

113<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 3864

To amend certain provisions of the Social Security Act relating to demonstration projects designed to promote the reemployment of unemployed workers.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 14, 2014

Mr. RENACCI (for himself and Mr. CARNEY) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To amend certain provisions of the Social Security Act relating to demonstration projects designed to promote the reemployment of unemployed workers.

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 “Flexibility to Promote  
5 Reemployment Act”.

1 **SEC. 2. REMOVAL OF BARRIERS TO PROMOTE REEMPLOY-**  
2 **MENT THROUGH DEMONSTRATION**  
3 **PROJECTS.**

4 (a) MODIFICATION OF NUMERICAL LIMITATION.—  
5 Subsection (a) of section 305 of the Social Security Act  
6 (42 U.S.C. 505) is amended by inserting “per year” after  
7 “10 States”.

8 (b) CLARIFICATION OF APPLICATION REQUIRE-  
9 MENTS.—Subsection (b) of such section 305 is amended—

10 (1) by inserting “or his or her designee” after  
11 “The Governor of any State”; and

12 (2) by striking paragraph (2) and inserting the  
13 following:

14 “(2) for any waiver requested under subsection  
15 (c), a statement describing—

16 “(A) the specific provision or provisions of  
17 law for which such waiver is requested; and

18 “(B) the specific aspects of the project to  
19 which such waiver would apply and the reasons  
20 why it is needed;”.

21 (c) EXTENSION OF ELIGIBLE TIME PERIOD.—Sub-  
22 section (d) of such section 305 is amended—

23 (1) in paragraph (2), by striking “may not be  
24 approved” and inserting “may not be conducted”;  
25 and

1           (2) in paragraph (3), by striking “December  
2           31, 2015” and inserting “December 31, 2017”.

3           (d) CLARIFICATION OF DEMONSTRATION ACTIVI-  
4 TIES.—Subsection (e) of such section 305 is amended—

5           (1) in paragraph (1), by striking “for employer-  
6           provided training, such as” and inserting “to em-  
7           ployers or claimants for employer-provided training  
8           or”; and

9           (2) in paragraph (2), by striking “, not to ex-  
10          ceed the weekly benefit amount for each such indi-  
11          vidual, to pay part of the cost of wages that exceed  
12          the unemployed individual’s prior benefit level” and  
13          inserting “that include disbursements promoting re-  
14          tention”.

15          (e) SELECTION OF QUALIFYING APPLICATIONS ON A  
16 FIRST-COME, FIRST-SERVED BASIS.—Subsection (f) of  
17 such section 305 is amended—

18          (1) by redesignating paragraphs (1) and (2) as  
19          paragraphs (2) and (3); and

20          (2) by inserting before paragraph (2) (as redес-  
21          ignated by this subsection) the following:

22                 “(1) approve completed applications in the  
23                 order of receipt;”.

1 (f) TERMINATION OF DEMONSTRATION PROJECTS.—

2 Subsection (g) of such section 305 is amended to read as  
3 follows:

4 “(g) The Secretary of Labor may terminate a dem-  
5 onstration project under this section if the Secretary—

6 “(1) determines that the State has violated the  
7 substantive terms or conditions of the project;

8 “(2) notifies the State in writing with sufficient  
9 detail describing the violation; and

10 “(3) determines that the State has not taken  
11 action to correct the violation within 90 days after  
12 the notification.”.

13 (g) EFFECTIVE DATE; TRANSITION RULE.—

14 (1) EFFECTIVE DATE.—The amendments made  
15 by this section shall take effect on the date of the  
16 enactment of this Act.

17 (2) TRANSITION RULE.—

18 (A) IN GENERAL.—Nothing in this Act  
19 shall be considered to terminate or otherwise af-  
20 fect any demonstration project approved under  
21 section 305 of the Social Security Act before  
22 the date of the enactment of this Act.

23 (B) ORIGINAL CONDITIONS CONTINUE TO  
24 APPLY.—A demonstration project described in  
25 subparagraph (A) shall be conducted in the

1 same manner as if subsections (a) through (f)  
2 had not been enacted.

3 **SEC. 3. EVALUATION OF DEMONSTRATION PROJECTS.**

4 (a) IN GENERAL.—Section 305 of the Social Security  
5 Act (42 U.S.C. 505) is amended by adding at the end the  
6 following:

7 “(i) The Secretary of Labor shall conduct an impact  
8 evaluation of each demonstration project conducted under  
9 this section, using existing data sources to the extent pos-  
10 sible and methodology appropriate to determine the effects  
11 of the demonstration project, including on individual skill  
12 levels, earnings, and employment retention.”.

13 (b) COOPERATION BY STATE.—Section 305(b) of the  
14 Social Security Act (42 U.S.C. 505(b)) (as amended by  
15 section 2(b) of this Act) is further amended by striking  
16 paragraphs (5) and (6) and inserting the following:

17 “(5) a description of the manner in which the  
18 State will determine the extent to which the goals  
19 and outcomes described in paragraph (3) were  
20 achieved;

21 “(6) assurances that the State will cooperate, in  
22 a timely manner, with the Secretary of Labor with  
23 respect to the impact evaluation conducted under  
24 subsection (i); and”.

1           (c) REPORTING.—Not later than 90 days after the  
2 end of fiscal year 2014 and each fiscal year thereafter,  
3 until the completion of the last evaluation under section  
4 305(i) of the Social Security Act, the Secretary shall sub-  
5 mit to the Committee on Ways and Means of the House  
6 of Representatives and the Committee on Finance of the  
7 Senate, a report that includes a description of—

8           (1) the status of each demonstration project  
9           being carried out under this section;

10           (2) the results of the evaluation completed dur-  
11           ing the previous fiscal year; and

12           (3) the Secretary’s plan for—

13           (A) disseminating the findings of the re-  
14           port to appropriate State agencies; and

15           (B) incorporating the components of suc-  
16           cessful demonstration projects that reduced  
17           benefit duration and increased employment into  
18           Federal unemployment law.

19           (d) PUBLIC DISSEMINATION.—In addition to the re-  
20           porting requirements under subparagraph (c), evaluation  
21           results shall be shared broadly to inform policy makers,  
22           service providers, other partners, and the public in order  
23           to promote wide use of successful strategies, including by

- 1 posting evaluation results on the Internet website of the
- 2 Department of Labor.

