

115TH CONGRESS
2D SESSION

H. R. 7010

To reauthorize and amend the program of block grants to States for temporary assistance for needy families and related programs.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 2, 2018

Ms. MOORE (for herself, Ms. LEE, Ms. JACKSON LEE, Ms. ROYBAL-ALLARD, and Ms. DELAURO) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Oversight and Government Reform, 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

A BILL

To reauthorize and amend the program of block grants to States for temporary assistance for needy families and related programs.

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 “Rewriting to Improve
5 and Secure an Exit Out of Poverty Act” or the “RISE
6 Out of Poverty Act”.

7 **SEC. 2. TABLE OF CONTENTS.**

8 The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. References.
- Sec. 4. State plans required to address whether and how States will provide assistance to neediest geographic areas.
- Sec. 5. Funding of the TANF program.
- Sec. 6. Work requirements.
- Sec. 7. Work rules.
- Sec. 8. Prohibition on imposing limit of less than 60 months on duration of assistance.
- Sec. 9. Response of TANF program to economic recessions.
- Sec. 10. Requirement that States use merit-based system in administration of TANF programs.
- Sec. 11. Ban on using Federal TANF funds to replace State and local spending that does not meet the definition of qualified State expenditures.
- Sec. 12. TANF assistance to meet basic family economic needs.
- Sec. 13. State plans and reports on child poverty.
- Sec. 14. Requirement that States adopt standards and procedures to address domestic and sexual violence among TANF recipients.
- Sec. 15. Child care entitlement.
- Sec. 16. Child support enforcement.
- Sec. 17. State option to extend eligibility for assistance to children through age 21; prohibition on considering financial aid tied to education of child in determining eligibility for, or amount of assistance; prohibition on imposing additional requirements based on educational enrollment of child.
- Sec. 18. Elimination of certain other bars to TANF assistance.
- Sec. 19. Testing for controlled substances.
- Sec. 20. Effective date.

1 **SEC. 3. REFERENCES.**

2 Except as otherwise expressly provided in this Act,
 3 wherever in this Act an amendment or repeal is expressed
 4 in terms of an amendment to, or repeal of, a section or
 5 other provision, the amendment or repeal shall be consid-
 6 ered to be made to a section or other provision of the So-
 7 cial Security Act.

1 **SEC. 4. STATE PLANS REQUIRED TO ADDRESS WHETHER**
 2 **AND HOW STATES WILL PROVIDE ASSIST-**
 3 **ANCE TO NEEDIEST GEOGRAPHIC AREAS.**

4 Section 402(a)(1)(A)(i) (42 U.S.C. 602(a)(1)(A)(i))
 5 is amended by inserting “, including whether and how the
 6 State will give priority to providing benefits and services
 7 in areas of the State with the greatest need (such as areas
 8 with the greatest unemployment rates, the greatest pov-
 9 erty rates, and the least job opportunity to population ra-
 10 tios)” before the period.

11 **SEC. 5. FUNDING OF THE TANF PROGRAM.**

12 (a) STATE FAMILY ASSISTANCE GRANT.—

13 (1) IN GENERAL.—Section 403(a)(1) (42
 14 U.S.C. 603(a)(1)) is amended—

15 (A) in subparagraph (A), by striking “each
 16 of fiscal years 2017 and 2018” and inserting
 17 “fiscal year 2019 and each succeeding fiscal
 18 year”; and

19 (B) by striking subparagraphs (B) and (C)
 20 and inserting the following:

21 “(B) STATE FAMILY ASSISTANCE
 22 GRANT.—

23 “(i) IN GENERAL.—The State family
 24 assistance grant payable to a State for a
 25 fiscal year shall be the greater of—

1 “(I) the adjusted basic block
 2 grant, plus the amount required to be
 3 paid to the State under paragraph (3)
 4 (as in effect on September 30, 2010)
 5 for fiscal year 2010; or

6 “(II) the amount required to be
 7 paid to the State under this para-
 8 graph for the preceding fiscal year.

9 “(ii) ADJUSTED BASIC BLOCK
 10 GRANT.—In clause (i), the term ‘adjusted
 11 block grant’ means, with respect to a
 12 State, the product of—

13 “(I) the amount required to be
 14 paid to the State under this para-
 15 graph for fiscal year 2010 (deter-
 16 mined without regard to any reduction
 17 pursuant to section 409 or 412(a)(1));

18 “(II) 1.00, plus the percentage
 19 (if any) by which the average of the
 20 CPI for the 12-month period ending
 21 with June of the preceding fiscal year
 22 exceeds the average of the CPI for the
 23 12-month period ending with June
 24 1996, expressed as a decimal; and

1 “(III) 1.00, plus the percentage
2 (if any) by which the most recent esti-
3 mate by the Bureau of the Census of
4 the population of the State that has
5 not attained 18 years of age exceeds
6 the most recent estimate by the Bu-
7 reau of the Census of that population
8 as of July 1, 1996, expressed as a
9 decimal.

10 “(iii) CPI DEFINED.—In clause (ii),
11 the term ‘CPI’ means the last Consumer
12 Price Index for All Urban Consumers pub-
13 lished by the Department of Labor for the
14 period involved.

15 “(C) APPROPRIATION.—Out of any money
16 in the Treasury of the United States not other-
17 wise appropriated, there are appropriated such
18 sums as are necessary for grants under this
19 paragraph for each fiscal year.”.

20 (2) CONFORMING AMENDMENT TO ELIMINATE
21 SUPPLEMENTAL GRANTS FOR POPULATION IN-
22 CREASES IN CERTAIN STATES.—Section 403(a) (42
23 U.S.C. 603(a)) is amended by striking paragraph
24 (3).

1 (b) PENALTY FOR FAILURE TO MAINTAIN EFFORT
 2 ADJUSTED FOR INFLATION.—Section 409(a)(7) (42
 3 U.S.C. 609(a)(7)) is amended—

4 (1) in subparagraph (A), by inserting “the in-
 5 flation-adjusted” before “historic State expendi-
 6 tures”; and

7 (2) in subparagraph (B), by redesignating
 8 clauses (iii) through (v) as clauses (iv) through (vi),
 9 respectively, and inserting after clause (ii) the fol-
 10 lowing:

11 “(iii) INFLATION-ADJUSTED HISTORIC
 12 STATE EXPENDITURES.—The term ‘infla-
 13 tion-adjusted historic State expenditures’
 14 means, with respect to a fiscal year—

15 “(I) historic State expenditures;
 16 multiplied by

17 “(II) 1.00, plus (in the case of
 18 fiscal year 2019 or any succeeding fis-
 19 cal year) the percentage (if any) by
 20 which the average of the CPI (as de-
 21 fined in section 403(a)(1)(B)(iii)) for
 22 the 12-month period ending with June
 23 of the preceding fiscal year exceeds
 24 the average of the CPI (as so defined)

1 for the 12-month period ending with
 2 June 2017, expressed as a decimal.”.

3 (c) MODIFICATION OF CONTINGENCY FUND.—

4 (1) IN GENERAL.—Section 403(b) (42 U.S.C.
 5 603(b)) is amended by striking all that follows para-
 6 graph (1) and inserting the following:

7 “(2) GRANTS.—

8 “(A) IN GENERAL.—The Secretary shall
 9 make a grant to each eligible State and each
 10 Indian tribe that is an economically needy enti-
 11 ty for a calendar quarter, in an amount equal
 12 to 80 percent of the amount (if any) by which
 13 the total amount of relevant expenditures of the
 14 entity for the quarter exceeds the total amount
 15 of the relevant expenditures of the entity for
 16 the corresponding quarter in the base year of
 17 the entity, subject to paragraph (2).

18 “(B) LIMITATION.—The total amount pay-
 19 able to an entity under this subsection for a fis-
 20 cal year shall not exceed an amount equal to 25
 21 percent of the amount payable to the entity—

22 “(i) if the entity is a State, under sec-
 23 tion 403(a)(1) for the fiscal year; or

24 “(ii) if the entity is an Indian tribe,
 25 under section 412(a)(1) for the fiscal year.

1 “(3) DEFINITIONS.—In paragraph (2):

2 “(A) ECONOMICALLY NEEDY ENTITY.—

3 The term ‘economically needy entity’ means,
4 with respect to a calendar quarter—

5 “(i) an entity with a seasonally ad-
6 justed average unemployment rate for the
7 quarter or any of the preceding 4 calendar
8 quarters that exceeds 6.5 percent; or

9 “(ii) in the case that the unemploy-
10 ment rate information described in clause
11 (i) is not available with respect to an enti-
12 ty, an entity that meets such qualifications
13 as the Secretary, in consultation with the
14 Secretary of Labor, shall, by regulation,
15 prescribe.

16 “(B) BASE YEAR.—The term ‘base year’
17 means, with respect to an entity and a calendar
18 quarter in a fiscal year—

19 “(i) except as provided in clause (ii),
20 whichever of the 2 fiscal years most re-
21 cently preceding the 1st fiscal year of the
22 most recent contingency fund eligibility pe-
23 riod for the entity in which the relevant ex-
24 penditures of the entity were the lesser; or

1 “(ii) if the 1st year of the period re-
2 ferred to in clause (i) is fiscal year 2015,
3 whichever of fiscal year 2007 or 2008 is
4 the fiscal year in which the relevant ex-
5 penditures of the entity were the lesser.

6 “(C) CONTINGENCY FUND ELIGIBILITY PE-
7 RIOD.—The term ‘contingency fund eligibility
8 period’ means, with respect to an entity, a pe-
9 riod of 1 or more consecutive calendar quarters
10 for which the entity is an economically needy
11 entity.

12 “(D) RELEVANT EXPENDITURES.—

13 “(i) IN GENERAL.—The term ‘relevant
14 expenditures’ means expenditures—

15 “(I) for assistance under the pro-
16 gram funded under this part of the
17 entity (including, in the case of a
18 State, any qualified State expendi-
19 tures (as defined in section
20 409(a)(7)(B)(i)) and any expenditures
21 under any other State program fund-
22 ed by such expenditures);

23 “(II) for child care;

24 “(III) for subsidized employment
25 under the program funded under this

1 part of the entity (including, in the
2 case of a State, such expenditures
3 under any other State program fund-
4 ed by qualified State expenditures (as
5 defined in section 409(a)(7)(B)(i))),
6 other than expenditures made using
7 Federal funds or with respect to
8 which the entity received a grant
9 made under paragraph (3) of this
10 subsection; and

11 “(IV) for administrative costs as-
12 sociated with making the expenditures
13 referred to in the preceding sub-
14 clauses of this clause.

15 “(ii) CHILD CARE EXPENDITURES.—
16 For purposes of clause (i)(II), expenditures
17 for child care consist of the following:

18 “(I) Amounts transferred under
19 section 404(d)(1)(B).

20 “(II) Expenditures for child care
21 assistance from Federal funds pro-
22 vided under this part.

23 “(III) In the case of an entity
24 that is a State, expenditures for child
25 care assistance that are qualified

1 State expenditures (as defined in sec-
2 tion 409(a)(7)(B)(i)), but only to the
3 extent exceeding the total expendi-
4 tures of the State (other than from
5 Federal funds) for child care in fiscal
6 year 1994 or 1995 (whichever is the
7 greater).

8 “(iii) AUTHORITY TO COLLECT AND
9 ADJUST DATA.—In determining the
10 amount of the expenditures of a State for
11 basic assistance, child care, and subsidized
12 employment, during any period for which
13 the State requests funds under this sub-
14 section, and during the base year of the
15 State, the Secretary may make appropriate
16 adjustments to the data, on a State-by-
17 State basis, to ensure that the data are
18 comparable with respect to the groups of
19 families served and the types of aid pro-
20 vided. The Secretary may develop a mecha-
21 nism for collecting expenditure data, in-
22 cluding procedures which allow States to
23 make reasonable estimates, and may set
24 deadlines for making revisions to the data.

1 “(4) USE OF GRANT.—Each State to which a
2 grant is made under this subsection shall use the
3 grant to serve areas of the State with the greatest
4 need (as referred to in section 402(a)(1)(A)).

5 “(5) APPROPRIATION.—

6 “(A) IN GENERAL.—Out of any funds in
7 the Treasury of the United States not otherwise
8 appropriated, there are appropriated for pay-
9 ment to the Fund—

10 “(i) \$2,500,000,000 for fiscal year
11 2019; and

12 “(ii) for each succeeding fiscal year,
13 the amount appropriated under this para-
14 graph for the then preceding fiscal year,
15 increased by the percentage (if any) by
16 which the amount appropriated under sec-
17 tion 403(a)(1) for the fiscal year involved
18 exceeds the amount appropriated under
19 such section for the then preceding fiscal
20 year.

21 “(B) AVAILABILITY.—Amounts made
22 available under this paragraph for a fiscal year
23 shall remain available until expended.

24 “(6) ACTIONS TO BE TAKEN IN ANTICIPATION
25 OF EXHAUSTION OF FUND.—The Secretary shall

1 monitor the amount in, and the rate at which
 2 amounts are paid from, the Fund, and if the Sec-
 3 retary determines that the Fund will be exhausted
 4 within 6 months, the Secretary shall—

5 “(A) notify the Congress of the determina-
 6 tion; and

7 “(B) develop and communicate to each
 8 State and Indian tribe that is an economically
 9 needy entity as of the date of the determina-
 10 tion, the procedure for allocating amounts in
 11 the Fund among such entities.”.

12 (2) ELIMINATION OF PENALTY FOR FAILURE
 13 OF STATE RECEIVING AMOUNTS FROM CONTINGENCY
 14 FUND TO MAINTAIN 100 PERCENT OF HISTORIC EF-
 15 FORT.—

16 (A) IN GENERAL.—Section 409(a) (42
 17 U.S.C. 609(a)) is amended by striking para-
 18 graph (10) and redesignating paragraphs (11)
 19 through (16) as paragraphs (10) through (15),
 20 respectively.

21 (B) CONFORMING AMENDMENTS.—Section
 22 409 (42 U.S.C. 609) is amended—

23 (i) in subsection (b)(2), by striking
 24 “(10), (12), or (13)” and inserting “(11),
 25 or (12)”; and

1 (ii) in subsection (c)(4), by striking
 2 “(10), (12), (13), or (16)” and inserting
 3 “(11), (12), or (15)”.

4 (3) CONFORMING AMENDMENT.—Section
 5 409(a)(3)(C) (42 U.S.C. 609(a)(3)(C)) is amended
 6 by striking “needy State (as defined in section
 7 403(b)(5))” and inserting “economically needy enti-
 8 ty (as defined in section 403(b)(3)(A))”.

9 (4) AMOUNTS PROVIDED TO TERRITORIES
 10 FROM CONTINGENCY FUND TO BE DISREGARDED
 11 FOR PURPOSES OF LIMITATION ON PAYMENTS TO
 12 THE TERRITORIES.—Section 1108(a)(2) (42 U.S.C.
 13 1308(a)(2)) is amended by inserting “403(b),” be-
 14 fore “406,”.

15 (d) MATCHING GRANTS FOR SUBSIDIZED EMPLOY-
 16 MENT.—

17 (1) IN GENERAL.—Section 403(a) (42 U.S.C.
 18 603(a)), as amended by subsection (a)(2) of this sec-
 19 tion, is further amended by inserting after para-
 20 graph (2) the following:

21 “(3) MATCHING GRANTS FOR SUBSIDIZED EM-
 22 PLOYMENT.—

23 “(A) IN GENERAL.—The Secretary shall
 24 make a grant—

1 “(i) to each eligible State that is 1 of
2 the 50 States or the District of Columbia,
3 for each fiscal year for which the State is
4 an MOE State; and

5 “(ii) to each State that is not 1 of the
6 50 States or the District of Columbia, and
7 to each Indian tribe, for each fiscal year
8 for which such State or tribe meets such
9 terms and conditions as the Secretary
10 shall, by regulation, establish, which shall
11 be comparable to the terms and conditions
12 under which grants are made under clause
13 (i).

14 “(B) MOE STATE.—In subparagraph (A),
15 the term ‘MOE State’ means a State if the
16 qualified expenditures of the State (as defined
17 in section 409(a)(7)(B)(i)) for the fiscal year
18 exceeds the applicable percentage (as defined in
19 clause (ii) of such section) of inflation-adjusted
20 historic State expenditures (as defined in clause
21 (iii) of such section) of the State with respect
22 to the fiscal year.

23 “(C) AMOUNT OF GRANT.—

24 “(i) STATES.—

1 “(I) IN GENERAL.—The grant to
2 be made to a State under subpara-
3 graph (A)(i) for a fiscal year shall be
4 in an amount equal to 50 percent of
5 the excess expenditures of the State
6 for subsidized employment during the
7 fiscal year.

8 “(II) EXCESS EXPENDITURES OF
9 THE STATE FOR SUBSIDIZED EMPLOY-
10 MENT.—The term ‘excess expendi-
11 tures of the State for subsidized em-
12 ployment’ means, with respect to a
13 fiscal year, the lesser of—

14 “(aa) the excess described in
15 subparagraph (B) with respect to
16 the State for the fiscal year; or

17 “(bb) an amount equal to
18 the total expenditures of the
19 State for subsidized employment
20 funded under this part or under
21 any other State program funded
22 by qualified State expenditures
23 (as defined in section
24 409(a)(7)(B)(i)), excluding those
25 with respect to which a grant is

1 made to the State under sub-
2 section (b) of this section, during
3 the fiscal year.

4 “(ii) INDIAN TRIBES.—The grant to
5 be made to an Indian tribe under this
6 paragraph shall be in such amount as the
7 Secretary determines to be appropriate.

8 “(D) USE OF GRANT.—Notwithstanding
9 section 404, a State or Indian tribe to which a
10 grant is made under this paragraph shall use
11 the grant solely to finance subsidized employ-
12 ment activities, and to serve areas of the State
13 with the greatest need (as referred to in section
14 402(a)(1)(A)).

15 “(E) APPROPRIATION.—Out of any funds
16 in the Treasury of the United States not other-
17 wise appropriated, there are appropriated such
18 sums as are necessary for grants under this
19 paragraph for each fiscal year.”.

20 (2) AMOUNTS PROVIDED TO TERRITORIES
21 FROM THE MATCHING GRANT TO BE DISREGARDED
22 FOR PURPOSES OF LIMITATION ON PAYMENTS TO
23 THE TERRITORIES.—Section 1108(a)(2) (42 U.S.C.
24 1308(a)(2)) is amended by inserting “403(a)(3),”
25 after “403(a)(2),”.

1 (3) DATA REPORTS REQUIRED WITH RESPECT
 2 TO FAMILIES THAT INCLUDE AN INDIVIDUAL PAR-
 3 TICIPATING IN SUBSIDIZED EMPLOYMENT PRO-
 4 GRAMS.—Section 411(a)(1)(A) (42 U.S.C.
 5 611(a)(1)(A)) is amended, in the matter before
 6 clause (i), by inserting “, and families that include
 7 an individual participating in subsidized employment
 8 funded with Federal funds or qualified State expend-
 9 itures (as so defined)” before the colon.

10 (e) TRIBAL FAMILY ASSISTANCE GRANTS.—Section
 11 412(a)(1) (42 U.S.C. 612(a)(1)) is amended—

12 (1) in subparagraph (A), by striking “fiscal
 13 year 2012” and inserting “each fiscal year”; and

14 (2) in subparagraph (B)—

15 (A) by redesignating clause (ii) as clause
 16 (iii); and

17 (B) by striking clause (i) and inserting the
 18 following:

19 “(i) IN GENERAL.—The amount de-
 20 termined under this subparagraph for a
 21 fiscal year is an amount equal to the sum
 22 of the adjusted historic expenditures for
 23 the fiscal year with respect to each State
 24 in which there lies a service area of the In-
 25 dian tribe is located.

1 “(ii) ADJUSTED HISTORIC EXPENDI-
2 TURES DEFINED.—In clause (i), the term
3 ‘adjusted historic expenditures’ means,
4 with respect to a fiscal year, a State, and
5 an Indian tribe, the total amount of the
6 Federal payments to the State under sec-
7 tion 403 (as then in effect) for fiscal year
8 1994 attributable to expenditures (other
9 than child care expenditures) by the State
10 under parts A and F (as so in effect) for
11 fiscal year 1994 for Indian families resid-
12 ing in the service areas identified by the
13 tribe pursuant to subsection (b)(1)(C) of
14 this section that are in the State, increased
15 by the percentage (if any) by which the
16 amount of the grant payable under section
17 403(a)(1) for the fiscal year to the State
18 exceeds the amount of the grant so payable
19 to the State for fiscal year 2010.”.

20 (f) CENSUS BUREAU STUDY.—Title IV is amended
21 by inserting after section 413 (42 U.S.C. 613) the fol-
22 lowing:

23 **“SEC. 414. STUDY BY THE CENSUS BUREAU.**

24 “(a) IN GENERAL.—The Director of the Bureau of
25 the Census shall conduct a study to assess the effects of

1 policies and programs related to low-income families, in-
2 cluding policies and programs under State programs fund-
3 ed under this part or funded with qualified State expendi-
4 tures (as defined in section 409(a)(7)(B)(i)), including
5 changes and policies in such programs made pursuant to
6 the Rewriting to Improve and Secure an Exit Out of Pov-
7 erty Act. The Director shall design the study in consulta-
8 tion with the Secretary. Every 5 years, the Director shall,
9 in consultation with the Secretary, revise the content and
10 nature of the study to reflect emerging policy issues re-
11 lated to low-income families.

12 “(b) APPROPRIATION.—Out of any money in the
13 Treasury of the United States not otherwise appropriated,
14 there are appropriated \$10,000,000 for each fiscal year
15 for payment to the Bureau of the Census to carry out sub-
16 section (a).”.

17 (g) MATCHING GRANTS TO CERTAIN TERRI-
18 TORIES.—Section 1108 (42 U.S.C. 1308) is amended—

19 (1) in subsection (a)(2), by inserting “section
20 403(a)(1) (to the extent exceeding the amount re-
21 quired to be so paid to the territory for fiscal year
22 2018),” before “403(a)(2)”; and

23 (2) in subsection (b)(2), by striking “fiscal year
24 2012” and inserting “each fiscal year”.

1 **SEC. 6. WORK REQUIREMENTS.**

2 (a) PARTICIPATION RATE REQUIREMENT.—Section
3 407 (42 U.S.C. 607) is amended by striking subsections
4 (a) and (b) and inserting the following:

5 “(a) PARTICIPATION RATE REQUIREMENT.—

6 “(1) IN GENERAL.—A State to which a grant
7 is made under section 403 for a fiscal year shall
8 achieve a minimum participation rate of 50 percent
9 with respect to all families residing in the State that
10 include a work-eligible individual.

11 “(2) WORK-ELIGIBLE INDIVIDUAL DEFINED.—

12 “(A) IN GENERAL.—In this subsection, the
13 term ‘work-eligible individual’, subject to sub-
14 paragraphs (B) and (C), means—

15 “(i) an adult recipient of assistance
16 under the State program funded under this
17 part or under any other State program
18 funded by qualified State expenditures (as
19 defined in section 409(a)(7)(B)(i));

20 “(ii) a former recipient of such assist-
21 ance who is—

22 “(I) a parent of a dependent
23 child who is such a recipient; and

24 “(II) no longer eligible for assist-
25 ance under the State program funded

1 under this part by reason of section
2 408(a)(7); and

3 “(iii) a participant in a subsidized em-
4 ployment program funded under this part
5 or under any other State program funded
6 by qualified State expenditures (as defined
7 in section 409(a)(7)(B)(i)).

8 “(B) EXCLUSION OF INDIVIDUALS SANC-
9 TIONED OR UNDERGOING PRE-SANCTION RE-
10 VIEW.—The term ‘work-eligible individual’ does
11 not include any individual with respect to
12 whom—

13 “(i) there is in effect a penalty im-
14 posed by the State under subsection (e) of
15 this section; or

16 “(ii) the State has initiated (but not
17 completed) the pre-sanction review process
18 pursuant to section 408(a)(14)(A).

19 “(C) STATE OPTION TO EXCLUDE CERTAIN
20 INDIVIDUALS.—A State may exclude from the
21 term ‘work-eligible individual’ any resident of
22 the State who is—

23 “(i) a single parent caring for a child
24 who has not attained 1 year of age;

1 “(ii) a recipient of supplemental secu-
2 rity income benefits under title XVI, dis-
3 ability insurance benefits under title II, or
4 other Federal or State benefits based on
5 disability;

6 “(iii) an applicant for supplemental
7 security income benefits under title XVI;

8 “(iv) an individual who is needed in
9 the home of the individual to care for a
10 disabled member of the family of the indi-
11 vidual; or

12 “(v) an individual who (but for the ex-
13 ercise of the State option under this
14 clause) would be a work-eligible individual
15 under a tribal family assistance plan ap-
16 proved under section 412 or under a tribal
17 work program to which funds are provided
18 under this part.

19 “(b) CALCULATION OF PARTICIPATION RATES.—

20 “(1) AVERAGE MONTHLY RATE.—For purposes
21 of subsection (a), the participation rate of a State
22 for a fiscal year is the average of the participation
23 rates of the State for each month in the fiscal year.

1 “(2) MONTHLY PARTICIPATION RATE.—For
2 purposes of paragraph (1), the participation rate of
3 a State for a month, expressed as a percentage, is—

4 “(A) the number of families residing in the
5 State that include a work-eligible individual who
6 is engaged in work for the month; divided by

7 “(B) the number of families residing in the
8 State that include a work-eligible individual.”.

9 (b) PARTICIPATION REQUIREMENTS.—Section
10 407(c) (42 U.S.C. 607(c)) is amended to read as follows:

11 “(c) ENGAGED IN WORK.—For purposes of sub-
12 section (b):

13 “(1) GENERAL RULE.—An individual is en-
14 gaged in work for a month in a fiscal year if the re-
15 cipient is participating in work activities for an aver-
16 age of at least 20 hours per week during the month.

17 “(2) INDIVIDUALS COMPLYING WITH A MODI-
18 FIED EMPLOYABILITY PLAN DEEMED TO BE EN-
19 GAGED IN WORK.—An individual is deemed to be en-
20 gaged in work for a month if the State determines
21 that the individual is in substantial compliance with
22 the activities and hourly participation requirements
23 of a modified employability plan developed for the
24 individual in accordance with section 408(h).

1 “(3) SINGLE TEEN HEAD OF HOUSEHOLD OR
2 MARRIED TEEN WHO MAINTAINS SATISFACTORY
3 SCHOOL ATTENDANCE DEEMED TO BE ENGAGED IN
4 WORK.—An individual who is married or a head of
5 household and has not attained 20 years of age is
6 deemed to be engaged in work for a month if the re-
7 cipient maintains satisfactory attendance at sec-
8 ondary school or the equivalent during the month.”.

9 (c) ELIMINATION OF 12-MONTH LIMIT ON COUNT-
10 ING VOCATIONAL EDUCATIONAL TRAINING AS A WORK
11 ACTIVITY.—Section 407(d)(8) (42 U.S.C. 607(d)(8)) is
12 amended by striking “(not to exceed 12 months with re-
13 spect to any individual)”.

14 **SEC. 7. WORK RULES.**

15 (a) OPTION OF RECIPIENT TO HAVE TRAINED PER-
16 SONNEL ASSESS CERTAIN BARRIERS TO EMPLOYMENT;
17 ADDITIONAL MATTERS REQUIRED TO BE ASSESSED.—
18 Section 408(b)(1) (42 U.S.C. 608(b)(1)) is amended—

19 (1) by inserting “(which, at the option of the
20 recipient, shall be conducted by trained personnel
21 with respect to barriers to employment specified by
22 the recipient)” after “assessment”; and

23 (2) by striking “and employability” and insert-
24 ing “employability, physical and mental impair-
25 ments, English proficiency, child care needs, and

1 whether the recipient is a victim of domestic or sex-
2 ual violence,”.

3 (b) INDIVIDUAL RESPONSIBILITY PLANS.—

4 (1) PLANS REQUIRED; PLANS TO INCLUDE
5 WELL-BEING PLANS FOR CHILDREN.—Section
6 408(b)(2)(A) (42 U.S.C. 608(b)(2)(A)) is amend-
7 ed—

8 (A) in the matter preceding clause (i), by
9 striking “may” and inserting “shall”;

10 (B) in clause (iv)—

11 (i) by inserting “, supports,” after
12 “counseling”; and

13 (ii) by striking “and” at the end;

14 (C) in clause (v), by striking the period
15 and inserting “; and”; and

16 (D) by adding at the end the following:

17 “(vi) describes a well-being plan for
18 each child in the family.”.

19 (2) DEADLINE FOR COMPLETION OF PLAN.—

20 Section 408(b)(2)(B) (42 U.S.C. 608(b)(2)(B)) is
21 amended by striking “individual—” and all that fol-
22 lows and inserting “individual within 90 days after
23 the individual is determined eligible for the assist-
24 ance.”.

1 (3) SANCTION FOR FAILURE OF STATE TO DE-
2 VELOP PLAN.—Section 409(a) (42 U.S.C. 609(a)),
3 as amended by section 5(c)(2)(A) of this Act, is
4 amended by adding at the end the following:

5 “(16) PENALTY FOR FAILURE OF STATE TO DE-
6 VELOP REQUIRED INDIVIDUAL RESPONSIBILITY
7 PLAN.—

8 “(A) IN GENERAL.—If the Secretary deter-
9 mines that a State to which a grant is made
10 under section 403 in a fiscal year has violated
11 section 408(b)(2) during the fiscal year, the
12 Secretary shall reduce the grant payable to the
13 State under section 403(a)(1) for the imme-
14 diately succeeding fiscal year by an amount
15 equal to not more than 5 percent of the State
16 family assistance grant.

17 “(B) PENALTY BASED ON SEVERITY OF
18 FAILURE.—The Secretary shall impose reduc-
19 tions under subparagraph (A) with respect to a
20 fiscal year based on the degree of noncompli-
21 ance.”.

22 (4) CONFORMING AMENDMENT.—Section
23 408(b) (42 U.S.C. 608(b)) is amended by striking
24 paragraph (4).

1 (c) MODIFIED EMPLOYABILITY PLANS FOR CERTAIN
 2 INDIVIDUALS WITH DISABILITIES.—Section 408 (42
 3 U.S.C. 608) is amended by adding at the end the fol-
 4 lowing:

5 “(h) AUTHORITY TO DEVELOP MODIFIED EMPLOY-
 6 ABILITY PLAN FOR A RECIPIENT OF ASSISTANCE WITH,
 7 OR CARING FOR A FAMILY MEMBER WITH, A DIS-
 8 ABILITY.—

9 “(1) IN GENERAL.—A State may develop a
 10 modified employability plan for a recipient of assist-
 11 ance under the State program funded under this
 12 part—

13 “(A) who—

14 “(i) is a work-eligible individual (as
 15 defined in section 407(a)(2)); and

16 “(ii) has been determined by a quali-
 17 fied medical, mental health, addiction, or
 18 social services professional (as determined
 19 by the State) to have a disability; or

20 “(B) who is caring for a family member
 21 with a disability (as so determined).

22 “(2) CONTENTS OF PLAN.—The modified em-
 23 ployability plan shall—

24 “(A) include a determination that, because
 25 of the disability of the recipient or the indi-

vidual for whom the recipient is caring, reasonable modification of work activities, hourly participation requirements, or both, is needed in order for the recipient to participate in the activities;

“(B) describe the modified work activities in which the recipient is required to participate;

“(C) specify the number of hours per week for which the recipient is required to participate in the modified work activities, based on an evaluation by the State of the circumstances of the family;

“(D) describe the services, supports, and modifications that the State will provide to the recipient or the family of the recipient;

“(E) be developed in cooperation with the recipient; and

“(F) be reviewed not less often than every 6 months.

“(3) DEFINITIONS.—In this subsection:

“(A) DISABILITY.—The term ‘disability’ means a mental or physical impairment, including substance abuse or addiction, that—

“(i) constitutes or results in a substantial impediment to employment; or

1 “(ii) substantially limits 1 or more
2 major life activities.

3 “(B) MODIFIED WORK ACTIVITIES.—The
4 term ‘modified work activities’ means activities
5 which the State has determined will help the re-
6 cipient become employable.”.

7 (d) SANCTIONS.—

8 (1) GENERAL SANCTION PROVISIONS.—

9 (A) PROHIBITION ON IMPOSING LIFETIME
10 OR FULL FAMILY SANCTION.—

11 (i) PROHIBITION.—Section 408(a) (42
12 U.S.C. 608(a)) is amended by adding at
13 the end the following:

14 “(13) PROHIBITION ON IMPOSING LIFETIME OR
15 FULL FAMILY SANCTION.—A State to which a grant
16 is made under section 403 shall not impose a life-
17 time prohibition on the provision of assistance to
18 any individual or family under the State program
19 funded under this part or under a program funded
20 with qualified State expenditures (as defined in sec-
21 tion 409(a)(7)(B)(i)) on the basis of the failure of
22 a member of the family to comply with a program
23 requirement.”.

24 (ii) PENALTY.—Section 409(a) (42
25 U.S.C. 609), as amended by section

1 5(c)(2)(A) of this Act and subsection
 2 (b)(3) of this section, is amended by add-
 3 ing at the end the following:

4 “(17) PENALTY FOR IMPOSING LIFETIME OR
 5 FULL FAMILY SANCTION.—If the Secretary deter-
 6 mines that a State to which a grant is made under
 7 section 403 in a fiscal year has violated section
 8 408(a)(13) during the fiscal year, the Secretary
 9 shall reduce the grant payable to the State under
 10 section 403(a)(1) for the immediately succeeding fis-
 11 cal year by an amount equal to 5 percent of the
 12 State family assistance grant.”.

13 (B) DUE PROCESS PROTECTIONS.—

14 (i) IN GENERAL.—Section 408(a) (42
 15 U.S.C. 608(a)), as amended by subpara-
 16 graph (A)(i) of this paragraph, is amended
 17 by adding at the end the following:

18 “(14) SANCTION PROCEDURES.—

19 “(A) PRE-SANCTION REVIEW PROCESS.—
 20 Before imposing a sanction against an indi-
 21 vidual or family receiving assistance under the
 22 State program funded under this part or under
 23 a program funded with qualified State expendi-
 24 tures (as defined in section 409(a)(7)(B)(i)) for

1 failure to comply with program requirements,
2 the State shall take the following steps:

3 “(i) Provide or send notice to the indi-
4 vidual or family, and, if the recipient’s na-
5 tive language is not English, through a
6 culturally competent written or verbal
7 translation, of the following information:

8 “(I) The specific reason for the
9 proposed sanction.

10 “(II) The amount of the pro-
11 posed sanction.

12 “(III) The length of time during
13 which the proposed sanction would be
14 in effect.

15 “(IV) The steps required to come
16 into compliance or to show good cause
17 for noncompliance.

18 “(V) That the agency will provide
19 assistance to help the individual dem-
20 onstrate good cause for noncompli-
21 ance, or come into compliance with
22 program requirements.

23 “(VI) That the individual may
24 appeal the determination to impose a
25 sanction, and the steps that the indi-

1 vidual must take to pursue such an
2 appeal.

3 “(ii)(I) Ensure that, subject to clause
4 (iii)—

5 “(aa) an individual, other than
6 the individual who determined that a
7 sanction be imposed, will review the
8 determination and have the authority
9 to take the actions described in sub-
10 clause (II); and

11 “(bb) the individual or family
12 against whom the sanction is to be
13 imposed shall be afforded the oppor-
14 tunity to meet with the individual who
15 is reviewing the determination to im-
16 pose the sanction.

17 “(II) The actions described in this
18 subclause are the following:

19 “(aa) Modify the determination
20 to impose a sanction.

21 “(bb) Determine that there was
22 good cause for the failure to comply.

23 “(cc) Recommend modifications
24 to the individual responsibility or em-
25 ployment plan of an individual.

1 “(dd) Make such other deter-
2 minations and take such other actions
3 as may be appropriate.

4 “(iii) The review required under
5 clause (ii) shall include consideration of the
6 following:

7 “(I) To the extent applicable,
8 whether barriers to compliance exist,
9 such as a physical or mental impair-
10 ment (including mental illness, sub-
11 stance abuse, mental retardation, or a
12 learning disability), domestic or sexual
13 violence, limited proficiency in
14 English, limited literacy, homeless-
15 ness, or the need to care for a child
16 with a disability or health condition,
17 that contributed to the noncompli-
18 ance.

19 “(II) Whether the noncompliance
20 resulted from failure to receive or
21 have access to services identified as
22 necessary in an individual responsi-
23 bility or employment plan.

24 “(III) Whether changes to the in-
25 dividual responsibility or employment

1 plan of an individual should be made
2 in order for the individual to come
3 into compliance.

4 “(IV) Whether there is good
5 cause for any noncompliance.

6 “(V) Whether the sanction poli-
7 cies of the State have been applied
8 properly.

9 “(B) SANCTION FOLLOW-UP REQUIRE-
10 MENTS.—If a State imposes a sanction on a
11 family or individual for failing to comply with
12 program requirements, the State shall—

13 “(i) provide or send notice to the indi-
14 vidual or family, in language calculated to
15 be understood by the individual or family,
16 and, if the individual’s or family’s native
17 language is not English, through a cul-
18 turally competent translation, of the reason
19 for the sanction and the steps the indi-
20 vidual or family must take to end the sanc-
21 tion;

22 “(ii) resume full assistance, services,
23 or benefits to the individual or family
24 under the program (if the individual or
25 family is otherwise eligible for the assist-

1 ance, services, or benefits) once the indi-
2 vidual who was not in compliance with pro-
3 gram requirements that led to the sanction
4 complies with the requirements for a rea-
5 sonable period of time, as determined by
6 the State and subject to State discretion to
7 reduce the period; and

8 “(iii) if the State has not resumed
9 providing the assistance, services, or bene-
10 fits as of the end of the 120-day period
11 that begins on the date that is 60 days
12 after the date on which the sanction was
13 imposed, provide notice to the individual or
14 family, in language calculated to be under-
15 stood by the individual or family, of the
16 steps the individual or family must take to
17 end the sanction, and of the availability of
18 assistance to come into compliance or dem-
19 onstrate good cause for noncompliance.

20 “(C) NOTICE TO EVICTED PERSONS.—The
21 State shall make a reasonable effort to provide
22 to an individual or family that has been evicted
23 from a residence for failure to pay rent or as
24 a result of another problem related to poverty,

1 any notice required by this paragraph to be
2 provided to the individual or family.”.

3 (ii) PENALTY.—Section 409(a) (42
4 U.S.C. 609(a)), as amended by section
5 5(c)(2)(A) of this Act, subsection (b)(3) of
6 this section, and subparagraph (A)(ii) of
7 this paragraph, is amended by adding at
8 the end the following:

9 “(18) PENALTY FOR FAILURE TO FOLLOW
10 SANCTION PROCEDURES.—

11 “(A) IN GENERAL.—If the Secretary deter-
12 mines that a State to which a grant is made
13 under section 403 in a fiscal year has violated
14 section 408(a)(14) during the fiscal year, the
15 Secretary shall reduce the grant payable to the
16 State under section 403(a)(1) for the imme-
17 diately succeeding fiscal year by an amount
18 equal to not more than 5 percent of the State
19 family assistance grant.

20 “(B) PENALTY BASED ON SEVERITY OF
21 FAILURE.—The Secretary shall impose reduc-
22 tions under subparagraph (A) with respect to a
23 fiscal year based on the degree of noncompli-
24 ance.”.

1 (iii) STATE PLAN REQUIREMENT TO
 2 DESCRIBE HOW STATES WILL NOTIFY AP-
 3 PPLICANTS AND RECIPIENTS OF THEIR
 4 RIGHTS UNDER THE PROGRAM AND OF PO-
 5 TENTIAL BENEFITS AND SERVICES AVAIL-
 6 ABLE UNDER THE PROGRAM.—Section
 7 402(a)(1)(B)(iii) (42 U.S.C.
 8 602(a)(1)(B)(iii)) is amended by inserting
 9 “, and will notify applicants and recipients
 10 of assistance under the program of the
 11 rights of individuals under all laws applica-
 12 ble to program activities and of all poten-
 13 tial benefits and services available under
 14 the program” before the period.

15 (2) MODIFICATIONS TO WORK SANCTION.—

16 (A) ELIMINATION OF FULL FAMILY SANC-
 17 TION; STATE REQUIRED TO ESTABLISH CER-
 18 TAIN GOOD CAUSE EXCEPTIONS.—Section
 19 407(e)(1) (42 U.S.C. 607(e)(1)) is amended—

20 (i) by striking “shall—” and all that
 21 follows through subparagraph (B) and in-
 22 serting “shall reduce the amount of assist-
 23 ance otherwise payable to the family pro
 24 rata with respect to any period during a

1 month in which the individual so refuses,”;
2 and

3 (ii) by striking “may establish” and
4 inserting the following “shall establish,
5 which shall include the decline of an offer
6 of employment at a wage less than the
7 greater of the applicable Federal or State
8 minimum wage, or 80 percent of the wage
9 that would have governed had the min-
10 imum hourly rate under the Fair Labor
11 Standards Act been applicable to the offer
12 of employment, at a site subject to a strike
13 or lockout at the time of refusal, or for
14 medical reasons or a lack of sufficient
15 physical strength or stamina”.

16 (B) PROHIBITION ON SANCTIONING INDIVIDUAL FOR FAILURE TO ENGAGE IN WORK IF
17 INDIVIDUAL HAS A CHILD UNDER AGE 6
18 MONTHS OR IF FAILURE RESULTS FROM IN-
19 ABILITY TO SECURE CHILD CARE OR AFTER-
20 SCHOOL ARRANGEMENTS FOR A CHILD UNDER
21 AGE 13.—Section 407(e)(2) (42 U.S.C.
22 607(e)(2)) is amended by striking “refusal”
23 and all that follows and inserting “failure of an
24

1 individual to engage in work required in accord-
 2 ance with this section if—

3 “(A) the individual is a single custodial
 4 parent caring for a child who has not attained
 5 6 months of age; or

6 “(B) the individual is the single custodial
 7 parent caring for a child who has not attained
 8 13 years of age, and the failure resulted from
 9 the inability of the individual to secure child
 10 care or after-school arrangements for the
 11 child”.

12 (3) MODIFICATIONS TO CHILD SUPPORT SANC-
 13 TION.—Section 408(a)(2) (42 U.S.C. 608(a)(2)) is
 14 amended by striking “State—” and all that follows
 15 and inserting “State shall deduct from the assist-
 16 ance that would otherwise be provided to the family
 17 of the individual under the State program funded
 18 under this part an amount equal to 25 percent of
 19 the amount of the assistance.”.

20 (e) RELATED STATE PLAN REQUIREMENT.—Section
 21 402(a) (42 U.S.C. 602(a)) is amended by adding at the
 22 end the following:

23 “(8) CERTIFICATION THAT EMPLOYMENT AS-
 24 SESSMENTS AND SANCTION REVIEWS WILL BE CON-
 25 DUCTED BY COMPETENT PERSONNEL.—A certifi-

1 cation by the chief executive officer of the State that
 2 the employment assessments conducted pursuant to
 3 section 408(b)(1) and the sanction reviews con-
 4 ducted pursuant to section 408(a)(14)(A) will be
 5 conducted by personnel who have sufficient edu-
 6 cation, training, and professional competence to do
 7 so, which shall include information on the education,
 8 training, and professional competence that State will
 9 require of the personnel.”.

10 **SEC. 8. PROHIBITION ON IMPOSING LIMIT OF LESS THAN 60**
 11 **MONTHS ON DURATION OF ASSISTANCE.**

12 (a) PROHIBITION.—

13 (1) IN GENERAL.—Section 408(a)(7) (42
 14 U.S.C. 608(a)(7)) is amended—

15 (A) in the paragraph heading, by striking
 16 “NO ASSISTANCE FOR MORE THAN 5 YEARS”
 17 and inserting “DURATIONAL LIMITS ON ASSIST-
 18 ANCE”;

19 (B) in the heading for subparagraph (A),
 20 by striking “IN GENERAL” and inserting “No
 21 ASSISTANCE FOR MORE THAN 5 YEARS”; and

22 (C) by adding at the end the following:

23 “(H) PROHIBITION ON LIMITING DURA-
 24 TION OF ASSISTANCE TO LESS THAN 60
 25 MONTHS.—A State to which a grant is made

1 under section 403 shall not impose a limit of
2 less than 60 months on the duration for which
3 a family may be provided assistance from Fed-
4 eral or State funds under the State program
5 funded under this part or under a program
6 funded with qualified State expenditures (as de-
7 fined in section 409(a)(7)(B)(i)).”.

8 (2) CONFORMING AMENDMENT.—The heading
9 of section 409(a)(9) (42 U.S.C. 609(a)(9)) is
10 amended by striking “5-YEAR LIMIT” and inserting
11 “RULES GOVERNING DURATIONAL LIMITS”.

12 (b) REQUIREMENT TO CONDUCT OUTREACH TO IN-
13 FORM POTENTIALLY ELIGIBLE FAMILIES OF ELIMI-
14 NATION OF DURATIONAL LIMIT ON ASSISTANCE OF LESS
15 THAN 60 MONTHS.—

16 (1) IN GENERAL.—Section 408(a) (42 U.S.C.
17 608(a)), as amended by section 7(d)(1) of this Act,
18 is amended by adding at the end the following:

19 “(15) REQUIREMENT TO CONDUCT OUTREACH
20 TO INFORM POTENTIALLY ELIGIBLE RECIPIENTS OF
21 ASSISTANCE OF ELIMINATION OF DURATIONAL LIMIT
22 ON ASSISTANCE OF LESS THAN 60 MONTHS.—A
23 State to which a grant is made under section 403
24 for a fiscal year that, before the effective date of this
25 paragraph, denied assistance under the State pro-

1 gram funded under this part or any other State pro-
 2 gram funded by qualified State expenditures (as de-
 3 fined in section 409(a)(7)(B)(i)) to an individual or
 4 family on the basis of a durational limit on the as-
 5 sistance that was imposed other than under section
 6 408(a)(7) shall conduct outreach to inform individ-
 7 uals and families who were so denied that they may
 8 be eligible for additional months of the assistance.”.

9 (2) PENALTY.—Section 409(a) (42 U.S.C.
 10 609(a)), as amended by sections 5(c)(2)(A) and
 11 7(d)(1) of this Act, is amended by adding at the end
 12 the following:

13 “(19) FAILURE TO CONDUCT OUTREACH TO IN-
 14 FORM POTENTIALLY ELIGIBLE RECIPIENTS OF AS-
 15 SISTANCE OF ELIMINATION OF DURATIONAL LIMIT
 16 ON ASSISTANCE OF LESS THAN 60 MONTHS.—If the
 17 Secretary determines that a State to which a grant
 18 is made under section 403 in a fiscal year has vio-
 19 lated section 408(a)(15) during the fiscal year, the
 20 Secretary shall reduce the grant payable to the State
 21 under section 403(a)(1) for the immediately suc-
 22 ceeding fiscal year by an amount equal to 5 percent
 23 of the State family assistance grant.”.

24 (c) STATE PLAN REQUIRED TO INCLUDE DESCRIPT-
 25 TION OF HOW POTENTIALLY ELIGIBLE RECIPIENTS WILL

1 BE INFORMED OF ELIMINATION OF DURATIONAL LIMIT
 2 ON ASSISTANCE OF LESS THAN 60 MONTHS.—Section
 3 402(a)(1)(B) (42 U.S.C. 602(a)(1)(B)) is amended by
 4 adding at the end the following:

5 “(vi) In the case of a State that, be-
 6 fore the date this clause takes effect, de-
 7 nied assistance under the program to an
 8 individual or family on the basis of a
 9 durational limit on the assistance that was
 10 imposed other than under section
 11 408(a)(7), the document shall describe how
 12 the State intends to inform the individuals
 13 and families who were so denied that they
 14 may be eligible for additional months of
 15 the assistance.”.

16 **SEC. 9. RESPONSE OF TANF PROGRAM TO ECONOMIC RE-**
 17 **CESSIONS.**

18 (a) INAPPLICABILITY OF DURATIONAL LIMIT ON AS-
 19 SISTANCE.—Section 408(a)(7) (42 U.S.C. 608(a)(7)), as
 20 amended by section 8(a)(1)(C) of this Act, is amended by
 21 adding at the end the following:

22 “(I) INAPPLICABILITY OF DURATIONAL
 23 LIMIT DURING RECESSION.—Subparagraph (A)
 24 shall not apply in a State during any month

1 which is in a high unemployment period with
2 respect to the State.

3 “(J) DISREGARD OF ASSISTANCE PRO-
4 VIDED DURING RECESSION.—In determining
5 the number of months for which an adult has
6 received assistance under a State or tribal pro-
7 gram funded under this part or any other State
8 program funded by qualified State expenditures
9 (as defined in section 409(a)(7)(B)(i)), the
10 State or tribe shall disregard any month which
11 is in a high unemployment period with respect
12 to the State.

13 “(K) 6-MONTH GRACE PERIOD REQUIRED
14 AFTER RECESSION.—Subparagraph (A) shall
15 not apply to a recipient of assistance under the
16 State program funded under this part or any
17 other State program funded by qualified State
18 expenditures (as defined in section
19 409(a)(7)(B)(i)) during the 6-month period
20 that begins with the month immediately fol-
21 lowing a high unemployment period with re-
22 spect to the State if the recipient received the
23 assistance for the last month of the period.”.

1 (b) REQUIREMENT TO CONDUCT OUTREACH TO IN-
2 FORM POTENTIALLY ELIGIBLE FAMILIES OF SUSPENSION
3 OF DURATIONAL LIMIT ON ASSISTANCE.—

4 (1) IN GENERAL.—Section 408(a) (42 U.S.C.
5 608(a)), as amended by sections 7(d)(1) and 8(b)(1)
6 of this Act, is amended by adding at the end the fol-
7 lowing:

8 “(16) REQUIREMENT TO CONDUCT OUTREACH
9 TO INFORM POTENTIALLY ELIGIBLE RECIPIENTS OF
10 ASSISTANCE OF SUSPENSION OF DURATIONAL LIMIT
11 ON ASSISTANCE.—In each month which is a high un-
12 employment period with respect to a State to which
13 a grant is made under section 403 for a fiscal year,
14 the State shall conduct outreach to inform individ-
15 uals and families who are potentially eligible for as-
16 sistance under the State program funded under this
17 part or any other State program funded by qualified
18 State expenditures (as defined in section
19 409(a)(7)(B)(i)) of the suspension of any durational
20 limit on assistance under the program.”.

21 (2) PENALTY.—Section 409(a) (42 U.S.C.
22 609(a)), as amended by sections 5(c)(2)(A), 7(d)(1),
23 and 8(b)(2) of this Act, is amended by adding at the
24 end the following:

1 “(20) FAILURE TO CONDUCT OUTREACH TO IN-
 2 FORM POTENTIALLY ELIGIBLE RECIPIENTS OF AS-
 3 SISTANCE OF SUSPENSION OF DURATIONAL LIMIT
 4 ON ASSISTANCE.—If the Secretary determines that a
 5 State to which a grant is made under section 403
 6 in a fiscal year has violated section 408(a)(16) dur-
 7 ing the fiscal year, the Secretary shall reduce the
 8 grant payable to the State under section 403(a)(1)
 9 for the immediately succeeding fiscal year by an
 10 amount equal to 5 percent of the State family assist-
 11 ance grant.”.

12 (c) STATE PLAN REQUIRED TO INCLUDE DESCRIPT-
 13 TION OF HOW POTENTIALLY ELIGIBLE RECIPIENTS WILL
 14 BE INFORMED OF SUSPENSION OF TIME LIMITS DURING
 15 RECESSION.—Section 402(a)(1)(B) (42 U.S.C.
 16 602(a)(1)(B)), as amended by section 8(c) of this Act, is
 17 amended by adding at the end the following:

18 “(vii) The document shall describe
 19 how the State intends to inform potentially
 20 eligible recipients of assistance under the
 21 program of the suspension of durational
 22 limits on the assistance during a high un-
 23 employment period with respect to the
 24 State.”.

1 (d) HIGH UNEMPLOYMENT PERIOD DEFINED.—Sec-
 2 tion 419 (42 U.S.C. 619) is amended by adding at the
 3 end the following:

4 “(6) HIGH UNEMPLOYMENT PERIOD DE-
 5 FINED.—The term ‘high unemployment period’
 6 means, with respect to a State, a period of 1 or
 7 more consecutive months if the average rate of total
 8 unemployment in the State (seasonally adjusted) for
 9 the period consisting of the then most recent 3
 10 months for which data for all States are published
 11 equals or exceeds 6.5 percent.”.

12 **SEC. 10. REQUIREMENT THAT STATES USE MERIT-BASED**
 13 **SYSTEM IN ADMINISTRATION OF TANF PRO-**
 14 **GRAMS.**

15 (a) PROGRAM REQUIREMENT.—Section 408(a) (42
 16 U.S.C. 608(a)), as amended by sections 7(d)(1), 8(b)(1),
 17 and 9(b)(1) of this Act, is amended by adding at the end
 18 the following:

19 “(17) REQUIREMENT TO USE MERIT-BASED
 20 SYSTEM IN ADMINISTERING PROGRAM.—A State to
 21 which a grant is made under section 403 shall estab-
 22 lish and maintain personnel standards through a
 23 merit-based system, in administering the State pro-
 24 gram funded under this part and any other State

1 program funded by qualified State expenditures (as
2 defined in section 409(a)(7)(B)(i)).”.

3 (b) PENALTY.—Section 409(a) (42 U.S.C. 609), as
4 amended by sections 5(c)(2)(A), 7(d)(1), 8(b)(2), and
5 9(b)(2) of this Act, is amended by adding at the end the
6 following:

7 “(21) PENALTY FOR FAILURE TO USE MERIT-
8 BASED SYSTEM IN ADMINISTERING PROGRAM.—If
9 the Secretary determines that a State to which a
10 grant is made under section 403 in a fiscal year has
11 violated section 408(a)(17) during the fiscal year,
12 the Secretary shall reduce the grant payable to the
13 State under section 403(a)(1) for the immediately
14 succeeding fiscal year by an amount equal to 5 per-
15 cent of the State family assistance grant.”.

16 **SEC. 11. BAN ON USING FEDERAL TANF FUNDS TO RE-**
17 **PLACE STATE AND LOCAL SPENDING THAT**
18 **DOES NOT MEET THE DEFINITION OF QUALI-**
19 **FIED STATE EXPENDITURES.**

20 (a) PROHIBITION.—Section 408(a) (42 U.S.C.
21 608(a)), as amended by sections 7(d)(1), 8(b)(1), 9(b)(1),
22 and 10(a) of this Act, is amended by adding at the end
23 the following:

24 “(18) BAN ON USING FEDERAL TANF FUNDS
25 TO REPLACE STATE OR LOCAL SPENDING THAT IS

1 NOT A QUALIFIED STATE EXPENDITURE.—A State
 2 to which a grant is made under section 403, and a
 3 sub-State entity that receives funds from such a
 4 grant, shall not expend any part of the grant funds
 5 to supplant State or local spending for benefits or
 6 services which are not qualified State expenditures
 7 (within the meaning of section 409(a)(7)(B)(i)).”.

8 (b) PENALTY.—Section 409(a) (42 U.S.C. 609), as
 9 amended by sections 5(c)(2)(A), 7(d)(1), 8(b)(2), 9(b)(2),
 10 and 10(b) of this Act, is amended by adding at the end
 11 the following:

12 “(22) USE OF FEDERAL TANF FUNDS TO RE-
 13 PLACE STATE OR LOCAL SPENDING THAT IS NOT A
 14 QUALIFIED STATE EXPENDITURE.—If the Secretary
 15 determines that a State to which a grant is made
 16 under section 403 in a fiscal year has violated sec-
 17 tion 408(a)(18) during the fiscal year, the Secretary
 18 shall reduce the grant payable to the State under
 19 section 403(a)(1) for the immediately succeeding fis-
 20 cal year by an amount equal to 5 percent of the
 21 State family assistance grant.”.

22 **SEC. 12. TANF ASSISTANCE TO MEET BASIC FAMILY ECO-**
 23 **NOMIC NEEDS.**

24 (a) STATE PLAN REQUIREMENT.—Section
 25 402(a)(1)(B) (42 U.S.C. 602(a)(1)(B)), as amended by

1 sections 8(c) and 9(c) of this Act, is amended by adding
2 at the end the following:

3 “(viii) FAMILY BUDGET PROVI-
4 SIONS.—The document shall set forth a
5 family budget of a dollar amount sufficient
6 to meet the basic economic needs (includ-
7 ing food, clothing, shelter, utilities, house-
8 hold goods, personal care items, and gen-
9 eral incidental expenses) of a family, how
10 the family budget is adjusted for family
11 size, the method used to estimate the fam-
12 ily budget (including a statement of the re-
13 lationship between shelter and utility costs
14 and the fair market rents in localities in
15 the State), and the relationship between
16 the amount of assistance provided to each
17 family under the program and the amount
18 of the family budget for the family.”.

19 (b) PROGRAM REQUIREMENT.—Section 408(a) (42
20 U.S.C. 608(a)), as amended by sections 7(d)(1), 8(b)(1),
21 9(b)(1), 10(a), and 11(a) of this Act, is amended by add-
22 ing at the end the following:

23 “(19) REQUIREMENT THAT AMOUNT OF ASSIST-
24 ANCE MEET BASIC ECONOMIC NEEDS.—A State to
25 which a grant is made under section 403 shall en-

1 sure that the total amount of assistance provided to
2 a family under the State program funded under this
3 part and all programs funded with qualified State
4 expenditures (as defined in section 409(a)(7)(B)(i))
5 for which the family is eligible is sufficient to meet
6 the basic economic needs of the family, taking into
7 account all earned and unearned income of the fam-
8 ily and an amount not to exceed the value of the
9 supplemental nutrition assistance benefits provided
10 to the family under the Food and Nutrition Act of
11 2008.”.

12 (c) PENALTY.—Section 409(a) (42 U.S.C. 609), as
13 amended by sections 5(c)(2)(A), 7(d)(1), 8(b)(2), 9(b)(2),
14 10(b), and 11(b) of this Act, is amended by adding at the
15 end the following:

16 “(23) PENALTY FOR FAILURE OF STATE TANF
17 ASSISTANCE TO MEET BASIC ECONOMIC NEEDS OF A
18 RECIPIENT FAMILY.—If the Secretary determines
19 that a State to which a grant is made under section
20 403 in a fiscal year has violated section 408(a)(19)
21 during the fiscal year, the Secretary shall reduce the
22 grant payable to the State under section 403(a)(1)
23 for the immediately succeeding fiscal year by an
24 amount equal to 5 percent of the State family assist-
25 ance grant.”.

1 **SEC. 13. STATE PLANS AND REPORTS ON CHILD POVERTY.**

2 (a) CHILD POVERTY REDUCTION AS A PURPOSE OF
3 THE TANF PROGRAM.—Section 401(a) (42 U.S.C.
4 601(a)) is amended by redesignating paragraphs (1)
5 through (4) as paragraphs (2) through (5), respectively,
6 and by inserting before paragraph (2) (as so redesignated)
7 the following:

8 “(1) reduce poverty among children;”.

9 (b) STATE PLAN PROVISIONS.—

10 (1) MATTERS REQUIRED TO BE ADDRESSED.—

11 Section 402(a)(1)(A) (42 U.S.C. 602(a)(1)(A)) is
12 amended by adding at the end the following:

13 “(ix) GOALS AND METHODS FOR RE-
14 DUCING CHILD POVERTY.—Reduce child
15 poverty using Federal funds provided
16 under this part and State funds, including
17 establishing numerical goals for reducing
18 child poverty.

19 “(x) GOALS AND TRACKING OF WORK
20 OUTCOMES.—Track work-related outcomes
21 for recipients of assistance under the pro-
22 gram, such as employment entries, wages,
23 and job retention, including establishing
24 numerical goals for work-related outcomes
25 for recipients.

1 “(xi) PROVIDE PREVENTATIVE SERV-
2 ICES TO FAMILIES AT RISK OF ABUSE OR
3 NEGLECT.—Provide benefits and services
4 to families at risk of having their children
5 removed from the home because of abuse
6 and neglect, using Federal funds provided
7 under this part and State funds.

8 “(xii) HOW NONCUSTODIAL PARENTS
9 WILL BE SERVED.—Serve noncustodial
10 parents, using Federal funds provided
11 under this part and State funds.”.

12 (2) PUBLIC AVAILABILITY.—Section 402(c) (42
13 U.S.C. 602(c)) is amended to read as follows:

14 “(c) PUBLIC AVAILABILITY.—

15 “(1) IN GENERAL.—The State shall make avail-
16 able to the public, including by posting on a public
17 website of the State or another appropriate
18 website—

19 “(A) each draft of any plan or plan
20 amendment to be submitted by the State under
21 this section, for at least 45 days before the sub-
22 mission; and

23 “(B) any such plan or amendment certified
24 by the Secretary to be complete.

1 “(2) PROCEDURES.—The State shall establish
2 procedures to receive and respond to comments from
3 the public, private sector organizations, and local
4 governments on any draft referred to in paragraph
5 (1).”.

6 (c) ANNUAL PERFORMANCE REPORT.—Section 411
7 (42 U.S.C. 611) is amended by adding at the end the fol-
8 lowing:

9 “(e) ANNUAL PERFORMANCE REPORT BY STATES.—
10 Not later than December 31 of each year, each eligible
11 State shall submit to the Secretary (in accordance with
12 such form and content rules as the Secretary, in consulta-
13 tion with the National Governor’s Association, National
14 Conference of State Legislatures, and the American Public
15 Human Services Association, develops) a report on the fol-
16 lowing aspects of the State program funded under this
17 part in the preceding fiscal year:

18 “(1) Whether the State met the child poverty
19 reduction goals set forth in the State plan. This part
20 of the report shall include a discussion of the fac-
21 tors, including benefits, services, and activities fund-
22 ed with Federal funds provided under this part or
23 State funds, which contributed to the meeting of, or
24 the failure to meet, the goals.

1 “(2) Whether the work programs of the State
2 were effective in meeting the objectives and numer-
3 ical goals of the State plan. This part of the report
4 shall include a discussion of data derived from the
5 tracking of recipients, including—

6 “(A) the number of families that left the
7 State program funded under this part;

8 “(B) the employment rate for those who
9 left the program in each calendar quarter;

10 “(C) the wage rates of those who left the
11 program, including the percentage of leavers
12 who, in each calendar quarter, earned an
13 amount equal to at least 50 percent of the aver-
14 age wage then paid in the State; and

15 “(D) the employment outcomes of those
16 who left the program because of a durational
17 limit on assistance, reported at 6 months, 12
18 months, 24 months, and 36 months after leav-
19 ing the program.

20 The Secretary shall provide States with technical as-
21 sistance in preparing this part of the report, includ-
22 ing by providing States with data from the National
23 Directory of New Hires.

24 “(3) Whether the State has been effective in
25 providing benefits and services under the program to

1 persons with disabilities. This part of the report
2 shall include a report on recipients of assistance
3 under the State program funded under this part who
4 participated in work activities (as defined in section
5 407(d)) pursuant to a modified employability plan
6 due to disability, including the following:

7 “(A) The aggregate number of recipients
8 with modified employability plans due to a dis-
9 ability.

10 “(B) The percentage of all recipients with
11 modified employability plans who substantially
12 complied with activities set forth in the plans
13 each month of the fiscal year.

14 “(C) Information regarding the most prev-
15 alent types of physical and mental impairments
16 that provided the basis for the disability deter-
17 minations.

18 “(D) The percentage of cases with a modi-
19 fied employability plan in which the recipient
20 had a disability, was caring for a child with a
21 disability, or was caring for another family
22 member with a disability.

23 “(E) A description of the most prevalent
24 types of modification in work activities or hours

1 of participation that were included in the modi-
2 fied employability plans.

3 “(F) A description of the qualifications of
4 the staff who determined whether individuals
5 had a disability, of the staff who determined
6 that individuals needed modifications to their
7 work requirements, and of the staff who devel-
8 oped the modified employability plans.

9 “(4) The effectiveness of the benefits and serv-
10 ices provided under the State program in reducing
11 the number of children removed from their homes
12 because of abuse and neglect. This part of the report
13 shall include an analysis which includes the fol-
14 lowing:

15 “(A) The number of families provided the
16 benefits or services that were at risk of having
17 their children removed from the home.

18 “(B) The number of families served by the
19 program that had 1 or more children removed
20 from the home because of abuse or neglect.

21 “(5) An analysis of the extent to which the ben-
22 efits and services under the State program were pro-
23 vided to noncustodial parents.

24 “(6) How funds provided to the State under
25 this part, with a separate accounting for funds pro-

1 vided under section 403(a)(3) and funds provided
 2 under section 403(b), were used to serve areas of the
 3 State with the greatest need (as referred to in sec-
 4 tion 402(a)(1)(A)(i)). This part of the report shall
 5 include supporting data.”.

6 (d) ANNUAL REPORT TO CONGRESS ON THE EF-
 7 FORTS OF STATE PROGRAMS TO PROMOTE AND SUPPORT
 8 EMPLOYMENT FOR INDIVIDUALS WITH DISABILITIES.—
 9 Section 411 (42 U.S.C. 611), as amended by subsection
 10 (c) of this section, is amended by adding at the end the
 11 following:

12 “(f) REPORT BY SECRETARY.—Not later than July
 13 31 of each fiscal year, the Secretary shall submit to the
 14 Congress a report, entitled ‘Efforts in State TANF Pro-
 15 grams to Promote and Support Employment for Individ-
 16 uals with Disabilities’, that includes information on State
 17 efforts to engage individuals with disabilities in work ac-
 18 tivities during the preceding fiscal year. The report shall
 19 include the following information:

20 “(1) For each State, the number of individuals
 21 for whom the State has developed a modified em-
 22 ployability plan.

23 “(2) The types of physical and mental impair-
 24 ments that provided the basis for the disability de-
 25 termination, and whether the individual with the dis-

1 ability was an adult recipient or minor child head of
2 household, a child, or a non-recipient family mem-
3 ber.

4 “(3) The types of modifications that States
5 have included in modified employability plans.

6 “(4) The extent to which individuals with a
7 modified employability plan are participating in work
8 activities.

9 “(5) For each State, an analysis of the extent
10 to which the option to establish modified employ-
11 ability plans was a factor in the State achieving or
12 not achieving the minimum participation rate re-
13 quired by section 407(a).”.

14 (e) REPORT TO CONGRESS ON LEGISLATIVE OPTIONS
15 TO REWARD STATES WITH HIGH EMPLOYMENT RATES
16 AND HIGH RATES OF EMPLOYMENT AT GOOD WAGES.—
17 Within 4 years after the effective date of this section, the
18 Secretary of Health and Human Services shall submit to
19 the Congress a report that sets forth options for the enact-
20 ment of legislation to provide financial or other rewards
21 to States that have high rates of employment and high
22 rates of employment at good wages.

1 **SEC. 14. REQUIREMENT THAT STATES ADOPT STANDARDS**
2 **AND PROCEDURES TO ADDRESS DOMESTIC**
3 **AND SEXUAL VIOLENCE AMONG TANF RE-**
4 **CIPIENTS.**

5 (a) IN GENERAL.—Section 402(a)(7) (42 U.S.C.
6 602(a)(7)) is amended—

7 (1) by striking the paragraph heading and in-
8 serting “CERTIFICATION OF STANDARDS AND PRO-
9 CEDURES REGARDING DOMESTIC AND SEXUAL VIO-
10 LENCE”;

11 (2) by striking subparagraph (A) and inserting
12 the following:

13 “(A) IN GENERAL.—A certification by the
14 chief executive officer of the State that the
15 State has established and is enforcing stand-
16 ards and procedures to ensure the right and en-
17 titlement of victims of domestic or sexual vio-
18 lence (notwithstanding section 401(b)) seeking
19 or receiving assistance under the State program
20 funded under this part or any other State pro-
21 gram funded by qualified State expenditures (as
22 defined in section 409(a)(7)(B)(i))—

23 “(i) to be screened and identified
24 while maintaining the confidentiality of the
25 victims;

1 “(ii) to be referred to counseling and
2 supportive services;

3 “(iii) to be granted a waiver, pursuant
4 to a determination of good cause, of pro-
5 gram requirements such as time limits (for
6 so long as necessary), residency require-
7 ments, child support cooperation require-
8 ments, and family cap provisions, in cases
9 where compliance with the requirements
10 would make it more difficult for the vic-
11 tims to escape domestic or sexual violence
12 or unfairly penalize the victims or other in-
13 dividuals who are at risk of further domes-
14 tic or sexual violence;

15 “(iv) to apply to participate in the
16 program on the same day the victim ap-
17 pears in person in a program office during
18 office hours;

19 “(v) to have an application that con-
20 tains the name, address, and signature of
21 the victim considered to be filed on the
22 date the application is submitted;

23 “(vi) to receive at the time of applica-
24 tion a clear, written statement explaining
25 what the victim must do to cooperate in

1 obtaining verification and otherwise com-
 2 pleting the application process; and

3 “(vii) if the victim has completed the
 4 application process, to have the eligibility
 5 of the victim for assistance determined
 6 promptly, and to be provided assistance
 7 retroactive to the application date if deter-
 8 mined eligible within 30 days after the ap-
 9 plication date.”; and

10 (3) in subparagraph (B)—

11 (A) in the subparagraph heading, by in-
 12 serting “OR SEXUAL” after “DOMESTIC”; and

13 (B) in the text, by inserting “or sexual”
 14 after “domestic”.

15 (b) REPORT TO THE CONGRESS ON BEST PRACTICES
 16 OF STATES.—Section 413 (42 U.S.C. 613) is amended by
 17 adding at the end the following:

18 “(k) REPORT TO CONGRESS ON BEST PRACTICES OF
 19 STATES IN ADDRESSING DOMESTIC AND SEXUAL VIO-
 20 LENCE SUFFERED BY TANF RECIPIENTS.—Every 4
 21 years, the Secretary shall prepare and submit to the Con-
 22 gress a report which examines the practices of States in
 23 implementing section 402(a)(7), and identifies the best
 24 practices used to do so.”.

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall take effect on October 1, 2018.

3 **SEC. 15. CHILD CARE ENTITLEMENT.**

4 (a) REPLACEMENT OF REQUIREMENT THAT POR-
 5 TION OF FUNDS BE USED FOR CERTAIN POPULATIONS
 6 WITH CHILD CARE GUARANTEE.—Section 418(b)(2) (42
 7 U.S.C. 618(b)(2)) is amended to read as follows:

8 “(2) CHILD CARE TO BE GUARANTEED FOR
 9 CERTAIN POPULATIONS.—As a condition of receiving
 10 funds under this section, a State shall guarantee the
 11 provision of child care services to—

12 “(A) each recipient of assistance under the
 13 State program funded under this part or under
 14 a State program funded with qualified State ex-
 15 penditures (as defined in section
 16 409(a)(7)(B)(i) of this Act), and to each work-
 17 eligible individual (as defined in section
 18 407(a)(2) of this Act), for any period in which
 19 the recipient or individual is—

20 “(i) participating in a work activity
 21 (as defined in section 407(d) of this Act);

22 “(ii) employed, and in a family the
 23 total income of which does not exceed 250
 24 percent of the poverty line (within the
 25 meaning of section 673(2) of the Omnibus

1 Budget Reconciliation Act of 1981, includ-
 2 ing any revision required by such section
 3 applicable to a family of the size involved);
 4 or

5 “(iii) engaged in employment sub-
 6 sidized by the State; or

7 “(B) each individual who is a former re-
 8 cipient of assistance under such a program or
 9 a former work-eligible individual, for any por-
 10 tion of the 24-month period, beginning with the
 11 date the individual left the program involved, in
 12 which the individual is employed and in a fam-
 13 ily that meets the income requirement of sub-
 14 paragraph (A)(ii).”.

15 (b) ELIMINATION OF STATE CAPS.—Section 418(a)
 16 (42 U.S.C. 618(a)) is amended—

17 (1) in paragraph (2)—

18 (A) by striking subparagraphs (B) and (D)
 19 and redesignating subparagraph (C) as sub-
 20 paragraph (B); and

21 (B) in subparagraph (B) (as so redesign-
 22 ated), by striking “the lesser of the State’s al-
 23 lotment under subparagraph (B) or”; and

24 (2) in paragraph (5), by striking “(2)(C)” and
 25 inserting “(2)(B)”.

1 (c) OPEN-ENDED ENTITLEMENT.—Section 418(a)
 2 (42 U.S.C. 618(a)) is amended—

3 (1) in paragraph (1), by striking “Subject to
 4 the amount appropriated under paragraph (3),
 5 each” and inserting “Each”; and

6 (2) in paragraph (3), by striking
 7 “\$2,917,000,000 for fiscal year 2012” and inserting
 8 “such sums as are necessary to carry out this sec-
 9 tion for each fiscal year.”.

10 (d) USE OF FUNDS IN ACCORDANCE WITH CHILD
 11 CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990
 12 EXCEPT AS REQUIRED BY CHILD CARE GUARANTEE.—
 13 Section 418(c) (42 U.S.C. 618(c)) is amended by inserting
 14 “except to the extent that such a requirement or limitation
 15 would interfere with the provision of child care services
 16 required by subsection (b)(2)” before the period.

17 **SEC. 16. CHILD SUPPORT ENFORCEMENT.**

18 (a) ELIMINATION OF BAN ON PROVIDING ASSIST-
 19 ANCE TO FAMILIES NOT ASSIGNING CERTAIN SUPPORT
 20 RIGHTS TO THE STATE.—

21 (1) IN GENERAL.—Section 408(a) (42 U.S.C.
 22 608(a)) is amended by striking paragraph (3).

23 (2) CONFORMING AMENDMENTS.—The fol-
 24 lowing provisions are each amended by inserting
 25 after “section 408(a)(3)” the following: “(as in ef-

1 fect before the effective date of the amendments
 2 made by section 10(a) of the RISE Out of Poverty
 3 Act)’’:

4 (A) Section 452(a)(10)(C) (42 U.S.C.
 5 652(a)(10)(C)).

6 (B) Section 452(h) (42 U.S.C. 652(h)).

7 (C) Section 454(5)(A) (42 U.S.C.
 8 654(5)(A)).

9 (D) Section 456(a)(1) (42 U.S.C.
 10 656(a)(1)).

11 (E) Section 457(a)(2)(B)(i) (42 U.S.C.
 12 657(a)(2)(B)(i)).

13 (F) Section 457(a)(3)(A) (42 U.S.C.
 14 657(a)(3)(A)).

15 (G) Section 457(a)(3)(B) (42 U.S.C.
 16 657(a)(3)(B)).

17 (H) Section 464(a)(1) (42 U.S.C.
 18 664(a)(1)).

19 (I) Section 466(a)(3)(B) (42 U.S.C.
 20 666(a)(3)(B)).

21 (b) REQUIREMENT THAT ALL CHILD SUPPORT COL-
 22 LECTED ON BEHALF OF A CHILD IN A FAMILY RECEIVING
 23 TANF BE DISTRIBUTED TO THE FAMILY.—

24 (1) IN GENERAL.—Section 457 (42 U.S.C. 657)
 25 is amended—

1 (A) in subsection (c)(1), by striking
2 “means—” and all that follows through “(B)
3 foster” and inserting “means foster”; and

4 (B) by adding at the end the following:

5 “(f) Notwithstanding the preceding provisions of this
6 section, all amounts collected by a State as child support
7 on behalf of a child in a family that is receiving assistance
8 under the State program funded under part A or under
9 the State plan approved under part A of this title (as in
10 effect on the day before the date of the enactment of the
11 Personal Responsibility and Work Opportunity Reconcili-
12 ation Act of 1996) shall be distributed to the family.”.

13 (2) CONFORMING AMENDMENTS.—Section
14 458(b)(5)(C)(i)(I) (42 U.S.C. 658(b)(5)(C)(i)(I)) is
15 amended—

16 (A) by inserting “is collected on behalf of
17 a child described in section 457(f) or” after
18 “involved”; and

19 (B) by striking “A or”.

1 **SEC. 17. STATE OPTION TO EXTEND ELIGIBILITY FOR AS-**
 2 **SISTANCE TO CHILDREN THROUGH AGE 21;**
 3 **PROHIBITION ON CONSIDERING FINANCIAL**
 4 **AID TIED TO EDUCATION OF CHILD IN DE-**
 5 **TERMINING ELIGIBILITY FOR, OR AMOUNT**
 6 **OF ASSISTANCE; PROHIBITION ON IMPOSING**
 7 **ADDITIONAL REQUIREMENTS BASED ON EDU-**
 8 **CATIONAL ENROLLMENT OF CHILD.**

9 (a) STATE OPTION TO EXTEND TANF TO CHIL-
 10 DREN UNDER AGE 22.—Section 419(2) (42 U.S.C.
 11 619(2)) is amended—

12 (1) by striking “or” at the end of subparagraph

13 (A);

14 (2) by striking the period at the end of sub-
 15 paragraph (B) and inserting “; or”; and

16 (3) by adding at the end the following:

17 “(C) at the option of the State, has not at-
 18 tained 22 years of age.”.

19 (b) BAN ON CONSIDERING FINANCIAL AID TIED TO
 20 EDUCATION OF CHILD IN DETERMINING ELIGIBILITY
 21 FOR, OR AMOUNT OF ASSISTANCE; BAN ON IMPOSING AD-
 22 DITIONAL REQUIREMENTS BASED ON EDUCATIONAL EN-
 23 ROLLMENT OF CHILD.—

24 (1) PROHIBITIONS.—Section 408(a) (42 U.S.C.
 25 608(a)), as amended by sections 5(c)(2)(A), 7(d)(1),

1 8(b)(1), 9(b)(1), 10(a), 11(a), and 12(b) of this Act,
2 is amended by adding at the end the following:

3 “(20) BAN ON CONSIDERING FINANCIAL AID
4 TIED TO EDUCATION OF CHILD IN DETERMINING
5 ELIGIBILITY FOR, OR AMOUNT OF ASSISTANCE; BAN
6 ON IMPOSING ADDITIONAL REQUIREMENTS BASED
7 ON EDUCATIONAL ENROLLMENT OF CHILD.—A
8 State to which a grant is made under section 403
9 for a fiscal year shall not—

10 “(A) consider financial aid tied to the
11 training, school attendance, or postsecondary
12 school attendance of a minor child in deter-
13 mining that the eligibility of the family of the
14 child for, or the amount of assistance to be pro-
15 vided to the family, under the State program
16 funded under this part or any other State pro-
17 gram funded by qualified State expenditures (as
18 defined in section 409(a)(7)(B)(i)); or

19 “(B) impose additional requirements on a
20 family solely because the family includes a
21 minor child who is enrolled in a training pro-
22 gram, school, or post-secondary educational in-
23 stitution.”.

24 (2) PENALTY.—Section 409(a) (42 U.S.C.
25 609), as amended by sections 5(c)(2)(A), 7(d)(1),

1 8(b)(2), 9(b)(2), 10(b), 11(b), and 12(c) of this Act,
 2 is amended by adding at the end the following:

3 “(24) CONSIDERING EDUCATIONAL ENROLL-
 4 MENT OF CHILD OR OF FINANCIAL AID TIED TO
 5 EDUCATION OF CHILD.—If the Secretary determines
 6 that a State to which a grant is made under section
 7 403 in a fiscal year has violated section 408(a)(20)
 8 during the fiscal year, the Secretary shall reduce the
 9 grant payable to the State under section 403(a)(1)
 10 for the immediately succeeding fiscal year by an
 11 amount equal to 5 percent of the State family assist-
 12 ance grant.”.

13 **SEC. 18. ELIMINATION OF CERTAIN OTHER BARS TO TANF**
 14 **ASSISTANCE.**

15 (a) BAR ON ASSISTANCE FOR PERSONS CONVICTED
 16 OF DRUG FELONIES.—Section 115 of the Personal Re-
 17 sponsibility and Work Opportunity Reconciliation Act of
 18 1996 (21 U.S.C. 862a) is amended—

19 (1) in the section heading by striking “**ASSIST-**
 20 **ANCE AND**” and inserting “**SUPPLEMENTAL NU-**
 21 **TRITION ASSISTANCE**”;

22 (2) in subsection (a), by striking “for—” and
 23 all that follows through “(2) benefits” and inserting
 24 “for benefits”;

1 (3) in subsection (b), by striking all through
2 “The amount of benefits” and inserting the fol-
3 lowing:

4 “(b) EFFECTS ON BENEFITS FOR OTHERS.—The
5 amount of benefits”;

6 (4) in subsection (c), by striking “assistance
7 or”; and

8 (5) in subsection (e), by striking “it—” and all
9 that follows through “in section 3” and inserting “it
10 in section 3”.

11 (b) BAR ON ASSISTANCE FOR UNWED TEEN PAR-
12 ENTS NOT IN SCHOOL.—Section 408(a) (42 U.S.C.
13 608(a)) is amended by striking paragraph (4).

14 (c) BAR ON ASSISTANCE FOR TEENS NOT IN AN
15 ADULT-SUPERVISED LIVING ARRANGEMENT.—Section
16 408(a) (42 U.S.C. 608(a)) is amended by striking para-
17 graph (5).

18 (d) REDESIGNATION OF PROVISIONS.—

19 (1) IN GENERAL.—Section 408(a) (42 U.S.C.
20 608(a)), as amended by the preceding provisions of
21 this Act, is amended by redesignating paragraphs
22 (6) through (20) as paragraphs (3) through (17), re-
23 spectively.

24 (2) CONFORMING AMENDMENTS.—

1 (A) Section 402(a)(7)(B) (42 U.S.C.
2 602(a)(7)(B)) is amended by striking
3 “408(a)(7)(C)(iii)” and inserting
4 “408(a)(4)(C)(iii)”.

5 (B) Section 403(a)(5)(C)(ii)(II) (42 U.S.C.
6 603(a)(5)(C)(ii)(II)) is amended by striking
7 “408(a)(7)(C)” and inserting “408(a)(4)(C)”.

8 (C) Section 403(a)(5)(C)(v) (42 U.S.C.
9 603(a)(5)(C)(v)) is amended by striking
10 “408(a)(7)” and inserting “408(a)(4)”.

11 (D) Section 409(a)(7)(B)(i)(IV) (42
12 U.S.C. 609(a)(7)(B)(i)(IV)) is amended by
13 striking “408(a)(7)” and inserting “408(a)(4)”.

14 (E) Section 409(a)(9) (42 U.S.C.
15 609(a)(9)) is amended by striking “408(a)(7)”
16 and inserting “408(a)(4)”.

17 (F) Section 409(a)(17), as added by sec-
18 tion 7(d)(1)(A)(ii) of this Act, is amended by
19 striking “408(a)(13)” and inserting
20 “408(a)(10)”.

21 (G) Section 409(a)(18), as added by sec-
22 tion 7(d)(1)(B)(ii) of this Act, is amended by
23 striking “408(a)(14)” and inserting
24 “408(a)(11)”.

1 (H) Section 409(a)(19), as added by sec-
2 tion 8(b)(2) of this Act, is amended by striking
3 “408(a)(15)” and inserting “408(a)(12)”.

4 (I) Section 409(a)(20), as added by section
5 9(b)(2) of this Act, is amended by striking
6 “408(a)(16)” and inserting “408(a)(13)”.

7 (J) Section 409(a)(21), as added by sec-
8 tion 10(b) of this Act, is amended by striking
9 “408(a)(17)” and inserting “408(a)(14)”.

10 (K) Section 409(a)(22), as added by sec-
11 tion 11(b) of this Act, is amended by striking
12 “408(a)(18)” and inserting “408(a)(15)”.

13 (L) Section 409(a)(23), as added by sec-
14 tion 12(c) of this Act, is amended by striking
15 “408(a)(19)” and inserting “408(a)(16)”.

16 (M) Section 409(a)(24), as added by sec-
17 tion 17(b)(2) of this Act, is amended by strik-
18 ing “408(a)(20)” and inserting “408(a)(17)”.

19 (N) Section 411(a)(1)(A)(xvi) (42 U.S.C.
20 611(a)(1)(A)(xvi)) is amended by striking
21 “408(a)(7)” and inserting “408(a)(7)(A)”.

22 **SEC. 19. TESTING FOR CONTROLLED SUBSTANCES.**

23 Section 902 of the Personal Responsibility and Work
24 Opportunity Reconciliation Act of 1996 (Public Law 104–
25 193; 21 U.S.C. 862b) is repealed.

1 **SEC. 20. EFFECTIVE DATE.**

2 (a) IN GENERAL.—Except as otherwise provided in
3 this Act, this Act and the amendments made by this Act
4 shall take effect on October 1, 2018, and shall apply to
5 payments under title IV of the Social Security Act for cal-
6 endar quarters beginning on or after such date, without
7 regard to whether regulations to implement the amend-
8 ments are promulgated by such date.

9 (b) DELAY PERMITTED IF STATE LEGISLATION RE-
10 QUIRED.—If the Secretary of Health and Human Services
11 determines that State legislation (other than legislation
12 appropriating funds) is required in order for a State plan
13 under part A or E of title IV of the Social Security Act
14 to meet the additional requirements imposed by the
15 amendments made by this Act, the plan shall not be re-
16 garded as failing to meet any of the additional require-
17 ments before the 1st day of the 1st calendar quarter be-
18 ginning after the close of the first regular session of the
19 State legislature that begins after the date of the enact-
20 ment of this Act. If the State has a 2-year legislative ses-
21 sion, each year of the session is deemed to be a separate
22 regular session of the State legislature.

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