

WHAT WORKS TO MOVE WELFARE RECIPIENTS INTO  
 JOBS ACT

JUNE 10, 2016.—Committed to the Committee of the Whole House on the State of  
 the Union and ordered to be printed

Mr. BRADY of Texas, from the Committee on Ways and Means,  
 submitted the following

R E P O R T

[To accompany H.R. 5169]

[Including cost estimate of the Congressional Budget Office]

The Committee on Ways and Means, to whom was referred the bill (H.R. 5169) to strengthen welfare research and evaluation, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “What Works to Move Welfare Recipients into Jobs Act”.

**SEC. 2. STRENGTHENING WELFARE RESEARCH AND EVALUATION AND DEVELOPMENT OF A WHAT WORKS CLEARINGHOUSE.**

Section 413 of the Social Security Act (42 U.S.C. 613) is amended to read as follows:

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

“(a) **EVALUATION OF THE IMPACTS OF TANF.**—The Secretary shall conduct research on the effect of State programs funded under this part and any other State program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)) on employment, self-sufficiency, child well-being, unmarried births, marriage, poverty, economic mobility, and other factors as determined by the Secretary.

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

“(c) **DISSEMINATION OF INFORMATION.**—The Secretary shall, in consultation with States receiving funds provided under this part, develop methods of disseminating information on any research, evaluation, or study conducted under this section, including facilitating the sharing of information and best practices among States and localities.

“(d) **STATE-INITIATED EVALUATIONS.**—A State shall be eligible to receive funding to evaluate the State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)) if—

“(1) the State submits to the Secretary a description of the proposed evaluation;

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

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

**“(e) CENSUS BUREAU RESEARCH.**—

“(1) The Bureau of the Census shall implement or enhance household surveys of program participation, in consultation with the Secretary and the Bureau of Labor Statistics and made available to interested parties, to allow for the assessment of the outcomes of continued welfare reform on the economic and child well-being of low-income families with children, including those who received assistance or services from a State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)). The content of the surveys should include such information as may be necessary to examine the issues of unmarried childbearing, marriage, welfare dependency and compliance with work requirements, the beginning and ending of spells of assistance, work, earnings and employment stability, and the well-being of children.

“(2) To carry out the activities specified in paragraph (1), the Bureau of the Census, the Secretary, and the Bureau of Labor Statistics shall consider ways to improve the surveys and data derived from the surveys to—

“(A) address underreporting of the receipt of means-tested benefits and tax benefits for low-income individuals and families;

“(B) increase understanding of poverty spells and long-term poverty, including by facilitating the matching of information to better understand intergenerational poverty;

“(C) generate a better geographical understanding of poverty such as through State-based estimates and measures of neighborhood poverty;

“(D) increase understanding of the effects of means-tested benefits and tax benefits on the earnings of low-income families; and

“(E) improve how poverty and economic well-being are measured, including through the use of consumption measures.

“(f) RESEARCH AND EVALUATION CONDUCTED UNDER THIS SECTION.—Research and evaluation conducted under this section designed to determine the effects of a program or policy (other than research conducted under subsection (e)) shall use experimental designs using random assignment or other reliable, evidence-based research methodologies that allow for the strongest possible causal inferences when random assignment is not feasible.

“(g) DEVELOPMENT OF WHAT WORKS CLEARINGHOUSE OF PROVEN AND PROMISING APPROACHES TO MOVE WELFARE RECIPIENTS INTO WORK.—

“(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Labor, shall develop a database (which shall be referred to as the ‘What Works Clearinghouse of Proven and Promising Projects to Move Welfare Recipients into Work’) of the projects that used a proven approach or a promising approach in moving welfare recipients into work, based on independent, rigorous evaluations of the projects. The database shall include a separate listing of projects that used a developmental approach in delivering services and a further separate listing of the projects with no or negative effects. The Secretary shall add to the What Works Clearinghouse of Proven and Promising Projects to Move Welfare Recipients into Work data about the projects that, based on an independent, well-conducted experimental evaluation of a program or project, using random assignment or other research methodologies that allow for the strongest possible causal inferences, have shown they are proven, promising, developmental, or ineffective approaches.

“(2) CRITERIA FOR EVIDENCE OF EFFECTIVENESS OF APPROACH.—The Secretary, in consultation with the Secretary of Labor and organizations with experience in evaluating research on the effectiveness of various approaches in delivering services to move welfare recipients into work, shall—

“(A) establish criteria for evidence of effectiveness; and

“(B) ensure that the process for establishing the criteria—

“(i) is transparent;

“(ii) is consistent across agencies;

“(iii) provides opportunity for public comment; and

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

“(3) DEFINITIONS.—In this subsection:

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

“(i) research-based, based on the results of 1 or more empirical studies, and linked to program-determined outcomes; and

“(ii) evaluated using rigorous research designs.

“(B) PROVEN APPROACH.—The term ‘proven approach’ means an approach that—

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

“(ii) has demonstrated significant positive outcomes at more than 1 site in terms of increasing work and earnings of participants, reducing poverty and dependence, or strengthening families.

“(C) PROMISING APPROACH.—The term ‘promising approach’ means an approach—

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

“(ii) that has been evaluated using well-designed and rigorous randomized controlled or quasi-experimental research designs;

“(iii) that has demonstrated significant positive outcomes at only 1 site in terms of increasing work and earnings of participants, reducing poverty and dependence, or strengthening families; and

“(iv) under which the benefits of the positive outcomes have exceeded the costs of achieving the outcomes.

“(D) DEVELOPMENTAL APPROACH.—The term ‘developmental approach’ means an approach that—

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

“(ii) is evaluated using rigorous research designs; and

“(iii) has yet to demonstrate a significant positive outcome in terms of increasing work and earnings of participants in a cost-effective way.”.

**SEC. 3. EFFECTIVE DATE.**

The amendment made by this Act shall take effect on October 1, 2016.

**I. SUMMARY AND BACKGROUND**

**A. PURPOSE AND SUMMARY**

H.R. 5169 as amended, the “What Works to Move Welfare Recipients into Jobs Act,” as ordered reported by the Committee on Ways and Means on May 24, 2016, would establish a “What Works Clearinghouse” to catalogue the different approaches helping welfare recipients move into work.

**B. BACKGROUND AND NEED FOR LEGISLATION**

In 1996, Republicans reformed the safety net to better support and reward work. As part of these reforms, the failed New Deal-era Aid to Families with Dependent Children (AFDC) program was replaced with today’s Temporary Assistance for Needy Families program (TANF), which established strong requirements for states to help welfare recipients prepare for work and find jobs.

The number of families receiving cash assistance under the TANF program fell by more than 50 percent, and has generally remained low over time. Employment rates of single mothers with children increased by 15 percent through 2007 compared with 1995; while their work rates declined as a result of the 2007–09 recession, they have risen again since 2011 and remain 10 percent higher than before. Child poverty also declined dramatically during this period as more people went to work and earnings increased, and poverty among African American households with children reached record lows. Poverty among female-headed households with children remains lower today than before the 1996 reforms—despite two intervening recessions.

The TANF program has helped shield American families from sinking deeper into poverty by providing temporary assistance that is also linked to stable employment. But it’s been at least a decade since any meaningful changes have been made to this law.

States have used a variety of approaches to meet the goals of TANF and move welfare recipients into work, including assisting with job search, providing work supports like child care and transportation, assisting with education and training, and many others. While states have experimented with many approaches to helping welfare recipients find work, few have been studied using high-quality evaluations to determine whether they were effective in actually increasing recipient employment. When there are instances of proven successes, the results are not often shared widely limiting other states from being able to replicate them and move more recipients from welfare to work.

H.R. 5169, as amended, would require the Department of Health and Human Services (in coordination with the Department of Labor) establish a “What Works Clearinghouse” to catalogue the different approaches helping welfare recipients move into work.

This clearinghouse, based on a similar one used by the Department of Education, would make it easier for states to know which

approaches have been tested using independent, rigorous evaluations, and based on those results, an understanding of their effectiveness in achieving positive results for individuals and families. Additionally, the clearinghouse would also include a separate listing of approaches that are based on research but have not yet proven their effectiveness, expanding the awareness for future use and evaluation. Finally, the clearinghouse would also document which approaches have been proven to be ineffective in achieving positive outcomes to prevent other states from repeating the same failed efforts.

The overall measurement of poverty would improve by taking advantage of data already held by other federal agencies. Current TANF funds provided to measure poverty would now specify that they be used to address underreporting of receipt of welfare benefits and improve data matching to better understand intergenerational poverty. Using data already held by other federal agencies will improve program coordination and preserve research funds for analysis, rather than data collection.

### C. LEGISLATIVE HISTORY

#### *Background*

H.R. 5169, the “What Works to Move Welfare Recipients into Jobs Act,” was introduced on May 6, 2016, by Representative Vern Buchanan, and was referred to the Committee on Ways and Means.

#### *Committee hearings*

The Committee began a bipartisan, comprehensive review of the TANF program at the beginning of the Congress, in early January 2015. Over the last fifteen months, the Human Resources Subcommittee held a series of hearings with witnesses ranging from current and former recipients to service providers to employers to researchers. Members of the Human Resources Subcommittee introduced a series of bills focused on smaller provisions within TANF, and then they were compiled into a larger, more comprehensive reauthorization draft bill. That bipartisan draft was distributed for public comment and dozens of stakeholders provided invaluable feedback, some incorporated in H.R. 5169.

On March 17, 2015, the Human Resources Subcommittee held a hearing entitled “*Expanding Opportunity by Funding What Works: Using Evidence to Help Low-Income Individuals and Families Get Ahead.*” This hearing focused on the effectiveness of federal social programs, efforts to rigorously evaluate government programs to determine their impact, and proposals to increase the use of evidence across government so federal spending is directed toward programs that work.

Throughout the Congress, the Human Resources Subcommittee held hearings on evidence-based decision-making and the lack of accountability in many federally-funded social service programs. Those hearings included:

- *Challenges Facing Low-Income Individuals and Families in Today's Economy*, February 11, 2015
- *Next Steps for Welfare Reform: Ideas to Improve TANF to Help More Families Find Work and Escape Poverty*, April 30, 2015

- *Protecting the Safety Net from Waste, Fraud, and Abuse*, June 3, 2015
- Joint Subcommittee Hearing on *How Our Welfare System Can Discourage Work*, June 25, 2015
- *Welfare Reform Proposals*, July 15, 2015
- *Better Coordinating Welfare Programs to Serve Families in Need*, November 3, 2015
- *Moving America's Families Forward: Lessons Learned from Welfare Reform in Other Countries*, November 17, 2015
- *Getting Incentives Right: Connecting Low-Income Individuals with Jobs*, March 1, 2016

*Committee action*

The Committee on Ways and Means marked up H.R. 5169, the “What Works to Move Welfare Recipients into Jobs Act,” on May 24, 2016. The bill, H.R. 5169, was ordered favorably reported to the House of Representatives as amended by a voice vote (with a quorum being present).

## II. EXPLANATION OF THE BILL

### SECTION 1: SHORT TITLE

*Present law*

No provision.

*Explanation of provision*

This section contains the short title of the bill, the “What Works to Move Welfare Recipients into Jobs Act.”

*Reason for change*

The Committee believes that the short title reflects the policy actions included in the legislation.

*Effective date*

The provision is effective on October 1, 2016.

### SECTION 2: STRENGTHENING WELFARE RESEARCH AND EVALUATION AND DEVELOPMENT OF A WHAT WORKS CLEARINGHOUSE

*Present law*

The Secretary of the Department of Health and Human Services (HHS) is required to conduct research on the benefits, effects, and costs of state programs under the Temporary Assistance for Needy Families (TANF) block grant. The research must include studies that relate to time limits, welfare dependency, illegitimacy, teen pregnancy, employment rates, and child well-being. HHS may conduct studies on other policy issues as is appropriate.

HHS may assist states in developing innovative state programs for reducing welfare dependency and increasing child well-being. HHS may provide funds for training and technical assistance. HHS must evaluate these innovative programs, using, to the maximum extent possible, random assignment as the evaluation methodology.

HHS is required to develop innovative methods for disseminating information on any research, evaluation, or studies conducted using

TANF research funds. This shall include facilitation of sharing information and best practices among states and localities.

HHS is required to rank annually states in terms of their success in placing TANF recipients into long-term private sector jobs and reducing the welfare caseload. HHS may, if methods become practicable, rank their success in diverting families from assistance. HHS is also required to rank annually states based on their ratio of out-of-wedlock births to total births among families receiving TANF assistance.

HHS is required to report on various indicators of well-being for children and families who (1) have been subject to the time limit; (2) were born to teen parents; and (3) were themselves teen parents. The indicators of well-being are: percentage who dropped out of high school; the percentage employed; the percentage that have been convicted of a crime; the rate of out-of-wedlock childbearing; the percent that continues to receive TANF; the percent that has health insurance; and the average income of families in each group.

States are required to report to HHS their child poverty rates. If their child poverty rate has increased by at least 5 percent as a result of the creation of TANF, the state is required to submit to HHS a corrective action plan.

For FY2016, funding of \$15 million was set aside from the TANF contingency fund appropriation for HHS research on TANF. An additional \$10 million from the FY2016 contingency fund appropriation was set aside and transferred to the Census Bureau to conduct a study on the effects of welfare reform using information from the Survey of Income and Program Participation (SIPP).

#### *Explanation of provision*

This bill would require the Secretary of HHS to conduct research on the effect of TANF programs on employment, self-sufficiency, child well-being, unmarried births, marriage, poverty, economic mobility, and other factors determined by the Secretary. HHS would also be required to conduct research on the effects of grants to improve child well-being through healthy marriage and fatherhood on child well-being, marriage, family stability, economic mobility, poverty, etc. HHS would be required to develop ways to distribute information on any research and evaluation conducted as a part of this amendment.

The bill would make states eligible for funds to evaluate their TANF and related programs. States would be eligible for evaluation funds if HHS determines the research design is rigorous and that research is likely to yield credible information that would be useful to other states. The federal government would pay up to 75 percent of the cost of the evaluation, though the Secretary of HHS may waive requirements for cost-sharing.

The bill would require research conducted by HHS and the states to use experimental designs using random assignment when feasible. If a random assignment experiment is not feasible, the research would be conducted using other reliable evidence-based research methodologies.

The bill would require HHS, in consultation with the Department of Labor, to develop a database named, "What Works Clearinghouse of Proven and Promising Projects to Move Welfare Recipients into Work." This database would consist of the projects that

used a promising or proven approach in delivering services to move TANF recipients into work. This database would also include a list of projects that used a developmental approach, and a list of projects that were ineffective in moving recipients to work. The categorization of these projects as proven, promising, ineffective, or developmental would be based on rigorous evaluation of the projects.

HHS, in consultation with the Department of Labor would be required to establish the criteria associated with evaluating the effectiveness of the approaches, and the process of selecting the criteria must be consistent, transparent, and open for comment. The criteria would be required to take into account other federal efforts to identify and publicize effective interventions.

The bill also would require the Census Bureau, in consultation with the Secretary of HHS and the Bureau of Labor Statistics, to implement a new household survey and/or enhance existing household surveys to provide for the assessment of the effects of welfare reform on the economic and child well-being of low-income families. The content of the survey would include information to examine issues of unmarried childbearing, marriage, welfare dependency and compliance with work requirements; the beginning and ending spells of assistance; work, earnings and employment stability; and the well-being of children. The Census Bureau, the Secretary of HHS, and BLS would be required to consider ways to improve the surveys and data derived from the surveys to: address under-reporting of means-tested benefits; increase understanding of poverty spells, long-term poverty, and intergenerational poverty; better understand the geographical dimensions of poverty; increase understanding of the effects of means-tested benefits and tax benefits on the earnings of low-income families; and improve how poverty and economic well-being are measured, including the use of consumption measures.

*Reason for change*

The Committee believes that while states have experimented with many approaches to helping welfare recipients find work, few have been studied using high-quality evaluations to determine whether they were effective in actually increasing recipient employment. Further, when there are instance of proven successes, the results are not often shared widely limiting other states from being able to replicate them and move more recipients from welfare to work. These provisions would aid in promoting local solutions that help more people get back to work quickly.

*Effective date*

The provision is effective on October 1, 2016.

SECTION 3: EFFECTIVE DATE

*Present law*

No provision.

*Explanation of provision*

This section includes an effective date of October 1, 2016.

*Reason for change*

The Committee believes it is appropriate to have an effective date of October 1, 2016, the start of the next fiscal year.

*Effective date*

The provision is effective on October 1, 2016.

**III. VOTES OF THE COMMITTEE**

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of H.R. 5169, the “What Works to Move Welfare Recipients into Jobs Act,” on May 24, 2016.

The Committee on Ways and Means marked up H.R. 5169, the “What Works to Move Welfare Recipients into Jobs Act,” on May 24, 2016. The bill, H.R. 5169, was ordered favorably reported to the House of Representatives as amended by a voice vote (with a quorum being present).

**IV. NEW BUDGET AUTHORITY AND TAX EXPENDITURES**

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee states that the bill involves no new budget authority or tax expenditure budget authority.

**V. COST ESTIMATE PREPARED BY THE CONGRESSIONAL BUDGET OFFICE**

In compliance with clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, the Committee sets forth the following estimate and comparison prepared by the Director of the Congressional Budget Office.

*H.R. 5169—What Works to Move Welfare Recipients into Jobs Act*

Summary: H.R. 5169 would change how the Department of Health and Human Services (HHS) conducts research and would require the Census Bureau to implement or enhance a household survey to assess the effect of continued welfare reform on families. CBO estimates that the requirements on the Secretary of HHS would be similar to those that already exist under current law; therefore, implementing those provisions would not affect discretionary spending by HHS. However, the legislation would require the Census Bureau to conduct activities that are not authorized under current law; CBO estimates that implementing those new requirements would cost the Census Bureau \$49 million over the 2017–2021 period, assuming appropriation of the necessary amounts.

Enacting this bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 5169 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 5169 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. States could initiate program evaluations authorized by the bill, and any costs tied to matching requirements would be conditions of assistance.

Estimated cost to the Federal Government: The estimated budgetary effect of this legislation is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By fiscal year, in millions of dollars—					
	2017	2018	2019	2020	2021	2017–2021
INCREASES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level .....	10	10	10	10	10	50
Estimated Outlays .....	9	10	10	10	10	49

Basis of estimate: CBO assumes that H.R. 5169 will be enacted near the start of fiscal year 2017, that the necessary amounts will be appropriated each year, and that spending will follow historical patterns for similar activities. H.R. 5169 would amend title IV of the Social Security Act to remove requirements that HHS assist states in developing innovative approaches to reducing welfare dependency and evaluate state performance with work programs and related areas. The bill would instead require HHS, in consultation with the Department of Labor, to establish a database to catalogue the different approaches used by states to help welfare recipients find work. CBO estimates that, in general, those new responsibilities would be similar to the welfare research HHS is currently required to conduct. Thus, CBO estimates that no additional funding would be required for HHS.

H.R. 5169 also would require the Census Bureau to conduct new activities not authorized under current law. Specifically, the legislation would require the Census Bureau to implement a new household survey or to enhance an existing one in order to assess the effects of welfare reform on the well-being of low-income families with children. In 2016, \$10 million was appropriated for the Census Bureau to conduct research related to welfare using the Survey of Income and Program Participation. CBO estimates that the Census Bureau would require the same level of funding annually to meet the requirements under this bill. Such spending would be subject to appropriation of the estimated amounts.

Pay-As-You-Go considerations: None.

Increase in long-term direct spending and deficits: CBO estimates that enacting H.R. 5169 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

Intergovernmental and private-sector impact: H.R. 5169 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. States could initiate program evaluations authorized by the bill, and any costs tied to matching requirements would be conditions of assistance.

Estimate prepared by: Federal costs: Susanne S. Mehlman; Impact on State, local, and tribal governments: Zach Byrum; Impact on the private sector: Paige Piper/Bach.

Estimate approved by: H. Samuel Papenfuss Deputy Assistant Director for Budget Analysis.

## **VI. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE**

### A. COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee advises that the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the description portions of this report.

### B. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objectives of this legislation would promote proven local solutions that help more people get back to work.

### C. APPLICABILITY OF HOUSE RULE XXI 5(b)

Rule XXI 5(b) of the Rules of the House of Representatives provides, in part, that “A bill or joint resolution, amendment, or conference report carrying a Federal income tax rate increase may not be considered as passed or agreed to unless so determined by a vote of not less than three-fifths of the Members voting, a quorum being present.” The Committee has carefully reviewed the bill, and states that the bill does not involve any Federal income tax rate increases within the meaning of the rule.

### D. CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the bill, and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

### E. DUPLICATION OF FEDERAL PROGRAMS

In compliance with Sec. 3(g)(2) of H. Res. 5 (114th Congress), the Committee states that no provision of the bill establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant to the Federal Program Information Act (Pub. L. No. 95–220, as amended by Pub. L. No. 98–169).

F. DISCLOSURE OF DIRECTED RULE MAKINGS

In compliance with Sec. 3(i) of H. Res. 5 (114th Congress), the following statement is made concerning directed rule makings: The Committee estimates that the bill requires no directed rule makings within the meaning of such section.

**VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED**

A. TEXT OF EXISTING LAW AMENDED OR REPEALED BY THE BILL, AS REPORTED

In compliance with clause 3(e)(1)(A) of rule XIII of the Rules of the House of Representatives, the text of each section proposed to be amended or repealed by the bill, as reported, is shown below:

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e)(1)(A) of rule XIII of the Rules of the House of Representatives, the text of each section proposed to be amended or repealed by the bill, as reported, is shown below:

**SOCIAL SECURITY ACT**

\* \* \* \* \*

**TITLE IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES**

\* \* \* \* \*

**PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES**

\* \* \* \* \*

**SEC. 413. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES.**

(a) RESEARCH.—The Secretary, directly or through grants, contracts, or interagency agreements, shall conduct research on the benefits, effects, and costs of operating different State programs funded under this part, including time limits relating to eligibility for assistance. The research shall include studies on the effects of different programs and the operation of such programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and any other area the Secretary deems appropriate. The Secretary shall also conduct research on the costs and benefits of State activities under section 407.

(b) DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO REDUCING WELFARE DEPENDENCY AND INCREASING CHILD WELL-BEING.—

(1) IN GENERAL.—The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children living at home with respect to recipients of assistance under programs funded under this part. The Secretary may

provide funds for training and technical assistance to carry out the approaches developed pursuant to this paragraph.

(2) EVALUATIONS.—In performing the evaluations under paragraph (1), the Secretary shall, to the maximum extent feasible, use random assignment as an evaluation methodology.

(c) DISSEMINATION OF INFORMATION.—The Secretary shall develop innovative methods of disseminating information on any research, evaluations, and studies conducted under this section, including the facilitation of the sharing of information and best practices among States and localities through the use of computers and other technologies.

(d) ANNUAL RANKING OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—

(1) ANNUAL RANKING OF STATES.—The Secretary shall rank annually the States to which grants are paid under section 403 in the order of their success in placing recipients of assistance under the State program funded under this part into long-term private sector jobs, reducing the overall welfare caseload, and, when a practicable method for calculating this information becomes available, diverting individuals from formally applying to the State program and receiving assistance. In ranking States under this subsection, the Secretary shall take into account the average number of minor children living at home in families in the State that have incomes below the poverty line and the amount of funding provided each State for such families.

(2) ANNUAL REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—The Secretary shall review the programs of the 3 States most recently ranked highest under paragraph (1) and the 3 States most recently ranked lowest under paragraph (1) that provide parents with work experience, assistance in finding employment, and other work preparation activities and support services to enable the families of such parents to leave the program and become self-sufficient.

(e) ANNUAL RANKING OF STATES AND REVIEW OF ISSUES RELATING TO OUT-OF-WEDLOCK BIRTHS.—

(1) IN GENERAL.—The Secretary shall annually rank States to which grants are made under section 403 based on the following ranking factors:

(A) ABSOLUTE OUT-OF-WEDLOCK RATIOS.—The ratio represented by—

(i) the total number of out-of-wedlock births in families receiving assistance under the State program under this part in the State for the most recent year for which information is available; over

(ii) the total number of births in families receiving assistance under the State program under this part in the State for the year.

(B) NET CHANGES IN THE OUT-OF-WEDLOCK RATIO.—The difference between the ratio described in subparagraph (A) with respect to a State for the most recent year for which such information is available and the ratio with respect to the State for the immediately preceding year.

(2) ANNUAL REVIEW.—The Secretary shall review the programs of the 5 States most recently ranked highest under

paragraph (1) and the 5 States most recently ranked the lowest under paragraph (1).

(f) STATE-INITIATED EVALUATIONS.—A State shall be eligible to receive funding to evaluate the State program funded under this part if—

(1) the State submits a proposal to the Secretary for the evaluation;

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

(3) unless otherwise waived by the Secretary, the State contributes to the cost of the evaluation, from non-Federal sources, an amount equal to at least 10 percent of the cost of the evaluation.

(g) REPORT ON CIRCUMSTANCES OF CERTAIN CHILDREN AND FAMILIES.—

(1) IN GENERAL.—Beginning 3 years after the date of the enactment of this section, the Secretary of Health and Human Services shall prepare and submit to the Committees on Ways and Means and on Education and the Workforce of the House of Representatives and to the Committees on Finance and on Labor and Resources of the Senate annual reports that examine in detail the matters described in paragraph (2) with respect to each of the following groups for the period after such enactment:

(A) Individuals who were children in families that have become ineligible for assistance under a State program funded under this part by reason of having reached a time limit on the provision of such assistance.

(B) Children born after such date of enactment to parents who, at the time of such birth, had not attained 20 years of age.

(C) Individuals who, after such date of enactment, became parents before attaining 20 years of age.

(2) MATTERS DESCRIBED.—The matters described in this paragraph are the following:

(A) The percentage of each group that has dropped out of secondary school (or the equivalent), and the percentage of each group at each level of educational attainment.

(B) The percentage of each group that is employed.

(C) The percentage of each group that has been convicted of a crime or has been adjudicated as a delinquent.

(D) The rate at which the members of each group are born, or have children, out-of-wedlock, and the percentage of each group that is married.

(E) The percentage of each group that continues to participate in State programs funded under this part.

(F) The percentage of each group that has health insurance provided by a private entity (broken down by whether the insurance is provided through an employer or otherwise), the percentage that has health insurance provided by an agency of government, and the percentage that does not have health insurance.

(G) The average income of the families of the members of each group.

- (H) Such other matters as the Secretary deems appropriate.
- (h) FUNDING OF STUDIES AND DEMONSTRATIONS.—
- (1) IN GENERAL.—Funds made available to carry out this section for a fiscal year shall be used for the purpose of paying—
- (A) the cost of conducting the research described in subsection (a);
- (B) the cost of developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of minor children under subsection (b);
- (C) the Federal share of any State-initiated study approved under subsection (f); and
- (D) an amount determined by the Secretary to be necessary to operate and evaluate demonstration projects, relating to this part, that are in effect or approved under section 1115 as of August 22, 1996, and are continued after such date.
- (2) ALLOCATION.—Of the amount appropriated under paragraph (1) for a fiscal year—
- (A) 50 percent shall be allocated for the purposes described in subparagraphs (A) and (B) of paragraph (1), and
- (B) 50 percent shall be allocated for the purposes described in subparagraphs (C) and (D) of paragraph (1).
- (3) DEMONSTRATIONS OF INNOVATIVE STRATEGIES.—The Secretary may implement and evaluate demonstrations of innovative and promising strategies which—
- (A) provide one-time capital funds to establish, expand, or replicate programs;
- (B) test performance-based grant-to-loan financing in which programs meeting performance targets receive grants while programs not meeting such targets repay funding on a prorated basis; and
- (C) test strategies in multiple States and types of communities.
- (i) CHILD POVERTY RATES.—
- (1) IN GENERAL.—Not later than May 31, 1998, and annually thereafter, the chief executive officer of each State shall submit to the Secretary a statement of the child poverty rate in the State as of such date of enactment or the date of the most recent prior statement under this paragraph.
- (2) SUBMISSION OF CORRECTIVE ACTION PLAN.—Not later than 90 days after the date a State submits a statement under paragraph (1) which indicates that, as a result of the amendments made by section 103 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the child poverty rate of the State has increased by 5 percent or more since the most recent prior statement under paragraph (1), the State shall prepare and submit to the Secretary a corrective action plan in accordance with paragraph (3).
- (3) CONTENTS OF PLAN.—A corrective action plan submitted under paragraph (2) shall outline the manner in which the State will reduce the child poverty rate in the State. The plan shall include a description of the actions to be taken by the State under such plan.

(4) COMPLIANCE WITH PLAN.—A State that submits a corrective action plan that the Secretary has found contains the information required by this subsection shall implement the corrective action plan until the State determines that the child poverty rate in the State is less than the lowest child poverty rate on the basis of which the State was required to submit the corrective action plan.

(5) METHODOLOGY.—The Secretary shall prescribe regulations establishing the methodology by which a State shall determine the child poverty rate in the State. The methodology shall take into account factors including the number of children who receive free or reduced-price lunches, the number of supplemental nutrition assistance program benefits households, and, to the extent available, county-by-county estimates of children in poverty as determined by the Census Bureau.

(j) EVALUATION OF WELFARE-TO-WORK PROGRAMS.—

(1) EVALUATION.—The Secretary, in consultation with the Secretary of Labor and the Secretary of Housing and Urban Development—

(A) shall develop a plan to evaluate how grants made under sections 403(a)(5) and 412(a)(3) have been used;

(B) may evaluate the use of such grants by such grantees as the Secretary deems appropriate, in accordance with an agreement entered into with the grantees after good-faith negotiations; and

(C) is urged to include the following outcome measures in the plan developed under subparagraph (A):

(i) Placements in unsubsidized employment, and placements in unsubsidized employment that last for at least 6 months.

(ii) Placements in the private and public sectors.

(iii) Earnings of individuals who obtain employment.

(iv) Average expenditures per placement.

(2) REPORTS TO THE CONGRESS.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), the Secretary, in consultation with the Secretary of Labor and the Secretary of Housing and Urban Development, shall submit to the Congress reports on the projects funded under section 403(a)(5) and 412(a)(3) and on the evaluations of the projects.

(B) INTERIM REPORT.—Not later than January 1, 1999, the Secretary shall submit an interim report on the matter described in subparagraph (A).

(C) FINAL REPORT.—Not later than January 1, 2001, (or at a later date, if the Secretary informs the Committees of the Congress with jurisdiction over the subject matter of the report) the Secretary shall submit a final report on the matter described in subparagraph (A).

\* \* \* \* \*

#### B. CHANGES IN EXISTING LAW PROPOSED BY THE BILL, AS REPORTED

In compliance with clause 3(e)(1)(B) of rule XIII of the Rules of the House of Representatives, changes in existing law proposed by the bill, as reported, are shown as follows (existing law proposed

to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e)(1)(B) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

**SOCIAL SECURITY ACT**

\* \* \* \* \*

**TITLE IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES**

\* \* \* \* \*

**PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES**

\* \* \* \* \*

**[(SEC. 413. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES.**

[(a) RESEARCH.—The Secretary, directly or through grants, contracts, or interagency agreements, shall conduct research on the benefits, effects, and costs of operating different State programs funded under this part, including time limits relating to eligibility for assistance. The research shall include studies on the effects of different programs and the operation of such programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and any other area the Secretary deems appropriate. The Secretary shall also conduct research on the costs and benefits of State activities under section 407.

[(b) DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO REDUCING WELFARE DEPENDENCY AND INCREASING CHILD WELL-BEING.—

[(1) IN GENERAL.—The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children living at home with respect to recipients of assistance under programs funded under this part. The Secretary may provide funds for training and technical assistance to carry out the approaches developed pursuant to this paragraph.

[(2) EVALUATIONS.—In performing the evaluations under paragraph (1), the Secretary shall, to the maximum extent feasible, use random assignment as an evaluation methodology.

[(c) DISSEMINATION OF INFORMATION.—The Secretary shall develop innovative methods of disseminating information on any research, evaluations, and studies conducted under this section, including the facilitation of the sharing of information and best prac-

tices among States and localities through the use of computers and other technologies.

[(d) ANNUAL RANKING OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—

[(1) ANNUAL RANKING OF STATES.—The Secretary shall rank annually the States to which grants are paid under section 403 in the order of their success in placing recipients of assistance under the State program funded under this part into long-term private sector jobs, reducing the overall welfare caseload, and, when a practicable method for calculating this information becomes available, diverting individuals from formally applying to the State program and receiving assistance. In ranking States under this subsection, the Secretary shall take into account the average number of minor children living at home in families in the State that have incomes below the poverty line and the amount of funding provided each State for such families.

[(2) ANNUAL REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—The Secretary shall review the programs of the 3 States most recently ranked highest under paragraph (1) and the 3 States most recently ranked lowest under paragraph (1) that provide parents with work experience, assistance in finding employment, and other work preparation activities and support services to enable the families of such parents to leave the program and become self-sufficient.

[(e) ANNUAL RANKING OF STATES AND REVIEW OF ISSUES RELATING TO OUT-OF-WEDLOCK BIRTHS.—

[(1) IN GENERAL.—The Secretary shall annually rank States to which grants are made under section 403 based on the following ranking factors:

[(A) ABSOLUTE OUT-OF-WEDLOCK RATIOS.—The ratio represented by—

[(i) the total number of out-of-wedlock births in families receiving assistance under the State program under this part in the State for the most recent year for which information is available; over

[(ii) the total number of births in families receiving assistance under the State program under this part in the State for the year.

[(B) NET CHANGES IN THE OUT-OF-WEDLOCK RATIO.—The difference between the ratio described in subparagraph (A) with respect to a State for the most recent year for which such information is available and the ratio with respect to the State for the immediately preceding year.

[(2) ANNUAL REVIEW.—The Secretary shall review the programs of the 5 States most recently ranked highest under paragraph (1) and the 5 States most recently ranked the lowest under paragraph (1).

[(f) STATE-INITIATED EVALUATIONS.—A State shall be eligible to receive funding to evaluate the State program funded under this part if—

[(1) the State submits a proposal to the Secretary for the evaluation;

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

[(3) unless otherwise waived by the Secretary, the State contributes to the cost of the evaluation, from non-Federal sources, an amount equal to at least 10 percent of the cost of the evaluation.

[(g) REPORT ON CIRCUMSTANCES OF CERTAIN CHILDREN AND FAMILIES.—

[(1) IN GENERAL.—Beginning 3 years after the date of the enactment of this section, the Secretary of Health and Human Services shall prepare and submit to the Committees on Ways and Means and on Education and the Workforce of the House of Representatives and to the Committees on Finance and on Labor and Resources of the Senate annual reports that examine in detail the matters described in paragraph (2) with respect to each of the following groups for the period after such enactment:

[(A) Individuals who were children in families that have become ineligible for assistance under a State program funded under this part by reason of having reached a time limit on the provision of such assistance.

[(B) Children born after such date of enactment to parents who, at the time of such birth, had not attained 20 years of age.

[(C) Individuals who, after such date of enactment, became parents before attaining 20 years of age.

[(2) MATTERS DESCRIBED.—The matters described in this paragraph are the following:

[(A) The percentage of each group that has dropped out of secondary school (or the equivalent), and the percentage of each group at each level of educational attainment.

[(B) The percentage of each group that is employed.

[(C) The percentage of each group that has been convicted of a crime or has been adjudicated as a delinquent.

[(D) The rate at which the members of each group are born, or have children, out-of-wedlock, and the percentage of each group that is married.

[(E) The percentage of each group that continues to participate in State programs funded under this part.

[(F) The percentage of each group that has health insurance provided by a private entity (broken down by whether the insurance is provided through an employer or otherwise), the percentage that has health insurance provided by an agency of government, and the percentage that does not have health insurance.

[(G) The average income of the families of the members of each group.

[(H) Such other matters as the Secretary deems appropriate.

[(h) FUNDING OF STUDIES AND DEMONSTRATIONS.—

[(1) IN GENERAL.—Funds made available to carry out this section for a fiscal year shall be used for the purpose of paying—

- [(A) the cost of conducting the research described in subsection (a);
  - [(B) the cost of developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of minor children under subsection (b);
  - [(C) the Federal share of any State-initiated study approved under subsection (f); and
  - [(D) an amount determined by the Secretary to be necessary to operate and evaluate demonstration projects, relating to this part, that are in effect or approved under section 1115 as of August 22, 1996, and are continued after such date.
- [(2) ALLOCATION.—Of the amount appropriated under paragraph (1) for a fiscal year—
- [(A) 50 percent shall be allocated for the purposes described in subparagraphs (A) and (B) of paragraph (1), and
  - [(B) 50 percent shall be allocated for the purposes described in subparagraphs (C) and (D) of paragraph (1).
- [(3) DEMONSTRATIONS OF INNOVATIVE STRATEGIES.—The Secretary may implement and evaluate demonstrations of innovative and promising strategies which—
- [(A) provide one-time capital funds to establish, expand, or replicate programs;
  - [(B) test performance-based grant-to-loan financing in which programs meeting performance targets receive grants while programs not meeting such targets repay funding on a prorated basis; and
  - [(C) test strategies in multiple States and types of communities.
- [(i) CHILD POVERTY RATES.—
- [(1) IN GENERAL.—Not later than May 31, 1998, and annually thereafter, the chief executive officer of each State shall submit to the Secretary a statement of the child poverty rate in the State as of such date of enactment or the date of the most recent prior statement under this paragraph.
  - [(2) SUBMISSION OF CORRECTIVE ACTION PLAN.—Not later than 90 days after the date a State submits a statement under paragraph (1) which indicates that, as a result of the amendments made by section 103 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the child poverty rate of the State has increased by 5 percent or more since the most recent prior statement under paragraph (1), the State shall prepare and submit to the Secretary a corrective action plan in accordance with paragraph (3).
  - [(3) CONTENTS OF PLAN.—A corrective action plan submitted under paragraph (2) shall outline the manner in which the State will reduce the child poverty rate in the State. The plan shall include a description of the actions to be taken by the State under such plan.
  - [(4) COMPLIANCE WITH PLAN.—A State that submits a corrective action plan that the Secretary has found contains the information required by this subsection shall implement the corrective action plan until the State determines that the child poverty rate in the State is less than the lowest child poverty

rate on the basis of which the State was required to submit the corrective action plan.

[(5) **METHODOLOGY.**—The Secretary shall prescribe regulations establishing the methodology by which a State shall determine the child poverty rate in the State. The methodology shall take into account factors including the number of children who receive free or reduced-price lunches, the number of supplemental nutrition assistance program benefits households, and, to the extent available, county-by-county estimates of children in poverty as determined by the Census Bureau.

[(j) **EVALUATION OF WELFARE-TO-WORK PROGRAMS.**—

[(1) **EVALUATION.**—The Secretary, in consultation with the Secretary of Labor and the Secretary of Housing and Urban Development—

[(A) shall develop a plan to evaluate how grants made under sections 403(a)(5) and 412(a)(3) have been used;

[(B) may evaluate the use of such grants by such grantees as the Secretary deems appropriate, in accordance with an agreement entered into with the grantees after good-faith negotiations; and

[(C) is urged to include the following outcome measures in the plan developed under subparagraph (A):

[(i) Placements in unsubsidized employment, and placements in unsubsidized employment that last for at least 6 months.

[(ii) Placements in the private and public sectors.

[(iii) Earnings of individuals who obtain employment.

[(iv) Average expenditures per placement.

[(2) **REPORTS TO THE CONGRESS.**—

[(A) **IN GENERAL.**—Subject to subparagraphs (B) and (C), the Secretary, in consultation with the Secretary of Labor and the Secretary of Housing and Urban Development, shall submit to the Congress reports on the projects funded under section 403(a)(5) and 412(a)(3) and on the evaluations of the projects.

[(B) **INTERIM REPORT.**—Not later than January 1, 1999, the Secretary shall submit an interim report on the matter described in subparagraph (A).

[(C) **FINAL REPORT.**—Not later than January 1, 2001, (or at a later date, if the Secretary informs the Committees of the Congress with jurisdiction over the subject matter of the report) the Secretary shall submit a final report on the matter described in subparagraph (A).]

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

(a) **EVALUATION OF THE IMPACTS OF TANF.**—*The Secretary shall conduct research on the effect of State programs funded under this part and any other State program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)) on employment, self-sufficiency, child well-being, unmarried births, marriage, poverty, economic mobility, and other factors as determined by the Secretary.*

(b) **EVALUATION OF GRANTS TO IMPROVE CHILD WELL-BEING BY PROMOTING HEALTHY MARRIAGE AND RESPONSIBLE FATHERHOOD.**—

*The Secretary shall conduct research to determine the effects of the grants made under section 403(a)(2) on child well-being, marriage, family stability, economic mobility, poverty, and other factors as determined by the Secretary.*

*(c) DISSEMINATION OF INFORMATION.—The Secretary shall, in consultation with States receiving funds provided under this part, develop methods of disseminating information on any research, evaluation, or study conducted under this section, including facilitating the sharing of information and best practices among States and localities.*

*(d) STATE-INITIATED EVALUATIONS.—A State shall be eligible to receive funding to evaluate the State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)) if—*

*(1) the State submits to the Secretary a description of the proposed evaluation;*

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

*(3) unless waived by the Secretary, the State contributes to the cost of the evaluation, from non-Federal sources, an amount equal to at least 25 percent of the cost of the proposed evaluation.*

*(e) CENSUS BUREAU RESEARCH.—*

*(1) The Bureau of the Census shall implement or enhance household surveys of program participation, in consultation with the Secretary and the Bureau of Labor Statistics and made available to interested parties, to allow for the assessment of the outcomes of continued welfare reform on the economic and child well-being of low-income families with children, including those who received assistance or services from a State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)). The content of the surveys should include such information as may be necessary to examine the issues of unmarried childbearing, marriage, welfare dependency and compliance with work requirements, the beginning and ending of spells of assistance, work, earnings and employment stability, and the well-being of children.*

*(2) To carry out the activities specified in paragraph (1), the Bureau of the Census, the Secretary, and the Bureau of Labor Statistics shall consider ways to improve the surveys and data derived from the surveys to—*

*(A) address underreporting of the receipt of means-tested benefits and tax benefits for low-income individuals and families;*

*(B) increase understanding of poverty spells and long-term poverty, including by facilitating the matching of information to better understand intergenerational poverty;*

*(C) generate a better geographical understanding of poverty such as through State-based estimates and measures of neighborhood poverty;*

*(D) increase understanding of the effects of means-tested benefits and tax benefits on the earnings of low-income families; and*

(E) improve how poverty and economic well-being are measured, including through the use of consumption measures.

(f) RESEARCH AND EVALUATION CONDUCTED UNDER THIS SECTION.—Research and evaluation conducted under this section designed to determine the effects of a program or policy (other than research conducted under subsection (e)) shall use experimental designs using random assignment or other reliable, evidence-based research methodologies that allow for the strongest possible causal inferences when random assignment is not feasible.

(g) DEVELOPMENT OF WHAT WORKS CLEARINGHOUSE OF PROVEN AND PROMISING APPROACHES TO MOVE WELFARE RECIPIENTS INTO WORK.—

(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Labor, shall develop a database (which shall be referred to as the “What Works Clearinghouse of Proven and Promising Projects to Move Welfare Recipients into Work”) of the projects that used a proven approach or a promising approach in moving welfare recipients into work, based on independent, rigorous evaluations of the projects. The database shall include a separate listing of projects that used a developmental approach in delivering services and a further separate listing of the projects with no or negative effects. The Secretary shall add to the What Works Clearinghouse of Proven and Promising Projects to Move Welfare Recipients into Work data about the projects that, based on an independent, well-conducted experimental evaluation of a program or project, using random assignment or other research methodologies that allow for the strongest possible causal inferences, have shown they are proven, promising, developmental, or ineffective approaches.

(2) CRITERIA FOR EVIDENCE OF EFFECTIVENESS OF APPROACH.—The Secretary, in consultation with the Secretary of Labor and organizations with experience in evaluating research on the effectiveness of various approaches in delivering services to move welfare recipients into work, shall—

- (A) establish criteria for evidence of effectiveness; and
- (B) ensure that the process for establishing the criteria—
  - (i) is transparent;
  - (ii) is consistent across agencies;
  - (iii) provides opportunity for public comment; and
  - (iv) takes into account efforts of Federal agencies to identify and publicize effective interventions, including efforts at the Department of Health and Human Services, the Department of Education, and the Department of Justice.

(3) DEFINITIONS.—In this subsection:

- (A) APPROACH.—The term “approach” means a process, product, strategy, or practice that is—
  - (i) research-based, based on the results of 1 or more empirical studies, and linked to program-determined outcomes; and
  - (ii) evaluated using rigorous research designs.
- (B) PROVEN APPROACH.—The term “proven approach” means an approach that—

*(i) meets the requirements of a promising approach; and*

*(ii) has demonstrated significant positive outcomes at more than 1 site in terms of increasing work and earnings of participants, reducing poverty and dependence, or strengthening families.*

**(C) PROMISING APPROACH.**—*The term “promising approach” means an approach—*

*(i) that meets the requirements of subparagraph (D)(i);*

*(ii) that has been evaluated using well-designed and rigorous randomized controlled or quasi-experimental research designs;*

*(iii) that has demonstrated significant positive outcomes at only 1 site in terms of increasing work and earnings of participants, reducing poverty and dependence, or strengthening families; and*

*(iv) under which the benefits of the positive outcomes have exceeded the costs of achieving the outcomes.*

**(D) DEVELOPMENTAL APPROACH.**—*The term “developmental approach” means an approach that—*

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

*(ii) is evaluated using rigorous research designs; and*

*(iii) has yet to demonstrate a significant positive outcome in terms of increasing work and earnings of participants in a cost-effective way.*

\* \* \* \* \*

## VIII. EXCHANGE OF LETTERS WITH ADDITIONAL COMMITTEES OF REFERRAL

JASON CHAFFETZ, UTAH  
CHAIRMAN

ONE HUNDRED FOURTEENTH CONGRESS

ELIJAH E. CUMMINGS, MARYLAND  
RANKING MINORITY MEMBER

**Congress of the United States**  
**House of Representatives**

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM  
2157 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074  
MINORITY (202) 225-5051  
<http://oversight.house.gov>

June 8, 2016

The Honorable Kevin Brady  
Chairman  
Committee on Ways and Means  
1102 Longworth HOB  
Washington, D.C. 20515

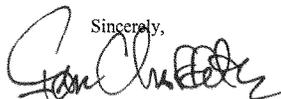
Dear Mr. Chairman:

I write concerning H.R. 5169, the What Works to Move Welfare Recipients into Jobs Act. As you know, the Committee on Ways and Means received an original referral and the Committee on Oversight and Government Reform a secondary referral when the bill was introduced on May 6, 2016. I recognize and appreciate your desire to bring this legislation before the House of Representatives in an expeditious manner, and accordingly, the Committee on Oversight and Government Reform will forego action on the bill.

The Committee takes this action with our mutual understanding that by foregoing consideration of H.R. 5169 at this time, we do not waive any jurisdiction over the subject matter contained in this or similar legislation. Further, I request your support for the appointment of conferees from the Committee on Oversight and Government Reform during any House-Senate conference convened on this or related legislation.

I would ask that a copy of our exchange of letters on H.R. 5169 be included in the bill report filed by the Committee on Ways and Means, as well as in the *Congressional Record* during floor consideration, to memorialize our understanding.

Sincerely,



Jason Chaffetz  
Chairman

cc: The Honorable Paul D. Ryan, Speaker  
The Honorable Elijah E. Cummings  
The Honorable Sander M. Levin  
The Honorable Thomas J. Wickham, Parliamentarian

Congress of the United States  
U.S. House of Representatives  
COMMITTEE ON WAYS AND MEANS  
1102 LONGWORTH HOUSE OFFICE BUILDING  
(202) 225-3625  
Washington, DC 20515-6548  
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KEVIN BRADY, TEXAS,  
CHAIRMAN

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LINDA SANCHEZ, CALIFORNIA

JANICE MAYE,  
MINORITY CHIEF COUNSEL

June 8, 2016

The Honorable Jason Chaffetz  
Chairman  
Committee on Oversight and Government Reform  
2157 Rayburn House Office Building  
Washington, D.C. 20515

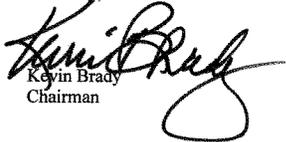
Dear Chairman Chaffetz,

Thank you for your letter regarding H.R. 5169, the "What Works to Move Welfare Recipients into Jobs Act." As you noted, the Committee on Oversight and Government Reform was granted an additional referral on this bill.

I am most appreciative of your decision to waive formal consideration of H.R. 5169 so that it may proceed expeditiously to the House floor. I acknowledge that although you waived formal consideration of the bill, the Committee on Oversight and Government Reform is in no way waiving its jurisdiction over the subject matter contained in those provisions of the bill that fall within your Rule X jurisdiction. I would support your effort to seek appointment of an appropriate number of conferees on any House-Senate conference involving this legislation.

I will include a copy of our letters in the committee report on this legislation, as well as in the Congressional Record during consideration on the House floor.

Sincerely,

  
Kevin Brady  
Chairman

