

112TH CONGRESS
1ST SESSION

H. R. 3573

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

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2011

Ms. MOORE (for herself, Mrs. CHRISTENSEN, Mr. CLEAVER, Mr. CONYERS, Mr. DAVIS of Illinois, Mr. JACKSON of Illinois, Ms. NORTON, Mr. STARK, Mr. THOMPSON of Mississippi, Mr. TOWNS, and Ms. WATERS) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

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

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rewriting to Improve
5 and Secure an Exit Out of Poverty Act” or the “RISE
6 Out of Poverty Act”.

1 SEC. 2. TABLE OF CONTENTS.

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

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

3 SEC. 3. REFERENCES.

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

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

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

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

12 (a) STATE FAMILY ASSISTANCE GRANT.—

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

15 (A) in subparagraph (A), by striking “fis-
16 cal years 1996,” and all that follows through
17 “2003,” and inserting “fiscal year 2012 and
18 each succeeding fiscal year”; and

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

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

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

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

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

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

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

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

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

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

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

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

1 (b) EXTENSION OF PENALTY FOR FAILURE TO
2 MAINTAIN EFFORT; REQUIREMENT ADJUSTED FOR IN-
3 FLATION.—Section 409(a)(7) (42 U.S.C. 609(a)(7)) is
4 amended—

5 (1) in subparagraph (A)—

6 (A) by striking “fiscal year 1998, 1999,
7 2000, 2001, 2002, 2003, 2004, 2005, 2006,
8 2007, 2008, 2009, 2010, 2011, or 2012” and
9 inserting “a fiscal year”; and

10 (B) by inserting “the inflation-adjusted”
11 before “historic State expenditures”; and

12 (2) in subparagraph (B)—

13 (A) in clause (ii), by striking “fiscal years
14 1997 through 2011” and inserting “a fiscal
15 year”; and

16 (B) by redesignating clauses (iii) through
17 (v) as clauses (iv) through (vi), respectively,
18 and inserting after clause (ii) the following:

19 “(iii) INFLATION-ADJUSTED HISTORIC
20 STATE EXPENDITURES.—The term ‘infla-
21 tion-adjusted historic State expenditures’
22 means, with respect to a fiscal year—

23 “(I) historic State expenditures;
24 multiplied by

1 “(II) 1.00, plus (in the case of
2 fiscal year 2014 or any succeeding fis-
3 cal year) the percentage (if any) by
4 which the average of the CPI (as de-
5 fined in section 403(a)(1)(B)(iii)) for
6 the 12-month period ending with June
7 of the preceding fiscal year exceeds
8 the average of the CPI (as so defined)
9 for the 12-month period ending with
10 June 2012, expressed as a decimal.”.

11 (c) MODIFICATION OF CONTINGENCY FUND.—

12 (1) IN GENERAL.—Section 403(b) (42 U.S.C.
13 603(b)) is amended by striking all that follows para-
14 graph (1) and inserting the following:

15 “(2) GRANTS.—

16 “(A) IN GENERAL.—The Secretary shall
17 make a grant to each eligible State and each
18 Indian tribe that is an economically needy enti-
19 ty for a calendar quarter, in an amount equal
20 to 80 percent of the amount (if any) by which
21 the total amount of relevant expenditures of the
22 entity for the quarter exceeds the total amount
23 of the relevant expenditures of the entity for
24 the corresponding quarter in the base year of
25 the entity, subject to paragraph (2).

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

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

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

9 “(3) DEFINITIONS.—In paragraph (2):

10 “(A) ECONOMICALLY NEEDY ENTITY.—
11 The term ‘economically needy entity’ means an
12 entity with respect to a calendar quarter—

13 “(i) if the seasonally adjusted average
14 unemployment rate with respect to entity
15 for the quarter or any of the preceding 4
16 calendar quarters exceeds 6.5 percent; or

17 “(ii) in the case that the unemploy-
18 ment rate information described in clause
19 (i) is not available with respect to the enti-
20 ty, if the entity meets such qualifications
21 as the Secretary, in consultation with the
22 Secretary of Labor, shall, by regulation,
23 prescribe.

1 “(B) BASE YEAR.—The term ‘base year’
2 means, with respect to an entity, and a cal-
3 endar quarter in a fiscal year—

4 “(i) except as provided in clause (ii),
5 whichever of the 2 fiscal years most re-
6 cently preceding the 1st fiscal year of the
7 most recent contingency fund eligibility pe-
8 riod for the entity, is the fiscal year in
9 which the relevant expenditures of the enti-
10 ty were the lesser; or

11 “(ii) if the 1st year of the period re-
12 ferred to in clause (i) is fiscal year 2012,
13 whichever of fiscal year 2007 or 2008 is
14 the fiscal year in which the relevant ex-
15 penditures of the entity were the lesser.

16 “(C) CONTINGENCY FUND ELIGIBILITY PE-
17 RIOD.—The term ‘contingency fund eligibility
18 period’ means, with respect to an entity, a pe-
19 riod of 1 or more consecutive calendar quarters
20 for which the entity is an economically needy
21 entity.

22 “(D) RELEVANT EXPENDITURES.—

23 “(i) IN GENERAL.—The term ‘relevant
24 expenditures’ means expenditures—

1 “(I) for assistance under the pro-
2 gram funded under this part of the
3 entity (including, in the case of a
4 State, any qualified State expendi-
5 tures (as defined in section
6 409(a)(7)(B)(i)) and any expenditures
7 under any other State program fund-
8 ed by such expenditures);

9 “(II) for child care;

10 “(III) for subsidized employment
11 under the program funded under this
12 part of the entity (including, in the
13 case of a State, such expenditures
14 under any other State program fund-
15 ed by qualified State expenditures (as
16 defined in section 409(a)(7)(B)(i))),
17 other than expenditures made using
18 Federal funds or with respect to
19 which the entity received a grant
20 made under paragraph (3) of this
21 subsection; and

22 “(IV) for administrative costs as-
23 sociated with making the expenditures
24 referred to in the preceding sub-
25 clauses of this clause.

1 “(ii) CHILD CARE EXPENDITURES.—
2 For purposes of clause (i), expenditures for
3 child care consist of the following:

4 “(I) Amounts transferred under
5 section 404(d)(1)(B).

6 “(II) Expenditures for child care
7 assistance from Federal funds pro-
8 vided under this part.

9 “(III) In the case of an entity
10 that is a State, expenditures for child
11 care assistance that are qualified
12 State expenditures (as defined in sec-
13 tion 409(a)(7)(B)(i)), but only to the
14 extent exceeding the total expendi-
15 tures of the State (other than from
16 Federal funds) for child care in fiscal
17 year 1994 or 1995 (whichever is the
18 greater).

19 “(iii) AUTHORITY TO COLLECT AND
20 ADJUST DATA.—In determining the
21 amount of the expenditures of a State for
22 basic assistance, child care, and subsidized
23 employment, during any period for which
24 the State requests funds under this sub-
25 section, and during the base year of the

1 State, the Secretary may make appropriate
2 adjustments to the data, on a State-by-
3 State basis, to ensure that the data are
4 comparable with respect to the groups of
5 families served and the types of aid pro-
6 vided. The Secretary may develop a mecha-
7 nism for collecting expenditure data, in-
8 cluding procedures which allow States to
9 make reasonable estimates, and may set
10 deadlines for making revisions to the data.

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

15 “(5) APPROPRIATION.—

16 “(A) IN GENERAL.—Out of any funds in
17 the Treasury of the United States not otherwise
18 appropriated, there are appropriated for pay-
19 ment to the Fund—

20 “(i) \$2,500,000,000 for fiscal year
21 2012; and

22 “(ii) for each succeeding fiscal year,
23 the amount appropriated under this para-
24 graph for the then preceding fiscal year,
25 increased by the percentage (if any) by

1 which the amount appropriated under sec-
2 tion 403(a)(1) for the fiscal year involved
3 exceeds the amount appropriated under
4 such section for the then preceding fiscal
5 year.

6 “(B) AVAILABILITY.—Amounts made
7 available under this paragraph for a fiscal year
8 shall remain available until expended.

9 “(6) ACTIONS TO BE TAKEN IN ANTICIPATION
10 OF EXHAUSTION OF FUND.—The Secretary shall
11 monitor the amount in, and the rate at which
12 amounts are paid from, the Fund, and if the Sec-
13 retary determines that the Fund will be exhausted
14 within 6 months, the Secretary shall—

15 “(A) notify the Congress of the determina-
16 tion; and

17 “(B) develop and communicate to each
18 State and Indian tribe that is an economically
19 needy entity as of the date of the determina-
20 tion, the procedure for allocating amounts in
21 the Fund among such entities.”.

22 (2) ELIMINATION OF PENALTY FOR FAILURE
23 OF STATE RECEIVING AMOUNTS FROM CONTINGENCY
24 FUND TO MAINTAIN 100 PERCENT OF HISTORIC EF-
25 FORT.—

1 (A) IN GENERAL.—Section 409(a) (42
2 U.S.C. 609(a)) is amended by striking para-
3 graph (10) and redesignating paragraphs (11)
4 through (15) as paragraphs (10) through (16),
5 respectively.

6 (B) CONFORMING AMENDMENTS.—Section
7 409 (42 U.S.C. 609) is amended in each of sub-
8 sections (b)(2) and (c)(4), by striking “(10),
9 (12), or (13)” and inserting “(11), or (12)”.

10 (3) CONFORMING AMENDMENT.—Section
11 409(a)(3)(C) (42 U.S.C. 609(a)(3)(C)) is amended
12 by striking “needy State (as defined in section
13 403(b)(6))” and inserting “economically needy enti-
14 ty (as defined in section 403(b)(3)(A))”.

15 (4) AMOUNTS PROVIDED TO TERRITORIES
16 FROM THE CONTINGENCY FUND TO BE DIS-
17 REGARDED FOR PURPOSES OF LIMITATION ON PAY-
18 MENTS TO THE TERRITORIES.—Section 1108(a)(2)
19 (42 U.S.C. 1308(a)(2)) is amended by inserting
20 “403(b),” before “406,”.

21 (d) MATCHING GRANTS FOR SUBSIDIZED EMPLOY-
22 MENT.—

23 (1) IN GENERAL.—Section 403(a) (42 U.S.C.
24 603(a)), as amended by subsection (a)(2) of this sec-

1 tion, is amended by inserting after paragraph (2)
2 the following:

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

5 “(A) IN GENERAL.—The Secretary shall
6 make a grant—

7 “(i) to each eligible State that is 1 of
8 the 50 States or the District of Columbia,
9 for each fiscal year for which the State is
10 an MOE State; and

11 “(ii) to each State that is not 1 of the
12 50 States or the District of Columbia, and
13 to each Indian tribe, for each fiscal year
14 for which the State or tribe, as the case
15 may be, meets such terms and conditions
16 as the Secretary shall, by regulation, estab-
17 lish, which shall be comparable to the
18 terms and conditions under which grants
19 are made under clause (i).

20 “(B) MOE STATE.—In subparagraph (A),
21 the term ‘MOE State’ means a State if the
22 qualified expenditures of the State (as defined
23 in section 409(a)(7)(B)(i)) for the fiscal year
24 exceeds the applicable percentage (as defined in
25 clause (ii) of such section) of inflation-adjusted

1 historic State expenditures (as defined in clause
2 (iii) of such section) of the State with respect
3 to the fiscal year.

4 “(C) AMOUNT OF GRANT.—

5 “(i) STATES.—

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

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

19 “(aa) the excess described in
20 subparagraph (B) with respect to
21 the State for the fiscal year; or

22 “(bb) an amount equal to
23 the total expenditures of the
24 State for subsidized employment
25 funded under this part or under

1 any other State program funded
2 by qualified State expenditures
3 (as defined in section
4 409(a)(7)(B)(i)), excluding those
5 with respect to which a grant is
6 made to the State under sub-
7 section (b) of this section, during
8 the fiscal year.

9 “(ii) INDIAN TRIBES.—The grant to
10 be made to an Indian tribe under this
11 paragraph shall be in such amount as the
12 Secretary deems appropriate.

13 “(D) USE OF GRANT.—Notwithstanding
14 section 404, a State or Indian tribe to which a
15 grant is made under this paragraph shall use
16 the grant solely to finance subsidized employ-
17 ment activities, and to serve areas of the State
18 with the greatest need (as referred to in section
19 402(a)(1)(A)).

20 “(E) APPROPRIATION.—Out of any funds
21 in the Treasury of the United States not other-
22 wise appropriated, there are appropriated such
23 sums as are necessary for grants under this
24 paragraph for each fiscal year.”.

1 (2) AMOUNTS PROVIDED TO TERRITORIES
2 FROM THE MATCHING GRANT TO BE DISREGARDED
3 FOR PURPOSES OF LIMITATION ON PAYMENTS TO
4 THE TERRITORIES.—Section 1108(a)(2) (42 U.S.C.
5 1308(a)(2)) is amended by inserting “403(a)(3),”
6 after “403(a)(2),”.

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

15 (e) TRIBAL FAMILY ASSISTANCE GRANTS.—Section
16 412(a)(1) (42 U.S.C. 612(a)(1)) is amended—

17 (1) in subparagraph (A), by striking “of fiscal
18 years 1997, 1998, 1999, 2000, 2001, 2002, and
19 2003,” and inserting “fiscal year”; and

20 (2) in subparagraph (B)—

21 (A) by redesignating clause (ii) as clause
22 (iii); and

23 (B) by striking clause (i) and inserting the
24 following:

1 “(i) IN GENERAL.—The amount de-
2 termined under this subparagraph for a
3 fiscal year is an amount equal to the sum
4 of the adjusted historic expenditures for
5 the fiscal year with respect to each State
6 in which there lies a service area of the In-
7 dian tribe is located.

8 “(ii) ADJUSTED HISTORIC EXPENDI-
9 TURES DEFINED.—In clause (i), the term
10 ‘adjusted historic expenditures’ means,
11 with respect to a fiscal year, a State, and
12 an Indian tribe, the total amount of the
13 Federal payments to the State under sec-
14 tion 403 (as then in effect) for fiscal year
15 1994 attributable to expenditures (other
16 than child care expenditures) by the State
17 under parts A and F (as so in effect) for
18 fiscal year 1994 for Indian families resid-
19 ing in the service areas identified by the
20 tribe pursuant to subsection (b)(1)(C) of
21 this section that are in the State, increased
22 by the percentage (if any) by which the
23 amount of the grant payable under section
24 403(a)(1) for the fiscal year to the State

1 exceeds the amount of the grant so payable
2 to the State for fiscal year 2010.”.

3 (f) CENSUS BUREAU STUDY.—Section 414 (42
4 U.S.C. 614) is amended—

5 (1) by striking subsection (a) and inserting the
6 following:

7 “(a) IN GENERAL.—The Director of the Bureau of
8 the Census shall conduct a study to assess the effects of
9 policies and programs related to low-income families, in-
10 cluding policies and programs under State programs fund-
11 ed under this part or funded with qualified State expendi-
12 tures (as defined in section 409(a)(7)(B)(i)), including
13 changes and policies in such programs made pursuant to
14 the Rewriting to Improve and Secure an Exit Out of Pov-
15 erty Act. The Director shall design the study in consulta-
16 tion with the Secretary. Every 5 years, the Director shall,
17 in consultation with the Secretary, revise the content and
18 nature of the study to reflect emerging policy issues re-
19 lated to low-income families.”; and

20 (2) in subsection (b), by striking “of fiscal
21 years 1996, 1997, 1998, 1999, 2000, 2001, 2002,
22 and 2003” and inserting “fiscal year”.

23 (g) FUNDING OF STUDIES AND EVALUATIONS.—Sec-
24 tion 413(h)(1) (42 U.S.C. 613(h)(1)) is amended by strik-

1 ing “of fiscal years 1997 through 2002” and inserting
2 “fiscal year”.

3 (h) MATCHING GRANTS TO CERTAIN TERRI-
4 TORIES.—Section 1108 (42 U.S.C. 1308) is amended—

5 (1) in subsection (a)(2), by inserting “section
6 403(a)(1) (to the extent exceeding the amount re-
7 quired to be so paid to the territory for fiscal year
8 2011),” before “403(a)(2)”; and

9 (2) in subsection (b)(2), by striking “fiscal
10 years 1997 through 2003” and inserting “each fiscal
11 year”.

12 **SEC. 6. WORK REQUIREMENTS.**

13 (a) PARTICIPATION RATE REQUIREMENT.—Section
14 407 (42 U.S.C. 607) is amended by striking subsections
15 (a) and (b) and inserting the following:

16 “(a) PARTICIPATION RATE REQUIREMENT.—

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

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

23 “(A) IN GENERAL.—In subsection (a), the
24 term ‘work-eligible individual’, subject to sub-
25 paragraphs (B) and (C), means—

1 “(i) an adult recipient of assistance
2 under the State program funded under this
3 part or under any other State program
4 funded by qualified State expenditures (as
5 defined in section 409(a)(7)(B)(i));

6 “(ii) a former recipient of such assist-
7 ance who is—

8 “(I) a parent of a dependent
9 child who is such a recipient; and

10 “(II) no longer eligible for assist-
11 ance under the State program funded
12 under this part by reason of section
13 408(a)(7); and

14 “(iii) a participant in a subsidized em-
15 ployment program funded under this part
16 or under any other State program funded
17 by qualified State expenditures (as defined
18 in section 409(a)(7)(B)(i)).

19 “(B) EXCLUSION OF INDIVIDUALS SANC-
20 TIONED OR UNDERGOING PRE-SANCTION RE-
21 VIEW.—The term ‘work-eligible individual’ does
22 not include any individual with respect to
23 whom—

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

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

7 “(C) STATE OPTION TO EXCLUDE CERTAIN
8 INDIVIDUALS.—A State may exclude from the
9 term ‘work-eligible individual’ any resident of
10 the State who is—

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

13 “(ii) a recipient of supplemental secu-
14 rity income benefits under title XVI, dis-
15 ability insurance benefits under title II, or
16 other Federal or State benefits based on
17 disability;

18 “(iii) an applicant for supplemental
19 security income benefits under title XVI;

20 “(iv) an individual who is needed in
21 the home of the individual to care for a
22 disabled member of the family of the indi-
23 vidual; or

24 “(v) an individual who (but for the ex-
25 ercise of the State option under this

1 clause) would be a work-eligible individual
2 under a tribal family assistance plan ap-
3 proved under section 412 or under a tribal
4 work program to which funds are provided
5 under this part.

6 “(b) CALCULATION OF PARTICIPATION RATES.—

7 “(1) AVERAGE MONTHLY RATE.—For purposes
8 of subsection (a), the participation rate of a State
9 for a fiscal year is the average of the participation
10 rates of the State for each month in the fiscal year.

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

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

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

19 (b) PARTICIPATION REQUIREMENTS.—Section
20 407(c) (42 U.S.C. 607(c)) is amended to read as follows:

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

23 “(1) GENERAL RULE.—An individual is en-
24 gaged in work for a month in a fiscal year if the re-

1 recipient is participating in work activities for an aver-
2 age of at least 20 hours per week during the month.

3 “(2) INDIVIDUALS COMPLYING WITH A MODI-
4 FIED EMPLOYABILITY PLAN DEEMED TO BE EN-
5 GAGED IN WORK.—An individual is deemed to be en-
6 gaged in work for a month if the State determines
7 that the individual is in substantial compliance with
8 the activities and hourly participation requirements
9 of a modified employability plan developed for the
10 individual in accordance with section 408(h).

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

19 (c) ELIMINATION OF 12-MONTH LIMIT ON COUNTING
20 VOCATIONAL EDUCATIONAL TRAINING AS A WORK ACTIV-
21 ITY.—Section 407(d)(8) (42 U.S.C. 607(d)(8)) is amend-
22 ed by striking “(not to exceed 12 months with respect to
23 any individual)”.

1 **SEC. 7. WORK RULES.**

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

6 (1) by inserting “(which, at the option of the
7 recipient, shall be conducted by trained personnel
8 with respect to barriers to employment specified by
9 the recipient)” after “assessment”; and

10 (2) by striking “and employability” and insert-
11 ing “employability, physical and mental impair-
12 ments, English proficiency, child care needs, and
13 whether the recipient is a victim of domestic or sex-
14 ual violence,”.

15 (b) INDIVIDUAL RESPONSIBILITY PLANS.—

16 (1) PLANS REQUIRED; PLANS TO INCLUDE
17 WELL-BEING PLANS FOR CHILDREN.—Section
18 408(b)(2)(A) (42 U.S.C. 608(b)(2)(A)) is amend-
19 ed—

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

22 (B) in clause (iv)—

23 (i) by inserting “, supports,” after
24 “counseling”; and

25 (ii) by striking “and” at the end;

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

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

4 “(vi) describe a well-being plan for
5 each child in the family.”.

6 (2) DEADLINE FOR COMPLETION OF PLAN.—
7 Section 408(b)(2)(B) (42 U.S.C. 608(b)(2)(B)) is
8 amended by striking “individual—” and all that fol-
9 lows and inserting “individual within 90 days after
10 the individual is determined eligible for the assist-
11 ance.”.

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

16 “(15) PENALTY FOR FAILURE OF STATE TO DE-
17 VELOP REQUIRED INDIVIDUAL RESPONSIBILITY
18 PLAN.—

19 “(A) IN GENERAL.—If the Secretary deter-
20 mines that a State to which a grant is made
21 under section 403 in a fiscal year has violated
22 section 408(b)(2) during the fiscal year, the
23 Secretary shall reduce the grant payable to the
24 State under section 403(a)(1) for the imme-
25 diately succeeding fiscal year by an amount

1 equal to not more than 5 percent of the State
2 family assistance grant.

3 “(B) PENALTY BASED ON SEVERITY OF
4 FAILURE.—The Secretary shall impose reduc-
5 tions under subparagraph (A) with respect to a
6 fiscal year based on the degree of noncompli-
7 ance.”.

8 (4) CONFORMING AMENDMENT.—Section
9 408(b) (42 U.S.C. 608(b)) is amended by striking
10 paragraph (4).

11 (c) MODIFIED EMPLOYABILITY PLANS FOR CERTAIN
12 INDIVIDUALS WITH DISABILITIES.—Section 408 (42
13 U.S.C. 608) is amended by adding at the end the fol-
14 lowing:

15 “(h) AUTHORITY TO DEVELOP MODIFIED EMPLOY-
16 ABILITY PLAN FOR A RECIPIENT OF ASSISTANCE WITH,
17 OR CARING FOR A FAMILY MEMBER WITH, A DIS-
18 ABILITY.—

19 “(1) IN GENERAL.—A State may develop a
20 modified employability plan for a recipient of assist-
21 ance under the State program funded under this
22 part—

23 “(A) who—

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

1 “(ii) has been determined by a quali-
2 fied medical, mental health, addiction, or
3 social services professional (as determined
4 by the State) to have a disability; or

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

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

9 “(A) include a determination that, because
10 of the disability of the recipient or the indi-
11 vidual for whom the recipient is caring, reason-
12 able modification of work activities, hourly par-
13 ticipation requirements, or both, is needed in
14 order for the recipient to participate in the ac-
15 tivities;

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

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

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

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

3 “(F) be reviewed not less often than every
4 6 months.

5 “(3) DEFINITIONS.—In this subsection:

6 “(A) DISABILITY.—The term ‘disability’
7 means a mental or physical impairment, includ-
8 ing substance abuse or addiction, that—

9 “(i) constitutes or results in a sub-
10 stantial impediment to employment; or

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

13 “(B) MODIFIED WORK ACTIVITIES.—The
14 term ‘modified work activities’ means activities
15 which the State has determined will help the re-
16 cipient become employable.”.

17 (d) SANCTIONS.—

18 (1) GENERAL SANCTION PROVISIONS.—

19 (A) PROHIBITION ON IMPOSING LIFETIME
20 OR FULL FAMILY SANCTION.—

21 (i) PROHIBITION.—Section 408(a) (42
22 U.S.C. 608(a)) is amended by adding at
23 the end the following:

24 “(13) PROHIBITION ON IMPOSING LIFETIME OR
25 FULL FAMILY SANCTION.—A State to which a grant

1 is made under section 403 shall not impose a life-
2 time prohibition on the provision of assistance to
3 any individual or family under the State program
4 funded under this part or under a program funded
5 with qualified State expenditures (as defined in sec-
6 tion 409(a)(7)(B)(i)) on the basis of the failure of
7 a member of the family to comply with a program
8 requirement.”.

9 (ii) PENALTY.—Section 409(a) (42
10 U.S.C. 609), as amended by section
11 5(c)(2)(A) of this Act and subsection
12 (b)(3) of this section, is amended by add-
13 ing at the end the following:

14 “(16) PENALTY FOR IMPOSING LIFETIME OR
15 FULL FAMILY SANCTION.—If the Secretary deter-
16 mines that a State to which a grant is made under
17 section 403 in a fiscal year has violated section
18 408(a)(13) during the fiscal year, the Secretary
19 shall reduce the grant payable to the State under
20 section 403(a)(1) for the immediately succeeding fis-
21 cal year by an amount equal to 5 percent of the
22 State family assistance grant.”.

23 (B) DUE PROCESS PROTECTIONS.—

24 (i) IN GENERAL.—Section 408(a) (42
25 U.S.C. 608(a)), as amended by subpara-

1 graph (A)(i) of this paragraph, is amended
2 by adding at the end the following:

3 “(14) SANCTION PROCEDURES.—

4 “(A) PRE-SANCTION REVIEW PROCESS.—

5 Before imposing a sanction against an indi-
6 vidual or family receiving assistance under the
7 State program funded under this part or under
8 a program funded with qualified State expendi-
9 tures (as defined in section 409(a)(7)(B)(i)) for
10 failure to comply with program requirements,
11 the State shall take the following steps:

12 “(i) Provide or send notice to the indi-
13 vidual or family, and, if the recipient’s na-
14 tive language is not English, through a
15 culturally competent written or verbal
16 translation, of the following information:

17 “(I) The specific reason for the
18 proposed sanction.

19 “(II) The amount of the pro-
20 posed sanction.

21 “(III) The length of time during
22 which the proposed sanction would be
23 in effect.

1 “(IV) The steps required to come
2 into compliance or to show good cause
3 for noncompliance.

4 “(V) That the agency will provide
5 assistance to help the individual dem-
6 onstrate good cause for noncompli-
7 ance, or come into compliance with
8 program requirements.

9 “(VI) That the individual may
10 appeal the determination to impose a
11 sanction, and the steps that the indi-
12 vidual must take to pursue such an
13 appeal.

14 “(ii)(I) Ensure that, subject to clause
15 (iii)—

16 “(aa) an individual, other than
17 the individual who determined that a
18 sanction be imposed, will review the
19 determination and have the authority
20 to take the actions described in sub-
21 clause (II); and

22 “(bb) the individual or family
23 against whom the sanction is to be
24 imposed shall be afforded the oppor-
25 tunity to meet with the individual who

1 is reviewing the determination to im-
2 pose the sanction.

3 “(II) The action described in this sub-
4 clause are the following:

5 “(aa) Modify the determination
6 to impose a sanction.

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

9 “(cc) Recommend modifications
10 to the individual responsibility or em-
11 ployment plan of an individual.

12 “(dd) Make such other deter-
13 minations and take such other actions
14 as may be appropriate.

15 “(iii) The review required under
16 clause (ii) shall include consideration of the
17 following:

18 “(I) To the extent applicable,
19 whether barriers to compliance exist,
20 such as a physical or mental impair-
21 ment (including mental illness, sub-
22 stance abuse, mental retardation, or a
23 learning disability), domestic or sexual
24 violence, limited proficiency in
25 English, limited literacy, homeless-

1 ness, or the need to care for a child
2 with a disability or health condition,
3 that contributed to the noncompli-
4 ance.

5 “(II) Whether the noncompliance
6 resulted from failure to receive or
7 have access to services identified as
8 necessary in an individual responsi-
9 bility or employment plan.

10 “(III) Whether changes to the in-
11 dividual responsibility or employment
12 plan of an individual should be made
13 in order for the individual to come
14 into compliance.

15 “(IV) Whether there is good
16 cause for any noncompliance.

17 “(V) Whether the sanction poli-
18 cies of the State have been applied
19 properly.

20 “(B) SANCTION FOLLOW-UP REQUIRE-
21 MENTS.—If a State imposes a sanction on a
22 family or individual for failing to comply with
23 program requirements, the State shall—

24 “(i) provide or send notice to the indi-
25 vidual or family, in language calculated to

1 be understood by the individual or family,
2 and, if the individual's or family's native
3 language is not English, through a cul-
4 turally competent translation, of the reason
5 for the sanction and the steps the indi-
6 vidual or family must take to end the sanc-
7 tion;

8 “(ii) resume full assistance, services,
9 or benefits to the individual or family
10 under the program (if the individual or
11 family is otherwise eligible for the assist-
12 ance, services, or benefits) once the indi-
13 vidual who was not in compliance with pro-
14 gram requirements that led to the sanction
15 complies with the requirements for a rea-
16 sonable period of time, as determined by
17 the State and subject to State discretion to
18 reduce the period; and

19 “(iii) if the State has not resumed
20 providing the assistance, services, or bene-
21 fits as of the end of the 120-day period
22 that begins on the date that is 60 days
23 after the date on which the sanction was
24 imposed, provide notice to the individual or
25 family, in language calculated to be under-

1 stood by the individual or family, of the
2 steps the individual or family must take to
3 end the sanction, and of the availability of
4 assistance to come into compliance or dem-
5 onstrate good cause for noncompliance.

6 “(C) NOTICE TO EVICTED PERSONS.—The
7 State shall make a reasonable effort to provide
8 to an individual or family that has been evicted
9 from a residence for failure to pay rent or as
10 a result of another problem related to poverty,
11 any notice required by this paragraph to be
12 provided to the individual or family.”.

13 (ii) PENALTY.—Section 409(a) (42
14 U.S.C. 609(a)), as amended by section
15 5(c)(2)(A) of this Act, subsection (b)(3) of
16 this section, and subparagraph (A)(ii) of
17 this paragraph, is amended by adding at
18 the end the following:

19 “(17) PENALTY FOR FAILURE TO FOLLOW
20 SANCTION PROCEDURES.—

21 “(A) IN GENERAL.—If the Secretary deter-
22 mines that a State to which a grant is made
23 under section 403 in a fiscal year has violated
24 section 408(a)(14) during the fiscal year, the
25 Secretary shall reduce the grant payable to the

1 State under section 403(a)(1) for the imme-
2 diately succeeding fiscal year by an amount
3 equal to not more than 5 percent of the State
4 family assistance grant.

5 “(B) PENALTY BASED ON SEVERITY OF
6 FAILURE.—The Secretary shall impose reduc-
7 tions under subparagraph (A) with respect to a
8 fiscal year based on the degree of noncompli-
9 ance.”.

10 (iii) STATE PLAN REQUIREMENT TO
11 DESCRIBE HOW STATES WILL NOTIFY AP-
12 PPLICANTS AND RECIPIENTS OF THEIR
13 RIGHTS UNDER THE PROGRAM AND OF PO-
14 TENTIAL BENEFITS AND SERVICES AVAIL-
15 ABLE UNDER THE PROGRAM.—Section
16 402(a)(1)(B)(iii) (42 U.S.C.
17 602(a)(1)(B)(iii)) is amended by inserting
18 “, and will notify applicants and recipients
19 of assistance under the program of the
20 rights of individuals under all laws applica-
21 ble to program activities and of all poten-
22 tial benefits and services available under
23 the program” before the period.

24 (2) MODIFICATIONS TO WORK SANCTION.—

1 (A) ELIMINATION OF FULL FAMILY SANC-
2 TION; STATE REQUIRED TO ESTABLISH CER-
3 TAIN GOOD CAUSE EXCEPTIONS.—Section
4 407(e)(1) (42 U.S.C. 607(e)(1)) is amended—

5 (i) by striking “shall—” and all that
6 follows through subparagraph (B) and in-
7 serting “shall reduce the amount of assist-
8 ance otherwise payable to the family pro
9 rata with respect to any period during a
10 month in which the individual so refuses,”;
11 and

12 (ii) by striking “may establish” and
13 inserting the following “shall establish,
14 which shall include the decline of an offer
15 of employment at a wage less than the
16 greater of the applicable Federal or State
17 minimum wage, or 80 percent of the wage
18 that would have governed had the min-
19 imum hourly rate under the Fair Labor
20 Standards Act been applicable to the offer
21 of employment, at a site subject to a strike
22 or lockout at the time of refusal, or for
23 medical reasons or a lack of sufficient
24 physical strength or stamina”.

1 (B) PROHIBITION ON SANCTIONING INDI-
2 VIDUAL FOR FAILURE TO ENGAGE IN WORK IF
3 INDIVIDUAL HAS A CHILD UNDER AGE 6
4 MONTHS OR IF FAILURE RESULTS FROM IN-
5 ABILITY TO SECURE CHILD CARE OR AFTER-
6 SCHOOL ARRANGEMENTS FOR A CHILD UNDER
7 AGE 13.—Section 407(e)(2) (42 U.S.C.
8 607(e)(2)) is amended by striking “refusal”
9 and all that follows and inserting “failure of an
10 individual to engage in work required in accord-
11 ance with this section if—

12 “(A) the individual is a single custodial
13 parent caring for a child who has not attained
14 6 months of age; or

15 “(B) the individual is the single custodial
16 parent caring for a child who has not attained
17 13 years of age, and the failure resulted from
18 the inability of the individual to secure child
19 care or after-school arrangements for the
20 child”.

21 (3) MODIFICATIONS TO CHILD SUPPORT SANC-
22 TION.—Section 408(a)(2) (42 U.S.C. 608(a)(2)) is
23 amended by striking “State—” and all that follows
24 and inserting “State shall deduct from the assist-
25 ance that would otherwise be provided to the family

1 of the individual under the State program funded
2 under this part an amount equal to 25 percent of
3 the amount of the assistance.”.

4 (e) RELATED STATE PLAN REQUIREMENT.—Section
5 402(a) (42 U.S.C. 602(a)) is amended by adding at the
6 end the following:

7 “(8) CERTIFICATION THAT EMPLOYMENT AS-
8 SESSMENTS AND SANCTION REVIEWS WILL BE CON-
9 DUCTED BY COMPETENT PERSONNEL.—A certifi-
10 cation by the chief executive officer of the State that
11 the employment assessments conducted pursuant to
12 section 408(b)(1) and the sanction reviews con-
13 ducted pursuant to section 408(a)(14)(A) will be
14 conducted by personnel who have sufficient edu-
15 cation, training, and professional competence to do
16 so, which shall include information on the education,
17 training, and professional competence that State will
18 require of the personnel.”.

19 **SEC. 8. PROHIBITION ON IMPOSING LIMIT OF LESS THAN 60**
20 **MONTHS ON DURATION OF ASSISTANCE.**

21 (a) PROHIBITION.—

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

24 (A) in the paragraph heading, by striking
25 “NO ASSISTANCE FOR MORE THAN 5 YEARS”

1 and inserting “DURATIONAL LIMITS ON ASSIST-
2 ANCE”;

3 (B) in the heading for subparagraph (A),
4 by striking “IN GENERAL” and inserting “NO
5 ASSISTANCE FOR MORE THAN 5 YEARS”; and

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

7 “(H) PROHIBITION ON LIMITING DURA-
8 TION OF ASSISTANCE TO LESS THAN 60
9 MONTHS.—A State to which a grant is made
10 under section 403 shall not impose a limit of
11 less than 60 months on the duration for which
12 a family may be provided assistance from Fed-
13 eral or State funds under the State program
14 funded under this part or under a program
15 funded with qualified State expenditures (as de-
16 fined in section 409(a)(7)(B)(i)).”.

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

21 (b) REQUIREMENT TO CONDUCT OUTREACH TO IN-
22 FORM POTENTIALLY ELIGIBLE FAMILIES OF ELIMI-
23 NATION OF DURATIONAL LIMIT ON ASSISTANCE OF LESS
24 THAN 60 MONTHS.—

1 (1) IN GENERAL.—Section 408(a) (42 U.S.C.
2 608(a)), as amended by section 7(d)(1) of this Act,
3 is amended by adding at the end the following:

4 “(15) REQUIREMENT TO CONDUCT OUTREACH
5 TO INFORM POTENTIALLY ELIGIBLE RECIPIENTS OF
6 ASSISTANCE OF ELIMINATION OF DURATIONAL LIMIT
7 ON ASSISTANCE OF LESS THAN 60 MONTHS.—A
8 State to which a grant is made under section 403
9 for a fiscal year that, before the effective date of this
10 paragraph, denied assistance under the State pro-
11 gram funded under this part or any other State pro-
12 gram funded by qualified State expenditures (as de-
13 fined in section 409(a)(7)(B)(i)) to an individual or
14 family on the basis of a durational limit on the as-
15 sistance that was imposed other than under section
16 408(a)(7) shall conduct outreach to inform individ-
17 uals and families who were so denied that they may
18 be eligible for additional months of the assistance.”.

19 (2) PENALTY.—Section 409(a) (42 U.S.C.
20 609(a)), as amended by sections 5(c)(2)(A) and
21 7(d)(1) of this Act, is amended by adding at the end
22 the following:

23 “(18) FAILURE TO CONDUCT OUTREACH TO IN-
24 FORM POTENTIALLY ELIGIBLE RECIPIENTS OF AS-
25 SISTANCE OF ELIMINATION OF DURATIONAL LIMIT

1 ON ASSISTANCE OF LESS THAN 60 MONTHS.—If the
2 Secretary determines that a State to which a grant
3 is made under section 403 in a fiscal year has vio-
4 lated section 408(a)(15) during the fiscal year, the
5 Secretary shall reduce the grant payable to the State
6 under section 403(a)(1) for the immediately suc-
7 ceeding fiscal year by an amount equal to 5 percent
8 of the State family assistance grant.”.

9 (c) STATE PLAN REQUIRED TO INCLUDE DESCRIP-
10 TION OF HOW POTENTIALLY ELIGIBLE RECIPIENTS WILL
11 BE INFORMED OF ELIMINATION OF DURATIONAL LIMIT
12 ON ASSISTANCE OF LESS THAN 60 MONTHS.—Section
13 402(a)(1)(B) (42 U.S.C. 602(a)(1)(B)) is amended by
14 adding at the end the following:

15 “(vi) In the case of a State that, be-
16 fore the date this clause takes effect, de-
17 nied assistance under the program to an
18 individual or family on the basis of a
19 durational limit on the assistance that was
20 imposed other than under section
21 408(a)(7), the document shall describe how
22 the State intends to inform the individuals
23 and families who were so denied that they
24 may be eligible for additional months of
25 the assistance.”.

1 **SEC. 9. RESPONSE OF TANF PROGRAM TO ECONOMIC RE-**
2 **CESSIONS.**

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

7 “(I) INAPPLICABILITY OF DURATIONAL
8 LIMIT DURING RECESSION.—Subparagraph (A)
9 shall not apply in a State during any month
10 which is in a high unemployment period with
11 respect to the State.

12 “(J) DISREGARD OF ASSISTANCE PRO-
13 VIDED DURING RECESSION.—In determining
14 the number of months for which an adult has
15 received assistance under a State or tribal pro-
16 gram funded under this part or any other State
17 program funded by qualified State expenditures
18 (as defined in section 409(a)(7)(B)(i)), the
19 State or tribe shall disregard any month which
20 is in a high unemployment period with respect
21 to the State.

22 “(K) 6-MONTH GRACE PERIOD REQUIRED
23 AFTER RECESSION.—Subparagraph (A) shall
24 not apply to a recipient of assistance under the
25 State program funded under this part or any
26 other State program funded by qualified State

1 expenditures (as defined in section
2 409(a)(7)(B)(i)) during the 6-month period
3 that begins with the month immediately fol-
4 lowing a high unemployment period with re-
5 spect to the State if the recipient received the
6 assistance for the last month of the period.”.

7 (b) REQUIREMENT TO CONDUCT OUTREACH TO IN-
8 FORM POTENTIALLY ELIGIBLE FAMILIES OF SUSPENSION
9 OF DURATIONAL LIMIT ON ASSISTANCE.—

10 (1) IN GENERAL.—Section 408(a) (42 U.S.C.
11 608(a)), as amended by sections 7(d)(1) and 8(b)(1)
12 of this Act, is amended by adding at the end the fol-
13 lowing:

14 “(16) REQUIREMENT TO CONDUCT OUTREACH
15 TO INFORM POTENTIALLY ELIGIBLE RECIPIENTS OF
16 ASSISTANCE OF SUSPENSION OF DURATIONAL LIMIT
17 ON ASSISTANCE.—In each month which is a high un-
18 employment period with respect to a State to which
19 a grant is made under section 403 for a fiscal year,
20 the State shall conduct outreach to inform individ-
21 uals and families who are potentially eligible for as-
22 sistance under the State program funded under this
23 part or any other State program funded by qualified
24 State expenditures (as defined in section

1 409(a)(7)(B)(i)) of the suspension of any durational
2 limit on assistance under the program.”.

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

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

18 (c) STATE PLAN REQUIRED TO INCLUDE DESCRIP-
19 TION OF HOW POTENTIALLY ELIGIBLE RECIPIENTS WILL
20 BE INFORMED OF SUSPENSION OF TIME LIMITS DURING
21 RECESSION.—Section 402(a)(1)(B) (42 U.S.C.
22 602(a)(1)(B)), as amended by section 8(c) of this Act, is
23 amended by adding at the end the following:

24 “(vii) The document shall describe
25 how the State intends to inform potentially

1 eligible recipients of assistance under the
 2 program of the suspension of durational
 3 limits on the assistance during a high un-
 4 employment period with respect to the
 5 State.”.

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

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

17 **SEC. 10. REQUIREMENT THAT STATES USE MERIT-BASED**
 18 **SYSTEM IN ADMINISTRATION OF TANF PRO-**
 19 **GRAMS.**

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

24 “(17) REQUIREMENT TO USE MERIT-BASED
 25 SYSTEM IN ADMINISTERING PROGRAM.—A State to

1 which a grant is made under section 403 shall estab-
 2 lish and maintain personnel standards through a
 3 merit-based system, in administering the State pro-
 4 gram funded under this part and any other State
 5 program funded by qualified State expenditures (as
 6 defined in section 409(a)(7)(B)(i)).”.

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

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

20 **SEC. 11. BAN ON USING FEDERAL TANF FUNDS TO RE-**
 21 **PLACE STATE AND LOCAL SPENDING THAT**
 22 **DOES NOT MEET THE DEFINITION OF QUALI-**
 23 **FIED STATE EXPENDITURES.**

24 (a) PROHIBITION.—Section 408(a) (42 U.S.C.
 25 608(a)), as amended by sections 7(d)(1), 8(b)(1), 9(b)(1),

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

3 “(18) BAN ON USING FEDERAL TANF FUNDS
4 TO REPLACE STATE OR LOCAL SPENDING THAT IS
5 NOT A QUALIFIED STATE EXPENDITURE.—A State
6 to which a grant is made under section 403, and a
7 sub-State entity that receives funds from such a
8 grant, shall not expend any part of the grant funds
9 to supplant State or local spending for benefits or
10 services which are not qualified State expenditures
11 (within the meaning of section 409(a)(7)(B)(i)).”.

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

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

1 **SEC. 12. TANF ASSISTANCE TO MEET BASIC FAMILY ECO-**
2 **NOMIC NEEDS.**

3 (a) STATE PLAN REQUIREMENT.—Section
4 402(a)(1)(B) (42 U.S.C. 602(a)(1)(B)), as amended by
5 sections 8(c) and 9(d) of this Act, is amended by adding
6 at the end the following:

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

23 (b) PROGRAM REQUIREMENT.—Section 408(a) (42
24 U.S.C. 608(a)), as amended by sections 7(d)(1), 8(b)(1),
25 9(b)(1), 10(a), and 11(a) of this Act, is amended by add-
26 ing at the end the following:

1 “(19) REQUIREMENT THAT AMOUNT OF ASSIST-
2 ANCE MEET BASIC ECONOMIC NEEDS.—A State to
3 which a grant is made under section 403 shall en-
4 sure that the total amount of assistance provided to
5 a family under the State program funded under this
6 part and all programs funded with qualified State
7 expenditures (as defined in section 409(a)(7)(B)(i))
8 for which the family is eligible is sufficient to meet
9 the basic economic needs of the family, taking into
10 account all earned and unearned income of the fam-
11 ily and an amount not to exceed the value of the
12 supplemental nutrition assistance benefits provided
13 to the family under the Food and Nutrition Act of
14 2008.”.

15 (c) PENALTY.—Section 409(a) (42 U.S.C. 609), as
16 amended by sections 5(c)(2)(A), 7(d)(1), 8(b)(2), 9(b)(2),
17 10(b), and 11(b) of this Act, is amended by adding at the
18 end the following:

19 “(22) PENALTY FOR FAILURE OF STATE TANF
20 ASSISTANCE TO MEET BASIC ECONOMIC NEEDS OF A
21 RECIPIENT FAMILY.—If the Secretary determines
22 that a State to which a grant is made under section
23 403 in a fiscal year has violated section 408(a)(19)
24 during the fiscal year, the Secretary shall reduce the
25 grant payable to the State under section 403(a)(1)

1 for the immediately succeeding fiscal year by an
2 amount equal to 5 percent of the State family assist-
3 ance grant.”.

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

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

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

12 (b) STATE PLAN PROVISIONS.—

13 (1) MATTERS REQUIRED TO BE ADDRESSED.—
14 Section 402(a)(1)(A) (42 U.S.C. 602(a)(1)(A)) is
15 amended by adding at the end the following:

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

22 “(viii) GOALS AND TRACKING OF
23 WORK OUTCOMES.—Track work-related
24 outcomes for recipients of assistance under
25 the program, such as employment entries,

1 wages, and job retention, including estab-
2 lishing numerical goals for work-related
3 outcomes for recipients.

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

11 “(x) HOW NONCUSTODIAL PARENTS
12 WILL BE SERVED.—Serve noncustodial
13 parents, using Federal funds provided
14 under this part and State funds.”.

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

17 “(c) PUBLIC AVAILABILITY.—

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

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

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

3 “(2) PROCEDURES.—The State shall establish
4 procedures to receive and respond to comments from
5 the public, private sector organizations, and local
6 governments on any draft referred to in paragraph
7 (1).”.

8 (c) ANNUAL PERFORMANCE REPORT.—Section 411
9 (42 U.S.C. 611) is amended by adding at the end the fol-
10 lowing:

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

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

1 State funds, which contributed to the meeting of, or
2 the failure to meet, the goals.

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

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

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

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

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

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

1 “(3) Whether the State has been effective in
2 providing benefits and services under the program to
3 persons with disabilities. This part of the report
4 shall include a report on recipients of assistance
5 under the State program funded under this part who
6 participated in work activities (as defined in section
7 407(d)) pursuant to a modified employability plan
8 due to disability, including the following:

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

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

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

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

1 “(E) A description of the most prevalent
2 types of modification in work activities or hours
3 of participation that were included in the modi-
4 fied employability plans.

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

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

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

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

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

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

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

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

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

1 “(2) The types of physical and mental impair-
2 ments that provided the basis for the disability de-
3 termination, and whether the individual with the dis-
4 ability was an adult recipient or minor child head of
5 household, a child, or a non-recipient family mem-
6 ber.

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

9 “(4) The extent to which individuals with a
10 modified employability plan are participating in work
11 activities.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10 (3) in subparagraph (B)—

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

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

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

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

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on October 1, 2012.

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

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

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

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

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

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

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

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

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

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

17 (1) in paragraph (2)—

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

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

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

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

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

6 (2) in paragraph (3), by striking “appro-
7 priated—” and all that follows and inserting “appro-
8 priated such sums as are necessary to carry out this
9 section for each fiscal year.”.

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

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

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

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

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

1 fect before the effective date of the amendments
2 made by section 10(a) of the Rewriting to Improve
3 and Secure an Exit Out of Poverty Act took ef-
4 fect)”:

5 (A) Section 452(a)(10)(C) (42 U.S.C.
6 652(a)(10)(C)).

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

8 (C) Section 454(5)(A) (42 U.S.C.
9 654(5)(A)).

10 (D) Section 456(a)(1) (42 U.S.C.
11 656(a)(1)).

12 (E) Section 457(a)(2)(B)(i) (42 U.S.C.
13 657(a)(2)(B)(i)).

14 (F) Section 457(a)(3)(A) (42 U.S.C.
15 657(a)(3)(A)).

16 (G) Section 457(a)(3)(B) (42 U.S.C.
17 657(a)(3)(B)).

18 (H) Section 464(a)(1) (42 U.S.C.
19 664(a)(1)).

20 (I) Section 466(a)(3)(B) (42 U.S.C.
21 666(a)(3)(B)).

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

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

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

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

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

15 (2) CONFORMING AMENDMENTS.—Section
16 458(b)(5)(C)(i)(I) (42 U.S.C. 658(b)(5)(C)(i)(I)) is
17 amended—

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

21 (B) by striking “A or”.

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

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

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

13 (A);

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 (d) REDESIGNATION OF PROVISIONS.—

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

24 (2) CONFORMING AMENDMENTS.—

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

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

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

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

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

17 (F) Section 409(a)(16), as added by sec-
18 tion 7(d)(1)(A)(ii) of this Act, is amended by
19 striking “408(a)(13)” and inserting
20 “408(a)(10)”.

21 (G) Section 409(a)(17), as added by sec-
22 tion 7(d)(1)(B)(ii) of this Act, is amended by
23 striking “408(a)(14)” and inserting
24 “408(a)(11)”.

1 (H) Section 409(a)(18), as added by sec-
2 tion 8(b)(2) of this Act, is amended by striking
3 “408(a)(15)” and inserting “408(a)(12)”.

4 (I) Section 409(a)(19), as added by section
5 9(b)(2) of this Act, is amended by striking
6 “408(a)(16)” and inserting “408(a)(13)”.

7 (J) Section 409(a)(20), as added by sec-
8 tion 10(b) of this Act, is amended by striking
9 “408(a)(17)” and inserting “408(a)(14)”.

10 (K) Section 409(a)(21), as added by sec-
11 tion 11(b) of this Act, is amended by striking
12 “408(a)(18)” and inserting “408(a)(15)”.

13 (L) Section 409(a)(22), as added by sec-
14 tion 12(e) of this Act, is amended by striking
15 “408(a)(19)” and inserting “408(a)(16)”.

16 (M) Section 409(a)(23), as added by sec-
17 tion 17(b)(2) of this Act, is amended by strik-
18 ing “408(a)(20)” and inserting “408(a)(17)”.

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

22 **SEC. 19. EFFECTIVE DATE.**

23 (a) IN GENERAL.—Except as otherwise provided in
24 this Act, this Act and the amendments made by this Act
25 shall take effect on October 1, 2011, and shall apply to

1 payments under title IV of the Social Security Act for cal-
2 endar quarters beginning on or after such date, without
3 regard to whether regulations to implement the amend-
4 ments are promulgated by such date.

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

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