

104TH CONGRESS  
2D SESSION

# H. R. 4324

To improve the program of block grants to States for temporary assistance  
for needy families.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 1996

Mr. SCHUMER introduced the following bill; which was referred to the  
Committee on Ways and Means

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## A BILL

To improve the program of block grants to States for  
temporary assistance for needy families.

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 “Welfare to Work Act  
5 of 1996”.

6 **SEC. 2. MODIFICATION OF PROGRAM PURPOSE.**

7 (a) IN GENERAL.—Section 401 of the Social Security  
8 Act, as in effect pursuant to title I of the Personal Re-  
9 sponsibility and Work Opportunity Reconciliation Act of  
10 1996, is amended to read as follows:

1 **“SEC. 401. PURPOSE.**

2 “The purpose of this part is to—

3 “(1) help low income families attain work and  
4 economic self-sufficiency;

5 “(2) provide assistance to needy families so that  
6 children may be cared for in their own homes or in  
7 the homes of relatives;

8 “(3) break the cycle of dependence of needy  
9 parents on government benefits by requiring job  
10 preparation and work;

11 “(4) prevent and reduce the incidence of out-of-  
12 wedlock pregnancies and establish annual numerical  
13 goals for preventing and reducing the incidence of  
14 these pregnancies; and

15 “(5) encourage the formation and maintenance  
16 of two-parent families.”.

17 (b) CONFORMING CHANGE IN NAME OF PROGRAM.—

18 (1) IN GENERAL.—

19 (A) The title heading of title I of the Per-  
20 sonal Responsibility and Work Opportunity  
21 Reconciliation Act of 1996 is amended by strik-  
22 ing “**TEMPORARY**”.

23 (B) The part heading of part A of title IV  
24 of the Social Security Act, as in effect pursuant  
25 to title I of the Personal Responsibility and

1 Work Opportunity Reconciliation Act of 1996,  
2 is amended by striking “**TEMPORARY**”.

3 (2) CONFORMING AMENDMENTS.—

4 (A) The Balanced Budget and Emergency  
5 Deficit Control Act of 1985 (2 U.S.C. 900 et  
6 seq.) is amended in the first section 255(h) (2  
7 U.S.C. 905(h)), by striking “temporary”.

8 (B) The heading of clause (ii) of section  
9 116(b)(1)(B) of the Personal Responsibility and  
10 Work Opportunity Reconciliation Act of 1996 is  
11 amended by striking “TEMPORARY”.

12 **SEC. 3. MODIFICATION OF REQUIREMENTS RELATING TO**  
13 **WORK.**

14 (a) MODIFICATIONS TO REQUIRED CONTENTS OF  
15 STATE PLANS.—Section 402(a)(1) of the Social Security  
16 Act, as in effect pursuant to title I of the Personal Re-  
17 sponsibility and Work Opportunity Reconciliation Act of  
18 1996, is amended—

19 (1) in subparagraph (A)—

20 (A) in clause (i), by striking “and become  
21 self-sufficient” and inserting “, become self-suf-  
22 ficient, or earn their benefits”; and

23 (B) in clause (ii), by striking “24 months  
24 (whether or not consecutive)” and inserting “3  
25 months”; and

1 (2) in subparagraph (B), by striking clause (iv).

2 (b) NEW WORK REQUIREMENTS.—

3 (1) IN GENERAL.—Section 407 of the Social  
4 Security Act, as in effect pursuant to title I of the  
5 Personal Responsibility and Work Opportunity Rec-  
6 onciliation Act of 1996, is amended to read as fol-  
7 lows:

8 **“SEC. 407. WORK REQUIREMENTS.**

9 “(a) WORK REQUIRED AFTER 3 MONTHS.—Except  
10 as provided in subsection (b), after a State has provided  
11 assistance for 3 months (whether or not consecutive) to  
12 an adult or a head of household under the State program  
13 funded under this part, the State shall ensure that, for  
14 any period for which the adult or head of household is  
15 provided with such assistance, the adult or head of house-  
16 hold is engaged in work activities for a number of hours  
17 in the period that is not less than—

18 “(1) the dollar amount of the assistance so pro-  
19 vided during the period; divided by

20 “(2) the minimum wage rate in effect for the  
21 period under section 6 of the Fair Labor Standards  
22 Act of 1938.

23 “(b) STATE AUTHORITY TO MAKE EXEMPTIONS FOR  
24 GOOD CAUSE.—A State shall not be considered to be in  
25 violation of subsection (a) for a period by reason of the

1 failure of the State to ensure that, during the period, an  
2 adult or a head of household is engaged in work activities  
3 as required by subsection (a) if—

4 “(1) the State determines that there is good  
5 cause not to require the adult or head of household  
6 to engage in work activities for the period; and

7 “(2) during the period, such a determination is  
8 in effect with respect to not more than 10 percent  
9 of the adults and heads of households receiving as-  
10 sistance under the State plan funded under this  
11 part.

12 “(c) WORK ACTIVITIES DEFINED.—As used in this  
13 section, the term ‘work activities’ means—

14 “(1) unsubsidized employment;

15 “(2) subsidized private sector employment;

16 “(3) subsidized public sector employment;

17 “(4) work experience (including work associated  
18 with the refurbishing of publicly assisted housing) if  
19 sufficient private sector employment is not available;

20 “(5) on-the-job training;

21 “(6) community service programs;

22 “(7) vocational educational training (not to ex-  
23 ceed 6 months with respect to any individual);

24 “(8) education directly related to employment,  
25 in the case of a recipient who has not received a

1 high school diploma or a certificate of high school  
2 equivalency; and

3 “(9) satisfactory attendance at secondary school  
4 or in a course of study leading to a certificate of  
5 general equivalence, in the case of a recipient who  
6 has not completed secondary school or received such  
7 a certificate.

8 “(d) NONDISPLACEMENT IN WORK ACTIVITIES.—

9 “(1) IN GENERAL.—Subject to paragraph (2),  
10 an adult in a family receiving assistance under a  
11 State program funded under this part attributable to  
12 funds provided by the Federal Government may fill  
13 a vacant employment position in order to engage in  
14 a work activity.

15 “(2) NO FILLING OF CERTAIN VACANCIES.—No  
16 adult in a work activity which is funded, in whole or  
17 in part, by funds provided by the Federal Govern-  
18 ment shall be employed or assigned—

19 “(A) when any other individual is on layoff  
20 from the same or any substantially equivalent  
21 job; or

22 “(B) if the employer has terminated the  
23 employment of any regular employee or other-  
24 wise caused an involuntary reduction of its

1 workforce in order to fill the vacancy so created  
2 with an adult described in paragraph (1).

3 “(3) GRIEVANCE PROCEDURE.—A State with a  
4 program funded under this part shall establish and  
5 maintain a grievance procedure for resolving com-  
6 plaints of alleged violations of paragraph (2).

7 “(4) NO PREEMPTION.—Nothing in this sub-  
8 section shall preempt or supersede any provision of  
9 State or local law that provides greater protection  
10 for employees from displacement.

11 “(e) REVIEW OF IMPLEMENTATION OF STATE WORK  
12 PROGRAMS.—During fiscal year 1999, the Committee on  
13 Ways and Means of the House of Representatives and the  
14 Committee on Finance of the Senate shall hold hearings  
15 and engage in other appropriate activities to review the  
16 implementation of this section by the States, and shall in-  
17 vite the Governors of the States to testify before them re-  
18 garding such implementation. Based on such hearings,  
19 such Committees may introduce such legislation as may  
20 be appropriate to remedy any problems with the State pro-  
21 grams operated pursuant to this section.”.

22 (2) CONFORMING AMENDMENTS.—

23 (A) The heading of section 409(a)(3) of  
24 the Social Security Act, as in effect pursuant to  
25 title I of the Personal Responsibility and Work

1 Opportunity Reconciliation Act of 1996, is  
2 amended by striking “SATISFY MINIMUM PAR-  
3 TICIPATION RATES” and inserting “MEET WORK  
4 REQUIREMENTS”.

5 (B) Section 411(a)(1)(A)(xii) of the Social  
6 Security Act, as in effect pursuant to title I of  
7 the Personal Responsibility and Work Oppor-  
8 tunity Reconciliation Act of 1996, is amended  
9 by striking “calculate minimum participation  
10 rates under” and inserting “determine degree  
11 of compliance with”.

12 (C) Section 411(a)(4) of the Social Secu-  
13 rity Act, as in effect pursuant to title I of the  
14 Personal Responsibility and Work Opportunity  
15 Reconciliation Act of 1996, is amended by  
16 striking “407(d)” and inserting “407(e)”.

17 (D) Section 107 of the Personal Respon-  
18 sibility and Work Opportunity Reconciliation  
19 Act of 1996 is repealed.

20 (E) Section 466(a)(15)(A)(ii) of the Social  
21 Security Act (42 U.S.C. 666(a)(15)(A)(ii)) is  
22 amended by striking “407(d)” and inserting  
23 “407(e)”.

24 (c) STATES REQUIRED TO PROVIDE TO RECIPIENTS  
25 ENGAGING IN REQUIRED WORK ACTIVITIES A CASH BEN-

1 EFIT BASED ON NUMBER OF HOURS OF WORK ACTIVI-  
2 TIES.—Section 408(a) of the Social Security Act, as in  
3 effect pursuant to title I of the Personal Responsibility  
4 and Work Opportunity Reconciliation Act of 1996, and  
5 as amended by section 5(a)(2) of this Act, is amended by  
6 inserting after paragraph (6) the following:

7           “(7) CASH BENEFITS REQUIRED TO BE PRO-  
8           VIDED FOR RECIPIENTS ENGAGING IN REQUIRED  
9           WORK ACTIVITIES.—A State shall provide assistance  
10          under the State program funded under this part to  
11          a family engaging in work activities required pursu-  
12          ant to section 407 in the form of a monthly cash  
13          payment to the family of an amount equal to the  
14          lesser of—

15                 “(A) the dollar value of the assistance that  
16                 would otherwise be provided to the family for  
17                 the month under the State program funded  
18                 under this part; or

19                 “(B)(i) the aggregate number of hours  
20                 during the immediately preceding month that  
21                 the adult (or adults) in the family is (or are)  
22                 engaged in such activities; multiplied by

23                 “(ii) the minimum wage rate in effect  
24                 under section 6 of the Fair Labor Standards  
25                 Act of 1938.”.

1 (d) PENALTY APPLICABLE TO STATES FOR FAILURE  
2 TO MAKE REQUIRED MONTHLY CASH PAYMENTS TO  
3 FAMILIES ENGAGING IN REQUIRED WORK ACTIVITIES.—

4 Section 409(a) of the Social Security Act, as in effect pur-  
5 suant to title I of the Personal Responsibility and Work  
6 Opportunity Reconciliation Act of 1996, and as amended  
7 by section 7(b)(1) of this Act, is amended by inserting  
8 after paragraph (5) the following:

9 “(6) FAILURE TO MAKE REQUIRED MONTHLY  
10 CASH PAYMENTS TO FAMILIES ENGAGING IN RE-  
11 QUIRED WORK ACTIVITIES.—If the Secretary deter-  
12 mines that, during a fiscal year, a State has not pro-  
13 vided to a family engaging in work activities re-  
14 quired pursuant to section 407 a monthly cash pay-  
15 ment in the amount required by section 408(a)(7),  
16 the Secretary shall reduce the grant payable to the  
17 State under section 403(a)(1) for the immediately  
18 succeeding fiscal year by an amount equal to 3 times  
19 the difference (whether positive or negative) between  
20 the amount so required to be paid to the family for  
21 the month and the amount paid to the family for the  
22 month under the State program funded under this  
23 part.”.

24 (e) EMERGENCY MEDICAL SERVICES EXCEPTION TO  
25 MEDICAID DISQUALIFICATION FOR ADULTS WHO FAIL

1 TO MEET WORK REQUIREMENT.—Section 1931(b)(3) of  
2 the Social Security Act (42 U.S.C. 1396v(b)(3)), as in ef-  
3 fect pursuant to title I of the Personal Responsibility and  
4 Work Opportunity Reconciliation Act of 1996, is amended  
5 by adding at the end the following new subparagraph:

6           “(C) EXCEPTION FOR EMERGENCY MEDI-  
7           CAL SERVICES.—Subparagraph (A) shall not  
8           apply to terminate medical assistance for care  
9           and services that are necessary for the treat-  
10          ment of an emergency medical condition (as de-  
11          fined in section 1903(v)(3)) and that are not  
12          related to an organ transplant procedure.”.

13 **SEC. 4. INCREASED COMMITMENT TO CHILD CARE.**

14       (a) INCREASED CHILD CARE FUNDING.—Section  
15 418(a)(3) of the Social Security Act, as added by section  
16 603(b) of the Personal Responsibility and Work Oppor-  
17 tunity Reconciliation Act of 1996, is amended to read as  
18 follows:

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

21           “(A) \$2,967,000,000 for fiscal year 1997;

22           “(B) \$3,067,000,000 for fiscal year 1998;

23           “(C) \$3,167,000,000 for fiscal year 1999;

24           “(D) \$3,367,000,000 for fiscal year 2000;

1                   “(E) \$3,567,000,000 for fiscal year 2001;  
2                   and  
3                   “(F) \$3,717,000,000 for fiscal year  
4                   2002.”.

5           (b) CHILD CARE REQUIRED TO BE PROVIDED TO  
6 FAMILIES WITH CHILDREN UNDER AGE 6.—Section  
7 408(a) of the Social Security Act, as in effect pursuant  
8 to title I of the Personal Responsibility and Work Oppor-  
9 tunity Reconciliation Act of 1996, is amended by adding  
10 at the end the following:

11                   “(12) PROVISION OF CHILD CARE TO FAMILIES  
12 WITH A CHILD UNDER AGE 6.—A State to which a  
13 grant is made under section 403 shall take such  
14 steps as may be necessary to ensure that each family  
15 receiving assistance under the State program funded  
16 under this part is provided with child care for any  
17 child in the family who has not attained 6 years of  
18 age.”.

19           (c) PENALTY FOR FAILURE TO PROVIDE REQUIRED  
20 CHILD CARE.—Section 409(a) of the Social Security Act,  
21 as in effect pursuant to title I of the Personal Responsibil-  
22 ity and Work Opportunity Reconciliation Act of 1996, as  
23 amended by section 5(b) of this Act, is amended by insert-  
24 ing after paragraph (8) the following:

1           “(9) FAILURE TO PROVIDE REQUIRED CHILD  
2 CARE.—

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

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

17       (d) ELIMINATION OF PENALTY FOR FAILURE TO  
18 MAINTAIN ASSISTANCE TO ADULT SINGLE CUSTODIAL  
19 PARENTS WHO CANNOT OBTAIN CHILD CARE FOR CHILD  
20 UNDER AGE 6.—Section 409(a) of the Social Security  
21 Act, as in effect pursuant to title I of the Personal Re-  
22 sponsibility and Work Opportunity Reconciliation Act of  
23 1996, is amended by striking paragraph (11).

24 **SEC. 5. ELIMINATION OF 5-YEAR LIMIT ON ASSISTANCE.**

25       (a) IN GENERAL.—

1           (1) Section 408(a)(1) of the Social Security  
2 Act, as in effect pursuant to title I of the Personal  
3 Responsibility and Work Opportunity Reconciliation  
4 Act of 1996, is amended to read as follows:

5           “(1) NO ASSISTANCE FOR FAMILIES WITHOUT A  
6 MINOR CHILD.—A State to which a grant is made  
7 under section 403 shall not use any part of the  
8 grant to provide assistance to a family, unless the  
9 family includes—

10           “(A) a minor child who resides with a cus-  
11 todial parent or other adult caretaker relative of  
12 the child; or

13           “(B) a pregnant individual.”.

14           (2) Section 408(a) of the Social Security Act,  
15 as in effect pursuant to title I of the Personal Re-  
16 sponsibility and Work Opportunity Reconciliation  
17 Act of 1996, is amended by striking paragraph (7).

18           (b) ELIMINATION OF ASSOCIATED PENALTY.—Sec-  
19 tion 409(a) of the Social Security Act, as in effect pursu-  
20 ant to title I of the Personal Responsibility and Work Op-  
21 portunity Reconciliation Act of 1996, is amended by strik-  
22 ing paragraph (9).

23           (c) CONFORMING AMENDMENTS.—

24           (1) Section 409(a)(7)(B)(i)(III) of the Social  
25 Security Act, as in effect pursuant to title I of the

1 Personal Responsibility and Work Opportunity Rec-  
2 onciliation Act of 1996, is amended by striking “sec-  
3 tion 408(a)(7) of this Act or”.

4 (2) Section 411(a)(1)(A)(xvi) of the Social Se-  
5 curity Act, as in effect pursuant to title I of the Per-  
6 sonal Responsibility and Work Opportunity Rec-  
7 onciliation Act of 1996, is amended—

8 (A) by adding “or” at the end of subclause  
9 (II);

10 (B) by striking subclause (III); and

11 (C) by redesignating subclause (IV) as  
12 subclause (III).

13 **SEC. 6. CHANGES RELATED TO GRANTS TO STATES.**

14 (a) AMOUNT OF FAMILY ASSISTANCE GRANT.—Sec-  
15 tion 403(a)(1)(B) of the Social Security Act, as in effect  
16 pursuant to title I of the Personal Responsibility and  
17 Work Opportunity Reconciliation Act of 1996, is amend-  
18 ed—

19 (1) in clause (i), by striking “1992, 1993, and  
20 1994” and inserting “1994, 1995, and 1996”; and

21 (2) in clause (ii)(I), by striking “1994” and in-  
22 serting “1996”.

23 (b) ESTABLISHMENT OF SUPPLEMENTAL GRANT FOR  
24 OPERATION OF WORK PROGRAMS IN LIEU OF SUPPLE-  
25 MENTAL GRANT FOR POPULATION INCREASES IN CER-

1 TAIN STATES AND BONUS TO REWARD HIGH PERFORM-  
2 ANCE STATES.—Section 403(a) of the Social Security Act,  
3 as in effect pursuant to title I of the Personal Responsibil-  
4 ity and Work Opportunity Reconciliation Act of 1996, is  
5 amended by striking paragraphs (3) and (4) and inserting  
6 the following:

7 “(3) SUPPLEMENTAL GRANT FOR OPERATION  
8 OF WORK PROGRAMS.—

9 “(A) IN GENERAL.—Each eligible State  
10 shall be entitled to receive from the Secretary  
11 a grant, in an amount described in subpara-  
12 graph (B), for each fiscal year specified in sub-  
13 paragraph (C), which shall be used by the State  
14 only to comply with section 407.

15 “(B) AMOUNT OF GRANT.—The amount  
16 described in this subparagraph with respect to  
17 a State is the amount that bears the same ratio  
18 to \$1,000,000,000 as the amount of the State  
19 family assistance grant bears to the total of the  
20 State family assistance grants of all States.

21 “(C) APPROPRIATION.—There are author-  
22 ized to be appropriated for grants under this  
23 paragraph \$1,000,000,000 for each of fiscal  
24 years 1997, 1998, 1999, 2000, 2001, and  
25 2002.”.

1 (c) ELIMINATION OF AUTHORITY TO USE PORTION  
2 OF GRANTS FOR OTHER PURPOSES.—Section 404 of the  
3 Social Security Act, as in effect pursuant to title I of the  
4 Personal Responsibility and Work Opportunity Reconcili-  
5 ation Act of 1996, is amended by striking subsection (d)  
6 and redesignating subsections (e) through (j) as sub-  
7 sections (d) through (i), respectively.

8 **SEC. 7. REPEAL OF FEDERAL LOANS FOR STATE WELFARE**  
9 **PROGRAMS.**

10 (a) IN GENERAL.—Section 406 of the Social Security  
11 Act, as in effect pursuant to title I of the Personal Re-  
12 sponsibility and Work Opportunity Reconciliation Act of  
13 1996, is repealed.

14 (b) ELIMINATION OF ASSOCIATED PENALTY.—

15 (1) IN GENERAL.—Section 409(a) of the Social  
16 Security Act, as in effect pursuant to title I of the  
17 Personal Responsibility and Work Opportunity Rec-  
18 onciliation Act of 1996, is amended by striking para-  
19 graph (6).

20 (2) CONFORMING AMENDMENTS.—

21 (A) Section 409(c) of the Social Security  
22 Act, as in effect pursuant to title I of the Per-  
23 sonal Responsibility and Work Opportunity  
24 Reconciliation Act of 1996, is amended by  
25 striking paragraph (4).

1           (B) Section 412(f)(1) of the Social Secu-  
2           rity Act, as in effect pursuant to title I of the  
3           Personal Responsibility and Work Opportunity  
4           Reconciliation Act of 1996, is amended by  
5           striking “(a)(1), (a)(6),” and inserting “(a)(1)  
6           and”.

7 **SEC. 8. MISCELLANEOUS.**

8           (a) DOMESTIC VIOLENCE CERTIFICATION REQUIRED  
9 TO BE INCLUDED IN STATE PLAN.—Section 402(a)(7) of  
10 the Social Security Act, as in effect pursuant to title I  
11 of the Personal Responsibility and Work Opportunity Rec-  
12 onciliation Act of 1996, is amended—

13           (1) in the heading, by striking “OPTIONAL CER-  
14           TIFICATION” and inserting “CERTIFICATION”;

15           (2) by striking “At the option of the State, a”  
16           and inserting “A”;

17           (3) by inserting “being subjected to” before  
18           “domestic violence” the first 2 places such term ap-  
19           pears;

20           (4) by inserting “being subjected to” before  
21           “further domestic violence”; and

22           (5) by striking subparagraph (B) and inserting  
23           the following:

24                   “(B) DOMESTIC VIOLENCE DEFINED.—For  
25           purposes of this paragraph, an individual has

1           been subjected to domestic violence if the indi-  
2           vidual has been subjected to—

3                   “(i) physical acts that resulted in, or  
4                   threatened to result in, physical injury to  
5                   the individual;

6                   “(ii) sexual abuse;

7                   “(iii) sexual activity involving a de-  
8                   pendent child;

9                   “(iv) being forced as the caretaker rel-  
10                  ative of a dependent child to engage in  
11                  nonconsensual sexual acts or activities;

12                  “(v) threats of, or attempts at, phys-  
13                  ical or sexual abuse;

14                  “(vi) mental abuse; or

15                  “(vii) neglect or deprivation of medi-  
16                  cal care.”.

17           (b) STATES REQUIRED TO MAKE INITIAL ASSESS-  
18           MENT OF RECIPIENTS OF ASSISTANCE.—Section 408(b)  
19           of the Social Security Act, as in effect pursuant to title  
20           I of the Personal Responsibility and Work Opportunity  
21           Reconciliation Act of 1996, is amended by striking para-  
22           graph (4).

23           **SEC. 9. EFFECTIVE DATE.**

24           (a) IN GENERAL.—Except as provided in subsection  
25           (b), the amendments made by this Act shall take effect

1 as if included in title I of the Personal Responsibility and  
2 Work Opportunity Reconciliation Act of 1996 on the date  
3 such Act became law.

4 (b) INCREASE IN CHILD CARE FUNDING.—The  
5 amendment made by section 4(a) of this Act shall take  
6 effect as if included in title VI of the Personal Responsibil-  
7 ity and Work Opportunity Reconciliation Act of 1996 on  
8 the date such Act became law.

○