

112TH CONGRESS  
1ST SESSION

# H. R. 1135

To provide information on total spending on means-tested welfare programs, to provide additional work requirements, and to provide an overall spending limit on means-tested welfare programs.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2011

Mr. JORDAN (for himself, Mr. SCOTT of South Carolina, Mr. GARRETT, Mr. BURTON of Indiana, and Mr. GOHMERT) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Agriculture, the Budget, Rules, and Energy and Commerce, 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

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## A BILL

To provide information on total spending on means-tested welfare programs, to provide additional work requirements, and to provide an overall spending limit on means-tested welfare programs.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Welfare Reform Act  
5 of 2011”.

**1 SEC. 2. TABLE OF CONTENTS.**

**2** The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

**TITLE I—TANF REFORMS**

- Sec. 101. Short title.
- Sec. 102. Elimination of temporary modification of the caseload reduction credit.
- Sec. 103. Reduction in funding of State family assistance grants.

**TITLE II—WORK REQUIREMENTS FOR THE FOOD STAMP PROGRAM**

- Sec. 201. Restoration of Act short title and references to the food stamp program.
- Sec. 202. Amendments.
- Sec. 203. Termination of benefit increase.

**TITLE III—REPORTING OF MEANS-TESTED WELFARE SPENDING IN PRESIDENT’S BUDGET SUBMISSION**

- Sec. 301. Additional information in President’s budget submission.

**TITLE IV—AGGREGATE CAP FOR MEANS-TESTED WELFARE SPENDING**

- Sec. 401. Definition of means-tested welfare spending.
- Sec. 402. Reports to budget committees.
- Sec. 403. Content of concurrent resolutions on the budget.
- Sec. 404. Allocations of means-tested welfare spending.
- Sec. 405. Reconciliation.

**TITLE V—GRANTS TO PROMOTE SELF-SUFFICIENCY**

- Sec. 501. Grants to States.

**TITLE VI—PROHIBITION ON FUNDING OF ABORTION**

- Sec. 601. Prohibition on funding for abortions.
- Sec. 602. Prohibition on funding for health benefits plans that cover abortion.
- Sec. 603. Prohibition on tax benefits relating to abortion.
- Sec. 604. Construction relating to separate coverage.
- Sec. 605. Construction relating to the use of non-Federal funds for health coverage.
- Sec. 606. Treatment of abortions related to rape, incest, or preserving the life of the mother.

1           **TITLE I—TANF REFORMS**

2   **SEC. 101. SHORT TITLE.**

3           This title may be cited as the “Welfare Reform Res-  
4   toration Act”.

5   **SEC. 102. ELIMINATION OF TEMPORARY MODIFICATION OF**  
6           **THE CASELOAD REDUCTION CREDIT.**

7           (a) IN GENERAL.—Section 407(b)(3)(A)(i) of the So-  
8   cial Security Act (42 U.S.C. 607(b)(3)(A)(i)) is amended  
9   by striking “(or if the immediately preceding fiscal year  
10 is fiscal year 2008, 2009, or 2010, then, at State option,  
11 during the emergency fund base year of the State with  
12 respect to the average monthly assistance caseload of the  
13 State (within the meaning of section 403(c)(9)), except  
14 that, if a State elects such option for fiscal year 2008,  
15 the emergency fund base year of the State with respect  
16 to such caseload shall be fiscal year 2007))”.

17           (b) CONFORMING AMENDMENTS.—Section 2101 of  
18 the American Recovery and Reinvestment Act of 2009  
19 (123 Stat. 448–449; Public Law 111–5) is amended—

20           (1) in subsection (a)(2), by striking “, except  
21   that paragraph (9) of such subsection shall remain  
22   in effect until October 1, 2011, but only with respect  
23   to section 407(b)(3)(A)(i) of such Act”; and

24           (2) by striking subsection (d)(2).

1 **SEC. 103. REDUCTION IN FUNDING OF STATE FAMILY AS-**  
2 **SISTANCE GRANTS.**

3 Section 403(a)(1)(C) of the Social Security Act (42  
4 U.S.C. 603(a)(1)(C)) is amended by striking “2003  
5 \$16,566,542,000” and inserting “2011 and each suc-  
6 ceeding fiscal year \$15,566,042,000, notwithstanding any  
7 other provision of law”.

8 **TITLE II—WORK REQUIREMENTS**  
9 **FOR THE FOOD STAMP PRO-**  
10 **GRAM**

11 **SEC. 201. RESTORATION OF ACT SHORT TITLE AND REF-**  
12 **ERENCES TO THE FOOD STAMP PROGRAM.**

13 Effective on the date of the enactment of this Act,  
14 the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et  
15 seq.), and each provision of law amended by section 4001  
16 or 4002 of the Food, Conservation, and Energy Act of  
17 2008 (Public Law 110–246; 122 Stat. 1651), are restored  
18 as if sections 4001 and 4002 of the Food, Conservation,  
19 and Energy Act of 2008 had not been enacted.

20 **SEC. 202. AMENDMENTS.**

21 (a) **DECLARATION OF POLICY.**—Section 2 of the  
22 Food and Nutrition Act of 2008 (7 U.S.C. 2011) is  
23 amended by adding at the end the following:

24 “Congress further finds that it should also be the goal  
25 of the food stamp program to increase employment, to en-  
26 courage healthy marriage, and to promote prosperous self-

1 sufficiency which shall mean the ability of households to  
2 maintain an income above the poverty level without Gov-  
3 ernment services and benefits.”.

4 (b) DEFINITIONS.—Section 3 of the Food and Nutri-  
5 tion Act of 2008 (7 U.S.C. 2012) is amended by adding  
6 at the end the following:

7 “(w) ABLE-BODIED, WORK-ELIGIBLE ADULT.—The  
8 term ‘able-bodied, work-eligible adult’ means an individual  
9 who—

10 “(1) is more than 18, and less than 63, years  
11 of age;

12 “(2) is not physically or mentally capable of  
13 work; and

14 “(3) is not the full-time caretaker of a disabled  
15 adult dependent.

16 “(x) NOT PHYSICALLY OR MENTALLY CAPABLE OF  
17 WORK.—The term ‘not physically or mentally capable of  
18 work’ shall mean an individual—

19 “(1) who currently receives benefits from the  
20 Supplemental Security Income program or another  
21 program that provides recurring benefits to individ-  
22 uals because the individual is disabled and unable to  
23 work; or

24 “(2) who has been medically certified as phys-  
25 ically or mentally incapable of work and who has a

1 credible pending application for enrollment in the  
2 Supplemental Security Income program or another  
3 program that provides recurring benefits to individ-  
4 uals because the individual is disabled and unable to  
5 work.

6 “(y) FAMILY WITH DEPENDENT CHILDREN.—The  
7 term ‘family with dependent children’ means a unit con-  
8 sisting of a family head, one or more dependent children,  
9 and in some cases, the married spouse of the family head,  
10 all of whom share meals and reside within a single house-  
11 hold. There may be more than one family with dependent  
12 children within a single household.

13 “(z) FAMILY HEAD.—The term ‘family head’  
14 means—

15 “(1) a biological parent who is lawfully present  
16 in the United States and resides within a household  
17 with one or more dependent children who are bio-  
18 logical offspring; or

19 “(2) in the absence of a biological parent, a  
20 step parent, guardian, or adult relative who resides  
21 with and provides care to the child or the children  
22 and is lawfully present in the United States.

23 “(aa) FAMILY UNIT.—The term ‘family unit’  
24 means—

1           “(1) an adult residing without dependent chil-  
2           dren;

3           “(2) a single-headed family with dependent chil-  
4           dren; or

5           “(3) a married couple family with dependent  
6           children.

7           “(bb) MARRIED COUPLE FAMILY WITH DEPENDENT  
8 CHILDREN.—The term ‘married couple family with de-  
9 pendent children’ means a family with dependent children  
10 which has both a family head and the married spouse of  
11 the family head residing with the family.

12          “(cc) MARRIED SPOUSE OF THE FAMILY HEAD.—  
13 The term ‘married spouse of the family head’ means the  
14 lawfully married spouse of the family head who resides  
15 with the family head and dependent children and is law-  
16 fully present in the United States.

17          “(dd) MEMBER OF A FAMILY.—The term ‘member  
18 of a family’ means the family head, married spouse if  
19 present, and all dependent children within a family with  
20 dependent children.

21          “(ee) MONTHLY POTENTIAL WORK ACTIVATION  
22 POPULATION.—The term ‘monthly potential work activa-  
23 tion population’ means the sum of—

24           “(1) all able bodied work eligible individuals  
25           without dependents who have received food stamp

1 benefits and who have maintained less than 60  
2 hours of paid employment during a month;

3 “(2) all work eligible single-headed families with  
4 dependent children which have received food stamp  
5 benefits during the month and have maintained less  
6 than 120 hours of paid employment by the family  
7 head during the month; and

8 “(3) all work eligible married couples with de-  
9 pendent children which have received food stamp  
10 benefits during the month and have maintained less  
11 than 120 combined hours of paid employment be-  
12 tween the family head and the married spouse,  
13 summed together and counted jointly, during the  
14 month.

15 “(ff) MONTHLY WORK ACTIVATION PARTICI-  
16 PANTS.—The term ‘monthly work activation participants’  
17 means the sum of—

18 “(1) all able bodied work eligible individuals  
19 without dependents who have received food stamp  
20 benefits and who have maintained—

21 “(A) less than 60 hours of paid employ-  
22 ment during a month; and

23 “(B) more than 60 hours of combined paid  
24 employment and work activation activity during  
25 the month;

1           “(2) all work eligible single-headed families with  
2           dependent children which have received food stamp  
3           benefits during the month and contain a family head  
4           who has maintained—

5                   “(A) less than 120 hours of paid employ-  
6                   ment during the month; and

7                   “(B) more than 120 hours of combined  
8                   paid employment and work activation activity  
9                   during the month; and

10           “(3) all work eligible married couples with de-  
11           pendent children which have received food stamp  
12           benefits during the month, and have maintained—

13                   “(A) less than 120 combined hours of paid  
14                   employment between the family head and the  
15                   spouse, summed together and counted jointly,  
16                   during the month; and

17                   “(B) more than 120 hours of combined  
18                   paid employment and work activation activity  
19                   between the family head and the married  
20                   spouse, summed together and counted jointly,  
21                   during the month.

22           “(gg) SINGLE-HEADED FAMILY WITH DEPENDENT  
23 CHILDREN.—The term ‘single-headed family with depend-  
24 ent children’ means a family with dependent children  
25 which contains a family head residing with the family but

1 does not have a married spouse of the family head residing  
2 with the family.

3 “(hh) SUPERVISED JOB SEARCH.—The term ‘super-  
4 vised job search’ means a job search program which has  
5 the following characteristics:

6 “(1) The job search occurs at an official loca-  
7 tion where the recipient’s presence and activity can  
8 be directly observed, supervised, and monitored.

9 “(2) The recipient’s entry, time on site, and  
10 exit from the official job search location are recorded  
11 in a manner which prevents fraud.

12 “(3) The recipient is expected to remain and  
13 undertake job search activities at the job search cen-  
14 ter except for brief, authorized departures for speci-  
15 fied off-site interviews.

16 “(4) The amount of time the recipient is ob-  
17 served and monitored engaging in job search at the  
18 official location is recorded for purposes of compli-  
19 ance with section 29.

20 “(ii) WORK ACTIVATION.—The term ‘work activa-  
21 tion’ means—

22 “(1) supervised job search;

23 “(2) community service activities;

1           “(3) education and job training for individuals  
2           who are family heads or married spouses of family  
3           heads;

4           “(4) workfare under section 20; or

5           “(5) drug or alcohol treatment.

6           “(jj) WORK ACTIVATION RATIO.—The term ‘work ac-  
7           tivation ratio’ means the number of work activation par-  
8           ticipants in a given month divided by the potential work  
9           activation population for the same month.

10          “(kk) WORK ACTIVITIES.—The term ‘work activities’  
11          means paid employment, work activation, or a combination  
12          of both paid employment and work activation.

13          “(ll) WORK ELIGIBLE FAMILY UNIT.—The term  
14          ‘work eligible family unit’ means—

15                 “(1) an able-bodied, work eligible adult without  
16                 dependent children;

17                 “(2) a work eligible single-headed family with  
18                 dependent children; or

19                 “(3) a work eligible married couple family with  
20                 dependent children.

21          “(mm) WORK ELIGIBLE ADULT WITHOUT DEPEND-  
22          ENT CHILDREN.—The term ‘work eligible adult without  
23          dependent children’ means an individual who—

24                 “(1) is an able-bodied work eligible individual;

25                 and

1           “(2) is not a family head or the married spouse  
2           of a family head.

3           “(nn) WORK ELIGIBLE MARRIED COUPLE FAMILY  
4 WITH DEPENDENT CHILDREN.—The term ‘work eligible  
5 married couple family with dependent children’ means a  
6 married couple with dependent children which contains at  
7 least one work eligible able-bodied adult who is—

8           “(1) the family head; or

9           “(2) the married spouse of the family head.

10          “(oo) WORK ELIGIBLE SINGLE HEADED FAMILY  
11 WITH DEPENDENT CHILDREN.—The term ‘work eligible  
12 single headed family with dependent children’ means a sin-  
13 gle headed family with dependent children which has a  
14 family head who is an able bodied work eligible adult.”.

15          “(c) CONDITIONS OF PARTICIPATION.—Section 6(d) of  
16 the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d))  
17 is amended to read as follows:

18          “(d) CONDITIONS OF PARTICIPATION.—

19               “(1) WORK REQUIREMENTS.—

20                       “(A) IN GENERAL.—No able-bodied work  
21 eligible adult shall be eligible to participate in  
22 the food stamp program if the individual—

23                               “(i) refuses, at the time of application  
24                               and every 12 months thereafter, to register

1 for employment in a manner prescribed by  
2 the Secretary;

3 “(ii) refuses without good cause to ac-  
4 cept an offer of employment, at a site or  
5 plant not subject to a strike or lockout at  
6 the time of the refusal, at a wage not less  
7 than the higher of—

8 “(I) the applicable Federal or  
9 State minimum wage; or

10 “(II) 80 percent of the wage that  
11 would have governed had the min-  
12 imum hourly rate under section  
13 6(a)(1) of the Fair Labor Standards  
14 Act of 1938 (29 U.S.C. 206 (a)(1))  
15 been applicable to the offer of employ-  
16 ment;

17 “(iii) refuses without good cause to  
18 provide a State agency with sufficient in-  
19 formation to allow the State agency to de-  
20 termine the employment status or the job  
21 availability of the individual; or

22 “(iv) voluntarily—

23 “(I) quits a job; or

24 “(II) reduces work effort and,  
25 after the reduction, the individual is

1 working less than 30 hours per week,  
2 unless another adult in the same fam-  
3 ily unit increases employment at the  
4 same time by an amount equal to the  
5 reduction in work effort by the first  
6 adult.

7 “(B) FAMILY UNIT INELIGIBILITY.—If an  
8 able-bodied work eligible adult is ineligible to  
9 participate in the food stamp program because  
10 of subparagraph (A), then no other member of  
11 the family unit to which that adult belongs shall  
12 be eligible to participate.

13 “(C) DURATION OF INELIGIBILITY.—An  
14 able-bodied work eligible adults who becomes in-  
15 eligible under subparagraph (A), and members  
16 of the family unit who become ineligible under  
17 subparagraph (B), shall remain ineligible for  
18 three months after the date at which they be-  
19 came ineligible.

20 “(D) RESTORATION OF ELIGIBILITY.—At  
21 the end of three months of ineligibility under  
22 subsection (c), members of a work eligible fam-  
23 ily unit may have their eligibility to participate  
24 in the food stamp program restored, if—

1           “(i) the family unit is no longer work  
2           eligible family unit; or

3           “(ii) the adult members of the family  
4           unit begin and maintain any combination  
5           of paid employment and work activation  
6           sufficient to meet the appropriate stand-  
7           ards for resumption of benefits in section  
8           29(c)(2).

9           “(2) STRIKE AGAINST A GOVERNMENT.—For  
10          the purpose of subparagraph (A)(iv), an employee of  
11          the Federal Government, a State, or a political sub-  
12          division of a State, who is dismissed for partici-  
13          pating in a strike against the Federal Government,  
14          the State, or the political subdivision of the State  
15          shall be considered to have voluntarily quit without  
16          good cause.

17          “(3) STRIKING WORKERS INELIGIBLE.—Not-  
18          withstanding any other provision of law, no member  
19          of a family unit shall participate in the food stamp  
20          program at any time that any able-bodied work eligi-  
21          ble adult member of such household is on strike as  
22          defined in the Labor Management Relations Act,  
23          1947 (29 U.S.C. 142(2)), because of a labor dispute  
24          (other than a lockout) as defined in section 2(9) of  
25          the National Labor Relations Act (29 U.S.C.

1       152(9)): *Provided*, That a family unit shall not lose  
2       its eligibility to participate in the food stamp pro-  
3       gram as a result of one of its members going on  
4       strike if the household was eligible immediately prior  
5       to such strike, however, such family unit shall not  
6       receive an increased allotment as the result of a de-  
7       crease in the income of the striking member or  
8       members of the household: *Provided further*, That  
9       such ineligibility shall not apply to any family unit  
10      that does not contain a member on strike, if any of  
11      its members refuses to accept employment at a plant  
12      or site because of a strike or lockout.”.

13      (d) TERMINATION OF FUNDING.—Section 6 of the  
14      Food and Nutrition Act of 2008 (7 U.S.C. 2015) is  
15      amended by striking subsection (h).

16      (e) ELIGIBILITY OF STUDENTS WITH DEPENDENT  
17      CHILDREN.—Section 6(e)(8) of the Food and Nutrition  
18      Act of 2008 (7 U.S.C. 2015(e)(8)) is amended to read  
19      as follows:

20               “(8) is enrolled full-time in an institution of  
21               higher education, as determined by the institution,  
22               and—

23                       “(A) is a single parent with responsibility  
24                       for the care of a dependent child under 12  
25                       years of age; or

1           “(B) is a family head or married spouse of  
2           a family head in a married couple family with  
3           dependent children and has a dependent child  
4           under age 12 residing in the home.”.

5           (f) WORK REQUIREMENT.—Section 6(o) of the Food  
6 and Nutrition Act of 2008 (7 U.S.C. 2015(o)) is amended  
7 to read as follows:

8           “(o) FULFILLMENT OF EMPLOYMENT AND WORK  
9 ACTIVATION REQUIREMENTS.—

10           “(1) IN GENERAL.—If an adult or adults within  
11 a work eligible family unit are required by the State  
12 agency to participate in work activation under sec-  
13 tion 29, no member of the family unit shall be eligi-  
14 ble for food stamp benefits unless the employment  
15 and work activation standards for the family unit  
16 are fulfilled.

17           “(2) SANCTIONS AND RESUMPTION OF BENE-  
18 FITS.—If an adult or adults within a work eligible  
19 family unit who are required by the State agency to  
20 participate in work activation under section 29 dur-  
21 ing a given month, fail to fulfill the work activation  
22 standards, benefits for all members of the family  
23 unit will be terminated in accordance with section  
24 29(c)(1) and may be resumed upon compliance with  
25 the provisions of section 29(c)(2).”.

1 (g) EXCLUSION.—Section 6 of the Food and Nutri-  
2 tion Act of 2008 (7 U.S.C. 2015) is amended by adding  
3 at the end the following:

4 “(r) MINOR CHILDREN.—No child less than age 18  
5 years of age may participate in the food stamp program  
6 unless that child is a member of a family with dependent  
7 children and resides with an adult who is—

8 “(1) the family head of the same family of  
9 which the child is also a member;

10 “(2) eligible to participate, and is participating,  
11 in the food stamp program as a member of the same  
12 household as the child; and

13 “(3) lawfully residing, and is eligible to work, in  
14 the United States.”.

15 (h) HEARING AND DETERMINATION.—Section  
16 11(e)(10) of the Food and Nutrition Act of 2008 (7  
17 U.S.C. 2020(e)(10)) is amended by striking “: *Provided*”  
18 and all that follows through “hearing;”, and inserting a  
19 semicolon.

20 (i) WORK REQUIREMENTS AND ACTIVATION PRO-  
21 GRAM.—The Food and Nutrition Act of 2008 (7 U.S.C.  
22 2011 et seq.) by adding at the end the following:

1 **“SEC. 29. WORK REQUIREMENTS AND ACTIVATION PRO-**  
2 **GRAM.**

3 “(a) EMPLOYMENT AND WORK ACTIVATION STAND-  
4 ARDS.—Family units with adult members that are re-  
5 quired to participate in work activation under section  
6 29(b) during a full month of participation in the food  
7 stamp program shall be expected to fulfill the following  
8 levels of work activity during that month:

9 “(1) Each able-bodied work eligible adult with-  
10 out dependent children shall be required to perform  
11 work activities for at least 60 hours per month.

12 “(2) Each family head of a work eligible single-  
13 headed family with dependent children shall be re-  
14 quired to perform work activities for at least 120  
15 hours per month.

16 “(3) In each work eligible married couple family  
17 with dependent children, the family head and mar-  
18 ried spouse shall be required to perform work activi-  
19 ties which when added together for the two adults  
20 equal at least 120 hours per month: *Provided*, That  
21 the 120 hour requirement shall be a single joint obli-  
22 gation for the married couple as a whole in which  
23 the activities of both married partners shall be com-  
24 bined together and counted jointly.

25 “(A) For purposes of meeting this require-  
26 ment the paid employment and work activation

1 of the family head shall be added to the paid  
2 employment and work activation of the married  
3 spouse, and the requirement shall be fulfilled as  
4 long as the sum of the work activities of the  
5 two individuals when added together equals or  
6 exceeds 120 hours per month.

7 “(B) The work requirement for married  
8 couple with dependent children may be fulfilled  
9 by—

10 “(i) 120 or more hours of work activ-  
11 ity by the family head;

12 “(ii) 120 or more hours of work ac-  
13 tivities by the married spouse; or

14 “(iii) the combined work activities of  
15 the family head and married spouse which  
16 when added together equal or exceed 120  
17 hours.

18 “(C) Neither the family head nor the mar-  
19 ried spouse in a married couple with dependent  
20 children shall be subject to a separate work ac-  
21 tivation requirement as individuals.

22 “(b) PRO RATA REDUCTION IN EMPLOYMENT AND  
23 WORK ACTIVATION STANDARD DURING A PARTIAL  
24 MONTH.—

1           “(1) A work eligible family unit shall be subject  
2 to a pro-rated work activity standard, if the family  
3 unit—

4           “(A) receives a pro-rated monthly allot-  
5 ment during the initial month of enrollment  
6 under section 8(c); and

7           “(B) is required by the State to participate  
8 in the work activation program during that  
9 month.

10          “(2) The pro-rated work activity standard shall  
11 be a number of hours of work activity having a value  
12 which bears the same ratio to the employment and  
13 work activation requirement for that family unit for  
14 a full month under subsection (a) as the ratio of the  
15 pro-rated monthly allotment received by the house-  
16 hold for the partial month under section 8(c) bears  
17 to the full allotment the same household would re-  
18 ceive for a complete month.

19          “(3) For purposes of fulfilling the pro-rated  
20 work activity requirement during an initial month of  
21 enrollment in the food stamp program, only those  
22 hours of adult work activity which occurred during  
23 the portion of the month in which the family unit  
24 was participating in the food stamp program shall  
25 be counted.

1 “(c) SANCTION FOR NONCOMPLIANCE.—

2 “(1) IN GENERAL.—If a member or members of  
3 a work eligible family unit are required to partici-  
4 pate in the work activation program under sub-  
5 section (e) in a given calendar month and the indi-  
6 vidual or individuals fail to fulfill the work activity  
7 standard under subsection (a) or (b) for that month,  
8 then no member of the family unit shall be eligible  
9 to receive food stamp benefits during the subsequent  
10 calendar month.

11 “(A) ADMINISTRATION OF SANCTION.—If  
12 a member or members of a work eligible family  
13 unit is required to participate in the work acti-  
14 vation program under subsection (e) in a given  
15 calendar month and the individual or individ-  
16 uals fail to fulfill the work activity standard for  
17 that month, then the State agency must elimi-  
18 nate the food stamp benefit payment for all  
19 members of the family unit that otherwise  
20 would have been issued at the beginning of the  
21 next month except as provided in subparagraph  
22 (B).

23 “(B) ADMINISTRATIVE DELAY OF SANC-  
24 TION.—If it is administratively infeasible for  
25 the State to eliminate the food stamp benefit

1 would be issued at the beginning of the first  
2 month after the month of noncompliance, then  
3 the State must eliminate the payment to all  
4 members of the family unit that otherwise  
5 would have been made at the beginning of the  
6 second month after the month of noncompli-  
7 ance: *Provided*, That the sanction of benefits  
8 must occur no later than 32 days after the end  
9 of the month of noncompliance, and: *Provided*  
10 *further*, That at least one monthly payment to  
11 all members of the family unit must be elimi-  
12 nated for each month of noncompliance under  
13 paragraph (1).

14 “(2) RESUMPTION OF BENEFITS AFTER SANC-  
15 TION.—

16 “(A) IN GENERAL.—If a family unit has  
17 had its monthly benefit eliminated due to non-  
18 compliance with a work activity requirement  
19 under subsection (b) then the family unit shall  
20 not be eligible to receive future benefits under  
21 the food stamp program, until——

22 “(i) the work eligible member or mem-  
23 bers of the family unit have participated in  
24 the work activation program under sub-  
25 section (e) for four consecutive subsequent

1 weeks and fulfilled the work activity stand-  
2 ard for the family unit for that same four  
3 week period; or

4 “(ii) the family unit no longer con-  
5 tains any able bodied work eligible adults.

6 “(B) LIMITATION.—The resumed benefits  
7 cannot restore or compensate for the benefits  
8 that were eliminated due to the sanction im-  
9 posed in subsection (c)(1).

10 “(d) WORK ACTIVATION IS NOT EMPLOYMENT.—  
11 Participation in work activation activities under this sec-  
12 tion shall not be deemed employment and shall not be sub-  
13 ject to any law pertaining to wages, compensation, hours,  
14 or conditions of employment under any law administered  
15 by the Department of Labor.

16 “(e) WORK ACTIVATION PROGRAM.—

17 “(1) PROGRAM.—States will run a work activa-  
18 tion program.

19 “(2) PURPOSE.—The goal of the program shall  
20 be to increase the employment of work eligible able-  
21 bodied adult food stamp recipients. To accomplish  
22 this goal, each State shall require able-bodied adult  
23 food stamp recipients who are unemployed or under-  
24 employed to engage in work activation.

25 “(3) TARGET WORK ACTIVATION RATIOS.—

1           “(A) IN GENERAL.—Commencing no later  
2 than six months after the effective date of this  
3 section, the State shall engage able-bodied food  
4 stamp recipients in work activation each month  
5 in sufficient numbers to meet the following  
6 monthly target work activation ratios:

7                   “(i) In 2012 the monthly target work  
8 activation ratio shall be 4 percent.

9                   “(ii) In 2013 and in subsequent years  
10 the monthly target work activation ratio  
11 shall be 7 percent.

12           “(B) LIMITATION ON EDUCATION AND  
13 TRAINING AS A COMPONENT OF WORK ACTIVA-  
14 TION.—For purposes of compliance by the  
15 State with the work activation ratios, not more  
16 than 20 percent of the monthly work activation  
17 participants counted by the State may be en-  
18 gaged in employment and training as a means  
19 of fulfilling their employment and work activa-  
20 tion standards.

21           “(4) WORK ACTIVATION PRIORITY POPU-  
22 LATIONS.—

23           “(A) IN GENERAL.—In operating the work  
24 activation program, States shall give priority to  
25 participation by the following recipient groups:

1                   “(i) Work eligible adults without de-  
2                   pendent children.

3                   “(ii) Work eligible adults who are also  
4                   recipients of housing assistance.

5                   “(iii) Other work eligible recipients at  
6                   the time of initial application for benefits.

7                   “(B) PARTICIPATION SHARE.—Except as  
8                   provided in paragraph (C), at least 80 percent  
9                   of the participants in work activation should be-  
10                  long to the three priority groups listed in para-  
11                  graph (A).

12                  “(C) EXCEPTION.—The numeric require-  
13                  ment in paragraph (B) shall not pertain if the  
14                  number of recipients in the three priority  
15                  groups in paragraph is insufficient to meet that  
16                  requirement, but in those circumstances, the  
17                  State will continue to give priority to any recipi-  
18                  ents who belong to the three priority groups.

19                  “(5) REIMBURSABLE EXPENSES OF PARTICI-  
20                  PANTS.—

21                  “(A) The State agency shall provide pay-  
22                  ments or reimbursements to participants in  
23                  work activation carried out under this section  
24                  for—

1           “(i) the actual costs of transportation  
2           and other actual costs (other than depend-  
3           ent care costs) that are reasonably nec-  
4           essary and directly related to participation  
5           in the work activation components of the  
6           program; and

7           “(ii) the actual costs of such depend-  
8           ent care expenses that are determined by  
9           the State agency to be necessary for the  
10          participation of an individual in the work  
11          activation components of the program  
12          (other than an individual who is the care-  
13          taker relative of a dependent in a family  
14          receiving benefits under part A of title IV  
15          of the Social Security Act (42 U.S.C. 601  
16          et seq.) in a local area where an employ-  
17          ment, training, or education program  
18          under title IV of such Act (42 U.S.C. 601  
19          et seq.) is in operation), except that no  
20          such payment or reimbursement shall ex-  
21          ceed the applicable local market rate.

22          “(B) In lieu of providing reimbursements  
23          for dependent care expenses under clause (i), a  
24          State agency may, at its option, arrange for de-  
25          pendent care through providers by providing

1 vouchers to the household allowing the recipient  
2 to choose between all lawful providers. The  
3 value of the voucher shall not exceed the aver-  
4 age local market rate.

5 “(C) The value of any dependent care serv-  
6 ices provided for or arranged under paragraph  
7 (1) or (2), or any amount received as a pay-  
8 ment or reimbursement under (1), shall—

9 “(i) not be treated as income for the  
10 purposes of any other Federal or federally  
11 assisted program that bases eligibility for,  
12 or the amount of benefits on, need; and

13 “(ii) not be claimed as an employ-  
14 ment-related expense for the purposes of  
15 the credit provided under section 21 of  
16 title 26.

17 “(6) PENALTIES FOR INADEQUATE STATE PER-  
18 FORMANCE.—If, in a given month, a State fails to  
19 engage food stamp recipients in work activation in  
20 sufficient numbers to meet or exceed the appropriate  
21 work activation ratio provided in subsection (e)(3),  
22 the Federal food stamp funding provided to the  
23 State in a subsequent penalty month will be reduced  
24 as follows: *Provided*, That, the month in which the  
25 State failed to engage food stamp recipients in work

1 activation in sufficient numbers to meet or exceed  
2 the appropriate target work activation ratio shall be  
3 designated the non-performance month, and: *Pro-*  
4 *vided further*, That the month in which the State is  
5 penalized shall be designated the penalty month:

6 “(A) The penalty month shall be no later  
7 than four months after the non-performance  
8 month.

9 “(B) The amount of Federal food stamp  
10 funding the State shall receive for the penalty  
11 month shall equal the amount of Federal food  
12 stamp funds the State would otherwise have re-  
13 ceived multiplied by a fraction equaling—

14 “(i) the actual monthly work activa-  
15 tion ratio achieved by the State in the pen-  
16 alty month; divided by

17 “(ii) the target monthly work activa-  
18 tion ratio for the penalty month.

19 “(7) REWARDS TO STATES FOR REDUCING GOV-  
20 ERNMENT DEPENDENCE.—If, in any future year, a  
21 State reduces its food stamp caseload below the lev-  
22 els which existed in calendar year 2006, the State  
23 shall receive a financial reward for reducing depend-  
24 ence.

1           “(A) The reward shall equal one quarter of  
2 the savings to the Federal Government for that  
3 year that resulted from the caseload reduction.

4           “(B) The State may use its reward fund-  
5 ing for any purpose it chooses that provides  
6 benefits or services to individuals with incomes  
7 below 200 percent of the Federal poverty level,  
8 improves social outcomes in low income popu-  
9 lations, encourages healthy marriage, or in-  
10 creases self-sufficiency and reduces dependence.

11           “(8) AUTHORIZATION OF FUNDING.—

12           “(A) IN GENERAL.—In fiscal year 2012,  
13 and in each subsequent fiscal year there is au-  
14 thorized to be appropriated \$2,500,000,000 to  
15 be provided to State governments for the pur-  
16 pose of administering a work activation pro-  
17 gram in accordance with this section.

18           “(B) ALLOCATION AMONG STATES.—The  
19 sum provided in subparagraph (A) shall be allo-  
20 cated to the States in proportion to each State’s  
21 share of total funding for the food stamp pro-  
22 gram under this Act in fiscal year 2007.”.

23           (j) CONFORMING AMENDMENTS.—The Food and Nu-  
24 trition Act of 2008 (7 U.S.C. 2011 et seq.) is amended—

25           (1) in section 5—

1 (A) in subsection (a) by striking “,  
2 6(d)(2),”

3 (B) in subsection (d)(14) by striking  
4 “6(d)(4)(I)” and inserting “29”,

5 (C) in subsection (e)(3)(B)(iii) by striking  
6 “section (d)(3)” and inserting “section 29”,  
7 and

8 (D) in the 1st sentence of subsection  
9 (g)(3) by striking “6(d)” and inserting “29”,  
10 (2) in section 7(i)(2) by striking “6(o)(2)” and  
11 inserting “6(o)”,

12 (3) in section 11(e) by striking paragraph (19),  
13 (4) in section 16—

14 (A) in subsection (b)(4) by striking “6(d)”  
15 and inserting “29”, and

16 (B) by striking subsection (h),  
17 (5) in section 17—

18 (A) in subsection (b)—

19 (i) in paragraph (1)(B)(iv)(III) by  
20 striking item (bb),

21 (ii) in paragraph (2) by striking the  
22 2d sentence, and

23 (iii) in paragraph (3)(B) by striking  
24 “6(d)” and inserting “29”, and

25 (B) by striking subsection (g),

- 1 (6) in section 20—  
2 (A) in subsection (b)—  
3 (i) by striking paragraph (1), and  
4 (ii) by redesignating paragraphs (2)  
5 through (6) as paragraphs (1) through (5),  
6 respectively, and  
7 (B) by striking subsection (f), and  
8 (7) in section 22(b) by striking paragraph (4).

9 **SEC. 203. TERMINATION OF BENEFIT INCREASE.**

10 Section 101(a)(2) of division A of the American Re-  
11 covery and Reinvestment Act of 2009 (Public Law 111–  
12 5; 123 Stat. 120), as amended by section 442 of Public  
13 Law 111–296 (124 Stat. 3183, 3265), is amended by  
14 striking “after October 31, 2013” and inserting “on the  
15 date of the enactment of the Welfare Reform Act of  
16 2011”.

17 **TITLE III—REPORTING OF**  
18 **MEANS-TESTED WELFARE**  
19 **SPENDING IN PRESIDENT’S**  
20 **BUDGET SUBMISSION**

21 **SEC. 301. ADDITIONAL INFORMATION IN PRESIDENT’S**  
22 **BUDGET SUBMISSION.**

23 Section 1105(a) of title 31, United States Code, is  
24 amended by adding at the end the following new para-  
25 graph:

1           “(37) the total level of spending on means-test-  
2           ed welfare programs by the Federal Government and  
3           the total level of spending on means-tested welfare  
4           programs by all State and local governments and the  
5           Federal Government for the most recent fiscal year  
6           for which such data is available and estimated levels  
7           for the fiscal year during which the budget submis-  
8           sion of the President is made, for the fiscal year be-  
9           ginning on October 1 of the calendar year during  
10          which the budget submission is made, and for each  
11          of the nine ensuing fiscal years, and for purposes of  
12          this paragraph, means-tested welfare programs shall  
13          mean those programs defined in section 501 of the  
14          Welfare Reform Act of 2011.”.

15 **TITLE IV—AGGREGATE CAP FOR**  
16 **MEANS-TESTED WELFARE**  
17 **SPENDING**

18 **SEC. 401. DEFINITION OF MEANS-TESTED WELFARE SPEND-**  
19 **ING.**

20           Section 3 of the Congressional Budget and Impound-  
21          ment Control Act of 1974 is amended by adding at the  
22          end the following new paragraph:

23           “(11)(A) The term ‘means-tested welfare  
24          spending’ refers to any Federal program that is de-  
25          signed to specifically provide assistance or benefits

1 exclusively to low-income Americans, but is not such  
2 a program if it—

3 “(i) is based on earned eligibility;

4 “(ii) is not need-based;

5 “(iii) is a program designed exclusively or  
6 primarily for veterans of military service; or

7 “(iv) offers universal or near universal eli-  
8 gibility to the working population and their de-  
9 pendants.

10 Community and economic development programs  
11 targeted to low income communities or populations  
12 shall be considered means-tested welfare programs  
13 for purposes of this paragraph.

14 “(B) For purposes of subparagraph (A), the  
15 following Federal programs shall be considered to be  
16 means-tested welfare spending:

17 “(i) CASH AND GENERAL PROGRAMS.—

18 “(I) Supplemental Security Income.

19 “(II) Earned Income Tax Credit (Re-  
20 fundable Portion).

21 “(III) Refundable Child Credit.

22 “(IV) Temporary Assistance to Needy  
23 Families.

24 “(V) Title IV–E Foster Care.

1 “(VI) Title IV–E Adoption Assist-  
2 ance.

3 “(VII) General Assistance to Indians.

4 “(VIII) Assets for Independence.

5 “(ii) MEDICAL.—

6 “(I) Medicaid.

7 “(II) State Children’s Health Insur-  
8 ance Program.

9 “(III) Indian Health Services.

10 “(IV) Consolidated Health Centers/  
11 Community Health Centers.

12 “(V) Maternal and Child Health.

13 “(VI) Healthy Start.

14 “(VII) Refundable Premiums and Out  
15 of Pocket Subsidies under the Patient Pro-  
16 tection and Affordable Health Care Act  
17 (PPACA).

18 “(iii) FOOD.—

19 “(I) Food Stamps Program.

20 “(II) School Lunch Program.

21 “(III) Women, Infant and Children  
22 (WIC) Food Program.

23 “(IV) School Breakfast.

24 “(V) Child Care Food Program.

1           “(VI) Nutrition Program for the El-  
2           derly, Nutrition Service Incentives.

3           “(VII) Summer Food Service Pro-  
4           gram.

5           “(VIII) Commodity Supplemental  
6           Food Program.

7           “(IX) Temporary Emergency Food  
8           Program.

9           “(X) Needy Families.

10          “(XI) Farmer’s Market Nutrition  
11          Program.

12          “(XII) Special Milk Program.

13          “(iv) HOUSING.—

14               “(I) Section 8 Housing (HUD).

15               “(II) Public Housing (HUD).

16               “(III) State Housing Expenditures.

17               “(IV) Home Investment Partnership  
18               Program (HUD).

19               “(V) Homeless Assistance Grants  
20               (HUD).

21               “(VI) Rural Housing Insurance Fund  
22               (Agriculture).

23               “(VII) Rural Housing Service (Agri-  
24               culture).

1           “(VIII) Housing for the Elderly  
2 (HUD).

3           “(IX) Native American Housing  
4 Block Grants (HUD).

5           “(X) Other Assisted Housing Pro-  
6 grams (HUD).

7           “(XI) Housing for Persons with Dis-  
8 abilities (HUD).

9           “(v) ENERGY AND UTILITIES.—

10           “(I) Low Income Home Energy As-  
11 sistance.

12           “(II) Universal Service Fund—Sub-  
13 sidized Phone Service for Low Income Per-  
14 sons.

15           “(III) Weatherization.

16           “(vi) EDUCATION.—

17           “(I) Pell Grants.

18           “(II) Title I Grants to Local Edu-  
19 cation Authorities.

20           “(III) Special Programs for Disadvan-  
21 taged (TRIO).

22           “(IV) Supplemental Education Oppor-  
23 tunity Grants.

24           “(V) Migrant Education.

25           “(VI) Gear-Up.

1           “(VII) Education for Homeless Chil-  
2           dren and Youth.

3           “(VIII) Leveraging Educational As-  
4           sistance Partnership (LEAP) Program.

5           “(IX) Even Start.

6           “(vii) TRAINING.—

7           “(I) Job Corps.

8           “(II) Youth Opportunity Grants  
9           (under the Workforce Investment Act).

10          “(III) Adult Employment and Train-  
11          ing (under the Workforce Investment Act).

12          “(IV) Senior Community Service Em-  
13          ployment.

14          “(V) Food Stamp Employment and  
15          Training Program.

16          “(VI) Migrant Training.

17          “(VII) YouthBuild.

18          “(VIII) Native American Training.

19          “(viii) SERVICES.—

20          “(I) Title XX Social Services Block  
21          Grant.

22          “(II) Community Service Block  
23          Grant.

24          “(III) Social Services for Refugees,  
25          Asylees, and Humanitarian Cases.

1 “(IV) Title III Aging Americans Act.

2 “(V) Legal Services Block Grant.

3 “(VI) Family Planning.

4 “(VII) Emergency Food and Shelter.

5 “(VIII) Healthy Marriage and Re-  
6 sponsible Fatherhood Grants.

7 “(IX) Americorps VISTA.

8 “(ix) CHILD CARE AND CHILD DEVELOP-  
9 MENT.—

10 “(I) Headstart.

11 “(II) Childcare and Child Develop-  
12 ment Block Grant.

13 “(III) Child Care Block Grant (under  
14 Temporary Assistance to Needy Families  
15 Program).

16 “(x) COMMUNITY DEVELOPMENT.—

17 “(I) Community Development Block  
18 Grant.

19 “(II) Economic Development Adminis-  
20 tration.

21 “(III) Appalachian Regional Develop-  
22 ment.

23 “(IV) Empowerment Zones, Enter-  
24 prise Communities, Renewal Communities.

1                   “(V) Urban Development Block  
2                   Grant.

3                   “(C) For purposes of this paragraph, the term  
4                   ‘means-tested welfare spending’ shall not include—

5                   “(i) the Social Security Disability Insur-  
6                   ance program;

7                   “(ii) Medicare;

8                   “(iii) retirement insurance benefits and  
9                   survivor benefits under the Social Security pro-  
10                  gram;

11                  “(iv) any program designed exclusively or  
12                  primarily for veterans of military service;

13                  “(v) unemployment insurance benefits pro-  
14                  vided under Title K; and

15                  “(vi) programs designed specifically to pro-  
16                  vide benefits to workers to compensate for job-  
17                  related injuries or illnesses.

18                  “(D) For purposes of this paragraph, the term  
19                  ‘spending on means-tested welfare programs’ shall  
20                  mean the full cost of benefits and services provided  
21                  by the program, as well as the administrative costs  
22                  for operating the program, subject to the limitations  
23                  in subparagraph (E).

1           “(E)(i) For purposes of this paragraph only the  
2 refundable portion of the following tax credits shall  
3 be counted as means-tested welfare expenditures:

4                   “(I) The earned income tax credit.

5                   “(II) The child tax credit.

6                   “(III) The making work pay tax credit.

7           “(ii) For purposes of this paragraph only the  
8 refundable portion of the premium and out of pocket  
9 health care subsidies to be paid under the Patient  
10 Protection and Affordable Health Care Act shall be  
11 counted as means-tested welfare expenditures; the  
12 refundable portion of these subsidies shall mean the  
13 portion of the credit which is paid to an individual  
14 in excess of the amount of Federal income tax owed  
15 by the individual.

16           “(iii) For purposes of this paragraph only the  
17 costs of the free and reduced price segments of the  
18 school lunch and school breakfast programs shall be  
19 included.

20           “(F) For purposes of this paragraph expendi-  
21 tures by state and local governments of funds that  
22 are:

23                   “(i) obtained by the State and local gov-  
24 ernment from taxes, fees, or other sources of

1 revenue established by the State or local gov-  
2 ernment; and

3 “(ii) not received as any form of grant  
4 from the Federal Government,

5 shall not be considered as Federal means-tested wel-  
6 fare spending even if such state and local expendi-  
7 tures take the form of contributions to Federal pro-  
8 grams listed or defined in subparagraphs (A) and  
9 (B).”.

10 **SEC. 402. REPORTS TO BUDGET COMMITTEES.**

11 Section 202(e)(1) of the Congressional Budget Act  
12 of 1974 is amended by inserting “(A)” after “(1)” and  
13 by inserting at the end the following new subparagraph:

14 “(B) Beginning with the first fiscal year that  
15 begins after the date of enactment of this subsection  
16 and after any monthly rate of unemployment during  
17 the immediately preceding fiscal year is below 6.5  
18 percent, the Director shall include in each report  
19 submitted to the Committees on the Budget of the  
20 House of Representatives and the Senate under sub-  
21 paragraph (A) the following information for the fis-  
22 cal year commencing on October 1 of the year in  
23 which the report is submitted and for each of the en-  
24 suing 4 fiscal years:

1           “(i) The Congressional Budget Office base-  
2           line level of Federal spending for aggregate  
3           means-tested welfare programs.

4           “(ii) The aggregate level of Federal means-  
5           tested welfare spending computed by taking the  
6           aggregate level of means-tested welfare spend-  
7           ing for fiscal year 2007 and adjusting that for  
8           inflation using the Consumer Price Index for  
9           All Urban Consumers, U.S. City Average, All  
10          Items, Not Seasonally Adjusted (CPI-U), as  
11          computed by the Bureau of Labor Statistics,  
12          for all fiscal years occurring after fiscal year  
13          2007 and before the applicable fiscal year.”.

14 **SEC. 403. CONTENT OF CONCURRENT RESOLUTIONS ON**  
15 **THE BUDGET.**

16          Section 301 of the Congressional Budget Act of 1974  
17 is amended by adding at the end the following new sub-  
18 section:

19          “(j) MEANS-TESTED WELFARE SPENDING.—Begin-  
20 ning with the first fiscal year that begins after the date  
21 of enactment of this subsection and after any monthly rate  
22 of unemployment during the immediately preceding fiscal  
23 year is below 6.5 percent, the concurrent resolution on the  
24 budget for the applicable fiscal year shall set forth the ap-  
25 propriate level for aggregate means-tested welfare spend-

1 ing for the first fiscal year of that concurrent resolution  
2 and for at least each of the 4 ensuing fiscal years. Such  
3 level shall not exceed the aggregate level of Federal means-  
4 tested welfare spending for fiscal year 2007, adjusted for  
5 inflation using the Consumer Price Index for All Urban  
6 Consumers, U.S. City Average, All Items, Not Seasonally  
7 Adjusted (CPI-U), as computed by the Bureau of Labor  
8 Statistics, for all fiscal years occurring after fiscal year  
9 2007 and before the applicable fiscal year.”.

10 **SEC. 404. ALLOCATIONS OF MEANS-TESTED WELFARE**  
11 **SPENDING.**

12 (a) IN GENERAL.—Section 302 of the Congressional  
13 Budget Act of 1974 is amended by adding at the end the  
14 following new subsection:

15 “(h) MEANS-TESTED WELFARE SPENDING LIMIT.—

16 “(1) FURTHER DIVISION OF AMOUNTS.—For  
17 any concurrent resolution on the budget for which  
18 levels for aggregate means-tested welfare spending  
19 are set forth under section 301(j), in the House of  
20 Representatives and the Senate, the amounts allo-  
21 cated under subsection (a) shall be further divided  
22 to establish an allocation of—

23 “(A) total new budget authority and total  
24 outlays for discretionary means-tested welfare

1 spending in appropriation measures for the first  
2 fiscal year of the resolution on the budget; and

3 “(B) total new budget authority and total  
4 outlays for mandatory means-tested welfare  
5 spending for the first fiscal year of the resolu-  
6 tion on the budget and at least each of the en-  
7 suing 4 fiscal years to all other committees of  
8 the House of Representatives and the Senate  
9 that have jurisdiction over legislation providing  
10 mandatory means-tested welfare spending.

11 “(2) POINT OF ORDER.—It shall not be in  
12 order in the House of Representatives or the Senate  
13 to consider any bill, joint resolution, or amendment  
14 if—

15 “(A) the enactment of such bill or resolu-  
16 tion as reported;

17 “(B) the adoption and enactment of such  
18 amendment; or

19 “(C) the enactment of such bill or resolu-  
20 tion in the form recommended in such con-  
21 ference report,

22 would cause the applicable allocation of new budget  
23 authority or outlays made under subparagraph (A)  
24 or (B) of paragraph (1) for a fiscal year to be ex-  
25 ceeded.”.

1 (b) CONFORMING AMENDMENT.—Section 302(b) of  
2 the Congressional Budget Act of 1974 is amended by  
3 striking “under subsection (a)” and inserting “under sub-  
4 sections (a) and (h)”.

5 **SEC. 405. RECONCILIATION.**

6 Section 310(a) of the Congressional Budget Act of  
7 1974 is amended as follows:

8 (1) Strike “or” at the end of paragraph (3) and  
9 strike the period at the end of paragraph (4) and in-  
10 sert “; and”.

11 (2) Redesignate paragraph (4) as paragraph  
12 (5), and in paragraph (5) as redesignated, strike  
13 “and (3)” and insert “(3), and (4)”.

14 (3) After paragraph (3), insert the following  
15 new paragraph:

16 “(4) specify the total amount by which new  
17 budget authority for such fiscal year for mandatory  
18 means-tested welfare spending contained in laws,  
19 bills, and resolutions within the jurisdiction of a  
20 committee is to be changed and direct that com-  
21 mittee to determine and recommend changes to ac-  
22 complish a change of such total amount, which  
23 amount shall be the amount by which the Congres-  
24 sional Budget Office baseline level of spending for  
25 aggregate mandatory means-tested welfare programs

1 exceeds the allocation made pursuant to section  
2 302(h)(1)(B) for such fiscal year.”.

3 **TITLE V—GRANTS TO PROMOTE**  
4 **SELF-SUFFICIENCY**

5 **SEC. 501. GRANTS TO STATES.**

6 (a) PURPOSE.—The purpose of this title is to encour-  
7 age States to develop policies to promote self-sufficiency  
8 and prosperity and to reduce poverty and government de-  
9 pendence.

10 (b) GRANTS.—The Social Security Act is amended by  
11 adding at the end the following:

12 **“TITLE XXII—GRANTS TO STATES**  
13 **TO PROMOTE SELF-SUFFI-**  
14 **CIENCY AND PROSPERITY**  
15 **AND TO REDUCE DEPEND-**  
16 **ENCE**

17 **“SEC. 2201. GRANTS TO STATES.**

18 “(a) IN GENERAL.—The Secretary may provide  
19 grants to States to reward reductions in poverty and gov-  
20 ernment dependence and increases in self-sufficiency.

21 “(b) ALLOCATION OF GRANTS TO STATES.—For each  
22 fiscal year for which funds are made available under sub-  
23 section (e), the Secretary shall make a grant in an amount  
24 equal to \$100,000,000 to each of the 3 States with the  
25 greatest percentage increases in the self-sufficiency ratio

1 of the State for the preceding fiscal year over the self-  
2 sufficiency ratio of the State for fiscal year 2007, as com-  
3 pared with the changes in that ratio for each other State,  
4 subject to subsection (c).

5 “(c) LIMITATION ON ELIGIBILITY FOR GRANTS.—A  
6 State shall not be eligible for a grant under this title for  
7 a fiscal year unless the self-sufficiency ratio of the State  
8 for the fiscal year is greater than the self-sufficiency ratio  
9 of the State for fiscal year 2007.

10 “(d) DEFINITIONS.—In this title:

11 “(1) The term ‘self-sufficient family’ means a  
12 family (including a 1-person family) whose combined  
13 income, excluding receipt of means-tested welfare  
14 spending (as defined in section 3(11)(A) of the Con-  
15 gressional Budget and Impoundment Control Act of  
16 1974), exceeds the poverty line (within the meaning  
17 of section 673(2) of the Omnibus Budget Reconcili-  
18 ation Act of 1981, including any revision required by  
19 such section applicable to a family of the size in-  
20 volved).

21 “(2) The term ‘self-sufficiency ratio’ means,  
22 with respect to a State and a fiscal year—

23 “(A) the number of self-sufficient families  
24 residing in the State during the fiscal year that

1 are headed by able-bodied individuals who have  
2 not attained 63 years of age; divided by

3 “(B) the total number of families residing  
4 in the State during the fiscal year that are  
5 headed by able-bodied individuals who have not  
6 attained 63 years of age.

7 “(3) The term ‘State’ means the 50 States and  
8 the District of Columbia.

9 “(e) LIMITATIONS ON AUTHORIZATION OF APPRO-  
10 PRIATIONS.—For grants under this title, there are author-  
11 ized to be appropriated to the Secretary \$300,000,000 for  
12 fiscal year 2012 and each succeeding fiscal year.”.

13 **TITLE VI—PROHIBITION ON**  
14 **FUNDING OF ABORTION**

15 **SEC. 601. PROHIBITION ON FUNDING FOR ABORTIONS.**

16 No funds authorized or appropriated by Federal law,  
17 and none of the funds in any trust fund to which funds  
18 are authorized or appropriated by Federal law, shall be  
19 expended for any abortion.

20 **SEC. 602. PROHIBITION ON FUNDING FOR HEALTH BENE-**  
21 **FITS PLANS THAT COVER ABORTION.**

22 None of the funds authorized or appropriated by Fed-  
23 eral law, and none of the funds in any trust fund to which  
24 funds are authorized or appropriated by Federal law, shall

1 be expended for health benefits coverage that includes cov-  
2 erage of abortion.

3 **SEC. 603. PROHIBITION ON TAX BENEFITS RELATING TO**  
4 **ABORTION.**

5 For taxable years beginning after the date of the en-  
6 actment of this section, no credit shall be allowed under  
7 the internal revenue laws with respect to amounts paid  
8 or incurred for an abortion or with respect to amounts  
9 paid or incurred for a health benefits plan (including pre-  
10 mium assistance) that includes coverage of abortion.

11 **SEC. 604. CONSTRUCTION RELATING TO SEPARATE COV-**  
12 **ERAGE.**

13 Nothing in this title shall be construed as prohibiting  
14 any individual, entity, or State or locality from purchasing  
15 separate abortion coverage or health benefits coverage  
16 that includes abortion so long as such coverage is paid  
17 for entirely using only funds not authorized or appro-  
18 priated by Federal law and such coverage shall not be pur-  
19 chased using matching funds required for a federally sub-  
20 sidized program, including a State's or locality's contribu-  
21 tion of Medicaid matching funds.

22 **SEC. 605. CONSTRUCTION RELATING TO THE USE OF NON-**  
23 **FEDERAL FUNDS FOR HEALTH COVERAGE.**

24 Nothing in this title shall be construed as restricting  
25 the ability of any non-Federal health benefits coverage

1 provider from offering abortion coverage, or the ability of  
2 a State or locality to contract separately with such a pro-  
3 vider for such coverage, so long as only funds not author-  
4 ized or appropriated by Federal law are used and such  
5 coverage shall not be purchased using matching funds re-  
6 quired for a federally subsidized program, including a  
7 State's or locality's contribution of Medicaid matching  
8 funds.

9 **SEC. 606. TREATMENT OF ABORTIONS RELATED TO RAPE,**  
10 **INCEST, OR PRESERVING THE LIFE OF THE**  
11 **MOTHER.**

12 The limitations established in this title shall not apply  
13 to an abortion—

14 (1) if the pregnancy is the result of an act of  
15 rape or incest; or

16 (2) in the case where a woman suffers from a  
17 physical disorder, physical injury, or physical illness  
18 that would, as certified by a physician, place the  
19 woman in danger of death unless an abortion is per-  
20 formed, including a life-endangering physical condi-  
21 tion caused by or arising from the pregnancy itself.

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