

113TH CONGRESS
1ST SESSION

H. R. 2359

To amend title IV of the Social Security Act to ensure funding for grants to promote responsible fatherhood and strengthen low-income families, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 13, 2013

Mr. DANNY K. DAVIS of Illinois (for himself, Mr. CARSON of Indiana, Mr. McDERMOTT, Mr. RANGEL, Mr. PAYNE, Ms. LEE of California, Mr. BISHOP of Utah, Mrs. CHRISTENSEN, Ms. WILSON of Florida, Ms. NORTON, Mr. CLAY, Ms. SEWELL of Alabama, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. CLEAVER, Mr. LEWIS, Ms. BROWN of Florida, Mr. CUMMINGS, Mr. BUTTERFIELD, Mr. RUSH, Mr. THOMPSON of Mississippi, Ms. MOORE, Ms. JACKSON LEE, Mr. RICHMOND, Mr. MEEKS, and Ms. CLARKE) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Education and the Workforce, Energy and Commerce, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title IV of the Social Security Act to ensure funding for grants to promote responsible fatherhood and strengthen low-income families, and for other purposes.

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

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

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Julia Carson Responsible Fatherhood and Healthy Fami-
4 lies Act of 2013”.

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

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

TITLE I—PROMOTING RESPONSIBLE FATHERHOOD AND
STRENGTHENING LOW-INCOME FAMILIES

Sec. 101. State assessments of barriers to employment and financial support of
children.

Sec. 102. Grants to States to conduct demonstration projects to promote eco-
nomic opportunity for low-income parents.

Sec. 103. Healthy marriage promotion and responsible fatherhood programs.

Sec. 104. Elimination of separate TANF work participation rate for 2-parent
families.

Sec. 105. Ban on recovery of Medicaid costs for births.

Sec. 106. Improved collection and distribution of child support.

Sec. 107. Collection of child support under the supplemental nutrition assist-
ance program.

Sec. 108. Grants supporting healthy family partnerships for domestic violence
intervention and preventions.

Sec. 109. Procedures to address domestic violence.

TITLE II—REVENUE PROVISION

Sec. 201. Increase in credit percentage under earned income tax credit for eligi-
ble individuals with no qualifying children.

7 **SEC. 2. FINDINGS.**

8 Congress makes the following findings:

9 (1) The United States almost has the highest
10 child poverty rate among 34 industrialized countries.

11 (2) Thirty-two percent of all children in the
12 United States lived with only 1 or neither of their
13 parents. African-American children are the most
14 likely of all children to live in such families—63 per-

1 cent, compared to 53 percent of American Indian
2 children, 34 percent of Hispanic children, 24 percent
3 of non-Hispanic White children, and 15 percent of
4 Asian-American and Pacific Islander children.

5 (3) One of the most important factors in a
6 child's upbringing is whether the child is brought up
7 in a loving, healthy, supportive environment.

8 (4) Children who grow up with 2 parents are,
9 on average, more likely than their peers in single-
10 parent homes to finish high school and be economi-
11 cally self-sufficient.

12 (5) Father-child interaction, like mother-child
13 interaction, has been shown to promote the positive
14 physical, social, emotional, and mental development
15 of children.

16 (6) Children typically live with a single parent
17 when their parents are divorced or did not marry.
18 More than $\frac{1}{3}$ of all first marriages end in divorce,
19 and about 60 percent of divorcing couples have chil-
20 dren. More than 40 percent of all births are to un-
21 married women.

22 (7) Nearly 1 in 3 families with children have
23 only 1 parent present, and more than 1 in 5 children
24 live absent their biological father.

1 (8) Recent studies demonstrate that most
2 unwed fathers in urban areas are highly involved
3 with the mother of their child before and after the
4 child's birth, with 80 percent involved during the
5 mother's pregnancy, and 50 percent living with the
6 child's mother at the time of the child's birth. How-
7 ever, the relationship between the parents often does
8 not last, and many fathers do not maintain contact
9 with their children as the children grow up.

10 (9) An estimated 49 percent of the children
11 who live in households without their father have not
12 seen their fathers in at least 1 year.

13 (10) Fathers' love, care, and emotional support
14 are positively linked to good social, emotional, and
15 cognitive development in their children; their chil-
16 dren's academic achievement; lower rates of risky
17 behaviors and contact the juvenile justice system;
18 positive social behavior; positive emotional health;
19 and healthy self-esteem.

20 (11) Research has demonstrated that most fa-
21 thers want to do well for their children. Rates of vis-
22 itation among non-custodial fathers are higher than
23 expected and mothers do want fathers involved in
24 the lives of their children.

1 (12) The inability of parents to sustain a
2 healthy relationship with their child's other parent
3 and remain involved in their child's life can have se-
4 vere negative consequences for the parents, the
5 child, their community, and taxpayers.

6 (13) Single-parent families are about 4 times as
7 likely to be poor as married-couple families.

8 (14) Children raised in single-parent families
9 are more likely than children raised in 2-parent fam-
10 ilies to do poorly in school, have emotional and be-
11 havioral problems, become teenage parents, commit
12 crimes, smoke cigarettes, abuse drugs and alcohol,
13 and have poverty-level incomes as adults.

14 (15) High rates of unemployment and low
15 wages are primary reasons why parents do not
16 marry and why 2-parent families break up.

17 (16) When components of family and jobs sup-
18 ports are paired with responsible fatherhood pro-
19 gramming, more fathers declare paternity, more live
20 with their children, and more noncustodial men pay
21 child support.

22 (17) Domestic violence is also a significant
23 problem leading to the nonformation or breakup of
24 2-parent families.

1 (18) Unemployment for Black workers re-
2 mained almost double what it is for Whites, a ratio
3 unchanged in at least 35 years. In metropolitan
4 areas, Blacks are the racial group most spatially iso-
5 lated from available jobs.

6 (19) A history of incarceration is a major bar-
7 rier to employment. Sixty percent of young African-
8 American men who dropped out of high school have
9 served time. When these men leave prison, they
10 often have difficulty finding a job and supporting
11 their children.

12 (20) Youth who are disconnected from school
13 and employment are more likely than others to en-
14 gage in crime, become incarcerated, and rely on pub-
15 lic systems of support. While all races and
16 ethnicities are represented among this youth popu-
17 lation, research studies show that African-American
18 males constitute a disproportionate share due to
19 their overrepresentation in the child welfare and ju-
20 venile justice systems.

21 (21) Over $\frac{1}{2}$ of State prison inmates are par-
22 ents. When noncustodial parents go to prison, most
23 of them are required to pay their child support obli-
24 gation, even though they have little ability to pay the
25 support. When these parents leave prison, they typi-

1 cally owe more than \$20,000 in child support debt.
2 Noncustodial parents leaving prison often re-enter
3 the underground economy because of financial pres-
4 sures or to avoid the child support system, making
5 it less likely that they will successfully rejoin society
6 and reunite with their families.

7 (22) Children should receive the child support
8 paid by their parents, and the government should
9 not keep the money to recover welfare costs. Regular
10 child support income appears to have a greater posi-
11 tive impact on children dollar for dollar than other
12 types of income. Researchers in Wisconsin found
13 that when monthly child support was passed through
14 to families receiving assistance under the Temporary
15 Assistance for Needy Families program established
16 under part A of title IV of the Social Security Act
17 (TANF) and disregarded 100 percent in determining
18 assistance for the families, fathers paid more child
19 support, established their legal relationship with
20 their children more quickly, and worked less in the
21 underground economy. Moreover, the State costs of
22 a full pass-through and disregard of child support
23 were fully offset by increased payments by fathers
24 and decreased public assistance use by families.

1 (23) Funding spent on Federal child support
2 collection is cost-effective, especially when it address-
3 es fathers' particular circumstances and passes pay-
4 ments through to the family. The child support pro-
5 gram collects \$5.12 in support payments for families
6 for every public dollar spent.

7 (24) The Department of Health and Human
8 Services National Child Support Enforcement Stra-
9 tegic Plan for fiscal years 2005 through 2009 states
10 that "child support is no longer a welfare reimburse-
11 ment, revenue-producing device for the Federal and
12 State governments; it is a family-first program, in-
13 tended to ensure families' self-sufficiency by making
14 child support a more reliable source of income".

15 (25) Current law permits States to apply the
16 cost of passing through child support to families re-
17 ceiving assistance under the TANF program toward
18 their maintenance of effort (MOE) requirements,
19 but only to the extent that the State disregards the
20 child support payments in determining TANF eligi-
21 bility and payment amount.

22 (26) While the Federal Government has over 40
23 programs that provide some funding for employment
24 and training, the United States is near the bottom
25 of industrialized nations in spending on "active labor

1 market policy''. Low-income men have become in-
2 creasingly disconnected from school and work—and
3 increasingly poor. A large portion of those men are
4 non-custodial fathers.

5 (27) The negative effect of a criminal conviction
6 is substantially larger for Blacks than for Whites.

7 (28) African-Americans constitute only 14 per-
8 cent of drug users, but they represent 32 percent of
9 those arrested for drug offenses, 44 percent of drug
10 convictions, and 45 percent of drug offenders in
11 State prison. One in 15 African-American males
12 over 18 is behind bars as opposed to 1 out of 36 for
13 Latinos and one out of 106 for White males. In ad-
14 dition, since 2000, on average, 682,000 inmates
15 have been released from prison annually. This num-
16 ber does not include those who come home from city
17 and county jails. If current trends continue, the
18 chilling extrapolation is that 1 in 3 Black males
19 born today can expect to spend time in prison dur-
20 ing his lifetime. These men are disproportionately
21 removed from lower income, segregated, and
22 disinvested communities, where they will eventually
23 return—too often without the skills they need to be-
24 come successful husbands, fathers, neighbors, and
25 wage earners.

1 (29) Programs that increase employment oppor-
2 tunity and reduce barriers by increasing employment
3 opportunity and reducing recidivism will benefit chil-
4 dren and families.

5 (30) Transitional jobs programs have shown
6 promise in reducing unemployment among chron-
7 ically unemployed or underemployed population
8 groups, including formerly incarcerated individuals,
9 the homeless, and young African-American men.

10 (31) To strengthen families it is important to
11 improve the upward economic mobility of the custo-
12 dial and noncustodial parent wage-earners, as well
13 as youth at risk of early parenthood or incarcer-
14 ation, by providing the skills and experience nec-
15 essary to access jobs with family sustaining wages
16 and benefits. In families in which all the members
17 do not live together, this is important to enable the
18 prompt and consistent payment of adequate child
19 support.

20 (32) It is important and useful to foster local
21 and regional economic development and job advance-
22 ment for workers, especially young custodial and
23 noncustodial parents, by funding local collaborations
24 among business, education, and the community in
25 the development of pathways for preparing disadvan-

1 taged citizens to meet the workforce needs of the
2 local and regional economy.

3 (33) Employers benefit from working with and
4 being supported by the local education, postsec-
5 ondary, and workforce systems in identifying the
6 academic and occupational skill sets needed to fill
7 the skilled jobs in the changing economy. Local eco-
8 nomic and community development is enhanced
9 when residents have access to higher wage employ-
10 ment, thus increasing the tax base, fueling the econ-
11 omy, and contributing to greater family economic se-
12 curity.

13 (34) Public-private career pathways partner-
14 ships are an important tool for linking employers
15 and workers with the workforce education services
16 they need and for integrating community economic
17 development and workforce education services. Tran-
18 sitional jobs programs can serve as the first step in
19 a career pathway by giving unemployed individuals
20 with multiple barriers to employment, valuable work
21 experience and related services.

22 (35) Evaluations of State child support enforce-
23 ment policies have shown that supportive child sup-
24 port enforcement policies, rather than coercive ones,
25 have a positive impact on father involvement.

1 (36) The purpose of child support is to provide
2 necessary income support for and increase the well-
3 being of children living apart from a parent. To im-
4 prove the ability of low-income noncustodial parents
5 to provide long-term support and care for their chil-
6 dren throughout their entire childhood, it is impor-
7 tant that child support polices support parental ef-
8 forts to pursue education and employment and to
9 stay involved with their children.

10 (37) Responsible parenthood includes active
11 participation in financial support and child-rearing,
12 as well as the formation and maintenance of a posi-
13 tive, healthy, and nonviolent relationship between
14 parent and child and a cooperative, healthy, and
15 nonviolent relationship between parents.

16 (38) States should be encouraged to implement
17 voluntary programs that provide support for respon-
18 sible parenting, including by increasing the employ-
19 ment and financial security of parents, and the pa-
20 rental involvement of noncustodial parents.

21 (39) Promoting responsible parenthood saves
22 the government money by reducing the need for pub-
23 lic assistance, increasing the educational attainment
24 of children, reducing juvenile delinquency and crime,

1 reducing substance abuse, and lowering rates of un-
2 employment.

3 (40) Programs to encourage responsible father-
4 hood or responsible motherhood should promote and
5 provide support services for—

6 (A) fostering loving and healthy relation-
7 ships between parents and children;

8 (B) increasing responsibility of noncusto-
9 dial parents for the long-term care and finan-
10 cial well-being of their children;

11 (C) increasing employment of low-income,
12 noncustodial parents and improving compliance
13 with child support obligations; and

14 (D) reducing barriers to active 2-parent in-
15 volvement and cooperative parenting.

16 (41) The promotion of marriage and responsible
17 parenthood should not minimize the standing or par-
18 enting efforts of single parents or other caregivers,
19 lessen the protection of children from abusive par-
20 ents, or compromise the safety or health of the cus-
21 todial or noncustodial parent, but should increase
22 the chance that children will have 2 caring parents
23 to help them grow up healthy and secure.

1 **TITLE I—PROMOTING RESPON-**
2 **SIBLE FATHERHOOD AND**
3 **STRENGTHENING LOW-IN-**
4 **COME FAMILIES**

5 **SEC. 101. STATE ASSESSMENTS OF BARRIERS TO EMPLOY-**
6 **MENT AND FINANCIAL SUPPORT OF CHIL-**
7 **DREN.**

8 (a) STATE ASSESSMENTS AND REPORTS.—As a con-
9 dition of the continued approval of a State plan under part
10 D of title IV of the Social Security Act (42 U.S.C. 651
11 et seq.), each State with an approved such plan, acting
12 through the appropriate State agencies, shall assess the
13 State policies with respect to the issues described in sub-
14 section (b) and submit a report to the Secretary of Health
15 and Human Services on the results of such assessment
16 not later than October 1, 2014.

17 (b) ISSUES DESCRIBED.—For purposes of subsection
18 (a), the issues described in this subsection are the fol-
19 lowing:

20 (1) The process of setting and modifying child
21 support obligations, particularly with respect to low-
22 income parents, including—

23 (A) the role and criteria for using imputed
24 income in determining child support obligations;

25 (B) the process of modifying obligations;

1 (C) the consideration of income and em-
2 ployment status, including efforts to identify
3 unreported income;

4 (D) the consideration of incarceration;

5 (E) the consideration of disability;

6 (F) the treatment of arrearages, including
7 interest charged, and laws or procedures that
8 interfere with forgiveness, adjustment, waiver,
9 or compromise of arrears owed to the State by
10 low-income noncustodial parents who lack suffi-
11 cient ability to pay such arrearages;

12 (G) the procedures related to retroactive
13 support; and

14 (H) State pass-through and disregard poli-
15 cies for recipients of means-tested public bene-
16 fits.

17 (2) The impact of State criminal laws and law
18 enforcement practices on the employment acquisi-
19 tion, retention, and advancement prospects of indi-
20 viduals following arrest, conviction, or incarceration,
21 including—

22 (A) any efforts, including counseling or
23 employment support, to assist ex-prisoners with
24 reentry to a community and successful reunifi-
25 cation with their families; and

1 (B) an assessment of any efforts to seal or
2 expunge arrest and conviction records and any
3 efforts to grant certificates or other acknowl-
4 edgments of rehabilitation to ex-prisoners, and
5 to examine State occupational licensing and cer-
6 tification procedures.

7 (3) An assessment of the impact of debt on em-
8 ployment retention, including child support and non-
9 child support debts imposed to recover costs related
10 to welfare and criminal justice.

11 (4) An assessment of State practices related to
12 providing prisoners and ex-prisoners with valid iden-
13 tification documents upon release from prison.

14 (5) Identification of any other barriers to
15 healthy family formation or sustainable economic op-
16 portunity for custodial and noncustodial parents that
17 are created or exacerbated by Federal or State laws,
18 policies, or procedures, including an examination of
19 the rules of Federal and State means-tested pro-
20 grams, the operation of the State workforce system,
21 the availability of financial education services, and
22 the availability of domestic violence services and
23 child support procedures to help victims of domestic
24 violence stay safe and obtain the child support they
25 are owed.

1 (c) GRANTS TO STATES FOR COMMISSIONS ON STATE
2 LAW IMPROVEMENTS IN THE BEST INTEREST OF CHIL-
3 DREN AND FAMILIES.—The Secretary of Health and
4 Human Services shall award grants to States to establish
5 or support commissions to review the State assessment
6 conducted in accordance with subsection (a) and to make
7 recommendations on ways to improve State law in the best
8 interest of children and families.

9 (d) APPROPRIATIONS.—Out of any money in the
10 Treasury of the United States not otherwise appropriated,
11 there are appropriated to the Secretary of Health and
12 Human Services for each of fiscal years 2014 through
13 2018, \$3,000,000, to remain available until expended, for
14 the purpose of making—

15 (1) payments to States to offset all or a portion
16 of the costs of conducting the State assessments and
17 reports required under subsection (a); and

18 (2) grants to States under subsection (c).

19 **SEC. 102. GRANTS TO STATES TO CONDUCT DEMONSTRA-**
20 **TION PROJECTS TO PROMOTE ECONOMIC OP-**
21 **PORTUNITY FOR LOW-INCOME PARENTS.**

22 (a) COURT-SUPERVISED OR IV–D AGENCY-SUPER-
23 VISED EMPLOYMENT PROGRAMS FOR NONCUSTODIAL
24 PARENTS.—

1 (1) IN GENERAL.—To assist States in imple-
2 menting section 466(a)(15) of the Social Security
3 Act, the Secretary of Health and Human Services
4 shall award grants to States to conduct demonstra-
5 tion projects to establish, in coordination with coun-
6 ties and other local or tribal governments, court-su-
7 pervised or IV–D agency supervised-employment
8 programs for noncustodial parents who have barriers
9 to employment and a history of nonpayment of child
10 support obligations, as determined by a court or the
11 IV–D agency, and who are determined by the court
12 or agency to be in need of employment services or
13 placement in order to pay such child support obliga-
14 tions. A noncustodial parent described in the pre-
15 ceding sentence who is an ex-offender shall be eligi-
16 ble to participate in a program established under
17 this subsection.

18 (2) REQUIREMENTS.—

19 (A) OPTION TO PARTICIPATE PRIOR TO
20 CONTEMPT FINDING.—A State shall not be eli-
21 gible to receive a grant under this subsection
22 unless any program established with funds
23 made available under the grant provides non-
24 custodial parents described in paragraph (1)
25 with an option to participate in the program

1 prior to the court or agency entering a finding
2 that the noncustodial parent is in contempt for
3 failure to pay a child support obligation and,
4 potentially subject to criminal penalties.

5 (B) PROGRAM GOALS.—An employment
6 program established with funds made available
7 under a grant awarded under this subsection
8 shall be designed to do the following:

9 (i) To assist noncustodial parents de-
10 scribed in paragraph (1) obtain and main-
11 tain unsubsidized employment.

12 (ii) To increase the amount of finan-
13 cial support received by children.

14 (iii) To help noncustodial parents de-
15 scribed in paragraph (1) improve relation-
16 ships with their children and their chil-
17 dren's custodial parent.

18 (C) 6 MONTHS OF CONTINUOUS, TIMELY
19 PAYMENTS.—An employment program estab-
20 lished with funds made available under this
21 subsection shall not permit a noncustodial par-
22 ent placed in the program to graduate from the
23 program and avoid penalties for failure to pay
24 a child support obligation until the noncustodial
25 parent completes at least 6 months of contin-

1 uous, timely payment of the parent's child sup-
2 port obligations.

3 (D) USE OF FUNDS.—

4 (i) Services provided under an employ-
5 ment program established with funds made
6 available under a grant made under this
7 subsection must include the following:

8 (I) Job placement, including job
9 development and supervised job search
10 as necessary.

11 (II) Case management, including
12 educational assessment and advising,
13 vocational assessment and career ex-
14 ploration services, and court liaison
15 services.

16 (III) Counseling on responsible
17 parenthood.

18 (IV) Referral for support and
19 educational services.

20 (V) Employment retention serv-
21 ices.

22 (ii) Services provided under an em-
23 ployment program established with funds
24 made available under a grant made under
25 this subsection may include the following:

1 (I) Remedial education services
2 or educational referral.

3 (II) Support funds for services
4 such as transportation, child care, or
5 short-term training.

6 (III) Transitional jobs programs.

7 (IV) Public-private career path-
8 way partnerships established in ac-
9 cordance with subsection (b)(2).

10 (V) Occupational skill training,
11 including college credit programs.

12 (VI) Curricula development.

13 (E) ADMINISTRATION.—A State that re-
14 ceives a grant under this subsection may con-
15 tract with a public or private nonprofit organi-
16 zation, including a faith-based or community-
17 based organization, to administer (in conjunc-
18 tion with the court of jurisdiction or the IV–D
19 agency) the court-supervised or IV–D agency-
20 supervised employment program.

21 (b) TRANSITIONAL JOBS AND PUBLIC-PRIVATE
22 PARTNERSHIP GRANTS.—The Secretary of Labor shall
23 award grants to States to conduct demonstration projects
24 to carry out one or more of the projects described in para-
25 graphs (1) and (2).

1 (1) TRANSITIONAL JOBS GRANTS.—

2 (A) IN GENERAL.—To establish and ex-
3 pand transitional jobs programs for eligible in-
4 dividuals, including such programs conducted
5 by local governments, State employment agen-
6 cies, nonprofit organizations, and faith-based or
7 community-based organizations or inter-
8 mediaries, that—

9 (i) combine time-limited employment
10 in transitional jobs that may be subsidized
11 with public funds, with activities that pro-
12 mote skill development and remove barriers
13 to employment, such as case management
14 services and education, training, child sup-
15 port-related services, and other activities,
16 pursuant to individual plans; and

17 (ii) provide such individuals with—

18 (I) transitional jobs placements
19 and job placement assistance, to help
20 the individuals make the transition
21 from subsidized employment in transi-
22 tional jobs to stable unsubsidized em-
23 ployment; and

1 (II) retention services after the
2 transition to unsubsidized employ-
3 ment.

4 (B) ELIGIBLE INDIVIDUALS.—For pur-
5 poses of this paragraph, the term “eligible indi-
6 viduals” means individuals within any of the
7 following categories of disproportionately chron-
8 ically unemployed individuals:

9 (i) Individuals who have attained age
10 16, but not attained age 36, and who have
11 documented barriers to employment such
12 as lack of a high school diploma, limited
13 English proficiency, aging out of foster
14 care, or offender status, particularly such
15 individuals who are parents or expectant
16 parents.

17 (ii) Formerly incarcerated individuals.

18 (iii) Homeless or formerly homeless
19 individuals.

20 (iv) Individuals with disabilities.

21 (v) Individuals designated by a court
22 or the IV–D agency to participate in tran-
23 sitional jobs programs.

24 (C) LIMITATIONS ON USE OF FUNDS.—

1 (i) ALLOWABLE ACTIVITIES.—An enti-
2 ty that receives a grant under this para-
3 graph shall use the funds made available
4 under the grant to operate a transitional
5 jobs program for eligible individuals con-
6 sistent with the following requirements:

7 (I) JOBS.—The program oper-
8 ator shall place eligible individuals in
9 temporary jobs, the incomes from
10 which may be subsidized in whole or
11 in part with public funds. An eligible
12 individual placed in such a job (re-
13 ferred to in this paragraph as “a par-
14 ticipant”) shall perform work directly
15 for the program operator or another
16 public, nonprofit, or private sector or-
17 ganization (which operator or organi-
18 zation may be referred to in this para-
19 graph as a “worksite employer”) with-
20 in the community involved.

21 (II) HOURS.—

22 (aa) IN GENERAL.—Subject
23 to item (bb), the transitional jobs
24 program shall provide a partici-
25 pant with not less than 30, and

1 not more than 40, hours per
2 week of a combination of paid
3 employment and the services de-
4 scribed in subclauses (III), (IV),
5 and (V).

6 (bb) ACCOMMODATION OF
7 SPECIAL CIRCUMSTANCES.—The
8 number of hours per week re-
9 quired under item (aa) may be
10 adjusted in the case of a partici-
11 pant who requires a modified
12 work week to accommodate spe-
13 cial circumstances.

14 (III) JOB PREPARATION AND
15 SERVICES.—The program operator
16 shall—

17 (aa) develop an individual
18 plan for each participant, which
19 shall contain a goal that focuses
20 on preparation of the participant
21 for unsubsidized jobs in demand
22 in the local economy that offer
23 the potential for advancement
24 and growth (including increases
25 in wages and benefits);

1 (bb) develop transitional
2 jobs placements for participants
3 that will best prepare them for
4 jobs described in item (aa) or
5 participation in the public-private
6 career pathway partnerships es-
7 tablished in accordance with
8 paragraph (2); and

9 (cc) provide case manage-
10 ment services and ensure that
11 appropriate education, training,
12 and other activities are available
13 to participants, consistent with
14 each participant's individual
15 plan.

16 (IV) JOB PLACEMENT ASSIST-
17 ANCE AND RETENTION SERVICES.—

18 The program operator shall provide
19 job placement assistance to help par-
20 ticipants obtain unsubsidized employ-
21 ment and shall provide retention serv-
22 ices to the participants for a minimum
23 of 6 months after entry into the un-
24 subsidized employment.

1 (V) EDUCATION OR TRAINING.—

2 In any workweek in which a partici-
3 pant is scheduled to work at least 30
4 hours in the program, not less than
5 20 percent of the scheduled hours and
6 not more than 50 percent of the
7 scheduled hours shall involve partici-
8 pation in—

9 (aa) education or training
10 activities designed to improve the
11 participant's employability and
12 potential earnings;

13 (bb) other activities designed
14 to reduce or eliminate any bar-
15 riers that may impede the par-
16 ticipant's ability to secure and
17 advance in unsubsidized employ-
18 ment; or

19 (cc) activities designed to
20 promote financial literacy and the
21 use of products and services that
22 increase personal savings and
23 build financial assets for family
24 support, education, homeownership,
25 and retirement.

1 (VI) DURATION.—

2 (aa) IN GENERAL.—Subject
3 to item (bb), the duration of any
4 placement in the program shall
5 be for a minimum period of 3
6 consecutive months.

7 (bb) 3-MONTH EXTEN-
8 SION.—A program placement
9 may be extended for up to 2 ad-
10 ditional consecutive 3-month pe-
11 riods upon the conclusion of the
12 original 3-month placement pe-
13 riod if such extension would be
14 consistent with the individual's
15 plan for transition to unsub-
16 subsidized employment.

17 (VII) SUPERVISION.—The work-
18 site employer or program operator
19 shall supervise program participants,
20 consistent with the goal of addressing
21 the limited work experience and skills
22 of the participants.

23 (D) REPORTS.—Not later than 120 days
24 after the end of the grant period, the State
25 shall submit a report to the Secretary of Labor

1 that contains information on the number of
2 participants in the program who have entered
3 unsubsidized employment, the percentage of
4 program participants who are employed during
5 the second quarter after exit, the percentage of
6 program participants who are employed during
7 the fourth quarter after exit, the median earn-
8 ings of program participants during the second
9 quarter after exit, the percentage of program
10 participants who obtain an education or train-
11 ing credential during participation or within one
12 year of exit, and demographic information re-
13 garding the participants.

14 (E) TECHNICAL ASSISTANCE.—The Sec-
15 retary of Labor shall enter into contracts with
16 entities with demonstrated experience in the
17 provision of transitional jobs to provide tech-
18 nical assistance to the program operators and
19 worksite employers for the programs assisted
20 under this paragraph.

21 (2) PUBLIC-PRIVATE CAREER PATHWAYS PART-
22 NERSHIPS.—

23 (A) IN GENERAL.—To allow workforce
24 education providers representing career path-
25 way partnerships—

1 (i) to create or expand career path-
2 ways, with groups of employers in specific
3 industry or occupational sectors, for dis-
4 advantaged workers, which may include
5 any mix of such employers' existing lower
6 wage employees, new hires or potential
7 hires; or

8 (ii) to fill in gaps in career pathways
9 in particular localities or regions as needed
10 to ensure that career pathways are acces-
11 sible to unemployed disadvantaged workers
12 and at risk youth who have lower skills or
13 limited English proficiency, including
14 through the creation of workforce edu-
15 cation services, such as "bridge" programs
16 that contextualize basic skills, English lan-
17 guage, or college remedial education serv-
18 ices to specific career pathways, and ef-
19 forts to create opportunities for gaining
20 work experience in a career pathway.

21 (B) USE OF FUNDS.—Funds made avail-
22 able under a grant under this paragraph may
23 be used by career pathways partnerships for
24 any expense reasonably related to the accom-
25 plishment of the specific objectives of the part-

1 nership and the purpose described in this para-
2 graph, including any of the activities described
3 in subsection (a)(2)(D).

4 (C) LIMITATIONS.—

5 (i) IN GENERAL.—Of the funds made
6 available to a career pathway partnership
7 to carry out the purpose described in this
8 paragraph—

9 (I) not more than 30 percent of
10 such funds may be used to pay or
11 subsidize wages during a period of
12 work experience or internship, not to
13 exceed 90 days; and

14 (II) not more than 10 percent of
15 such funds may be used for adminis-
16 trative purposes, but this limitation
17 shall not apply to activities related to
18 building and maintaining partner-
19 ships, including such activities as con-
20 ducting workforce needs assessments,
21 brokering public-private and inter-
22 agency agreements, creating cus-
23 tomized curricula, and developing
24 work experience opportunities.

1 (ii) PROHIBITION ON SUBSIDIZING
2 WAGES OF CURRENT EMPLOYEES.—No
3 funds made available to carry out this
4 paragraph shall be used to subsidize the
5 wages of any individual who, as of the date
6 of the establishment of the career pathway
7 partnership, is an employee of any em-
8 ployer participating in the partnership.

9 (D) REQUIREMENTS FOR AWARDING OF
10 SUBGRANTS.—

11 (i) IN GENERAL.—Funds shall be
12 made available to career pathway partner-
13 ships to carry out the purpose described in
14 this paragraph based on a performance-
15 based accountability system that includes
16 the following measures of performance:

17 (I) The number of individuals to
18 be trained.

19 (II) The percentage of such indi-
20 viduals who complete the program.

21 (III) The percentage of such in-
22 dividuals who enter or advance in em-
23 ployment.

24 (IV) The wage and benefit gains
25 of individuals who complete the pro-

1 gram before and within 6 months
2 after their program completion, in-
3 cluding the extent to which the indi-
4 viduals achieved economic self-suffi-
5 ciency.

6 (V) The percentage of individuals
7 who complete the program and enter
8 employment who retain employment
9 for at least 6 months.

10 (VI) Where applicable, the per-
11 centage of individuals who owe child
12 support and complete the program
13 who improve in their payment of child
14 support within 6 months after their
15 program completion.

16 In establishing goals for such measures,
17 due consideration shall be given to the edu-
18 cation, work experience, and job readiness
19 of the individuals expected to participate in
20 the program, the barriers of such individ-
21 uals to employment, and the local job mar-
22 ket.

23 (ii) CONSIDERATIONS FOR FUNDING
24 RENEWALS.—A subgrantee’s level of suc-
25 cess in achieving employment, advance-

1 ment, wage, and employment retention
2 goals shall be a primary consideration for
3 determining whether to renew a grant
4 made to such entity and the funding level
5 for such grant.

6 (iii) PRIORITIES FOR AWARDS OF SUB-
7 GRANTS.—In awarding subgrants under
8 this paragraph, a State shall give priority
9 to applications that—

10 (I) propose to serve areas of high
11 poverty, high youth unemployment,
12 high dropout rates, or high rates of
13 low-income single-parent families;

14 (II) include a substantial cash or
15 in-kind match by all employers, in-
16 cluding joint labor-management pro-
17 grams where applicable, in the part-
18 nerships, such as paid release time for
19 employed workforce education partici-
20 pants;

21 (III) use instructional materials
22 and instructors directly used in the
23 specific business or industry sectors of
24 the partnership employers;

1 (IV) link successful completion of
2 workforce education services to wage
3 increases, promotions or job hires;

4 (V) will result in attainment of
5 employer-recognized occupational and
6 educational credentials;

7 (VI) address career guidance and
8 adult basic education and English lan-
9 guage needs as well as job-specific
10 skills;

11 (VII) demonstrate a blending of
12 resources from partner agencies in the
13 workforce system and other sectors
14 and Federal programs, including su-
15 perior procedures for coordinating re-
16 sponsible fatherhood promotion activi-
17 ties, where appropriate, to support the
18 development of high quality pathways;

19 (VIII) identify how the sub-
20 grantee will maximize services to un-
21 employed disadvantaged workers who
22 also face other barriers in the labor
23 market, such as high school dropout,
24 offender status, aging out of foster
25 care, low basic skill level, including

1 limited English proficiency, learning
2 disabilities, physical, emotional or be-
3 havior disabilities, or substance abuse
4 recovery, which may be through direct
5 relationships with local providers of
6 transitional jobs programs under
7 which in appropriate circumstances
8 transitional jobs participants may ac-
9 cess career pathways programs upon
10 completion of the transitional jobs
11 program; and

12 (IX) support collaboration, as ap-
13 propriate, between employers and
14 labor organizations and other work-
15 force development professionals, in-
16 cluding joint labor management train-
17 ing and education programs where ap-
18 propriate.

19 (E) DEFINITIONS.—In this paragraph:

20 (i) ADULT EDUCATION.—The term
21 “adult education” has the meaning given
22 that term in section 203 of the Workforce
23 Investment Act of 1998 (20 U.S.C. 9202).

24 (ii) CAREER PATHWAY.—The term
25 “career pathway” means a linked set of

1 workforce education and job opportunities
2 within a specific industry sector, or for an
3 occupational sector that cuts across mul-
4 tiple business and industry sectors, which
5 begins at the lowest skill and English lan-
6 guage levels, and extends through for-cred-
7 it college opportunities such as earning rel-
8 evant associate or bachelor’s degrees, and
9 prepares individuals for advancement in
10 jobs in demand in the local or regional
11 labor market.

12 (iii) COMMUNITY-BASED PROVIDER.—

13 The term “community-based provider”
14 means a not-for-profit organization, with
15 local boards of directors, that directly pro-
16 vides workforce education services.

17 (iv) INSTITUTION OF HIGHER EDU-

18 CATION.—The term “institution of higher
19 education” has the meaning given that
20 term in section 101 of the Higher Edu-
21 cation Act of 1965 (20 U.S.C. 1001).

22 (v) CHARTER SCHOOL.—The term

23 “charter school” has the meaning given
24 that term in section 5210 of the Elemen-

1 tary and Secondary Education Act of 1965
2 (20 U.S.C. 7221i).

3 (vi) AREA CAREER AND TECHNICAL
4 EDUCATION SCHOOL.—The term “area ca-
5 reer and technical education school” has
6 the meaning given that term in section 3
7 of the Carl D. Perkins Vocational and
8 Technical Education Act of 1998 (20
9 U.S.C. 2302).

10 (vii) DISADVANTAGED WORKERS.—
11 The term “disadvantaged workers” means
12 unemployed individuals in low-income
13 households or employed individuals in low-
14 income households with wages at or below
15 $\frac{2}{3}$ of the median wage for the State or re-
16 gion applying for the grant.

17 (viii) CAREER PATHWAY PARTNER-
18 SHIP.—The term “career pathway partner-
19 ship” means collaborations of 1 or more
20 workforce education providers, 1 or more
21 employers, 1 or more labor organizations,
22 where applicable, as a result of such orga-
23 nization’s representation of employees at
24 the worksite who have skills in which the
25 training or employment programs are pro-

1 posed, and may include optional additional
2 entities as needed to provide a comprehen-
3 sive range of workforce education and an-
4 cillary support services.

5 (ix) WORKFORCE EDUCATION.—The
6 term “workforce education” means a set of
7 career guidance and exploration services,
8 adult education and English language serv-
9 ices, job training, registered apprenticeship
10 programs, and credit and noncredit post-
11 secondary education services aimed at pre-
12 paring individuals to enter and sustain em-
13 ployment in specific occupations and to
14 have the sufficient skills to respond to
15 shifting employment opportunities.

16 (x) WORKFORCE EDUCATION PRO-
17 VIDER.—The term “workforce education
18 provider” means community-based pro-
19 viders, institutions of higher education,
20 area vocational and technical education
21 schools, charter schools, and other public
22 nonprofit entities that have a demonstrated
23 capacity to provide quality workforce edu-
24 cation services.

25 (c) MATCHING REQUIREMENT.—

1 (1) IN GENERAL.—The Secretary of Health and
2 Human Services and the Secretary of Labor may
3 not award a grant to a State under this section un-
4 less the State agrees that, with respect to the costs
5 to be incurred by the State in conducting a dem-
6 onstration project with funds provided under the
7 grant, the State will make available non-Federal
8 contributions in an amount equal to 10 percent of
9 the amount of Federal funds paid to the State under
10 such grant.

11 (2) NON-FEDERAL CONTRIBUTIONS.—In this
12 subsection, the term “non-Federal contributions” in-
13 cludes contributions by the State and by public and
14 private entities that may be in cash or in kind, but
15 does not include any amounts provided by the Fed-
16 eral Government, or services assisted or subsidized
17 to any significant extent by the Federal Government,
18 or any amount expended by a State before October
19 1, 2013.

20 (d) WORKER PROTECTIONS AND LABOR STAND-
21 ARDS.—

22 (1) RATE OF PAY; BENEFITS AND WORKING
23 CONDITIONS.—

24 (A) IN GENERAL.—A worksite employer of
25 a participant in a program or activity funded

1 under this section shall pay the participant at
2 the rate paid to employees of the worksite em-
3 ployer who are not participants in such pro-
4 gram or activity and who perform comparable
5 work at the worksite, including periodic in-
6 creases where appropriate. If no other employ-
7 ees of the worksite employer perform com-
8 parable work at the worksite, the worksite em-
9 ployer shall pay the participant not less than
10 the applicable Federal or State minimum wage,
11 whichever is higher.

12 (B) BENEFITS AND CONDITIONS.—An in-
13 dividual employed through participation in a
14 program or activity funded under this section
15 shall be provided with benefits and working
16 conditions at the same level and to the same ex-
17 tent as such benefits and conditions are pro-
18 vided to other employees of the employer of the
19 individual who have worked a similar length of
20 time and perform the same work.

21 (2) NONDUPLICATION.—

22 (A) IN GENERAL.—Funds provided
23 through a grant made under this paragraph
24 shall be used only for a program or activity that
25 does not duplicate, and is in addition to, a pro-

1 gram or activity otherwise available in the local-
2 ity of the program or activity funded under this
3 section.

4 (B) PRIVATE, NONPROFIT ENTITY.—Funds
5 provided through a grant made under this sec-
6 tion shall not be provided to a private nonprofit
7 entity to conduct programs or activities that are
8 the same as or substantially equivalent to ac-
9 tivities provided by a State or local government
10 agency in the area in which such entity is lo-
11 cated, unless the requirements of paragraph (3)
12 are met.

13 (3) NONDISPLACEMENT.—

14 (A) IN GENERAL.—A worksite employer
15 shall not displace an employee or position (in-
16 cluding partial displacement such as reduction
17 in hours, wages, or employment benefits) or im-
18 pair contracts for services or collective bar-
19 gaining agreements, as a result of the use by
20 such employer of a participant in a program or
21 activity funded under this section, and no par-
22 ticipant in the program or activity shall be as-
23 signed to fill any established unfilled position
24 vacancy.

1 (B) JOB OPPORTUNITIES.—A job oppor-
2 tunity shall not be created under this paragraph
3 that will infringe in any manner on the pro-
4 motional opportunity of an employed individual.

5 (C) LIMITATION ON SERVICES.—

6 (i) SUPPLANTATION OF HIRING.—A
7 participant in any program or activity
8 funded under this section shall not perform
9 any services or duties, or engage in activi-
10 ties, that will supplant the hiring of em-
11 ployees that are not participants in the
12 program or activity.

13 (ii) DUTIES FORMERLY PERFORMED
14 BY ANOTHER EMPLOYEE.—A participant
15 in any program or activity funded under
16 this section shall not perform services or
17 duties, or engage in activities, that are
18 services, duties, or activities that had been
19 performed by or were assigned to any em-
20 ployee who recently resigned or was dis-
21 charged, who is subject to a reduction in
22 force, who has recall rights pursuant to a
23 collective bargaining agreement or applica-
24 ble personnel procedures, who is on leave
25 (such as terminal, temporary, vacation,

1 emergency, or sick leave), who is on strike,
2 or who is being locked out.

3 (D) CONCURRENCE OF LOCAL LABOR OR-
4 GANIZATION.—No placement shall be made
5 under a program or activity funded under this
6 section until the entity conducting the program
7 or activity has obtained the written concurrence
8 of any local labor organization representing em-
9 ployees who are engaged in the same or sub-
10 stantially similar work as that proposed to be
11 carried out for the worksite employer with
12 whom a participant is to be placed under the
13 program or activity.

14 (4) NO IMPACT ON UNION ORGANIZING.—A
15 State conducting a demonstration project funded
16 under this section and any entity conducting a pro-
17 gram or activity funded under this section shall pro-
18 vide the Secretary with a certified assurance that
19 none of such funds shall be used to assist or deter
20 union organizing.

21 (5) ACCOUNTABILITY.—

22 (A) IN GENERAL.—Funds provided under
23 this section shall not be used to subsidize train-
24 ing or employment with an employer that has
25 a demonstrable record of noncompliance with

1 Federal labor, civil rights, workplace safety, or
2 related laws.

3 (B) CERTIFIED SATISFACTORY RECORD.—
4 Employers who receive training or wage sub-
5 sidies under programs or activities funded
6 under this section shall have a satisfactory
7 record in labor relations and employment prac-
8 tices, as certified by the Secretary of Labor.

9 (C) APPLICATION OF WORKER PROTEC-
10 TION LAWS.—A participant in a program or ac-
11 tivity funded under this section shall be consid-
12 ered to be an employee of any employer that
13 the participant is placed with for all purposes
14 under Federal and State law, including laws re-
15 lating to health and safety, civil rights, and
16 worker's compensation.

17 (D) OTHER JOB QUALITY STANDARDS.—
18 Employers who receive training or wage sub-
19 sidies under programs or activities funded
20 under this section shall meet all applicable
21 State or local job or employer quality standards
22 regarding such issues as wages, benefits, ad-
23 vancement opportunities, and turnover rates es-
24 tablished for programs funded under the Work-

1 force Investment Act of 1998 (29 U.S.C. 2801
2 et seq.).

3 (6) GRIEVANCE PROCEDURE.—An entity con-
4 ducting a program or activity funded under this sec-
5 tion shall establish and maintain a procedure for the
6 filing and adjudication of grievances by employees of
7 worksite employers who are not participants in the
8 program, or such employees’ representatives, or by
9 participants in such a program or activity alleging a
10 violation of a provision of this subsection that is
11 similar to the grievance procedure established by a
12 State for purposes of section 407(f)(3) of the Social
13 Security Act (42 U.S.C. 607(f)(3)).

14 (7) NONPREEMPTION OF STATE LAW.—The
15 provisions of this subsection shall not be construed
16 to preempt any provision of State law that affords
17 greater protections to employees or participants than
18 are afforded by this subsection.

19 (8) TREATMENT OF AMOUNTS PAID TO PAR-
20 TICIPANTS.—Amounts paid to a participant in a
21 program or activity funded under this section shall
22 be—

23 (A) considered earned income for purpose
24 of determining the participant’s eligibility for
25 the child tax credit established under section 24

1 of the Internal Revenue Code of 1986, the
2 earned income tax credit established under sec-
3 tion 32 of such Code, and any other tax benefit
4 established under such Code the eligibility for
5 which is based on earned income; and

6 (B) disregarded for purposes of deter-
7 mining the participant's, the participant's fam-
8 ily's, or the participant's household's eligibility
9 for, or amount of, assistance or benefits pro-
10 vided under any means-tested program funded
11 in whole or in part with Federal funds.

12 (e) APPLICATION.—

13 (1) REQUIREMENTS FOR ALL APPLICATIONS.—

14 (A) IN GENERAL.—A State desiring to re-
15 ceive a grant to conduct a demonstration
16 project under this section shall submit an appli-
17 cation—

18 (i) to the Secretary of Health and
19 Human Services, in the case of a grant
20 under subsection (a); or

21 (ii) to the Secretary of Labor, in the
22 case of a grant under subsection (b);

23 at such time, in such manner, and containing
24 such information or assurances as the Secretary

1 of Health and Human Services or the Secretary
2 of Labor, as appropriate, may require.

3 (B) COMPLIANCE WITH WORKER PROTEC-
4 TIONS AND LABOR STANDARDS.—The applica-
5 tion shall include an assurance that the State
6 and any entity conducting a program or activity
7 under the project shall comply with the worker
8 protections and labor standards established in
9 accordance with such protections under sub-
10 section (d).

11 (C) NONDISCRIMINATION.—The applica-
12 tion shall include an assurance that the State
13 and any entity conducting a program or activity
14 under the demonstration project shall comply
15 with section 188(a)(2) of the Workforce Invest-
16 ment Act of 1998 (29 U.S.C. 2938(a)(2)) to
17 the same extent that such section would apply
18 to the entity if the program or activity con-
19 ducted under the demonstration project was
20 considered to be funded or otherwise financially
21 assisted under that Act.

22 (D) ASSURANCE GRANT WILL SUPPLE-
23 MENT, NOT SUPPLANT, OTHER STATE FUND-
24 ING.—The application shall include an assur-
25 ance from the chief executive officer of the

1 State that funds made available under the
2 grant will supplement, and not supplant, other
3 funds used by the State to establish or support
4 employment placements for low-income parents.

5 (2) SPECIFIC DEMONSTRATION PROJECT RE-
6 QUIREMENTS.—

7 (A) COURT-SUPERVISED OR IV-D AGENCY-
8 SUPERVISED EMPLOYMENT PROGRAMS FOR
9 NONCUSTODIAL PARENTS.—In order to conduct
10 a demonstration project described in subsection
11 (a), a State shall include in the application sub-
12 mitted to the Secretary of Health and Human
13 Services the following:

14 (i) Evidence of an agreement between
15 the State and 1 or more counties to estab-
16 lish an employment program that meets
17 the requirements of subsection (a).

18 (ii) The number of potential noncusto-
19 dial parents to be served by the program.

20 (iii) The purposes specific to that
21 State's program.

22 (iv) The median income of the target
23 population.

24 (B) PUBLIC-PRIVATE CAREER PATHWAYS
25 PARTNERSHIPS.—In order to conduct a dem-

1 onstration project described in paragraph (2) of
2 subsection (b), a State shall include in the ap-
3 plication submitted to the Secretary of Labor a
4 description of—

5 (i) the number, characteristics, and
6 employment and earnings status of dis-
7 advantaged individuals in the State or ap-
8 plicable region where the program is to be
9 conducted;

10 (ii) which business and industry sec-
11 tors, or occupational clusters that cut
12 across sectors, will be targeted by the ca-
13 reer pathways partnership, based on over-
14 all economic benefit to the community, the
15 current and future demand for workers,
16 the advancement opportunities for workers,
17 the wages at each step of the career path-
18 way, and availability of worker benefits;

19 (iii) the interventions that will be put
20 in place to address any educational defi-
21 cits, limited English proficiency, or learn-
22 ing disabilities of individuals who partici-
23 pate in the program and to ensure that
24 such individuals have the academic, tech-
25 nical, communications, and other job skills

1 to function in the jobs targeted by the
2 partnership;

3 (iv) how the members of the partner-
4 ship will collaborate on the development of
5 curriculum and delivery of training that
6 will provide the necessary occupational,
7 academic and other work-related skills and
8 credentialing needed for the specific labor
9 market areas;

10 (v) the supports that will be used to
11 provide counseling, mentoring or other
12 support to individuals while in training or
13 to assist them in navigating in complicated
14 work environments;

15 (vi) the set of career exposure activi-
16 ties that will be put in place to provide
17 hands-on experience such as work experi-
18 ence, on the job training, internships, or
19 work-study;

20 (vii) the agreements that are in place
21 with employers, industry groups, and labor
22 organizations, where applicable, to ensure
23 access to jobs and advancement opportuni-
24 ties in the targeted businesses, industry, or
25 occupations;

1 (viii) how the workforce education
2 providers in the partnership will assess the
3 employment barriers and needs of local
4 disadvantaged individuals who participate
5 in the program and will identify resources
6 for meeting those needs;

7 (ix) how the workforce education pro-
8 viders will work with partnership employ-
9 ers, business and industry groups, labor
10 organizations, where applicable, and local
11 economic development organizations to
12 identify the priority workforce needs of the
13 local industry;

14 (x) how the partnerships will ensure
15 that the appropriate program delivery
16 models and formal agreements are in place
17 to ensure maximum benefits to the individ-
18 uals receiving career pathway partnership
19 services and to the employers and labor or-
20 ganizations, where applicable, in the part-
21 nership and the industries or businesses
22 they represent;

23 (xi) how partnership employers and
24 labor organizations, where applicable, will
25 be actively involved in identifying specific

1 workforce education needs, planning the
2 curriculum, assisting in training activities,
3 providing job opportunities, and coordi-
4 nating job retention for individuals hired
5 after training through the program and
6 followup support; and

7 (xii) how the partnership will build on
8 existing career pathways programs, where
9 applicable, to serve the targeted popu-
10 lation.

11 (3) APPLICATIONS BY INDIAN TRIBES OR TRIB-
12 AL ORGANIZATIONS.—The Secretary of Health and
13 Human Services and the Secretary of Labor may ex-
14 empt an Indian tribe or tribal organization from any
15 requirement of this section that the Secretary of
16 Health and Human Services or the Secretary of
17 Labor determines would be inappropriate to apply to
18 the Indian tribe or tribal organization, taking into
19 account the resources, needs, and other cir-
20 cumstances of the Indian tribe or tribal organiza-
21 tion.

22 (f) PRIORITIES AND REQUIREMENTS FOR AWARDING
23 GRANTS.—

1 (1) IN GENERAL.—Subject to paragraphs (2)
2 and (3), the State shall give priority to making
3 grants under this section to entities that—

4 (A) demonstrate success with respect to
5 meeting the goals of quality job placement,
6 long-term unsubsidized job retention, and,
7 where applicable, increasing child support pay-
8 ments, decreasing unpaid child support arrear-
9 ages, and increasing the involvement of low-in-
10 come noncustodial parents with their children
11 through their participation in responsible fa-
12 therhood activities, including participation in
13 programs that provide culturally relevant cur-
14 ricula in core subjects including—

- 15 (i) conducting activities with children;
16 (ii) improving communication skills;
17 (iii) child support management;
18 (iv) providing financially for the fam-
19 ily's security and well-being;
20 (v) managing stress and anger;
21 (vi) maintaining physical and mental
22 health;
23 (vii) parenting and relationship skills;
24 (viii) child development; and

1 (ix) barriers to responsible parent-
2 hood, including substance abuse, unem-
3 ployment, criminal justice system involve-
4 ment, and inadequate housing; and

5 (B) coordinate with, and link individuals
6 as applicable to, other public and private bene-
7 fits and employment services for low-income
8 adults, including the criminal justice system,
9 programs funded under each part of title IV of
10 the Social Security Act (including programs
11 funded under section 403(a)(2) of such Act),
12 educational assistance and student aid pro-
13 grams, and job training or employment services,
14 including State employment agencies.

15 (2) PERFORMANCE MEASURES.—In making
16 grants under this section, the Secretary of Health
17 and Human Services (in the case of a grant under
18 subsection (a)) and the Secretary of Labor (in the
19 case of a grant under subsection (b)) shall ensure
20 that grantees demonstrate a plan for implementing
21 measures to track their performance with respect to
22 meeting the goals of quality job placement, long-
23 term unsubsidized job retention, and, where applica-
24 ble, increasing child support payments, decreasing
25 child support arrearages, and increasing the involve-

1 ment of low-income noncustodial parents with their
2 children.

3 (3) REFLECTIVE OF TARGET POPULATIONS.—

4 In making grants under this section, the Secretary
5 of Health and Human Services (in the case of a
6 grant under subsection (a)) and the Secretary of
7 Labor (in the case of a grant under subsection (b))
8 shall give priority to States with proposed dem-
9 onstration projects that are designed to target low-
10 income adults, including custodial and noncustodial
11 parents, and low-income married couples.

12 (4) SUBSTANTIAL FUNDING FOR EACH OF THE
13 PURPOSES.—In making grants under subsection (b),
14 the Secretary of Labor shall ensure that a substan-
15 tial share of the amount appropriated under sub-
16 section (j) for a fiscal year is used for carrying out
17 each of the projects described in paragraphs (1) and
18 (2) of subsection (b).

19 (g) REGULATORY AND POLICY FLEXIBILITY.—The
20 Secretary of Labor and the Secretary of Health and
21 Human Services, in coordination with the Secretary of
22 Education and the Attorney General, shall work with
23 grantees under this section to resolve policy barriers that
24 may impede blending of Federal resources to support
25 these demonstration projects.

1 (h) EVALUATION.—The Secretary of Health and
2 Human Services (in the case of a grant under subsection
3 (a)) and the Secretary of Labor (in the case of a grant
4 under subsection (b)) shall provide for an independent and
5 rigorous evaluation of the demonstration projects con-
6 ducted under this section that includes, to the maximum
7 extent feasible, random assignment or other appropriate
8 statistical techniques, in order to assess the effectiveness
9 of the projects.

10 (i) GENERAL DEFINITIONS.—In this section:

11 (1) STATE.—The term “State” means each of
12 the 50 States, the District of Columbia, the Com-
13 monwealth of Puerto Rico, the United States Virgin
14 Islands, Guam, American Samoa, and includes an
15 Indian tribe or tribal organization.

16 (2) IV–D AGENCY.—The term “IV–D agency”
17 means the State or local agency responsible for ad-
18 ministering the State program established under
19 part D of title IV of the Social Security Act (42
20 U.S.C. 651 et seq.).

21 (3) INDIAN TRIBE; TRIBAL ORGANIZATION.—
22 The terms “Indian tribe” and “tribal organization”
23 have the meaning given such terms in section 4 of
24 the Indian Self-Determination and Education Assist-
25 ance Act (25 U.S.C. 450b).

1 (j) APPROPRIATION.—Out of any money in the
2 Treasury of the United States not otherwise appropriated,
3 there are appropriated to carry out this section—

4 (1) for programs administered by the Secretary
5 of Health and Human Services under subsection (a),
6 \$15,000,000 for each of fiscal years 2014 through
7 2018; and

8 (2) for programs administered by the Secretary
9 of Labor under subsection (b), \$35,000,000 for each
10 of fiscal years 2014 through 2018.

11 **SEC. 103. HEALTHY MARRIAGE PROMOTION AND RESPON-**
12 **SIBLE FATHERHOOD PROGRAMS.**

13 (a) VOLUNTARY PARTICIPATION.—

14 (1) ASSURANCE.—Section 403(a)(2)(A)(ii)(II)
15 of the Social Security Act (42 U.S.C.
16 603(a)(2)(A)(ii)(II)) is amended—

17 (A) in item (aa), by striking “and” at the
18 end;

19 (B) in item (bb), by striking the period at
20 the end and inserting a semicolon; and

21 (C) by adding at the end the following new
22 items:

23 “(cc) if the entity is a State
24 or an Indian tribe or tribal orga-
25 nization, to not condition the re-

1 ceipt of assistance under the pro-
2 gram funded under this part,
3 under a program funded with
4 qualified State expenditures (as
5 defined in section
6 409(a)(7)(B)(i)), or under any
7 other program funded under this
8 title on enrollment in any such
9 programs or activities; and

10 “(dd) to permit any indi-
11 vidual who has begun to partici-
12 pate in a particular program or
13 activity funded under this para-
14 graph, including an individual
15 whose participation is specified in
16 the individual responsibility plan
17 developed for the individual in
18 accordance with section 408(b),
19 to transfer to another such pro-
20 gram or activity funded under
21 this paragraph upon notification
22 to the entity and the State agen-
23 cy responsible for administering
24 the State program funded under
25 this part.”.

1 (2) PROHIBITION.—Section 408(a) of such Act
2 (42 U.S.C. 608(a)) is amended by adding at the end
3 the following:

4 “(13) BAN ON CONDITIONING RECEIPT OF
5 TANF OR CERTAIN OTHER BENEFITS ON PARTICIPA-
6 TION IN A HEALTHY MARRIAGE OR RESPONSIBLE
7 FATHERHOOD PROGRAM.—A State to which a grant
8 is made under section 403 shall not condition the re-
9 ceipt of assistance under the State program funded
10 under this part, under a program funded with quali-
11 fied State expenditures (as defined in section
12 409(a)(7)(B)(i)), or under any other program fund-
13 ed under this title, on participation in a healthy
14 marriage promotion activity (as defined in section
15 403(a)(2)(A)(iii)) or in an activity promoting re-
16 sponsible fatherhood (as defined in section
17 403(a)(2)(C)(ii)).”.

18 (3) PENALTY.—Section 409(a) of such Act (42
19 U.S.C. 609(a)) is amended by adding at the end the
20 following:

21 “(17) PENALTY FOR CONDITIONING RECEIPT
22 OF TANF OR CERTAIN OTHER BENEFITS ON PARTICI-
23 PATION IN A HEALTHY MARRIAGE OR RESPONSIBLE
24 FATHERHOOD PROGRAM.—If the Secretary deter-
25 mines that a State has violated section 408(a)(13)

1 during a fiscal year, the Secretary shall reduce the
2 grant payable to the State under section 403(a)(1)
3 for the immediately succeeding fiscal year by an
4 amount equal to 5 percent of the State family assist-
5 ance grant.”.

6 (b) ACTIVITIES PROMOTING RESPONSIBLE FATHER-
7 HOOD.—Section 403(a)(2)(C)(ii) of the Social Security
8 Act (42 U.S.C. 603(a)(2)(C)(ii)) is amended—

9 (1) in subclause (I), by striking “marriage or
10 sustain marriage” and insert “healthy relationships
11 and marriages or to sustain healthy relationships or
12 marriages”;

13 (2) in subclause (II), by inserting “educating
14 youth who are not yet parents about the economic,
15 social, and family consequences of early parenting,
16 helping participants in fatherhood programs work
17 with their own children to break the cycle of early
18 parenthood,” after “child support payments,”; and

19 (3) in subclause (III), by striking “fathers” and
20 inserting “low-income fathers and other low-income
21 noncustodial parents who are not eligible for assist-
22 ance under the State program funded under this
23 part”.

24 (c) REAUTHORIZATION.—Section 403(a)(2)(D) of
25 such Act (42 U.S.C. 603(a)(2)(D)) is amended—

1 (1) by striking “year 2012” the 1st place it ap-
2 pears and inserting “years 2014 through 2018”; and

3 (2) by striking “fiscal year 2012” the 2nd place
4 it appears and inserting “a fiscal year”.

5 (d) EFFECTIVE DATE.—The amendments made by
6 this section shall take effect on October 1, 2013.

7 **SEC. 104. ELIMINATION OF SEPARATE TANF WORK PAR-**
8 **TICIPATION RATE FOR 2-PARENT FAMILIES.**

9 (a) IN GENERAL.—Section 407 of the Social Security
10 Act (42 U.S.C. 607) is amended—

11 (1) in subsection (a)—

12 (A) beginning in the heading, by striking
13 “PARTICIPATION RATE REQUIREMENTS” and
14 all that follows through “A State” in paragraph
15 (1) and inserting “PARTICIPATION RATE RE-
16 QUIREMENTS.—A State”; and

17 (B) by striking paragraph (2);

18 (2) in subsection (b)—

19 (A) in paragraph (1)(A), by striking “sub-
20 section (a)(1)” and inserting “subsection (a)”;

21 (B) in paragraph (2), by striking the para-
22 graph heading and all that follows through “A
23 family” and inserting “SPECIAL RULE.—A fam-
24 ily”;

1 (C) in paragraph (4), by striking “para-
2 graphs (1)(B) and (2)(B)” and inserting “de-
3 termining monthly participation rates under
4 paragraph (1)(B)”;

5 (D) in paragraph (5), by striking “rates”
6 and inserting “rate”;

7 (3) in subsection (c)—

8 (A) in paragraph (1)(B), in the matter
9 preceding clause (i), by striking “subsection
10 (b)(2)(B)” and inserting “subsection
11 (b)(1)(B)(i)”;

12 (B) in paragraph (2)(D)—

13 (i) by striking “paragraphs (1)(B)(i)
14 and (2)(B) of subsection (b)” and insert-
15 ing “subsection (b)(1)(B)(i)”;

16 (ii) by striking “and in 2-parent fami-
17 lies, respectively,”.

18 (b) EFFECTIVE DATE.—

19 (1) IN GENERAL.—The amendments made by
20 subsection (a) shall take effect on the date of enact-
21 ment of this Act and shall apply to the determina-
22 tion of minimum participation rates for months be-
23 ginning on or after that date.

24 (2) LIMITATION ON PENALTY IMPOSITION.—

25 Notwithstanding section 409(a)(3) of the Social Se-

1 security Act, the Secretary of Health and Human
2 Services shall not impose a penalty against a State
3 under that section on the basis of the State’s failure
4 to satisfy the participation rate required for any of
5 fiscal years 2006 through 2013 if the State dem-
6 onstrates that the State would have met such re-
7 quirement if, with respect to those months of any of
8 such fiscal years that began prior to or on the date
9 of enactment of this Act, the State were permitted
10 to count 2-parent families that met the requirements
11 of section 407(c)(1)(A) of the Social Security Act
12 (42 U.S.C. 607(c)(1)(A)) in the determination of
13 monthly participation rates under section
14 407(b)(1)(B)(i) of such Act (42 U.S.C.
15 607(b)(1)(B)(i)).

16 **SEC. 105. BAN ON RECOVERY OF MEDICAID COSTS FOR**
17 **BIRTHS.**

18 (a) BAN ON RECOVERY.—

19 (1) IN GENERAL.—Section 454 of the Social
20 Security Act (42 U.S.C. 654), is amended—

21 (A) by striking “and” at the end of para-
22 graph (33);

23 (B) by striking the period at the end of
24 paragraph (34) and inserting a semicolon; and

1 (C) by inserting after paragraph (34) the
2 following:

3 “(35) provide that, except as provided in sec-
4 tion 1902(a)(25)(F)(ii), the State shall not use the
5 State program operated under this part to collect
6 any amount owed to the State by reason of costs in-
7 curred under the State plan approved under title
8 XIX for the birth of a child for whom support rights
9 have been assigned pursuant to section 471(a)(17)
10 or 1912; and”.

11 (2) RULE OF CONSTRUCTION.—Nothing in sec-
12 tion 454(35) of the Social Security Act (42 U.S.C.
13 654(35)), as added by paragraph (1), shall be con-
14 strued as affecting the application of section
15 1902(a)(25) of such Act (42 U.S.C. 1396a(a)(25))
16 with respect to a State (relating to the State Med-
17 icaid plan requirement for the State to take all rea-
18 sonable measures to ascertain the legal liability of
19 third parties to pay for care and services available
20 under the plan).

21 (3) REPEAL OF CERTAIN DRA AMENDMENTS.—
22 For provisions repealing amendments to section 454
23 of the Social Security Act made by section
24 7301(b)(1)(C) of the Deficit Reduction Act of 2005,
25 see section 106(a)(3) of this Act.

1 (b) CLARIFICATION THAT BAN ON RECOVERY DOES
2 NOT APPLY WITH RESPECT TO INSURANCE OF A PARENT
3 WITH AN OBLIGATION TO PAY CHILD SUPPORT.—Clause
4 (ii) of section 1902(a)(25)(F) of the Social Security Act
5 (42 U.S.C. 1396a(a)(25)(F)) is amended by inserting
6 “only if such third-party liability is derived through insur-
7 ance,” before “seek”.

8 (c) EFFECTIVE DATE.—

9 (1) IN GENERAL.—Except as provided in para-
10 graph (2), the amendments made by this section
11 take effect on October 1, 2013.

12 (2) EXTENSION OF EFFECTIVE DATE FOR
13 STATE LAW AMENDMENT.—In the case of a State
14 plan under title XIX of the Social Security Act (42
15 U.S.C. 1396 et seq.) which the Secretary of Health
16 and Human Services determines requires State legis-
17 lation in order for the plan to meet the additional
18 requirements imposed by the amendments made by
19 this section, the State plan shall not be regarded as
20 failing to comply with the requirements of such title
21 solely on the basis of its failure to meet these addi-
22 tional requirements before the first day of the first
23 calendar quarter beginning after the close of the
24 first regular session of the State legislature that be-
25 gins after the date of enactment of this Act. For

1 purposes of the previous sentence, in the case of a
2 State that has a 2-year legislative session, each year
3 of the session is considered to be a separate regular
4 session of the State legislature.

5 **SEC. 106. IMPROVED COLLECTION AND DISTRIBUTION OF**
6 **CHILD SUPPORT.**

7 (a) DISTRIBUTION OF CHILD SUPPORT.—

8 (1) FULL DISTRIBUTION OF CHILD SUPPORT
9 COLLECTED; REFORM OF RULES FOR DISTRIBUTION
10 OF CHILD SUPPORT COLLECTED ON BEHALF OF
11 CHILDREN IN FOSTER CARE.—

12 (A) IN GENERAL.—Section 457 of the So-
13 cial Security Act (42 U.S.C. 657) is amended—

14 (i) by striking subsection (a) and in-
15 serting the following:

16 “(a) FULL DISTRIBUTION OF AMOUNTS COLLECTED
17 ON BEHALF OF ANY FAMILY.—Subject to subsection (c),
18 the entire amount collected on behalf of any family as sup-
19 port by a State pursuant to a plan approved under this
20 part shall be paid by the State to the family.”; and

21 (ii) by striking subsections (c)
22 through (e) and inserting the following:

23 “(c) AMOUNTS COLLECTED FOR CHILD FOR WHOM
24 FOSTER CARE MAINTENANCE PAYMENTS ARE MADE.—
25 Notwithstanding the preceding provisions of this section,

1 amounts collected by a State as child support for months
2 in any period on behalf of a child for whom a public agen-
3 cy is making foster care maintenance payments under part
4 E shall be paid to the public agency responsible for super-
5 vising the placement of the child, which may use the pay-
6 ments in the manner it determines will serve the best in-
7 terests of the child, including setting such payments aside
8 for the child’s future needs or use.”.

9 (B) FOSTER CARE STATE PLAN AMEND-
10 MENT.—Section 471(a)(17) of the Social Secu-
11 rity Act (42 U.S.C. 671(a)(17)) is amended—

12 (i) by inserting “and consistent with
13 the child’s case plan” after “where appro-
14 priate”; and

15 (ii) by striking “secure an assignment
16 to the State of any rights to support” and
17 inserting “establish paternity and estab-
18 lish, modify, and enforce child support ob-
19 ligations”.

20 (C) SOCIAL SECURITY ACT AMEND-
21 MENTS.—

22 (i) CHILD SUPPORT STATE PLAN
23 AMENDMENT.—Section 454 of the Social
24 Security Act (42 U.S.C. 654), as amended
25 by section 105(a)(1) of this Act, is amend-

1 ed by inserting after paragraph (35) the
2 following:

3 “(36) provide that a State shall pay all col-
4 lected child support to the payee, except as provided
5 in section 457(c).”.

6 (ii) DISBURSEMENT OF SUPPORT PAY-
7 MENTS.—Section 454B(c) of the Social Se-
8 curity Act (42 U.S.C. 654b(c)) is amended
9 by adding at the end the following new
10 paragraph:

11 “(3) DISBURSEMENT TO FAMILIES.—The State
12 disbursement unit shall pay all collected child sup-
13 port to the payee, except as otherwise provided in
14 section 457.”.

15 (2) CONFORMING AMENDMENTS.—

16 (A) Section 409(a)(7)(B)(i)(I)(aa) of such
17 Act (42 U.S.C. 609(a)(7)(B)(i)(I)(aa)) is
18 amended by striking “457(a)(1)(B)” and in-
19 serting “457(a)”.

20 (B) Section 454(5) of such Act (42 U.S.C.
21 654(5)) is amended by striking “(A) in any
22 case” and all that follows through “(B)”.

23 (C) Section 466(a)(3)(B) of such Act (42
24 U.S.C. 666(a)(3)(B)) is amended—

1 (i) by striking “shall be distributed in
2 accordance with section 457 in the case of
3 overdue support assigned to a State pursu-
4 ant to section 408(a)(3) or 471(a)(17), or,
5 in any other case,”; and

6 (ii) by inserting “or to the public
7 agency responsible for supervising the
8 placement of the child, which may use the
9 payments in the manner the public agency
10 determines will serve the best interest of
11 the child” before the semicolon.

12 (3) REPEAL OF CERTAIN DRA AMENDMENTS.—

13 Effective on the date of enactment of this Act, sub-
14 sections (a) and (b) of section 7301 of the Deficit
15 Reduction Act of 2005 (Public Law 109–171; 120
16 Stat. 141) are repealed and parts A and D of title
17 IV of the Social Security Act shall be applied as if
18 the amendments made by such subsections had not
19 been enacted.

20 (b) PROHIBITION ON CONDITIONING RECEIPT OF
21 TANF ON ASSIGNMENT OF SUPPORT.—Section 408(a)(3)
22 of the Social Security Act (42 U.S.C. 608(a)(3)) is amend-
23 ed—

24 (1) in the paragraph heading, by striking “No
25 ASSISTANCE FOR FAMILIES NOT” and inserting

1 “PROHIBITION ON CONDITIONING ASSISTANCE FOR
2 FAMILIES ON”;

3 (2) by inserting “not” after “shall”;

4 (3) by inserting “or under a program funded
5 with qualified State expenditures (as defined in sec-
6 tion 409(a)(7)(B)(i))” after “this part”; and

7 (4) by striking “, not exceeding the total
8 amount of assistance so paid to the family,”.

9 (c) REQUIREMENT TO DISREGARD PERCENTAGE OF
10 CHILD SUPPORT COLLECTED IN DETERMINING AMOUNT
11 AND TYPE OF TANF ASSISTANCE.—Section 408(a) of the
12 Social Security Act (42 U.S.C. 608(a)), as amended by
13 section 103(b)(2) of this Act, is amended by adding at
14 the end the following new paragraph:

15 “(14) REQUIREMENT TO DISREGARD PERCENT-
16 AGE OF CHILD SUPPORT COLLECTED IN DETER-
17 MINING AMOUNT AND TYPE OF TANF ASSISTANCE.—
18 A State to which a grant is made under section 403
19 shall disregard at least the same percentage of
20 amounts collected as support on behalf of a family
21 as the percentage of earned income that the State
22 disregards, in determining the amount or type of as-
23 sistance provided to the family under the State pro-
24 gram funded under this part or under a program

1 funded with qualified State expenditures (as defined
2 in section 409(a)(7)(B)(i)).”.

3 (d) RESTORATION OF FEDERAL FUNDING.—Effective
4 tive on the date of enactment of this Act, section 7309
5 of the Deficit Reduction Act of 2005 (Public Law 109–
6 171; 120 Stat. 147) is repealed and part D of title IV
7 of the Social Security Act shall be applied as if the amend-
8 ment made by subsection (a) of that section had not been
9 enacted.

10 (e) REPEAL OF MANDATORY FEE FOR CHILD SUP-
11 PORT COLLECTION.—Effective on the date of enactment
12 of this Act, section 7310 of the Deficit Reduction Act of
13 2005 (Public Law 109–171; 120 Stat. 147) is repealed
14 and part D of title IV of the Social Security Act shall
15 be applied as if the amendments made by that section had
16 not been enacted.

17 (f) PROHIBITION ON CONSIDERING A PERIOD OF IN-
18 CARCERATION VOLUNTARY UNEMPLOYMENT.—Section
19 466(a) of the Social Security Act (42 U.S.C. 666(a)) is
20 amended by inserting after paragraph (19) the following:

21 “(20) PROCEDURES RELATING TO PERIODS OF
22 INCARCERATION OF NONCUSTODIAL PARENTS.—

23 “(A) IN GENERAL.—Procedures which re-
24 quire that, in determining or modifying the
25 amount of, or terms and conditions of, any sup-

1 port obligation of a noncustodial parent, the
2 State—

3 “(i) shall not consider any period of
4 incarceration of such parent as a period of
5 voluntary unemployment that disqualifies
6 the parent from obtaining a modification
7 of the support obligation consistent with
8 the parent’s ability to pay child support;
9 and

10 “(ii) subject to subparagraph (B) in
11 the case of an incarcerated parent, may—

12 “(I) temporarily suspend any
13 support obligation on the parent and
14 the enforcement of any support obli-
15 gation of the parent existing prior to
16 the period of incarceration; and

17 “(II) temporarily prohibit the ac-
18 crual of any interest on any support
19 obligation of the parent existing prior
20 to the period of incarceration during
21 any such period.

22 “(B) NOTICE AND OPPORTUNITY TO CHAL-
23 LENGE SUSPENSION.—Such procedures shall re-
24 quire the State to provide a custodial parent
25 with—

1 “(i) notice of any suspension of re-
2 view, adjustment, or enforcement of a sup-
3 port obligation and of any prohibition on
4 interest accrual on such obligation that is
5 imposed in accordance with subparagraph
6 (A)(ii); and

7 “(ii) an opportunity to request that
8 the suspension or prohibition be termi-
9 nated or modified on the basis that the
10 noncustodial parent has sufficient income
11 or resources to continue payment of the
12 support obligation during the noncustodial
13 parent’s period of incarceration.”.

14 (g) REVIEW AND ADJUSTMENT OF CHILD SUPPORT
15 ARREARAGES UPON REQUEST.—Section 466(a)(10) of
16 the Social Security Act (42 U.S.C. 666(a)(10)) is amend-
17 ed by adding at the end the following:

18 “(D) REVIEW AND ADJUSTMENT OF AR-
19 REARAGES.—Procedures which require the
20 State to review, and if appropriate, reduce the
21 balance of arrearages permanently assigned to
22 the State under part A or E of this title, or
23 under title XIX, pursuant to standards and
24 procedures established by the State, in cases
25 where the obligor lacks sufficient ability to pay

1 the arrears, adjustment will promote timely
2 payment of current support, or barriers, such
3 as incarceration, may have limited the ability of
4 the obligor to timely seek a modification of the
5 order, and it is in the best interests of the child
6 to make such reduction. Nothing in the pre-
7 ceding sentence shall be construed as affecting
8 arrearages that have not been permanently as-
9 signed to the State under any such part or
10 title.”.

11 (h) STUDY AND REPORT.—Not later than October 1,
12 2014, the Secretary of Health and Human Services shall
13 study and submit a report to Congress regarding the fol-
14 lowing:

15 (1) The effect of age eligibility restrictions for
16 the earned income tax credit established under sec-
17 tion 32 of the Internal Revenue Code of 1986 for in-
18 dividuals without qualifying children on—

19 (A) the ability of young parents to pay
20 child support;

21 (B) compliance with child support orders;

22 and

23 (C) the relationship between young non-
24 custodial parents and their children.

1 (2) The impact of State earned income tax
2 credit programs, especially such programs with tar-
3 geted benefits for noncustodial parents, on—

4 (A) the ability of noncustodial parents to
5 pay child support;

6 (B) compliance with child support orders;
7 and

8 (C) the relationship between noncustodial
9 parents and their children.

10 (3) The challenges faced by legal immigrants
11 and individuals for whom English is not their pri-
12 mary language in fulfilling child support and other
13 noncustodial parenting obligations.

14 (i) EFFECTIVE DATE.—

15 (1) IN GENERAL.—Except as otherwise pro-
16 vided in this section, the amendments made by this
17 section shall take effect on October 1, 2013, and
18 shall apply to payments under parts A and D of title
19 IV of the Social Security Act for calendar quarters
20 beginning on or after that date, and without regard
21 to whether regulations to implement the amend-
22 ments are promulgated by such date.

23 (2) STATE OPTION TO ACCELERATE EFFECTIVE
24 DATE.—Notwithstanding paragraph (1), a State
25 may elect to have the amendments made by the pre-

1 ceding provisions of this section apply to the State
2 and to amounts collected by the State (and to pay-
3 ments under parts A and D of title IV of such Act),
4 on and after such date as the State may select that
5 is not later than September 30, 2013.

6 **SEC. 107. COLLECTION OF CHILD SUPPORT UNDER THE**
7 **SUPPLEMENTAL NUTRITION ASSISTANCE**
8 **PROGRAM.**

9 (a) ENCOURAGEMENT OF COLLECTION OF CHILD
10 SUPPORT.—Section 5 of the Food and Nutrition Act of
11 2008 (7 U.S.C. 2014) is amended—

12 (1) in subsection (e)—

13 (A) by redesignating paragraphs (5) and
14 (6) as paragraphs (6) and (7), respectively;

15 (B) in paragraph (4)(B), by striking
16 “paragraph (6)” and inserting “paragraph
17 (7)”; and

18 (C) by inserting after paragraph (4) the
19 following:

20 “(5) DEDUCTION FOR CHILD SUPPORT RE-
21 CEIVED.—

22 “(A) IN GENERAL.—A household shall be
23 allowed a deduction of 20 percent of all legally
24 obligated child support payments received from
25 an identified or putative parent of a child in the

1 household if that parent is not a household
2 member.

3 “(B) ORDER OF DETERMINING DEDUC-
4 TIONS.—A deduction under this paragraph shall
5 be determined before the computation of the ex-
6 cess shelter deduction under paragraph (7).”;
7 and

8 (2) in subsection (k)(4)(B), by striking “sub-
9 section (e)(6)” and inserting “subsection (e)(7)”.

10 (b) SIMPLIFIED VERIFICATION OF CHILD SUPPORT
11 PAYMENTS.—Section 5(n) of the Food and Nutrition Act
12 of 2008 (7 U.S.C. 2014(n)) is amended—

13 (1) in the subsection heading, by striking
14 “STATE OPTIONS TO SIMPLIFY”, and inserting
15 “SIMPLIFIED”; and

16 (2) by striking “Regardless of whether” and in-
17 serting the following:

18 “(1) IN GENERAL.—A household that is paying
19 legally obligated child support through the program
20 under part D of title IV of the Social Security Act
21 (42 U.S.C. 651 et seq.) shall receive—

22 “(A) a deduction under subsection (e)(4);

23 or

24 “(B) an exclusion under subsection (d)(6)

25 for child support payments made.

1 “(2) STATE OPTIONS.—Regardless of whether”.

2 (c) INCLUSION OF ECONOMIC OPPORTUNITIES PRO-
3 GRAMS IN DEFINITION OF WORK PROGRAM.—Section
4 6(o)(2) of the Food and Nutrition Act of 2008 (7 U.S.C.
5 2015(o)(2)) is amended—

6 (1) in subparagraph (C), by striking “or” at
7 the end;

8 (2) in subparagraph (D), by striking the period
9 at the end and inserting “; or”; and

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

11 “(E) participate in and comply with the re-
12 quirements of a demonstration project under
13 section 106 of the Julia Carson Responsible Fa-
14 therhood and Healthy Families Act of 2013;”.

15 (d) EFFECTIVE DATE.—

16 (1) IN GENERAL.—This section and the amend-
17 ments made by this section take effect on October
18 1, 2013.

19 (2) STATE OPTION.—A State may implement
20 the amendments made by subsections (a) and (b) for
21 participating households at the first recertification of
22 the households that occurs on or after October 1,
23 2013.

1 **SEC. 108. GRANTS SUPPORTING HEALTHY FAMILY PART-**
2 **NERSHIPS FOR DOMESTIC VIOLENCE INTER-**
3 **VENTION AND PREVENTIONS.**

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

7 “(6) GRANTS SUPPORTING HEALTHY FAMILY
8 PARTNERSHIPS FOR DOMESTIC VIOLENCE INTER-
9 VENTION AND PREVENTION.—

10 “(A) IN GENERAL.—The Secretary shall
11 award grants on a competitive basis to healthy
12 family partnerships to develop and implement
13 promising practices for—

14 “(i) assessing and providing services
15 to individuals and families affected by do-
16 mestic violence, including through case-
17 worker training, the provision of technical
18 assistance to community partners, and the
19 implementation of safe visitation and ex-
20 change programs; or

21 “(ii) preventing domestic violence,
22 particularly as a barrier to economic secu-
23 rity, and fostering healthy relationships.

24 “(B) EDUCATION SERVICES.—In awarding
25 grants under subparagraph (A), the Secretary
26 shall ensure that 10 percent of the funds made

1 available under such grants are used for high
2 schools and other secondary educational institu-
3 tions and institutions of higher education to
4 provide education services on the value of
5 healthy relationships, responsible parenting,
6 and healthy marriages characterized by mutual
7 respect and nonviolence, and the importance of
8 building relationships skills such as communica-
9 tion, conflict resolution, and budgeting.

10 “(C) APPLICATION.—The respective entity
11 and organization of a healthy family partner-
12 ship entered into for purposes of receiving a
13 grant under this paragraph shall submit a joint
14 application to the Secretary, at such time and
15 in such manner as the Secretary shall specify,
16 containing—

17 “(i) a description of how the partner-
18 ship intends to carry out the activities de-
19 scribed in subparagraph (A);

20 “(ii) an assurance that funds made
21 available under the grant shall be used to
22 supplement, and not supplant, other funds
23 used by the entity or organization to carry
24 out programs, activities, or services de-
25 scribed in subparagraph (A) or (B); and

1 “(iii) such other information as the
2 Secretary may require.

3 “(D) GENERAL RULES GOVERNING USE OF
4 FUNDS.—The rules of section 404, other than
5 subsection (b) of that section, shall not apply to
6 a grant made under this paragraph.

7 “(E) DEFINITIONS.—In this paragraph:

8 “(i) DOMESTIC VIOLENCE.—The term
9 ‘domestic violence’ has the meaning given
10 that term in section 402(a)(7)(B).

11 “(ii) HEALTHY FAMILY PARTNER-
12 SHIP.—The term ‘healthy family partner-
13 ship’ means a partnership between—

14 “(I) an entity receiving funds
15 under a grant made under paragraph
16 (2) to promote healthy marriage or re-
17 sponsible fatherhood; and

18 “(II) an organization with dem-
19 onstrated expertise working with sur-
20 vivors of domestic violence.

21 “(F) APPROPRIATION.—Out of any money
22 in the Treasury of the United States not other-
23 wise appropriated, there are appropriated for
24 each of fiscal years 2014 through 2018,
25 \$25,000,000 for purposes of awarding grants to

1 healthy family partnerships under this para-
2 graph.”.

3 **SEC. 109. PROCEDURES TO ADDRESS DOMESTIC VIOLENCE.**

4 (a) IN GENERAL.—Section 403(a)(2) of the Social
5 Security Act (42 U.S.C. 603(a)(2)) is amended—

6 (1) by redesignating subparagraphs (D) and
7 (E) as subparagraphs (F) and (G), respectively; and

8 (2) by inserting after subparagraph (C) the fol-
9 lowing:

10 “(D) REQUIREMENTS FOR RECEIPT OF
11 FUNDS.—An entity may not be awarded a grant
12 under this paragraph unless the entity, as a
13 condition of receiving funds under such a
14 grant—

15 “(i) identifies in its application for the
16 grant the domestic violence experts at the
17 local, State, or national level with whom
18 the entity will consult in the development
19 and implementation of the programs and
20 activities of the entity;

21 “(ii) on award of the grant, and in
22 consultation with such domestic violence
23 experts, develops a written protocol which
24 describes—

1 “(I) how the entity will identify
2 instances or risks of domestic violence;

3 “(II) the procedures for respond-
4 ing to such instances or risk, includ-
5 ing making service referrals and pro-
6 viding protections and appropriate as-
7 sistance for identified individuals and
8 families;

9 “(III) how confidentiality issues
10 will be addressed; and

11 “(IV) the domestic violence train-
12 ing that will be provided to ensure ef-
13 fective and consistent implementation
14 of the protocol; and

15 “(iii) in an annual report to the Sec-
16 retary, includes a description of the domes-
17 tic violence protocols, and a description of
18 any implementation issues identified with
19 respect to domestic violence and how the
20 issues were addressed.

21 “(E) DOMESTIC VIOLENCE DEFINED.—In
22 this paragraph, the term ‘domestic violence’ has
23 the meaning given that term in section
24 402(a)(7)(B).”.

1 (b) CONFORMING AMENDMENTS.—Section 403(a)(2)
 2 of such Act (42 U.S.C. 603(a)(2)), as amended by section
 3 103(d) of this Act and subsection (a)(1) of this section,
 4 is amended—

5 (1) in subparagraph (A)(i)—

6 (A) by striking “and (E)” and inserting
 7 “(D), and (G)”; and

8 (B) by striking “(D)” and inserting “(F)”;
 9 and

10 (2) in subparagraphs (B)(i) and (C)(i), by
 11 striking “(D)” each place it appears and inserting
 12 “(F)”.

13 **TITLE II—REVENUE PROVISION**

14 **SEC. 201. INCREASE IN CREDIT PERCENTAGE UNDER** 15 **EARNED INCOME TAX CREDIT FOR ELIGIBLE** 16 **INDIVIDUALS WITH NO QUALIFYING CHIL-** 17 **DREN.**

18 (a) IN GENERAL.—The row in the table in subpara-
 19 graph (A) of section 32(b)(1) of the Internal Revenue
 20 Code of 1986 relating to no qualifying children is amended
 21 to read as follows:

“No qualifying children	20	7.65”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall apply to taxable years beginning after
3 December 31, 2013.

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