

[WAYS AND MEANS DISCUSSION DRAFT]

114TH CONGRESS
1ST SESSION

H. R. _____

To reauthorize the program of block grants to States for temporary assistance for needy families through fiscal year 2020, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To reauthorize the program of block grants to States for temporary assistance for needy families through fiscal year 2020, and for other purposes.

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Improving Opportunity in America Welfare Reauthoriza-
6 tion Act of 2015”.

7 (b) TABLE OF CONTENTS.—The table of contents of
8 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. References.
- Sec. 3. Extension of program.
- Sec. 4. No waivers of work requirement.
- Sec. 5. Individual opportunity plans.
- Sec. 6. Strengthening requirements to engage recipients in work and work preparation activities.
- Sec. 7. Promoting increased employment, retention, and advancement among former TANF recipients.
- Sec. 8. Strengthening TANF financial requirements.
- Sec. 9. Elimination of marriage penalty.
- Sec. 10. Improving opportunity fund.
- Sec. 11. Program coordination and State contingency funds.
- Sec. 12. Grants to improve child well-being by supporting two-parent married families and responsible fatherhood.
- Sec. 13. Research and evaluation.
- Sec. 14. Elimination of obsolete provisions.
- Sec. 15. Technical corrections.
- Sec. 16. Effective date.

1 SEC. 2. REFERENCES.

2 Except as otherwise expressly provided, wherever in
3 this Act an amendment or repeal is expressed in terms
4 of an amendment to, or repeal of, a section or other provi-
5 sion, the reference shall be considered to be made to a
6 section or other provision of the Social Security Act.

7 SEC. 3. EXTENSION OF PROGRAM.

8 (a) FAMILY ASSISTANCE GRANTS.—Section
9 403(a)(1) (42 U.S.C. 603(a)(1)) is amended—

10 (1) in subparagraph (A), by striking “fiscal
11 year 2012” and inserting “each of fiscal years 2016
12 through 2020”; and

13 (2) in subparagraph (C) by striking “fiscal year
14 2012 \$16,566,542,000” and inserting “each of fiscal
15 years 2016 through 2020 \$16,591,542,000”.

1 (b) TRIBAL GRANTS.—Section 412(a) (42 U.S.C.
2 612(a)) is amended in each of paragraphs (1)(A) and
3 (2)(A) by striking “fiscal year 2012” and inserting “each
4 of fiscal years 2016 through 2020”.

5 (c) CHILD CARE ENTITLEMENT.—Section 418(a)(3)
6 (42 U.S.C. 618(a)(3)) is amended by striking “fiscal year
7 2012” and inserting “each of fiscal years 2016 through
8 2020”.

9 **SEC. 4. NO WAIVERS OF WORK REQUIREMENT.**

10 Notwithstanding any other provision of law, the Sec-
11 retary of Health and Human Services may not do the fol-
12 lowing:

13 (1) Finalize, implement, enforce, or otherwise
14 take any action to give effect to the Information
15 Memorandum dated July 12, 2012 (Transmittal No.
16 TANF-ACF-IM-2012-03), or to any administrative
17 action relating to the same subject matter set forth
18 in the Information Memorandum or that reflects the
19 same or similar policies as those set forth in the In-
20 formation Memorandum.

21 (2) Authorize, approve, renew, modify, or ex-
22 tend any experimental, pilot, or demonstration
23 project under section 1115 of the Social Security
24 Act (42 U.S.C. 1315) that waives compliance with
25 a requirement of section 407 of such Act (42 U.S.C.

1 607) through a waiver of section 402 of such Act
2 (42 U.S.C. 602) or that provides authority for an
3 expenditure which would not otherwise be an allow-
4 able use of funds under a State program funded
5 under part A of title IV of such Act (42 U.S.C. 601
6 et seq.) with respect to compliance with the work re-
7 quirements in section 407 of such Act to be re-
8 garded as an allowable use of funds under that pro-
9 gram for any period.

10 **SEC. 5. INDIVIDUAL OPPORTUNITY PLANS.**

11 Section 408(b) (42 U.S.C. 608(b)) is amended to
12 read as follows:

13 “(b) INDIVIDUAL OPPORTUNITY PLANS.—

14 “(1) ASSESSMENT.—The State agency respon-
15 sible for administering a State program funded
16 under this part or any other State program funded
17 with qualified state expenditures (as defined in sec-
18 tion 409(a)(7)(B)(i)) shall conduct a comprehensive
19 assessment of the skills, prior work experience, bar-
20 riers to employment, and employability of each re-
21 cipient of assistance under the program who is an
22 adult or a minor child head of household (and, at
23 State option, any other adult who is a member of
24 the household of the individual).

1 “(2) CONTENTS OF PLAN.—On the basis of the
2 assessment made under paragraph (1) with respect
3 to an individual, the State agency, in consultation
4 with the individual, shall develop a customized indi-
5 vidual opportunity plan with the individual, which—

6 “(A) specifies the immediate needs of the
7 individual;

8 “(B) describes the resources the individual
9 has to meet immediate needs, including—

10 “(i) individual resources, such as in-
11 come and assets identified in the applica-
12 tion process, education, and work experi-
13 ence;

14 “(ii) household and family resources
15 that may assist the individual, such as par-
16 ents, children, siblings, and others; and

17 “(iii) other resources and how they
18 may help the individual meet immediate
19 needs;

20 “(C) describes the assistance and services
21 the State will provide to help the individual
22 meet immediate needs;

23 “(D) sets forth an employment goal for the
24 individual and a plan for moving the individual
25 into employment;

1 “(E) sets forth the obligations of the indi-
2 vidual, including specific and measurable bench-
3 marks for success that will help the individual
4 become and remain employed;

5 “(F) to the greatest extent possible, is de-
6 signed to move the individual into the employ-
7 ment the individual is capable of performing as
8 quickly as possible, and increase the responsi-
9 bility and amount of work the individual is to
10 perform over time;

11 “(G) describes the services the State will
12 provide the individual so that the individual will
13 be able to obtain and keep employment;

14 “(H) may direct the individual to undergo
15 appropriate substance abuse or other treatment;
16 and

17 “(I) specifies a timeline for meeting the
18 benchmarks contained in the plan with short-,
19 medium-, and long-term goals, including a de-
20 scription of incentives for the individual if the
21 individual meets or exceeds the obligations spec-
22 ified in the plan, and penalties that will apply
23 if the individual fails without good cause to
24 comply with the plan.

1 “(3) TIMING.—The State agency shall comply
2 with paragraphs (1) and (2)—

3 “(A) with respect to an individual who, as
4 of the effective date of this subsection, is not a
5 recipient of assistance under a State program
6 referred to in paragraph (1), within 60 days
7 after the individual is determined to be eligible
8 for the assistance; or

9 “(B) with respect to an individual who, as
10 of the effective date of this subsection, is such
11 a recipient, not later than 1 year after the ef-
12 fective date.

13 “(4) PERIODIC REVIEW.—The State shall, no
14 less frequently than every 3 months, meet with each
15 adult or minor child head of household recipient of
16 assistance under the State program funded under
17 this part, to—

18 “(A) review the individual opportunity plan
19 developed for the recipient;

20 “(B) discuss with the recipient the
21 progress made by the recipient in achieving the
22 goals specified in the plan; and

23 “(C) update the plan, as necessary, to re-
24 flect any changes in the circumstances of the
25 recipient during the preceding 3 months.”.

1 **SEC. 6. STRENGTHENING REQUIREMENTS TO ENGAGE RE-**
2 **CIPIENTS IN WORK AND WORK PREPARATION**
3 **ACTIVITIES.**

4 (a) **ELIMINATION OF CREDIT TOWARD WORK PAR-**
5 **TICIPATION REQUIREMENT FOR CASELOAD SIZE AND EX-**
6 **CESS STATE SPENDING.**—Section 407(b) (42 U.S.C.
7 607(b)) is amended by striking paragraph (3) and redesi-
8 gnating paragraphs (4) and (5) as paragraphs (3) and (4),
9 respectively.

10 (b) **COUNTING OF WORK PERFORMED BY INDIVID-**
11 **UALS RECEIVING ATYPICAL BENEFIT PAYMENTS.**—Sec-
12 tion 407(i)(1)(A) (42 U.S.C. 607(i)(1)(A)) is amended by
13 adding at the end the following:

14 “(iii) **RECIPIENTS RECEIVING WORK**
15 **SUPPLEMENT PAYMENTS.**—Not later than
16 September 30, 2016, the Secretary shall
17 promulgate regulations to ensure that the
18 participation rate of a State under this
19 section is determined without regard to
20 work engaged in by an individual who has
21 been included in the State program funded
22 under this part under rules that indicate
23 that the individual has been so included
24 solely or principally to increase the partici-
25 pation rate. The greater the extent to
26 which rules are described in the following

1 subclauses, the greater the extent to which
2 the rules shall be regarded as described in
3 the preceding sentence:

4 “(I) The rules used to determine
5 the eligibility of the individual for as-
6 sistance under the program are dif-
7 ferent from those which apply to those
8 who receive cash assistance under the
9 program on a regular monthly basis.

10 “(II) The rules used to determine
11 the eligibility of the individual for the
12 assistance do not include an asset
13 test, do not include an income test, or
14 include an asset or income test that is
15 different from the test which applies
16 to those who receive cash assistance
17 under the program on a regular
18 monthly basis.

19 “(III) The rules provide that the
20 individual is to be provided cash as-
21 sistance under the program only if the
22 person works a minimum number of
23 hours per week.

24 “(IV) The rules require the
25 amount of cash assistance to be pro-

1 vided to the individual to be inde-
2 pendent of the earnings of the indi-
3 vidual.

4 “(V) The rules require cash as-
5 sistance to be provided to the indi-
6 vidual in an amount which is signifi-
7 cantly less than the amount of cash
8 assistance provided to those who re-
9 ceive cash assistance under the pro-
10 gram on a regular monthly basis.”.

11 (c) IMPROVING COUNTING OF HOURS OF WORK PAR-
12 TICIPATION.—

13 (1) ELIMINATION OF DISTINCTION BETWEEN
14 CORE AND NON-CORE WORK ACTIVITIES.—Section
15 407(c)(1)(A) (42 U.S.C. 607(c)(1)(A)) is amended
16 by striking “, not fewer than 20 hours per week of
17 which are attributable to an activity described in
18 paragraph (1), (2), (3), (4), (5), (6), (7), (8), or
19 (12) of subsection (d)”.

20 (2) ALLOWING STATES TO RECEIVE PARTIAL
21 CREDIT FOR PARTIAL ENGAGEMENT.—Section
22 407(c)(1)(B) (42 U.S.C. 607(c)(1)(B)) is amended
23 to read as follows:

24 “(B) PARTIAL CREDIT FOR FAMILIES PAR-
25 TICIPATING FOR LESS THAN THE MINIMUM

1 HOURS REQUIRED.—If a family receiving assist-
2 ance under the State program funded under
3 this part includes an adult or minor child head
4 of household receiving the assistance who has
5 participated in work activities for an average of
6 15 hours (or 10 hours, in the case of a single
7 parent specified in paragraph (2)(B)) per week
8 during a month, the family shall count as 0.5
9 of a family for purposes of calculating the num-
10 ber described in subsection (b)(1)(B)(i) for the
11 month.”.

12 (3) STATE OPTION TO REQUEST ALTERNATIVE
13 WORK PARTICIPATION RATE CALCULATION.—Section
14 407(a) (42 U.S.C. 607(a)) is amended by adding at
15 the end the following:

16 “(3) STATE OPTION TO REQUEST ALTERNATIVE
17 WORK PARTICIPATION RATE CALCULATION.—

18 “(A) APPLICATION.—A State may apply to
19 the Secretary to apply subparagraph (C) with
20 respect to the State.

21 “(B) APPROVAL OF APPLICATION.—The
22 Secretary may approve the application if the
23 State demonstrates to the Secretary (in accord-
24 ance with such guidelines as the Secretary shall
25 establish) that the State has systems and mech-

1 anisms in place to accurately record individual
2 hours of participation in work activities that ac-
3 curately reflects the number of hours of partici-
4 pation of the individuals required to participate
5 in the activities.

6 “(C) ALTERNATIVE WORK PARTICIPATION
7 RATE CALCULATION.—A State whose applica-
8 tion under this paragraph is approved by the
9 Secretary shall be considered to be in compli-
10 ance with this subsection for a month in a fiscal
11 year if the sum of the total number of hours
12 during which the recipients of assistance under
13 the State program funded under this part who
14 are required to be participating in work activi-
15 ties during the month have participated in the
16 activities is not less than the percentage equal
17 to the minimum participation rate in effect
18 under paragraph (1) for the fiscal year, multi-
19 plied by the sum of—

20 “(i) 30 times the number of the re-
21 cipients who are so required to participate
22 for an average of at least 30 hours per
23 week in the month (as determined by the
24 State); and

1 “(ii) 20 times the number of the re-
2 cipients who are so required to participate
3 for an average of at least 20 hours per
4 week in the month (as so determined).”.

5 (4) MODIFICATIONS TO COUNTING JOB SEARCH
6 AS WORK.—Section 407(c)(2)(A) (42 U.S.C.
7 607(c)(2)(A)) is amended to read as follows:

8 “(A) COUNTING OF JOB SEARCH AS
9 WORK.—After the participation of an individual
10 in an activity described in subsection (d)(6) of
11 this section of a State program funded under
12 this part or any other State program funded
13 with qualified State expenditures (as defined in
14 section 409(a)(7)(B)(i)) has been counted for 3
15 months as participation in a work activity, par-
16 ticipation by the individual in such an activity
17 shall count towards not more than half of the
18 hours of participation in work activities by the
19 individual.”.

20 (5) MODIFICATION OF RULE PROVIDING FOR
21 PARTICIPATION BY REASON OF SECONDARY SCHOOL
22 ATTENDANCE.—Section 407(c)(2)(C) (42 U.S.C.
23 607(c)(2)(C)) is amended—

1 (A) in the subparagraph heading, by strik-
2 ing “SINGLE TEEN HEAD OF HOUSEHOLD OR
3 MARRIED TEEN” and inserting “INDIVIDUAL”;

4 (B) by striking “is married or a head of
5 household and” and

6 (C) by striking “20 years” and inserting
7 “26 years”.

8 (6) *OPEN ISSUE: WHETHER TO ADJUST CURRENT*
9 *CAP ON SHARE OF WORK PARTICIPATION RATE THAT*
10 *CAN BE SATISFIED BY PARTICIPATION IN EDU-*
11 *CATION.—*

12 (7) *REQUIREMENT TO REVIEW INDIVIDUAL OP-*
13 *PORTUNITY PLANS FOR INDIVIDUALS INVOLVED IN*
14 *JOB READINESS ACTIVITIES FOR LONGER THAN 3*
15 *MONTHS.—Section 407(c)(2) (42 U.S.C. 607(c)(2))*
16 *is amended by adding at the end the following:*

17 “(E) *PERIODIC REVIEW OF INDIVIDUAL*
18 *OPPORTUNITY PLANS FOR INDIVIDUALS PAR-*
19 *TICIPATING IN JOB READINESS ASSISTANCE.—*
20 *After an individual has participated for 3*
21 *months in an activity described in subsection*
22 *(d)(12) of this section of a State program fund-*
23 *ed under this part or any other State program*
24 *funded with qualified State expenditures (as de-*
25 *defined in section 409(a)(7)(B)(i)), the individual*

1 shall not be considered to be engaged in work
2 by reason of participation in such an activity
3 until the State has complied with section
4 408(b)(3) with respect to the individual, and
5 certified that continued participation in such an
6 activity is necessary to help prepare the indi-
7 vidual for, or support the individual in, employ-
8 ment.”.

9 (8) PROVIDING CHILD CARE ASSISTANCE TO
10 COMMUNITY SERVICE PARTICIPANT REPLACED BY
11 JOB READINESS ASSISTANCE AS SEPARATE WORK
12 ACTIVITY.—

13 (A) IN GENERAL.—Section 407(d)(12) (42
14 U.S.C. 607(d)) is amended to read as follows:
15 “(12) job readiness assistance.”.

16 (B) CONFORMING AMENDMENT.—Section
17 407(d)(6) (42 U.S.C. 607(d)) is amended by
18 striking “and job readiness assistance”.

19 (9) INCREASE IN TIME LIMIT ON COUNTING VO-
20 CATION EDUCATIONAL TRAINING AS WORK.—Section
21 407(d)(8) (42 U.S.C. 607(d)(8)) is amended by
22 striking “12” and inserting “24”.

23 (10) *Open issue: How to verify participation in*
24 *activities*

1 (d) PENALTY FOR FAILURE TO SATISFY MINIMUM
2 PARTICIPATION RATES.—

3 (1) IN GENERAL.—Section 409(a)(3) (42
4 U.S.C. 609(a)(3)) is amended—

5 (A) in subparagraph (A), by striking “the
6 Secretary shall reduce” and all that follows and
7 inserting “then the applicable percentage which
8 would otherwise apply with respect to the State
9 for purposes of paragraph (7) for the suc-
10 ceeding fiscal year shall be increased by the
11 penalty number of percentage points deter-
12 mined under subparagraph (B) with respect to
13 the State for that succeeding fiscal year.”; and

14 (B) by striking subparagraph (B) and in-
15 serting the following:

16 “(B) PENALTY NUMBER OF PERCENTAGE
17 POINTS.—For purposes of subparagraph (A),
18 the penalty number of percentage points deter-
19 mined under this subparagraph with respect to
20 a State and a fiscal year is—

21 “(i) if a penalty was not imposed on
22 the State under subparagraph (A) for the
23 preceding fiscal year, 5 percentage points;
24 or

25 “(ii) otherwise, the lesser of—

1 “(I) the penalty number of per-
2 centage points determined under this
3 subparagraph with respect to the
4 State for the preceding fiscal year,
5 plus 5 percentage points; or

6 “(II) the number of percentage
7 points, which when added to the appli-
8 cable percentage referred to in sub-
9 paragraph (A), would result in the ap-
10 plicable percentage being 100 per-
11 cent.”.

12 (2) CONFORMING AMENDMENT.—Section
13 409(a)(7)(B)(ii) (42 U.S.C. 609(a)(7)(B)(ii)) is
14 amended by inserting “, subject to paragraph (3)”
15 before the period.

16 (e) REPORT ON STATE ENGAGEMENT OF NON-WORK-
17 ING RECIPIENTS.—Section 407 (42 U.S.C. 607) is amend-
18 ed by adding at the end the following:

19 “(j) REPORT ON STATE ENGAGEMENT OF NON-
20 WORKING RECIPIENTS.—Not later than the end of fiscal
21 year 2016, and the end of each fiscal year thereafter, the
22 Secretary shall make available electronically to the public
23 information on the engagement of recipients of assistance
24 under each State program funded under this part or any
25 other State program funded with qualified State expendi-

1 tures (as defined in section 409(a)(7)(B)(i)) who are not
2 engaged in unsubsidized employment, which shall contain
3 the following information for the State with respect to the
4 fiscal year:

5 “(1) The average monthly number of families
6 who received the assistance.

7 “(2) The average monthly number of the fami-
8 lies that included an individual who is an adult or
9 a minor child head of household who received the as-
10 sistance.

11 “(3) Of the families described in paragraph (2),
12 the average monthly number in which an individual
13 described in paragraph (2) participated in unsub-
14 sidized employment in the month, expressed as a
15 number and as a percentage of the families so de-
16 scribed.

17 “(4) Of the families described in paragraph (2),
18 the average monthly number in which an individual
19 described in paragraph (2) participated in a work
20 activity (other than unsubsidized employment) in the
21 month, expressed as a number and as a percentage
22 of the families so described.

23 “(5) Of the families specified in paragraph (2),
24 the average monthly number that did not include an
25 individual who participated in unsubsidized employ-

1 ment or any other work activity in the month, ex-
2 pressed as a number and as a percentage of the
3 families so described.

4 “(6) Of the families described in paragraph (4),
5 the average weekly number of hours during which an
6 individual described in paragraph (2) participated in
7 any activity described in subsection (d).

8 “(7) Of the families described in paragraph (4),
9 the average weekly number of hours during which an
10 individual described in paragraph (2) participated in
11 each activity described in subsection (d) (other than
12 subsidized employment).”.

13 (f) PURPOSES OF TANF PROGRAM TO INCLUDE RE-
14 DUCING POVERTY.—Section 401(a) (42 U.S.C. 601(a)) is
15 amended—

16 (1) by striking “and” at the end of paragraph
17 (3);

18 (2) by striking the period at the end of para-
19 graph (4) and inserting “; and”; and

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

21 “(5) reduce poverty by increasing employment
22 entry, retention and advancement.”.

23 (g) REPORTING OF MORE COMPLETE DATA ON ALL
24 FAMILIES RECEIVING ASSISTANCE TO ADMINISTER PAY-
25 MENTS TO STATES FOR INCREASING ECONOMIC MOBILITY

1 AND FOR OTHER PURPOSES.—Section 411(a)(1)(B)(i)
2 (42 U.S.C. 611(a)(1)(B)(i)) is amended by inserting “, ex-
3 cept that, for the report for a fiscal quarter in fiscal year
4 2017 or any succeeding fiscal year, the Secretary may
5 specify certain data elements described in subparagraph
6 (A) which shall be reported with respect to all families”
7 before the period.

8 (h) *Open Issue: eligibility of individuals convicted of*
9 *drug-related crimes.*

10 (i) EFFECTIVE DATE.—

11 (1) IN GENERAL.—Except as provided in para-
12 graph (2), the amendments made by this section
13 shall take effect on October 1 of the 1st fiscal year
14 beginning after the date of the enactment of this
15 Act.

16 (2) STATE OPTION TO ACCELERATE THE EF-
17 FECTIVE DATE OF THE AMENDMENTS RELATED TO
18 WORK REQUIREMENTS.—A State may elect to have
19 the amendments made by subsections (a), (b), (c),
20 and (e) take effect with respect to the State on such
21 earlier date as the State may elect that occurs on or
22 after such date of enactment.

1 **SEC. 7. PROMOTING INCREASED EMPLOYMENT, RETEN-**
2 **TION, AND ADVANCEMENT AMONG FORMER**
3 **TANF RECIPIENTS.**

4 (a) IN GENERAL.—Section 403(a)(4) (42 U.S.C.
5 603(a)(4)) is amended to read as follows:

6 “(4) INCREASING ECONOMIC MOBILITY OF TANF
7 RECIPIENTS.—

8 “(A) IN GENERAL.—The Secretary shall
9 make a grant under this paragraph to each
10 State, with respect to each fiscal year for which
11 the State achieves the requisite level of per-
12 formance on an indicator described in subpara-
13 graph (C)(ii), in the immediately succeeding fis-
14 cal year.

15 “(B) AMOUNT OF GRANT.—

16 “(i) IN GENERAL.—The amount of
17 the grant payable to a State with respect
18 to a fiscal year for which the State
19 achieves the requisite level of performance
20 on an indicator described in subparagraph
21 (C)(ii) shall be the following:

22 “(I) FISCAL YEAR 2017.—In the
23 case of fiscal year 2017, 100 percent
24 of the available amount with respect
25 to the State for the fiscal year, if the

1 indicator is described in subparagraph
2 (C)(ii)(I).

3 “(II) FISCAL YEAR 2018 and
4 thereafter.—In the case of fiscal year
5 2018 and each succeeding fiscal year:

6 “(aa) 40 percent of the
7 available amount with respect to
8 the State for the fiscal year, if
9 the indicator is described in sub-
10 paragraph (C)(ii)(I).

11 “(bb) 30 percent of the
12 available amount with respect to
13 the State for the fiscal year, if
14 the indicator is described in sub-
15 paragraph (C)(ii)(II).

16 “(cc) 30 percent of the
17 available amount with respect to
18 the State for the fiscal year, if
19 the indicator is described in sub-
20 paragraph (C)(ii)(III).

21 “(ii) AVAILABLE AMOUNT DEFINED.—
22 In clause (i), the term ‘available amount’
23 means, with respect to a State and a fiscal
24 year, the amount (if any) by which—

1 “(I) the State family assistance
2 grant that would be payable to the
3 State for the fiscal year in the ab-
4 sence of this paragraph; exceeds

5 “(II) the State family assistance
6 grant actually payable to the State for
7 the fiscal year.

8 “(C) MEASURING STATE PERFORMANCE.—

9 “(i) IN GENERAL.—Each State, in
10 consultation with the Secretary, shall es-
11 tablish levels of performance for each indi-
12 cator described in clause (ii), for fiscal
13 year 2017 and each fiscal year thereafter.

14 “(ii) INDICATORS.—The indicators de-
15 scribed in this clause are the following:

16 “(I) The percentage of former
17 adult recipients of assistance under
18 the State program funded under this
19 part or any other State program fund-
20 ed with qualified State expenditures
21 (as defined in section 409(a)(7)(B)(i))
22 who, while such recipients, were re-
23 quired to be engaged in work in ac-
24 cordance with section 407, and are in
25 unsubsidized employment during the

1 2nd quarter after exiting from the
2 program.

3 “(II) The percentage of such
4 former recipients of assistance who
5 are in unsubsidized employment dur-
6 ing the 4th quarter after exiting from
7 the program.

8 “(III) The percentage change in
9 median earnings of such former re-
10 cipients of assistance who are in un-
11 subsidized employment in the 4th
12 quarter after exiting from the pro-
13 gram compared with the median earn-
14 ings of former recipients who are in
15 unsubsidized employment in the 2nd
16 quarter after exiting from the pro-
17 gram.

18 “(iii) AGREEMENT ON REQUISITE
19 PERFORMANCE LEVEL FOR EACH INDI-
20 CATOR.—

21 “(I) FISCAL YEARS 2017 AND
22 2018.—The State shall reach agree-
23 ment with the Secretary on the req-
24 uisite level of performance for each in-

1 indicator described in clause (ii), for
2 each of fiscal years 2017 and 2018.

3 “(II) FISCAL YEARS 2019 AND
4 2020.—The State shall reach agree-
5 ment with the Secretary, before fiscal
6 year 2019, on the requisite level of
7 performance for each indicator de-
8 scribed in clause (ii), for each of fiscal
9 years 2019 and 2020.

10 “(D) REPORT ON STATE PERFORMANCE.—

11 “(i) IN GENERAL.—Not later than Oc-
12 tober 1, 2016, the Secretary shall develop
13 a template which each State shall use to
14 report on outcomes achieved under the
15 State program funded under this part.

16 “(ii) CONTENTS.—Each such report
17 shall include—

18 “(I) the number of individuals
19 who exited the program during the
20 year;

21 “(II) the characteristics of the
22 individuals who exited the program
23 during the year, including information
24 on the length of time the individual

1 received assistance under the pro-
2 gram; and

3 “(III) information specifying the
4 levels of performance achieved on each
5 indicator described in subparagraph
6 (C)(ii).

7 “(iii) PUBLICATION.—Not later than
8 September 30 of fiscal year 2019 and of
9 each succeeding fiscal year, the Secretary
10 shall make available electronically to the
11 public each report submitted under this
12 subparagraph during the fiscal year.

13 “(E) STATE FAILURE TO MEET STATE
14 PERFORMANCE MEASURES.—

15 “(i) RESERVATION OF FUNDS; IN-
16 CREASE IN REQUIRED STATE SPENDING.—
17 If a State fails to achieve the requisite
18 level of performance on an indicator de-
19 scribed in subparagraph (C)(ii) of this
20 paragraph and a fiscal year—

21 “(I) the Secretary shall reserve
22 the funds that would have been pay-
23 able to the State under this paragraph
24 if the State had achieved the level;
25 and

1 “(II) the level of State expendi-
2 tures otherwise required to avoid a
3 penalty under section 409(a)(7) in the
4 succeeding fiscal year shall be in-
5 creased by the amount so reserved.

6 “(ii) CORRECTIVE ACTION.—The Sec-
7 retary shall award to a State the funds re-
8 served under clause (i) with respect to a
9 State, an indicator, and a fiscal year, in
10 the immediately succeeding fiscal year, if,
11 in the succeeding fiscal year, the State—

12 “(I) achieves the requisite level of
13 performance on the indicator for the
14 State; or

15 “(II) improves the level of per-
16 formance on the indicator by the
17 State by at least half of the amount
18 by which the requisite level of per-
19 formance on the indicator by the
20 State in the fiscal year exceeded the
21 actual level of performance on the in-
22 dicator achieved by the State in the
23 fiscal year.

24 “(F) FUNDING.—The following percent-
25 ages of the amounts appropriated by paragraph

1 (1)(C) for the following fiscal years are reserved
2 for grants under this paragraph for the fiscal
3 years:

4 “(i) 4 percent, in the case of fiscal
5 year 2018.

6 “(ii) 10 percent, in the case of each of
7 fiscal years 2019 and 2020.”.

8 (b) CONFORMING AMENDMENT.—Section
9 403(a)(1)(B) (42 U.S.C. 603(a)(1)(B)) is amended by in-
10 serting “, reduced by the percentage (if any) specified in
11 paragraph (4)(F) with respect to the fiscal year,” before
12 “as the amount”.

13 **SEC. 8. STRENGTHENING TANF FINANCIAL REQUIRE-**
14 **MENTS.**

15 (a) NO COUNTING OF THIRD-PARTY SPENDING TO
16 MEET STATE SPENDING REQUIREMENT.—

17 (1) EXCLUSION OF THIRD PARTY CONTRIBU-
18 TIONS.—Section 409(a)(7)(B)(i) (42 U.S.C.
19 609(a)(7)(B)(i)) is amended by adding at the end
20 the following:

21 “(VI) EXCLUSION OF THIRD
22 PARTY CONTRIBUTIONS.—Such term
23 shall not include—

24 “(aa) for fiscal year 2016,
25 the amount (if any) by which—

1 “(AA) the value of all
2 goods and services provided
3 by a source other than the
4 State or a local government
5 during the fiscal year; ex-
6 ceeds

7 “(BB) the value of all
8 such goods and services
9 claimed by the State as
10 qualified State expenditures
11 for fiscal year 2015;

12 “(bb) for fiscal year 2017,
13 the amount (if any) by which—

14 “(AA) the value re-
15 ferred to in subclause
16 (aa)(AA); exceeds

17 “(BB) 50 percent of
18 the value referred to in sub-
19 clause (aa)(BB); and

20 “(cc) for any fiscal year
21 after 2017, the value referred to
22 in subclause (aa)(AA).”.

23 (2) NO COUNTING OF SPENDING ON MEDICAL
24 SERVICES TO MEET STATE SPENDING REQUIRE-
25 MENTS.—Section 409(a)(7)(B)(i) (42 U.S.C.

1 609(a)(7)(B)(i)), as amended by paragraph (1) of
2 this subsection, is amended by adding at the end the
3 following:

4 “(VII) EXCLUSION OF EXPENDI-
5 TURES FOR THE PROVISION OF MED-
6 ICAL SERVICES.—Such term shall not
7 include any amount expended for the
8 provision of medical services.”.

9 (b) PROHIBITION ON USE OF FEDERAL TANF
10 FUNDS FOR FAMILIES WITH INCOME GREATER THAN
11 TWICE THE POVERTY LINE.—Section 404 (42 U.S.C.
12 604), as amended by section 14(a)(1) of this Act, is
13 amended by inserting after subsection (b) the following:

14 “(c) PROHIBITION ON USE OF FUNDS FOR PERSONS
15 WITH INCOME GREATER THAN TWICE THE POVERTY
16 LINE.—A State to which a grant is made under this part
17 shall not use the grant to provide any assistance, benefit,
18 or service to a family whose monthly income, for the
19 month in which the family applies for the assistance, ben-
20 efit, or service, exceeds twice the poverty line (as defined
21 by the Office of Management and Budget, and revised an-
22 nually in accordance with section 673(2) of the Omnibus
23 Budget Reconciliation Act of 1981 (42 U.S.C.
24 9902(2))).”.

1 (c) EXPENDITURES FOR CERTAIN FAMILIES WITH
2 INCOME GREATER THAN TWICE THE POVERTY LINE DIS-
3 REGARDED IN APPLYING STATE SPENDING REQUIRE-
4 MENT.—Section 409(a)(7)(B)(i) (42 U.S.C.
5 609(a)(7)(B)(i)), as amended by subsection (a) of this sec-
6 tion, is amended by adding at the end the following:

7 “(VIII) EXCLUSION OF EXPENDI-
8 TURES FOR CERTAIN FAMILIES WITH
9 INCOME GREATER THAN TWICE THE
10 POVERTY LINE.—Such term does not
11 include any amount expended to pro-
12 vide any assistance, benefit, or service
13 to a family whose monthly income ex-
14 ceeds, and whose income for the
15 month in which the family applied for
16 the assistance, benefit, or service ex-
17 ceeded, twice the poverty line (as de-
18 fined by the Office of Management
19 and Budget, and revised annually in
20 accordance with section 673(2) of the
21 Omnibus Budget Reconciliation Act of
22 1981 (42 U.S.C. 9902(2))) in effect
23 with respect to the month involved.”.

24 (d) MINIMUM STATE SPENDING.—

1 (1) IN GENERAL.—Section 409(a)(7)(B)(ii) (42
2 U.S.C. 609(a)(7)(B)(ii)) is amended by striking “80
3 percent (or, if the State meets the requirements of
4 section 407(a), 75 percent)” and all that follows and
5 inserting “75 percent.”.

6 (2) EFFECTIVE DATE.—

7 (A) IN GENERAL.—Except as provided in
8 subparagraph (B), the amendment made by
9 paragraph (1) shall take effect on October 1 of
10 the 1st fiscal year beginning after the date of
11 the enactment of this Act.

12 (B) STATE OPTION TO ACCELERATE THE
13 EFFECTIVE DATE OF THE AMENDMENTS RE-
14 LATED TO WORK REQUIREMENTS.—A State
15 may elect to have the amendment made by
16 paragraph (1) take effect with respect to the
17 State on such earlier date as the State may
18 elect that occurs on or after such date of enact-
19 ment.

20 (e) *Open Issue: Whether to create a floor on the share*
21 *of TANF funds that must be spent on child care, cash assist-*
22 *ance, and work activities.*

23 (f) ALIGNING TANF SPENDING RULES.—

24 (1) NONDISPLACEMENT OF WORKERS.—Section
25 407(f) (42 U.S.C. 607(f)) is amended by inserting

1 after “program funded under this part” each place
2 it appears the following: “or any other State pro-
3 gram funded with qualified State expenditures (as
4 defined in section 409(a)(7)(B)(i))”

5 (2) LIMITS ON ACCESS TO ASSISTANCE IN CASI-
6 NOS, STRIP CLUBS, AND LIQUOR STORES.—Section
7 408(a)(12)(A) (42 U.S.C. 608(a)(12)(A)) is amend-
8 ed by inserting after “State program funded under
9 this part” the following: “or any other State pro-
10 gram funded with qualified State expenditures (as
11 defined in section 409(a)(7)(B)(i))”.

12 (3) ENSURING ADEQUATE ACCESS TO BENE-
13 FITS.—Section 402(a)(1)(A)(viii) (42 U.S.C.
14 602(a)(1)(A)(viii)) is amended by inserting after
15 “State program funded under this part” the fol-
16 lowing: “or any other State program funded with
17 qualified State expenditures (as defined in section
18 409(a)(7)(B)(i))”.

19 (4) REDUCING BENEFIT NOT CONSIDERED A
20 WAGE REDUCTION.—Section 408(c) (42 U.S.C.
21 608(c)) is amended by inserting after “State pro-
22 gram funded under this part” the following: “or any
23 other State program funded with qualified State ex-
24 penditures (as defined in section 409(a)(7)(B)(i))”.

1 (5) RESTRICT USE AND DISCLOSURE OF RECIPI-
2 ENT INFORMATION.—Section 402(a)(1)(A)(iv) (42
3 U.S.C. 602(a)(1)(A)(iv)) is amended by inserting
4 after “program” the following: “funded under this
5 part or any other State program funded with quali-
6 fied State expenditures (as defined in section
7 409(a)(7)(B)(i))”.

8 (6) COUNTING SPENDING ON MEDICAL SERV-
9 ICES.—Section 408(a)(6) (42 U.S.C. 608(a)(6)) is
10 amended by inserting after “grant” the following:
11 “or any funds used in a State program funded
12 under this part or in any other State program fund-
13 ed with qualified State expenditures (as defined in
14 section 409(a)(7)(B)(i))”.

15 (g) PROHIBITION ON USE OF ELECTRONIC BENEFIT
16 TRANSFER CARD TO ACCESS TANF ASSISTANCE AT ANY
17 STORE THAT OFFERS MARIJUANA FOR SALE.—

18 (1) PROHIBITION.—Section 408(a)(13)(A) (42
19 U.S.C. 608(a)(13)(A)), as so redesignated by section
20 5(k)(1) of this Act, is amended—

21 (A) by striking “or” at the end of clause
22 (ii);

23 (B) by striking the period at the end of
24 clause (iii) and inserting “; or”; and

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

1 “(iv) any establishment that offers
2 marihuana (as defined in section 102(16)
3 of the Controlled Substances Act) for
4 sale.”.

5 (2) EFFECTIVE DATE.—The amendments made
6 by paragraph (1) shall take effect on the date that
7 is 2 years after the date of the enactment of this
8 Act.

9 **SEC. 9. ELIMINATION OF MARRIAGE PENALTY.**

10 (a) ELIMINATION OF SEPARATE AND HIGHER PAR-
11 TICIPATION RATE REQUIREMENTS FOR 2-PARENT FAMI-
12 LIES.—Section 407 (42 U.S.C. 607) is amended—

13 (1) in subsection (a), as amended by section
14 6(c)(3) of this Act—

15 (A) by striking all through “A State” the
16 1st place it appears and inserting the following:

17 “(a) PARTICIPATION RATE REQUIREMENTS.—A
18 State”; and

19 (B) by striking paragraph (2) and redesignig-
20 nating paragraph (3) as paragraph (2);

21 (2) in subsection (b), as amended by section
22 6(a) of this Act—

23 (A) in the subsection heading, by striking
24 “RATES” and inserting “RATE”;

1 (B) in paragraph (1)(A), by striking
2 “(a)(1)” and inserting “(a)”;

3 (C) by striking paragraph (2) and redesignating paragraphs (3) and (4) as paragraphs
4 (2) and (3), respectively;

5 (D) in paragraph (2) (as so redesignated),
6 by striking “paragraphs (1)(B) and (2)(B)”
7 and inserting “paragraph (1)(B)”; and

8 (E) in paragraph (3) (as so redesignated),
9 by striking “rates” and inserting “rate”; and
10 (3) in subsection (c)—

11 (A) in paragraph (1)—

12 (i) by striking all through “For purposes of subsection (b)(1)(B)(i)” and inserting the following:

13 “(1) GENERAL RULES.—For purposes of subsection (b)(1)(B)(i)”;

14 (ii) by striking subparagraph (B); and

15 (B) in paragraph (2)(D)—

16 (i) by striking “paragraphs (1)(B)(i) and (2)(B) of subsection (b)” and inserting “subsection (b)(1)(B)(i)”;

17 (ii) by striking “in all families and in 2-parent families, respectively,”.

1 (b) CONFORMING AMENDMENT.—The paragraph
2 heading for section 409(a)(3) (42 U.S.C. 609(a)(3)) is
3 amended by striking “RATES” and inserting “RATE”.

4 **SEC. 10. IMPROVING OPPORTUNITY FUND.**

5 Section 403(b) (42 U.S.C. 603(b)) is amended to
6 read as follows:

7 “(b) IMPROVING OPPORTUNITY DEMONSTRATION
8 PROJECTS.—

9 “(1) COORDINATED CASE MANAGEMENT DEM-
10 ONSTRATION PROJECTS.—

11 “(A) IN GENERAL.—The Secretary shall
12 make grants to States for the conduct of dem-
13 onstration projects designed to implement and
14 evaluate strategies to provide coordinated case
15 management to help individuals receiving assist-
16 ance under a State program funded under this
17 part or any other State program funded with
18 qualified State expenditures (as defined in sec-
19 tion 409(a)(7)(B)(i)) increase their employment
20 and self-sufficiency.

21 “(B) APPLICATION REQUIREMENTS.—The
22 Secretary shall require each State that applies
23 for a grant under this paragraph to do the fol-
24 lowing:

1 “(i) Describe how, using the funds
2 provided under this paragraph, the State
3 will develop an individual opportunity plan
4 in accordance with section 408(b) for each
5 recipient referred to in subparagraph (A)
6 of this paragraph.

7 “(ii) Describe how the State will co-
8 ordinate the development of this plan with
9 other programs and agencies providing
10 benefits and services to the individual to
11 help the recipient increase the employment
12 and self-sufficiency of the recipient.

13 “(iii) Describe how the State will co-
14 ordinate the delivery of the benefits and
15 services to the recipient (which may in-
16 clude the use of home visiting models).

17 “(iv) Describe how the State will meet
18 with the recipient at least monthly to re-
19 view the employment status of the recipi-
20 ent and status of the participation of the
21 recipient in other activities, the benefits
22 and services the recipient is receiving, and
23 the progress of the recipient toward meet-
24 ing the goals specified in the individual op-
25 portunity plan of the recipient.

1 “(C) USE OF FUNDS.—A State to which a
2 grant is made under this paragraph may use
3 the grant for the following purposes:

4 “(i) To support coordinated case man-
5 agers in completing the activities specified
6 in subparagraph (B).

7 “(ii) To provide short-term transi-
8 tional benefits and services to individuals
9 who, due to increased employment or earn-
10 ings, may face disincentives to increasing
11 work or earnings due to the phase-out or
12 loss of certain benefits.

13 “(iii) To ensure that recipients of
14 services under the demonstration project
15 have a choice between 2 or more coordi-
16 nated case management service providers.

17 “(iv) To improve coordination between
18 programs serving recipients who are part
19 of the demonstration project.

20 “(v) To improve coordination between
21 information technology and other systems
22 to deliver better benefits or services to the
23 recipient, except that not more than 10
24 percent of the grant amount may be used
25 for this purpose.

1 “(2) SUBSIDIZED EMPLOYMENT DEMONSTRA-
2 TION PROJECTS.—

3 “(A) IN GENERAL.—The Secretary shall
4 make grants to States for the conduct of dem-
5 onstration projects designed to implement and
6 evaluate strategies that provide wage subsidies
7 to enable low-income individuals to enter into
8 and retain employment.

9 “(B) APPLICATION REQUIREMENTS.—The
10 Secretary shall require each State that applies
11 for a grant under this paragraph to do the fol-
12 lowing:

13 “(i) Describe how wage subsidies will
14 be provided (such as whether paid directly
15 to the employer or the individual), the du-
16 ration of the subsidies, the amount of the
17 subsidies, the structure of the subsidies,
18 and how employers will be recruited to par-
19 ticipate in the subsidized employment pro-
20 gram.

21 “(ii) Describe how the State expects
22 those participating in subsidized employ-
23 ment to be able to retain employment after
24 the subsidy ends.

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

6 “(C) USE OF FUNDS.—

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

17 “(ii) ELIGIBLE RECIPIENT.—For pur-
18 poses of clause (i), an eligible recipient
19 is—

20 “(I)(aa) a recipient of assistance
21 under the State program funded
22 under this part;

23 “(bb) an adult with children;

24 “(cc) a noncustodial parent; or

1 “(dd) an individual who has at-
2 tained 16 years of age but not 26
3 years of age;

4 “(II) who, at the time the sub-
5 sidy begins, is unemployed; and

6 “(III) whose income, at that
7 time, is less than 200 percent of the
8 poverty line (as defined by the Office
9 of Management and Budget, and re-
10 vised annually in accordance with sec-
11 tion 673(2) of the Omnibus Budget
12 Reconciliation Act of 1981 (42 U.S.C.
13 9902(2))).

14 “(D) REPORTS.—As a condition of receiv-
15 ing funds under this paragraph for a fiscal
16 year, a State shall submit to the Secretary,
17 within 6 months after the end of the fiscal year,
18 a report that—

19 “(i) specifies, for each month of the
20 fiscal year, the number of individuals
21 whose employment is subsidized with these
22 funds;

23 “(ii) specifies, for each month of the
24 fiscal year, the number of the individuals
25 who remained employed by the same em-

1 ployer in an unsubsidized position in the
2 month immediately succeeding the month
3 in which the last subsidy payment was
4 made with respect to the employment; and
5 “ (iii) describes the structure of the
6 State activities to use the funds to sub-
7 sidize employment, including the amount
8 and duration of the subsidies provided.

9 “(3) SOCIAL IMPACT DEMONSTRATION
10 PROJECTS.—

11 “(A) PURPOSES.—The purposes of this
12 paragraph are the following:

13 “(i) To improve the lives of families
14 and individuals in need in the United
15 States by funding social programs that
16 achieve real results.

17 “(ii) To redirect funds away from pro-
18 grams that, based on objective data, are
19 ineffective, and into programs that achieve
20 demonstrable, measurable results.

21 “(iii) To ensure Federal funds are
22 used effectively on social services to
23 produce positive outcomes for both service
24 recipients and taxpayers.

1 “(iv) To establish the use of social im-
2 pact partnerships to address some of our
3 Nation’s most pressing problems.

4 “(v) To facilitate the creation of pub-
5 lic-private partnerships that bundle philan-
6 thropic and other private resources with
7 existing public spending to scale up effec-
8 tive social interventions already being im-
9 plemented by private organizations, non-
10 profits, charitable organizations, and State
11 and local governments across the country.

12 “(vi) To bring pay-for-performance to
13 the social sector, allowing the United
14 States to improve the impact and effective-
15 ness of vital social services programs while
16 redirecting inefficient or duplicative spend-
17 ing.

18 “(vii) To incorporate outcomes meas-
19 urement and randomized controlled trials
20 or other rigorous methodologies for assess-
21 ing program impact.

22 “(B) SOCIAL IMPACT PARTNERSHIP APPLI-
23 CATION.—

24 “(i) NOTICE.—Not later than 1 year
25 after the date of the enactment of this

1 paragraph, the Secretary of the Treasury,
2 in consultation with the Federal Inter-
3 agency Council on Social Impact Partner-
4 ships, shall publish in the Federal Register
5 a request for proposals from States or local
6 government for social impact partnership
7 projects in accordance with this subpara-
8 graph.

9 “(ii) REQUIRED OUTCOMES FOR SO-
10 CIAL IMPACT PARTNERSHIP PROJECT.—To
11 qualify as a social impact partnership
12 project under this paragraph, a project
13 must produce measurable, clearly defined
14 outcomes that result in social benefit and
15 Federal savings through any of the fol-
16 lowing:

17 “(I) Increasing work and earn-
18 ings by individuals who have been un-
19 employed in the United States for
20 more than 6 consecutive months.

21 “(II) Increasing employment and
22 earnings of individuals who have at-
23 tained 16 years of age but not 25
24 years of age.

1 “(III) Increasing employment
2 among individuals receiving Federal
3 disability benefits.

4 “(IV) Reducing the dependence
5 of low-income families on Federal
6 means-tested benefits.

7 “(V) Improving rates of high
8 school graduation.

9 “(VI) Reducing teen and un-
10 planned pregnancies.

11 “(VII) Improving birth outcomes
12 among low-income families and indi-
13 viduals.

14 “(VIII) Reducing rates of asth-
15 ma, diabetes, or other preventable dis-
16 eases among low-income families and
17 individuals to reduce the utilization of
18 emergency and other high-cost care.

19 “(IX) Increasing the proportion
20 of children living in 2-parent families.

21 “(X) Reducing incidences and
22 adverse consequences of child abuse
23 and neglect.

24 “(XI) Reducing the number of
25 youth in foster care by increasing

1 adoptions, permanent guardianship
2 arrangements, reunification, or place-
3 ment with a fit and willing relative.

4 “(XII) Reducing the number of
5 children and youth in foster care re-
6 siding in group homes, child care in-
7 stitutions, agency-operated foster
8 homes, or other non-family foster
9 homes, unless it is determined that it
10 is in the interest of the child’s long-
11 term health, safety, or psychological
12 well-being to not be placed in a family
13 foster home.

14 “(XIII) Reducing the number of
15 children returning to foster care.

16 “(XIV) Reducing recidivism
17 among individuals released from pris-
18 on.

19 “(XV) Reducing the rate of
20 homelessness among our most vulner-
21 able populations.

22 “(XVI) Improving the health and
23 well-being of those with mental, emo-
24 tional, and behavioral health needs.

1 “(XVII) Improving the edu-
2 cational outcomes of special-needs or
3 low-income children.

4 “(XVIII) Improving the employ-
5 ment and well-being of returning
6 United States military members.

7 “(XIX) Increasing the financial
8 stability of low-income families.

9 “(XX) Increasing the independ-
10 ence and employability of individuals
11 who are physically or mentally dis-
12 abled.

13 “(XXI) Other measurable out-
14 comes defined by the State or local
15 government that result in positive so-
16 cial outcomes and Federal savings.

17 “(iii) FEASIBILITY STUDY RE-
18 QUIRED.—The notice described in clause
19 (i) shall require a State or local govern-
20 ment to submit a feasibility study for the
21 social impact partnership project that con-
22 tains the following information:

23 “(I) The outcome goals of the
24 project.

1 “(II) A description of each inter-
2 vention in the project and anticipated
3 outcomes of the intervention.

4 “(III) Rigorous evidence dem-
5 onstrating that the intervention can
6 be expected to produce the desired
7 outcomes.

8 “(IV) The target population that
9 will be served by the project.

10 “(V) The expected social benefits
11 to participants who receive the inter-
12 vention and others who may be im-
13 pacted.

14 “(VI) Projected Federal, State,
15 and local government costs and other
16 costs to conduct the project.

17 “(VII) Projected Federal, State,
18 and local government savings and
19 other savings, including an estimate of
20 the savings to the Federal, State, and
21 local government, on a program-by-
22 program basis and in the aggregate, if
23 the project is implemented and the
24 outcomes are achieved.

1 “(VIII) If savings resulting from
2 the successful completion of the
3 project are estimated to accrue to the
4 State or local government, the likeli-
5 hood of the State or local government
6 to realize those savings.

7 “(IX) A plan for delivering the
8 intervention through a social impact
9 partnership model.

10 “(X) A description of the exper-
11 tise of each service provider that will
12 administer the intervention.

13 “(XI) An explanation of the ex-
14 perience of the State or local govern-
15 ment, the intermediary, or the service
16 provider in raising private and philan-
17 thropic capital to fund social service
18 investments.

19 “(XII) The detailed roles and re-
20 sponsibilities of each entity involved in
21 the project, including any State or
22 local government entity, intermediary,
23 service provider, independent eval-
24 uator, investor, or other stakeholder.

1 “(XIII) A summary of the expe-
2 rience of the service provider deliv-
3 ering the proposed intervention or a
4 similar intervention, or a summary
5 demonstrating the service provider
6 has the expertise necessary to deliver
7 the proposed intervention.

8 “(XIV) A summary of the unmet
9 need in the area where the interven-
10 tion will be delivered or among the
11 target population who will receive the
12 intervention.

13 “(XV) The payment terms, the
14 methodology used to calculate out-
15 come payments, the payment sched-
16 ule, and performance thresholds.

17 “(XVI) The project budget.

18 “(XVII) The project timeline.

19 “(XVIII) The criteria used to de-
20 termine the eligibility of an individual
21 for the project, including how selected
22 populations will be identified, how
23 they will be referred to the project,
24 and how they will be enrolled in the
25 project.

1 “(XIX) The evaluation design.

2 “(XX) The metrics that will be
3 used to determine whether the out-
4 comes have been achieved and how the
5 metrics will be measured.

6 “(XXI) An explanation of how
7 the metrics used to determine whether
8 the outcomes have been achieved are
9 independent, objective indicators of
10 impact and are not subject to manipu-
11 lation by the service provider, inter-
12 mediary, or investor.

13 “(XXII) A summary explaining
14 the independence of the evaluator
15 from the other entities involved in the
16 project and the evaluator’s experience
17 in conducting rigorous evaluations of
18 program effectiveness including, where
19 available, well-implemented random-
20 ized controlled trials on the interven-
21 tion or similar interventions.

22 “(XXIII) The capacity of the
23 service provider to deliver the inter-
24 vention to the number of participants

1 the State or local government pro-
2 poses to serve in the project.

3 “(iv) PROJECT INTERMEDIARY INFOR-
4 MATION REQUIRED.—The feasibility study
5 described in clause (iii) shall also contain
6 the following information about the inter-
7 mediary for the social impact partnership
8 project (whether the intermediary is the
9 service provider or other entity):

10 “(I) Experience and capacity for
11 providing or facilitating the provision
12 of the type of intervention proposed.

13 “(II) The mission and goals.

14 “(III) Information on whether
15 the intermediary is already working
16 with service providers that provide
17 this intervention or an explanation of
18 the capacity of the intermediary to
19 begin working with service providers
20 to provide the intervention.

21 “(IV) Experience working in a
22 collaborative environment across gov-
23 ernment and nongovernmental enti-
24 ties.

1 “(V) Previous experience collabo-
2 rating with public or private entities
3 to implement evidence-based pro-
4 grams.

5 “(VI) Ability to raise or provide
6 funding to cover operating costs (if
7 applicable to the project).

8 “(VII) Capacity and infrastruc-
9 ture to track outcomes and measure
10 results, including—

11 “(aa) capacity to track and
12 analyze program performance
13 and assess program impact; and

14 “(bb) experience with per-
15 formance-based contracting and
16 achieving project milestones and
17 targets.

18 “(VIII) Role in delivering the
19 intervention.

20 “(IX) How the intermediary
21 would monitor program success, in-
22 cluding a description of the interim
23 benchmarks and outcome measures.

24 “(C) AWARDING SOCIAL IMPACT PARTNER-
25 SHIP CONTRACTS.—

1 “(i) TIMELINE IN AWARDING CON-
2 TRACT.—Not later than 6 months after re-
3 ceiving an application in accordance with
4 subparagraph (B), the Secretary, in con-
5 sultation with the Federal Interagency
6 Council on Social Impact Partnerships,
7 shall determine whether to enter into a
8 contract for a social impact partnership
9 project with a State or local government.

10 “(ii) CONSIDERATIONS IN AWARDING
11 CONTRACT.—In determining whether to
12 enter into a contract for a social impact
13 partnership project (the application for
14 which was submitted under subparagraph
15 (B)) the Secretary, in consultation with
16 the Federal Interagency Council on Social
17 Impact Partnerships (established by sub-
18 paragraph (F)) and the head of any Fed-
19 eral agency administering a similar inter-
20 vention or serving a population similar to
21 that served by the project, shall consider
22 each of the following:

23 “(I) The value to the Federal
24 Government of the outcomes expected

1 to be achieved if the outcomes speci-
2 fied in the contract are achieved.

3 “(II) The ability of the State or
4 local government in collaboration with
5 the intermediary and the service pro-
6 viders to achieve the outcomes.

7 “(III) The savings to the Federal
8 Government if the outcomes specified
9 in contract are achieved.

10 “(IV) The savings to the State
11 and local governments if the outcomes
12 specified in the contract are achieved.

13 “(V) The expected quality of the
14 evaluation that would be conducted
15 with respect to the contract.

16 “(iii) CONTRACT AUTHORITY.—

17 “(I) CONTRACT REQUIRE-
18 MENTS.—In accordance with this sub-
19 paragraph, the Secretary, in consulta-
20 tion with the Federal Interagency
21 Council on Social Impact Partnerships
22 and the head of any Federal agency
23 administering a similar intervention
24 or serving a population similar to that
25 served by the project, may enter into

1 a contract for a social impact partner-
2 ship project with a State or local gov-
3 ernment if the Secretary, in consulta-
4 tion with the Federal Interagency
5 Council on Social Impact Partner-
6 ships, determines that each of the fol-
7 lowing requirements are met:

8 “(aa) The State or local gov-
9 ernment agrees to achieve an
10 outcome specified in the contract
11 in order to receive payment.

12 “(bb) The Federal payment
13 to the State or local government
14 for each outcome specified is less
15 than or equal to the value of the
16 outcome to the Federal Govern-
17 ment over a period not to exceed
18 10 years, as determined by the
19 Secretary, in consultation with
20 the State or local government.

21 “(cc) The duration of the
22 project does not exceed 10 years.

23 “(dd) The State or local
24 government has demonstrated,
25 through the application sub-

1 mitted under subparagraph (B),
2 that, based on prior rigorous ex-
3 perimental evaluations or rig-
4 orous quasi-experimental studies,
5 the intervention can be expected
6 to achieve each outcome specified
7 in the contract.

8 “(ee) The State, local gov-
9 ernment, intermediary, or service
10 provider has experience raising
11 private or philanthropic capital to
12 fund social service investments (if
13 applicable to the project).

14 “(ff) The State or local gov-
15 ernment has shown that each
16 service provider has experience
17 delivering the intervention, a
18 similar intervention, or has other-
19 wise demonstrated the expertise
20 necessary to deliver the interven-
21 tion.

22 “(II) PAYMENT.—The Secretary
23 shall pay the State or local govern-
24 ment only if the independent eval-
25 uator described in subparagraph (E)

1 determines that the social impact
2 partnership project has met the re-
3 quirements specified in the contract
4 and achieved an outcome specified in
5 the contract.

6 “(III) LIMITATION.—The Sec-
7 retary may not enter into a contract
8 for a social impact partnership project
9 under subclause (I) after the date
10 that is 10 years after the date of the
11 enactment of this paragraph.

12 “(iv) NOTICE OF CONTRACT
13 AWARD.—Not later than 30 days after en-
14 tering into a contract under this subpara-
15 graph, the Secretary shall publish a notice
16 in the Federal Register that includes, with
17 regard to the contract, the following:

18 “(I) The outcome goals of the so-
19 cial impact partnership project.

20 “(II) A description of each inter-
21 vention in the project.

22 “(III) The target population that
23 will be served by the project.

24 “(IV) The expected social bene-
25 fits to participants who receive the

1 intervention and others who may be
2 impacted.

3 “(V) The detailed roles, respon-
4 sibilities, and purposes of each Fed-
5 eral, State, or local government entity,
6 intermediary, service provider, inde-
7 pendent evaluator, investor, or other
8 stakeholder.

9 “(VI) The payment terms, the
10 methodology used to calculate out-
11 come payments, the payment sched-
12 ule, and performance thresholds.

13 “(VII) The project budget.

14 “(VIII) The project timeline.

15 “(IX) The project eligibility cri-
16 teria.

17 “(X) The evaluation design.

18 “(XI) The metrics that will be
19 used to determine whether the out-
20 comes have been achieved and how
21 these metrics will be measured.

22 “(XII) The estimate of the sav-
23 ings to the Federal, State, and local
24 government, on a program-by-pro-
25 gram basis and in the aggregate, if

1 the contract is entered into and imple-
2 mented and the outcomes are
3 achieved.

4 “(D) FEASIBILITY STUDY FUNDING.—

5 “(i) REQUESTS FOR FUNDING FOR
6 FEASIBILITY STUDIES.—The Secretary
7 shall reserve a portion of the funding pro-
8 vided in subparagraph (G) to assist States
9 or local governments in developing feasi-
10 bility studies required by subparagraph
11 (B). To be eligible to receive funding to as-
12 sist with completing a feasibility study, a
13 State or local government shall submit an
14 application for feasibility study funding
15 containing the following information:

16 “(I) A description of the outcome
17 goals of the social impact partnership
18 project.

19 “(II) A description of the inter-
20 vention, including anticipated program
21 design, target population, an estimate
22 regarding the number of individuals to
23 be served, and setting for the inter-
24 vention.

1 “(III) Evidence to support the
2 likelihood that the intervention will
3 produce the desired outcomes.

4 “(IV) A description of the poten-
5 tial metrics to be used.

6 “(V) The expected social benefits
7 to participants who receive the inter-
8 vention and others who may be im-
9 pacted.

10 “(VI) Estimated costs to conduct
11 the project.

12 “(VII) Estimates of Federal,
13 State, and local government savings
14 and other savings if the project is im-
15 plemented and the outcomes are
16 achieved.

17 “(VIII) An estimated timeline for
18 implementation and completion of the
19 project, which shall not exceed 10
20 years.

21 “(IX) With respect to a project
22 for which the State or local govern-
23 ment selects an intermediary to oper-
24 ate the project, any partnerships
25 needed to successfully execute the

1 project and the ability of the inter-
2 mediary to foster the partnerships.

3 “(X) The expected resources
4 needed to complete the feasibility
5 study for the State or local govern-
6 ment to apply for social impact part-
7 nership funding under subparagraph
8 (B).

9 “(ii) FEDERAL SELECTION OF APPLI-
10 CATIONS FOR FEASIBILITY STUDY.—Not
11 later than 6 months after receiving an ap-
12 plication for feasibility study funding
13 under clause (i), the Secretary, in consulta-
14 tion with the Federal Interagency Council
15 on Social Impact Partnerships and the
16 head of any Federal agency administering
17 a similar intervention or serving a popu-
18 lation similar to that served by the project,
19 shall select State or local government feasi-
20 bility study proposals for funding based on
21 the following:

22 “(I) The likelihood that the pro-
23 posal will achieve the desired out-
24 comes.

1 “(II) The value of the outcomes
2 expected to be achieved.

3 “(III) The potential savings to
4 the Federal Government if the social
5 impact partnership project is success-
6 ful.

7 “(IV) The potential savings to
8 the State and local governments if the
9 project is successful.

10 “(iii) PUBLIC DISCLOSURE.—Not later
11 than 30 days after selecting a State or
12 local government for feasibility study fund-
13 ing under this section, the Secretary shall
14 cause to be published on the website of the
15 Federal Interagency Council on Social Im-
16 pact Partnerships information explaining
17 why a State or local government was
18 granted feasibility study funding.

19 “(iv) FUNDING RESTRICTION.—

20 “(I) FEASIBILITY STUDY RE-
21 STRICTION.—The Secretary may not
22 provide feasibility study funding
23 under this subparagraph for more
24 than 50 percent of the estimated total
25 cost of the feasibility study reported

1 in the State or local government ap-
2 plication submitted under clause (i).

3 “(II) AGGREGATE RESTRIC-
4 TION.—Of the total amount appro-
5 priated under subparagraph (G), the
6 Secretary may not use more than
7 \$10,000,000 to provide feasibility
8 study funding to States or local gov-
9 ernments under this subparagraph.

10 “(III) NO GUARANTEE OF FUND-
11 ING.—The Secretary shall have the
12 option to award no funding under this
13 subparagraph.

14 “(v) SUBMISSION OF FEASIBILITY
15 STUDY REQUIRED.—Not later than 6
16 months after the receipt of feasibility study
17 funding under this subparagraph, a State
18 or local government receiving the funding
19 shall complete the feasibility study and
20 submit the study to the Federal Inter-
21 agency Council on Social Impact Partner-
22 ships.

23 “(E) EVALUATIONS.—

24 “(i) CONTRACT AUTHORITY.—For
25 each State or local government awarded a

1 social impact partnership project approved
2 by the Secretary under this paragraph, the
3 head of the relevant agency, as determined
4 by the Federal Interagency Council on So-
5 cial Impact Partnerships, shall enter into a
6 contract with the State or local govern-
7 ment to pay for all or part of the inde-
8 pendent evaluation to determine whether
9 the State or local government project has
10 met an outcome specified in the contract in
11 order for the State or local government to
12 receive outcome payments under this para-
13 graph.

14 “(ii) EVALUATOR QUALIFICATIONS.—
15 The head of the relevant agency may not
16 enter into a contract with a State or local
17 government unless the head determines
18 that the evaluator is independent of the
19 other parties to the contract and has dem-
20 onstrated substantial experience in con-
21 ducting rigorous evaluations of program ef-
22 fectiveness including, where available and
23 appropriate, well-implemented randomized
24 controlled trials on the intervention or
25 similar interventions.

1 “(iii) METHODOLOGIES TO BE
2 USED.—The evaluation used to determine
3 whether a State or local government will
4 receive outcome payments under this para-
5 graph shall use experimental designs using
6 random assignment or other reliable, evi-
7 dence-based research methodologies, as
8 certified by the Federal Interagency Coun-
9 cil on Social Impact Partnerships, that
10 allow for the strongest possible causal in-
11 ferences when random assignment is not
12 feasible.

13 “(iv) PROGRESS REPORT.—

14 “(I) SUBMISSION OF REPORT.—

15 The independent evaluator shall—

16 “(aa) not later than 2 years
17 after a project has been approved
18 by the Secretary and biannually
19 thereafter until the project is
20 concluded, submit to the head of
21 the relevant agency and the Fed-
22 eral Interagency Council on So-
23 cial Impact Partnerships a writ-
24 ten report summarizing the
25 progress that has been made in

1 achieving each outcome specified
2 in the contract; and

3 “(bb) at the scheduled time
4 of the first outcome payment and
5 at the time of each subsequent
6 payment, submit to the head of
7 the relevant agency and the Fed-
8 eral Interagency Council on So-
9 cial Impact Partnerships a writ-
10 ten report that includes the re-
11 sults of the evaluation conducted
12 to determine whether an outcome
13 payment should be made along
14 with information on the unique
15 factors that contributed to
16 achieving or failing to achieve the
17 outcome, the challenges faced in
18 attempting to achieve the out-
19 come, and information on the im-
20 proved future delivery of this or
21 similar interventions.

22 “(II) SUBMISSION TO CON-
23 GRESS.—Not later than 30 days after
24 receipt of the written report pursuant
25 to subclause (I)(bb), the Federal

1 Interagency Council on Social Impact
2 Partnerships shall submit the report
3 to each committee of jurisdiction in
4 the House of Representatives and the
5 Senate.

6 “(v) FINAL REPORT.—

7 “(I) SUBMISSION OF REPORT.—
8 Within 6 months after the social im-
9 pact partnership project is completed,
10 the independent evaluator shall—

11 “(aa) evaluate the effects of
12 the activities undertaken pursu-
13 ant to the contract with regard
14 to each outcome specified in the
15 contract; and

16 “(bb) submit to the head of
17 the relevant agency and the Fed-
18 eral Interagency Council on So-
19 cial Impact Partnerships a writ-
20 ten report that includes the re-
21 sults of the evaluation and the
22 conclusion of the evaluator as to
23 whether the State or local gov-
24 ernment has fulfilled each obliga-
25 tion of the contract, along with

1 information on the unique factors
2 that contributed to the success or
3 failure of the project, the chal-
4 lenges faced in attempting to
5 achieve the outcome, and infor-
6 mation on the improved future
7 delivery of this or similar inter-
8 ventions.

9 “(II) SUBMISSION TO CON-
10 GRESS.—Not later than 30 days after
11 receipt of the written report pursuant
12 to subclause (I)(bb), the Federal
13 Interagency Council on Social Impact
14 Partnerships shall submit the report
15 to each committee of jurisdiction in
16 the House of Representatives and the
17 Senate.

18 “(vi) LIMITATION ON COST OF EVAL-
19 UATIONS.—Of the amount made available
20 for social impact partnership projects in
21 subparagraph (G), the Secretary may not
22 obligate more than 15 percent to evaluate
23 the implementation and outcomes of the
24 projects.

1 “(F) FEDERAL INTERAGENCY COUNCIL ON
2 SOCIAL IMPACT PARTNERSHIPS.—

3 “(i) ESTABLISHMENT.—There is es-
4 tablished the Federal Interagency Council
5 on Social Impact Partnerships (in this sub-
6 paragraph referred to as the ‘Council’)
7 to—

8 “(I) coordinate the efforts of so-
9 cial impact partnership projects fund-
10 ed by this paragraph;

11 “(II) advise and assist the Sec-
12 retary in the development and imple-
13 mentation of the projects;

14 “(III) advise the Secretary on
15 specific programmatic and policy mat-
16 ter related to the projects;

17 “(IV) provide subject-matter ex-
18 pertise to the Secretary with regard to
19 the projects;

20 “(V) ensure that each State or
21 local government that has entered into
22 a contract with the Secretary for a so-
23 cial impact partnership project under
24 this paragraph and each evaluator se-
25 lected by the head of the relevant

1 agency under subparagraph (E) has
2 access to Federal administrative data
3 to assist the State or local government
4 and the evaluator in evaluating the
5 performance and outcomes of the
6 project;

7 “(VI) address issues that will in-
8 fluence the future of social impact
9 partnership projects in the United
10 States;

11 “(VII) provide guidance to the
12 executive branch on the future of so-
13 cial impact partnership projects in the
14 United States;

15 “(VIII) review State and local
16 government applications for social im-
17 pact partnerships to ensure that con-
18 tracts will only be awarded under this
19 paragraph when rigorous, independent
20 data and reliable, evidence-based re-
21 search methodologies support the con-
22 clusion that a contract will yield sav-
23 ings to the Federal Government if the
24 project outcomes are achieved before

1 the applications are approved by the
2 Secretary;

3 “(IX) certify, in the case of each
4 approved social impact partnership,
5 that the project will yield a projected
6 savings to the Federal Government if
7 the project outcomes are achieved,
8 and coordinate with the relevant Fed-
9 eral agency to produce an after-action
10 accounting once the project is com-
11 plete to determine the actual Federal
12 savings realized, and the extent to
13 which actual savings aligned with pro-
14 jected savings; and

15 “(X) provide oversight of the ac-
16 tions of the Secretary and other Fed-
17 eral officials under this subtitle and
18 report periodically to Congress and
19 the public on the implementation of
20 this paragraph.

21 “(ii) COMPOSITION OF COUNCIL.—
22 The commission shall be composed of 9
23 members, of whom—

1 “(I) 1 shall be appointed by the
2 President, who will serve as the Chair
3 of the Council;

4 “(II) 1 shall be appointed by the
5 Majority Leader of the Senate;

6 “(III) 1 shall be appointed by the
7 Minority Leader of the Senate;

8 “(IV) 1 shall be appointed by the
9 Speaker of the House of Representa-
10 tives;

11 “(V) 1 shall be appointed by the
12 Minority Leader of the House of Rep-
13 resentatives;

14 “(VI) 1 shall be appointed by the
15 Chairman of the Committee on Fi-
16 nance of the Senate;

17 “(VII) 1 shall be appointed by
18 the ranking member of the Committee
19 on Finance of the Senate;

20 “(VIII) 1 member shall be ap-
21 pointed by the Chairman of the Com-
22 mittee on Ways and Means of the
23 House of Representatives; and

24 “(IX) 1 shall be appointed by the
25 ranking member of the Committee on

1 Ways and Means of the House of
2 Representatives.

3 “(iii) QUALIFICATIONS OF COUNCIL
4 MEMBERS.—The membership of the Coun-
5 cil shall consist of individuals who—

6 “(I) are experienced in finance,
7 economics, pay for performance fi-
8 nance or statistics;

9 “(II) have relevant professional
10 or personal experience in a field re-
11 lated to 1 or more of the outcomes
12 listed in this paragraph; and

13 “(III) are qualified to review ap-
14 plications for social impact partner-
15 ship projects to determine whether the
16 proposed metrics and evaluation
17 methodologies are appropriately rig-
18 orous and reliant upon independent
19 data and evidence-based research.

20 “(iv) TIMING OF APPOINTMENTS.—
21 The appointments of the members of the
22 Commission shall be made not later than
23 120 days after the date of the enactment
24 of this paragraph, or, in the event of a va-
25 cancy, not later than 90 days after the

1 date the vacancy arises. If a member of
2 Congress fails to appoint a member by that
3 date, the President may select a member of
4 the President's choice on behalf of the
5 member of Congress. Notwithstanding the
6 preceding sentence, if not all appointments
7 have been made to the Council as of that
8 date, the Council may operate with no
9 fewer than 5 members until all appoint-
10 ments have been made.

11 “(v) TERM OF APPOINTMENTS.—

12 “(I) IN GENERAL.—The members
13 appointed under clause (ii) shall serve
14 as follows:

15 “(aa) 3 members shall serve
16 for 2 years.

17 “(bb) 3 members shall serve
18 for 3 years.

19 “(cc) 3 members (1 of which
20 shall be Chair of the Council ap-
21 pointed by the President) shall
22 serve for 4 years.

23 “(II) ASSIGNMENT OF TERMS.—

24 The Council shall designate the term
25 length that each member appointed

1 under clause (ii) shall serve by unani-
2 mous agreement. In the event that
3 unanimous agreement cannot be
4 reached, term lengths shall be as-
5 signed to the members by a random
6 process.

7 “(vi) VACANCIES.—Subject to sub-
8 paragraph (B), in the event of a vacancy
9 in the Council, whether due to the resigna-
10 tion of a member, the expiration of a mem-
11 ber’s term, or any other reason, the va-
12 cancy shall be filled in the manner in
13 which the original appointment was made
14 and shall not affect the powers of the
15 Council.

16 “(vii) APPOINTMENT POWER.—Mem-
17 bers of the Council appointed under this
18 section shall not be subject to confirmation
19 by the Senate.

20 “(viii) EXECUTIVE ADVISORY
21 GROUP.—The Secretary shall lead an exec-
22 utive advisory group that will provide as-
23 sistance and information as requested by
24 the Council, which advisory group shall be
25 composed of at least 1 designee at the As-

1 sistant Secretary level or higher, des-
2 ignated by the head of the relevant agency,
3 from each of the following:

4 “(I) The Department of Labor.

5 “(II) The Department of Health
6 and Human Services.

7 “(III) The Social Security Ad-
8 ministration.

9 “(IV) The Department of Agri-
10 culture.

11 “(V) The Department of Justice.

12 “(VI) The Department of Hous-
13 ing and Urban Development.

14 “(VII) The Department of Edu-
15 cation.

16 “(VIII) The Department of Vet-
17 erans Affairs.

18 “(IX) The Department of the
19 Treasury.

20 “(X) The Corporation for Na-
21 tional and Community Service.

22 “(G) LIMITATION ON USE OF FUNDS.—Of
23 the amounts made available to carry out this
24 paragraph, the Secretary may not use more
25 than \$2,000,000 in any fiscal year to support

1 the review, approval, and oversight of social im-
2 pact partnership projects, including activities
3 conducted by—

4 “(i) the Federal Interagency Council
5 on Social Impact Partnerships; and

6 “(ii) any other agency consulted by
7 the Secretary before approving a social im-
8 pact partnership project or a feasibility
9 study under subparagraph (D).

10 “(iii) NO FEDERAL FUNDING FOR
11 CREDIT ENHANCEMENTS.—No amount
12 made available to carry out this paragraph
13 may be used to provide any insurance,
14 guarantee, or other credit enhancement to
15 a State or local government under which a
16 Federal payment would be made to a State
17 or local government as the result of a
18 State or local government failing to achieve
19 an outcome specified in a contract.

20 “(H) AVAILABILITY OF FUNDS.—Amounts
21 made available to carry out this paragraph shall
22 remain available until 10 years after the date
23 specified in subparagraph (C)(iii)(III).

24 “(I) WEBSITE.—The Federal Interagency
25 Council on Social Impact Partnerships shall es-

1 tablish and maintain a public website that shall
2 display the following:

3 “(i) A copy of, or method of access-
4 ing, each notice published regarding a so-
5 cial impact partnership project pursuant to
6 this paragraph.

7 “(ii) For each State or local govern-
8 ment that has entered into a contract with
9 the Secretary for a social impact partner-
10 ship project, the website shall contain the
11 following information:

12 “(I) The outcome goals of the
13 project.

14 “(II) A description of each inter-
15 vention in the project.

16 “(III) The target population that
17 will be served by the project.

18 “(IV) The expected social bene-
19 fits to participants who receive the
20 intervention and others who may be
21 impacted.

22 “(V) The detailed roles, respon-
23 sibilities, and purposes of each Fed-
24 eral, State, or local government entity,
25 intermediary, service provider, inde-

1 pendent evaluator, investor, or other
2 stakeholder.

3 “(VI) The payment terms, meth-
4 odology used to calculate outcome
5 payments, the payment schedule, and
6 performance thresholds.

7 “(VII) The project budget.

8 “(VIII) The project timeline.

9 “(IX) The project eligibility cri-
10 teria.

11 “(X) The evaluation design.

12 “(XI) The metrics used to deter-
13 mine whether the proposed outcomes
14 have been achieved and how these
15 metrics are measured.

16 “(iii) A copy of the progress reports
17 and the final reports relating to each social
18 impact partnership project.

19 “(iv) An estimate of the savings to the
20 Federal, State, and local government, on a
21 program-by-program basis and in the ag-
22 gregate, resulting from the successful com-
23 pletion of the social impact partnership
24 project.

1 “(J) REGULATIONS.—The Secretary, in
2 consultation with the Federal Interagency
3 Council on Social Impact Partnerships, may
4 issue regulations as necessary to carry out this
5 paragraph.

6 “(K) DEFINITIONS.—In this paragraph:

7 “(i) AGENCY.—The term ‘agency’ has
8 the meaning given that term in section 551
9 of title 5, United States Code.

10 “(ii) INTERVENTION.—The term
11 ‘intervention’ means a specific service de-
12 livered to achieve an impact through a so-
13 cial impact partnership project.

14 “(iii) SECRETARY.—The term ‘Sec-
15 retary’ means the Secretary of the Treas-
16 ury.

17 “(iv) SOCIAL IMPACT PARTNERSHIP
18 PROJECT.—The term ‘social impact part-
19 nership project’ means a project that fi-
20 nances social services using a social impact
21 partnership model.

22 “(v) SOCIAL IMPACT PARTNERSHIP
23 MODEL.—The term ‘social impact partner-
24 ship model’ means a method of financing
25 social services in which—

1 “(I) Federal funds are awarded
2 to a State or local government only if
3 a State or local government achieves
4 certain outcomes agreed on by the
5 State or local government and the
6 Secretary; and

7 “(II) the State or local govern-
8 ment coordinates with service pro-
9 viders, investors (if applicable to the
10 project), and (if necessary) an inter-
11 mediary to identify—

12 “(aa) an intervention ex-
13 pected to produce the outcome;

14 “(bb) a service provider to
15 deliver the intervention to the
16 target population; and

17 “(cc) investors to fund the
18 delivery of the intervention.

19 “(vi) STATE.—The term ‘State’
20 means each State of the United States, the
21 District of Columbia, each commonwealth,
22 territory or possession of the United
23 States, and each federally recognized In-
24 dian tribe.

1 “(4) TWO-GENERATION STRATEGY TO REDUCE
2 POVERTY DEMONSTRATION PROJECT.—

3 “(A) IN GENERAL.—The Secretary shall
4 make grants to States to implement and evalu-
5 ate strategies designed to build human capital
6 across generations by providing families early
7 education for children and vocational education
8 for parents.

9 “(B) APPLICATION REQUIREMENTS.—The
10 Secretary shall make a grant under this para-
11 graph to any State whose application for the
12 grant includes the following:

13 “(i) A description of the key features
14 of the early education to be provided to
15 children in the families to be served.

16 “(ii) A description of the key features
17 of the vocational education to be provided
18 to a parent in the families to be served.

19 “(iii) A description of any other sup-
20 ports or services to be provided to the fam-
21 ilies to be served, including those designed
22 to improve parenting, child well-being, or
23 economic opportunity.

1 “(iv) A description of how families
2 will be recruited to receive services pro-
3 vided using the grant.

4 “(v) A description of the outcomes for
5 families the State aims to achieve through
6 the provision of services using the grant.

7 “(C) USE OF FUNDS.—A State to which a
8 grant is made under this paragraph may use
9 the grant to provide educational and other serv-
10 ices specified in subparagraph (B) to individ-
11 uals in a family receiving assistance under a
12 State program funded under this part within
13 the last 12 months.

14 “(5) TRAINING IN IN-DEMAND JOBS DEM-
15 ONSTRATION PROJECT.—

16 “(A) IN GENERAL.—The Secretary shall
17 make grants, on a competitive basis, to States
18 to carry out demonstration projects designed to
19 assist eligible participants in obtaining employ-
20 ment in in-demand occupations such as defined
21 by section 3 of the Workforce Innovation and
22 Opportunity Act (Public Law 113–128; 29
23 U.S.C. 3102).

24 “(B) ELIGIBLE PARTICIPANTS.—To be eli-
25 gible to participate in activities under a dem-

1 onstration project for which funds are provided
2 under this paragraph, an individual shall be a
3 member of a family that received assistance
4 under a State program funded under this part
5 in the preceding 12 months.

6 “(C) APPLICATIONS.—To be eligible to re-
7 ceive a grant under this paragraph, a State
8 shall submit an application to the Secretary at
9 such time, in such manner, and containing such
10 information as the Secretary may require, in-
11 cluding—

12 “(i) a description of how the strate-
13 gies and activities will be aligned and avoid
14 duplication with programs providing em-
15 ployment and training activities in the
16 State;

17 “(ii) a description of how training
18 provided under the grant will prepare indi-
19 viduals for occupations that are in-demand
20 in the economy where the individual is lo-
21 cated;

22 “(iii) a description of the training pro-
23 vided and any additional services to be pro-
24 vided or facilitated under the grant that
25 may help an individual secure and retain

1 employment, including job placement serv-
2 ices, career counseling, transportation as-
3 sistance, and child care;

4 “(iv) a description of the populations
5 to be served and the skill needs of those
6 populations, and the manner in which eligi-
7 ble participants will be recruited and se-
8 lected as participants; and

9 “(v) a description of outcomes, includ-
10 ing the performance indicators described in
11 subsection (a)(4)(C)(ii), for individuals the
12 State aims to achieve through the provi-
13 sion of services under the grant.

14 “(6) EVALUATION.—The Secretary, in consulta-
15 tion with each State involved, shall conduct a high-
16 quality evaluation of each demonstration project con-
17 ducted under this subsection, and may reserve funds
18 made available under this subsection to conduct the
19 evaluations in accordance with the following:

20 “(A) EVALUATOR QUALIFICATIONS.—The
21 Secretary may not enter into a contract with an
22 evaluator unless the evaluator has demonstrated
23 experience in conducting rigorous evaluations of
24 program effectiveness including, where available

1 and appropriate, well-implemented randomized
2 controlled trials.

3 “(B) **METHODOLOGIES TO BE USED.**—The
4 evaluation of a demonstration project shall use
5 experimental designs using random assignment
6 or other reliable, evidence-based research meth-
7 odologies that allow for the strongest possible
8 causal inferences when random assignment is
9 not feasible.

10 “(C) **PUBLIC DISCLOSURE.**—The Secretary
11 shall publish the results of the evaluation on the
12 website of the Department of Health and
13 Human Services in a location easily accessible
14 by the public.

15 “(7) **RECOMMENDATIONS TO CONGRESS.**—The
16 Secretary shall submit recommendations to the Con-
17 gress based on the findings from evaluations regard-
18 ing the following:

19 “(A) Recommendations on ways to improve
20 case management and better coordinate benefits
21 and services across programs.

22 “(B) Recommendations on how to increase
23 the employment, retention, and advancement of
24 individuals currently or formerly receiving as-
25 sistance under a State program funded under

1 this part or any other State program funded
2 with qualified state expenditures (as defined in
3 section 409(a)(7)(B)(i)).

4 “(C) Recommendations on how to facilitate
5 collaboration between the public and private
6 sectors to achieve positive social outcomes and
7 pay for results.

8 “(D) Recommendations on how to serve
9 adults and their children to reduce poverty in
10 the short and long run.

11 “(E) Recommendations on how to best
12 provide training for in-demand jobs for individ-
13 uals currently or formerly receiving assistance
14 referred to in subparagraph (B).

15 “(8) APPROPRIATION.—Out of any money in
16 the Treasury of the United States not otherwise ap-
17 propriated, there are appropriated for each of fiscal
18 years 2016 through 2020 \$608,000,000 to carry out
19 this subsection, of which—

20 “(A) \$308,000,000 shall be available for
21 the conduct of demonstration projects under
22 paragraph (1);

23 “(B) \$75,000,000 shall be available for the
24 conduct of demonstration projects under para-
25 graph (2);

1 “(C) \$75,000,000 shall be available for the
2 conduct of demonstration projects under para-
3 graph (3);

4 “(D) \$75,000,000 shall be available for the
5 conduct of demonstration projects under para-
6 graph (4); and

7 “(E) \$75,000,000 shall be available for the
8 conduct of demonstration projects under para-
9 graph (5).

10 “(9) AVAILABILITY OF FUNDS.—Funds pro-
11 vided to a State under this subsection (other than
12 for the conduct of a demonstration project under
13 paragraph (3)) for a fiscal year shall be expended by
14 the State in the fiscal year or in the succeeding fis-
15 cal year.”.

16 **SEC. 11. PROGRAM COORDINATION AND STATE CONTIN-**
17 **GENCY FUNDS.**

18 (a) COMBINED STATE PLAN.—

19 (1) A State shall develop and submit a Com-
20 bined State Plan that meets or exceeds the require-
21 ments of section 402(a) of this Act and section 103
22 of the Workforce Innovation and Opportunity Act
23 (Public Law 113–128; 29 U.S.C. 3113), which shall
24 include activities authorized under this section.

1 (2) OPT-OUT FROM COMBINED STATE PLAN.—

2 A State may opt to not submit a combined State
3 plan under paragraph (1) if the Governor of the
4 State enters into a memorandum of understanding
5 with the State workforce agency on how the State
6 will—

7 (A) coordinate and avoid duplication
8 among other employment, training, education,
9 and human services programs, including those
10 activities authorized under the Workforce Inno-
11 vation and Opportunity Act (Public Law 113–
12 128);

13 (B) share performance accountability goals
14 and outcomes described under section 403(a)(4)
15 with the State workforce agency; and

16 (C) align activities with the strategic plan-
17 ning elements developed by the State Workforce
18 Development Board (as described under section
19 102(b) of the Workforce Innovation and Oppor-
20 tunity Act (Public Law 113–128; 29 U.S.C.
21 3112)); and

22 (D) provide written notification indicating
23 why the Governor has made such a decision not
24 to submit a Combined State Plan described in
25 (d)(1), and provides a copy of the memorandum

1 of understanding to the Secretary and the Sec-
2 retary of Labor.

3 (b) *Open Issue: Require the Secretary of Health and*
4 *Human Services, the Secretary of Agriculture, the Secretary*
5 *of Housing and Urban Development, and other Secretaries*
6 *to report to the Congress on barriers to improving program*
7 *coordination and how to develop cross-program account-*
8 *ability for results.*

9 (c) AUTHORITY TO USE PORTION OF GRANT FOR
10 OTHER PURPOSES.—Section 404(d) (42 U.S.C. 604(d))
11 is amended—

12 (1) in paragraph (1), by redesignating subpara-
13 graph (B) as subparagraph (C) and inserting after
14 subparagraph (A) the following:

15 “(B) Subtitle B of this title.”;

16 (2) in paragraph (2)—

17 (A) in the paragraph heading, by striking
18 “1 OF TITLE XX PROGRAMS” and inserting “A
19 OF TITLE XX PROGRAMS AND SUBTITLE B OF
20 THIS TITLE”;

21 (B) in subparagraph (A)—

22 (i) by striking “1” and inserting “A”;

23 and

24 (ii) by inserting “or subtitle B of this
25 title” before the period; and

1 (C) by striking subparagraph (B) and in-
2 serting the following:

3 “(B) APPLICABLE PERCENT.—For pur-
4 poses of subparagraph (A), the applicable per-
5 cent is 10 percent, in the case of fiscal year
6 2016 and each succeeding fiscal year.”; and

7 (3) in paragraph (3)(B)—

8 (A) in the subparagraph heading, by strik-
9 ing “SUBTITLE 1 OF TITLE XX” and inserting
10 “CERTAIN”;

11 (B) by striking “1 of title XX” and insert-
12 ing “A of title XX of this Act or the Child Care
13 and Development Block Grant Act of 1990”;
14 and

15 (C) by inserting “at the time of application
16 for assistance from such programs” before “is
17 less than”.

18 (d) AUTHORITY TO DESIGNATE PORTION OF GRANT
19 AS CONTINGENCY RESERVE FOR FUTURE NEEDS.—Sec-
20 tion 404(e) (42 U.S.C. 604(e)) is amended to read as fol-
21 lows:

22 “(e) AUTHORITY TO DESIGNATE PORTION OF GRANT
23 AS CONTINGENCY RESERVE FOR FUTURE NEEDS.—A
24 State or tribe may designate any portion of a grant made
25 to the State or tribe under this part (other than under

1 section 403(b)) as a contingency reserve for future needs,
2 and may use any amount so designated to provide, without
3 fiscal year limitation, any benefit or service that may be
4 provided under the State or tribal program funded under
5 this part. If a State so designates a portion of such a
6 grant, the State shall, on an annual basis, include in its
7 report under section 411(a) a specification of the amount
8 so designated.”.

9 **SEC. 12. GRANTS TO IMPROVE CHILD WELL-BEING BY SUP-**
10 **PORTING TWO-PARENT MARRIED FAMILIES**
11 **AND RESPONSIBLE FATHERHOOD.**

12 Section 403(a)(2) (42 U.S.C. 603(a)(2)) is amended
13 to read as follows:

14 “(2) GRANTS TO IMPROVE CHILD WELL-BEING
15 BY PROMOTING HEALTHY MARRIAGE AND RESPON-
16 SIBLE FATHERHOOD.—

17 “(A) IN GENERAL.—

18 “(i) USE OF FUNDS.—Subject to sub-
19 paragraphs (B), (C), and (D), the Sec-
20 retary may use the funds made available
21 under subparagraph (E) for the purpose of
22 conducting and supporting research and
23 demonstration projects by public or private
24 entities, and providing technical assistance
25 to States, Indian tribes and tribal organi-

1 zations, and such other entities as the Sec-
2 retary may specify that are receiving a
3 grant under another provision of this part.

4 “(ii) LIMITATIONS.—The Secretary
5 may not award funds made available under
6 this paragraph on a noncompetitive basis,
7 and may not provide any such funds to an
8 entity for the purpose of carrying out
9 healthy marriage promotion activities or
10 for the purpose of carrying out activities
11 promoting responsible fatherhood unless
12 the entity has submitted to the Secretary
13 an application which—

14 “(I) describes—

15 “(aa) how the programs or
16 activities proposed in the applica-
17 tion will address, as appropriate,
18 issues of domestic violence;

19 “(bb) what the applicant will
20 do, to the extent relevant, to en-
21 sure that participation in the
22 proposed programs or activities is
23 voluntary, and to inform poten-
24 tial participants that their par-
25 ticipation is voluntary;

1 “(cc) how the proposed pro-
2 grams or activities are expected
3 to increase child well-being;

4 “(dd) the key features and
5 design of the proposed programs
6 or activities, and whether the
7 proposed programs or activities
8 have been evaluated (including
9 information about any evaluation,
10 including findings from any such
11 evaluation);

12 “(ee) how the applicant
13 plans to recruit participants for
14 participation in the proposed pro-
15 grams or activities; and

16 “(ff) how the applicant
17 plans to retain participants in
18 the proposed programs or activi-
19 ties for the intended duration of
20 the proposed programs or activi-
21 ties; and

22 “(II) contains a commitment by
23 the entity—

24 “(aa) to not use the funds
25 for any other purpose; and

1 “(bb) to consult with experts
2 in domestic violence or relevant
3 community domestic violence coa-
4 litions in developing the proposed
5 programs or activities.

6 “(iii) HEALTHY MARRIAGE PRO-
7 MOTION ACTIVITIES DEFINED.—In clause
8 (i), the term ‘healthy marriage promotion
9 activities’ means the following:

10 “(I) Public advertising cam-
11 paigns on the value of marriage, the
12 skills needed to increase marital sta-
13 bility and health, the economic, social,
14 and family consequences of unmarried
15 parenting, and the importance of
16 healthy relationships.

17 “(II) Education in secondary
18 schools on the value of marriage, rela-
19 tionship skills, and budgeting, includ-
20 ing educating youth about the eco-
21 nomic, social, and family consequences
22 of unmarried parenting and about the
23 importance of healthy relationships.

24 “(III) Marriage education, mar-
25 riage skills, and relationship skills

1 programs, that may include parenting
2 skills, financial management, conflict
3 resolution, and job and career ad-
4 vancement.

5 “(IV) Pre-marital education and
6 marriage skills training for engaged
7 couples and for couples or individuals
8 interested in marriage.

9 “(V) Marriage enhancement and
10 marriage skills training programs for
11 married couples.

12 “(VI) Divorce reduction pro-
13 grams that teach relationship skills.

14 “(VII) Marriage mentoring pro-
15 grams which use married couples as
16 role models and mentors in at-risk
17 communities.

18 “(VIII) Programs to reduce the
19 disincentives to marriage in means-
20 tested aid programs, if offered in con-
21 junction with an activity described in
22 this subparagraph.

23 “(B) LIMITATION ON USE OF FUNDS FOR
24 DEMONSTRATION PROJECTS FOR COORDINATION
25 OF CHILD WELFARE AND TANF SERVICES TO

1 TRIBAL FAMILIES AT RISK OF CHILD ABUSE OR
2 NEGLECT.—

3 “(i) IN GENERAL.—Of the amounts
4 made available under subparagraph (E) for
5 a fiscal year, the Secretary may not award
6 more than \$2,000,000 on a competitive
7 basis to fund demonstration projects de-
8 signed to improve child well-being by test-
9 ing the effectiveness of tribal governments
10 or tribal consortia in coordinating the pro-
11 vision to tribal families at risk of child
12 abuse or neglect of child welfare services
13 and services under tribal programs funded
14 under this part.

15 “(ii) LIMITATION ON USE OF
16 FUNDS.—A grant made under clause (i)
17 shall not be used for any purpose other
18 than—

19 “(I) to improve case management
20 for families eligible for assistance
21 under a tribal program funded under
22 this part;

23 “(II) for supportive services and
24 assistance to tribal children in out-of-
25 home placements and the tribal fami-

1 lies caring for the children, including
2 families who adopt the children; and

3 “(III) for prevention services and
4 assistance to tribal families at risk of
5 child abuse and neglect.

6 “(iii) REPORTS.—The Secretary may
7 require a recipient of funds awarded under
8 this subparagraph for a project to provide
9 the Secretary with such information as the
10 Secretary deems relevant to enable the
11 Secretary to facilitate and oversee the ad-
12 ministration and evaluation of the project.

13 “(C) LIMITATION ON USE OF FUNDS FOR
14 ACTIVITIES PROMOTING RESPONSIBLE FATHER-
15 HOOD.—

16 “(i) IN GENERAL.—Of the amounts
17 made available under subparagraph (E) for
18 a fiscal year, the Secretary may not award
19 more than \$75,000,000 on a competitive
20 basis to States, territories, Indian tribes
21 and tribal organizations, and public and
22 nonprofit community entities, including re-
23 ligious organizations, for activities pro-
24 moting responsible fatherhood.

1 “(ii) ACTIVITIES PROMOTING RESPON-
2 SIBLE FATHERHOOD DEFINED.—In this
3 subparagraph, the term ‘activities pro-
4 moting responsible fatherhood’ means the
5 following:

6 “(I) Activities to promote healthy
7 relationships and marriages or to sus-
8 tain healthy relationships and mar-
9 riages through activities such as coun-
10 seling, mentoring, disseminating infor-
11 mation about the benefits of marriage
12 and 2-parent involvement for children,
13 enhancing relationship skills, edu-
14 cation regarding how to control ag-
15 gressive behavior, disseminating infor-
16 mation on the causes of domestic vio-
17 lence and child abuse, marriage prep-
18 aration programs, premarital coun-
19 seling, marital inventories, skills-based
20 marriage education, financial planning
21 seminars, including improving the
22 ability of a family to effectively man-
23 age family business affairs by means
24 such as education, counseling, or men-
25 toring on matters related to family fi-

1 nances, including household manage-
2 ment, budgeting, banking, and han-
3 dling of financial transactions and
4 home maintenance, and divorce edu-
5 cation and reduction programs, in-
6 cluding mediation and counseling.

7 “(II) Activities to promote re-
8 sponsible parenting through activities
9 such as counseling, mentoring, and
10 mediation, disseminating information
11 about good parenting practices, skills-
12 based parenting education, encour-
13 aging child support payments, edu-
14 cating youth who are not parents
15 about the economic, social, and family
16 consequences of unmarried parenting,
17 educating youth about healthy rela-
18 tionships, and helping participants in
19 fatherhood programs work with their
20 children to break the cycle of early
21 parenthood, and other methods.

22 “(III) Activities to foster eco-
23 nomic stability by helping low-income
24 fathers improve their economic status
25 by providing, in coordination with

1 other programs providing such serv-
2 ices, activities such as work first serv-
3 ices, job search, job training, sub-
4 sidized employment, job retention, job
5 enhancement, and encouraging edu-
6 cation, including career-advancing
7 education, dissemination of employ-
8 ment materials, coordination with em-
9 ployment services such as welfare-to-
10 work programs, referrals to local em-
11 ployment training initiatives, and
12 other methods.

13 “(IV) Activities to promote re-
14 sponsible fatherhood that are con-
15 ducted through a contract with a na-
16 tionally recognized, nonprofit father-
17 hood promotion organization, such as
18 the development, promotion, and dis-
19 tribution of a media campaign to en-
20 courage the appropriate involvement
21 of parents in the life of any child and
22 specifically the issue of responsible fa-
23 therhood (including to provide infor-
24 mation on the economic, social, and
25 family consequences of unmarried

1 parenting and absent fathers and on
2 the importance of healthy relation-
3 ships), and the development of a na-
4 tional clearinghouse to assist States
5 and communities in efforts to promote
6 and support marriage and responsible
7 fatherhood.

8 “(D) DEVELOPMENT OF EVIDENCE-BASED
9 HEALTHY MARRIAGE AND RESPONSIBLE FA-
10 THERHOOD PROGRAMS AND ACTIVITIES.—

11 “(i) IN GENERAL.—From the amount
12 made available under clause (v) for a fiscal
13 year, the Secretary shall make grants to
14 entities eligible to receive funds provided
15 under subparagraph (A) for the develop-
16 ment, implementation, replication, or scal-
17 ing, and the rigorous evaluation, of pro-
18 grams and activities to improve child well-
19 being by promoting healthy marriage and
20 responsible fatherhood, including—

21 “(I) early-phase grants to fund
22 the development, implementation, and
23 feasibility testing of a promising pro-
24 gram, for the purpose of determining

1 whether the program can be success-
2 fully implemented;

3 “(II) mid-phase grants to fund
4 implementation and a rigorous evalua-
5 tion of a program that has been suc-
6 cessfully implemented under an early-
7 phase grant or other effort meeting
8 similar criteria, for the purpose of
9 measuring the effects and cost effec-
10 tiveness of the program, if possible
11 using existing administrative data;
12 and

13 “(III) expansion grants to fund
14 implementation of a replica of pro-
15 gram that has been found to produce
16 sizable, important effects under a
17 mid-phase grant or other effort meet-
18 ing similar criteria, for the purpose of
19 determining whether the effects of the
20 program can be reproduced and sus-
21 tained over time, and identifying the
22 conditions under which the program is
23 most effective, and a rigorous evalua-
24 tion of such a program.

1 “(ii) AUTHORITY TO GIVE PRIORITY
2 TO APPLICATIONS PROPOSING TO PROVIDE
3 SUPPLEMENTAL FUNDING.—In selecting
4 grantees for expansion grants under clause
5 (i), the Secretary may give priority to ap-
6 plications proposing to supplement the
7 grant funds with additional funds from
8 other governmental or private sources.

9 “(iii) RIGOROUS EVALUATION DE-
10 FINED.—In this subparagraph, the term
11 ‘rigorous evaluation’ means an evaluation
12 that uses experimental designs using ran-
13 dom assignment, when feasible, or other
14 research methodologies that allow for the
15 strongest possible causal inferences when
16 random assignment is not feasible.

17 “(iv) WEBSITE.—The Secretary shall
18 establish a public website that displays, for
19 each grant awarded under this subpara-
20 graph, a description of—

21 “(I) the amount and duration of
22 the grant award;

23 “(II) the program activities that
24 will be implemented and evaluated,
25 and the population that will be served;

1 “(III) the prior evidence of prom-
2 ise or impact on which the grant
3 award was based; and

4 “(IV) the evaluation design, in-
5 cluding the primary targeted out-
6 comes and the time period over which
7 they will be measured.

8 “(v) FUNDING.—The following per-
9 centages of the funds appropriated under
10 subparagraph (E) for the following fiscal
11 years shall be available for grants under
12 this subparagraph for the fiscal year:

13 “(I) 30 percent, in the case of
14 fiscal year 2017.

15 “(II) 40 percent, in the case of
16 fiscal year 2018.

17 “(III) 50 percent, in the case of
18 fiscal year 2019.

19 “(IV) 60 percent, in the case of
20 fiscal year 2020 and each succeeding
21 fiscal year.

22 “(E) APPROPRIATION.—Out of any money
23 in the Treasury of the United States not other-
24 wise appropriated, there are appropriated for

1 each of fiscal years 2016 through 2020 for ex-
2 penditure in accordance with this paragraph—

3 “(i) \$75,000,000 for grants for
4 healthy marriage promotion activities; and

5 “(ii) \$75,000,000 for grants for ac-
6 tivities promoting responsible fatherhood.

7 If the Secretary makes an award under sub-
8 paragraph (B)(i) for a fiscal year, the funds for
9 the award shall be taken in equal portion from
10 the amounts appropriated under clauses (i) and
11 (ii).”.

12 **SEC. 13. RESEARCH AND EVALUATION.**

13 (a) IN GENERAL.—Section 413 (42 U.S.C. 613) is
14 amended to read as follows:

15 **“SEC. 413. EVALUATION OF TEMPORARY ASSISTANCE FOR**
16 **NEEDY FAMILIES AND RELATED PROGRAMS.**

17 “(a) EVALUATION OF THE IMPACTS OF TANF.—The
18 Secretary shall conduct research on the effect of State pro-
19 grams funded under this part and any other State pro-
20 gram funded with qualified State expenditures (as defined
21 in section 409(a)(7)(B)(i)) on employment, self-suffi-
22 ciency, child well-being, unmarried births, marriage, pov-
23 erty, economic mobility, and other factors as determined
24 by the Secretary.

1 “(b) EVALUATION OF GRANTS TO IMPROVE CHILD
2 WELL-BEING BY PROMOTING HEALTHY MARRIAGE AND
3 RESPONSIBLE FATHERHOOD.—The Secretary shall con-
4 duct research to determine the effects of the grants made
5 under section 403(a)(2) on child well-being, marriage,
6 family stability, economic mobility, poverty, and other fac-
7 tors as determined by the Secretary.

8 “(c) PARTNERSHIP WITH STATES TO IMPROVE PER-
9 FORMANCE.—At the request of a State, the Secretary may
10 provide assistance to help the State develop and evaluate
11 policies to achieve the goals specified in section 401(a),
12 including by providing funds for training and technical as-
13 sistance.

14 “(d) DISSEMINATION OF INFORMATION.—The Sec-
15 retary shall, in consultation with States receiving funds
16 provided under this part, develop methods of dissemi-
17 nating information on any research, evaluation, or study
18 conducted under this section, including facilitating the
19 sharing of information and best practices among States
20 and localities.

21 “(e) STATE-INITIATED EVALUATIONS.—A State shall
22 be eligible to receive funding to evaluate the State pro-
23 gram funded under this part if—

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

1 “(2) the Secretary determines that the design
2 and approach of the proposed evaluation is rigorous
3 and is likely to yield information that is credible and
4 will be useful to other States; and

5 “(3) unless waived by the Secretary, the State
6 contributes to the cost of the evaluation, from non-
7 Federal sources, an amount equal to at least 25 per-
8 cent of the cost of the proposed evaluation.

9 “(f) CENSUS BUREAU RESEARCH.—The Bureau of
10 the Census shall implement or enhance a longitudinal sur-
11 vey of program participation, developed in consultation
12 with the Secretary and made available to interested par-
13 ties, to allow for the assessment of the outcomes of contin-
14 ued welfare reform on the economic and child well-being
15 of low-income families with children, including those who
16 received assistance or services from a State program fund-
17 ed under this part or any other State program funded with
18 qualified State expenditures (as defined in section
19 409(a)(7)(B)(i)), and, to the extent possible, shall provide
20 State representative samples. The content of the survey
21 should include such information as may be necessary to
22 examine the issues of unmarried childbearing, marriage,
23 welfare dependency and compliance with work require-
24 ments, the beginning and ending of spells of assistance,

1 work, earnings and employment stability, and the well-
2 being of children.

3 “(g) RESEARCH AND EVALUATION CONDUCTED
4 UNDER THIS SECTION.—Research and evaluation con-
5 ducted under this section shall use experimental designs
6 using random assignment or other reliable, evidence-based
7 research methodologies that allow for the strongest pos-
8 sible causal inferences when random assignment is not
9 feasible.

10 “(h) DEVELOPMENT OF WHAT WORKS CLEARING-
11 HOUSE OF PROVEN AND PROMISING APPROACHES TO
12 MOVE WELFARE RECIPIENTS INTO WORK.—

13 “(1) IN GENERAL.—The Secretary, in consulta-
14 tion with the Secretary of Labor, shall develop a
15 database (which shall be referred to as the ‘What
16 Works Clearinghouse of Proven and Promising
17 Projects to Move Welfare Recipients into Work’) of
18 the projects that used a proven approach or a prom-
19 ising approach in moving welfare recipients into
20 work, based on independent, rigorous evaluations of
21 the projects. The database shall include a separate
22 listing of projects that used a developmental ap-
23 proach in delivering services and a further separate
24 listing of the projects that used an approach in de-
25 livering services that was proven to be ineffective in

1 achieving positive outcomes. The Secretary shall add
2 to the What Works Clearinghouse of Proven and
3 Promising Projects to Move Welfare Recipients into
4 Work data about the projects that, based on an
5 independent, well-conducted experimental evaluation
6 of a program or project, using random assignment
7 or other research methodologies that allow for the
8 strongest possible causal inferences, have shown they
9 are proven, promising, developmental, or ineffective
10 approaches.

11 “(2) CRITERIA FOR EVIDENCE OF EFFECTIVE-
12 NESS OF APPROACH.—The Secretary, in consultation
13 with the Secretary of Labor and organizations with
14 experience in evaluating research on the effective-
15 ness of various approaches in delivering services to
16 move welfare recipients into work, shall—

17 “(A) establish criteria for evidence of the
18 effectiveness of the approaches used in the dem-
19 onstration projects; and

20 “(B) ensure that the process for estab-
21 lishing the criteria—

22 “(i) is transparent;

23 “(ii) is consistent across agencies;

24 “(iii) provides opportunity for public
25 comment; and

1 “(iv) takes into account efforts of
2 Federal agencies to identify and publicize
3 effective interventions, including efforts at
4 the Department of Health and Human
5 Services, the Department of Education,
6 and the Department of Justice.

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

8 “(A) APPROACH.—The term ‘approach’
9 means a process, product, strategy, or practice
10 that is—

11 “(i) research-based, based on the re-
12 sults of 1 or more empirical studies, and
13 linked to program-determined outcomes;
14 and

15 “(ii) evaluated using rigorous research
16 designs.

17 “(B) PROVEN APPROACH.—The term
18 ‘proven approach’ means an approach used in a
19 demonstration project conducted under this sec-
20 tion that—

21 “(i) meets the requirements of a
22 promising approach; and

23 “(ii) has demonstrated significant
24 positive outcomes at more than 1 site in
25 terms of increasing work and earnings of

1 participants, reducing poverty and depend-
2 ence, or strengthening families.

3 “(C) PROMISING APPROACH.—The term
4 ‘promising approach’ means an approach used
5 in a demonstration project conducted under this
6 section—

7 “(i) that has been used in the project
8 or elsewhere for at least 3 years;

9 “(ii) that meets the requirements of
10 subparagraph (D)(i);

11 “(iii) that has been evaluated using
12 well-designed and rigorous randomized
13 controlled or quasi-experimental research
14 designs;

15 “(iv) that has demonstrated signifi-
16 cant positive outcomes at only 1 site in
17 terms of increasing work and earnings of
18 participants, reducing poverty and depend-
19 ence, or strengthening families; and

20 “(v) under which the benefits of the
21 positive outcomes have exceeded the costs
22 of achieving the outcomes.

23 “(D) DEVELOPMENTAL APPROACH.—The
24 term ‘developmental approach’ means an ap-

1 proach used in a demonstration project con-
2 ducted under this section that—

3 “(i) is research-based, grounded in
4 relevant empirically-based knowledge, and
5 linked to program-determined outcomes;

6 “(ii) is evaluated using rigorous re-
7 search designs; and

8 “(iii) has yet to demonstrate a signifi-
9 cant positive outcome in terms of increas-
10 ing work and earnings of participants in a
11 cost-effective way.

12 “(i) APPROPRIATION.—

13 “(1) IN GENERAL.—Of the amount appro-
14 priated in section 403(a)(1) for each fiscal year,
15 0.33 percent shall be available for research and eval-
16 uation under this section.

17 “(2) ALLOCATION.—Of the amount made avail-
18 able under paragraph (1) for each fiscal year, the
19 Secretary shall make available \$10,000,000 plus
20 such additional amount as the Secretary deems nec-
21 essary and appropriate, to carry out subsection (f).”.

22 (b) CONFORMING AMENDMENT.—Section
23 403(a)(1)(B) (42 U.S.C. 603(a)(1)(B)), as amended by
24 section 7(b) of this Act, is amended by inserting “, and
25 further reduced by the percentage specified in section

1 413(i) with respect to the fiscal year,” before “as the
2 amount”.

3 **SEC. 14. ELIMINATION OF OBSOLETE PROVISIONS.**

4 (a) **AUTHORITY TO TREAT INTERSTATE IMMIGRANTS**
5 **UNDER RULES OF FORMER STATE.—**

6 (1) **IN GENERAL.—**Section 404 (42 U.S.C. 604)
7 is amended by striking subsection (c).

8 (2) **CONFORMING AMENDMENT.—**Section
9 402(a)(1)(B) (42 U.S.C. 602(a)(1)(B)) is amended
10 by striking clause (i) and redesignating clauses (ii)
11 through (v) as clauses (i) through (iv), respectively.

12 (b) **WELFARE-TO-WORK GRANTS.—**Section 403(a)
13 (42 U.S.C. 603(a)) is amended by striking paragraph (5).

14 (c) **FEDERAL LOANS FOR STATE WELFARE PRO-**
15 **GRAMS.—**Section 406 (42 U.S.C. 606) is repealed.

16 (d) **ANNUAL REPORTS TO CONGRESS.—**Section 411
17 (42 U.S.C. 611) is amended by striking subsection (b).

18 (e) **PRE-AUTHORIZATION REPORTS ON WORK PAR-**
19 **TICIPATION AND SPENDING.—**Section 411 (42 U.S.C.
20 611), as amended by subsection (d) of this section, is
21 amended by striking subsection (c) and redesignating sub-
22 section (d) as subsection (b).

23 **SEC. 15. TECHNICAL CORRECTIONS.**

24 (a) **ELIMINATION OF “ILLEGITIMACY RATIO”.—**Sec-
25 tion 402(a)(1)(A)(v) (42 U.S.C. 602(a)(1)(A)(v)) is

1 amended by striking “illegitimacy ratio of the State (as
2 defined in section 403(a)(2)(C)(iii)) for calendar years
3 1996 through 2005” and inserting “percentage of children
4 born to unmarried parents”.

5 (b) *Open issue: Change terminology from vocational*
6 *educational training to career and technical education and*
7 *training*

8 **SEC. 16. EFFECTIVE DATE.**

9 Except as provided in sections 5(l) and 7(e)(2), this
10 Act and the amendments made by this Act shall take ef-
11 fect on October 1, 2015.