
5 EDUCATION OF CHILD.—If the Secretary determines  
6 that a State to which a grant is made under section  
7 403 in a fiscal year has violated section 408(a)(20)  
8 during the fiscal year, the Secretary shall reduce the  
9 grant payable to the State under section 403(a)(1)  
10 for the immediately succeeding fiscal year by an  
11 amount equal to 5 percent of the State family assist-  
12 ance grant.”.

13 **SEC. 18. ELIMINATION OF CERTAIN OTHER BARS TO TANF**  
14 **ASSISTANCE.**

15 (a) BAR ON ASSISTANCE FOR PERSONS CONVICTED  
16 OF DRUG FELONIES.—Section 115 of the Personal Re-  
17 sponsibility and Work Opportunity Reconciliation Act of  
18 1996 (21 U.S.C. 862a) is amended—

19 (1) in the section heading by striking “**ASSIST-**  
20 **ANCE AND**” and inserting “**SUPPLEMENTAL NU-**  
21 **TRITION ASSISTANCE**”;

22 (2) in subsection (a), by striking “for—” and  
23 all that follows through “(2) benefits” and inserting  
24 “for benefits”;

1           (3) in subsection (b), by striking all through  
2           “‘The amount of benefits’” and inserting the fol-  
3           lowing:

4           “(b) EFFECTS ON BENEFITS FOR OTHERS.—The  
5           amount of benefits”;

6           (4) in subsection (c), by striking “‘assistance  
7           or’”; and

8           (5) in subsection (e), by striking “‘it—’” and all  
9           that follows through “‘in section 3(s)’” and inserting  
10          “‘it in section 3(s)’”.

11          (b) BAR ON ASSISTANCE FOR UNWED TEEN PAR-  
12          ENTS NOT IN SCHOOL.—Section 408(a) (42 U.S.C.  
13          608(a)) is amended by striking paragraph (4).

14          (c) BAR ON ASSISTANCE FOR TEENS NOT IN AN  
15          ADULT-SUPERVISED LIVING ARRANGEMENT.—Section  
16          408(a) (42 U.S.C. 608(a)) is amended by striking para-  
17          graph (5).

18          (d) REDESIGNATION OF PROVISIONS.—

19                 (1) IN GENERAL.—Section 408(a) (42 U.S.C.  
20                 608(a)), as amended by the preceding provisions of  
21                 this Act, is amended by redesignating paragraphs  
22                 (6) through (20) as paragraphs (3) through (17), re-  
23                 spectively.

24                 (2) CONFORMING AMENDMENTS.—



1           (A) Section 402(a)(7)(B) (42 U.S.C.  
2           602(a)(7)(B)) is amended by striking  
3           “408(a)(7)(C)(iii)” and inserting  
4           “408(a)(4)(C)(iii)”.

5           (B) Section 403(a)(5)(C)(ii)(II) (42 U.S.C.  
6           603(a)(5)(C)(ii)(II)) is amended by striking  
7           “408(a)(7)(C)” and inserting “408(a)(4)(C)”.

8           (C) Section 403(a)(5)(C)(v) (42 U.S.C.  
9           603(a)(5)(C)(v)) is amended by striking  
10          “408(a)(7)” and inserting “408(a)(4)”.

11          (D) Section 409(a)(7)(B)(i)(IV) (42  
12          U.S.C. 609(a)(7)(B)(i)(IV)) is amended by  
13          striking “408(a)(7)” and inserting “408(a)(4)”.

14          (E) Section 409(a)(9) (42 U.S.C.  
15          609(a)(9)) is amended by striking “408(a)(7)”  
16          and inserting “408(a)(4)”.

17          (F) Section 409(a)(17), as added by sec-  
18          tion 7(d)(1)(A)(ii) of this Act, is amended by  
19          striking “408(a)(13)” and inserting  
20          “408(a)(10)”.

21          (G) Section 409(a)(18), as added by sec-  
22          tion 7(d)(1)(B)(ii) of this Act, is amended by  
23          striking “408(a)(14)” and inserting  
24          “408(a)(11)”.

1           (H) Section 409(a)(19), as added by sec-  
2           tion 8(b)(2) of this Act, is amended by striking  
3           “408(a)(15)” and inserting “408(a)(12)”.

4           (I) Section 409(a)(20), as added by section  
5           9(b)(2) of this Act, is amended by striking  
6           “408(a)(16)” and inserting “408(a)(13)”.

7           (J) Section 409(a)(21), as added by sec-  
8           tion 10(b) of this Act, is amended by striking  
9           “408(a)(17)” and inserting “408(a)(14)”.

10          (K) Section 409(a)(22), as added by sec-  
11          tion 11(b) of this Act, is amended by striking  
12          “408(a)(18)” and inserting “408(a)(15)”.

13          (L) Section 409(a)(23), as added by sec-  
14          tion 12(e) of this Act, is amended by striking  
15          “408(a)(19)” and inserting “408(a)(16)”.

16          (M) Section 409(a)(24), as added by sec-  
17          tion 17(b)(2) of this Act, is amended by strik-  
18          ing “408(a)(20)” and inserting “408(a)(17)”.

19          (N) Section 411(a)(1)(A)(xvi) (42 U.S.C.  
20          611(a)(1)(A)(xvi)) is amended by striking  
21          “408(a)(7)” and inserting “408(a)(7)(A)”.

22 **SEC. 19. EFFECTIVE DATE.**

23          (a) IN GENERAL.—Except as otherwise provided in  
24          this Act, this Act and the amendments made by this Act  
25          shall take effect on October 1, 2013, and shall apply to

1 payments under title IV of the Social Security Act for cal-  
2 endar quarters beginning on or after such date, without  
3 regard to whether regulations to implement the amend-  
4 ments are promulgated by such date.

5 (b) DELAY PERMITTED IF STATE LEGISLATION RE-  
6 QUIRED.—If the Secretary of Health and Human Services  
7 determines that State legislation (other than legislation  
8 appropriating funds) is required in order for a State plan  
9 under part A or E of title IV of the Social Security Act  
10 to meet the additional requirements imposed by the  
11 amendments made by this Act, the plan shall not be re-  
12 garded as failing to meet any of the additional require-  
13 ments before the 1st day of the 1st calendar quarter be-  
14 ginning after the close of the first regular session of the  
15 State legislature that begins after the date of the enact-  
16 ment of this Act. If the State has a 2-year legislative ses-  
17 sion, each year of the session is deemed to be a separate  
18 regular session of the State legislature.

○