

112TH CONGRESS  
1ST SESSION

# H. R. 1623

To reauthorize the Assets for Independence Act, to provide for the approval of applications to operate new demonstration programs and to renew existing programs, to enhance program flexibility, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 2011

Mr. LEWIS of Georgia (for himself, Mr. STARK, Ms. FUDGE, Mr. McDERMOTT, Mr. ELLISON, Mr. CLEAVER, Ms. TSONGAS, Mr. GRIJALVA, Mrs. CHRISTENSEN, Mr. DAVIS of Illinois, Ms. NORTON, Mr. JOHNSON of Georgia, Mr. JACKSON of Illinois, Mr. COHEN, Mr. PAYNE, Ms. JACKSON LEE of Texas, Ms. MOORE, Mr. BRADY of Pennsylvania, Ms. LEE of California, Ms. BERKLEY, Mr. TOWNS, Mr. CLARKE of Michigan, Mr. CARSON of Indiana, Ms. BROWN of Florida, and Mr. SERRANO) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To reauthorize the Assets for Independence Act, to provide for the approval of applications to operate new demonstration programs and to renew existing programs, to enhance program flexibility, 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,*

1 **SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CON-**  
 2 **TENTS.**

3 (a) **SHORT TITLE.**—This Act may be cited as the  
 4 “Stephanie Tubbs Jones Assets for Independence Reau-  
 5 thorization Act of 2011”.

6 (b) **REFERENCE.**—Except as otherwise expressly pro-  
 7 vided, whenever in this Act an amendment is expressed  
 8 in terms of an amendment to a section or other provision,  
 9 the reference shall be considered to be made to that sec-  
 10 tion or other provision of the Assets for Independence Act  
 11 (42 U.S.C. 604 note).

12 (c) **TABLE OF CONTENTS.**—The table of contents of  
 13 this Act is as follows:

- Sec. 1. Short title; reference; table of contents.
- Sec. 2. Findings.
- Sec. 3. Sense of Congress.
- Sec. 4. Definitions.
- Sec. 5. Applications.
- Sec. 6. Demonstration authority; annual grants.
- Sec. 7. Reserve Fund.
- Sec. 8. Eligibility for participation.
- Sec. 9. Deposits by qualified entities.
- Sec. 10. Regulations.
- Sec. 11. Annual progress reports.
- Sec. 12. Sanctions.
- Sec. 13. Evaluations.
- Sec. 14. Costs of training qualified entities.
- Sec. 15. Waiver authority.
- Sec. 16. Authorization of appropriations.
- Sec. 17. Conforming amendments.
- Sec. 18. General effective date.

14 **SEC. 2. FINDINGS.**

15 Section 402 is amended—

16 (1) in paragraph (2), by striking “Fully ½”  
 17 and inserting “Almost ¼”; and

1           (2) in paragraph (4), by striking the first sen-  
2           tence and inserting the following: “Traditional pub-  
3           lic assistance programs concentrate on income and  
4           consumption and have lacked an asset-building com-  
5           ponent to promote and support the transition to in-  
6           creased economic self-sufficiency.”.

7   **SEC. 3. SENSE OF CONGRESS.**

8           It is the sense of Congress that a qualified entity con-  
9           ducting a demonstration project under the Assets for  
10          Independence Act (42 U.S.C. 604 note) should, to the  
11          maximum extent practicable, increase—

12           (1) the rate at which the entity matches con-  
13          tributions by individuals participating in the project  
14          under section 410(a)(1) of such Act; or

15           (2) the number of individuals participating in  
16          the project.

17   **SEC. 4. DEFINITIONS.**

18          Section 404 is amended—

19           (1) by amending paragraph (4) to read as fol-  
20          lows:

21           “(4) **HOUSEHOLD.**—The term ‘household’  
22          means an individual or group of individuals who live  
23          in a single residence. Multiple households may share  
24          a single residence.”;

25           (2) in paragraph (5)(A)—

1 (A) by striking clause (iii);

2 (B) by redesignating clauses (iv) through  
3 (vi) as clauses (iii) through (v), respectively;  
4 and

5 (C) in clause (iv), as redesignated by sub-  
6 paragraph (B), by striking “clause (vi)” and in-  
7 serting “clause (v)”;

8 (3) in paragraph (7)(A)—

9 (A) by amending clause (ii) to read as fol-  
10 lows:

11 “(ii) a State or local government  
12 agency (or a public housing agency, as de-  
13 fined in section 3(b)(6) of the United  
14 States Housing Act of 1937 (42 U.S.C.  
15 1437a(b)(6))) or a tribal government (or a  
16 tribally designated housing entity, as de-  
17 fined in section 4(22) of the Native Amer-  
18 ican Housing Assistance and Self-Deter-  
19 mination Act of 1996 (25 U.S.C.  
20 4103(22)));”; and

21 (B) by striking clause (iii) and inserting  
22 the following:

23 “(iii) a credit union designated as a  
24 low-income credit union by the National  
25 Credit Union Administration (NCUA); or

1 “(iv) an organization designated as a  
2 community development financial institu-  
3 tion by the Secretary of the Treasury (or  
4 the Community Development Financial In-  
5 stitutions Fund).”; and

6 (4) in paragraph (8)—

7 (A) in subparagraph (A)—

8 (i) in the first sentence—

9 (I) by inserting “of an eligible in-  
10 dividual or the dependent of an eligi-  
11 ble individual (as such term is used in  
12 subparagraph (E)(ii))” after “ex-  
13 penses”; and

14 (II) by inserting “, or to a vendor  
15 pursuant to an education purchase  
16 plan approved by a qualified entity”  
17 before the period;

18 (ii) in clause (i)—

19 (I) in subclause (II), by inserting  
20 “or for courses described in subclause  
21 (III)” after “eligible educational insti-  
22 tution”; and

23 (II) by adding at the end the fol-  
24 lowing new subclauses:

1                   “(III)                   PREPARATORY  
2 COURSES.—Preparatory courses for  
3 an examination required for admission  
4 to an eligible educational institution,  
5 for successful performance at an eligi-  
6 ble educational institution, or for a  
7 professional licensing or certification  
8 examination.

9                   “(IV) ROOM AND BOARD AND  
10 TRANSPORTATION.—Room and board  
11 and transportation, including com-  
12 muting expenses, necessary to enable  
13 attendance at courses of instruction at  
14 an eligible educational institution or  
15 attendance at courses described in  
16 subclause (III).”;

17                   (iii) by amending clause (ii) to read as  
18 follows:

19                   “(ii) ELIGIBLE EDUCATIONAL INSTI-  
20 TUTION.—The term ‘eligible educational  
21 institution’ means—

22                   “(I) an institution described in  
23 section 101 or 102 of the Higher  
24 Education Act of 1965 (42 U.S.C.  
25 1001, 1002); or

1           “(II) an area career and tech-  
2           nical education school, as defined in  
3           section 3(3) of the Carl D. Perkins  
4           Career and Technical Education Act  
5           of 2006 (20 U.S.C. 2302(3)).”; and

6           (iv) by adding at the end the following  
7           new clause:

8           “(iii) EDUCATION PURCHASE PLAN.—  
9           The term ‘education purchase plan’ means  
10          a plan—

11           “(I) for the purchase of items or  
12           services described in subclauses (II)  
13           through (IV) of clause (i) from enti-  
14           ties other than eligible educational in-  
15           stitutions;

16           “(II) that includes a description  
17           of the items or services to be pur-  
18           chased; and

19           “(III) that includes such infor-  
20           mation as a qualified entity may re-  
21           quest from the eligible individual in-  
22           volved regarding the necessity of the  
23           items or services to a course of study  
24           at an eligible educational institution

1 or a course described in clause  
2 (i)(III).”;

3 (B) in subparagraph (B)—

4 (i) by amending clause (i) to read as  
5 follows:

6 “(i) PRINCIPAL RESIDENCE.—The  
7 term ‘principal residence’ means a main  
8 residence the qualified acquisition costs of  
9 which do not exceed 120 percent of the  
10 median house price in the area, as deter-  
11 mined by the Secretary of Housing and  
12 Urban Development for purposes of section  
13 203(b) of the National Housing Act (12  
14 U.S.C. 1709(b)) for a residence occupied  
15 by a number of families that corresponds  
16 to the number of households occupying the  
17 residence involved.”; and

18 (ii) in clause (iii)—

19 (I) by amending subclause (I) to  
20 read as follows:

21 “(I) IN GENERAL.—Subject to  
22 subclause (II), the term ‘qualified  
23 first-time homebuyer’ means an indi-  
24 vidual participating in the project in-  
25 volved who—



1           “(aa) has no sole present  
2 ownership interest in a principal  
3 residence during the 3-year pe-  
4 riod ending on the date of acqui-  
5 sition of the principal residence  
6 to which this subparagraph ap-  
7 plies (except for an interest in  
8 such principal residence); and

9           “(bb) has no co-ownership  
10 interest in a principal residence  
11 on the date of acquisition of the  
12 principal residence to which this  
13 subparagraph applies (except for  
14 an interest in such principal resi-  
15 dence).”;

16           (II) by redesignating subclause  
17 (II) as subclause (III); and

18           (III) by inserting after subclause  
19 (I) the following new subclause:

20           “(II) EXCEPTION FOR VICTIMS  
21 OF DOMESTIC VIOLENCE.—An indi-  
22 vidual participating in the project in-  
23 volved who is a recent or current vic-  
24 tim of domestic violence (as defined in  
25 section 40002(a)(6) of the Violence

1           Against Women Act of 1994 (42  
2           U.S.C. 13925(a)(6))) shall not be con-  
3           sidered to fail to be a qualified first-  
4           time homebuyer by reason of having a  
5           co-ownership interest in a principal  
6           residence with a person who com-  
7           mitted domestic violence against the  
8           victim.”;

9           (C) by redesignating subparagraphs (C)  
10          and (D) as subparagraphs (D) and (E), respec-  
11          tively;

12          (D) by inserting after subparagraph (B)  
13          the following new subparagraph:

14               “(C) HOME REPLACEMENT, REPAIR, OR  
15               IMPROVEMENT.—Qualified replacement costs or  
16               qualified repair or improvement costs with re-  
17               spect to a principal residence, if paid from an  
18               individual development account directly to the  
19               persons to whom the amounts are due. In this  
20               subparagraph:

21                       “(i) PRINCIPAL RESIDENCE.—The  
22                       term ‘principal residence’ means—

23                               “(I) with respect to payment of  
24                               qualified replacement costs, a main  
25                               residence the qualified replacement

1 costs of which do not exceed 120 per-  
2 cent of the median house price in the  
3 area, as determined by the Secretary  
4 of Housing and Urban Development  
5 for purposes of section 203(b) of the  
6 National Housing Act (12 U.S.C.  
7 1709(b)) for a residence occupied by a  
8 number of families that corresponds  
9 to the number of households occu-  
10 pying the residence involved; or

11 “(II) with respect to qualified re-  
12 pair or improvement costs, a main  
13 residence the value of which does not  
14 exceed, on the day before the com-  
15 mencement of the repairs or improve-  
16 ments, 120 percent of such median  
17 house price.

18 “(ii) QUALIFIED REPLACEMENT  
19 COSTS.—The term ‘qualified replacement  
20 costs’ means the costs (including any usual  
21 or reasonable settlement, financing, or  
22 other closing costs) of replacing—

23 “(I) a manufactured home that  
24 was manufactured, assembled, or im-  
25 ported for resale before the initial ef-

1                   fectiveness of any Federal manufac-  
2                   tured home construction and safety  
3                   standards established pursuant to sec-  
4                   tion 604 of the National Manufac-  
5                   tured Housing Construction and Safe-  
6                   ty Standards Act of 1974 (42 U.S.C.  
7                   5403); or

8                   “(II) a residence that fails to  
9                   meet local building codes or is not le-  
10                  gally habitable.

11                  “(iii) QUALIFIED REPAIR OR IM-  
12                  PROVEMENT COSTS.—The term ‘qualified  
13                  repair or improvement costs’ means the  
14                  costs of making repairs or improvements  
15                  (including any usual or reasonable financ-  
16                  ing costs) that will enhance the habitability  
17                  or long-term value of a residence.”; and

18                  (E) by adding at the end the following new  
19                  subparagraph:

20                  “(F) QUALIFIED TUITION PROGRAMS.—  
21                  Contributions paid from an individual develop-  
22                  ment account of an eligible individual directly  
23                  to a qualified tuition program (as defined in  
24                  subsection (b) of section 529 of the Internal  
25                  Revenue Code of 1986), for the purpose of cov-

1           ering qualified higher education expenses (as  
2           defined in subsection (e)(3) of such section) of  
3           a dependent of such individual (as such term is  
4           used in clause (ii) of subparagraph (E)).”.

5 **SEC. 5. APPLICATIONS.**

6           Section 405 is amended—

7           (1) in subsection (c)(4), by adding at the end  
8           the following: “Such funds include funds received  
9           under the Community Services Block Grant Act (42  
10          U.S.C. 9901 et seq.), the Indian Self-Determination  
11          and Education Assistance Act (25 U.S.C. 450b et  
12          seq.), the Native American Housing Assistance and  
13          Self-Determination Act of 1996 (25 U.S.C. 4101 et  
14          seq.), or title I of the Housing and Community De-  
15          velopment Act of 1974 (42 U.S.C. 5301 et seq.) (in-  
16          cluding Community Development Block Grant Act  
17          funds and Indian Community Development Block  
18          Grant Act funds), that are formally committed to  
19          the project.”; and

20          (2) by adding at the end the following new sub-  
21          section:

22          “(h) APPLICATIONS FOR NEW PROJECTS AND RE-  
23          NEWALS OF EXISTING PROJECTS.—For project years be-  
24          ginning on or after the date of the enactment of the Steph-  
25          anie Tubbs Jones Assets for Independence Reauthoriza-

1 tion Act of 2011, the previous provisions of this section  
2 shall only apply as follows:

3 “(1) ANNOUNCEMENT OF PROCEDURES.—Not  
4 later than 180 days after the date of the enactment  
5 of the Stephanie Tubbs Jones Assets for Independ-  
6 ence Reauthorization Act of 2011, the Secretary  
7 shall publicly announce the procedures by which a  
8 qualified entity may submit an application—

9 “(A) to conduct a demonstration project  
10 under this title; or

11 “(B) for renewal of authority to conduct a  
12 demonstration project under this title.

13 “(2) APPROVAL.—The Secretary shall, on a  
14 competitive basis, approve applications submitted  
15 pursuant to the procedures announced under para-  
16 graph (1), taking into account the assessments re-  
17 quired by subsection (c) and giving special consider-  
18 ation to the applications described in paragraph (3).

19 “(3) SPECIAL CONSIDERATION.—The applica-  
20 tions described in this paragraph are the following:

21 “(A) Applications submitted by qualified  
22 entities proposing to conduct demonstration  
23 projects under this title that will target the fol-  
24 lowing populations:

1 “(i) Individuals who are or have been  
2 in foster care.

3 “(ii) Victims of domestic violence (as  
4 defined in section 40002(a)(6) of the Vio-  
5 lence Against Women Act of 1994 (42  
6 U.S.C. 13925(a)(6))).

7 “(iii) Victims of—

8 “(I) a major disaster declared to  
9 exist by the President under section  
10 401 of the Robert T. Stafford Dis-  
11 aster Relief and Emergency Assist-  
12 ance Act (42 U.S.C. 5170) or an  
13 emergency declared to exist by the  
14 President under section 501 of such  
15 Act (42 U.S.C. 5191); or

16 “(II) a situation similar to a  
17 major disaster or emergency described  
18 in subclause (I) declared to exist by  
19 the Governor of a State.

20 “(iv) Formerly incarcerated individ-  
21 uals.

22 “(v) Individuals who are unemployed  
23 or underemployed.

24 “(B) Applications described in subsection  
25 (d).

1           “(4) CONTRACTS WITH NONPROFIT ENTI-  
2           TIES.—Subsection (f) shall continue to apply.

3           “(5) GRANDFATHERING OF EXISTING STATE-  
4           WIDE PROGRAMS.—Subsection (g) shall continue to  
5           apply, except that any reference in such subsection  
6           to the date of enactment of this Act or to  
7           \$1,000,000 shall be deemed to be a reference to the  
8           date of the enactment of the Stephanie Tubbs Jones  
9           Assets for Independence Reauthorization Act of  
10          2011 or to \$250,000, respectively.”.

11 **SEC. 6. DEMONSTRATION AUTHORITY; ANNUAL GRANTS.**

12          Section 406(a) is amended by inserting “(or, in the  
13 case of an application approved under section 405(h)(2),  
14 not later than 30 days after the date of the approval of  
15 such application)” after “the date of enactment of this  
16 title”.

17 **SEC. 7. RESERVE FUND.**

18          Section 407(c) is amended—

19                 (1) in paragraph (1)(D), by inserting “or orga-  
20                 nizations” after “organization”; and

21                 (2) by amending paragraph (3) to read as fol-  
22                 lows:

23                 “(3) LIMITATION ON USES.—



1           “(A) IN GENERAL.—Of the amount pro-  
2           vided to a qualified entity under section  
3           406(b)—

4                   “(i) not more than 5.5 percent shall  
5                   be used for the purpose described in sub-  
6                   paragraph (A) of paragraph (1);

7                   “(ii) not less than 80 percent shall be  
8                   used for the purpose described in subpara-  
9                   graph (B) of such paragraph; and

10                   “(iii) not more than 14.5 percent shall  
11                   be used for the purposes described in sub-  
12                   paragraphs (C) and (D) of such para-  
13                   graph.

14           “(B) JOINT ADMINISTRATION OF  
15           PROJECT.—If two or more qualified entities are  
16           jointly administering a demonstration project,  
17           no one such entity shall use more than its pro-  
18           portional share of the percentage indicated in  
19           subparagraph (A) for the purposes described in  
20           subparagraphs (A) through (D) of paragraph  
21           (1).”.

22 **SEC. 8. ELIGIBILITY FOR PARTICIPATION.**

23           Section 408 is amended—

24                   (1) in subsection (a)—

1 (A) by amending paragraph (1) to read as  
2 follows:

3 “(1) INCOME TESTS.—The household meets ei-  
4 ther of the following income tests:

5 “(A) ADJUSTED GROSS INCOME TEST.—  
6 The adjusted gross income of the household for  
7 the last taxable year ending in or with the pre-  
8 ceding calendar year does not exceed the great-  
9 er of—

10 “(i) 200 percent of the Federal pov-  
11 erty line, as defined in section 673(2) of  
12 the Community Services Block Grant Act  
13 (42 U.S.C. 9902(2)), including any revi-  
14 sion required by such section, for a family  
15 composed of the number of persons in the  
16 household at the end of such taxable year;  
17 or

18 “(ii) 80 percent of the median income  
19 for the area for such taxable year, as de-  
20 termined by the Secretary of Housing and  
21 Urban Development for purposes of section  
22 3(b)(2) of the United States Housing Act  
23 of 1937 (42 U.S.C. 1437a(b)(2)), taking  
24 into account any family-size adjustment by  
25 the Secretary under such section that cor-

1            responds to the size of the household at  
2            the end of such taxable year.

3            “(B) MODIFIED ADJUSTED GROSS INCOME  
4            TEST.—

5            “(i) IN GENERAL.—The modified ad-  
6            justed gross income of the household for  
7            the last taxable year ending in or with the  
8            preceding calendar year does not exceed  
9            the amount described in clause (ii) for the  
10           individual whose eligibility is being deter-  
11           mined under this section.

12           “(ii) AMOUNT DESCRIBED.—The  
13           amount described in this clause for an in-  
14           dividual is as follows:

15           “(I) MARRIED FILING JOINT-  
16           LY.—\$40,000 for an individual de-  
17           scribed in subsection (a)(1) of section  
18           1 of the Internal Revenue Code of  
19           1986.

20           “(II) SURVIVING SPOUSE.—  
21           \$40,000 for an individual described in  
22           subsection (a)(2) of such section.

23           “(III) HEAD OF HOUSEHOLD.—  
24           \$30,000 for an individual described in  
25           subsection (b) of such section.

1                   “(IV) SINGLE OR MARRIED FIL-  
2                   ING SEPARATELY.—\$20,000 for an in-  
3                   dividual described in subsection (c) or  
4                   (d) of such section.

5                   “(iii) ADJUSTMENT FOR INFLA-  
6                   TION.—

7                   “(I) IN GENERAL.—In the case  
8                   of a calendar year described in clause  
9                   (i) that is after 2012, the dollar  
10                  amounts in clause (ii) shall be the dol-  
11                  lar amounts determined under this  
12                  clause (or clause (ii)) for the previous  
13                  year increased by the annual percent-  
14                  age increase (if any) in the consumer  
15                  price index (all items; U.S. city aver-  
16                  age) as of September of the calendar  
17                  year described in clause (i).

18                  “(II) ROUNDING.—Any dollar  
19                  amount determined under subclause  
20                  (I) that is not a multiple of \$100 shall  
21                  be rounded to the next greatest mul-  
22                  tiple of \$100.”; and

23                  (B) in paragraph (2), by adding at the end  
24                  the following new subparagraph:

25                  “(D) ADJUSTMENT FOR INFLATION.—

1                   “(i) IN GENERAL.—In the case of a  
2                   calendar year described in subparagraph  
3                   (A) that is after 2012, the dollar amount  
4                   in such subparagraph shall be the dollar  
5                   amount determined under this clause (or  
6                   such subparagraph) for the previous year  
7                   increased by the annual percentage in-  
8                   crease (if any) in the consumer price index  
9                   (all items; U.S. city average) as of Sep-  
10                  tember of the calendar year described in  
11                  such subparagraph.

12                  “(ii) ROUNDING.—Any dollar amount  
13                  determined under clause (i) that is not a  
14                  multiple of \$100 shall be rounded to the  
15                  next greatest multiple of \$100.”;

16                  (2) by redesignating subsection (b) as sub-  
17                  section (c);

18                  (3) by inserting after subsection (a) the fol-  
19                  lowing new subsection:

20                  “(b) CALCULATING INCOME OF HOUSEHOLD.—

21                         “(1) ADJUSTED GROSS INCOME.—For purposes  
22                         of subsection (a)(1)(A), the adjusted gross income of  
23                         a household for a taxable year is the sum of the ad-  
24                         justed gross incomes of the individuals who are  
25                         members of the household at the end of such year.

1           “(2) MODIFIED ADJUSTED GROSS INCOME.—  
2           For purposes of subsection (a)(1)(B), the modified  
3           adjusted gross income of a household for a taxable  
4           year is the sum of the modified adjusted gross in-  
5           comes of the individuals who are members of the  
6           household at the end of such year.”; and

7           (4) in subsection (c), as redesignated by para-  
8           graph (2)—

9                   (A) by striking “, including” and all that  
10                   follows and inserting a period;

11                   (B) by striking “The Secretary” and in-  
12                   serting the following:

13                   “(1) IN GENERAL.—The Secretary”; and

14                   (C) by adding at the end the following new  
15                   paragraphs:

16                   “(2) INDIVIDUALS WHO MOVE BECAUSE OF  
17                   MAJOR DISASTERS OR EMERGENCIES OR TO FIND  
18                   EMPLOYMENT.—

19                           “(A) IN GENERAL.—The regulations pro-  
20                           mulgated under paragraph (1) shall establish  
21                           procedures under which an individual described  
22                           in subparagraph (B) may transfer from one  
23                           demonstration project under this title to an-  
24                           other demonstration project under this title  
25                           that is being conducted in another community

1 by a qualified entity that agrees to accept the  
2 individual into the project. Such regulations  
3 shall not permit such a transfer unless such  
4 qualified entity has sufficient amounts in its  
5 Reserve Fund to make the deposits required by  
6 section 410 with respect to the individual.

7 “(B) INDIVIDUAL DESCRIBED.—An indi-  
8 vidual described in this subparagraph is an in-  
9 dividual participating in a demonstration  
10 project under this title who moves from the  
11 community in which the project is being con-  
12 ducted—

13 “(i) because of—

14 “(I) a major disaster declared to  
15 exist in such community by the Presi-  
16 dent under section 401 of the Robert  
17 T. Stafford Disaster Relief and Emer-  
18 gency Assistance Act (42 U.S.C.  
19 5170) or an emergency declared to  
20 exist in such community by the Presi-  
21 dent under section 501 of such Act  
22 (42 U.S.C. 5191);

23 “(II) a situation similar to a  
24 major disaster or emergency described  
25 in subclause (I) declared to exist in

1 such community by the Governor of a  
2 State; or

3 “(III) a qualifying life event ex-  
4 perience by such individual; or

5 “(ii) in order to secure employment.

6 “(C) QUALIFYING LIFE EVENT DE-  
7 FINED.—For purposes of subparagraph  
8 (B)(i)(III), the term ‘qualifying life event’—

9 “(i) means an event determined by  
10 the Secretary to be similar to an event that  
11 would permit the individual to make an  
12 election change with respect to a cafeteria  
13 plan under section 125 of the Internal  
14 Revenue Code of 1986; and

15 “(ii) includes—

16 “(I) a change in the legal marital  
17 status of the individual;

18 “(II) a change in the number of  
19 dependents of the individual (as such  
20 term is used in section 404(8)(E)(ii));

21 “(III) the birth or death of a  
22 child of the individual;

23 “(IV) the adoption or placement  
24 for adoption of a child by the indi-  
25 vidual;



1                   “(V) a change in the provider of  
2                   daycare for a child of the individual,  
3                   or a significant increase in the cost of  
4                   such daycare; and

5                   “(VI) a change in employment  
6                   status of the individual, the individ-  
7                   ual’s spouse, or a dependent of the in-  
8                   dividual (as such term is used in sec-  
9                   tion 404(8)(E)(ii)).

10                   “(3) RELOCATION TO COMMUNITY WHERE NO  
11                   PROJECT IS AVAILABLE.—

12                   “(A) IN GENERAL.—An individual de-  
13                   scribed in subparagraph (B) shall be permitted  
14                   to withdraw funds from the individual develop-  
15                   ment account of the individual during the 1-  
16                   year period following the date such individual  
17                   moves to another community in the same man-  
18                   ner that an individual is permitted under sec-  
19                   tion 410(d)(2) to withdraw funds during the 1-  
20                   year period following the end of a demonstra-  
21                   tion project.

22                   “(B) INDIVIDUAL DESCRIBED.—An indi-  
23                   vidual described in this subparagraph is an in-  
24                   dividual who—

1           “(i) moves to a community where no  
2           demonstration project under this title is  
3           being conducted; or

4           “(ii) after moving to another commu-  
5           nity and making such efforts as the Sec-  
6           retary may require to transfer to another  
7           demonstration project under this title, is,  
8           for any reason other than a violation of the  
9           requirements of this title or regulations  
10          promulgated by the Secretary under this  
11          title, not accepted into another demonstra-  
12          tion project under this title.

13          “(C) FUNDS REMAINING IN IDA.—Any  
14          funds remaining in an individual development  
15          account after the end of the 1-year period de-  
16          scribed in subparagraph (A) shall be treated in  
17          the same manner as funds remaining in an in-  
18          dividual development account after the end of  
19          the 1-year period described in subsection  
20          (d)(2)(A) of section 410 are treated under sub-  
21          section (f) of such section.

22          “(4) RELOCATION BY OTHER INDIVIDUALS.—  
23          The regulations promulgated under paragraph (1)  
24          shall prohibit any individual who is unable to con-  
25          tinue participating in a demonstration project under

1 this title for any reason, except for an individual de-  
2 scribed in paragraph (2)(B) or (3)(B), from being  
3 eligible to participate in any other demonstration  
4 project conducted under this title.”.

5 **SEC. 9. DEPOSITS BY QUALIFIED ENTITIES.**

6 Section 410 is amended—

7 (1) in subsection (a)(2), by inserting “2 times”  
8 after “an amount equal to”;

9 (2) in subsection (b), by striking “\$2,000” and  
10 inserting “\$5,000”;

11 (3) in subsection (c), by striking “\$4,000” and  
12 inserting “\$10,000”;

13 (4) in subsection (d)—

14 (A) by striking “The Secretary shall” and  
15 inserting the following:

16 “(1) IN GENERAL.—The Secretary shall”;

17 (B) in paragraph (1), as amended by sub-  
18 paragraph (A), by adding at the end the fol-  
19 lowing: “The Secretary may waive the applica-  
20 tion of the preceding sentence in the case of an  
21 individual who has participated in another dem-  
22 onstration project under this title (including  
23 successful completion after transferring from  
24 one project to another project as described in  
25 section 408(c)(2)) or an asset-building project

1 similar to the demonstration projects conducted  
2 under this title.”; and

3 (C) by adding at the end the following new  
4 paragraph:

5 “(2) ACCESS FOR 1 YEAR AFTER END OF  
6 PROJECT.—

7 “(A) IN GENERAL.—The Secretary shall  
8 ensure that an eligible individual is able to  
9 withdraw funds from an individual development  
10 account of the individual during the 1-year pe-  
11 riod following the end of the demonstration  
12 project with respect to which deposits were  
13 made into such account (whether such project  
14 ends by reason of expiration of the authority  
15 under section 406(a) of the qualified entity to  
16 conduct the demonstration project, termination  
17 of such authority under section 413 without  
18 transfer to another qualified entity, or other-  
19 wise).

20 “(B) APPROVAL OF WITHDRAWALS.—Dur-  
21 ing the period described in subparagraph (A),  
22 an eligible individual may only make a with-  
23 drawal if the withdrawal is approved in writ-  
24 ing—

1 “(i) by a responsible official of the  
2 qualified entity; or

3 “(ii) by the Secretary, if the Secretary  
4 terminated the authority of the qualified  
5 entity to conduct the demonstration project  
6 under section 413 or the Secretary deter-  
7 mines that the qualified entity is otherwise  
8 unable or unwilling to participate in the  
9 approval process.”; and

10 (5) by adding at the end the following new sub-  
11 section:

12 “(f) UNUSED FUNDS IN IDA.—If funds remain in  
13 an individual development account after the end of the 1-  
14 year period described in subsection (d)(2)(A), such funds  
15 shall be disposed of as considered appropriate by the Sec-  
16 retary or a nonprofit entity (as such term is used in sec-  
17 tion 404(7)(A)(i)) designated by the Secretary.”.

18 **SEC. 10. REGULATIONS.**

19 Section 411 is amended—

20 (1) in the heading, by inserting “; **REGULA-**  
21 **TIONS**” after “**PROJECTS**”;

22 (2) by striking “A qualified entity” and insert-  
23 ing the following:

24 “(a) **LOCAL CONTROL OVER DEMONSTRATION**  
25 **PROJECTS.**—A qualified entity”; and

1           (3) by adding at the end the following new sub-  
2           section:

3           “(b) REGULATIONS.—Subject to subsection (a), not  
4 later than 180 days after the date of the enactment of  
5 the Stephanie Tubbs Jones Assets for Independence Reau-  
6 thorization Act of 2011, the Secretary shall promulgate  
7 such regulations as the Secretary considers necessary to  
8 implement this title. The Secretary may provide that any  
9 such regulation takes effect on the date of promulgation,  
10 but the Secretary shall accept and consider public com-  
11 ments for 60 days after such date.”.

12 **SEC. 11. ANNUAL PROGRESS REPORTS.**

13           (a) IN GENERAL.—Section 412(b) is amended by  
14 striking “subsection (a) to” and all that follows and in-  
15 serting “subsection (a) to the Secretary.”.

16           (b) EFFECTIVE DATE.—The amendment made by  
17 subsection (a) shall apply to reports submitted on or after  
18 the date of the enactment of this Act.

19 **SEC. 12. SANCTIONS.**

20           (a) IN GENERAL.—Section 413 is amended—

21                 (1) by amending subsection (b)(5) to read as  
22 follows:

23                 “(5) if, by the end of the 90-day period begin-  
24 ning on the date of the termination, the Secretary

1 has not found a qualified entity (or entities) de-  
2 scribed in paragraph (3), shall—

3 “(A) make every effort to identify, without  
4 conducting a competition (unless the Secretary  
5 determines that conducting a competition would  
6 be feasible and appropriate), another qualified  
7 entity (or entities), in the same or a different  
8 community, willing and able to conduct one or  
9 more demonstration projects under this title  
10 that may differ from the project being termi-  
11 nated;

12 “(B) in identifying a qualified entity (or  
13 entities) under subparagraph (A), give priority  
14 to qualified entities that—

15 “(i) are participating in demonstra-  
16 tion projects conducted under this title;

17 “(ii) have waiting lists for participants  
18 in such demonstration projects; and

19 “(iii) can demonstrate the availability  
20 of non-Federal funds described in section  
21 405(c)(4), in addition to any such funds  
22 committed to any demonstration projects  
23 being conducted by the qualified entity at  
24 the time the Secretary considers identi-  
25 fying the entity under subparagraph (A),

1 to be committed to the demonstration  
2 project (or projects) described in subpara-  
3 graph (A) as matching contributions; and  
4 “(C) if the Secretary identifies a qualified  
5 entity (or entities) under subparagraph (A)—

6 “(i) transfer to the entity (or entities)  
7 control over the Reserve Fund established  
8 pursuant to section 407 with respect to the  
9 project being terminated; and

10 “(ii) authorize the entity (or entities)  
11 to use such Reserve Fund to conduct a  
12 demonstration project (or projects) in ac-  
13 cordance with an application approved  
14 under subsection (e) or (h)(2) of section  
15 405 and the requirements of this title.”;  
16 and

17 (2) by adding at the end the following new sub-  
18 section:

19 “(c) FOCUS ON COMMUNITY OF TERMINATED  
20 PROJECT.—In identifying another qualified entity (or en-  
21 tities) under paragraph (3) or (5) of subsection (b), the  
22 Secretary shall, to the extent practicable, select a qualified  
23 entity (or entities) in the community served by the dem-  
24 onstration project being terminated.”.

25 (b) EFFECTIVE DATE.—



1           (1) IN GENERAL.—The amendment made by  
2           subsection (a) shall apply to terminations occurring  
3           on or after the date of the enactment of this Act.

4           (2) DISCRETIONARY APPLICATION TO PREVIOUS  
5           TERMINATIONS.—The Secretary of Health and  
6           Human Services may apply such amendment to ter-  
7           minations occurring within the one-year period end-  
8           ing on the day before the date of the enactment of  
9           this Act. In the case of such an application, any ref-  
10          erence in such amendment to the date of the termi-  
11          nation is deemed a reference to such date of enact-  
12          ment.

13 **SEC. 13. EVALUATIONS.**

14          Section 414 is amended—

15               (1) by amending subsection (a) to read as fol-  
16          lows:

17          “(a) IN GENERAL.—The Secretary may enter into  
18          one or more contracts with one or more independent re-  
19          search organizations to evaluate the demonstration  
20          projects conducted under this title, individually and as a  
21          group, including all qualified entities participating in and  
22          sources providing funds for the demonstration projects  
23          conducted under this title. Such contract or contracts may  
24          also provide for the evaluation of other asset-building pro-  
25          grams and policies targeted to low-income individuals.”;

1 (2) in subsection (b)—

2 (A) by striking paragraph (3);

3 (B) in paragraph (4), by striking “, and  
4 how such effects vary among different popu-  
5 lations or communities”;

6 (C) by striking paragraphs (5) and (6);

7 and

8 (D) by redesignating paragraphs (4) and  
9 (7) as paragraphs (3) and (4), respectively; and

10 (3) in subsections (b) and (c), by inserting “(or  
11 organizations)” after “research organization” each  
12 place it appears.

13 **SEC. 14. COSTS OF TRAINING QUALIFIED ENTITIES.**

14 The Assets for Independence Act (42 U.S.C. 604  
15 note) is amended—

16 (1) by redesignating section 416 as section 417;

17 and

18 (2) by inserting after section 415 the following  
19 new section:

20 **“SEC. 416. COSTS OF TRAINING QUALIFIED ENTITIES.**

21 “If the Secretary determines that a qualified entity  
22 conducting a demonstration project under this title should  
23 receive training in order to conduct the project in accord-  
24 ance with an application approved under subsection (e) or  
25 (h)(2) of section 405 or the requirements of this title, or

1 to otherwise successfully conduct the project, the Sec-  
2 retary may use funds appropriated under section 418 to  
3 cover the necessary costs of such training, including the  
4 costs of travel, accommodations, and meals.”.

5 **SEC. 15. WAIVER AUTHORITY.**

6 The Assets for Independence Act (42 U.S.C. 604  
7 note) is amended—

8 (1) by redesignating section 417, as redesign-  
9 nated by section 14(1) of this Act, as section 418;  
10 and

11 (2) by inserting after section 416 the following  
12 new section:

13 **“SEC. 417. WAIVER AUTHORITY.**

14 “In order to carry out the purposes of this title, the  
15 Secretary may waive any requirement of this title—

16 “(1) relating to—

17 “(A) the definition of a qualified entity;

18 “(B) the approval of a qualified entity to  
19 conduct a demonstration project under this title  
20 or to receive a grant under this title;

21 “(C) eligibility criteria for individuals to  
22 participate in a demonstration project under  
23 this title;

24 “(D) amounts or limitations with respect  
25 to—

1           “(i) the matching by a qualified entity  
2           of amounts deposited by an eligible indi-  
3           vidual in the individual development ac-  
4           count of the individual;

5           “(ii) the amount of funds that may be  
6           granted to a qualified entity by the Sec-  
7           retary; or

8           “(iii) uses by a qualified entity of the  
9           funds granted to the qualified entity by the  
10          Secretary; or

11          “(E) the withdrawal of funds from an indi-  
12          vidual development account only for qualified  
13          expenses or as an emergency withdrawal; or

14          “(2) the waiver of which is necessary to—

15               “(A) permit the Secretary to enter into an  
16               agreement with the Commissioner of Social Se-  
17               curity;

18               “(B) allow individuals to be placed on a  
19               waiting list to participate in a demonstration  
20               project under this title; or

21               “(C) allow demonstration projects under  
22               this title to be targeted to populations described  
23               in section 405(h)(3)(A) and to successfully re-  
24               recruit individuals from such populations for par-  
25               ticipation.”.

1 **SEC. 16. AUTHORIZATION OF APPROPRIATIONS.**

2 Section 418, as redesignated by section 15(1) of this  
3 Act, is amended by inserting after “2003” the following:  
4 “and \$75,000,000 for each of fiscal years 2012, 2013,  
5 2014, 2015, and 2016”.

6 **SEC. 17. CONFORMING AMENDMENTS.**

7 (a) IN GENERAL.—Section 414(e) is amended by  
8 striking “section 416” and inserting “section 418”.

9 (b) TABLE OF CONTENTS.—The table of contents in  
10 section 2 of the Community Opportunities, Accountability,  
11 and Training and Educational Services Act of 1998 (Pub-  
12 lic Law 105–285) is amended by striking the item relating  
13 to section 416 and inserting the following new items:

Sec. 416. Costs of training qualified entities.  
Sec. 417. Waiver authority.  
Sec. 418. Authorization of appropriations.

14 **SEC. 18. GENERAL EFFECTIVE DATE.**

15 The amendments made by sections 4 through 9 of  
16 this Act shall apply to project years beginning on or after  
17 the date of the enactment of this Act.

○