

105TH CONGRESS  
1ST SESSION

# H. R. 2861

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

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 6, 1997

Mr. SCHUMER introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, 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 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 1997”.

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

7 (a) IN GENERAL.—Section 401 of the Social Security  
8 Act (42 U.S.C. 601) 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 is amended by strik-  
25 ing “**TEMPORARY**”.

26 (2) CONFORMING AMENDMENTS.—

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

5 (B) The heading of clause (ii) of section  
6 116(b)(1)(B) of the Personal Responsibility and  
7 Work Opportunity Reconciliation Act of 1996 is  
8 amended by striking “TEMPORARY”.

9 **SEC. 3. MODIFICATION OF REQUIREMENTS RELATING TO**  
10 **WORK.**

11 (a) MODIFICATIONS TO REQUIRED CONTENTS OF  
12 STATE PLANS.—Section 402(a)(1) of the Social Security  
13 Act (42 U.S.C. 602(a)(1)) is amended—

14 (1) in subparagraph (A)—

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

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

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

22 (b) NEW WORK REQUIREMENTS.—

23 (1) IN GENERAL.—Section 407 of the Social  
24 Security Act (42 U.S.C. 607) is amended to read as  
25 follows:

1 **“SEC. 407. WORK REQUIREMENTS.**

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

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

13 “(2) the minimum wage rate in effect for the  
14 period under section 6 of the Fair Labor Standards  
15 Act of 1938.

16 “(b) STATE AUTHORITY TO MAKE EXEMPTIONS FOR  
17 GOOD CAUSE.—A State shall not be considered to be in  
18 violation of subsection (a) for a period by reason of the  
19 failure of the State to ensure that, during the period, an  
20 adult or a head of household is engaged in work activities  
21 as required by subsection (a) if—

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

25 “(2) during the period, such a determination is  
26 in effect with respect to not more than 10 percent

1 of the adults and heads of households receiving as-  
2 sistance under the State plan funded under this  
3 part.

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

6 “(1) unsubsidized employment;

7 “(2) subsidized private sector employment;

8 “(3) subsidized public sector employment;

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

12 “(5) on-the-job training;

13 “(6) community service programs;

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

16 “(8) education directly related to employment,  
17 in the case of a recipient who has not received a  
18 high school diploma or a certificate of high school  
19 equivalency; and

20 “(9) satisfactory attendance at secondary school  
21 or in a course of study leading to a certificate of  
22 general equivalence, in the case of a recipient who  
23 has not completed secondary school or received such  
24 a certificate.

25 “(d) NONDISPLACEMENT IN WORK ACTIVITIES.—

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

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

11                   “(A) when any other individual is on layoff  
12                   from the same or any substantially equivalent  
13                   job; or

14                   “(B) if the employer has terminated the  
15                   employment of any regular employee or other-  
16                   wise caused an involuntary reduction of its  
17                   workforce in order to fill the vacancy so created  
18                   with an adult described in paragraph (1).

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

23           “(4) NO PREEMPTION.—Nothing in this sub-  
24           section shall preempt or supersede any provision of

1 State or local law that provides greater protection  
2 for employees from displacement.

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

14 (2) CONFORMING AMENDMENTS.—

15 (A) The heading of section 409(a)(3) of  
16 the Social Security Act (42 U.S.C. 609(a)(3)) is  
17 amended by striking “SATISFY MINIMUM PAR-  
18 TICIPATION RATES” and inserting “MEET WORK  
19 REQUIREMENTS”.

20 (B) Section 411(a)(1)(A)(xii) of the Social  
21 Security Act (42 U.S.C. 611(a)(1)(A)(xii)) is  
22 amended by striking “calculate minimum par-  
23 ticipation rates under” and inserting “deter-  
24 mine degree of compliance with”.

1 (C) Section 411(a)(4) of the Social Secu-  
2 rity Act (42 U.S.C. 611(a)(4)) is amended by  
3 striking “407(d)” and inserting “407(c)”.

4 (D) Section 107 of the Personal Respon-  
5 sibility and Work Opportunity Reconciliation  
6 Act of 1996 (42 U.S.C. 613 note) is repealed.

7 (E) Section 466(a)(15)(A)(ii) of the Social  
8 Security Act (42 U.S.C. 666(a)(15)(A)(ii)) is  
9 amended by striking “407(d)” and inserting  
10 “407(c)”.

11 (c) STATES REQUIRED TO PROVIDE TO RECIPIENTS  
12 ENGAGING IN REQUIRED WORK ACTIVITIES A CASH BEN-  
13 EFIT BASED ON NUMBER OF HOURS OF WORK ACTIVI-  
14 TIES.—Section 408(a) of the Social Security Act (42  
15 U.S.C. 608(a)), as amended by section 5(a) of this Act,  
16 is amended by inserting after paragraph (6) the following:

17 “(7) CASH BENEFITS REQUIRED TO BE PRO-  
18 VIDED FOR RECIPIENTS ENGAGING IN REQUIRED  
19 WORK ACTIVITIES.—A State shall provide assistance  
20 under the State program funded under this part to  
21 a family engaging in work activities required pursu-  
22 ant to section 407 in the form of a monthly cash  
23 payment to the family of an amount equal to the  
24 lesser of—

1           “(A) the dollar value of the assistance that  
2           would otherwise be provided to the family for  
3           the month under the State program funded  
4           under this part; or

5           “(B)(i) the aggregate number of hours  
6           during the immediately preceding month that  
7           the adult (or adults) in the family is (or are)  
8           engaged in such activities; multiplied by

9           “(ii) the minimum wage rate in effect  
10          under section 6 of the Fair Labor Standards  
11          Act of 1938.”.

12          (d) PENALTY APPLICABLE TO STATES FOR FAILURE  
13 TO MAKE REQUIRED MONTHLY CASH PAYMENTS TO  
14 FAMILIES ENGAGING IN REQUIRED WORK ACTIVITIES.—  
15 Section 409(a) of the Social Security Act (42 U.S.C.  
16 609(a), as amended by section 7(b)(1) of this Act, is  
17 amended by inserting after paragraph (5) the following:

18          “(6) FAILURE TO MAKE REQUIRED MONTHLY  
19 CASH PAYMENTS TO FAMILIES ENGAGING IN RE-  
20 QUIRED WORK ACTIVITIES.—If the Secretary deter-  
21 mines that, during a fiscal year, a State has not pro-  
22 vided to a family engaging in work activities re-  
23 quired pursuant to section 407 a monthly cash pay-  
24 ment in the amount required by section 408(a)(7),  
25 the Secretary shall reduce the grant payable to the

1 State under section 403(a)(1) for the immediately  
2 succeeding fiscal year by an amount equal to 3 times  
3 the difference (whether positive or negative) between  
4 the amount so required to be paid to the family for  
5 the month and the amount paid to the family for the  
6 month under the State program funded under this  
7 part.”.

8 (e) EMERGENCY MEDICAL SERVICES EXCEPTION TO  
9 MEDICAID DISQUALIFICATION FOR ADULTS WHO FAIL  
10 TO MEET WORK REQUIREMENT.—Section 1931(b)(3) of  
11 the Social Security Act (42 U.S.C. 1396v(b)(3)) is amend-  
12 ed by adding at the end the following new subparagraph:

13 “(C) EXCEPTION FOR EMERGENCY MEDI-  
14 CAL SERVICES.—Subparagraph (A) shall not  
15 apply to terminate medical assistance for care  
16 and services that are necessary for the treat-  
17 ment of an emergency medical condition (as de-  
18 fined in section 1903(v)(3)) and that are not  
19 related to an organ transplant procedure.”.

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

21 (a) INCREASED CHILD CARE FUNDING.—Section  
22 418(a)(3) of the Social Security Act (42 U.S.C. 618(a)(3))  
23 is amended to read as follows:

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

1 “(A) \$2,967,000,000 for fiscal year 1998;

2 “(B) \$3,067,000,000 for fiscal year 1999;

3 “(C) \$3,167,000,000 for fiscal year 2000;

4 “(D) \$3,367,000,000 for fiscal year 2001;

5 and

6 “(E) \$3,567,000,000 for fiscal year

7 2002.”.

8 (b) CHILD CARE REQUIRED TO BE PROVIDED TO  
9 FAMILIES WITH CHILDREN UNDER AGE 6.—Section  
10 408(a) of the Social Security Act (42 U.S.C. 608(a)) is  
11 amended by adding at the end the following:

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

20 (c) PENALTY FOR FAILURE TO PROVIDE REQUIRED  
21 CHILD CARE.—Section 409(a) of the Social Security Act  
22 (42 U.S.C. 609(a)), as amended by section 5(b) of this  
23 Act, is amended by inserting after paragraph (8) the fol-  
24 lowing:

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 Act  
21 (42 U.S.C. 609(a)) is amended by striking paragraph  
22 (11).

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

2 (a) IN GENERAL.—Section 408(a) of the Social Secu-  
3 rity Act (42 U.S.C. 608(a)) is amended by striking para-  
4 graph (7).

5 (b) ELIMINATION OF ASSOCIATED PENALTY.—Sec-  
6 tion 409(a) of the Social Security Act (42 U.S.C. 609(a))  
7 is amended by striking paragraph (9).

8 (c) CONFORMING AMENDMENTS.—

9 (1) Section 409(a)(7)(B)(i)(IV) of the Social  
10 Security Act (42 U.S.C. 609(a)(7)(B)(i)(IV)) is  
11 amended by striking “, families that would be eligi-  
12 ble for such assistance but for the application of sec-  
13 tion 408(a)(7) of this Act,”.

14 (2) Section 411(a)(1)(A)(xvi) of the Social Se-  
15 curity Act (42 U.S.C. 611(a)(1)(A)(xvi)) is amend-  
16 ed—

17 (A) by striking subclause (III); and

18 (C) by redesignating subclauses (IV) and

19 (V) as subclauses (III) and (IV), respectively.

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

21 (a) AMOUNT OF FAMILY ASSISTANCE GRANT.—Sec-  
22 tion 403(a)(1)(B) of the Social Security Act (42 U.S.C.  
23 603(a)(1)(B)) is amended—

24 (1) in clause (i), by striking “1992, 1993, and  
25 1994” and inserting “1994, 1995, and 1996”; and

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

3           (b) ESTABLISHMENT OF SUPPLEMENTAL GRANT FOR  
4           OPERATION OF WORK PROGRAMS IN LIEU OF SUPPLE-  
5           MENTAL GRANT FOR POPULATION INCREASES IN CER-  
6           TAIN STATES AND BONUS TO REWARD HIGH PERFORM-  
7           ANCE STATES.—Section 403(a) of the Social Security Act  
8           (42 U.S.C. 603(a)) is amended by striking paragraphs (3)  
9           and (4) and inserting the following:

10           “(3) SUPPLEMENTAL GRANT FOR OPERATION  
11           OF WORK PROGRAMS.—

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

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

24           “(C) APPROPRIATION.—There are author-  
25           ized to be appropriated for grants under this

1 paragraph \$1,000,000,000 for each of fiscal  
2 years 1997, 1998, 1999, 2000, 2001, and  
3 2002.”.

4 (c) ELIMINATION OF AUTHORITY TO USE PORTION  
5 OF GRANTS FOR OTHER PURPOSES.—Section 404 of the  
6 Social Security Act (42 U.S.C. 604) is amended by strik-  
7 ing subsection (d) and redesignating subsections (e)  
8 through (j) as subsections (d) through (i), respectively.

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

11 (a) IN GENERAL.—Section 406 of the Social Security  
12 Act (42 U.S.C. 606) is repealed.

13 (b) ELIMINATION OF ASSOCIATED PENALTY.—

14 (1) IN GENERAL.—Section 409(a) of the Social  
15 Security Act (42 U.S.C. 609(a)) is amended by  
16 striking paragraph (6).

17 (2) CONFORMING AMENDMENTS.—

18 (A) Section 409(c) of the Social Security  
19 Act (42 U.S.C. 609(c)) is amended by striking  
20 paragraph (4).

21 (B) Section 412(f)(1) of the Social Secu-  
22 rity Act (42 U.S.C. 612(f)(1)) is amended by  
23 striking “(a)(1), (a)(6),” and inserting “(a)(1)  
24 and”.

1 **SEC. 8. MISCELLANEOUS.**

2 (a) DOMESTIC VIOLENCE CERTIFICATION REQUIRED  
3 TO BE INCLUDED IN STATE PLAN.—Section 402(a)(7) of  
4 the Social Security Act (42 U.S.C. 602(a)(7)) is amend-  
5 ed—

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

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

10 (3) by inserting “being subjected to” before  
11 “domestic violence” the first 2 places such term ap-  
12 pears;

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

15 (5) by striking subparagraph (B) and inserting  
16 the following:

17 “(B) DOMESTIC VIOLENCE DEFINED.—For  
18 purposes of this paragraph, an individual has  
19 been subjected to domestic violence if the indi-  
20 vidual has been subjected to—

21 “(i) physical acts that resulted in, or  
22 threatened to result in, physical injury to  
23 the individual;

24 “(ii) sexual abuse;

25 “(iii) sexual activity involving a de-  
26 pendent child;

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

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

6           “(vi) mental abuse; or

7           “(vii) neglect or deprivation of medi-  
8           cal care.”.

9           (b) STATES REQUIRED TO MAKE INITIAL ASSESS-  
10          MENT OF RECIPIENTS OF ASSISTANCE.—Section 408(b)  
11          of the Social Security Act (42 U.S.C. 608(b)) is amended  
12          by striking paragraph (4).

13         **SEC. 9. EFFECTIVE DATE.**

14           The amendments made by this Act shall take effect  
15          on October 1, 1997.

○