

115TH CONGRESS
1ST SESSION

S. 1290

To help individuals receiving assistance under means-tested welfare programs obtain self-sufficiency, to provide information on total spending on means-tested welfare programs, to provide an overall spending limit on means-tested welfare programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 5, 2017

Mr. LEE (for himself and Mr. CRUZ) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To help individuals receiving assistance under means-tested welfare programs obtain self-sufficiency, to provide information on total spending on means-tested welfare programs, to provide an overall spending limit on means-tested welfare programs, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Welfare Reform and
5 Upward Mobility Act”.

6 **SEC. 2. TABLE OF CONTENTS.**

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

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—REPORTING OF MEANS-TESTED WELFARE SPENDING IN
PRESIDENT'S BUDGET SUBMISSION

- Sec. 101. Additional information in President's budget submission.
- Sec. 102. Additional information from State recipients of means-tested welfare spending.
- Sec. 103. Definition of means-tested welfare spending.

TITLE II—MODIFICATIONS TO SUPPLEMENTAL NUTRITION
ASSISTANCE PROGRAM

- Sec. 201. Work requirements for able-bodied adults without dependents.
- Sec. 202. Work activation program for adults with dependent children.

TITLE III—PREPARING MORE TANF RECIPIENTS FOR WORK

- Sec. 301. Work preparation program.
- Sec. 302. Changes to mandatory work requirements.

TITLE IV—MODIFICATION TO MEANS-TESTED HOUSING
PROGRAMS

- Sec. 401. Definitions.
- Sec. 402. Repeal of means-tested housing programs.
- Sec. 403. Authorization of appropriations.
- Sec. 404. Grants to States.
- Sec. 405. State recipient reports.
- Sec. 406. Research.
- Sec. 407. Rule of construction.

TITLE V—PROHIBITION ON FUNDING OF ABORTION

- Sec. 501. Prohibition on funding for abortions.
- Sec. 502. Prohibition on funding for health benefits plans that cover abortion.
- Sec. 503. Prohibition on tax benefits relating to abortion.
- Sec. 504. Construction relating to separate coverage.
- Sec. 505. Construction relating to the use of non-Federal funds for health coverage.
- Sec. 506. Treatment of abortions related to rape, incest, or preserving the life of the mother.

1 **TITLE I—REPORTING OF MEANS-**
 2 **TESTED WELFARE SPENDING**
 3 **IN PRESIDENT’S BUDGET**
 4 **SUBMISSION**

5 **SEC. 101. ADDITIONAL INFORMATION IN PRESIDENT’S**
 6 **BUDGET SUBMISSION.**

7 Section 1105(a) of title 31, United States Code, is
 8 amended by adding at the end the following:

9 “(40) the total level of means-tested welfare
 10 spending (as defined in section 3 of the Congres-
 11 sional Budget Act of 1974 (2 U.S.C. 622)) by the
 12 Federal Government and the total level of means-
 13 tested welfare spending by all State and local gov-
 14 ernments and the Federal Government for the most
 15 recent fiscal year for which such data is available
 16 and estimated levels for the fiscal year during which
 17 the budget submission of the President is made, for
 18 the fiscal year beginning on October 1 of the cal-
 19 endar year during which the budget submission is
 20 made, and for each of the 9 ensuing fiscal years.”.

21 **SEC. 102. ADDITIONAL INFORMATION FROM STATE RECIPI-**
 22 **ENTS OF MEANS-TESTED WELFARE SPEND-**
 23 **ING.**

24 For each of fiscal years 2019 through 2029, each
 25 State that receives means-tested welfare spending (as de-

1 fined in section 3 of the Congressional Budget Act of 1974
2 (2 U.S.C. 622), as amended by this Act) by the Federal
3 Government shall submit to the Director of the Congres-
4 sional Budget Office an annual report regarding the total
5 amount of means-tested welfare spending by the State for
6 the fiscal year.

7 **SEC. 103. DEFINITION OF MEANS-TESTED WELFARE SPEND-**
8 **ING.**

9 Section 3 of the Congressional Budget Act of 1974
10 (2 U.S.C. 622) is amended by adding at the end the fol-
11 lowing:

12 “(12)(A) The term ‘means-tested welfare
13 spending’—

14 “(i) means spending for any Federal pro-
15 gram that is designed to specifically provide as-
16 sistance or benefits exclusively to low-income
17 Americans;

18 “(ii) does not include such a program if
19 the program—

20 “(I) is based on earned eligibility;

21 “(II) is not need-based;

22 “(III) is a program designed exclu-
23 sively or primarily for veterans of military
24 service; or

1 “(IV) offers universal or near uni-
2 versal eligibility to the working population
3 and their dependents; and

4 “(iii) includes community and economic de-
5 velopment programs targeted to low-income
6 communities or populations.

7 “(B) For purposes of subparagraph (A), the
8 spending on the following Federal programs shall be
9 means-tested welfare spending:

10 “(i) CASH AND GENERAL PROGRAMS.—

11 “(I) Supplemental Security Income.

12 “(II) Earned Income Tax Credit (Re-
13 fundable Portion).

14 “(III) Refundable Child Credit.

15 “(IV) Temporary Assistance to Needy
16 Families.

17 “(V) Title IV–E Foster Care.

18 “(VI) Title IV–E Adoption Assist-
19 ance.

20 “(VII) General Assistance to Indians.

21 “(VIII) Assets for Independence.

22 “(ii) MEDICAL.—

23 “(I) Medicaid.

24 “(II) State Children’s Health Insur-
25 ance Program.

1 “(III) Indian Health Services.

2 “(IV) Consolidated Health Centers/
3 Community Health Centers.

4 “(V) Maternal and Child Health.

5 “(VI) Healthy Start.

6 “(VII) Refundable Premiums and Out
7 of Pocket Subsidies under the Patient Pro-
8 tection and Affordable Health Care Act
9 (PPACA).

10 “(iii) FOOD.—

11 “(I) Food Stamps Program.

12 “(II) School Lunch Program.

13 “(III) Women, Infant and Children
14 (WIC) Food Program.

15 “(IV) School Breakfast.

16 “(V) Child Care Food Program.

17 “(VI) Nutrition Program for the El-
18 derly, Nutrition Service Incentives.

19 “(VII) Summer Food Service Pro-
20 gram.

21 “(VIII) Commodity Supplemental
22 Food Program.

23 “(IX) Temporary Emergency Food
24 Program.

25 “(X) Needy Families.

1 “(XI) Farmer’s Market Nutrition
2 Program.

3 “(XII) Special Milk Program.

4 “(iv) HOUSING.—

5 “(I) Section 8 Housing (HUD).

6 “(II) Public Housing (HUD).

7 “(III) State Housing Expenditures.

8 “(IV) Home Investment Partnership
9 Program (HUD).

10 “(V) Homeless Assistance Grants
11 (HUD).

12 “(VI) Rural Housing Insurance Fund
13 (Agriculture).

14 “(VII) Rural Housing Service (Agri-
15 culture).

16 “(VIII) Housing for the Elderly
17 (HUD).

18 “(IX) Native American Housing
19 Block Grants (HUD).

20 “(X) Other Assisted Housing Pro-
21 grams (HUD).

22 “(XI) Housing for Persons with Dis-
23 abilities (HUD).

24 “(v) ENERGY AND UTILITIES.—

1 “(I) Low-Income Home Energy As-
2 sistance.

3 “(II) Universal Service Fund—Sub-
4 sidized Phone Service for Low-Income Per-
5 sons.

6 “(III) Weatherization.

7 “(vi) EDUCATION.—

8 “(I) Federal Pell Grants.

9 “(II) Grants for improving basic pro-
10 grams operated by local educational agen-
11 cies.

12 “(III) Federal TRIO Programs.

13 “(IV) Federal Supplemental Edu-
14 cational Opportunity Grants.

15 “(V) Programs for the education of
16 migratory children.

17 “(VI) Gaining Early Awareness and
18 Readiness for Undergraduate Programs
19 (GEAR UP).

20 “(VII) Education for Homeless Chil-
21 dren and Youth.

22 “(VIII) Leveraging Educational As-
23 sistance Partnership (LEAP) Program.

24 “(IX) Even Start.

25 “(vii) TRAINING.—

1 “(I) Job Corps.

2 “(II) Youth Opportunity Grants.

3 “(III) Adult Employment and Train-
4 ing Activities.

5 “(IV) Senior Community Service Em-
6 ployment.

7 “(V) Employment and Training Pro-
8 gram, of the Food Stamp Program or the
9 Supplemental Nutrition Assistance Pro-
10 gram.

11 “(VI) Workforce Investment Activities
12 for Migrant and Seasonal Farmworkers.

13 “(VII) YouthBuild.

14 “(VIII) Workforce Investment Activi-
15 ties for Indians or Native Hawaiians.

16 “(viii) SERVICES.—

17 “(I) Social Services Block Grant.

18 “(II) Community Services Block
19 Grant.

20 “(III) Services for Refugees, Asylees,
21 and Other Special Populations.

22 “(IV) State and Community Pro-
23 grams on Aging.

24 “(V) Legal Assistance Grants and
25 Contracts.

1 “(VI) Family Planning Services.

2 “(VII) Emergency Food and Shelter.

3 “(VIII) Healthy Marriage Promotion
4 and Responsible Fatherhood Grants.

5 “(IX) AmeriCorps VISTA.

6 “(ix) CHILD CARE AND CHILD DEVELOP-
7 MENT.—

8 “(I) Head Start (including Early
9 Head Start).

10 “(II) Child Care and Development
11 Block Grant (not under the Temporary As-
12 sistance to Needy Families Program).

13 “(III) Child Care and Development
14 Block Grant (under the Temporary Assist-
15 ance to Needy Families Program).

16 “(x) COMMUNITY DEVELOPMENT.—

17 “(I) Community Development Block
18 Grant.

19 “(II) Economic Development Adminis-
20 tration.

21 “(III) Appalachian Regional Develop-
22 ment.

23 “(IV) Empowerment Zones, Enter-
24 prise Communities, Renewal Communities.

1 “(V) Urban Development Block
2 Grant.

3 “(C) For purposes of subparagraph (A), spend-
4 ing on the following Federal programs shall not be
5 means-tested welfare spending:

6 “(i) The Social Security Disability Insur-
7 ance program.

8 “(ii) Medicare.

9 “(iii) Retirement insurance benefits and
10 survivor benefits under the Social Security pro-
11 gram.

12 “(iv) Any program designed exclusively or
13 primarily for veterans of military service.

14 “(v) Unemployment insurance benefits.

15 “(vi) Programs designed specifically to
16 provide benefits to workers to compensate for
17 job-related injuries or illnesses.

18 “(D) The term ‘means-tested welfare spending’
19 includes the full cost of benefits and services pro-
20 vided under a program and the administrative costs
21 for operating the program, subject to the limitations
22 under subparagraph (E).

23 “(E)(i)(I) For purposes of this paragraph, only
24 the refundable portion of the following tax credits
25 shall be means-tested welfare spending:

1 “(aa) The earned income tax credit.

2 “(bb) The child tax credit.

3 “(cc) The making work pay tax credit.

4 “(II) For purposes of this paragraph, only the
5 refundable portion of the premium and out of pocket
6 health care subsidies to be paid under the Patient
7 Protection and Affordable Health Care Act shall be
8 means-tested welfare spending.

9 “(III) For purposes of this clause, the term ‘re-
10 fundable portion’ means the portion of the credit
11 which is paid to an individual in excess of the
12 amount of Federal income tax owed by the indi-
13 vidual.

14 “(ii) For purposes of this paragraph, only the
15 costs of the free and reduced price segments of the
16 school lunch and school breakfast programs shall be
17 means-tested welfare spending.

18 “(F) For purposes of this paragraph expendi-
19 tures by State and local governments of funds that
20 are—

21 “(i) obtained by the State and local gov-
22 ernment from taxes, fees, or other sources of
23 revenue established by the State or local gov-
24 ernment; and

1 “(ii) are not received as any form of grant
 2 from the Federal Government,
 3 shall not be Federal means-tested welfare spending,
 4 without regard to whether such State and local ex-
 5 penditures take the form of contributions to a Fed-
 6 eral program described in subparagraph (A) or listed
 7 in subparagraph (B).”.

8 **TITLE II—MODIFICATIONS TO**
 9 **SUPPLEMENTAL NUTRITION**
 10 **ASSISTANCE PROGRAM**

11 **SEC. 201. WORK REQUIREMENTS FOR ABLE-BODIED**
 12 **ADULTS WITHOUT DEPENDENTS.**

13 (a) **DECLARATION OF POLICY.**—Section 2 of the
 14 Food and Nutrition Act of 2008 (7 U.S.C. 2011) is
 15 amended by adding at the end the following: “Congress
 16 further finds that it should also be the purpose of the sup-
 17 plemental nutrition assistance program to increase em-
 18 ployment, to encourage healthy marriage, and to promote
 19 prosperous self-sufficiency, which means the ability of
 20 households to maintain an income above the poverty level
 21 without services and benefits from the Federal Govern-
 22 ment.”.

23 (b) **DEFINITIONS.**—

24 (1) **FOOD.**—Section 3(k) of the Food and Nu-
 25 trition Act of 2008 (7 U.S.C. 2012(k)) is amended

1 by inserting before the period at the end the fol-
2 lowing: “, except that a food, food product, meal, or
3 other item described in this subsection shall be con-
4 sidered a food under this Act only if it is an essen-
5 tial (as determined by the Secretary)”.

6 (2) SUPERVISED JOB SEARCH.—Section 3 of
7 the Food and Nutrition Act of 2008 (7 U.S.C.
8 2012) is amended—

9 (A) by redesignating subsections (t)
10 through (v) as subsections (u) through (w), re-
11 spectively; and

12 (B) by inserting after subsection (s) the
13 following:

14 “(t) SUPERVISED JOB SEARCH.—The term ‘super-
15 vised job search’ means a job search program that has
16 the following characteristics:

17 “(1) The job search occurs at an official loca-
18 tion where the presence and activity of the recipient
19 can be directly observed, supervised, and monitored.

20 “(2) The entry, time onsite, and exit of the re-
21 cipient from the official job search location are re-
22 corded in a manner that prevents fraud.

23 “(3) The recipient is expected to remain and
24 undertake job search activities at the job search cen-
25 ter.

1 “(4) The quantity of time the recipient is ob-
2 served and monitored engaging in job search at the
3 official location is recorded for purposes of compli-
4 ance with the work and work activation require-
5 ments of sections 6(o) and 30.”.

6 (c) WORK REQUIREMENT FOR ABLE-BODIED
7 ADULTS WITHOUT DEPENDENTS.—Section 6(o) of the
8 Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)) is
9 amended—

10 (1) in paragraph (2)—

11 (A) in the matter preceding subparagraph
12 (A), by striking “not less than 3 months (con-
13 secutive or otherwise)” and inserting “more
14 than 1 month”;

15 (B) in subparagraph (C), by striking “or”
16 at the end;

17 (C) in subparagraph (D), by striking the
18 period at the end and inserting “; or”; and

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

20 “(E) participate in supervised job search
21 for at least 8 hours per week.”;

22 (2) in paragraph (4), by adding at the end the
23 following:

24 “(C) TERMINATION.—Subparagraph (A)
25 shall not apply with respect to any fiscal year

1 that begins after the effective date of the Wel-
2 fare Reform and Upward Mobility Act.”;

3 (3) in paragraph (6)—

4 (A) in the paragraph heading, by striking
5 “15-PERCENT” and inserting “5-PERCENT”;

6 (B) in subparagraph (A)(ii)(IV), by strik-
7 ing “3 months” and inserting “1 month”; and

8 (C) in subparagraph (D), by striking “15
9 percent” and inserting “5 percent”; and

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

11 “(8) PROMOTING WORK.—As a condition of re-
12 ceiving supplemental nutrition assistance program
13 funds under this Act, a State agency shall provide
14 each individual subject to the work requirement of
15 this subsection with the opportunity to participate in
16 an activity selected by the State from among the op-
17 tions described in subparagraphs (B), (C), and (E)
18 of paragraph (2).

19 “(9) PENALTIES FOR INADEQUATE STATE PER-
20 FORMANCE.—If a State agency fails to fully comply
21 with this section, including the requirement to termi-
22 nate the benefits of individuals who fail to fulfill the
23 work requirements described in paragraph (2) dur-
24 ing a fiscal quarter, the funding allotment of the
25 State for the supplemental nutrition assistance pro-

1 gram shall be reduced by 10 percent for the quarter
 2 that begins 180 days after the first day of the quar-
 3 ter in which the noncompliance occurred.”.

4 **SEC. 202. WORK ACTIVATION PROGRAM FOR ADULTS WITH**
 5 **DEPENDENT CHILDREN.**

6 The Food and Nutrition Act of 2008 (7 U.S.C. 2011
 7 et seq.) is amended by adding at the end the following:

8 **“SEC. 30. WORK ACTIVATION PROGRAM FOR ADULTS WITH**
 9 **DEPENDENT CHILDREN.**

10 “(a) DEFINITIONS.—In this section:

11 “(1) ELIGIBLE PARTICIPANT.—The term ‘eligi-
 12 ble participant’ means an individual who, during a
 13 particular month, is—

14 “(A) a parent in a household with depend-
 15 ent children;

16 “(B) at least 19, and not more than 55,
 17 years of age;

18 “(C) not disabled;

19 “(D) a member of a household in which 1
 20 or more parents or children receive supple-
 21 mental nutrition assistance program benefits in
 22 the month;

23 “(E) a member of a household that re-
 24 ceived supplemental nutrition assistance pro-

1 gram benefits for more than 3 months in the
2 year; and

3 “(F) employed less than 100 hours in the
4 month.

5 “(2) MARRIED COUPLE HOUSEHOLD.—The
6 term ‘married couple household’ means a household
7 that includes 2 eligible participants who are married
8 to each other and have dependent children.

9 “(3) SUCCESSFUL ENGAGEMENT IN WORK ACTI-
10 VATION.—The term ‘successful engagement in work
11 activation’ means—

12 “(A) in the case of an individual who is eli-
13 gible and required to participate in interim
14 work activation, performance during the month
15 that fulfills the activity and hour requirements
16 of subsection (c);

17 “(B) in the case of an individual who is re-
18 quired to participate in full work activation,
19 performance during the month that fulfills the
20 activity and hour requirements of subsection
21 (d); and

22 “(C) in the case of an individual who
23 meets the eligibility criteria described in sub-
24 section (e)(1), performance that fulfills the ac-
25 tivity and hour requirements of that subsection.

1 “(4) WORK AND WORK PREPARATION ACTIVI-
2 TIES.—The term ‘work and work preparation activi-
3 ties’ means—

4 “(A) unsubsidized employment;

5 “(B) subsidized private sector employment;

6 “(C) subsidized public sector employment;

7 “(D) work experience (including work as-
8 sociated with the refurbishing of publicly as-
9 sisted housing) if sufficient private sector em-
10 ployment is not available;

11 “(E) on-the-job training;

12 “(F) job readiness assistance;

13 “(G) a community service program;

14 “(H) vocational educational training (not
15 to exceed 1 year with respect to any individual);

16 “(I) job skills training directly related to
17 employment;

18 “(J) education directly related to employ-
19 ment, in the case of a recipient who has not re-
20 ceived a high school diploma or a certificate of
21 high school equivalency;

22 “(K) satisfactory attendance at secondary
23 school or in a course of study leading to a cer-
24 tificate of general equivalence, in the case of a

1 recipient who has not completed secondary
2 school or received such a certificate;

3 “(L) the provision of child care services to
4 an individual who is participating in a commu-
5 nity service program;

6 “(M) workfare under section 20; and

7 “(N) supervised job search.

8 “(b) WORK ACTIVATION PROGRAM.—

9 “(1) IN GENERAL.—As a condition of receiving
10 supplemental nutrition assistance program funds
11 under this Act, a State agency shall be required to
12 operate a work activation program for eligible par-
13 ticipants.

14 “(2) SPECIAL RULES FOR MARRIED COUPLE
15 HOUSEHOLDS.—

16 “(A) IN GENERAL.—In the case of eligible
17 participants who are spouses in a married cou-
18 ple household—

19 “(i) the work activation requirement
20 of this section shall apply only if the sum
21 of the combined current employment of
22 both spouses is less than 100 hours per
23 month; and

24 “(ii) both spouses shall be considered
25 to have achieved successful engagement in

1 the work activation program if either
2 spouse fulfills the work activation require-
3 ments described in subsection (c), (d), or
4 (e)(1).

5 “(B) TOTAL REQUIRED HOURS.—The total
6 combined number of hours of required work
7 and work preparation activities for both spouses
8 in a married couple household shall not be
9 greater than the total number of hours required
10 for a single head of household.

11 “(C) REQUIREMENT.—In carrying out this
12 section, a State agency shall ensure that, for
13 any month—

14 “(i) the proportion that—

15 “(I) the number of married cou-
16 ple households that are required to
17 participate in work activation under
18 this section in a month; bears to

19 “(II) the number of all house-
20 holds that are required to participate
21 in work activation under this section
22 in the same month; is not greater
23 than—

24 “(ii) the proportion that—

1 “(I) the number of all married
2 couple households with eligible partici-
3 pants in the month; bears to

4 “(II) the number of all house-
5 holds with eligible participants in the
6 same month.

7 “(c) SHORT-TERM INTERIM WORK ACTIVATION.—

8 “(1) IN GENERAL.—A State agency may re-
9 quire eligible participants who meet the criteria in
10 paragraph (2) to engage in—

11 “(A) interim work activation as described
12 in this subsection; or

13 “(B) full work activation as described in
14 subsection (d).

15 “(2) ELIGIBILITY.—A State agency may re-
16 quire an eligible participant to participate in interim
17 work activation instead of full work activation if the
18 eligible participant has not engaged in work activa-
19 tion under this section in the preceding 3 years.

20 “(3) REQUIRED JOB SEARCH.—A participant in
21 interim work activation shall be required—

22 “(A) to participate in supervised job search
23 for at least 6 hours per week; and

24 “(B) to engage in such additional activities
25 as the State agency may require.

1 “(4) TIME LIMIT ON INTERIM WORK ACTIVA-
2 TION.—

3 “(A) IN GENERAL.—An eligible participant
4 shall not participate in interim work activation
5 for more than 3 months.

6 “(B) ADDITIONAL TIME.—After an eligible
7 participant has participated in interim work ac-
8 tivation for 3 months, the State agency shall re-
9 quire the eligible participant—

10 “(i) to maintain at least 100 hours of
11 employment per month; or

12 “(ii) to participate in full work activa-
13 tion.

14 “(d) FULL WORK ACTIVATION.—

15 “(1) IN GENERAL.—As a condition of receiving
16 supplemental nutrition assistance program funds
17 under this Act, a State agency shall require all or
18 part of the eligible participants in the State to en-
19 gage in full work activation under this section.

20 “(2) REQUIREMENTS.—An eligible participant
21 who is required to participate in full work activation
22 in a month shall be required to engage in 1 or more
23 work and work preparation activities for an average
24 of 100 hours per month.

1 “(3) LIMITATION.—Of the total number of re-
2 quired hours described in paragraph (2), not fewer
3 than 20 hours per week shall be attributable to an
4 activity described in subparagraph (A), (B), (C),
5 (D), (E), (F), (G), (H), (L), (M), or (N) of sub-
6 section (a)(4).

7 “(4) PARTICIPATION IN COMMUNITY SERVICE
8 OR WORKFARE.—At least 10 percent of the eligible
9 participants that a State requires to participate in
10 full work activation under this section shall be re-
11 quired to participate in activities described in sub-
12 paragraph (D), (G), or (M) of subsection (a)(4).

13 “(5) WORK ACTIVATION NOT EMPLOYMENT.—
14 Other than unsubsidized employment described in
15 subsection (a)(4)(A), participation in work and work
16 preparation activities under this section shall not
17 be—

18 “(A) considered to be employment; or

19 “(B) subject to any law pertaining to
20 wages, compensation, hours, or conditions of
21 employment under any law administered by the
22 Secretary of Labor.

23 “(6) ADDITIONAL REQUIRED ACTIVITY.—Ex-
24 cept as provided in subsection (g), nothing in this
25 section prevents a State from requiring more than

1 100 hours per month of participation in work and
2 work preparation activities.

3 “(e) LIMITATIONS AND SPECIAL RULES.—

4 “(1) SINGLE TEEN HEAD OF HOUSEHOLD OR
5 MARRIED TEEN WHO MAINTAINS SATISFACTORY
6 SCHOOL ATTENDANCE.—For purposes of deter-
7 mining monthly participation rates under this sec-
8 tion, an eligible participant who is married or a head
9 of household and who has not attained 20 years of
10 age shall be considered to have completed successful
11 engagement in work activation for a month if the eli-
12 gible participant—

13 “(A) maintains satisfactory attendance at
14 secondary school or the equivalent during the
15 month; or

16 “(B) participates in education directly re-
17 lated to employment for an average of at least
18 20 hours per week during the month.

19 “(2) LIMITATION ON NUMBER OF PERSONS
20 WHO MAY BE TREATED AS ENGAGED IN WORK ACTI-
21 VATION BY REASON OF PARTICIPATION IN EDU-
22 CATIONAL ACTIVITIES.—For purposes of deter-
23 mining monthly participation rates under this sec-
24 tion, not more than 30 percent of the number of in-
25 dividuals in a State who are treated as having com-

1 pleted successful engagement in work activation for
2 a month may be individuals who are determined to
3 be engaged in work activation for the month by rea-
4 son of participation in vocational educational train-
5 ing.

6 “(f) STATE OPTION FOR PARTICIPATION REQUIRE-
7 MENT EXEMPTIONS.—

8 “(1) IN GENERAL.—For any fiscal year, a State
9 agency, at the option of the State agency, may—

10 “(A) exempt a household that includes a
11 child who has not attained 12 months of age
12 from engaging in work activation; and

13 “(B) disregard that household in deter-
14 mining the monthly participation rates under
15 this section until the child has attained 12
16 months of age.

17 “(2) EXCLUSION.—For purposes of determining
18 monthly participation rates under this section, a
19 household that includes a child who has not attained
20 6 years of age shall be considered to be successfully
21 engaged in work activation for a month if a member
22 of the household receiving supplemental nutrition as-
23 sistance program benefits is engaged in work activa-
24 tion for an average of at least 20 hours per week
25 during the month.

1 “(g) PENALTIES AGAINST INDIVIDUALS.—

2 “(1) IN GENERAL.—Except as provided in para-
3 graph (3), if an eligible participant in a household
4 receiving assistance under the State program funded
5 under this section fails to complete successful en-
6 gagement in work activation in accordance with this
7 section, the State agency shall—

8 “(A) in accordance with paragraph (2), re-
9 duce the amount of assistance otherwise pay-
10 able to the entire household pro rata (or more,
11 at the option of the State agency) with respect
12 to the month immediately after any month in
13 which the eligible participant fails to perform;
14 or

15 “(B) terminate the assistance entirely.

16 “(2) PRO RATA REDUCTION.—For purposes of
17 paragraph (1)(A), the amount of the pro rata reduc-
18 tion shall equal the product obtained by multi-
19 plying—

20 “(A) the normal monthly amount of assist-
21 ance to the entire household that would have
22 been received if not for the reduction under
23 paragraph (1)(A); by

24 “(B) the proportion that—

1 “(i) the hours of required work and
2 work preparation activities performed by
3 the eligible participant during the month;
4 bears to

5 “(ii) the number or hours of work and
6 work preparation activities the State agen-
7 cy required the eligible participant to per-
8 form in accordance with this section.

9 “(3) EXCEPTION.—A State may not reduce or
10 terminate assistance under the State program fund-
11 ed under this section or any other State program
12 funded with qualified State expenditures (as defined
13 in section 409(a)(7)(B) of the Social Security Act
14 (42 U.S.C. 609(a)(7)(B))) based on a refusal of an
15 eligible participant to engage in work and work
16 preparation activities required under this section
17 if—

18 “(A) the eligible participant is a single cus-
19 todial parent caring for a child who has not at-
20 tained 6 years of age; and

21 “(B) the eligible participant proves that
22 the eligible participant has a demonstrated in-
23 ability (as determined by the State agency) to
24 obtain needed child care, due to—

1 “(i) unavailability of appropriate child
2 care within a reasonable distance from the
3 home or work site of the eligible partici-
4 pant; or

5 “(ii) unavailability of all affordable
6 child care arrangements, including formal
7 child care and all informal child care by a
8 relative or under other arrangements.

9 “(h) LIMITATION ON HOURS OF REQUIRED PARTICI-
10 PATION IN COMMUNITY SERVICE OR WORKFARE.—

11 “(1) IN GENERAL.—The maximum number of
12 hours during a month that an eligible participant
13 shall be required under this section to work in a
14 community service program or a workfare program
15 under section 20 shall not exceed the quotient ob-
16 tained by dividing—

17 “(A) the total dollar cost of all means-test-
18 ed benefits received by the household for that
19 month, as determined under paragraph (2); by

20 “(B) the Federal minimum wage.

21 “(2) TOTAL DOLLAR COST OF ALL MEANS-
22 TESTED BENEFITS DEFINED.—

23 “(A) IN GENERAL.—Except as provided in
24 subparagraph (B), the total dollar cost of all
25 means-tested benefits shall equal the sum of the

1 dollar cost of all benefits received by the house-
2 hold from—

3 “(i) the supplemental nutrition assist-
4 ance program;

5 “(ii) the State program funded under
6 part A of title IV of the Social Security
7 Act (42 U.S.C. 601 et seq.) or any other
8 State program funded with qualified State
9 expenditures (as defined in section
10 409(a)(7)(B)(i) of that Act (42 U.S.C.
11 609(a)(7)(B)(i))); and

12 “(iii) any assistance provided to a
13 household, landlord, or public housing
14 agency (as defined in section 3(b)(6) of the
15 United States Housing Act of 1937 (42
16 U.S.C. 1437a(b)(6))) to subsidize the rent-
17 al payment for a dwelling unit, including
18 assistance provided for public housing
19 dwelling units under section 3 of the
20 United States Housing Act of 1937 (42
21 U.S.C. 1437a) and assistance provided
22 under section 8 of that Act (42 U.S.C.
23 1437f).

24 “(B) VALUE OF BENEFITS DURING SANC-
25 TION.—For purposes of subparagraph (A), if

1 the dollar value of 1 or more benefits received
 2 by a household in a month has been reduced
 3 under subsection (g) or another sanction re-
 4 quirement, the calculated dollar value of the
 5 sanctioned benefits shall equal the dollar value
 6 of the benefit that would have been received if
 7 the benefit had not been reduced by the sanc-
 8 tion.

9 “(3) ADDITIONAL ACTIVITIES.—Nothing in this
 10 subsection prevents a State agency from requiring
 11 an eligible participant to engage in activities not de-
 12 scribed in paragraph (1) for additional hours during
 13 the month.

14 “(i) WORK ACTIVATION PARTICIPATION GOALS.—

15 “(1) IN GENERAL.—As a condition of receiving
 16 supplemental nutrition assistance program funds
 17 under this Act, except as provided in paragraph (2),
 18 a State agency shall achieve for each quarter of the
 19 fiscal year with respect to all eligible participants re-
 20 ceiving assistance under the State program funded
 21 under this section for that fiscal year at least the
 22 participation rate specified in the following table:

“If the fiscal year is:	The quarterly participation rate shall be at least:
2019	20 percent
2020	35 percent
2021	50 percent

“If the fiscal year is:	The quarterly participation rate shall be at least:
2022	65 percent
2023	80 percent.

1 “(2) ADJUSTMENT IF RECESSIONARY PE-
 2 RIOD.—If the average national unemployment rate
 3 during a quarter of a fiscal year, as determined by
 4 the Bureau of Labor Statistics of the Department of
 5 Labor, is more than 8 percent, the participation goal
 6 for the immediately succeeding quarter shall equal
 7 the product obtained by multiplying—

8 “(A) the applicable quarterly participation
 9 rate under paragraph (1); by

10 “(B) 0.8.

11 “(j) CALCULATION OF WORK ACTIVATION PARTICI-
 12 PATION RATES.—

13 “(1) DEFINITION OF SANCTIONED RECIPI-
 14 ENT.—In this subsection, the term ‘sanctioned re-
 15 cipient’ means any eligible participant who—

16 “(A) was required to participate in work
 17 activation in a month;

18 “(B) failed to perform the assigned work
 19 and work preparation activities so as to meet
 20 the relevant hourly requirements in subsection
 21 (c), (d), or (e)(2); and

1 “(C) was sanctioned by a reduced benefit
2 payment in the subsequent month under sub-
3 section (g).

4 “(2) REQUIREMENTS.—The work activation
5 participation rate for a State for any quarter of a
6 fiscal year shall equal the average of the monthly
7 participation rates for the State during the 3
8 months of that quarter.

9 “(3) MONTHLY PARTICIPATION RATE.—For
10 purposes of paragraph (2), the monthly participation
11 rate shall equal the ratio of all countable partici-
12 pants to all eligible participants in the month, as de-
13 termined under paragraph (4).

14 “(4) RATIO OF ALL COUNTABLE PARTICIPANTS
15 TO ALL ELIGIBLE PARTICIPANTS.—Subject to para-
16 graph (5), the ratio of all countable participants to
17 all eligible participants in a month equals the pro-
18 portion that—

19 “(A) the sum obtained by adding—

20 “(i) all eligible participants who—

21 “(I) were required by the State
22 to engage in interim work activation,
23 full work activation, or education
24 under subsection (e)(1) during the
25 month; and

1 “(II) fulfilled the criteria for suc-
 2 cessful engagement in work activation
 3 for that activity during the month;
 4 and

5 “(ii) all sanctioned recipients for that
 6 month; bears to

7 “(B) the average number of eligible par-
 8 ticipants in the State in that month.

9 “(5) MULTIPLE ELIGIBLE PARTICIPANTS.—A
 10 married couple household consisting of more than 1
 11 eligible participant shall be counted as a single eligi-
 12 ble participant for purposes of calculating the par-
 13 ticipation rate under this subsection.

14 “(k) PENALTIES FOR INADEQUATE STATE PERFORM-
 15 ANCE.—

16 “(1) IN GENERAL.—Beginning in the first
 17 quarter of fiscal year 2020 and for each subsequent
 18 quarter of fiscal year 2020 and of each subsequent
 19 fiscal year, each State shall count the monthly aver-
 20 age number of countable participants under this sec-
 21 tion.

22 “(2) REDUCTION IN FUNDING.—If the monthly
 23 average number of countable participants in a State
 24 of a fiscal year is not sufficient to fulfill the relevant
 25 work activation participation goal under subsection

1 (i) during that quarter, the supplemental nutrition
 2 assistance program funding for the State under this
 3 Act shall be reduced for the fiscal quarter that be-
 4 gins 180 days after the first day of the quarter in
 5 which the inadequate performance occurred in ac-
 6 cordance with paragraph (3).

7 “(3) FUNDING IN PENALIZED QUARTER.—The
 8 total amount of funding a State shall receive for all
 9 households with eligible participants for a quarter
 10 for which funding is reduced under paragraph (2)
 11 shall equal the product obtained by multiplying—

12 “(A) the total amount of funding that the
 13 State would have received in the preceding
 14 quarter for all households with eligible partici-
 15 pants if no reduction had been in place; by

16 “(B) the ratio of all countable participants
 17 to all eligible participants (as determined under
 18 subsection (j)(4)) for the quarter that began
 19 180 days before the first day of the quarter for
 20 which funding is reduced.

21 “(l) FUNDING TO ADMINISTER WORK ACTIVA-
 22 TION.—

23 “(1) TANF FUNDING.—

24 “(A) IN GENERAL.—Notwithstanding any
 25 other provision of law, for fiscal year 2019 and

1 each subsequent fiscal year, a State that re-
2 ceives supplemental nutrition assistance pro-
3 gram funds under this Act may use during that
4 fiscal year to carry out the work activation pro-
5 gram of the State under this section—

6 “(i) any of the Federal funds available
7 to the State through the State program
8 funded under part A of title IV of the So-
9 cial Security Act (42 U.S.C. 601 et seq.)
10 in that fiscal year; and

11 “(ii) any of the funds from State
12 sources allocated to the operation of the
13 program described in clause (i).

14 “(B) EFFECT.—Any State that uses State
15 funds allocated to the State program funded
16 under part A of title IV of the Social Security
17 Act (42 U.S.C. 601 et seq.) to administer the
18 work activation program of that State under
19 this section may treat those funds as qualified
20 State expenditures (as defined in section
21 409(a)(7)(B)(i) of that Act (42 U.S.C.
22 609(a)(7)(B)(i))) for purposes of meeting the
23 requirements of section 409(a)(7) of that Act
24 (42 U.S.C. 609(a)(7)) in that fiscal year.

1 “(2) WORKFORCE INVESTMENT ACT FUND-
 2 ING.—Notwithstanding any other provision of law,
 3 for fiscal year 2019 and each subsequent fiscal year,
 4 a State that receives Federal funds under the Work-
 5 force Investment Act of 1998 (29 U.S.C. 2801 et
 6 seq.) may use up to 50 percent of those funds dur-
 7 ing that fiscal year to carry out the work activation
 8 program of the State under this section.

9 “(3) SUPPLEMENTAL NUTRITION ASSISTANCE
 10 PROGRAM EMPLOYMENT AND TRAINING PROGRAM.—
 11 Notwithstanding any other provision of law, for fis-
 12 cal year 2019 and each subsequent fiscal year, a
 13 State that receives Federal funds under this Act for
 14 an employment and training program under section
 15 6(d) may use those funds during that fiscal year to
 16 carry out the work activation program of the State
 17 under this section.”.

18 **TITLE III—PREPARING MORE**
 19 **TANF RECIPIENTS FOR WORK**

20 **SEC. 301. WORK PREPARATION PROGRAM.**

21 Section 407 of the Social Security Act (42 U.S.C.
 22 607) is amended by adding at the end the following new
 23 subsection:

24 “(j) WORK PREPARATION PROGRAM.—

1 “(1) IN GENERAL.—A State to which a grant
 2 is made under section 403 for a fiscal year, in addi-
 3 tion to achieving the minimum participation rates
 4 required for the fiscal year under paragraphs (1)
 5 and (2) of subsection (a), shall operate a work prep-
 6 aration program for eligible participants that meets
 7 the requirements of this subsection and shall achieve
 8 the minimum work preparation participation rate
 9 specified in the following table for each quarter of
 10 the fiscal year with respect to all eligible participants
 11 receiving assistance under the State program funded
 12 under this part or any other State program funded
 13 with qualified State expenditures (as defined in sec-
 14 tion 409(a)(7)(B)(i)) who are not engaged in em-
 15 ployment in any month during the fiscal year:

“If the fiscal year is:	The minimum work preparation rate for the quarter is:
2019	25 percent
2020	50 percent
2021 or thereafter	75 percent.

16 “(2) ELIGIBLE PARTICIPANT DEFINED.—In this
 17 subsection, the term ‘eligible participant’ means,
 18 with respect to a month, an individual who—

19 “(A) is a parent of a family in which a
 20 parent or child receives assistance under the
 21 State program funded under this part or any

1 other State program funded with qualified
2 State expenditures (as defined in section
3 409(a)(7)(B)(i)) in the month; and

4 “(B) is employed less than 40 hours in the
5 month.

6 “(3) SPECIAL RULES FOR MARRIED COUPLES
7 WITH CHILDREN.—In the case of a married 2-parent
8 family—

9 “(A) the parents shall only be considered
10 to be eligible participants for a month for pur-
11 poses of this subsection if the sum of the com-
12 bined hours of employment for the month for
13 both spouses is less than 40 hours;

14 “(B) if the parents are eligible participants
15 for a month for purposes of this subsection,
16 only one of the parents shall be required to par-
17 ticipate in the work preparation program under
18 this subsection in a month; and

19 “(C) the sum of the hours required of the
20 parents for purposes of meeting the monthly
21 minimum participation rate required for pur-
22 poses of subsection (a) and meeting the month-
23 ly work preparation rate required under this
24 subsection shall not be greater than the hours

1 required for a single head of household for pur-
2 poses of meeting such rates.

3 “(4) WORK PREPARATION REQUIREMENTS.—In
4 order to be considered to be engaging in work prepa-
5 ration for month, an eligible participant shall engage
6 in one or more work preparation activities (as de-
7 fined in paragraph (5)) for at least an average of 30
8 hours per week during the month.

9 “(5) WORK PREPARATION ACTIVITIES DE-
10 FINED.—In this subsection, the term ‘work prepara-
11 tion activity’ means the following:

12 “(A) Work experience (including work as-
13 sociated with the refurbishing of publicly as-
14 sisted housing) if sufficient private sector em-
15 ployment is not available.

16 “(B) On-the-job training.

17 “(C) Job readiness assistance.

18 “(D) Community service programs (not to
19 exceed the maximum number of hours deter-
20 mined under paragraph (9)).

21 “(E) Workfare programs (not to exceed
22 the maximum number of hours determined
23 under paragraph (9)).

1 “(F) Vocational educational training (not
2 to exceed 12 months with respect to any indi-
3 vidual).

4 “(G) Job skills training directly related to
5 employment.

6 “(H) Education directly related to employ-
7 ment, in the case of an eligible participant who
8 has not received a high school diploma or a cer-
9 tificate of high school equivalency.

10 “(I) Satisfactory attendance at secondary
11 school or in a course of study leading to a cer-
12 tificate of general equivalence, in the case of an
13 eligible participant who has not completed sec-
14 ondary school or received such a certificate.

15 “(J) The provision of child care services to
16 an individual who is participating in a commu-
17 nity service program.

18 “(K) Supervised job search (as defined in
19 paragraph (7)).

20 “(6) PRIORITY FOR COMMUNITY SERVICE.—At
21 least 20 percent of the eligible participants who are
22 required to participate in work preparation for a
23 month shall participate in a community service pro-
24 gram or a workfare program.

1 “(7) SUPERVISED JOB SEARCH DEFINED.—In
2 this subsection, the term ‘supervised job search’
3 means a job search program that has the following
4 characteristics:

5 “(A) The job search occurs at an official
6 location where the presence and activity of the
7 eligible participant can be directly observed, su-
8 pervised, and monitored.

9 “(B) The eligible participant’s entry, time
10 onsite, and exit from the official job search lo-
11 cation are recorded in a manner that prevents
12 fraud.

13 “(C) The eligible participant is expected to
14 remain and undertake job search activities at
15 the job search center.

16 “(D) The quantity of time the eligible par-
17 ticipant is observed and monitored engaging in
18 job search at the official location is recorded for
19 purposes of compliance with the work and work
20 activation requirements of sections 6(o) and 30
21 of the Food and Nutrition Act of 2008.

22 “(8) PENALTIES AGAINST NONPERFORMING IN-
23 DIVIDUALS.—

24 “(A) IN GENERAL.—If an eligible partici-
25 pant fails to fully perform the work preparation

1 activities required in accordance with this sub-
2 section, the State shall—

3 “(i) reduce the amount of assistance
4 otherwise payable to the entire family of
5 the eligible participant pro rata (or more,
6 at the option of the State) with respect to
7 the month immediately after any month in
8 which the eligible participant so fails to
9 perform; or

10 “(ii) terminate such assistance.

11 “(B) PRO RATA REDUCTION.—For pur-
12 poses of subparagraph (A)(i), the amount of a
13 pro rata reduction in assistance shall be deter-
14 mined by multiplying the amount of monthly
15 assistance that would, in the absence of the ap-
16 plication of this paragraph be paid to the entire
17 family, by the ratio of—

18 “(i) the hours of required work and
19 work preparation activities performed by
20 the eligible participant during the month;
21 over

22 “(ii) the number or hours of work and
23 work preparation the State required the el-
24 igible participant to perform in accordance
25 with the requirements of this section.

1 “(9) LIMITATION ON COUNTABLE HOURS OF
2 PARTICIPATION IN COMMUNITY SERVICE OR
3 WORKFARE.—

4 “(A) IN GENERAL.—The maximum num-
5 ber of hours that an eligible participant may be
6 counted as engaging in a community service
7 program or a workfare program in a month for
8 purposes of meeting the minimum work prepa-
9 ration rates for the month under this subsection
10 shall not exceed the total dollar cost of all
11 means-tested benefits received by the eligible
12 participant’s family for the month divided by
13 the Federal minimum wage.

14 “(B) TOTAL DOLLAR COST OF ALL MEANS-
15 TESTED BENEFITS DEFINED.—

16 “(i) IN GENERAL.—In this subsection,
17 the term ‘total dollar cost of all means-
18 tested benefits’ means the sum of the dol-
19 lar cost of all benefits received by a family
20 under—

21 “(I) the supplemental nutrition
22 assistance program established under
23 the Food and Nutrition Act of 2008
24 (7 U.S.C. 2011 et seq.);

1 “(II) the State program funded
2 under this part or any other State
3 program funded with qualified State
4 expenditures (as defined in section
5 409(a)(7)(B)(i)); and

6 “(III) any assistance provided to
7 a household, landlord, or public hous-
8 ing agency (as defined in section
9 3(b)(6) of the United States Housing
10 Act of 1937 (42 U.S.C. 1437a(b)(6)))
11 to subsidize the rental payment for a
12 dwelling unit, including assistance
13 provided for public housing dwelling
14 units under section 3 of the United
15 States Housing Act of 1937 (42
16 U.S.C. 1437a) and assistance pro-
17 vided under section 8 of that Act (42
18 U.S.C. 1437f).

19 “(ii) VALUE OF BENEFITS DURING
20 SANCTION.—For purposes of clause (i), if
21 the dollar value of one or more benefits re-
22 ceived by a household in a month has been
23 reduced under paragraph (8) or another
24 sanction requirement, the calculated dollar
25 value of the sanctioned benefits shall equal

1 the dollar value of the benefit that would
2 have been received if the benefit had not
3 been reduced by the sanction.

4 “(C) ADDITIONAL ACTIVITIES.—Nothing
5 in this paragraph shall prevent a State from re-
6 quiring an eligible participant to engage in ac-
7 tivities not described in subparagraph (A) for
8 additional hours during a month.

9 “(10) CALCULATION OF WORK PREPARATION
10 PARTICIPATION RATES.—

11 “(A) DEFINITION OF SANCTIONED RECIPI-
12 ENT.—In this subsection, the term ‘sanctioned
13 recipient’ means any eligible participant who—

14 “(i) was required to participate in
15 work preparation in a month;

16 “(ii) failed to perform the assigned
17 work and work preparation activities so as
18 to meet the relevant hourly requirements;
19 and

20 “(iii) was sanctioned by a reduced as-
21 sistance payment in the subsequent month
22 under paragraph (8).

23 “(B) REQUIREMENTS.—The work prepara-
24 tion participation rate for a State for any quar-
25 ter of a fiscal year shall equal the average of

1 the monthly participation rates for the State
2 during the 3 months of that quarter.

3 “(C) MONTHLY PARTICIPATION RATE.—
4 For purposes of subparagraph (B), the monthly
5 participation rate shall equal the ratio of all
6 countable participants to all eligible participants
7 in the month, as determined under subpara-
8 graph (D).

9 “(D) RATIO OF ALL COUNTABLE PARTICI-
10 PANTS TO ALL ELIGIBLE PARTICIPANTS.—Sub-
11 ject to subparagraph (E), the ratio of all count-
12 able participants to all eligible participants in a
13 month equals the proportion that—

14 “(i) the sum obtained by adding—
15 “(I) all eligible participants
16 who—

17 “(aa) were required by the
18 State to engage in work prepara-
19 tion during the month; and

20 “(bb) fulfilled the criteria
21 for successful engagement in
22 work preparation during the
23 month; and

24 “(II) all sanctioned recipients for
25 that month; bears to

1 “(ii) the average number of eligible
2 participants in the State in that month.

3 “(E) MULTIPLE ELIGIBLE PARTICI-
4 PANTS.—A married couple household consisting
5 of more than 1 eligible participant shall be
6 counted as a single eligible participant for pur-
7 poses of calculating the participation rate under
8 this paragraph.

9 “(11) PENALTIES FOR INADEQUATE STATE
10 PERFORMANCE.—

11 “(A) IN GENERAL.—Beginning in the first
12 quarter of fiscal year 2019 and for each subse-
13 quent quarter of fiscal year 2019 and of each
14 subsequent fiscal year, each State shall count
15 the monthly average number of countable par-
16 ticipants under this subsection.

17 “(B) REDUCTION IN FUNDING.—If the
18 monthly average number of countable partici-
19 pants in a State is not sufficient to meet the
20 work preparation participation rate required
21 under paragraph (1) during that quarter, the
22 grant payable to the State under section
23 403(a)(1) shall be reduced for the fiscal quarter
24 that begins 180 days after the first day of the

1 quarter in which the inadequate performance
 2 occurred in accordance with subparagraph (C).

3 “(C) FUNDING IN PENALIZED QUARTER.—
 4 The total amount of funding a State shall re-
 5 ceive for a quarter for which funding is reduced
 6 under subparagraph (B) shall equal the product
 7 obtained by multiplying—

8 “(i) the total amount of funding that
 9 the State would have received in the pre-
 10 ceding quarter for the grant payable to the
 11 State under section 403(a)(1) if no reduc-
 12 tion had been in place; by

13 “(ii) the ratio of all countable partici-
 14 pants to all eligible participants (as deter-
 15 mined under paragraph (10)(D)) for the
 16 quarter that began 180 days before the
 17 first day of the quarter for which funding
 18 is reduced.”.

19 **SEC. 302. CHANGES TO MANDATORY WORK REQUIRE-**
 20 **MENTS.**

21 (a) **ELIMINATION OF SEPARATE PARTICIPATION**
 22 **RATE REQUIREMENTS FOR 2-PARENT FAMILIES.—**

23 (1) **IN GENERAL.—**Section 407 of the Social
 24 Security Act (42 U.S.C. 607) is amended—

25 (A) in subsection (a)—

1 (i) by striking all through “A State”
2 the first place it appears and inserting the
3 following:

4 “(a) PARTICIPATION RATE REQUIREMENTS.—A
5 State”; and

6 (ii) by striking paragraph (2);

7 (B) in subsection (b)—

8 (i) in the subsection heading, by strik-
9 ing “RATES” and inserting “RATE”;

10 (ii) in paragraph (1)(A), by striking
11 “(a)(1)” and inserting “(a)”;

12 (iii) by striking paragraph (2) and re-
13 designating paragraphs (3), (4), and (5) as
14 paragraphs (2), (3), and (4), respectively;

15 (iv) in paragraph (3) (as so redesign-
16 ated), by striking “paragraphs (1)(B) and
17 (2)(B)” and inserting “paragraph (1)(B)”;
18 and

19 (v) in paragraph (4) (as so redesign-
20 ated), by striking “rates” and inserting
21 “rate”; and

22 (C) in subsection (c)—

23 (i) in paragraph (1)—

1 (I) by striking all through “For
 2 purposes of subsection (b)(1)(B)(i)”
 3 and inserting the following:

4 “(1) GENERAL RULES.—For purposes of sub-
 5 section (b)(1)(B)(i)”;

6 (II) by striking subparagraph
 7 (B); and
 8 (ii) in paragraph (2)(D)—

9 (I) by striking “paragraphs
 10 (1)(B)(i) and (2)(B) of subsection
 11 (b)” and inserting “subsection
 12 (b)(1)(B)(i)”;

13 (II) by striking “in all families
 14 and in 2-parent families, respec-
 15 tively,”.

16 (2) CONFORMING AMENDMENT.—The para-
 17 graph heading for section 409(a)(3) of such Act (42
 18 U.S.C. 609(a)(3)) is amended by striking “RATES”
 19 and inserting “RATE”.

20 (b) APPLICATION OF STATE OPTION FOR PARTICIPA-
 21 TION REQUIREMENT EXEMPTION TO ALL FAMILIES.—
 22 Section 407(b)(4) of the Social Security Act (42 U.S.C.
 23 607(b)(4)), as redesignated and amended by subsection
 24 (a)(1)(B), is amended—

1 (1) by striking “an individual who is a single
2 custodial parent caring for” and inserting “a family
3 that includes”; and

4 (2) by striking “such an individual” and insert-
5 ing “such a family”.

6 (c) APPLICATION OF CHILD UNDER 6 WORK PAR-
7 TICIPATION RULE TO ALL FAMILIES.—Section
8 407(c)(2)(B) of the Social Security Act (42 U.S.C.
9 607(c)(2)(B)) is amended to read as follows:

10 “(B) FAMILY WITH CHILD UNDER AGE 6
11 DEEMED TO BE MEETING WORK PARTICIPATION
12 REQUIREMENTS IF ANY PARENT IS ENGAGED IN
13 WORK FOR 20 HOURS PER WEEK.—For pur-
14 poses of determining monthly participation
15 rates under subsection (b)(1)(B)(i), a family
16 that includes a child who has not attained 6
17 years of age is deemed to be engaged in work
18 for a month if any parent is engaged in work
19 for an average of at least 20 hours per week
20 during the month.”.

21 (d) EFFECTIVE DATE.—The amendments made by
22 this section take effect on October 1, 2018.

1 **TITLE IV—MODIFICATION TO**
2 **MEANS-TESTED HOUSING**
3 **PROGRAMS**

4 **SEC. 401. DEFINITIONS.**

5 In this title:

6 (1) COVERED STATE HOUSING PROGRAM.—The
7 term “covered State housing program” means a
8 housing program carried out by a State using grant
9 funds awarded under section 404.

10 (2) MEANS-TESTED HOUSING PROGRAM.—The
11 term “means-tested housing program” means each
12 of the following Federal programs:

13 (A) The project-based and tenant-based
14 rental assistance programs under section 8 of
15 the United States Housing Act of 1937 (42
16 U.S.C. 1437f).

17 (B) Public housing assistance under the
18 United States Housing Act of 1937 (42 U.S.C.
19 1437 et seq.).

20 (C) The HOME Investment Partnerships
21 Program under title II of the Cranston-Gon-
22 zalez National Affordable Housing Act (42
23 U.S.C. 12721 et seq.).

1 (D) Homeless Assistance Grants under
2 title IV of the McKinney-Vento Homeless As-
3 sistance Act (42 U.S.C. 11360 et seq.).

4 (E) Assistance from the Rural Housing In-
5 surance Fund under section 517 of the Housing
6 Act of 1949 (42 U.S.C. 1487).

7 (F) Assistance from the Rural Housing
8 Service (other than assistance described in sub-
9 paragraph (E)).

10 (G) The supportive housing for the elderly
11 program under section 202 of the Housing Act
12 of 1959 (12 U.S.C. 1701q).

13 (H) Native American Housing Block
14 Grants under title I of the Native American
15 Housing Assistance and Self-Determination Act
16 of 1996 (25 U.S.C. 4111 et seq.).

17 (I) The rental assistance programs
18 under—

19 (i) section 101 of the Housing and
20 Urban Development Act of 1965 (12
21 U.S.C. 1701s); and

22 (ii) section 236(f)(2) of the National
23 Housing Act (12 U.S.C. 1715z-1(f)(2)).

24 (J) The supportive housing for persons
25 with disabilities program under section

1 811(d)(2) of the Cranston-Gonzalez National
2 Affordable Housing Act (42 U.S.C.
3 8013(d)(2)).

4 (3) SECRETARY.—The term “Secretary” means
5 the Secretary of Housing and Urban Development.

6 (4) STATE.—The term “State” means a State,
7 the Commonwealth of Puerto Rico, the District of
8 Columbia, Guam, American Samoa, the United
9 States Virgin Islands, and the Commonwealth of the
10 Northern Mariana Islands.

11 (5) STATE RECIPIENT.—The term “State re-
12 cipient” means a State that receives a grant under
13 this title.

14 **SEC. 402. REPEAL OF MEANS-TESTED HOUSING PROGRAMS.**

15 Effective October 1, 2019, no Federal funds shall be
16 made available to carry out any means-tested housing pro-
17 gram and no Federal officer or employee shall take any
18 action to carry out such a program.

19 **SEC. 403. AUTHORIZATION OF APPROPRIATIONS.**

20 With respect to the total amount authorized to be ap-
21 propriated for means-tested housing programs for fiscal
22 year 2017, there is authorized to be appropriated to carry
23 out section 404, an amount equal to—

24 (1) such amount for each of fiscal years 2019
25 through 2024;

1 (2) 90 percent of such amount for fiscal year
2 2025;

3 (3) 80 percent of such amount for fiscal year
4 2026;

5 (4) 70 percent of such amount for fiscal year
6 2027;

7 (5) 60 percent of such amount for fiscal year
8 2028; and

9 (6) 50 percent of such amount for fiscal year
10 2029.

11 **SEC. 404. GRANTS TO STATES.**

12 (a) IN GENERAL.—Beginning with fiscal year 2019,
13 and for each fiscal year thereafter, the Secretary shall
14 award grants to eligible States—

15 (1) using amounts authorized to be appro-
16 priated under section 403; and

17 (2) in accordance with this section.

18 (b) ALLOTMENTS.—From the amount appropriated
19 to carry out this section for a fiscal year, the Secretary
20 shall allot to each eligible State an amount that bears the
21 same relationship to such appropriated amount as the
22 amount that the State received for means-tested housing
23 programs for the most recent fiscal year for which satis-
24 factory data is available bears to the total amount appro-

1 priated for means-tested housing programs for that fiscal
2 year.

3 (c) APPLICATION.—To be eligible to receive a grant
4 under this section, a State shall submit an application to
5 the Secretary that includes the amount the State received
6 for the previous year’s means-tested housing programs.

7 (d) USE OF FUNDS.—A State that receives a grant
8 under this section may only use the amounts of the
9 grant—

10 (1) to fund housing programs in the State;

11 (2) to administer the programs described in
12 paragraph (1); and

13 (3) to provide direct technical assistance, over-
14 sight, monitoring, research, and training with re-
15 spect to the programs described in paragraph (1).

16 (e) MATCHING FUNDS.—A State that receives a
17 grant under this section shall provide, toward the cost of
18 the programs assisted under the grant, from non-Federal
19 sources, an amount equal to 20 percent of the amount of
20 the grant.

21 (f) FLEXIBILITY.—Notwithstanding any other provi-
22 sion of Federal law (other than this section), a State that
23 receives a grant under this section—

1 (1) shall have full flexibility to use the amounts
2 of the grant to finance a housing provider, service,
3 or program; and

4 (2) in particular, to the extent permitted under
5 State law, may use the amounts of the grant to es-
6 tablish a portable voucher system that allows a par-
7 ent of a low-income child to use a portion of the
8 grant funds, other available public funds, or private
9 funds to pay some or all of the costs of attendance
10 at a private prekindergarten education program.

11 **SEC. 405. STATE RECIPIENT REPORTS.**

12 (a) SELF-ASSESSMENTS.—A State that receives a
13 grant under section 404 annually shall conduct a com-
14 prehensive self-assessment of the effectiveness and
15 progress of the covered State housing programs of the
16 State during the most recent fiscal year in meeting pro-
17 gram goals established by the State.

18 (b) REPORTS.—

19 (1) IN GENERAL.—A State that receives a
20 grant under section 404 shall develop and make
21 available to the public—

22 (A) an online and searchable report con-
23 taining the self-assessment conducted under
24 subsection (a); and

1 (B) an improvement plan to strengthen
2 any areas identified in the self-assessment as
3 weaknesses or in need of improvement.

4 (2) PERSONAL INFORMATION.—A State may
5 not reveal, in a report developed under paragraph
6 (1), any personally identifiable information about
7 any participant in a covered State housing program
8 of the State.

9 (3) CONTENTS.—A State shall include in each
10 report developed under paragraph (1)—

11 (A) the total amount of public and private
12 funds received by the State for covered State
13 housing programs and the amount received
14 from each source during the most recent fiscal
15 year;

16 (B) an explanation of budgetary expendi-
17 tures for covered State housing programs dur-
18 ing the most recent fiscal year and a proposed
19 budget for those programs for the subsequent
20 fiscal year; and

21 (C) the total number of low-income partici-
22 pants served by covered State housing pro-
23 grams and the average monthly enrollment in
24 those programs during the most recent fiscal
25 year.

1 **SEC. 406. RESEARCH.**

2 (a) STUDY.—

3 (1) IN GENERAL.—The Comptroller General of
4 the United States shall conduct a study of the dif-
5 ferent approaches and best practices used by States
6 in carrying out this title.

7 (2) SCOPE.—The material studied under para-
8 graph (1) shall be limited to the information pro-
9 vided by States in the reports made available under
10 section 405(b).

11 (b) REPORT.—Not later than October 1 of the fourth
12 fiscal year beginning after the date of enactment of this
13 Act, the Comptroller General shall submit a report con-
14 taining the results of the study conducted under sub-
15 section (a) to—

16 (1) the Committee on Banking, Housing, and
17 Urban Affairs of the Senate;

18 (2) the Committee on the Budget of the Senate;

19 (3) the Committee on Financial Services of the
20 House of Representatives; and

21 (4) the Committee on the Budget of the House
22 of Representatives.

23 **SEC. 407. RULE OF CONSTRUCTION.**

24 Nothing in this title shall be construed to authorize
25 the Secretary or any employee or contractor of the Depart-
26 ment of Housing and Urban Development to mandate, di-

1 rect, or control the selection of a covered State housing
2 program by a State.

3 **TITLE V—PROHIBITION ON**
4 **FUNDING OF ABORTION**

5 **SEC. 501. PROHIBITION ON FUNDING FOR ABORTIONS.**

6 No funds authorized or appropriated by Federal law,
7 and none of the funds in any trust fund to which funds
8 are authorized or appropriated by Federal law, shall be
9 expended for any abortion.

10 **SEC. 502. PROHIBITION ON FUNDING FOR HEALTH BENE-**
11 **FITS PLANS THAT COVER ABORTION.**

12 None of the funds authorized or appropriated by Fed-
13 eral law, and none of the funds in any trust fund to which
14 funds are authorized or appropriated by Federal law, shall
15 be expended for health benefits coverage that includes cov-
16 erage of abortion.

17 **SEC. 503. PROHIBITION ON TAX BENEFITS RELATING TO**
18 **ABORTION.**

19 For taxable years beginning after the date of the en-
20 actment of this section, no credit shall be allowed under
21 the internal revenue laws with respect to amounts paid
22 or incurred for an abortion or with respect to amounts
23 paid or incurred for a health benefits plan (including pre-
24 mium assistance) that includes coverage of abortion.

1 **SEC. 504. CONSTRUCTION RELATING TO SEPARATE COV-**
2 **ERAGE.**

3 Nothing in this title shall be construed as prohibiting
4 any individual, entity, or State or locality from purchasing
5 separate abortion coverage or health benefits coverage
6 that includes abortion so long as such coverage is paid
7 for entirely using only funds not authorized or appro-
8 priated by Federal law and such coverage shall not be pur-
9 chased using matching funds required for a federally sub-
10 sidized program, including a State's or locality's contribu-
11 tion of Medicaid matching funds.

12 **SEC. 505. CONSTRUCTION RELATING TO THE USE OF NON-**
13 **FEDERAL FUNDS FOR HEALTH COVERAGE.**

14 Nothing in this title shall be construed as restricting
15 the ability of any non-Federal health benefits coverage
16 provider from offering abortion coverage, or the ability of
17 a State or locality to contract separately with such a pro-
18 vider for such coverage, so long as only funds not author-
19 ized or appropriated by Federal law are used and such
20 coverage shall not be purchased using matching funds re-
21 quired for a federally subsidized program, including a
22 State's or locality's contribution of Medicaid matching
23 funds.

1 **SEC. 506. TREATMENT OF ABORTIONS RELATED TO RAPE,**
2 **INCEST, OR PRESERVING THE LIFE OF THE**
3 **MOTHER.**

4 The limitations established in this title shall not apply
5 to an abortion—

6 (1) if the pregnancy is the result of an act of
7 rape or incest; or

8 (2) in the case where a woman suffers from a
9 physical disorder, physical injury, or physical illness
10 that would, as certified by a physician, place the
11 woman in danger of death unless an abortion is per-
12 formed, including a life-endangering physical condi-
13 tion caused by or arising from the pregnancy itself.

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