



H.R. 5861: Jobs and Opportunity with Benefits and Services (JOBS) for Success Act of 2018

Helping More Americans Enter and Remain in the Workforce

Section by Section Summary

Section 1: Short title.

This Act may be cited as the “Jobs and Opportunity with Benefits and Services (JOBS) for Success Act”.

Section 2: Table of contents.

Section 3: References.

Section 4: Re-naming of program.

- Re-names title IV-A of the Social Security Act the Jobs and Opportunity with Benefits and Services (JOBS) program.

Section 5: Helping more Americans enter and remain in the workforce.

- Extends family assistance grants at current level through FY 2023.
- Extends healthy marriage promotion and responsible fatherhood grants through FY 2023.
- Extends tribal family assistance grants through FY 2023.
- Increases child care entitlement funding to \$3.5 billion annually and extends through FY 2023.
- Extends grants to territories at current levels through FY 2023.

Section 6: Expecting universal engagement and case management.

- Retains the strong focus on work requirements by requiring all work-eligible individuals receiving assistance to participate in work activities for a minimum number of hours per month in exchange for benefits.
- Expects universal engagement and case management of work-eligible individuals that begins with an initial assessment of education, skills, and work readiness to develop an individual opportunity plan, wherein the individual agrees to comply in exchange for benefits and includes:
 - The number of hours per month the individual is expected to participate in work activities;

- Short, intermediate, and long-term actions for the individual to reach an employment goal, to be reviewed every 90 days for progress, which may include an intermediate goal of completion of high school for an individual younger than age 24; and
- Referral, if appropriate, to substance abuse or mental health treatment.
- Maintains current law sanctioning of individuals that fail to comply with activities in the individual opportunity plan without good cause, and continues to require States to track and verify participation in work activities.
- Allows States greater flexibility in customizing work activities pursuant to an individual's needs as determined through the assessment and development of the individual opportunity plan.
- Delays the effective date for an additional year beyond the effective date for funding.

Section 7: Promoting accountability by measuring work outcomes.

- Includes an outcome-based performance accountability system to assess the effectiveness of States in increasing employment, retention, and advancement among families. Outcome measures replace the work participation rate as the primary State accountability mechanism.
- Establishes four indicators of performance, to align with those used under the Workforce Innovation and Opportunity Act (WIOA, P.L. 113-128), to be negotiated on a state-by-state basis with the Secretary of Health and Human Services (HHS) over the 2-year State plan period and as part of the State plan approval process including:
 1. Percent of work-eligible individuals in unsubsidized employment in the 2nd quarter after exit (weighted at 40% of total);
 2. Percent of work-eligible individuals in unsubsidized employment in the 2nd and 4th quarter after exit (weighted at 25% of total);
 3. Median earnings of work-eligible individuals in unsubsidized employment in the 2nd quarter after exit (weighted at 25% of total); and
 4. Percent of work-eligible individuals under 24 years of age, attending high school or enrolled in an equivalency program, who obtain a high school degree or equivalent (weighted at 10% of total).
- Defines “exit” as the month in which a work-eligible recipient ceases to receive a benefit, and allows States the option to adopt common exit measures with programs under the WIOA to promote alignment with the workforce system.
- Requires the State and Secretary, in negotiating performance levels, to take into account:
 - How levels compare with the levels established for other States;
 - Appropriate adjustments to performance levels using an objective statistical model (to be developed in consultation with the Department of Labor) based on differences in economic conditions, including unemployment rates and characteristics of participants; and
 - How levels promote continuous improvement.



- Uses FY 2020 as the baseline year from which numerical targets will be established for each fiscal year thereafter in conjunction with submission of the State plan.
- Establishes a website with state-by-state profiles and a dashboard report card structure that includes transparent information on:
 - Each State’s performance level on each indicator and whether the State achieves, exceeds, or fails to achieve their targets on an ongoing basis;
 - Information on adjustments to performance levels made pursuant to the statistical adjustment model;
 - A grade based on overall State performance as determined by HHS and in consultation with the State;
 - The number and percentage of child-only cases and reason why cases are child-only;
 - Average weekly number of hours each work-eligible individual is in work activities, including the number and percentage of individuals with zero hours of participation and reason for non-participation;
 - Information on the results of improper payment reviews (see Section 10); and
 - Link to the State’s approved plan (see Section 14).
- Adds references to “apprenticeships” and “career technical education” to the current list of 12 work activities and adds an additional activity to be voluntary participation in an in-home parenting program, such as the Maternal, Infant, and Early Childhood Home Visiting program which must be described in the State’s plan.

Section 8: Targeting funds to truly needy families.

- Limits use of funds to families whose monthly income is below 200% of the federal poverty level. For a family of three, that is \$41,560 in 2018.
- Expands transfer authority and raises the cap, by allowing States to transfer up to 50% of funds to the Child Care and Development Fund, child welfare (up to 10%), and the Workforce Innovation and Opportunity Act (WIOA). Prohibits transfer of funds to the Social Services Block Grant. Prohibits direct spending on child care and other early childhood programs. States that want to use funds for these purposes are to transfer funds pursuant to this new authority.

Section 9: Targeting funds to core purposes.

- Requires at least 25% of each State’s federal funds to be used for core activities that support work including: assistance, case management, work supports and supportive services, work, wage subsidies, work activities and non-recurrent short term benefits.
- Similarly, at least 25% of each State’s maintenance of effort funds must be used for core activities that support work.
- Beginning in FY 2020, phases-out counting of third-party spending towards the State spending requirement.



Section 10: Strengthening program integrity by measuring improper payments.

- Applies requirements of the Improper Payments Elimination and Recovery Act of 2010 (P.L. 111-204) to the program to require States to conduct case reviews in order to identify errors and improper payments.
- Provides HHS 2 years to issue regulations governing how States are to conduct reviews and report improper payments.

Section 11: Prohibition on State diversion of Federal funds to replace State spending.

- Adds non-supplantation language to prohibit the diversion of federal funds to replace State spending on social services.

Section 12: Inclusion of poverty reduction as a core purpose.

- Adds reducing child poverty by increasing employment entry, retention, and advancement of needy parents to the four existing program purposes.

Section 13: Welfare for needs not weed.

- Prohibits cash benefits from being accessed electronically at stores that sell marijuana, amending the current restriction on casinos, liquor stores, and strip clubs.

Section 14: Strengthening accountability through HHS approval of State plans.

- Provides HHS authority to approve State plans, which cover a 2-year period, and includes new plan requirements related to new provisions of the law including case management, universal engagement, income disregard for marriage, phase-out of benefits, and performance measures and levels.
- Requires States to provide in their plan a description of how they will engage low-income noncustodial parents that owe child support and provide these parents with access to work supports and other services to support their employment and advancement.
- Requires States to document their policies for transitional periods of benefits, increasing early success in work.
- Allows States the option of submitting a combined plan to HHS and the Department of Labor that meets requirements for and programs and activities under WIOA.
- Provides the Secretary of HHS with authority to reserve $\frac{1}{4}$ of 1% of the aggregate amount appropriated to provide technical assistance to carry out State and tribal programs, including for implementation of work outcomes and maintenance of the performance dashboard described in Section 7.

Section 15: Aligning and improving data reporting.

- Requires States to report full population data in order to improve transparency and reporting in the program.



- Adds reporting requirements to capture the number of hours per month for each work-eligible individual, including reporting individuals with zero hours of participation in work activities and the reason for lack of participation.

Section 16: Technical corrections to data exchange standards to improve program coordination.

- Modifies existing data exchange standard requirements to account for federal-to-state and state-to-state exchanges of program information.

Section 17: Set-aside for economic downturns.

- Expects the use of funds to be within three federal fiscal years and allows up to 15% of funds to be reserved beyond that period for use during economic downturns or other increases the need for financial resources.

Section 18: Definitions related to use of funds.

- Provides a definition of “benefit” to mean assistance or wage subsidies provided to work-eligible individuals receiving assistance.
- Adds statutory definitions of “assistance,” “work supports,” and “supportive services,” consistent with the current regulatory definition used by HHS.

Section 19: Elimination of obsolete provisions.

- Eliminates expired provisions including welfare-to-work grants and federal loans for State welfare programs.

Section 20: Effective date.

- Effective date of the bill is October 1, 2018.

