

115TH CONGRESS  
1ST SESSION

# H. R. 2842

To provide for the conduct of demonstration projects to test the effectiveness of subsidized employment for TANF recipients.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 2017

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

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## A BILL

To provide for the conduct of demonstration projects to test the effectiveness of subsidized employment for TANF recipients.

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 “Accelerating Individ-  
5 uals into the Workforce Act”.

1 **SEC. 2. DEMONSTRATION PROJECTS TO SUPPORT SUB-**  
2 **SIDIZED EMPLOYMENT FOR TANF RECIPI-**  
3 **ENTS.**

4 Section 403 of the Social Security Act (42 U.S.C.  
5 603) is amended by adding at the end the following:

6 “(c) **SUBSIDIZED EMPLOYMENT DEMONSTRATION**  
7 **PROJECTS.**—

8 “(1) **IN GENERAL.**—The Secretary shall make  
9 grants to States to conduct demonstration projects  
10 designed to implement and evaluate strategies that  
11 provide wage subsidies to enable low-income individ-  
12 uals to enter into and retain employment.

13 “(2) **APPLICATION REQUIREMENTS.**—The Sec-  
14 retary shall require each State that applies for a  
15 grant under this subsection to do the following:

16 “(A) Describe how wage subsidies will be  
17 provided (such as whether paid directly to the  
18 employer or the individual), the duration of the  
19 subsidies, the amount of the subsidies, the  
20 structure of the subsidies, and how employers  
21 will be recruited to participate in the subsidized  
22 employment program.

23 “(B) Describe how the State expects those  
24 participating in subsidized employment to be  
25 able to retain employment after the subsidy  
26 ends.

1           “(C) Describe how the State will coordi-  
2           nate subsidized employment funded under this  
3           subsection with other efforts to help low-income  
4           individuals enter work as conducted by the  
5           State.

6           “(3) USE OF FUNDS.—

7           “(A) IN GENERAL.—A State to which a  
8           grant is made under this subsection may use  
9           the grant to subsidize the wages of an eligible  
10          recipient for a period not exceeding 12 months,  
11          and only to the extent that the total of the  
12          funds paid under this project and any other  
13          Federal funds so used with respect to the re-  
14          cipient does not exceed 50 percent of the  
15          amount of the wages received by the recipient  
16          during the period.

17          “(B) ELIGIBLE RECIPIENT.—For purposes  
18          of subparagraph (A), an eligible recipient is—

19                  “(i)(I) a recipient of assistance under  
20                  the State program funded under this part  
21                  or any other State program funded with  
22                  qualified State expenditures (as defined in  
23                  section 409(a)(7)(B)(i)); or

1           “(II) a noncustodial parent of a minor  
2 child who is receiving assistance referred to  
3 in subclause (I);

4           “(ii) who, at the time the subsidy be-  
5 gins, is unemployed; and

6           “(iii) whose income, at that time, is  
7 less than 200 percent of the poverty line  
8 (as defined by the Office of Management  
9 and Budget, and revised annually in ac-  
10 cordance with section 673(2) of the Omni-  
11 bus Budget Reconciliation Act of 1981 (42  
12 U.S.C. 9902(2))).

13           “(4) LIMITATIONS.—

14           “(A) NONDISPLACEMENT.—A State to  
15 which a grant is made under this subsection  
16 shall ensure that no participant in a subsidized  
17 job program funded in whole or in part under  
18 this subsection is employed or assigned to a job  
19 under the program—

20           “(i) when any other individual is on  
21 layoff from the same or any substantially  
22 equivalent job; or

23           “(ii) if the employer has terminated  
24 the employment of any regular employee or  
25 otherwise caused an involuntary reduction

1 of its workforce in order to fill the vacancy  
2 so created with an adult described in para-  
3 graph (1).

4 “(B) GRIEVANCE PROCEDURE.—A State  
5 with a program funded under this subsection  
6 shall establish and maintain a grievance proce-  
7 dure for resolving complaints of alleged viola-  
8 tions of subparagraph (A).

9 “(C) NO PREEMPTION.—Nothing in this  
10 paragraph shall preempt or supersede any pro-  
11 vision of State or local law that provides greater  
12 protection for employees from displacement.

13 “(5) REPORTS.—As a condition of receiving  
14 funds under this subsection for a fiscal year, a State  
15 shall submit to the Secretary, within 6 months after  
16 the end of the fiscal year, a report that—

17 “(A) specifies, for each month of the fiscal  
18 year, the number of individuals whose employ-  
19 ment is subsidized with these funds;

20 “(B) describes the structure of the State  
21 activities to use the funds to subsidize employ-  
22 ment, including the amount and duration of the  
23 subsidies provided;

24 “(C) specifies the percentage of eligible re-  
25 cipients who received a subsidy who are in un-

1 subsidized employment during the second quar-  
2 ter after the subsidy ended;

3 “(D) specifies the percentage of eligible re-  
4 cipients who received a subsidy who are in un-  
5 subsidized employment during the fourth quar-  
6 ter after the subsidy ended; and

7 “(E) specifies the median earnings of eligi-  
8 ble recipients who received a subsidy who are in  
9 unsubsidized employment during the second  
10 quarter after the subsidy ended.

11 “(6) EVALUATION.—The Secretary, in consulta-  
12 tion with each State conducting a demonstration  
13 project, shall conduct a high-quality evaluation of  
14 the demonstration project, and may reserve funds  
15 made available under this subsection to conduct the  
16 evaluation in accordance with the following:

17 “(A) EVALUATOR QUALIFICATIONS.—The  
18 Secretary may not enter into a contract with an  
19 evaluator unless the evaluator has demonstrated  
20 experience in conducting rigorous evaluations of  
21 program effectiveness including, where available  
22 and appropriate, well-implemented randomized  
23 controlled trials.

24 “(B) METHODOLOGIES TO BE USED.—The  
25 evaluation of a demonstration project shall use

1 experimental designs using random assignment  
2 or other reliable, evidence-based research meth-  
3 odologies that allow for the strongest possible  
4 causal inferences when random assignment is  
5 not feasible.

6 “(C) PUBLIC DISCLOSURE.—The Secretary  
7 shall publish the results of the evaluation on the  
8 website of the Department of Health and  
9 Human Services in a location easily accessible  
10 by the public.

11 “(7) RECOMMENDATIONS TO CONGRESS.—The  
12 Secretary shall submit recommendations to the Con-  
13 gress on how to increase the employment, retention,  
14 and advancement of individuals currently or for-  
15 merly receiving assistance under a State program  
16 funded under this part or any other State program  
17 funded with qualified State expenditures (as defined  
18 in section 409(a)(7)(B)(i)).

19 “(8) FUNDING.—Of the amounts made avail-  
20 able to carry out subsection (b) for fiscal year 2018,  
21 the Secretary shall reserve \$100,000,000 to carry  
22 out this subsection.

23 “(9) USE OF CERTAIN FUNDS FOR CAREER  
24 PATHWAYS PROGRAMS.—The Secretary shall use 15  
25 percent of the amounts reserved to carry out this

1 subsection, to fund programs that offer career path-  
2 way (as defined in section 3(7) of the Workforce In-  
3 novation and Opportunity Act) services.

4 “(10) AVAILABILITY OF FUNDS.—Funds pro-  
5 vided to a State under this subsection in a fiscal  
6 year shall be expended by the State in the fiscal year  
7 or in the succeeding fiscal year.”.

8 **SEC. 3. EFFECTIVE DATE.**

9 The amendment made by this Act shall take effect  
10 on October 1, 2017.

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