

114TH CONGRESS  
1ST SESSION

# H. R. 534

To authorize a State or a portion of a State to conduct a demonstration project designed to test methods of program integration and coordination of services with the goals of moving individuals and families towards self-sufficiency, reducing welfare dependence, and increasing work and earnings.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 26, 2015

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

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## A BILL

To authorize a State or a portion of a State to conduct a demonstration project designed to test methods of program integration and coordination of services with the goals of moving individuals and families towards self-sufficiency, reducing welfare dependence, and increasing work and earnings.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Help Americans in  
3 Need Develop their Ultimate Potential Act” or the  
4 “HAND UP Act”.

5 **SEC. 2. PROGRAM COORDINATION DEMONSTRATION**  
6 **PROJECTS.**

7 (a) PURPOSE.—The purpose of this section is to es-  
8 tablish a program of demonstration projects in a State or  
9 portion of a State to provide supports to individuals and  
10 families with the goal of moving them towards self-suffi-  
11 ciency, reducing welfare dependence, and increasing work  
12 and earnings by testing methods of program integration  
13 and coordination of services which will result in more ef-  
14 fective service delivery and better outcomes for recipients.

15 (b) DEFINITIONS.—In this section:

16 (1) ADMINISTERING SECRETARY.—The term  
17 “administering Secretary” means, with respect to a  
18 qualified program, the head of the Federal agency  
19 responsible for administering the program.

20 (2) QUALIFIED PROGRAM.—The term “qualified  
21 program” means—

22 (A) a program under part A of title IV of  
23 the Social Security Act;

24 (B) the program under title XX of the So-  
25 cial Security Act;

1 (C) activities funded under title I, II, or  
2 III of the Workforce Investment Act of 1998  
3 (29 U.S.C. 2801 et seq.) or titles I and II of  
4 the Workforce Innovation and Opportunity Act,  
5 as applicable;

6 (D) activities funded under the United  
7 States Housing Act of 1937 (42 U.S.C. 1437 et  
8 seq.), except that such term shall not include  
9 the program under section 7 of such Act (42  
10 U.S.C. 1437e) for designating public housing  
11 for occupancy by certain populations; or

12 (E) the supplemental nutrition assistance  
13 program as defined in section 3 of the Food  
14 and Nutrition Act of 2008 (7 U.S.C. 2012).

15 (c) APPLICATION REQUIREMENTS.—The head of a  
16 State entity or of a sub-State entity administering 2 or  
17 more qualified programs proposed to be included in a dem-  
18 onstration project under this section shall (or, if the  
19 project is proposed to include qualified programs adminis-  
20 tered by 2 or more such entities, the heads of the admin-  
21 istering entities (each of whom shall be considered an ap-  
22 plicant for purposes of this section) shall jointly) submit  
23 to the administering Secretary an application that con-  
24 tains the following:

1           (1) PROGRAMS INCLUDED.—A statement identi-  
2           fying each qualified program to be included in the  
3           project, and describing how the purposes of each  
4           such program will be achieved by the project.

5           (2) POPULATION SERVED.—A statement identi-  
6           fying the population to be served by the project and  
7           specifying the eligibility criteria to be used.

8           (3) DESCRIPTION AND JUSTIFICATION.—A de-  
9           tailed description of the project, including—

10                   (A) a description of how the project is ex-  
11                   pected to improve or enhance achievement of  
12                   the purposes of the programs to be included in  
13                   the project, from the standpoint of quality, of  
14                   cost-effectiveness, or of both;

15                   (B) a description of the performance objec-  
16                   tives for the project, including any proposed  
17                   modifications to the performance measures and  
18                   reporting requirements used in the programs;

19                   (C) a description of how the project will  
20                   achieve the goal of moving recipients to self-suf-  
21                   ficiency; and

22                   (D) the length of time a project will last.

23           (4) WAIVERS REQUESTED.—A description of  
24           the statutory and regulatory requirements with re-  
25           spect to which a waiver is requested in order to

1 carry out the project, and a justification of the need  
2 for each such waiver.

3 (5) COST LIMITATION.—Such information and  
4 assurances as necessary to establish to the satisfac-  
5 tion of the administering Secretary, in consultation  
6 with the Director of the Office of Management and  
7 Budget, that the proposed project is reasonably ex-  
8 pected to meet the applicable cost limitation require-  
9 ments of subsection (d)(4).

10 (6) USE OF CERTAIN SAVINGS.—

11 (A) IN GENERAL.—If the State or sub-  
12 State entity desires to use not more than  $\frac{1}{2}$  of  
13 the savings to be realized from carrying out the  
14 proposed project in a fiscal year, to meet 1 or  
15 more requirements imposed by or under a Fed-  
16 eral law pertaining to education, a description  
17 of how the State or sub-State entity will so use  
18 that portion of the savings.

19 (B) DEFINITIONS.—In this paragraph:

20 (i) SAVINGS.—The term “savings”  
21 means, with respect to a proposed project  
22 and a fiscal year, the amount (if any) by  
23 which—

24 (I) the total of the amount that  
25 would be payable by the Federal Gov-

1                   ernment for the fiscal year with re-  
2                   spect to the affected programs in the  
3                   State in which the applicant is lo-  
4                   cated, if the proposed project were not  
5                   conducted, as determined by the Di-  
6                   rector of the Office of Management  
7                   and Budget; exceeds

8                   (II) the total of the amounts that  
9                   would be payable by the Federal Gov-  
10                  ernment for the fiscal year with re-  
11                  spect to the programs if the proposed  
12                  project were conducted (as so deter-  
13                  mined).

14                  (ii) AFFECTED PROGRAMS.—The term  
15                  “affected programs” means, with respect  
16                  to a proposed project, the programs that  
17                  would be affected if the proposed project  
18                  were conducted.

19                  (7) EVALUATION AND REPORTS.—An assurance  
20                  that the applicant will—

21                  (A) obtain an evaluation by an independent  
22                  contractor of the extent to which the project is  
23                  meeting the purposes of this section, using an  
24                  evaluation design that, to the maximum extent  
25                  feasible, includes random assignment of clients

1 (or entities serving clients) to service delivery  
2 and control groups; and

3 (B) make an interim report and a final re-  
4 port to the administering Secretary, in such  
5 manner as the administering Secretary may re-  
6 quire, and implement such data systems as are  
7 necessary for the reports to be so made.

8 (8) PUBLIC HOUSING AGENCY PLAN.—In the  
9 case of an application proposing a demonstration  
10 project that includes activities referred to in sub-  
11 section (b)(2)(D) of this section—

12 (A) a certification that the applicable an-  
13 nual public housing agency plan of any agency  
14 affected by the project that is approved under  
15 section 5A of the United States Housing Act of  
16 1937 (42 U.S.C. 1437c–1) by the Secretary of  
17 Housing and Urban Development includes the  
18 information specified in paragraphs (1) through  
19 (4) of this subsection; and

20 (B) any resident advisory board rec-  
21 ommendations, and other information, relating  
22 to the project that, pursuant to section  
23 5A(e)(2) of the United States Housing Act of  
24 1937 (42 U.S.C. 1437c–1(e)(2)), is required to  
25 be included in the public housing agency plan of

1           any public housing agency affected by the  
2           project.

3           (9) OTHER INFORMATION AND ASSURANCES.—

4           Such other information and assurances as the ad-  
5           ministering Secretary may require.

6           (d) APPROVAL OF APPLICATION.—

7           (1) IN GENERAL.—The administering Secretary  
8           with respect to a qualified program that is identified  
9           in an application submitted pursuant to subsection  
10          (c) shall approve the application and, except as pro-  
11          vided in paragraph (2), waive any requirement appli-  
12          cable to the program, to the extent consistent with  
13          this section and necessary and appropriate for the  
14          conduct of the demonstration project proposed in the  
15          application if the administering Secretary determines  
16          that the project—

17                  (A) has a reasonable likelihood of achieving  
18                  the objectives of the programs to be included in  
19                  the project;

20                  (B) may reasonably be expected to meet  
21                  the applicable cost limitation requirements of  
22                  paragraph (4), as determined by the Director of  
23                  the Office of Management and Budget; and

24                  (C) includes the coordination of 2 or more  
25                  qualified programs.



1           (2) PROVISIONS EXCLUDED FROM WAIVER AU-  
2           THORITY.—A waiver shall not be granted under  
3           paragraph (1)—

4                   (A) with respect to any provision of law re-  
5           lating to—

6                           (i) civil rights or prohibition of dis-  
7                           crimination;

8                           (ii) purposes or goals of any program;

9                           (iii) maintenance of effort require-  
10                          ments;

11                           (iv) health or safety;

12                           (v) wage and hour requirements under  
13                          sections 6 and 7 of the Fair Labor Stand-  
14                          ards Act of 1938; or

15                           (vi) environmental protection;

16                          (B) with respect to any work requirement  
17                          imposed pursuant to section 407 of the Social  
18                          Security Act;

19                          (C) with respect to section 241(a) of the  
20                          Adult Education and Family Literacy Act;

21                          (D) in the case of a program under the  
22                          United States Housing Act of 1937 (42 U.S.C.  
23                          1437 et seq.), with respect to any requirement  
24                          under section 5A of such Act (42 U.S.C.

1 1437c-1; relating to public housing agency  
2 plans and resident advisory boards);

3 (E) in the case of a program under the  
4 Workforce Investment Act, with respect to any  
5 requirement the waiver of which would violate  
6 section 189(i)(4)(A)(i) of such Act (29 U.S.C.  
7 2939(i)(4)(A)(i)), or under the Workforce Inno-  
8 vation and Opportunity Act, with respect to any  
9 requirement the waiver of which would violate  
10 section 189(i)(3)(A)(i) of such Act;

11 (F) in the case of the supplemental nutri-  
12 tion assistance program (as defined in section 3  
13 of the Food and Nutrition Act of 2008 (7  
14 U.S.C. 2012)), with respect to any requirement  
15 under—

16 (i) section 6 (if waiving a requirement  
17 under such section would have the effect of  
18 expanding eligibility for the program), 7(b)  
19 or 16(c) of such Act (7 U.S.C. 2011 et  
20 seq.); or

21 (ii) title IV of the Personal Responsi-  
22 bility and Work Opportunity Reconciliation  
23 Act of 1996 (8 U.S.C. 1601 et seq.);

1 (G) with respect to any requirement that a  
2 State pass through to a sub-State entity part or  
3 all of an amount paid to the State;

4 (H) if the waiver would waive any funding  
5 restriction or limitation provided in an appro-  
6 priations Act, or would have the effect of trans-  
7 ferring appropriated funds from 1 appropria-  
8 tions account to another; or

9 (I) except as otherwise provided by statute,  
10 if the waiver would waive any funding restric-  
11 tion applicable to a program authorized under  
12 an Act which is not an appropriations Act (but  
13 not including program requirements such as ap-  
14 plication procedures, performance standards,  
15 reporting requirements, or eligibility standards),  
16 or would have the effect of transferring funds  
17 from a program for which there is direct spend-  
18 ing (as defined in section 250(c)(8) of the Bal-  
19 anced Budget and Emergency Deficit Control  
20 Act of 1985) to another program.

21 (3) AGREEMENT OF EACH ADMINISTERING SEC-  
22 RETARY REQUIRED.—

23 (A) IN GENERAL.—An applicant may not  
24 conduct a demonstration project under this sec-  
25 tion unless each administering Secretary with

1 respect to any program proposed to be included  
2 in the project has approved the application to  
3 conduct the project.

4 (B) AGREEMENT WITH RESPECT TO FUND-  
5 ING AND IMPLEMENTATION.—Before approving  
6 an application to conduct a demonstration  
7 project under this section, an administering  
8 Secretary shall have in place an agreement with  
9 the applicant with respect to the payment of  
10 funds and responsibilities of the administering  
11 Secretary with respect to the project.

12 (4) COST LIMITATION REQUIREMENT.—

13 (A) GENERAL RULE.—Notwithstanding  
14 any other provision of law (except subparagraph  
15 (B)), the total of the amounts that may be paid  
16 by the Federal Government for a fiscal year  
17 with respect to the programs in the State in  
18 which an entity conducting a demonstration  
19 project under this section is located that are af-  
20 fected by the project shall not exceed the esti-  
21 mated total amount that the Federal Govern-  
22 ment would have paid for the fiscal year with  
23 respect to the programs if the project had not  
24 been conducted, as determined by the Director  
25 of the Office of Management and Budget.

1 (B) SPECIAL RULE.—If an applicant sub-  
2 mits to the Director of the Office of Manage-  
3 ment and Budget a request to apply the rules  
4 of this subparagraph to the programs in the  
5 State in which the applicant is located that are  
6 affected by a demonstration project proposed in  
7 an application submitted by the applicant pur-  
8 suant to this section, during such period of not  
9 more than 5 consecutive fiscal years in which  
10 the project is in effect, and the Director deter-  
11 mines, on the basis of supporting information  
12 provided by the applicant, to grant the request,  
13 then, notwithstanding any other provision of  
14 law, the total of the amounts that may be paid  
15 by the Federal Government for the period with  
16 respect to the programs shall not exceed the es-  
17 timated total amount that the Federal Govern-  
18 ment would have paid for the period with re-  
19 spect to the programs if the project had not  
20 been conducted.

21 (5) 90-DAY APPROVAL DEADLINE.—

22 (A) IN GENERAL.—If an administering  
23 Secretary receives an application to conduct a  
24 demonstration project under this section and

1 does not disapprove the application within 90  
2 days after the receipt, then—

3 (i) the administering Secretary is  
4 deemed to have approved the application  
5 for such period as is requested in the ap-  
6 plication, except to the extent inconsistent  
7 with subsection (e); and

8 (ii) any waiver requested in the appli-  
9 cation which applies to a qualified program  
10 that is identified in the application and is  
11 administered by the administering Sec-  
12 retary is deemed to be granted, except to  
13 the extent inconsistent with paragraph (2)  
14 or (4) of this subsection.

15 (B) DEADLINE EXTENDED IF ADDITIONAL  
16 INFORMATION IS SOUGHT.—

17 (i) IN GENERAL.—The 90-day period  
18 referred to in subparagraph (A) shall not  
19 include any period that begins with the  
20 date the administering Secretary requests  
21 the applicant to provide additional infor-  
22 mation with respect to the application and  
23 ends with the date the additional informa-  
24 tion is provided.

1                   (ii) LIMITATION ON NUMBER OF RE-  
2                   QUESTS FOR ADDITIONAL INFORMATION.—

3                   An administering Secretary may not make  
4                   more than 1 request for additional infor-  
5                   mation with respect to an application sub-  
6                   mitted pursuant to this section.

7                   (iii) 1-YEAR LIMIT ON RESPONSE PE-  
8                   RIOD.—If 1 year has elapsed since the date  
9                   an administering Secretary made a request  
10                  to an applicant under this subparagraph  
11                  with respect to an application, and the ad-  
12                  ministering Secretary has not received  
13                  from the applicant a response to the re-  
14                  quest, the administering Secretary shall  
15                  immediately approve or disapprove the ap-  
16                  plication.

17                  (6) RULE OF CONSTRUCTION.—Nothing in this  
18                  Act shall be construed to require the payment of the  
19                  minimum wage in effect under section 6 of the Fair  
20                  Labor Standards Act of 1938 (29 U.S.C. 206) to  
21                  any individual other than an employee of an em-  
22                  ployer subject to such section.

23                  (7) DISAPPROVAL.—If an administering Sec-  
24                  retary disapproves an application submitted pursu-  
25                  ant to this section, the administering Secretary shall

1 include with the notice of disapproval an explanation  
2 of the reasons for the disapproval with specific ref-  
3 erence to the particular requirements of paragraph  
4 (1) not met by the application.

5 (e) DURATION OF PROJECT.—A demonstration  
6 project under this section may be approved for a term of  
7 not more than 5 years.

8 (f) MODIFICATION OF PROJECT.—

9 (1) REQUEST FOR MODIFICATION.—An entity  
10 conducting a demonstration project approved under  
11 this section may submit to each administering Sec-  
12 retary with respect to any program included in the  
13 project a request to modify the project.

14 (2) REQUIREMENT.—An administering Sec-  
15 retary may not approve a request submitted under  
16 paragraph (1) with respect to a project, unless the  
17 administering Secretary determines that, if the re-  
18 quest is not approved, the project will not achieve its  
19 performance objectives because economic conditions  
20 have changed since the project was approved.

21 (3) 30-DAY APPROVAL DEADLINE AFTER RE-  
22 SPONSE.—If an administering Secretary receives a  
23 request made under this subsection and does not  
24 disapprove the request within 30 days after the re-  
25 ceipt, the administering Secretary is deemed to have



1 approved the request, except to the extent incon-  
2 sistent with subsection (d)(2), (d)(4), or (e).

3 (4) AGREEMENT OF EACH ADMINISTERING SEC-  
4 RETARY REQUIRED.—

5 (A) IN GENERAL.—The entity conducting  
6 a demonstration project approved under this  
7 section may not modify the project, except in  
8 accordance with a request approved under this  
9 subsection by each administering Secretary with  
10 respect to any program included in the project.

11 (B) AGREEMENT WITH RESPECT TO FUND-  
12 ING AND IMPLEMENTATION.—Before approving  
13 a request to modify a demonstration project ap-  
14 proved under this section, an administering  
15 Secretary shall have in place an agreement with  
16 the requestor with respect to the payment of  
17 funds and responsibilities of the administering  
18 Secretary with respect to the modified project.

19 (g) EARLY TERMINATION OF PROJECT.—An admin-  
20 istering Secretary with respect to a demonstration project  
21 conducted under this section may terminate the project  
22 if the administering Secretary—

23 (1) determines that the entity conducting the  
24 project has violated the substantive terms or condi-  
25 tions of the project;

1           (2) notifies the entity in writing with sufficient  
2 detail describing the violation; and

3           (3) determines that the State has not taken ac-  
4 tion to correct the violation during the 90-day period  
5 beginning with the date the entity received the no-  
6 tice.

7 (h) REPORTS TO CONGRESS.—

8           (1) REPORT ON DISPOSITION OF APPLICA-  
9 TIONS.—Within 90 days after an administering Sec-  
10 retary receives an application submitted pursuant to  
11 this section, the administering Secretary shall sub-  
12 mit to each Committee of the Congress which has  
13 jurisdiction over a qualified program identified in  
14 the application notice of the receipt, a description of  
15 the decision of the administering Secretary with re-  
16 spect to the application, and the reasons for approv-  
17 ing or disapproving the application.

18           (2) REPORTS ON PROJECTS.—Each admin-  
19 istering Secretary that has jurisdiction over a quali-  
20 fied program that is part of a demonstration project  
21 approved under this section shall provide annually to  
22 each Committee of the Congress that has jurisdic-  
23 tion over the program a report, which shall in-  
24 clude—

1 (A) the number of waivers granted for the  
2 project under this section, and the specific stat-  
3 utory provisions, if any, waived;

4 (B) in the case of a project for which such  
5 a waiver is granted—

6 (i) how well the project is improving  
7 or enhancing program achievement from  
8 the standpoint of quality, cost-effective-  
9 ness, or both;

10 (ii) how well the project is meeting the  
11 performance objectives specified in sub-  
12 section (c)(3)(B); and

13 (iii) how the project is conforming  
14 with the cost limitation requirements of  
15 subsection (d)(4);

16 (C) the number of individuals engaged in  
17 the program under the project;

18 (D) the number of individuals so engaged  
19 who completed education or workforce develop-  
20 ment programs;

21 (E) the number of individuals so engaged  
22 who reduced their dependence on government  
23 benefits as a result of self-sufficiency;

1           (F) an explanation of the functions the  
2 State or sub-State project employed to help in-  
3 dividuals achieve self sufficiency;

4           (G) an up-to-date statement of the cost of  
5 the project, and of the expected future costs of  
6 continuing the project;

7           (H) to the extent the administering Sec-  
8 retary deems appropriate, recommendations for  
9 modifying programs based on project outcomes;  
10 and

11           (I) if the project has been carried out for  
12 at least 30 months, a statement as to whether  
13 the project is meeting the goals of the project  
14 and a determination as to whether the project  
15 will be continued for the remainder of the term  
16 for which the project was approved.

17           (3) FUNDING.—Each administering Secretary  
18 that has jurisdiction over a qualified program that  
19 is part of a demonstration project approved under  
20 this section shall reserve an amount equal to not  
21 more than 1 percent of the amount to be provided  
22 for the conduct of the project, and use the amount  
23 so reserved to carry out this subsection with respect  
24 to the project.

1 **SEC. 3. AMENDMENT TO UNITED STATES HOUSING ACT OF**  
2 **1937.**

3 Section 5A(d) of the United States Housing Act of  
4 1937 (42 U.S.C. 1437e-1(d)) is amended—

5 (1) by redesignating paragraph (19) as para-  
6 graph (20); and

7 (2) by inserting after paragraph (18) the fol-  
8 lowing new paragraph:

9 “(19) PROGRAM COORDINATION DEMONSTRA-  
10 TION PROJECTS.—In the case of an agency that ad-  
11 ministers an activity referred to in section  
12 2(b)(2)(D) of the HAND UP Act that, during such  
13 fiscal year, will be included in a demonstration  
14 project under section 2 of such Act, the information  
15 that is required to be included in the application for  
16 the project pursuant to paragraphs (1) through (4)  
17 of section 2(c) of such Act.”.

○