



WAYS AND MEANS

CHAIRMAN KEVIN BRADY

H.R. 2990 “Accelerating Individuals into the Workforce Act” (Summary of Expected Amendment in the Nature of a Substitute)

Encouraging Employer-Led Partnerships to Help People
Move from Welfare to Work

Sponsored by Human Resources Subcommittee Member Rep. Dold (R-IL)

Under this bill:

- Employers would take the lead by partnering with state and local agencies to hire TANF recipients, providing recipients with highly-valued work experience and on-the-job training.
- Up to \$100 million (reserved from the TANF Contingency Fund in FY 2017) would be provided to subsidize the wages of TANF recipients for up to 12 months.
- No more than 50% of the wage for a TANF recipient could be subsidized using funds from this bill, while the other half of the wage would be paid by the employer, or with state or local funds.
- High-quality evaluations would be used to determine whether these public-private partnerships were effective in helping welfare recipients move into jobs and retain work.
- Based on what is learned from the projects, the Department of Health and Human Services would have to submit recommendations to Congress on how to increase the employment of TANF recipients, as well as how to help them retain their jobs and increase earnings over time.

Cost: No cost.

Support: There is broad conservative support for moving welfare recipients into work, and for focusing current welfare spending on reducing welfare dependency by increasing employment. The FY 2017 President’s Budget also proposes using a portion of the TANF Contingency Fund to provide more work opportunities for welfare recipients by subsidizing wages.

Background:

- While moving welfare recipients into employment is a central goal of TANF, some welfare recipients have a difficult time transitioning from welfare into a job.
- In some cases, employers may be reluctant to hire welfare recipients who may have limited work experience or other barriers to working, which can be better managed when the cost of hiring a TANF recipient is decreased.

