

119TH CONGRESS
1ST SESSION

H. R. 702

To modify the measure and use of the poverty line issued by the Secretary of Health and Human Services to more accurately account for the basic needs of families and regional costs of living.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 23, 2025

Ms. SHERRILL introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committee on Ways and Means, 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 modify the measure and use of the poverty line issued by the Secretary of Health and Human Services to more accurately account for the basic needs of families and regional costs of living.

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 “Improving Federal As-
5 sistance to Families Act”.

1 **SEC. 2. NEW POVERTY LINE INDEX.**

2 (a) IN GENERAL.—The Bureau of the Census shall
3 develop and publish a new poverty line index to be meas-
4 ured separately for each State on an annual basis and to
5 be known as the “Regionally Adjusted Poverty Line”.

6 (b) REVISIONS.—The Regionally Adjusted Poverty
7 Line shall be a revised version of the most recent poverty
8 line that, for each State—

9 (1) uses new poverty thresholds created by mul-
10 tiplying the State’s most recent poverty thresholds
11 by its most recent Regional Price Parity, divided by
12 100; and

13 (2) uses new poverty rates created by using the
14 poverty thresholds determined in paragraph (1)
15 rather than each State’s current poverty thresholds
16 to determine the percentage of households that are
17 below each State’s poverty line.

18 **SEC. 3. USE OF THE REGIONALLY ADJUSTED POVERTY**
19 **LINE IN LIEU OF THE POVERTY LINE.**

20 The Secretary of Health and Human Services, in con-
21 sultation with the Secretary of Housing and Urban Devel-
22 opment, shall—

23 (1) determine, for each State annually, which
24 poverty line index between the Regionally Adjusted
25 Poverty Line as specified in section 2 and the cur-

1 rent poverty line has a higher poverty rate for such
2 State;

3 (2) issue, and publish in the Federal Register,
4 for each State, the poverty line index that has a
5 higher poverty rate for such State as specified in
6 paragraph (1) in lieu of the poverty line; and

7 (3) for each State—

8 (A) except as provided in subparagraph
9 (B), use the poverty line index that has a high-
10 er poverty rate for such State as specified in
11 paragraph (1) for administrative purposes, in-
12 cluding for determining financial eligibility for
13 certain Federal programs, in lieu of the poverty
14 line, and

15 (B) for the purpose of determining finan-
16 cial eligibility for Premium Tax Credits under
17 the Affordable Care Act, have flexibility to use
18 either the Regionally Adjusted Poverty Line or
19 the current poverty line to ensure low-income
20 households in States not expanding Medicaid do
21 not lose access to Premium Tax Credits.

22 **SEC. 4. GAO STUDY ON ALICE POVERTY MEASURE.**

23 (a) IN GENERAL.—Not later than 2 years after the
24 enactment of the enactment of this Act, the Comptroller
25 General of the United States shall submit to the Com-

1 mittee on Homeland Security and Government Affairs of
2 the Senate and the Committee on Oversight and Account-
3 ability of the House of Representatives, a report con-
4 taining the results of a study on—

5 (1) the advantages and disadvantages of the
6 ALICE threshold as a measure of poverty and
7 household material need relative to the current pov-
8 erty line, including any additional information that
9 the ALICE threshold provides to policymakers that
10 is not available from the current poverty line;

11 (2) any areas in which the ALICE threshold
12 can be improved to better measure household mate-
13 rial need or improve upon the current poverty line;

14 (3) how the Government can assist in the devel-
15 opment and publication of the ALICE threshold;
16 and

17 (4) how, if at all, the ALICE threshold could be
18 incorporated into the financial eligibility criteria,
19 both that maintained by the Secretary of Health and
20 Human Services and that legislated by Congress, for
21 certain Federal programs to better meet the mate-
22 rial need of households and improve access to cer-
23 tain Federal programs.

24 **SEC. 5. DEFINITIONS.**

25 In this Act:

1 (1) ALICE THRESHOLD.—The term “ALICE
2 threshold” means the Asset Limited, Income Con-
3 strained, Employed measure developed by the United
4 Way of Northern New Jersey as an alternative to
5 the poverty line that includes the regional minimum
6 cost of necessities including housing, child care,
7 food, transportation, healthcare, and taxes.

8 (2) POVERTY LINE.—The term “poverty line”
9 has the same definition as under section 673 of the
10 Community Services Block Grant Act (42 U.S.C.
11 9902).

12 (3) POVERTY THRESHOLD.—The term “poverty
13 threshold” means the dollar amounts used by the
14 Bureau of the Census to determine a household’s
15 poverty line status.

16 (4) REGIONAL PRICE PARITY.—The term “Re-
17 gional Price Parity” means the difference in price
18 levels between a State and the national average, ex-
19 pressed as a percentage of the overall national price
20 level, as published by the Bureau of Economic Anal-
21 ysis.

22 (5) STATE.—The term “State” means any
23 State of the United States, the District of Columbia,
24 the Commonwealth of Puerto Rico, the Virgin Is-

1 lands, Guam, American Samoa, and the Common-
2 wealth of the Northern Mariana Islands.

3 **SEC. 6. EFFECTIVE DATES.**

4 Section 2 shall take effect 1 year after the date of
5 the enactment of this Act and section 3 shall take effect
6 3 years after the date of the enactment of this Act.

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