

115TH CONGRESS  
1ST SESSION

# H. R. 2842

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IN THE SENATE OF THE UNITED STATES

JUNE 26, 2017

Received; read twice and referred to the Committee on Finance

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## AN ACT

To provide for the conduct of demonstration projects to test the effectiveness of subsidized employment for TANF recipients.

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 “Accelerating Individ-  
3 uals into the Workforce Act”.

4 **SEC. 2. DEMONSTRATION PROJECTS TO SUPPORT SUB-**  
5 **SIDIZED EMPLOYMENT FOR TANF RECIPI-**  
6 **ENTS TO ENTER THE WORKFORCE.**

7 Section 403 of the Social Security Act (42 U.S.C.  
8 603) is amended by adding at the end the following:

9 “(c) **SUBSIDIZED EMPLOYMENT DEMONSTRATION**  
10 **PROJECTS.—**

11 “(1) **IN GENERAL.—**The Secretary shall make  
12 grants to States to conduct demonstration projects,  
13 at least one of which shall fund programs that offer  
14 apprenticeships registered under the Act of August  
15 16, 1937 (commonly known as the ‘National Ap-  
16 prenticeship Act’; 50 Stat. 664, chapter 663; 29  
17 U.S.C. 50 et seq.), designed to implement and evalu-  
18 ate strategies that provide wage subsidies to enable  
19 low-income individuals to enter into and retain em-  
20 ployment in an in-demand industry sector or occupa-  
21 tion identified by the appropriate State or local  
22 workforce development board.

23 “(2) **APPLICATION REQUIREMENTS.—**The Sec-  
24 retary shall require each State that applies for a  
25 grant under this subsection to do the following:

1           “(A) Describe how wage subsidies will be  
2 provided (such as whether paid directly to the  
3 employer or the individual), the duration of the  
4 subsidies, the amount of the subsidies, the  
5 structure of the subsidies, and how employers  
6 will be recruited to participate in the subsidized  
7 employment program.

8           “(B) Describe how the State expects those  
9 participating in subsidized employment to be  
10 able to retain employment after the subsidy  
11 ends.

12           “(C) Describe how the State will coordi-  
13 nate subsidized employment funded under this  
14 subsection with other efforts to help low-income  
15 individuals, including individuals displaced or  
16 relocated from a public housing authority to an  
17 alternative public housing facility or placed on  
18 rental assistance, enter work as conducted by  
19 the State.

20           “(D) Describe how the State will coordi-  
21 nate subsidized employment funded under this  
22 subsection with the Federal Work-Study Pro-  
23 gram, career pathway (as defined in section  
24 3(7) of the Workforce Innovation and Oppor-  
25 tunity Act) services, and other Federal pro-

1           grams to help low-income individuals complete  
2           education and training programs and enter the  
3           workforce.

4           “(3) USE OF FUNDS.—

5                   “(A) IN GENERAL.—A State to which a  
6           grant is made under this subsection may use  
7           the grant to subsidize the wages of an eligible  
8           recipient for a period not exceeding 12 months,  
9           and only to the extent that the total of the  
10          funds paid under this project and any other  
11          Federal funds so used with respect to the re-  
12          cipient does not exceed 50 percent of the  
13          amount of the wages received by the recipient  
14          during the period.

15                  “(B) ELIGIBLE RECIPIENT.—For purposes  
16          of subparagraph (A), an eligible recipient is—

17                          “(i)(I) a recipient of assistance under  
18                          the State program funded under this part  
19                          or any other State program funded with  
20                          qualified State expenditures (as defined in  
21                          section 409(a)(7)(B)(i)); or

22                          “(II) a noncustodial parent of a minor  
23                          child who is receiving assistance referred to  
24                          in subclause (I);

1           “(ii) who, at the time the subsidy be-  
2           gins, is unemployed; and

3           “(iii) whose income, at that time, is  
4           less than 200 percent of the poverty line  
5           (as defined by the Office of Management  
6           and Budget, and revised annually in ac-  
7           cordance with section 673(2) of the Omni-  
8           bus Budget Reconciliation Act of 1981 (42  
9           U.S.C. 9902(2))).

10          “(4) LIMITATIONS.—

11           “(A) NONDISPLACEMENT.—A State to  
12           which a grant is made under this subsection  
13           shall ensure that no participant in a subsidized  
14           job program funded in whole or in part under  
15           this subsection is employed or assigned to a job  
16           under the program—

17           “(i) when any other individual is on  
18           layoff from the same or any substantially  
19           equivalent job; or

20           “(ii) if the employer has terminated  
21           the employment of any regular employee or  
22           otherwise caused an involuntary reduction  
23           of its workforce in order to fill the vacancy  
24           so created with an adult described in para-  
25           graph (1).

1           “(B) GRIEVANCE PROCEDURE.—A State  
2           with a program funded under this subsection  
3           shall establish and maintain a grievance proce-  
4           dure for resolving complaints of alleged viola-  
5           tions of subparagraph (A).

6           “(C) NO PREEMPTION.—Nothing in this  
7           paragraph shall preempt or supersede any pro-  
8           vision of State or local law that provides greater  
9           protection for employees from displacement.

10          “(5) REPORTS.—As a condition of receiving  
11          funds under this subsection for a fiscal year, a State  
12          shall submit to the Secretary, within 6 months after  
13          the end of the fiscal year, a report that—

14                 “(A) specifies, for each month of the fiscal  
15                 year, the number of individuals whose employ-  
16                 ment is subsidized with these funds and the  
17                 percentage of such individuals whose employ-  
18                 ment is in an area that matches their previous  
19                 training and work experience;

20                 “(B) describes the structure of the State  
21                 activities to use the funds to subsidize employ-  
22                 ment, including the amount and duration of the  
23                 subsidies provided;

24                 “(C) describes the State’s policies in effect  
25                 during the fiscal year—

1 “(i) to ensure nondisplacement as re-  
2 quired under paragraph (4)(A); and

3 “(ii) to implement grievance proce-  
4 dures as required in (4)(B), including in-  
5 formation on the number of grievance  
6 claims filed in the preceding fiscal year  
7 and the aggregate results of those claims;

8 “(D) specifies the percentage of eligible re-  
9 cipients who received a subsidy who are in un-  
10 subsidized employment during the second quar-  
11 ter after the subsidy ended;

12 “(E) specifies the percentage of eligible re-  
13 cipients who received a subsidy who are in un-  
14 subsidized employment during the fourth quar-  
15 ter after the subsidy ended;

16 “(F) specifies the median earnings of eligi-  
17 ble recipients who received a subsidy who are in  
18 unsubsidized employment during the second  
19 quarter after the subsidy ended; and

20 “(G) specifies the number of eligible recipi-  
21 ents who received a subsidy who concurrently  
22 received other Federal or State means-tested  
23 benefits during their subsidized employment.

24 “(6) EVALUATION.—The Secretary, in consulta-  
25 tion with each State conducting a demonstration

1 project, shall conduct a high-quality evaluation of  
2 the demonstration project, including an analysis of  
3 the project’s effect on eligible recipients who received  
4 additional credentialing and training during their  
5 subsidized employment or participation in an ap-  
6 prenticeship or career pathways program, and may  
7 reserve funds made available under this subsection  
8 to conduct the evaluation in accordance with the fol-  
9 lowing:

10 “(A) EVALUATOR QUALIFICATIONS.—The  
11 Secretary may not enter into a contract with an  
12 evaluator unless the evaluator has demonstrated  
13 experience in conducting rigorous evaluations of  
14 program effectiveness including, where available  
15 and appropriate, well-implemented randomized  
16 controlled trials.

17 “(B) METHODOLOGIES TO BE USED.—The  
18 evaluation of a demonstration project shall use  
19 experimental designs using random assignment  
20 or other reliable, evidence-based research meth-  
21 odologies that allow for the strongest possible  
22 causal inferences when random assignment is  
23 not feasible.

24 “(C) PUBLIC DISCLOSURE.—The Secretary  
25 shall publish the results of the evaluation on the



1 website of the Department of Health and  
2 Human Services in a location easily accessible  
3 by the public.

4 “(7) RECOMMENDATIONS TO CONGRESS.—The  
5 Secretary shall submit recommendations to the Com-  
6 mittee on Ways and Means of the House of Rep-  
7 resentatives and the Committee on Finance of the  
8 Senate on how to increase the employment, reten-  
9 tion, and advancement of individuals currently or  
10 formerly receiving assistance under a State program  
11 funded under this part or any other State program  
12 funded with qualified State expenditures (as defined  
13 in section 409(a)(7)(B)(i)). Such recommendations  
14 shall include recommendations on the effects of addi-  
15 tional credentialing and training provided during  
16 subsidized employment or participation in an ap-  
17 prenticeship or career pathways program. Such rec-  
18 ommendations shall include recommendations on  
19 how to address employment-related challenges in  
20 rural areas and among members of federally recog-  
21 nized Indian tribes.

22 “(8) FUNDING.—Of the amounts made avail-  
23 able to carry out subsection (b) for fiscal year 2018,  
24 the Secretary shall reserve \$100,000,000 to carry  
25 out this subsection.

1           “(9) USE OF CERTAIN FUNDS FOR CAREER  
2           PATHWAY PROGRAMS.—The Secretary shall use 15  
3           percent of the amounts reserved to carry out this  
4           subsection, to fund programs that offer career path-  
5           way (as defined in section 3(7) of the Workforce In-  
6           novation and Opportunity Act) services.

7           “(10) AVAILABILITY OF FUNDS.—Funds pro-  
8           vided to a State under this subsection in a fiscal  
9           year shall be expended by the State in the fiscal year  
10          or in the succeeding fiscal year.”.

11 **SEC. 3. EFFECTIVE DATE.**

12          The amendment made by this Act shall take effect  
13 on October 1, 2017.

Passed the House of Representatives June 23, 2017.

Attest:

KAREN L. HAAS,

*Clerk.*