

116TH CONGRESS
1ST SESSION

H. R. 556

To amend the Social Security Act to establish a new employment, training, and supportive services program for the long-term unemployed and individuals with barriers to employment, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2019

Mr. DANNY K. DAVIS of Illinois (for himself, Ms. SEWELL of Alabama, Mr. SUOZZI, Mr. BLUMENAUER, Mr. BRENDAN F. BOYLE of Pennsylvania, and Mr. EVANS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Social Security Act to establish a new employment, training, and supportive services program for the long-term unemployed and individuals with barriers to employment, 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; AMENDMENT TO SOCIAL SECU-**
4 **RITY ACT; TABLE OF CONTENTS.**

5 (a) SHORT TITLE.—This Act may be cited as the
6 “Economic Ladders to End Volatility and Advance Train-

1 ing and Employment Act of 2019” or the “ELEVATE
2 Act of 2019”.

3 (b) AMENDMENTS TO SOCIAL SECURITY ACT.—Ex-
4 cept as otherwise specifically provided, whenever in this
5 Act an amendment is expressed in terms of an amendment
6 to or repeal of a section or other provision, the reference
7 shall be considered to be made to that section or other
8 provision of the Social Security Act.

9 (c) TABLE OF CONTENTS.—The table of contents for
10 this Act is as follows:

- Sec. 1. Short title; amendment to social security act; table of contents.
- Sec. 2. Employment, training, and supportive services program.
- Sec. 3. Self-employment assistance benefits and relocation assistance benefits.
- Sec. 4. Employee retention work opportunity credit.
- Sec. 5. Conforming amendments.
- Sec. 6. Effective date; regulations.

11 **SEC. 2. EMPLOYMENT, TRAINING, AND SUPPORTIVE SERV-**
12 **ICES PROGRAM.**

13 (a) ESTABLISHMENT.—The Social Security Act (42
14 U.S.C. 301 et seq.) is amended by inserting after title XII
15 the following:

1 **“TITLE XIII—REEMPLOYMENT**
2 **AND OTHER JOB-RELATED**
3 **ASSISTANCE AND BENEFITS**

4 **“PART A—EMPLOYMENT, TRAINING, AND**
5 **SUPPORTIVE SERVICES PROGRAM**

6 **“SEC. 1301. PURPOSE; DEFINITIONS; ADMINISTRATION.**

7 “(a) PURPOSE.—The purpose of this part is to pro-
8 vide funds to States to initiate and expand the provision
9 of employment services, training and other services and
10 activities, and supportive services for eligible individuals
11 in order to—

12 “(1) promote subsidized employment programs
13 for public, private for-profit, private non-profit, and
14 social enterprise sector jobs;

15 “(2) expand the availability of jobs during eco-
16 nomic downturns or in areas with persistently high
17 unemployment or poverty;

18 “(3) provide economically and socially disadvan-
19 tagged individuals (such as the long-term unem-
20 ployed, people with criminal records, former foster
21 youth, and other economically and socially disadvan-
22 tagged populations) with the ability to gain job expe-
23 rience;

24 “(4) provide employers with new pathways into
25 the workforce development system enabling them to

1 have a greater role in the training and hiring of new
2 workers and labor market re-entrants; and

3 “(5) allow for sufficient State flexibility to de-
4 sign programs targeted at community-specific work-
5 force gaps and employer needs.

6 “(b) DEFINITIONS.—In this part:

7 “(1) ADULT AND DISLOCATED WORKER EM-
8 PLOYMENT AND TRAINING ACTIVITIES.—The term
9 ‘adult and dislocated worker employment and train-
10 ing activities’ means adult and dislocated worker
11 employment and training activities funded under
12 chapter 3 of subtitle B of title I of the Workforce
13 Innovation and Opportunity Act.

14 “(2) DISLOCATED WORKER.—The term ‘dis-
15 located worker’ has the meaning given that term in
16 section 3 of the Workforce Innovation and Oppor-
17 tunity Act.

18 “(3) ELIGIBLE INDIVIDUAL.—The term ‘eligible
19 individual’ means an individual who, on the basis of
20 an assessment by the State, has been determined to
21 be unlikely to find unsubsidized employment due
22 to—

23 “(A) being an individual with a barrier to
24 employment;

25 “(B) being a dislocated worker; or

1 “(C) local or national economic conditions.

2 “(4) EMPLOYMENT SERVICES.—The term ‘em-
3 ployment services’ means a subsidized job placement
4 in the public, private for-profit, private non-profit, or
5 social enterprise sector and includes payment or re-
6 imbursement of employer subsidies for wages, the
7 employer share of payroll taxes, employer costs for
8 unemployment insurance, employer costs for work-
9 ers’ compensation premiums, and costs attributable
10 to supervision and other administration directly re-
11 lated to the employment of an eligible individual in
12 the subsidized job placement.

13 “(5) INDIAN TRIBE.—The term ‘Indian tribe’
14 has the meaning given that term in section 419(4).

15 “(6) INDIVIDUAL WITH A BARRIER TO EMPLOY-
16 MENT.—The term ‘individual with a barrier to em-
17 ployment’ has the meaning given that term in sec-
18 tion 3 of the Workforce Innovation and Opportunity
19 Act and includes an individual who is an offender
20 (as defined in such section).

21 “(7) INTEGRATED EDUCATION AND TRAIN-
22 ING.—The term ‘integrated education and training’
23 has the meaning given that term in section 3 of the
24 Workforce Innovation and Opportunity Act.

1 “(8) PAYROLL TAXES.—The term ‘payroll
2 taxes’ means taxes under section 3111, 3221, 3301,
3 or 3321 of the Internal Revenue Code of 1986, and
4 any similar State or local tax imposed on employers.

5 “(9) SUPPORTIVE SERVICES.—

6 “(A) IN GENERAL.—The term ‘supportive
7 services’ has the meaning given that term in
8 section 3 of the Workforce Innovation and Op-
9 portunity Act.

10 “(B) ADDITIONAL SERVICES.—Such term
11 includes any of the following:

12 “(i) Stipends for an eligible individual
13 provided with unpaid training services.

14 “(ii) Legal services.

15 “(iii) Other supplemental services nec-
16 essary for an eligible individual to partici-
17 pate in the State program funded under
18 this part.

19 “(10) STATE EXPENDITURES.—The term ‘State
20 expenditures’ means all State or local funds that are
21 expended by the State or a local agency including
22 State or local funds that are matched or reimbursed
23 by the Federal Government and State or local funds
24 that are not matched or reimbursed by the Federal
25 Government.

1 “(11) TIER-1 PRACTICE.—Subject to subsection
2 (c), the term ‘tier-1 practice’ means a practice
3 that—

4 “(A) offers a new or potentially more effective
5 strategy for addressing widely shared challenges;
6

7 “(B) has not been systematically studied
8 but is supported by a strong logic model; and

9 “(C) is a departure from existing work-
10 force strategies.

11 “(12) TIER-2 PRACTICE.—Subject to subsection
12 (c), the term ‘tier-2 practice’ means a practice that
13 will expand knowledge about the efficacy of a work-
14 force strategy and provide more information about
15 the feasibility of implementing proven workforce
16 strategies in different contexts and is, with respect
17 to a State—

18 “(A) a practice that has been implemented
19 by a State program and evaluated by a State or
20 by a neutral third party and the evaluation results
21 indicate some potential for positive impacts on participant or system-wide outcomes;
22 or
23

24 “(B) a practice that has not been previously
25 implemented by the State, but is sup-

1 ported by strong evidence of positive change
2 and has been evaluated before using an out-
3 come, quasi-experimental, or random assign-
4 ment design, and evaluation findings indicate
5 some statistically significant positive change.

6 “(13) TIER-3 PRACTICE.—Subject to subsection
7 (c), the term ‘tier-3 practice’ means with respect to
8 a State, a practice that—

9 “(A) previously has been implemented by a
10 program funded by a State; and

11 “(B) previously has been evaluated using a
12 random assignment design and the evaluation
13 findings indicate some positive impacts on par-
14 ticipant or system wide outcomes.

15 “(14) TRAINING AND OTHER SERVICES OR AC-
16 TIVITIES.—The term ‘training and other services or
17 activities’ means any of the following services or ac-
18 tivities if provided in conjunction with a subsidized
19 job placement and determined by the State as nec-
20 essary to significantly increase the likelihood that
21 the job placement will be successful for the employer
22 and employee and may improve the prospect of ob-
23 taining and retaining unsubsidized jobs:

1 “(A) Services provided through adult and
2 dislocated worker employment and training ac-
3 tivities.

4 “(B) Integrated education and training.

5 “(C) Education directly related to employ-
6 ment.

7 “(D) Vocational and employment services
8 integrated with trauma-informed substance use
9 disorder treatment, in collaboration with a sub-
10 stance use disorder treatment provider.

11 “(E) Casework and job coaching.

12 “(F) Union-provided job training services.

13 “(c) OUTCOME MEASURES REQUIRED.—A practice
14 shall not be considered to be a tier-1, tier-2, or tier-3 prac-
15 tice unless the practice is intended, studied, or evaluated
16 for purposes of making meaningful improvements in vali-
17 dated measures of important outcomes for eligible individ-
18 uals and their families, such as recidivism, health, employ-
19 ment, and economic well-being over the short and long-
20 term.

21 “(d) ADMINISTRATION.—Subject to section 1302(d),
22 the program under this part shall be administered by the
23 Secretary through the Assistant Secretary for the Admin-
24 istration for Children and Families within the Department

1 of Health and Human Services and in consultation with
2 the Secretary of Labor and the Secretary of Education.

3 “(e) STATE ENTITLEMENT.—This part constitutes
4 budget authority in advance of appropriations Acts and
5 represents the obligation of the Federal Government to
6 provide payments to States under section 1304(a).

7 **“SEC. 1302. STATE PLAN REQUIREMENTS.**

8 “(a) IN GENERAL.—A State is not eligible for pay-
9 ment under section 1304 unless the State has submitted
10 to the Secretary a plan that describes—

11 “(1) the State’s strategy for creating or ex-
12 panding programs that offers subsidized employment
13 for eligible individuals and moving such individuals
14 into unsubsidized employment;

15 “(2) how such strategy fits with the State’s
16 overall strategy for, and assessment of, the State’s
17 workforce needs;

18 “(3) the employment services, training and
19 other services or activities, and supportive services to
20 be provided under the State program funded under
21 this part;

22 “(4) which specific populations of eligible indi-
23 viduals the State will serve, with a focus on how the
24 State plans to assess and serve the eligible individ-
25 uals with serious or multiple barriers to employment;

1 “(5) the strategies the State will use for out-
2 reach and engagement with the populations specified
3 under paragraph (4) to ensure that such populations
4 are aware of subsidized employment opportunities in
5 their community;

6 “(6) the strategies the State will use for out-
7 reach, engagement, and ongoing collaboration with
8 employers to promote employers’ use of the program
9 and ensure they have the training necessary to sup-
10 port eligible individuals;

11 “(7) the strategies the State will use, based on
12 such assessments, to create employability plans for
13 eligible individuals participating in the State pro-
14 gram funded under this part and, based on such
15 plans, assign and provide eligible individuals with
16 employment services, training and other services and
17 activities, and supportive services;

18 “(8) how the State will coordinate the State
19 program funded under this part with other relevant
20 systems and programs based on the populations
21 identified which may include criminal justice, child
22 support, juvenile justice, child welfare, homeless
23 services and other human services and workforce de-
24 velopment programs of the State, including pro-

1 grams supported through the Workforce Innovation
2 and Opportunity Act;

3 “(9) how the State will ensure employers par-
4 ticipating in the program comply with the non-dis-
5 placement requirements of section 1305(c); and

6 “(10) a plan for regular, rigorous evaluation of
7 the State program funded under this part, including
8 how the State plans to measure program outcomes
9 and impacts.

10 “(b) OTHER REQUIREMENTS.—The State shall in-
11 clude with the plan a certification that supportive services
12 for eligible individuals will supplement, and not supplant,
13 other assistance provided by the State.

14 “(c) DEADLINES FOR SUBMISSION.—

15 “(1) INITIAL PLAN.—The initial State plan
16 under this section shall be submitted by the State
17 agency or agencies responsible for administering the
18 State program under this part to the Secretary and,
19 as appropriate, to the Secretary of Labor and the
20 Secretary of Education, not later than 90 days prior
21 to the commencement of the State program funded
22 under this part and shall be for the period beginning
23 on the first day of the commencement of the State
24 program funded under the part and ending on the
25 day that is the last day of the period covered by the

1 unified State plan or combined State plan submitted
2 by the State under section 102 or 103 of the Work-
3 force Innovation and Opportunity Act that is in ef-
4 fect as of the date of submission.

5 “(2) SUBSEQUENT PLANS.—Each State plan
6 submitted under this section after the initial State
7 plan shall be submitted at the same time, in the
8 same manner, and apply for the same period, as a
9 unified State plan or a combined State plan sub-
10 mitted by the State under section 102 or 103 of the
11 Workforce Innovation and Opportunity Act.

12 “(3) APPROVAL.—Each State plan submitted
13 under this section by the State agency or agencies
14 responsible for administering the State program
15 under this part, and any amendments to the plan,
16 shall be subject to the approval of the Secretary, in
17 consultation with the Secretary of Labor or the Sec-
18 retary of Education as appropriate.

19 “(d) STATE AGENCY.—At the option of the State, the
20 program funded under this part shall be administered by
21 the lead State agency responsible for administering the
22 State program funded under part A of title IV, the lead
23 State agencies responsible for administering the adult and
24 dislocated worker employment and training activities of
25 the State, or jointly by such agencies.

1 **“SEC. 1303. USE OF FUNDS.**

2 “(a) AUTHORIZED USES.—

3 “(1) IN GENERAL.—Subject to paragraph (2), a
4 State shall use funds paid under section 1304 to
5 provide eligible individuals with—

6 “(A) employment services;

7 “(B) training and other services and activi-
8 ties; and

9 “(C) supportive services while eligible indi-
10 viduals are provided with employment services
11 and training and other services and activities.

12 “(2) SPENDING REQUIREMENT.—Not less than
13 70 percent of the total amount paid to a State for
14 a fiscal year quarter shall be for expenditures attrib-
15 utable to employment services that are payment for
16 or reimbursement of employer costs for wages, the
17 employer share of payroll taxes, employer costs for
18 unemployment insurance, employer costs for work-
19 ers’ compensation premiums, or costs for employer-
20 provided on-the-job training for subsidized job place-
21 ments of eligible individuals.

22 “(3) TRAINING.—A State may use such funds
23 for training employers, agency personnel, and other
24 individuals related to the administration of the State
25 program funded under this part on issues related to
26 providing eligible individuals with employment serv-

1 ices, training and other services and activities, and
2 supportive services.

3 “(4) ADMINISTRATIVE COSTS.—Subject to sec-
4 tion 1304(e), a State may use such funds for the
5 proper and efficient administration of the State pro-
6 gram funded under this part.

7 “(b) EVIDENCE-BASED PRACTICES AND ACTUAL JOB
8 PLACEMENTS REQUIRED.—

9 “(1) IN GENERAL.—Subject to paragraph (3),
10 only State expenditures for employment services,
11 training and other services and activities, and sup-
12 portive services provided to eligible individuals that
13 meet the following conditions shall be eligible for a
14 Federal matching payment under section 1304:

15 “(A) The employment services, training
16 and other services and activities, supportive
17 services are provided in accordance with prac-
18 tices that meet the requirements for being con-
19 sidered a tier-1, tier-2, or tier-3 practice.

20 “(B) The State can demonstrate that the
21 employment services, training and other serv-
22 ices and activities, and supportive services pro-
23 vided for an eligible individual directly resulted
24 in employment (subsidized or unsubsidized) for
25 the eligible individual, or can demonstrate good

1 cause for why the job placement or employment
2 did not occur, which may include the failure of
3 an employer or an eligible individual to carry
4 out the employer's or individual's commitments
5 to the State program.

6 “(2) TIER-2 OR TIER-3 PRACTICES.—Beginning
7 with the 21st fiscal year quarter for which the State
8 carries out the program funded under this part, not
9 less than 50 percent of the total amount expended
10 by the State for the quarter shall be for employment
11 services, training and other services and activities,
12 and supportive services provided in accordance with
13 practices that meet the requirements for being con-
14 sidered a tier-2 or tier-3 practice.

15 “(3) PERIODS OF ECONOMIC DOWNTURN.—The
16 Secretary may waive any of the limitations on eligi-
17 ble expenditures under paragraphs (1) and (2) with
18 respect to 1 or more State programs funded under
19 this part during any period of local or national eco-
20 nomic downturn (as defined by the Secretary).

21 “(c) EVALUATIONS.—A State shall be eligible to re-
22 ceive a payment under section 1304 for expenditures at-
23 tributable to evaluating the State program funded under
24 this part if—

1 “(1) the State submits to the Secretary a de-
2 scription of the proposed evaluation; and

3 “(2) the Secretary determines that the design
4 and approach of the proposed evaluation is rigorous,
5 will measure program outcomes and impacts, and is
6 likely to yield information that is credible and will
7 be useful to the State.

8 **“SEC. 1304. PAYMENTS TO STATES.**

9 “(a) PAYMENTS TO STATES.—Subject to section
10 1303 and subsections (b) and (c) of this section, beginning
11 with the first fiscal year quarter for which a State plan
12 is approved under this part, and for each quarter there-
13 after, the Secretary shall pay each State, out of any money
14 in the Treasury not otherwise appropriated, an amount
15 equal to the Federal medical assistance percentage that
16 applies for the fiscal year to the State under section
17 1905(b) (without regard to any adjustments to such per-
18 centage applicable under that section or any other provi-
19 sion of law) of the total amount expended by the State
20 during the quarter to provide eligible individuals with em-
21 ployment services, training and other services and activi-
22 ties, and supportive services and, subject to subsection (e),
23 for the proper and efficient administration of the program
24 funded under this part.

1 “(b) INCREASED FEDERAL SUPPORT DURING ECO-
2 NOMIC DOWNTURNS.—

3 “(1) INCREASED FMAP.—

4 “(A) IN GENERAL.—Beginning with any
5 fiscal year quarter for which the total unem-
6 ployment in a State (seasonally adjusted) for
7 the period consisting of the most recent 3
8 months for which data for all States are pub-
9 lished equals or exceeds the applicable percent-
10 age specified in paragraph (2), the Federal
11 medical assistance percentage applicable to pay-
12 ments made under subsection (a) to the State
13 for the quarter shall be increased by the appli-
14 cable number of percentage points specified in
15 paragraph (2), except that in no case shall the
16 Federal medical assistance percentage applica-
17 ble to payments under subsection (a) for a
18 State for a quarter exceed 100 percent.

19 “(B) DURATION.—

20 “(i) IN GENERAL.—Subject to clause
21 (ii), an increase in the Federal medical as-
22 sistance percentage made in accordance
23 with this subsection shall remain in effect
24 with respect to payments made to a State

1 under subsection (a) for at least 4 consecu-
2 tive fiscal year quarters.

3 “(ii) ADDITIONAL INCREASE IN UNEM-
4 PLOYMENT.—If during the period for
5 which the Federal medical assistance per-
6 centage for a State is increased under this
7 subsection, the total unemployment in the
8 State (seasonally adjusted) for the period
9 consisting of the most recent 3 months for
10 which data for all States are published ex-
11 ceeds the applicable total unemployment
12 rate that was the basis for such increase,
13 the increase in the Federal medical assist-
14 ance percentage shall be the applicable
15 number of percentage points specified in
16 paragraph (2) that corresponds to the
17 most recent percentage of total unemploy-
18 ment in the State, beginning with the first
19 fiscal year quarter for which such percent-
20 age of total unemployment occurs and con-
21 tinuing for 3 succeeding fiscal year quar-
22 ters.

23 “(2) APPLICABLE PERCENTAGE; APPLICABLE
24 NUMBER OF PERCENTAGE POINTS.—For purposes of
25 paragraph (1), if the total unemployment in a State

1 (seasonally adjusted) for the period consisting of the
2 most recent 3 months for which data for all States
3 are published is—

4 “(A) equal to or greater than 6.5 percent
5 but less than 7 percent, the applicable number
6 of percentage points is 20;

7 “(B) equal to or greater than 7 percent
8 but less than 7.5 percent, the applicable num-
9 ber of percentage points is 30;

10 “(C) equal to or greater than 7.5 percent
11 but less than 8 percent, the applicable number
12 of percentage points is 40; and

13 “(D) equal to or greater than 8 percent,
14 the applicable number of percentage points is
15 50.

16 “(c) MAINTENANCE OF EFFORT.—As a condition of
17 receiving payments under this section for a fiscal year—

18 “(1) the total amount of State expenditures for
19 employment services, training and other services and
20 activities, and supportive services provided through
21 the adult and dislocated worker employment and
22 training activities of the State for the fiscal year
23 shall not be less than the amount of such expendi-
24 tures for fiscal year 2017; and

1 “(2) the total amount of State expenditures for
2 work, education, and training activities and work
3 supports under the State program funded under
4 part A of title IV shall not be less than the total
5 amount of such State expenditures for the preceding
6 fiscal year.

7 “(d) ADMINISTRATION OF PAYMENTS WITH TITLE
8 IV—A.—Section 405 shall apply to payments made to
9 States under this part in the same manner as section 405
10 applies to payments made to States under State programs
11 funded under part A of title IV.

12 “(e) LIMITATION.—Beginning with the fifth fiscal
13 year quarter for which a State plan is approved under this
14 part, and for each quarter thereafter, a State shall not
15 receive a payment under this section for amounts ex-
16 pended by the State during the quarter for the proper and
17 efficient administration of the program funded under this
18 part that exceed the amount equal to 15 percent of the
19 amount expended by the State during the quarter to pro-
20 vide eligible individuals with employment services, training
21 and other services and activities, and supportive services.

22 “(f) PLANNING AND IMPLEMENTATION GRANTS;
23 TECHNICAL ASSISTANCE.—

24 “(1) IN GENERAL.—In addition to amounts
25 available to make payments to States under sub-

1 section (a), the Secretary shall make grants to
2 States and Indian tribes (or intertribal consortiums
3 with a tribal family assistance plan approved under
4 section 412), for costs attributable to the planning
5 and implementation of a State or tribal program
6 funded under this part and shall provide technical
7 assistance to States and Indian tribes with respect
8 to the planning and implementation of such a pro-
9 gram.

10 “(2) REQUIREMENTS.—

11 “(A) COMMUNITY ENGAGEMENT.—As a
12 condition of receiving a grant under this sub-
13 section, a State or Indian tribe shall engage
14 local communities, including focus groups of
15 target populations of eligible individuals and
16 employers, in the planning and implementation
17 of the State or tribal program funded under
18 this part.

19 “(B) 2-YEAR LIMIT.—No State or Indian
20 tribe shall receive a grant under this subsection
21 for more than 8 quarters.

22 “(C) NO MATCHING PAYMENT RE-
23 QUIRED.—No matching payment shall apply to
24 the grants made under this subsection.

1 “(3) AUTHORIZATION OF APPROPRIATIONS.—

2 There are authorized to be appropriated to the Sec-
3 retary to carry out this subsection for each fiscal
4 year beginning with fiscal year 2020, such sums as
5 are necessary.

6 **“SEC. 1305. OTHER PROGRAM REQUIREMENTS.**

7 “(a) ASSESSMENT AND EMPLOYABILITY PLAN.—The
8 State shall establish procedures to—

9 “(1) assess, within 30 days of determining that
10 an individual is an eligible individual, the eligible in-
11 dividual’s job skills, education, past work experience,
12 and potential barriers to employment; and

13 “(2) create, based on such assessment, an indi-
14 vidualized employability plan for each eligible indi-
15 vidual participating in the program that—

16 “(A) specifies—

17 “(i) the initial plan for the eligible in-
18 dividual, including whether the eligible in-
19 dividual is to be immediately begin working
20 in a subsidized job or needs training and
21 other services and activities or supportive
22 services before that placement can occur;
23 and

24 “(ii) the employment services that will
25 be provided to the eligible individual, as

1 well as the training and other services and
2 activities, and supportive services that will
3 be provided to the eligible individual while
4 the eligible individual is working in a sub-
5 sidized job; and

6 “(B) provides that, near the end of the in-
7 dividual’s initial placement in a subsidized job,
8 an assessment will be made regarding whether
9 the eligible individual will be converted to a per-
10 manent employee, and if not, the job search as-
11 sistance and additional employment services,
12 training and other services and activities, and
13 supportive services that will be provided to the
14 eligible individual with the goal of obtaining
15 and retaining unsubsidized employment.

16 “(b) EMPLOYMENT STANDARDS AND CRITERIA FOR
17 SUBSIDIZED JOBS.—

18 “(1) GENERAL REQUIREMENTS.—Any sub-
19 sidized job placement for an eligible individual par-
20 ticipating in the State program funded under this
21 part shall satisfy the following requirements:

22 “(A) Employment services that are pay-
23 ment for or reimbursement of employer costs
24 may only be used by an employer in the public,
25 private for-profit, private non-profit, or social

1 enterprise sector for such costs that are attrib-
2 utable to the hiring of, compensation for, or on-
3 the-job training of, the eligible individual.

4 “(B) An employer in the public, private
5 for-profit, private non-profit, or social enter-
6 prise sector shall not be paid a subsidy that ex-
7 ceeds 120 percent of wage costs.

8 “(C) An eligible individual in a subsidized
9 job placement shall be paid not less than the
10 prevailing minimum wage in the relevant juris-
11 diction and shall be covered by all relevant
12 labor and employment laws.

13 “(D) Subject to paragraph (4), a sub-
14 sidized job placement for an eligible individual
15 shall not exceed 6 months unless the placement
16 is extended for not more than 6 additional
17 months for purposes of improving the work ex-
18 perience, training and other services and activi-
19 ties, and supportive services needs of an eligible
20 individual with less prior work experience, more
21 skill development and training needs, or greater
22 employment barriers.

23 “(E) Employers participating in the State
24 program agree to make a good faith effort to
25 hire an eligible individual placed in a subsidized

1 job in their employment if the individual has
2 demonstrated satisfactory performance and the
3 employer has a relevant job opening available
4 and to maintain a record of the share of sub-
5 sidized workers hired on a permanent basis.

6 “(2) ADDITIONAL PLACEMENTS.—If, after com-
7 pleting a subsidized job placement, an eligible indi-
8 vidual is unemployed for at least 6 weeks (regardless
9 of whether such weeks are consecutive), the eligible
10 individual may apply for a new subsidized job place-
11 ment but the immediately subsequent placement
12 may only be with a different public or private sector
13 employer.

14 “(3) STATE VARIATION PERMITTED.—Employer
15 subsidies for a subsidized job placement may vary
16 within a State and among States carrying out pro-
17 grams under this part provided that all eligible indi-
18 viduals employed in subsidized jobs shall be paid not
19 less than the prevailing minimum wage in the rel-
20 evant jurisdiction and shall be covered by all rel-
21 evant labor and employment laws.

22 “(4) EXCEPTIONS.—With respect to any period
23 for which the total unemployment in a State (sea-
24 sonally adjusted) for the period consisting of the
25 most recent 3 months for which data for all States

1 are published equals or exceeds 7.5 percent, the Sec-
 2 retary may waive the limit on the duration of a sub-
 3 sidized job placement under paragraph (1)(D).

4 “(c) NONDISPLACEMENT.—A public or private sector
 5 employer shall not use an eligible individual subsidized job
 6 placement to—

7 “(1) displace or replace an employee, position,
 8 or volunteer, or to partially displace or replace an
 9 employee, position, or volunteer, such as through a
 10 reduction in hours, wages, or employment benefits;
 11 or

12 “(2) displace or replace an employee partici-
 13 pating in a strike, collective bargaining or union ac-
 14 tivities, or union organizing.

15 **“SEC. 1306. REPORTS; TECHNICAL ASSISTANCE; RESEARCH;**
 16 **AUDIT REQUIREMENT.**

17 “(a) QUARTERLY REPORTS.—

18 “(1) STATE REPORTS.—A State shall submit
 19 with each quarterly report required under section
 20 411(a)(1) a report on the State program funded
 21 under this part that contains such data and infor-
 22 mation as the Secretary shall require.

23 “(2) REPORTS TO CONGRESS.—The Secretary
 24 shall submit with each annual report to Congress re-
 25 quired under section 411(b) a report on the State

1 programs funded under this part, including dem-
2 onstration projects conducted under section 1309.

3 “(b) ONGOING PERFORMANCE ASSESSMENT.—

4 “(1) IN GENERAL.—The Secretary shall study
5 and submit annual reports to Congress that—

6 “(A) measure the performances of the
7 State programs funded under this part, includ-
8 ing demonstration projects conducted under
9 section 1309;

10 “(B) include information about the cat-
11 egories of individuals and employers served by
12 such programs and projects; and

13 “(C) describe the activities eligible individ-
14 uals engaged in during the year.

15 “(2) TIMING OF SUBMISSIONS.—The Secretary
16 shall submit the reports required by paragraph
17 (1)—

18 “(A) in the case of the first such report,
19 2 years after the date on which the first State
20 program funded under this part is established;
21 and

22 “(B) in the case of subsequent reports, an-
23 nually thereafter.

24 “(c) ALIGNMENT WITH WORKFORCE INNOVATION
25 AND OPPORTUNITY ACT PROGRAMS.—The Secretary shall

1 coordinate with the Secretary of Labor on aligning per-
2 formance measures and regulations for the State pro-
3 grams funded under this part with the performance meas-
4 ures and regulations applicable to the core programs of
5 States funded under the Workforce Innovation and Oppor-
6 tunity Act.

7 “(d) INDIVIDUAL ELIGIBILITY ASSESSMENT GUID-
8 ANCE.—The Secretary, in consultation with the Secretary
9 of Labor, shall study and issue guidance to States on best
10 practices for assessing whether an individual satisfies the
11 criteria for being an eligible individual under section
12 1301(b)(3)(B) as being unlikely to find unsubsidized em-
13 ployment due to individual barriers, local economic condi-
14 tions, or national economic conditions.

15 “(e) NEW PERFORMANCE MEASURES.—

16 “(1) IN GENERAL.—The Secretary shall create
17 new performance measures that address income
18 gains and poverty reduction for eligible individuals
19 participating in the State program funded under this
20 part and the families of such individuals. Such per-
21 formance measures shall be in addition to the per-
22 formance accountability measures under section
23 116(b) of the Workforce Innovation and Opportunity
24 Act for the adult and dislocated worker employment

1 and training activities of the State and aligned with
2 the State program funded under this part.

3 “(2) PROGRAM ACCESS.—The Secretary shall
4 create a measure of program access to determine the
5 extent to which States are serving individuals with
6 the most significant barriers to employment and the
7 portion of State caseloads that are made up of such
8 workers.

9 “(f) COORDINATION OF DATA COLLECTION.—The
10 Secretary, in consultation with the Secretary of Labor,
11 and, as appropriate, the Secretary of the Treasury and
12 the Secretary of Education, shall determine the data
13 States shall collect and report regarding the State pro-
14 gram funded under this part and the extent to which that
15 data collection and reporting, and required evaluations,
16 can be coordinated with the data collection, reporting, and
17 evaluations required for the State program funded under
18 part A of title IV and the performance accountability
19 measures under section 116(b) of the Workforce Innova-
20 tion and Opportunity Act for the adult and dislocated
21 worker employment and training activities of the State.

22 “(g) FUNDING.—The Secretary shall use funding
23 made available under section 413(h)(1) for research, tech-
24 nical assistance, and evaluation to conduct the perform-
25 ance assessments required under subsection (b).

1 “(h) INSPECTOR GENERAL AUDIT.—The Inspector
 2 General of the Department of Health and Human Services
 3 shall biennially audit a sample of the State programs
 4 funded under this part to ensure compliance with program
 5 requirements, including compliance with the nondisplace-
 6 ment requirements of section 1305(c), and to identify and
 7 protect against any waste, fraud, or abuse in such pro-
 8 grams.

9 **“SEC. 1307. DIRECT FUNDING AND ADMINISTRATION FOR**
 10 **PROGRAMS OPERATED BY INDIAN TRIBES.**

11 “(a) IN GENERAL.—An Indian tribe or intertribal
 12 consortium with a tribal family assistance plan approved
 13 under section 412 (or any Indian tribe that is a member
 14 of such a consortium) that proposes to establish a pro-
 15 gram under this part shall submit an application to the
 16 Secretary to directly receive payments for expenditures
 17 made to carry out the program (in this section referred
 18 to as a ‘tribal program application’).

19 “(b) TRIBAL PROGRAM APPLICATION REQUIRE-
 20 MENTS.—Subject to subsection (c), a tribal program appli-
 21 cation shall include a plan that meets the requirements
 22 of section 1302 in the same manner as such requirements
 23 apply to a State.

24 “(c) PROGRAM REQUIREMENTS.—The program re-
 25 quirements specified in this part shall apply to an Indian

1 tribe or intertribal consortium with a tribal program appli-
 2 cation and plan approved under this section in the same
 3 manner as such requirements apply to a State except to
 4 the extent that an Indian tribe or intertribal consortium
 5 requests, and the Secretary approves, a waiver or modi-
 6 fication of any such requirements.

7 “(d) PAYMENTS.—

8 “(1) IN GENERAL.—Subject to paragraph (2),
 9 the Secretary shall pay an Indian tribe or intertribal
 10 consortium with a tribal program application and
 11 plan approved under this section in the same man-
 12 ner as States are paid under section 1304.

13 “(2) APPLICATION OF TRIBAL FMAP.—The
 14 Federal medical assistance percentage that would
 15 apply under subsection (d) of section 479B if an In-
 16 dian tribe or tribal consortium operated a program
 17 under that section (in this subsection referred to as
 18 the ‘tribal FMAP’), shall apply to payments made to
 19 the Indian tribe or tribal consortium for expendi-
 20 tures attributable to carrying out a program under
 21 this part, unless the tribal FMAP is less than the
 22 Federal medical assistance percentage that applies
 23 to the State in which the Indian tribe or tribal con-
 24 sortium is located in which case the State Federal
 25 medical assistance percentage shall apply. In the

1 case of an Indian tribe or tribal consortium that is
 2 located in more than 1 State, the State in which the
 3 Indian tribe or tribal consortium is located that has
 4 the highest Federal medical assistance percentage
 5 shall apply to the preceding sentence.

6 **“SEC. 1308. DIRECT FUNDING AND ADMINISTRATION FOR**
 7 **PROGRAMS OPERATED BY LOCAL GOVERN-**
 8 **MENTS.**

9 “(a) IN GENERAL.—The Secretary shall establish
 10 procedures under which a local government, or a consor-
 11 tium of local governments within a State, may submit an
 12 application to the Secretary to establish a program under
 13 this part and directly receive payments for expenditures
 14 made to carry out the program (in this section referred
 15 to as a ‘local government program application’), if the
 16 State in which the local government or consortium is lo-
 17 cated does not elect to establish a State program under
 18 this part.

19 “(b) LOCAL GOVERNMENT PROGRAM APPLICATION
 20 REQUIREMENTS.—Subject to subsection (c), a local gov-
 21 ernment program application shall include a plan that
 22 meets the requirements of section 1302 in the same man-
 23 ner as such requirements apply to a State.

24 “(c) PROGRAM REQUIREMENTS.—The program re-
 25 quirements specified in this part shall apply to a local gov-

1 ernment or consortium with a local government program
 2 application and plan approved under this section in the
 3 same manner as such requirements apply to a State except
 4 to the extent that a local government or consortium re-
 5 quests, and the Secretary approves, a waiver or modifica-
 6 tion of any such requirements.

7 “(d) PAYMENTS.—The Secretary shall pay a local
 8 government or consortium with a local government pro-
 9 gram application and plan approved under this section in
 10 the same manner as the State in which the local govern-
 11 ment or consortium is located would have been paid under
 12 section 1304 if the State had established a State program
 13 under this part.

14 **“SEC. 1309. PRO-WORKER EMPLOYERS DEMONSTRATION**
 15 **PROJECTS.**

16 “(a) AUTHORITY TO APPROVE DEMONSTRATION
 17 PROJECTS.—The Secretary may authorize States to con-
 18 duct demonstration projects pursuant to this section which
 19 the Secretary finds are likely to promote 1 or more of the
 20 purposes described in section 1301(a) through subsidized
 21 employment for eligible individuals working for certified
 22 pro-worker employers.

23 “(b) CONDITIONS FOR STATE ELIGIBILITY.—A State
 24 may be authorized to conduct such demonstration project
 25 only if the State satisfies the following conditions:

1 “(1) The State submits an application to the
2 Secretary, at such time, in such manner, and con-
3 taining the information specified in paragraph (2)
4 and such other information as the Secretary re-
5 quires.

6 “(2) The State includes the following informa-
7 tion in the application submitted to the Secretary:

8 “(A) The criteria for being an eligible indi-
9 vidual if the State elects to include individuals
10 not described in section 1301(b)(3).

11 “(B) A description of the scientific or
12 quasi-scientific design for the demonstration
13 project that includes a randomized controlled
14 trial or another valid control group.

15 “(C) The outcome measures for evaluating
16 the impact of the demonstration project that
17 shall include, at a minimum, the following:

18 “(i) The percentage of eligible individ-
19 uals who are in unsubsidized employment
20 during the 2d quarter after exiting from
21 the demonstration project.

22 “(ii) The percentage of eligible indi-
23 viduals who are in unsubsidized employ-
24 ment during the 4th quarter after exiting
25 from the demonstration project.

1 “(iii) The median earnings of eligible
2 individuals who are in unsubsidized em-
3 ployment during the 2d quarter after
4 exiting from the demonstration project.

5 “(iv) Other measures of employment
6 and earnings as specified by the Secretary
7 which, to the greatest extent practicable,
8 shall be based on the information required
9 for State performance reports under sec-
10 tion 116(d)(2) of the Workforce Innovation
11 and Opportunity Act (29 U.S.C.
12 3141(d)(2)).

13 “(c) WAIVER AUTHORITY.—

14 “(1) IN GENERAL.—The Secretary may waive
15 compliance with any requirement of this part or part
16 A of title IV which (if applied) would prevent a
17 State from carrying out a demonstration project
18 under this section or prevent the State from effec-
19 tively achieving the purpose of such a project.

20 “(2) COST AND BUDGET NEUTRALITY.—The
21 Secretary shall not impose cost or budget neutrality
22 requirement as a condition for approving a dem-
23 onstration project under this section.

24 “(d) PAYMENT TO STATES.—

1 “(1) TREATMENT AS PROGRAM EXPENDI-
2 TURES.—The Secretary shall consider the expendi-
3 tures of any State to conduct a demonstration
4 project under this section to be expenditures under
5 this part.

6 “(2) ENHANCED FMAP.—The enhanced FMAP
7 described in the first sentence of section 2105(b)
8 that is applicable to a State for a fiscal year shall
9 apply to payments made to the State for a fiscal
10 year quarter for expenditures to conduct a dem-
11 onstration project under this section in lieu of the
12 Federal medical assistance percentage applicable to
13 payments made under section 1304(a) to the State
14 for the quarter. If the State is eligible for an in-
15 crease in the Federal medical assistance percentage
16 applicable to payments under section 1304(a) in ac-
17 cordance with subsection (b) of section 1304, the en-
18 hanced FMAP applicable to the State for the fiscal
19 year shall be used to determine the amount of the
20 increase.

21 “(e) DURATION OF DEMONSTRATION.—A demonstra-
22 tion project under this section may be conducted for such
23 period of years as the Secretary and a State shall agree,
24 but for not more than 5 years, unless in the judgment

1 of the Secretary, the demonstration project should be al-
2 lowed to continue.

3 “(f) INDIAN TRIBES AND LOCAL GOVERNMENTS.—

4 An Indian tribe or intertribal consortium approved for
5 payments under section 1307 and a local government or
6 a consortium of local governments within a State approved
7 for payments under section 1308 may be considered a
8 State for purposes of conducting a demonstration project
9 under this section.

10 “(g) PRO-WORKER EMPLOYER STANDARD.—

11 “(1) ESTABLISHMENT OF STANDARD.—Not
12 later than 2 years after the date of enactment of
13 this part, the Secretary and the Secretary of Labor,
14 jointly shall establish a standard for employers to
15 meet in order to be a certified pro-worker employer
16 for purposes of a demonstration project under this
17 section. At a minimum, the standard shall require
18 that an employer does the following:

19 “(A) OFFER PREDICTABLY.—The employer
20 has scheduling practices with predictable work
21 hours.

22 “(B) PROVIDE FAMILY-FRIENDLY BENE-
23 FITS.—The employer offers paid family and
24 medical leave programs, paid sick days, health
25 insurance, child care, paid time off, and other

1 benefits that contribute to work-life balance,
2 and provides similar or portable benefits to
3 freelance, independent contractors, consultants,
4 outsourced and non-permanent workers, or
5 other contingent workers.

6 “(C) ENSURE ADEQUATE PAY.—The em-
7 ployer pays employees a living wage that en-
8 ables the employees to meet their basic needs
9 and has policies to ensure fair compensation for
10 freelance, independent contractors, consultants,
11 outsourced and non-permanent workers, or
12 other contingent workers by adopting clear con-
13 tractual language and committing to on-time
14 payments.

15 “(D) INVEST IN EMPLOYEE GROWTH AND
16 DEVELOPMENT.—The employer provides in-
17 house or through employee stipends and other
18 financial assistance, access to education and
19 training opportunities and promotes career
20 pathways for entry-level workers which demon-
21 strably improve income and job responsibilities.

22 “(E) REWARD WORKERS WHEN COMPANY
23 DOES WELL.—The employer has profit-sharing
24 practices or other mechanisms that ensure

1 workers benefit when the company grows or in-
2 creases profits.

3 “(2) PROCESS FOR CERTIFICATION.—The Sec-
4 retary of Labor, in consultation with the Secretary
5 shall establish a process by which an employer may
6 apply for and be issued a certification as a pro-work-
7 er employer. The process may allow for applications
8 for certification to be considered and issued by a
9 State, the Secretary of Labor, or the Secretary, or
10 an entity under a contract or other arrangement
11 with the Secretary of Labor.

12 “(h) REPORTS AND PERFORMANCE ASSESSMENTS.—
13 The Secretary shall report on and assess the demonstra-
14 tion projects conducted under this section as part of the
15 reports and ongoing performance assessments required
16 under section 1306.

17 “(i) DEFINITIONS.—In this section:

18 “(1) CERTIFIED PRO-WORKER EMPLOYER.—
19 The term ‘certified pro-worker employer’ means an
20 employer who has applied for and been issued a cer-
21 tification as having met the pro-worker employer
22 standard established under subsection (g).

23 “(2) ELIGIBLE INDIVIDUALS.—The term ‘eligi-
24 ble individuals’ has the meaning given that term in
25 section 1301(b)(3) and includes individuals who

1 meet such other criteria and a State conducting a
2 demonstration project under this section specifies
3 and the Secretary approves.”.

4 (b) STUDY REGARDING INCENTIVES FOR ELEVATE
5 PROGRAM PERFORMANCE.—

6 (1) IN GENERAL.—The Secretary of Health and
7 Human Services shall enter into an agreement with
8 the National Academy of Sciences to evaluate State
9 programs carried out under part A of title XIII of
10 the Social Security Act (as added by subsection (a)),
11 including demonstration projects conducted under
12 section 1309 of that Act (as so added). The evalua-
13 tion shall analyze the relationships between engage-
14 ment, impacts, and outcome measures. The evalua-
15 tion shall also examine the issue of program per-
16 formance and include recommendations to Congress
17 as to whether and how program performance could
18 be tied to fiscal incentives.

19 (2) REPORT.—Not later than 7 years after the
20 date of enactment of this Act, the Secretary of
21 Health and Human Services shall submit to Con-
22 gress a report containing the results of the evalua-
23 tion conducted under paragraph (1), together with
24 recommendations for such legislation and adminis-

1 trative action as the Secretary determines appro-
2 priate.

3 **SEC. 3. SELF-EMPLOYMENT ASSISTANCE BENEFITS AND**
4 **RELOCATION ASSISTANCE BENEFITS.**

5 (a) ESTABLISHMENT.—Title XIII, as added by sec-
6 tion 2(a), is amended by adding at the end the following:

7 **“PART B—SELF-EMPLOYMENT AND RELOCATION**
8 **ASSISTANCE BENEFITS**

9 **“SEC. 1321. SELF-EMPLOYMENT ASSISTANCE BENEFITS.**

10 “(a) IN GENERAL.—Every individual who—

11 “(1) is determined to be an eligible self-employ-
12 ment assistance individual (as defined in section
13 1325); and

14 “(2) has filed an application for self-employ-
15 ment assistance under this title,

16 shall be entitled to a self-employment assistance benefit
17 for each week beginning with the first week in which such
18 individual meets the criteria specified in paragraphs (1)
19 and (2) and ending with the benefit termination week (as
20 defined in section 1325) determined with respect to the
21 individual.

22 “(b) AMOUNT.—

23 “(1) IN GENERAL.—Subject to paragraph (2),
24 the self-employment assistance benefit for an indi-
25 vidual shall be the amount equal to $\frac{1}{2}$ of the aver-

1 age weekly earnings from the individual’s most re-
2 cent employment.

3 “(2) MAXIMUM LIMIT.—The self-employment
4 assistance benefit for any individual shall not exceed
5 the amount equal to the maximum weekly unemploy-
6 ment insurance benefit in the State in which the in-
7 dividual resides.

8 **“SEC. 1322. RELOCATION ASSISTANCE BENEFITS.**

9 “(a) IN GENERAL.—Every individual who—

10 “(1) is determined to be an eligible relocation
11 assistance individual (as defined in section 1325);

12 “(2) has filed an application for relocation as-
13 sistance under this title,

14 shall be entitled to a relocation assistance benefit.

15 “(b) AMOUNT.—

16 “(1) IN GENERAL.—Subject to paragraphs (2)
17 and (3), the relocation assistance benefit for an indi-
18 vidual shall be a lump-sum amount sufficient to en-
19 able the individual to move to a new area to earn
20 family-sustaining wages in employment and may in-
21 clude up to 90 percent of the reasonable and nec-
22 essary expenses incurred in relocating the individual,
23 the individual’s family, and household effects, includ-
24 ing subsistence and transportation expenses.

25 “(2) MAXIMUM LIMIT.—

1 “(A) IN GENERAL.—The relocation assist-
2 ance benefit for any individual shall not exceed
3 \$2,000.

4 “(B) ANNUAL ADJUSTMENT.—The dollar
5 amount specified in subparagraph (A) shall be
6 increased, beginning with 2020, from year to
7 year based on the percentage increase in the
8 consumer price index for all urban consumers
9 (all items; United States city average), rounded
10 up to the nearest \$10.

11 “(3) ADJUSTMENT FOR FAMILY SIZE.—An eli-
12 gible relocation assistance individual who is relo-
13 cating with a family may be paid a relocation assist-
14 ance benefit greater than the benefit limit applicable
15 to a year. The size of an individual’s family shall be
16 taken into account in determining the amount of
17 such benefit.

18 “(c) LIMITATION.—An individual may not be paid a
19 relocation assistance benefit more than 1 time during any
20 5-year period.

21 **“SEC. 1323. ADMINISTRATIVE PROVISIONS.**

22 “(a) ADMINISTRATION.—Self-employment assistance
23 benefits and relocation assistance benefits shall be admin-
24 istered by the Director, in consultation with the Secretary
25 of Labor.

1 “(b) OTHER ELIGIBILITY CRITERIA; APPLICATION.—

2 The Director, in consultation with the Secretary of Labor,
3 shall establish—

4 “(1) such additional criteria as appropriate for
5 an individual to be eligible for a self-employment as-
6 sistance benefit or a relocation assistance benefit
7 under this title and for determining the amount of
8 such benefit;

9 “(2) application procedures, including with re-
10 spect to the filing of applications, the furnishing of
11 information and other material, and the reporting of
12 events and changes in circumstances, as may be nec-
13 essary for the effective and efficient administration
14 of this title, and which shall include permitting ap-
15 plications for a self-employment assistance benefit or
16 relocation assistance benefit to be submitted—

17 “(A) online;

18 “(B) at field offices of the Social Security
19 Administration;

20 “(C) through a one-stop center, as defined
21 in section 3 of the Workforce Innovation and
22 Opportunity Act; or

23 “(D) at offices of the Small Business Ad-
24 ministration; and

1 “(3) audit procedures and other program integ-
2 rity activities related to the provision of self-employ-
3 ment assistance benefits and relocation assistance
4 benefits.

5 “(c) DIRECT PAYMENTS.—A self-employment assist-
6 ance benefit or a relocation assistance benefit shall be paid
7 directly to an individual and may be included with other
8 benefits or assistance payable to, or on behalf of, the indi-
9 vidual under this Act.

10 “(d) ENTITLEMENT REDETERMINATIONS.—An indi-
11 vidual’s entitlement to a self-employment assistance ben-
12 efit or a relocation assistance benefit under this title, and
13 the amount of such benefit, may be redetermined at such
14 time or times as the Director determines to be appro-
15 priate.

16 “(e) REGULATIONS AND ADMINISTRATIVE ARRANGE-
17 MENTS.—

18 “(1) IN GENERAL.—The Director, in consulta-
19 tion with the Secretary of Labor, may promulgate
20 such regulations, and make such administrative and
21 other arrangements, as may be necessary or appro-
22 priate to carry out this title.

23 “(2) SUSPENSION AND TERMINATION OF AS-
24 SISTANCE.—Regulations promulgated by the Direc-
25 tor may provide for the suspension and termination

1 of entitlement to a benefit under this title as the Di-
 2 rector determines is appropriate.

3 “(3) OVERPAYMENTS AND UNDERPAYMENTS;
 4 PENALTIES FOR FRAUD.—Regulations promulgated
 5 by the Director shall apply the provisions of sections
 6 808 and 811 to self-employment assistance benefits
 7 and relocation assistance benefits payable under this
 8 title in the same manner as such provisions apply to
 9 benefits payable under title VIII.

10 “(f) EVALUATIONS.—Not later than January 1,
 11 2025, and periodically thereafter, the Director, in con-
 12 sultation with the Secretary of Labor, shall evaluate and
 13 report to Congress on the effectiveness of the self-employ-
 14 ment assistance benefits, relocation assistance benefits,
 15 and other activities carried out under this title.

16 **“SEC. 1324. MISCELLANEOUS PROVISIONS.**

17 “(a) SPECIAL RULES.—A self-employment assistance
 18 benefit or a relocation assistance benefit—

19 “(1) except as provided in subsection (b), shall
 20 be paid in addition to any other benefit or assistance
 21 for which the individual is entitled to or eligible for
 22 under this Act or any other provision of law; and

23 “(2) shall not be subject to Federal tax.

24 “(b) NO CONCURRENT RECEIPT OF SELF-EMPLOY-
 25 MENT ASSISTANCE BENEFIT AND UNEMPLOYMENT COM-

1 PENSATION.—An individual may not receive a self-employ-
 2 ment assistance benefit for any week if the individual re-
 3 ceives unemployment compensation under any State or
 4 Federal law (including under the Federal-State Unemploy-
 5 ment Compensation Act of 1970 and including unemploy-
 6 ment compensation paid as self-employment assistance)
 7 for such week.

8 “(c) SUPPLEMENT NOT SUPPLANT.—Funds made
 9 available to carry out this title shall be used to supplement
 10 the level of Federal funds that, in the absence of such
 11 availability, would be expended to provide a self-employ-
 12 ment assistance benefit or reemployment assistance ben-
 13 efit to individuals and in no case to supplant such Federal
 14 funds.

15 **“SEC. 1325. DEFINITIONS.**

16 “In this title:

17 “(1) BENEFIT TERMINATION WEEK.—The term
 18 ‘benefit termination week’ means, with respect to an
 19 individual, the first week that occurs after the first
 20 week of any 10-year period in which the individual
 21 is paid a self-employment assistance benefit and is—

22 “(A) the week during which the individual
 23 is determined to have sufficient earnings from
 24 employment, as determined in accordance with
 25 criteria established under section 1323;

1 “(B) the week during which the individual
2 is determined to no longer have a viable busi-
3 ness plan or has stopped carrying out that plan;
4 or

5 “(C) the 26th week for which the indi-
6 vidual has been paid such benefit.

7 “(2) DIRECTOR.—The term ‘Director’ means
8 the Director of the Office of Reemployment Assist-
9 ance established under section 714.

10 “(3) ELIGIBLE SELF-EMPLOYMENT ASSISTANCE
11 INDIVIDUAL.—

12 “(A) IN GENERAL.—The term ‘eligible self-
13 employment assistance individual’ means an in-
14 dividual—

15 “(i) who—

16 “(I) is eligible for unemployment
17 compensation under any State of Fed-
18 eral law (including under the Federal-
19 State Unemployment Compensation
20 Act of 1970 and including unemploy-
21 ment compensation paid as self-em-
22 ployment assistance);

23 “(II) has become unemployed
24 through no fault of his or her own
25 during the most recent 12-week period

1 and is not eligible for any unemploy-
2 ment compensation described in
3 clause (i); or

4 “(III) in the case of a self-em-
5 ployed individual or an independent
6 contractor, whose hiring contract or
7 other arrangement has ended during
8 the most recent 12-week period and—

9 “(aa) whose most recent
10 Federal income tax return shows
11 an average profit of at least
12 \$4,600; or

13 “(bb) who attests to an av-
14 erage of \$1,500 in quarterly
15 profits for the most recently
16 ended taxable year, more than 50
17 percent of which come from in-
18 come from self-employment; and

19 “(ii) has a viable business plan, as de-
20 termined by the Department of Labor of
21 the State in which the individual resides, a
22 local workforce development board in such
23 State, or the Small Business Administra-
24 tion, is working on that business at least
25 20 hours per week, and is—

1 “(I) fully unemployed; or

2 “(II) partially unemployed and
3 earning not less than $\frac{1}{2}$ of the aver-
4 age weekly earnings from the individ-
5 ual’s most recent employment or $\frac{1}{2}$ of
6 the amount of their weekly self-em-
7 ployment assistance benefit, whichever
8 is greater.

9 “(B) ANNUAL ADJUSTMENT.—The dollar
10 amounts specified in subclause (III) of subpara-
11 graph (A)(i) shall be increased, beginning with
12 2020, from year to year based on the percent-
13 age increase in the consumer price index for all
14 urban consumers (all items; United States city
15 average), rounded up to the nearest \$10.

16 “(4) ELIGIBLE RELOCATION ASSISTANCE INDIVIDUAL.—The term ‘eligible relocation assistance in-
17 dividual’ means an individual—
18

19 “(A) who is—

20 “(i) a dislocated worker, as defined in
21 section 3 of the Workforce Innovation and
22 Opportunity Act;

23 “(ii) a long-term unemployed indi-
24 vidual, as determined in accordance with
25 criteria established under section 1323; or

1 “(iii) an underemployed individual, as
2 so determined;

3 “(B) who has filed an application for relo-
4 cation assistance before relocating within the
5 United States; and

6 “(C) with respect to whom a determination
7 has been made that the individual—

8 “(i) has obtained suitable employment
9 affording a reasonable expectation of long-
10 term duration in the area in which the in-
11 dividual wishes to relocate, has obtained a
12 bona fide offer of such employment, or has
13 a reasonable expectation of obtaining such
14 employment; and

15 “(ii) cannot reasonably be expected to
16 secure comparable employment in the com-
17 muting area in which the individual re-
18 sides.

19 “(5) LOCAL WORKFORCE DEVELOPMENT
20 BOARD.—The term ‘local workforce development
21 board’ means a local workforce development board
22 established under section 107 of the Workforce In-
23 novation and Opportunity Act.

1 **“SEC. 1326. AUTHORIZATION OF APPROPRIATIONS.**

2 “For the purpose of carrying out this part, there are
3 authorized to be appropriated such sums as may be nec-
4 essary for each fiscal year beginning with fiscal year
5 2020.”.

6 (b) ESTABLISHMENT OF OFFICE OF REEMPLOYMENT
7 ASSISTANCE.—Title VII of the Social Security Act (42
8 U.S.C. 901 et seq.) is amended by adding at the end the
9 following:

10 **“SEC. 714. OFFICE OF REEMPLOYMENT ASSISTANCE.**

11 “(a) ESTABLISHMENT.—The Commissioner, in con-
12 sultation with the Secretary, shall establish in the Social
13 Security Administration an Office of Reemployment As-
14 sistance. The Office shall be headed by a Director who
15 shall be appointed by the Commissioner, in consultation
16 with the Secretary.

17 “(b) DUTIES.—The Director shall—

18 “(1) administer self-employment assistance ben-
19 efits under part B of title XIII;

20 “(2) administer relocation assistance benefits
21 under part B of title XIII;

22 “(3) advise the Commissioner and the Secretary
23 on the effects of current policies and proposed statu-
24 tory, regulatory, administrative, and budgetary
25 changes affecting self-employment assistance bene-

1 fits and relocation assistance benefits under part B
2 of title XIII;

3 “(4) establish and maintain a clearinghouse for
4 collecting and disseminating information on—

5 “(A) issues relating to self-employment as-
6 sistance benefits and relocation assistance bene-
7 fits;

8 “(B) research findings relating to such
9 benefits and reemployment programs; and

10 “(C) innovative reemployment programs
11 and activities;

12 “(5) coordinate the activities within the Admin-
13 istration and the Department of Labor that relate to
14 the provision of self-employment assistance benefits
15 and relocation assistance benefits under part B of
16 title XIII;

17 “(6) provide information to the Commissioner,
18 Secretary, and others in the Administration and De-
19 partment of Labor with respect to the activities of
20 other Federal departments and agencies that relate
21 to self-employment assistance benefits and relocation
22 assistance benefits and reemployment programs and
23 activities; and

24 “(7) administer grants, cooperative agreements,
25 and contracts to provide technical assistance and

1 other activities as necessary to support activities re-
2 lated to the provision of self-employment assistance
3 benefits, relocation assistance benefits, and reem-
4 ployment programs and activities.

5 “(c) DEFINITIONS.—In this section:

6 “(1) ADMINISTRATION.—The term ‘Administra-
7 tion’ means the Social Security Administration.

8 “(2) COMMISSIONER.—The term ‘Commis-
9 sioner’ means the Commissioner of Social Security.

10 “(3) DIRECTOR.—The term ‘Director’ means
11 the Director of the Office of Reemployment Assist-
12 ance established under this section.

13 “(4) OFFICE.—The term ‘Office’ means the Of-
14 fice of Reemployment Assistance established under
15 this section.

16 “(5) SECRETARY.—The term ‘Secretary’ means
17 the Secretary of Labor.

18 “(d) AUTHORIZATION OF APPROPRIATIONS.—For the
19 purpose of carrying out this section, there are authorized
20 to be appropriated such sums as may be necessary for
21 each fiscal year beginning with fiscal year 2020.”.

1 **SEC. 4. EMPLOYEE RETENTION WORK OPPORTUNITY CRED-**
 2 **IT.**

3 (a) IN GENERAL.—Section 51 of the Internal Rev-
 4 enue Code of 1986 is amended by adding at the end the
 5 following new subsection:

6 “(1) EMPLOYEE RETENTION CREDIT.—

7 “(1) IN GENERAL.—The amount of the work
 8 opportunity credit determined under subsection (a)
 9 for the taxable year shall be increased by an amount
 10 equal to 40 percent of the qualified second-year
 11 wages for such year with respect to ELEVATE em-
 12 ployees.

13 “(2) QUALIFIED SECOND-YEAR WAGES.—

14 “(A) IN GENERAL.—For purposes of this
 15 subsection, the term ‘qualified second-year
 16 wages’ means qualified wages (determined as if
 17 ELEVATE employees were members of a tar-
 18 geted group)—

19 “(i) which are paid to an ELEVATE
 20 employee, and

21 “(ii) which are attributable to service
 22 rendered during the 1-year period begin-
 23 ning on the day after the last day of the
 24 1-year period with respect to such em-
 25 ployee determined under subsection (b)(2).

1 “(B) LIMITATION.—The amount of the
2 qualified second-year wages which may be taken
3 into account with respect to any individual shall
4 not exceed \$6,000 per year.

5 “(3) ELEVATE EMPLOYEE.—For purposes of
6 this subsection, the term ‘ELEVATE employee’
7 means an individual who is hired by the employer
8 through the subsidized employment program under
9 part A of title XIII of the Social Security Act and
10 who has been employed by the same employer for a
11 consecutive 24 months as of the last day of the pre-
12 ceding taxable year.”.

13 (b) GAO STUDY.—The Comptroller General of the
14 United States shall conduct a study on the employee re-
15 tention credit under section 51(l) of the Internal Revenue
16 Code of 1986 and, not later than 6 months after the last
17 day of the second taxable year beginning after the date
18 of the enactment of this Act, shall report to the Committee
19 on Finance of the Senate and the Committee on Ways and
20 Means of the House of Representatives—

21 (1) whether such retention credit had a mean-
22 ingful impact on retention as compared with other
23 currently existing and previous subsidized employ-
24 ment programs, and

1 (2) whether such retention credit was easily un-
 2 derstood by employers and had an impact on hiring
 3 decisions in addition to any subsidy received under
 4 title XIII of the Social Security Act.

5 (c) EXTENSION OF WORK OPPORTUNITY CREDIT.—
 6 Paragraph (4) of section 51(c) of the Internal Revenue
 7 Code of 1986 is amended by striking “December 31,
 8 2019” and inserting “December 31, 2021”.

9 (d) EFFECTIVE DATE.—The amendments made by
 10 this section shall apply to taxable years beginning after
 11 the date of the enactment of this Act.

12 **SEC. 5. CONFORMING AMENDMENTS.**

13 (a) TANF.—

14 (1) STATE PLAN.—Section 402 (42 U.S.C. 602)
 15 is amended—

16 (A) in subsection (a)(1)—

17 (i) in subparagraph (A)(iii), by insert-
 18 ing “or employment services, training and
 19 other services and activities, and sup-
 20 portive services provided under the State
 21 program funded under part A of title
 22 XIII” before the period; and

23 (ii) in subparagraph (B)—

24 (I) in clause (iv), by inserting “,
 25 unless the parent or caretaker is par-

1 ticipating in the State program fund-
2 ed under part A of title XIII” before
3 the period; and

4 (II) by adding at the end the fol-
5 lowing:

6 “(VI) The document shall indi-
7 cate whether the State elects to carry
8 out a State program to provide em-
9 ployment services, training and other
10 services and activities, and supportive
11 services under part A of title XIII.”;
12 and

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

14 “(d) STATE OPTION TO SUBMIT PLAN THAT ALIGNS
15 WITH THE STATE PLAN UNDER TITLE XIII—A.—A State
16 may elect to submit the State plan required under this
17 section at the same time and in the same manner, and
18 to apply for the same period, as the State plan required
19 under section 1302.”.

20 (2) PARTICIPATION IN THE STATE EMPLOY-
21 MENT, TRAINING, AND SUPPORTIVE SERVICES PRO-
22 GRAM UNDER TITLE XIII—A DEEMED TO BE MEETING
23 WORK PARTICIPATION REQUIREMENTS.—Section
24 407(c)(2) (42 U.S.C. 607(c)(2)) is amended by add-
25 ing at the end the following:

1 “(E) PARTICIPATION IN THE STATE EM-
2 PLOYMENT, TRAINING, AND SUPPORTIVE SERV-
3 ICES PROGRAM UNDER TITLE XIII—A DEEMED
4 TO BE MEETING WORK PARTICIPATION RE-
5 QUIREMENTS.—For purposes of determining
6 monthly participation rates under paragraphs
7 (1)(B)(i) and (2)(B) of subsection (b), the fol-
8 lowing individuals are deemed to be engaged in
9 work for a month:

10 “(i) RECIPIENTS.—Any recipient who
11 is participating in the State employment,
12 training, and supportive services program
13 under part A of title XIII (for any number
14 of hours per week during the month) and
15 is receiving assistance under the State pro-
16 gram funded under this part or under any
17 State program funded with qualified State
18 expenditures (as defined in section
19 409(a)(7)(B)(i)).

20 “(ii) INDIVIDUALS WHO WOULD OTH-
21 ERWISE BE RECIPIENTS.—Any individual
22 who is participating in the State employ-
23 ment, training, and supportive services
24 program under part A of title XIII (for
25 any number of hours per week during the

month) and would be a recipient of assistance under the State program funded under this part or under any State program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)) but for the individual's participation in the State employment, training and supportive services program under part A of title XIII.”.

(3) TRIBAL PROGRAMS.—Section 412(b) (42 U.S.C. 612(b)) is amended by adding at the end the following:

“(4) OPTION TO SUBMIT PLAN THAT ALIGNS WITH THE STATE PLAN UNDER TITLE XIII—A.—Subsection (d) of section 402 shall apply to a tribal family assistance plan in the same manner as that section applies to a plan under that section.”.

(4) ADMINISTRATION.—Section 416 (42 U.S.C. 616) is amended—

(A) by striking “and part D shall be administered by an Assistant Secretary for Family Support within the Department of Health and Human Services” and inserting “, part D, and part A of title XIII shall be administered by the Assistant Secretary for the Administration for

1 Children and Families within the Department
 2 of Health and Human Services (and in the case
 3 of part A of title XIII, in consultation with the
 4 Secretary of Labor and the Secretary of Edu-
 5 cation)”; and

6 (B) by striking “by law,” and all that fol-
 7 lows through the period and inserting “by
 8 law.”.

9 (b) TITLE VII.—Section 701(b) of such Act (42
 10 U.S.C. 901(b)) is amended—

11 (1) by inserting a comma after “title II”; and

12 (2) by inserting “and the benefits program es-
 13 tablished under part B of title XIII” before the pe-
 14 riod.

15 (c) TITLE XI.—Section 1101(a)(1) of such Act (42
 16 U.S.C. 1301(a)(1)) is amended by striking “title XX” and
 17 inserting “titles XIII and XX”.

18 (d) INTERNAL REVENUE CODE.—

19 (1) WORK OPPORTUNITY CREDIT.—Section
 20 51(c)(2)(B) of the Internal Revenue Code of 1986 is
 21 amended by striking “section 482(e)” and inserting
 22 “part A of title XIII”.

23 (2) DISCLOSURE OF RETURNS AND RETURN IN-
 24 FORMATION.—Subparagraph (D) of section

1 6103(l)(7) of the Internal Revenue Code of 1986 is
2 amended—

3 (A) by striking “and” at the end of sub-
4 clause (IV) of clause (viii);

5 (B) by striking the period at the end of
6 clause (ix) and inserting “; and”; and

7 (C) by inserting after clause (ix) the fol-
8 lowing new clause:

9 “(x) any benefits or assistance under
10 part B of title XIII of the Social Security
11 Act.”.

12 (e) TABLE OF CONTENTS FOR TITLE XIII.—Title
13 XIII, as added by section 2(a) and amended by section
14 3(a), is amended by inserting the following before part A:

“TITLE XIII—REEMPLOYMENT AND OTHER JOB-RELATED
ASSISTANCE AND BENEFITS

“PART A—EMPLOYMENT, TRAINING, AND SUPPORTIVE SERVICES PROGRAM

“Sec. 1301. Purpose; definitions; administration.

“Sec. 1302. State plan requirements.

“Sec. 1303. Use of funds.

“Sec. 1304. Payments to States.

“Sec. 1305. Other program requirements.

“Sec. 1306. Reports; technical assistance; research; audit requirement.

“Sec. 1307. Direct funding and administration for programs operated by In-
dian tribes.

“Sec. 1308. Direct funding and administration for programs operated by local
governments.

“Sec. 1309. Pro-worker employers demonstration projects.

“PART B—SELF-EMPLOYMENT AND RELOCATION ASSISTANCE BENEFITS

“Sec. 1321. Self-employment assistance benefits.

“Sec. 1322. Relocation assistance benefits.

“Sec. 1323. Administrative provisions.

“Sec. 1324. Miscellaneous provisions.

“Sec. 1325. Definitions.

“Sec. 1326. Authorization of appropriations.”.

1 **SEC. 6. EFFECTIVE DATE; REGULATIONS.**

2 (a) EFFECTIVE DATE.—Except as provided in sec-
3 tion 4(d), the amendments made by this Act shall take
4 effect on October 1, 2019.

5 (b) REGULATIONS.—

6 (1) EMPLOYMENT, TRAINING, AND SUPPORTIVE
7 SERVICES PROGRAM.—The Secretary of Health and
8 Human Services, in consultation with the Secretary
9 of Labor and the Secretary of Education, shall—

10 (A) not later than 6 months after the date
11 of the enactment of this Act, issue proposed
12 regulations for the purpose of implementing
13 part A of title XIII of the Social Security Act
14 (as added by section 2 of this Act), including
15 regulations establishing uniform data collection
16 requirements; and

17 (B) not later than 1 year after the date of
18 enactment of this Act, publish final regulations
19 for such purpose.

20 (2) SELF-EMPLOYMENT AND RELOCATION AS-
21 SISTANCE BENEFITS.—The Commissioner of Social
22 Security, through the Director of the Office of Re-
23 employment Assistance (as established under section
24 3(b) of this Act) and in consultation with the Sec-
25 retary of Labor, shall—

1 (A) not later than 6 months after the date
2 of enactment of this Act, issue proposed regula-
3 tions for the purpose of implementing part B of
4 title XIII of the Social Security Act (as added
5 by section 3 of this Act), including regulations
6 establishing uniform data collection require-
7 ments; and
8 (B) not later than 1 year after the date of
9 the enactment of this Act, publish final regula-
10 tions for such purpose.

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