

117TH CONGRESS  
1ST SESSION

# H. R. 1962

To amend the Social Security Act to establish a new employment, training, and supportive services program for unemployed and underemployed individuals, including individuals with barriers to employment and those who are unemployed or underemployed as a result of COVID-19, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 2021

Mr. DANNY K. DAVIS of Illinois (for himself and Ms. MOORE of Wisconsin) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Social Security Act to establish a new employment, training, and supportive services program for unemployed and underemployed individuals, including individuals with barriers to employment and those who are unemployed or underemployed as a result of COVID-19, 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; AMENDMENT TO SOCIAL SECUR-**  
 2 **RITY ACT; TABLE OF CONTENTS.**

3 (a) SHORT TITLE.—This Act may be cited as the  
 4 “Jobs for Economic Recovery Act of 2021”.

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

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

- Sec. 1. Short title; amendment to Social Security Act; table of contents.
- Sec. 2. Purpose.
- Sec. 3. Employment, training, and supportive services program.
- Sec. 4. Employee retention work opportunity credit.
- Sec. 5. Conforming amendments.
- Sec. 6. Effective date; regulations.

13 **SEC. 2. PURPOSE.**

14 The purposes of this act are the following:

15 (1) To provide immediate funding for sub-  
 16 sidized employment programs that will create job op-  
 17 portunities for individuals who are not employed or  
 18 who are underemployed, including individuals who  
 19 are not employed or who are underemployed as a re-  
 20 sult of COVID–19, when it is safe to provide such  
 21 opportunities, taking into account the need to pre-  
 22 vent the spread or recurrence of COVID–19.

1           (2) To expand subsidized employment programs  
 2           that reconnect unemployed and underemployed  
 3           workers to the workforce.

4           (3) To drive economic recovery by allowing for  
 5           sufficient State and local flexibility to create or ex-  
 6           pand programs that place workers in jobs that fill  
 7           community-specific workforce gaps and meet em-  
 8           ployer needs.

9           (4) To prevent long-term joblessness and struc-  
 10          tural unemployment and provide work opportunities  
 11          for individuals with barriers to employment.

12 **SEC. 3. EMPLOYMENT, TRAINING, AND SUPPORTIVE SERV-**  
 13 **ICES PROGRAM.**

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

17 **“TITLE       XIII—REEMPLOYMENT**  
 18 **AND       OTHER   JOB-RELATED**  
 19 **ASSISTANCE AND BENEFITS**

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

21          “(a) PURPOSE.—The purpose of this title is to pro-  
 22 vide funds to States, Indian tribes, local governments, and  
 23 nonprofit organizations to initiate and expand the provi-  
 24 sion of employment services, training and other services

1 and activities, and supportive services for eligible individ-  
2 uals in order to—

3 “(1) promote subsidized employment programs  
4 for public, private for-profit, private non-profit, and  
5 employment social enterprise sector jobs that enable  
6 unemployed or underemployed individuals to earn in-  
7 come and connect to the workforce;

8 “(2) expand the availability of jobs during eco-  
9 nomic downturns or in areas with high unemploy-  
10 ment or poverty;

11 “(3) provide economically and socially disadvan-  
12 tagged individuals and individuals with barriers to  
13 employment (such as the long-term unemployed, in-  
14 dividuals with criminal records, former foster youth,  
15 and other economically and socially disadvantaged  
16 populations) with wages and the ability to gain job  
17 experience;

18 “(4) provide employers with new pathways into  
19 the workforce development system enabling them to  
20 have a greater role in the training and hiring of new  
21 workers and labor market re-entrants and facili-  
22 tating their transition from subsidized job place-  
23 ments to unsubsidized employment; and

24 “(5) allow for sufficient flexibility for States,  
25 Indian tribes, local governments, and nonprofit orga-

1 nizations to design programs targeted at community-  
 2 specific workforce gaps and employer needs.

3 “(b) DEFINITIONS.—In this title:

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

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

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

20 “(A) being an individual with a barrier to  
 21 employment;

22 “(B) being a dislocated worker; or

23 “(C) a period of economic downturn or ad-  
 24 verse local or national economic conditions.

1           “(4) EMPLOYMENT SERVICES.—The term ‘em-  
2       ployment services’ means a subsidized job placement  
3       (including a transitional job described in section  
4       134(d)(5) of the Workforce Innovation and Oppor-  
5       tunity Act) in the public, private for-profit, private  
6       non-profit, or employment social enterprise sector  
7       and includes payment or reimbursement of employer  
8       subsidies for expenses such as wages, the employer  
9       share of payroll taxes, employer costs for unemploy-  
10      ment insurance, employer costs for workers’ com-  
11      pensation premiums, and costs attributable to super-  
12      vision and other administration directly related to  
13      the employment of an eligible individual in the sub-  
14      sidized job placement.

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

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

23           “(7) INTEGRATED EDUCATION AND TRAIN-  
24      ING.—The term ‘integrated education and training’

1 has the meaning given that term in section 3 of the  
2 Workforce Innovation and Opportunity Act.

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

7 “(9) PERIOD OF ECONOMIC DOWNTURN.—The  
8 term ‘period of economic downturn’ means, with re-  
9 spect to a State, a period in which, for each month  
10 of such period—

11 “(A) the average rate of total unemploy-  
12 ment in the United States (seasonally adjusted)  
13 for the most recent 3 months for which data is  
14 available is at least 5.5 percent; or

15 “(B) the average rate of total unemploy-  
16 ment in such State (seasonally adjusted) for the  
17 most recent 3 months for which data for all  
18 States is available is at least 5.5 percent.

19 “(10) SUPPORTIVE SERVICES.—

20 “(A) IN GENERAL.—The term ‘supportive  
21 services’ has the meaning given that term in  
22 section 3 of the Workforce Innovation and Op-  
23 portunity Act.

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

1 “(i) Stipends for an eligible individual  
2 provided with unpaid training services.

3 “(ii) Legal services.

4 “(iii) Other supplemental services nec-  
5 essary for an eligible individual to partici-  
6 pate in the State program funded under  
7 this title.

8 “(11) STATE EXPENDITURES.—The term ‘State  
9 expenditures’ means all State, local, or tribal funds  
10 that are expended by the State or a local or tribal  
11 agency including State, local, or tribal funds that  
12 are matched or reimbursed by the Federal Govern-  
13 ment and State, local, or tribal funds that are not  
14 matched or reimbursed by the Federal Government.

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



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

4           “(B) Integrated education and training.

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

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

11          “(E) Casework and job coaching.

12          “(F) Union-provided employment services,  
13          including labor-management training.

14          “(c) ADMINISTRATION.—

15           “(1) IN GENERAL.—Subject to section 1302(d),  
16          the program under this title shall be administered by  
17          the Secretary through the Assistant Secretary for  
18          the Administration for Children and Families within  
19          the Department of Health and Human Services and  
20          in consultation with the Secretary of Labor as ap-  
21          propriate.

22           “(2) FUNDING FOR ADMINISTRATION.—Out of  
23          any money in the Treasury not otherwise appro-  
24          priated, for each fiscal year beginning with fiscal  
25          year 2022, there are appropriated to the Secretary

1       \$15,000,000 to administer this title. Amounts ap-  
2       propriated under the preceding sentence shall re-  
3       main available until expended.

4       “(d) APPROPRIATED ENTITLEMENT.—

5               “(1) IN GENERAL.—This title establishes an en-  
6       titlement to payments under this title for States, In-  
7       dian tribes and tribal consortiums, and local govern-  
8       ments with plans approved under this title.

9               “(2) AUTHORIZATION OF APPROPRIATIONS.—

10       There are authorized to be appropriated to the Sec-  
11       retary to make payments to States, Indian tribes  
12       and tribal consortiums, and local governments under  
13       sections 1304, 1307, and 1308 for each fiscal year  
14       beginning with fiscal year 2021, such sums as are  
15       necessary.

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

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

20               “(1) the State’s strategy for creating or ex-  
21       panding programs that offer subsidized employment  
22       for eligible individuals and moving such individuals  
23       into unsubsidized employment;

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

4           “(3) the employment services, training and  
5           other services or activities, and supportive services to  
6           be provided under the State program funded under  
7           this title;

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

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

17          “(6) the strategies the State will use to ensure  
18          that its programs do not systematically exclude the  
19          eligible individuals with the greatest barriers to em-  
20          ployment;

21          “(7) the strategies the State will use for out-  
22          reach, engagement, and ongoing collaboration with  
23          employers to promote employers’ use of the program  
24          and ensure employers have the training necessary to  
25          support eligible individuals;

1           “(8) the strategies the State will use to create  
2           employment plans for eligible individuals partici-  
3           pating in the State program funded under this title  
4           and, based on such plans, provide eligible individuals  
5           with employment services, training and other serv-  
6           ices and activities, and supportive services;

7           “(9) how the State will coordinate the State  
8           program funded under this title with other relevant  
9           systems and programs based on the populations  
10          identified which may include criminal justice, child  
11          support, juvenile justice, child welfare, homeless  
12          services, unemployment insurance, and other human  
13          services and workforce development programs of the  
14          State, including programs supported through the  
15          Workforce Innovation and Opportunity Act;

16          “(10) how the State will ensure compliance with  
17          the requirements of section 1305;

18          “(11) a strong logic model for the State’s pro-  
19          posed strategy to provide employment services, train-  
20          ing, or other services and activities and any existing  
21          research or evidence supporting the effectiveness of  
22          such strategy;

23          “(12) how the State will address gaps in em-  
24          ployment and earnings by race, ethnicity, age, and

1 gender and collect data to measure progress in ad-  
2 dressing those gaps;

3 “(13) how the State will incorporate feedback  
4 from eligible individuals participating in the State  
5 program to improve the program over time;

6 “(14) how the State will make use of planning  
7 and implementation grants under section 1304(f);  
8 and

9 “(15) such information about other aspects of  
10 the plan as the Secretary may request.

11 “(b) OTHER REQUIREMENTS.—

12 “(1) CERTIFICATION.—The State shall include  
13 with the plan a certification that supportive services  
14 for eligible individuals will supplement, and not sup-  
15 plant, other assistance provided by the State.

16 “(2) RESEARCH OR EVALUATION EFFORTS.—  
17 The State shall agree to participate in any research  
18 or evaluation efforts conducted by the Secretary  
19 under section 1306(e), which may include random-  
20 ized control trials.

21 “(c) DEADLINES FOR SUBMISSION.—

22 “(1) INITIAL PLAN.—The initial State plan  
23 under this section shall be submitted by the State  
24 agency or agencies responsible for administering the  
25 State program under this title to the Secretary not

1 later than 90 days prior to the commencement of the  
2 State program funded under this title and shall be  
3 for the period beginning on the first day of the com-  
4 mencement of the State program funded under the  
5 title and ending on the day that is the last day of  
6 the period covered by the unified State plan, the  
7 combined State plan submitted by the State under  
8 section 102 or 103 of the Workforce Innovation and  
9 Opportunity Act, or a tribal plan submitted under  
10 section 166 of such Act that is in effect as of the  
11 date of submission.

12 “(2) SUBSEQUENT PLANS.—

13 “(A) IN GENERAL.—Subject to subpara-  
14 graph (B), each State plan submitted under  
15 this section after the initial State plan shall be  
16 submitted at the same time and apply for the  
17 same period, as a unified State plan, a com-  
18 bined State plan submitted by the State under  
19 section 102 or 103 of the Workforce Innovation  
20 and Opportunity Act, or a tribal plan submitted  
21 under section 166 of such Act.

22 “(B) AMENDMENTS TO PLANS.—The Sec-  
23 retary shall establish procedures to allow States  
24 to amend a State plan submitted under this

1           section prior to the expiration of the period de-  
2           scribed in subparagraph (A).

3           “(3) APPROVAL.—Each State plan submitted  
4           under this section by the State agency or agencies  
5           responsible for administering the State program  
6           under this title, and any amendments to the plan,  
7           shall be subject to the approval of the Secretary, in  
8           consultation with the Secretary of Labor as appro-  
9           priate.

10          “(d) STATE AGENCY.—At the option of the State, the  
11          program funded under this title shall be administered by  
12          the lead State agency responsible for administering the  
13          State program funded under part A of title IV, the lead  
14          State agencies responsible for administering the adult and  
15          dislocated worker employment and training activities of  
16          the State, or jointly by such agencies.

17          **“SEC. 1303. USE OF FUNDS.**

18          “(a) AUTHORIZED USES.—

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

22                          “(A) employment services;

23                          “(B) training and other services and activi-  
24          ties; and

1           “(C) supportive services while eligible indi-  
2           viduals are provided with employment services  
3           and training and other services and activities.

4           “(2) SPENDING REQUIREMENT.—Not less than  
5           70 percent of the total amount paid to a State for  
6           a fiscal year quarter shall be for expenditures attrib-  
7           utable to employment services that are payment for  
8           or reimbursement of employer costs such as wages,  
9           the employer share of payroll taxes, employer costs  
10          for unemployment insurance, employer costs for  
11          workers’ compensation premiums, or costs for em-  
12          ployer-provided on-the-job training for subsidized job  
13          placements of eligible individuals.

14          “(3) TRAINING.—A State may use such funds  
15          for training employers, agency personnel, and other  
16          individuals related to the administration of the State  
17          program funded under this title on issues related to  
18          providing eligible individuals with employment serv-  
19          ices, training and other services and activities, and  
20          supportive services.

21          “(4) ADMINISTRATIVE COSTS.—Subject to sec-  
22          tion 1304(e), a State may use such funds for the  
23          proper and efficient administration of the State pro-  
24          gram funded under this title.



1       “(b) EVIDENCE-BASED PRACTICES AND ACTUAL JOB  
 2 PLACEMENTS REQUIRED.—State expenditures for em-  
 3 ployment services, training and other services and activi-  
 4 ties, and supportive services provided to eligible individ-  
 5 uals shall be eligible for a Federal matching payment  
 6 under section 1304 only if the State can demonstrate—

7               “(1) that the employment services, training and  
 8 other services and activities, and supportive services  
 9 provided for an eligible individual resulted in em-  
 10 ployment (subsidized or unsubsidized) for the eligible  
 11 individual; or

12              “(2) good cause for why the job placement or  
 13 employment did not occur, which may include the  
 14 failure of an employer or an eligible individual to  
 15 carry out the employer’s or individual’s commit-  
 16 ments to the State program.

17 **“SEC. 1304. PAYMENTS TO STATES.**

18       “(a) PAYMENTS TO STATES.—Subject to section  
 19 1303 and subsections (b) and (c) of this section, beginning  
 20 with the first fiscal year quarter for which a State plan  
 21 is approved under this title, and for each quarter there-  
 22 after, the Secretary shall pay each State, out of any money  
 23 in the Treasury not otherwise appropriated, an amount  
 24 equal to the Federal medical assistance percentage that  
 25 applies for the fiscal year to the State under section

1 1905(b) (without regard to any adjustments to such per-  
 2 centage applicable under that section or any other provi-  
 3 sion of law) of the total amount expended by the State  
 4 during the quarter to provide eligible individuals with em-  
 5 ployment services, training and other services and activi-  
 6 ties, and supportive services authorized under this title in  
 7 accordance with an approved State plan and, subject to  
 8 subsection (e), for the proper and efficient administration  
 9 of the program funded under this title.

10 “(b) INCREASED FEDERAL SUPPORT DURING ECO-  
 11 NOMIC DOWNTURNS.—

12 “(1) INCREASED FMAP.—

13 “(A) IN GENERAL.—Beginning with any  
 14 fiscal year quarter for which the total unem-  
 15 ployment in a State (seasonally adjusted) for  
 16 the period consisting of the most recent 3  
 17 months for which data for all States are pub-  
 18 lished equals or exceeds the applicable percent-  
 19 age specified in paragraph (2), the Federal  
 20 medical assistance percentage applicable to pay-  
 21 ments made under subsection (a) to the State  
 22 for the quarter shall be increased by the appli-  
 23 cable number of percentage points specified in  
 24 paragraph (2), except that in no case shall the  
 25 Federal medical assistance percentage applica-

1           ble to payments under subsection (a) for a  
2           State for a quarter exceed 100 percent.

3           “(B) DURATION.—

4                 “(i) IN GENERAL.—Subject to clause  
5                 (ii), an increase in the Federal medical as-  
6                 sistance percentage made in accordance  
7                 with this subsection shall remain in effect  
8                 with respect to payments made to a State  
9                 under subsection (a) for at least 4 consecu-  
10                tive fiscal year quarters.

11               “(ii) ADDITIONAL INCREASE IN UNEM-  
12                PLOYMENT.—If during the period for  
13                which the Federal medical assistance per-  
14                centage for a State is increased under this  
15                subsection, the total unemployment in the  
16                State (seasonally adjusted) for the period  
17                consisting of the most recent 3 months for  
18                which data for all States are published ex-  
19                ceeds the applicable total unemployment  
20                rate that was the basis for such increase,  
21                the increase in the Federal medical assist-  
22                ance percentage shall be the applicable  
23                number of percentage points specified in  
24                paragraph (2) that corresponds to the  
25                most recent percentage of total unemploy-

1                   ment in the State, beginning with the first  
2                   fiscal year quarter for which such percent-  
3                   age of total unemployment occurs and con-  
4                   tinuing for 3 succeeding fiscal year quar-  
5                   ters.

6                   “(2) APPLICABLE PERCENTAGE; APPLICABLE  
7                   NUMBER OF PERCENTAGE POINTS.—For purposes of  
8                   paragraph (1), if the total unemployment in a State  
9                   (seasonally adjusted) for the period consisting of the  
10                  most recent 3 months for which data for all States  
11                  are published is—

12                  “(A) equal to or greater than 5.5 percent  
13                  but less than 6 percent, the applicable number  
14                  of percentage points is 20;

15                  “(B) equal to or greater than 6 percent  
16                  but less than 6.5 percent, the applicable num-  
17                  ber of percentage points is 30;

18                  “(C) equal to or greater than 6.5 percent  
19                  but less than 7 percent, the applicable number  
20                  of percentage points is 40; and

21                  “(D) equal to or greater than 7 percent,  
22                  the applicable number of percentage points is  
23                  50.

24                  “(c) REQUIREMENTS FOR PAYMENTS.—

1           “(1) MAINTENANCE OF EFFORT.—As a condi-  
2           tion of receiving payments under this section for a  
3           fiscal year, the total amount of State expenditures  
4           for work, education, and training activities and sup-  
5           portive services under the State program funded  
6           under part A of title IV and for qualified State ex-  
7           penditures (as defined in section 409(a)(7)(B)(i))  
8           for such fiscal year shall not be less than the total  
9           amount of such State expenditures for fiscal year  
10          2019.

11          “(2) NON-SUPPLANTATION REQUIREMENT.—  
12          Funds paid to a State under this section shall be  
13          used to supplement, not supplant, the total amount  
14          of State expenditures for employment services, train-  
15          ing and other services and activities, and supportive  
16          services provided through the adult and dislocated  
17          worker employment and training activities of the  
18          State for the fiscal year.

19          “(d) ADMINISTRATION OF PAYMENTS.—

20                 “(1) IN GENERAL.—Prior to the beginning of  
21                 each fiscal quarter, the Secretary shall estimate the  
22                 amount to which a State will be entitled under this  
23                 section for such quarter, based on—

24                         “(A) a report filed by the State containing  
25                         its estimate of the total sum to be expended in

1           such quarter to provide eligible individuals with  
2           employment services, training and other serv-  
3           ices and activities, and supportive services  
4           through the program funded under this title;  
5           and

6                   “(B) such other investigation as the Sec-  
7           retary may find necessary.

8                   “(2) PAYMENTS.—The Secretary shall then pay  
9           to the State, in such installments as the Secretary  
10          shall determine, the amount so estimated, reduced or  
11          increased to the extent of any overpayment or un-  
12          derpayment which the Secretary determines was  
13          made under this section to such State for any prior  
14          quarter and with respect to which adjustment has  
15          not already been made under this subsection.

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

1       “(f) PLANNING AND IMPLEMENTATION GRANTS;  
2 TECHNICAL ASSISTANCE.—

3           “(1) IN GENERAL.—In addition to amounts  
4 available to make payments to States under sub-  
5 section (a), the Secretary shall make grants to  
6 States, Indian tribes (or intertribal consortiums with  
7 a tribal family assistance plan approved under sec-  
8 tion 412), and local governments for costs attrib-  
9 utable to the planning and implementation of a  
10 State, tribal, or local program approved under sec-  
11 tion 1302, 1307, or 1308 and funded under this title  
12 and shall provide technical assistance to States and  
13 Indian tribes with respect to the planning and imple-  
14 mentation of such a program.

15           “(2) REQUIREMENTS.—

16           “(A) COMMUNITY ENGAGEMENT.—As a  
17 condition of receiving a grant under this sub-  
18 section, a State, Indian tribe, or local govern-  
19 ment shall engage local communities, including  
20 focus groups of target populations of eligible in-  
21 dividuals and employers, in the planning and  
22 implementation of the State, tribal, or local pro-  
23 gram approved under section 1302, 1307, or  
24 1308 and funded under this title.

1           “(B) 2-YEAR LIMIT.—No State, Indian  
 2           tribe, or local government shall receive a grant  
 3           under this subsection for more than 8 quarters.

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

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

8           “(a) ASSESSMENT AND EMPLOYMENT PLAN.—

9           “(1) IN GENERAL.—The State shall establish  
 10          procedures to—

11           “(A) assess, within 30 days of determining  
 12           that an individual is an eligible individual, the  
 13           eligible individual’s job skills, education, past  
 14           work experience, and potential barriers to em-  
 15           ployment; and

16           “(B) create, based on such assessment, an  
 17           individualized employment plan for each eligible  
 18           individual participating in the program that—

19           “(i) specifies—

20           “(I) the initial plan for the eligi-  
 21           ble individual, including whether the  
 22           eligible individual is to immediately  
 23           begin working in a subsidized job or  
 24           needs training and other services and



1 activities, or supportive services before  
2 that placement can occur; and

3 “(II) the employment services  
4 that will be provided to the eligible in-  
5 dividual, as well as the training and  
6 other services and activities, and sup-  
7 portive services that will be provided  
8 to the eligible individual while the eli-  
9 gible individual is working in a sub-  
10 sidized job; and

11 “(ii) provides that, near the end of the  
12 individual’s initial placement in a sub-  
13 sidized job, an assessment will be made re-  
14 garding whether the eligible individual will  
15 be converted to a permanent, unsubsidized  
16 employee, and if not, the job search assist-  
17 ance and additional employment services,  
18 training and other services and activities,  
19 and supportive services that will be pro-  
20 vided to the eligible individual with the  
21 goal of obtaining and retaining unsub-  
22 sidized employment.

23 “(2) NO DISCRIMINATION AGAINST INDIVID-  
24 UALS WITH HIGHEST BARRIERS TO EMPLOYMENT.—

25 The State shall prioritize job placements for individ-

1 uals with the highest barriers to employment and en-  
2 sure that the procedures established under para-  
3 graph (1) do not result in an eligible individual  
4 being less likely to receive employment services solely  
5 on the basis of the individual's barriers to employ-  
6 ment.

7 “(3) NONDISCRIMINATION.—The State shall en-  
8 sure that the procedures established under para-  
9 graph (1) do not have the effect of making any eligi-  
10 ble individual less likely to receive employment serv-  
11 ices on the basis of the individual's race, sex, reli-  
12 gious creed, national origin, or political affiliation.

13 “(b) EMPLOYMENT STANDARDS AND CRITERIA FOR  
14 SUBSIDIZED JOBS.—

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

19 “(A) Employment services that are pay-  
20 ment for or reimbursement of employer costs  
21 may only be used by an employer in the public,  
22 private for-profit, private non-profit, or employ-  
23 ment social enterprise sector for costs that are  
24 attributable to the hiring of, compensation for,  
25 or on-the-job training of, the eligible individual.

1           “(B) An employer in the public, private  
2           for-profit, private non-profit, or employment so-  
3           cial enterprise sector shall not be paid a subsidy  
4           that exceeds 120 percent of wage costs.

5           “(C) An eligible individual in a subsidized  
6           job placement shall be paid at a rate that is not  
7           less than whichever of the following is highest:

8                   “(i) the minimum hourly wage rate  
9                   applicable to the individual under the laws  
10                  of the State or locality in which the indi-  
11                  vidual is employed;

12                  “(ii) the wage rate applicable under  
13                  section 6 of the Fair Labor Standards Act  
14                  of 1938 (29 U.S.C. 206);

15                  “(iii) if determined appropriate by the  
16                  State program funded under this title, the  
17                  prevailing wage rate in the locality in  
18                  which the individual is employed as deter-  
19                  mined by the Secretary of Labor, based on  
20                  area surveys of wage rates conducted by  
21                  the Department of Labor; and

22                  “(iv) where a collective-bargaining  
23                  agreement covers employees at the site of  
24                  the subsidized job placement, a rate set for  
25                  the eligible individual in accordance with

1           the rates provided for in the agreement, in-  
2           cluding prospective wage increases pro-  
3           vided for in the agreement.

4           “(D) An eligible individual in a subsidized  
5           job placement shall be covered by all relevant  
6           labor and employment laws.

7           “(E) Subject to paragraph (6), a sub-  
8           sidized job placement for an eligible individual  
9           shall not exceed 6 months unless the placement  
10          is extended for not more than 6 additional  
11          months for purposes of improving the work ex-  
12          perience, training and other services and activi-  
13          ties, and supportive services needs of an eligible  
14          individual with less prior work experience, more  
15          skill development and training needs, or greater  
16          employment barriers.

17          “(F) Employers participating in the State  
18          program agree to make a good faith effort to  
19          hire an eligible individual placed in a subsidized  
20          job in their employment if the individual has  
21          demonstrated satisfactory performance and the  
22          employer has a relevant job opening available  
23          and to maintain a record of the share of sub-  
24          sidized workers hired to unsubsidized positions  
25          on a permanent basis.

1           “(G) Employers shall ensure that the site  
2           of employment is a location where an eligible  
3           individual in a subsidized job placement who is  
4           an individual with a disability, as defined in  
5           section 7 of the Rehabilitation Act of 1973 (29  
6           U.S.C. 705), interacts with other persons who  
7           are not such individuals with disabilities (not  
8           including supervisory personnel or individuals  
9           who are providing services to such worker) to  
10          the same extent as individuals who are not such  
11          individuals with disabilities and who are in com-  
12          parable positions interact with other persons.

13          “(H) For a site of employment at which  
14          workers are covered by a collective bargaining  
15          agreement, no subsidized job placement shall be  
16          made at the site without the consent of all labor  
17          organizations representing workers at such site.

18          “(I) In a case where the State is consid-  
19          ering placing an eligible individual with an em-  
20          ployer who has previously participated in the  
21          State program, the state shall consider feedback  
22          from workers previously placed with that em-  
23          ployer when determining whether to continue  
24          placing eligible individuals in subsidized jobs  
25          with that employer.

1           “(J) A subsidized job placement in a gov-  
2           ernment agency shall be subject to the same  
3           civil service protections otherwise applicable to  
4           similar jobs at such agency.

5           “(K) An eligible individual who works on  
6           average at least 30 hours of service per week in  
7           a subsidized job placement with an employer  
8           shall be treated as a full-time employee of such  
9           employer for purposes of section 4980H of the  
10          Internal Revenue Code of 1986.

11          “(2) EMPLOYER OF RECORD.—

12           “(A) IN GENERAL.—With respect to eligi-  
13           ble individuals in subsidized job placements, the  
14           employer of record may be—

15                   “(i) the employer for whom the indi-  
16                   vidual performs work;

17                   “(ii) the State or a political subdivi-  
18                   sion of the State; or

19                   “(iii) a third party that has entered  
20                   into an agreement with the State to serve  
21                   as the employer of record with respect to  
22                   eligible individuals participating in the  
23                   State program funded under this title.

24           “(B) EVALUATIONS.—If the employer of  
25           record with respect to an eligible individual in

1 a subsidized job placement is not the employer  
2 for whom the individual performs work, any  
3 employer evaluation required under this title  
4 with respect to such job placement shall include  
5 an evaluation of both the employer of record  
6 and the employer for whom the individual per-  
7 forms work.

8 “(3) LIMITATION ON SUBSIDIZED JOB PLACE-  
9 MENTS PER EMPLOYER.—

10 “(A) IN GENERAL.—No more than 10 per-  
11 cent of the employees of an employer may be el-  
12 igible individuals whose employment with such  
13 employer is subsidized under this title, except  
14 that—

15 “(i) an employer with fewer than 10  
16 employees may employ 1 such individual;

17 “(ii) an employer with more than 500  
18 employees may not employ more than 50  
19 such individuals; and

20 “(iii) there shall be no limitation on  
21 the number of subsidized job placements  
22 per employer if the employer’s mission, as  
23 reviewed and evaluated by the State on an  
24 annual basis, includes the provision of em-  
25 ployment services, training and other serv-

ices and activities, or supportive services to individuals with barriers to employment, subject to the State program’s annual review of the outcomes and experiences of eligible individuals in subsidized job placements with the employer.

“(B) APPLICATION TO EMPLOYERS OF RECORD.—For purposes of the limitations described in subparagraph (A), if an eligible individual in a subsidized job placement performs work for an employer that is not the individual’s employer of record—

“(i) the individual shall not be considered to be employed by the employer of record; and

“(ii) the individual shall be considered to be employed by the employer for whom the individual performs work.

“(4) ADDITIONAL PLACEMENTS.—If, after completing a subsidized job placement, an eligible individual is unemployed for at least 4 weeks (regardless of whether such weeks are consecutive), the eligible individual may apply for a new subsidized job placement but the immediately subsequent placement may only be with a different employer (but may be



1 with the same employer of record, provided that the  
2 individual is performing work for a different em-  
3 ployer than the employer for whom the individual  
4 performed work in the previous subsidized job place-  
5 ment).

6 “(5) STATE VARIATION PERMITTED.—Employer  
7 subsidies for a subsidized job placement may vary  
8 within a State and among States carrying out pro-  
9 grams under this title provided that all eligible indi-  
10 viduals employed in subsidized jobs shall be paid not  
11 less than the rate specified in subsection (b)(1)(C)  
12 and shall be covered by all relevant labor and em-  
13 ployment laws.

14 “(6) EXCEPTION.—With respect to a period of  
15 economic downturn, the Secretary may waive the  
16 limit on the duration of a subsidized job placement  
17 under paragraph (1)(E).

18 “(c) NONDISPLACEMENT.—An employer shall not  
19 employ an eligible individual in a subsidized job placement  
20 if—

21 “(1) employing such individual will result in the  
22 layoff or partial displacement (such as a reduction  
23 in hours, wages, or employment benefits) of an exist-  
24 ing employee or position of the employer;

1           “(2) such individual will assume any of the du-  
 2           ties or responsibilities of an employee who is partici-  
 3           pating in a strike, collective bargaining, or union or-  
 4           ganizing;

5           “(3) employing such individual infringes upon  
 6           the promotional opportunities of an existing em-  
 7           ployee of the employer; or

8           “(4) such individual will perform the same work  
 9           or substantially the same work as that performed by  
 10          any individual who has been laid off or partially dis-  
 11          placed and has not received an offer from the em-  
 12          ployer to be restored to the position the employee  
 13          had immediately prior to being laid off or partially  
 14          displaced.

15          “(d) GRIEVANCE PROCEDURES.—The State shall es-  
 16          tablish and maintain a procedure for the filing and adju-  
 17          dication of grievances from eligible individuals, labor orga-  
 18          nizations, and other interested individuals concerning par-  
 19          ticipating employers, including grievances relating to pro-  
 20          posed placements of eligible workers with such employers.

21       **“SEC. 1306. REPORTS; TECHNICAL ASSISTANCE; RESEARCH;**

22                       **AUDIT REQUIREMENT.**

23          “(a) QUARTERLY REPORTS.—

24               “(1) STATE REPORTS.—A State shall submit  
 25          with each quarterly report required under section

1       411(a)(1) a report on the State program funded  
2       under this title that contains such data and informa-  
3       tion as the Secretary shall require.

4           “(2) REPORTS TO CONGRESS.—The Secretary  
5       shall submit with each annual report to Congress re-  
6       quired under section 411(b) a report on the State  
7       programs funded under this title.

8       “(b) ONGOING PERFORMANCE ASSESSMENT.—

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

11           “(A) measure the performances of the  
12      State programs funded under this title;

13           “(B) include information about the cat-  
14      egories of individuals and employers served by  
15      such programs and projects, including the ex-  
16      tent to which the State is serving the individ-  
17      uals with the greatest barriers to employment;  
18      and

19           “(C) describe the activities eligible individ-  
20      uals engaged in during the year and evaluate  
21      the quality of the services provided under such  
22      programs.

23       “(2) TIMING OF SUBMISSIONS.—The Secretary  
24      shall submit the reports required by paragraph  
25      (1)—

1           “(A) in the case of the first such report,  
2           2 years after the date on which the first State  
3           program funded under this title is established;  
4           and

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

7           “(c) ALIGNMENT WITH WORKFORCE INNOVATION  
8           AND OPPORTUNITY ACT PROGRAMS.—The Secretary shall  
9           coordinate with the Secretary of Labor on aligning per-  
10          formance measures and regulations for the State pro-  
11          grams funded under this title with the performance meas-  
12          ures and regulations applicable to the core programs of  
13          States funded under the Workforce Innovation and Oppor-  
14          tunity Act.

15          “(d) INDIVIDUAL ELIGIBILITY ASSESSMENT GUID-  
16          ANCE.—The Secretary, in consultation with the Secretary  
17          of Labor as appropriate, shall study and issue guidance  
18          to States on best practices for assessing whether an indi-  
19          vidual satisfies the criteria for being an eligible individual  
20          under section 1301(b)(3) as being unlikely to find unsub-  
21          sidized employment due to individual barriers, the individ-  
22          ual’s status as a displaced worker, or economic conditions  
23          in the State in which the individual lives or works.

24          “(e) RESEARCH AND EVALUATION.—

1           “(1) ONGOING EVALUATION OF STATE IMPLE-  
2           MENTATION STRATEGIES.—

3           “(A) IN GENERAL.—The Secretary shall  
4           develop an experimental or control group test-  
5           ing protocol to continuously evaluate the impact  
6           and effectiveness of State strategies for imple-  
7           menting employment services, training and  
8           other services and activities under this title, in-  
9           cluding—

10           “(i) the impact of such State strate-  
11           gies on employment outcomes for eligible  
12           individuals;

13           “(ii) the relationship among engage-  
14           ment, impact, and program outcomes, as  
15           well as an examination of program per-  
16           formance;

17           “(iii) an identification of successful  
18           activities for achieving the purposes identi-  
19           fied in section 1301;

20           “(iv) the impact on income and earn-  
21           ings gains, job quality improvement, and  
22           poverty reduction (relative to both the offi-  
23           cial poverty line and the supplemental pov-  
24           erty measure) for eligible individuals par-  
25           ticipating in the State program funded

1 under this title and the families of such in-  
 2 dividuals;

3 “(v) an evaluation of program access  
 4 to determine the extent to which States are  
 5 serving individuals with the greatest bar-  
 6 riers to employment and the portion of  
 7 State caseloads that are made up of such  
 8 individuals; and

9 “(vi) any other analysis deemed ap-  
 10 propriate by the Secretary.

11 “(B) OTHER REQUIREMENTS.—

12 “(i) DIVERSE SELECTION OF PRO-  
 13 GRAMS.—In choosing State programs to  
 14 participate in evaluations under this sub-  
 15 section, the Secretary shall select programs  
 16 representing a diversity of policy ap-  
 17 proaches, geographic locations, labor mar-  
 18 ket conditions, and populations served.

19 “(ii) DATA-DRIVEN EVALUATION.—  
 20 Evaluations under this subsection shall be  
 21 rigorous and use data to statistically meas-  
 22 ure program outcomes and impacts.

23 “(2) REPORTS.—Not later than 2 years after  
 24 the date of enactment of this section and every 2  
 25 years thereafter, the Secretary shall submit to Con-

1       gress and make publicly available a report on the  
2       initial implementation of activities conducted under  
3       this title, including any available results of the eval-  
4       uations conducted under paragraph (1) with respect  
5       to such activities, together with such recommenda-  
6       tions for legislation or administrative action as the  
7       Secretary determines appropriate.

8               “(3) BEST PRACTICES.—The Secretary shall  
9       use the results of the evaluations conducted under  
10      paragraph (1) to recommend best practices for im-  
11      plementing employment services, training and other  
12      services and activities under this title and share such  
13      information with participating States under this  
14      title.

15             “(4) FUNDING.—Out of any money in the  
16      Treasury not otherwise appropriated, there are ap-  
17      propriated to the Secretary for fiscal year 2022  
18      \$100,000,000 to conduct evaluations under this sub-  
19      section. Amounts appropriated under the preceding  
20      sentence shall remain available until expended.

21             “(f) COORDINATION OF DATA COLLECTION.—

22               “(1) IN GENERAL.—The Secretary, in consulta-  
23      tion with the Secretary of Labor, shall determine the  
24      data States shall collect and report regarding the  
25      State program funded under this title and the extent

1 to which that data collection and reporting, and re-  
2 quired evaluations, can be coordinated with the data  
3 collection, reporting, and evaluations required for  
4 the State program funded under part A of title IV  
5 and the performance accountability measures under  
6 section 116(b) of the Workforce Innovation and Op-  
7 portunity Act for the adult and dislocated worker  
8 employment and training activities of the State.

9 “(2) COORDINATION WITH OTHER EFFORTS.—

10 The Secretary, in consultation with the Secretary of  
11 Labor and the Secretary of Education, shall assure  
12 that the data collected under this title aligns as  
13 much as possible with efforts to collect longitudinal  
14 data related to the performance of education, train-  
15 ing, and workforce programs.

16 “(g) DISAGGREGATED DATA.—Data collected and  
17 submitted under this section shall be disaggregated by  
18 race, ethnicity, age, gender, and classification in the  
19 Standard Occupational Classification System of the Bu-  
20 reau of Labor Statistics.

21 “(h) FUNDING.—The Secretary shall use funding  
22 made available under section 1301(c)(2) to conduct the  
23 performance assessments required under subsection (b)  
24 and the research and evaluation required under subsection  
25 (e).



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

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

11       “(a) IN GENERAL.—An Indian tribe or intertribal  
12 consortium with a tribal family assistance plan approved  
13 under section 412 (or any Indian tribe that is a member  
14 of such a consortium) or under the Indian Employment,  
15 Training and Related Services Act (25 U.S.C. 3401 et  
16 seq.) that proposes to establish a program under this title  
17 shall submit an application to the Secretary to directly re-  
18 ceive payments for expenditures made to carry out the  
19 program (in this section referred to as a ‘tribal program  
20 application’).

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

1 “(c) PROGRAM REQUIREMENTS.—

2 “(1) IN GENERAL.—The program requirements  
3 specified in this title shall apply to an Indian tribe  
4 or intertribal consortium with a tribal program ap-  
5 plication and plan approved under this section in the  
6 same manner as such requirements apply to a State  
7 except to the extent that the Secretary determines  
8 that a requirement cannot reasonably be met by a  
9 tribe in the same or similar manner as such require-  
10 ment would apply to a State.

11 “(2) NON-SUPPLANTATION REQUIREMENT.—  
12 Funds paid to an Indian tribe or intertribal consor-  
13 tium with a tribal program application and plan ap-  
14 proved under this section or the Indian Employment,  
15 Training and Related Services Act (25 U.S.C. 3401  
16 et seq.) shall be used to supplement, not supplant,  
17 the total amount of Indian tribe or intertribal con-  
18 sortium expenditures for employment services, train-  
19 ing and other services and activities, and supportive  
20 services provided through the adult and dislocated  
21 worker employment and training activities of the In-  
22 dian tribe or intertribal consortium for the fiscal  
23 year.

24 “(d) PAYMENTS.—

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

6           “(2) APPLICATION OF TRIBAL FMAP.—The  
7           Federal medical assistance percentage that would  
8           apply under subsection (d) of section 479B if an In-  
9           dian tribe or tribal consortium operated a program  
10          under that section (in this subsection referred to as  
11          the ‘tribal FMAP’), shall apply to payments made to  
12          the Indian tribe or tribal consortium for expendi-  
13          tures attributable to carrying out a program under  
14          this title, unless the tribal FMAP is less than the  
15          Federal medical assistance percentage that applies  
16          to the State in which the Indian tribe or tribal con-  
17          sortium is located in which case the State Federal  
18          medical assistance percentage shall apply. In the  
19          case of an Indian tribe or tribal consortium that is  
20          located in more than 1 State, the State in which the  
21          Indian tribe or tribal consortium is located that has  
22          the highest Federal medical assistance percentage  
23          shall apply to the preceding sentence.

1 **“SEC. 1308. DIRECT FUNDING AND ADMINISTRATION FOR**  
 2 **PROGRAMS OPERATED BY LOCAL GOVERN-**  
 3 **MENTS.**

4 “(a) IN GENERAL.—The Secretary shall establish  
 5 procedures under which a local government, or a consor-  
 6 tium of local governments within a State, may submit an  
 7 application to the Secretary to establish a program under  
 8 this title and directly receive payments for expenditures  
 9 made to carry out the program (in this section referred  
 10 to as a ‘local government program application’), if—

11 “(1) the State in which the local government or  
 12 consortium is located has not elected to establish a  
 13 State program under this title; or

14 “(2) the local government or consortium can  
 15 demonstrate that a local program would meet a need  
 16 or serve a population that is not met or sufficiently  
 17 served by the State program under this title.

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

23 “(c) PROGRAM REQUIREMENTS.—

24 “(1) IN GENERAL.—The program requirements  
 25 specified in this title shall apply to a local govern-  
 26 ment or consortium with a local government pro-

1       gram application and plan approved under this sec-  
 2       tion in the same manner as such requirements apply  
 3       to a State except to the extent that the Secretary  
 4       determines that a requirement cannot reasonably be  
 5       met by a local government in the same or similar  
 6       manner as such requirement would apply to a State.

7           “(2) NON-SUPPLANTATION REQUIREMENT.—  
 8       Funds paid to a local government or consortium  
 9       with a local government program application and  
 10      plan approved under this section shall be used to  
 11      supplement, not supplant, the total amount of local  
 12      government or consortium expenditures for employ-  
 13      ment services, training and other services and activi-  
 14      ties, and supportive services provided through the  
 15      adult and dislocated worker employment and train-  
 16      ing activities of the local government or consortium  
 17      for the fiscal year.

18      “(d) PAYMENTS.—The Secretary shall pay a local  
 19      government or consortium with a local government pro-  
 20      gram application and plan approved under this section in  
 21      the same manner as States are paid under section 1304.

22   **“SEC. 1309. GRANTS TO NONPROFIT ORGANIZATIONS.**

23      “(a) IN GENERAL.—The Secretary, in consultation  
 24      with the Secretary of Labor, shall award multi-year grants  
 25      on a competitive basis to nonprofit organizations that sub-

1 mit applications to carry out employment services pro-  
2 grams, if the nonprofit organization demonstrates that—

3 “(1) the nonprofit organization is unable to re-  
4 ceive funding through the relevant State program  
5 under this title; and

6 “(2) the employment services program of the  
7 nonprofit organization would meet a need or serve a  
8 population that is not met or sufficiently served by  
9 the relevant State program under this title.

10 “(b) SCOPE OF GRANTS.—Grants under this sub-  
11 section may be regional programs or serve specific popu-  
12 lations.

13 “(c) APPLICATION PROCESS.—A nonprofit organiza-  
14 tion seeking a grant under this subsection shall submit  
15 an application to the Secretary at such a time, in such  
16 a manner, and containing such information as the Sec-  
17 retary may reasonably require. Such information shall, to  
18 the extent practicable, include information similar to that  
19 required in a State plan under section 1302.

20 “(d) SELECTION.—The Secretary shall select appli-  
21 cants to receive a grant under this subsection based on—

22 “(1) the applicant’s level of experience and  
23 commitment to providing subsidized jobs;

24 “(2) the applicant’s demonstrated ability to re-  
25 cruit individuals of the region or other specific popu-

1       lation served by the grant and provide work opportu-  
2       nities for such individuals; and

3               “(3) such other criteria as the Secretary deter-  
4       mines appropriate.

5       “(e) AUTHORIZATION OF APPROPRIATIONS.—There  
6       are authorized to be appropriated to the Secretary to carry  
7       out this section for each of fiscal years 2021 through  
8       2026, such sums as are necessary.”.

9       (b) PUBLIC INFORMATION ABOUT AVAILABILITY OF  
10       EMPLOYMENT SERVICES.—Not later than January 1,  
11       2023, the Secretary of Health and Human Services shall  
12       make information publicly available to jobseekers (either  
13       on a website established for such purpose or on an existing  
14       Federal online resource that provides information to job-  
15       seekers) about—

16               (1) whether they are eligible for employment  
17       services under a State, local government, or tribal  
18       program under title XIII of the Social Security Act  
19       (as added by subsection (a)); and

20               (2) the appropriate State, local government, or  
21       tribal agency to contact for further information  
22       about such services and programs.

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

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

6 “(1) EMPLOYEE RETENTION CREDIT.—

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

13 “(2) QUALIFIED SECOND-YEAR WAGES.—

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

19 “(i) which are paid to a previously  
 20 subsidized employee, and

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



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

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

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

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

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

5       (c) EFFECTIVE DATE.—The amendments made by  
 6       this section shall apply to taxable years beginning after  
 7       the date of the enactment of this Act.

8       **SEC. 5. CONFORMING AMENDMENTS.**

9       (a) TANF.—

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

12           (A) in subsection (a)(1)—

13                   (i) in subparagraph (A)(iii), by insert-  
 14                   ing “or employment services, training and  
 15                   other services and activities, and sup-  
 16                   portive services provided under the State  
 17                   program funded under title XIII” before  
 18                   the period; and

19                   (ii) in subparagraph (B)—

20                           (I) in clause (iv), by inserting “,  
 21                           unless the parent or caretaker is par-  
 22                           ticipating in the State program fund-  
 23                           ed under title XIII” before the period;  
 24                           and

1 (II) by adding at the end the fol-  
 2 lowing:

3 “(vi) The document shall indicate  
 4 whether the State elects to carry out  
 5 a State program to provide employ-  
 6 ment services, training and other serv-  
 7 ices and activities, and supportive  
 8 services under title XIII.”; and

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

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

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

22 “(E) PARTICIPATION IN THE STATE EM-  
 23 PLOYMENT, TRAINING, AND SUPPORTIVE SERV-  
 24 ICES PROGRAM UNDER TITLE XIII—A DEEMED  
 25 TO BE MEETING WORK PARTICIPATION RE-

1           QUIREMENTS.—For purposes of determining  
2           monthly participation rates under paragraphs  
3           (1)(B)(i) and (2)(B) of subsection (b), the fol-  
4           lowing individuals are deemed to be engaged in  
5           work for a month:

6                   “(i) RECIPIENTS.—Any recipient who  
7                   is participating in the State employment,  
8                   training, and supportive services program  
9                   under title XIII (for any number of hours  
10                  per week during the month) and is receiv-  
11                  ing assistance under the State program  
12                  funded under this part or under any State  
13                  program funded with qualified State ex-  
14                  penditures (as defined in section  
15                  409(a)(7)(B)(i)).

16                  “(ii) INDIVIDUALS WHO WOULD OTH-  
17                  ERWISE BE RECIPIENTS.—Any individual  
18                  who is participating in the State employ-  
19                  ment, training, and supportive services  
20                  program under title XIII (for any number  
21                  of hours per week during the month) and  
22                  would be a recipient of assistance under  
23                  the State program funded under this part  
24                  or under any State program funded with  
25                  qualified State expenditures (as defined in

1                   section 409(a)(7)(B)(i)) but for the indi-  
 2                   vidual’s participation in the State employ-  
 3                   ment, training and supportive services pro-  
 4                   gram under title XIII.”.

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

8                   “(4) OPTION TO SUBMIT PLAN THAT ALIGNS  
 9           WITH THE PLAN UNDER TITLE XIII.—An Indian  
 10           tribe or tribal consortium may elect to submit a trib-  
 11           al family assistance plan required under this section  
 12           at the same time and in the same manner, and to  
 13           apply for the same period, as the plan required  
 14           under section 1307.”.

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

18           (c) INTERNAL REVENUE CODE.—Section  
 19           51(c)(2)(B) of the Internal Revenue Code of 1986 is  
 20           amended by striking “section 482(e)” and inserting “title  
 21           XIII”.

22           (d) TABLE OF CONTENTS FOR TITLE XIII.—Title  
 23           XIII, as added by section 3(a), is amended by inserting  
 24           the following before section 1301:

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

“Sec. 1301. Purpose; definitions; administration.

“Sec. 1302. State plan requirements.

“Sec. 1303. Use of funds.

“Sec. 1304. Payments to States.

“Sec. 1305. Other program requirements.

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

“Sec. 1307. Direct funding and administration for programs operated by Indian tribes.

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

“Sec. 1309. Grants to nonprofit organizations.”.

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

2 (a) EFFECTIVE DATE.—Except as provided in sec-  
3 tion 4(c), the amendments made by this Act shall take  
4 effect on January 1, 2023.

5 (b) OPTION TO ACCELERATE FUNDING.—

6 (1) IN GENERAL.—If the Secretary of Health  
7 and Human Services receives from a State, Indian  
8 tribe, or unit of local government, a written notice,  
9 in such form and manner and containing such infor-  
10 mation as the Secretary shall require, that the State,  
11 Indian tribe, or unit of local government is oper-  
12 ating, or wishes to operate, an employment assist-  
13 ance program, then, during the period beginning on  
14 the first day of the first fiscal quarter that begins  
15 on or after the date that the Secretary receives such  
16 notice and ending on December 31, 2022, the Sec-  
17 retary shall make payments to the State, Indian  
18 tribe, or unit of local government under paragraph  
19 (3).

20 (2) DEFINITIONS.—In this subsection:

1           (A) EMPLOYMENT ASSISTANCE PRO-  
2           GRAM.—The term “employment assistance pro-  
3           gram” means a program operated by a State,  
4           Indian tribe, or local government that provides  
5           qualified program assistance, including a pro-  
6           gram funded under part A of title IV of the So-  
7           cial Security Act (42 U.S.C. 401 et seq.) or any  
8           other State, tribal, or local program financed  
9           with Federal funds.

10          (B) QUALIFIED PROGRAM ASSISTANCE.—  
11          The term “qualified program assistance” means  
12          employment services, training and other serv-  
13          ices and activities, or supportive services (as  
14          such terms are defined in section 1301(b) of  
15          the Social Security Act, as added by section 3),  
16          including any such services designed to reem-  
17          ploy individuals who are unemployed or under-  
18          employed for reasons related to COVID–19, but  
19          shall not include any employment services,  
20          training and other services and activities or  
21          supportive services that cannot be provided in a  
22          manner that is safe for both program adminis-  
23          trators and participants due to a COVID–19  
24          outbreak.

25          (3) PAYMENTS.—

1           (A) IN GENERAL.—Subject to subpara-  
2 graph (B), the Secretary shall pay to any State,  
3 Indian tribe, or local government that has a no-  
4 tice in effect under paragraph (1) for a fiscal  
5 quarter with respect to an employment assist-  
6 ance program, an amount equal to the amount  
7 that such State, tribe, or local government  
8 would receive under title XIII of the Social Se-  
9 curity Act (as added by section 3) if—

10           (i) such title were in effect with re-  
11 spect to such State, tribe, or local govern-  
12 ment;

13           (ii) the State, tribe, or local govern-  
14 ment had a plan that met all requirements  
15 of such title and was approved under such  
16 title for such fiscal quarter, and the  
17 amounts expended by the State, tribe, or  
18 local government on qualified program as-  
19 sistance under such program, were  
20 amounts expended by the State, tribe, or  
21 local government to provide such assist-  
22 ance under such plan;

23           (iii) the requirements of sections  
24 1303, 1304(c), 1305, and 1306 of such  
25 title did not apply; and



1           (iv) the Federal medical assistance  
2           percentage for the State, Indian tribe or  
3           tribal consortium, or local government  
4           were 100 percent.

5           (B) LIMITATIONS.—

6           (i) NO DUPLICATE FUNDING.—For  
7           purposes of subparagraph (A), in deter-  
8           mining the amounts expended by a State,  
9           tribe, or local government under an em-  
10          ployment assistance program to provide  
11          qualified program assistance, the total  
12          amount of State expenditures on such as-  
13          sistance shall be reduced by the amount of  
14          Federal funds (other than funds paid  
15          under this subsection) that have been paid  
16          or that are expected to be paid to the  
17          State, tribe, or local government with re-  
18          spect to such assistance.

19          (ii) NO FUNDING FOR ADMINISTRA-  
20          TIVE EXPENSES UNRELATED TO QUALI-  
21          FIED PROGRAM ASSISTANCE.—No payment  
22          shall be made to a State, Indian tribe, or  
23          local government under this subsection for  
24          administrative expenses of an employment  
25          assistance program that are not attrib-

1                   utable to the administration of qualified  
2                   program assistance.

3           (c) REGULATIONS.—The Secretary of Health and  
4 Human Services, in consultation with the Secretary of  
5 Labor as appropriate, shall—

6               (1) not later than 30 days after the date of en-  
7               actment of this Act, issue guidance to States on how  
8               to seek accelerated funding under subsection (b);

9               (2) not later than 9 months after the date of  
10              the enactment of this Act, issue proposed regulations  
11              for the purpose of implementing title XIII of the So-  
12              cial Security Act (as added by section 2 of this Act),  
13              including regulations establishing uniform data col-  
14              lection requirements; and

15              (3) not later than 18 months after the date of  
16              enactment of this Act, publish final regulations for  
17              such purpose.

○