

113TH CONGRESS
2D SESSION

S. _____

To help individuals receiving assistance under means-tested welfare programs obtain self-sufficiency, to provide information on total spending on means-tested welfare programs, to provide an overall spending limit on means-tested welfare programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. LEE (for himself, Mr. CRUZ, Mr. VITTER, and Mr. INHOFE) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To help individuals receiving assistance under means-tested welfare programs obtain self-sufficiency, to provide information on total spending on means-tested welfare programs, to provide an overall spending limit on means-tested welfare programs, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Welfare Reform and
5 Upward Mobility Act”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents of this Act is as follows:

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

TITLE I—MODIFICATIONS TO SUPPLEMENTAL NUTRITION
 ASSISTANCE PROGRAM

- Sec. 101. Work requirements.
 Sec. 102. Termination of benefit increase.

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

- Sec. 201. Additional information in President’s budget submission.

TITLE III—AGGREGATE CAP FOR MEANS-TESTED WELFARE
 SPENDING

- Sec. 301. Definition of means-tested welfare spending.
 Sec. 302. Reports to budget committees.
 Sec. 303. Content of concurrent resolutions on the budget.
 Sec. 304. Allocations of means-tested welfare spending.
 Sec. 305. Reconciliation.

TITLE IV—GRANTS TO PROMOTE SELF-SUFFICIENCY

- Sec. 401. Grants to States.

TITLE V—PROHIBITION ON FUNDING OF ABORTION

- Sec. 501. Prohibition on funding for abortions.
 Sec. 502. Prohibition on funding for health benefits plans that cover abortion.
 Sec. 503. Prohibition on tax benefits relating to abortion.
 Sec. 504. Construction relating to separate coverage.
 Sec. 505. Construction relating to the use of non-Federal funds for health coverage.
 Sec. 506. Treatment of abortions related to rape, incest, or preserving the life of the mother.

1 **TITLE I—MODIFICATIONS TO**
 2 **SUPPLEMENTAL NUTRITION**
 3 **ASSISTANCE PROGRAM**

4 **SEC. 101. WORK REQUIREMENTS.**

5 (a) DECLARATION OF POLICY.—Section 2 of the
 6 Food and Nutrition Act of 2008 (7 U.S.C. 2011) is
 7 amended by adding at the end the following: “Congress
 8 further finds that it should also be the purpose of the sup-
 9 plemental nutrition assistance program to increase em-

1 ployment, to encourage healthy marriage, and to promote
2 prosperous self-sufficiency, which means the ability of
3 households to maintain an income above the poverty level
4 without services and benefits from the Federal Govern-
5 ment.”.

6 (b) DEFINITION OF FOOD.—Section 3(k) of the Food
7 and Nutrition Act of 2008 (7 U.S.C. 2012(k)) is amended
8 by inserting before the period at the end the following:
9 “, except that a food, food product, meal, or other item
10 described in this subsection shall be considered a food
11 under this Act only if it is a bare essential (as determined
12 by the Secretary)”.

13 (c) OTHER DEFINITIONS.—Section 3 of the Food and
14 Nutrition Act of 2008 (7 U.S.C. 2012) is amended by add-
15 ing at the end the following:

16 “(w) ABLE-BODIED, WORK-CAPABLE ADULT.—

17 “(1) IN GENERAL.—The term ‘able-bodied,
18 work-capable adult’ means an individual who—

19 “(A) is more than 18, and less than 63,
20 years of age;

21 “(B) is not physically or mentally incapa-
22 ble of work; and

23 “(C) is not the full-time caretaker of a dis-
24 abled adult dependent.

1 “(2) PHYSICALLY OR MENTALLY INCAPABLE OF
2 WORK.—For purposes of paragraph (1)(B), the term
3 ‘physically or mentally incapable of work’ means an
4 individual who—

5 “(A) currently receives benefits under the
6 supplemental security income program estab-
7 lished under title XVI of the Social Security
8 Act (42 U.S.C. 1381 et seq.) or another pro-
9 gram that provides recurring benefits to indi-
10 viduals because the individual is disabled and
11 unable to work; or

12 “(B) has been medically certified as phys-
13 ically or mentally incapable of work and who
14 has a credible pending application for enroll-
15 ment in the supplemental security income pro-
16 gram established under title XVI of the Social
17 Security Act (42 U.S.C. 1381 et seq.) or an-
18 other program that provides recurring benefits
19 to individuals because the individual is disabled
20 and unable to work.

21 “(x) APPROVED OFFSITE WORK ACTIVATION.—The
22 term ‘approved offsite work activation’ means—

23 “(1) online job preparation and training pro-
24 grams that are approved and monitored by the State
25 agency; or

1 “(2) job search activities that are approved by
2 the State agency and monitored by the State to en-
3 sure that an appropriate number of job applications
4 and employer contacts are performed.

5 “(y) FAMILY HEAD.—The term ‘family head’
6 means—

7 “(1) a biological parent who is lawfully present
8 in the United States and resides within a household
9 with 1 or more dependent children who are the bio-
10 logical offspring of the parent; or

11 “(2) in the absence of a biological parent, a
12 step parent, adoptive parent, guardian, or adult re-
13 lative who resides with and provides care to the 1 or
14 more children and is lawfully present in the United
15 States.

16 “(z) FAMILY UNIT.—The term ‘family unit’ means—

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

19 “(2) a single-headed family with dependent chil-
20 dren; or

21 “(3) a married couple family with dependent
22 children.

23 “(aa) FAMILY WITH DEPENDENT CHILDREN.—

24 “(1) IN GENERAL.—The term ‘family with de-
25 pendent children’ means a unit consisting of a fam-

1 ily head, 1 or more dependent children, and, if appli-
2 cable, the married spouse of the family head, all of
3 whom share meals and reside within a single house-
4 hold.

5 “(2) MULTIPLE FAMILIES IN A HOUSEHOLD.—

6 There may be more than 1 family with dependent
7 children in a single household.

8 “(bb) MARRIED COUPLE FAMILY WITH DEPENDENT

9 CHILDREN.—The term ‘married couple family with de-
10 pendent children’ means a family with dependent children
11 that has both a family head and the married spouse of
12 the family head residing with the family.

13 “(cc) MARRIED SPOUSE OF THE FAMILY HEAD.—

14 The term ‘married spouse of the family head’ means the
15 lawfully married spouse of the family head who—

16 “(1) resides with the family head and depend-
17 ent children; and

18 “(2) is lawfully present in the United States.

19 “(dd) MEMBER OF A FAMILY.—The term ‘member

20 of a family’ means the family head, married spouse of the
21 family head if present, and all dependent children within
22 a family with dependent children.

23 “(ee) ONSITE WORK ACTIVATION.—

24 “(1) IN GENERAL.—The term ‘onsite work acti-
25 vation’ means—

1 “(A) supervised job search;

2 “(B) community service activities;

3 “(C) education and job training for indi-
4 viduals who are family heads or married
5 spouses of family heads;

6 “(D) workfare under section 20; or

7 “(E) drug or alcohol treatment.

8 “(2) SUPERVISED JOB SEARCH.—For purposes
9 of paragraph (1)(A), the term ‘supervised job
10 search’ means a job search program that has the fol-
11 lowing characteristics:

12 “(A) The job search occurs at an official
13 location where the presence and activity of the
14 recipient can be directly observed, supervised,
15 and monitored.

16 “(B) The recipient’s entry, time onsite,
17 and exit from the official job search location are
18 recorded in a manner that prevents fraud.

19 “(C) The recipient is expected to remain
20 and undertake job search activities at the job
21 search center.

22 “(D) The quantity of time the recipient is
23 observed and monitored engaging in job search
24 at the official location is recorded for purposes
25 of compliance with section 29.

1 “(ff) PENALTY PERIOD.—

2 “(1) IN GENERAL.—The term ‘penalty period’
3 means either of 2 periods of 6 consecutive months
4 during each fiscal year.

5 “(2) FIRST PENALTY PERIOD.—The first pen-
6 alty period of each fiscal year shall be the 6-month
7 period beginning on October 1.

8 “(3) SECOND PENALTY PERIOD.—The second
9 penalty period of each fiscal year shall be the 6-
10 month period beginning on April 1.

11 “(4) ADJUSTMENT.—The entire supplemental
12 nutrition assistance program 6-month funding allot-
13 ment of a State during a penalty period shall be ad-
14 justed in response to the performance of the work
15 activation program of the State during previous per-
16 formance measurement periods.

17 “(gg) PERFORMANCE MEASUREMENT PERIOD.—

18 “(1) IN GENERAL.—The term ‘performance
19 measurement period’ means either of 2 periods of 6
20 consecutive months during each fiscal year.

21 “(2) FIRST PERFORMANCE MEASUREMENT PE-
22 RIOD.—The first performance measurement period
23 of each fiscal year shall be the 6-month period be-
24 ginning on October 1.

1 “(3) SECOND PERFORMANCE MEASUREMENT
2 PERIOD.—The second performance measurement pe-
3 riod of each fiscal year shall be the 6-month period
4 beginning on April 1.

5 “(hh) PROGRAM-ELIGIBLE ADULT WITHOUT DE-
6 PENDENT CHILDREN.—The term ‘program-eligible adult
7 without dependent children’ means a work-capable adult
8 without dependent children who—

9 “(1) receives program benefits for 1 month; and

10 “(2) has maintained less than 120 hours of
11 paid employment during that month.

12 “(ii) PROGRAM-ELIGIBLE FAMILY UNIT.—The term
13 ‘program-eligible family unit’ means—

14 “(1) a program-eligible adult without dependent
15 children;

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

18 “(3) a program-eligible married couple with de-
19 pendent children.

20 “(jj) PROGRAM-ELIGIBLE MARRIED COUPLE WITH
21 DEPENDENT CHILDREN.—The term ‘program-eligible
22 married couple with dependent children’ means a work-
23 capable married couple family with dependent children
24 that—

25 “(1) receives program benefits for 1 month; and

1 “(2) has maintained less than 120 hours of
2 paid employment between the family head and the
3 married spouse of the family head, summed together
4 and counted jointly, during the month.

5 “(kk) PROGRAM-ELIGIBLE SINGLE-HEADED FAMILY
6 WITH DEPENDENT CHILDREN.—The term ‘program-eli-
7 ble single-headed family with dependent children’ means
8 a work-capable single-headed family with dependent chil-
9 dren that—

10 “(1) receives program benefits for 1 month; and

11 “(2) has a family head who has maintained less
12 than 120 hours of paid employment during that
13 month.

14 “(ll) SINGLE-HEADED FAMILY WITH DEPENDENT
15 CHILDREN.—The term ‘single-headed family with depend-
16 ent children’ means a family with dependent children
17 that—

18 “(1) contains a family head residing with the
19 family; but

20 “(2) does not have a married spouse of the
21 family head residing with the family.

22 “(mm) STATE SHARE OF WORK-CAPABLE FAMILY
23 UNITS IN CALENDAR YEAR 2010.—The term ‘State share
24 of work-capable family units in calendar year 2010’ for
25 each State means the quotient obtained by dividing—

1 “(1) the average monthly number of work-capable family units in the State during calendar year 2010; by

2 “(2) the average monthly number of work-capable family units in all 50 States and the District of Columbia during calendar year 2010.

3 “(nn) TOTAL FAMILY UNITS ELIGIBLE FOR PARTICIPATION IN WORK ACTIVATION.—The term ‘total family units eligible for participation in work activation’ in a month means, in the State in that month, the sum of—

4 “(1) program-eligible adults without dependent children;

5 “(2) program-eligible single-headed families with dependent children; and

6 “(3) program-eligible married couples with dependent children.

7 “(oo) WORK ACTIVATION.—The term ‘work activation’ means—

8 “(1) onsite work activation; and

9 “(2) approved offsite work activation.

10 “(pp) WORK-CAPABLE ADULT WITHOUT DEPENDENT CHILDREN.—The term ‘work-capable adult without dependent children’ means an individual who—

11 “(1) is an able-bodied, work-capable adult; and

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

3 “(qq) WORK-CAPABLE MARRIED COUPLE FAMILY
4 WITH DEPENDENT CHILDREN.—The term ‘work-capable
5 married couple family with dependent children’ means a
6 married couple with dependent children that contains at
7 least 1 work-capable, able-bodied adult who is—

8 “(1) the family head; or

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

10 “(rr) WORK-CAPABLE SINGLE-HEADED FAMILY
11 WITH DEPENDENT CHILDREN.—The term ‘work-capable
12 single-headed family with dependent children’ means a
13 single-headed family with dependent children that has a
14 family head who is an able-bodied, work-capable adult.”.

15 (d) CONDITIONS OF PARTICIPATION.—Section 6 of
16 the Food and Nutrition Act of 2008 (7 U.S.C. 2015) is
17 amended by striking subsection (d) and inserting the fol-
18 lowing:

19 “(d) CONDITIONS OF PARTICIPATION.—

20 “(1) WORK REQUIREMENTS.—

21 “(A) IN GENERAL.—No able-bodied, work-
22 capable adult shall be eligible to participate in
23 the supplemental nutrition assistance program
24 if the individual—

1 “(i) refuses, at the time of application
2 and every 12 months thereafter, to register
3 for employment in a manner prescribed by
4 the Secretary;

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

10 “(I) the applicable Federal or
11 State minimum wage; or

12 “(II) 80 percent of the wage that
13 would have applied had the minimum
14 hourly rate under section 6(a)(1) of
15 the Fair Labor Standards Act of
16 1938 (29 U.S.C. 206(a)(1)) been ap-
17 plicable to the offer of employment;

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

23 “(iv) voluntarily—

24 “(I) quits a job; or

1 “(II) reduces work effort and,
2 after the reduction, is working less
3 than 30 hours per week, unless an-
4 other adult in the same family unit in-
5 creases employment at the same time
6 by an amount that is at least equal to
7 the reduction in work effort by the
8 first adult.

9 “(B) FAMILY UNIT INELIGIBILITY.—If an
10 able-bodied, work-capable adult is ineligible to
11 participate in the supplemental nutrition assist-
12 ance program because of subparagraph (A), no
13 other member of the family unit to which that
14 adult belongs shall be eligible to participate.

15 “(C) DURATION OF INELIGIBILITY.—An
16 able-bodied, work-capable adult who becomes
17 ineligible under subparagraph (A), and mem-
18 bers of the family unit who become ineligible
19 under subparagraph (B), shall remain ineligible
20 for 3 months after the date on which ineligi-
21 bility began.

22 “(D) RESTORATION OF ELIGIBILITY.—At
23 the end of the 3-month period of ineligibility
24 under subparagraph (c), members of a work-ca-
25 pable family unit may have their eligibility to

1 participate in the supplemental nutrition assist-
2 ance program restored, if—

3 “(i) the family unit is no longer a
4 work-capable family unit; or

5 “(ii) the adult members of the family
6 unit begin and maintain any combination
7 of paid employment and work activation
8 sufficient to meet the appropriate stand-
9 ards for resumption of benefits in section
10 29(c)(2).

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

19 “(3) STRIKING WORKERS INELIGIBLE.—

20 “(A) IN GENERAL.—Except as provided in
21 subparagraphs (B) and (C) and notwith-
22 standing any other provision of law, no member
23 of a family shall be eligible to participate in the
24 supplemental nutrition assistance program at
25 any time that any able-bodied, work-capable

1 adult member of the household is on strike as
2 defined in section 501 of the Labor Manage-
3 ment Relations Act, 1947 (29 U.S.C. 142), be-
4 cause of a labor dispute (other than a lockout)
5 as defined in section 2 of the National Labor
6 Relations Act (29 U.S.C. 152).

7 “(B) PRIOR ELIGIBILITY.—

8 “(i) IN GENERAL.—Subject to clause
9 (ii), a family unit shall not lose eligibility
10 to participate in the supplemental nutrition
11 assistance program as a result of 1 of the
12 members of the family unit going on strike
13 if the household was eligible immediately
14 prior to the strike.

15 “(ii) NO INCREASED ALLOTMENT.—A
16 family unit described in clause (i) shall not
17 receive an increased allotment as the result
18 of a decrease in the income of the 1 or
19 more striking members of the household.

20 “(C) REFUSAL TO ACCEPT EMPLOY-
21 MENT.—Ineligibility described in subparagraph
22 (A) shall not apply to any family unit that does
23 not contain a member on strike, if any of the
24 members of the family unit refuses to accept

1 employment at a plant or site because of a
2 strike or lockout.”.

3 (e) ELIGIBILITY OF STUDENTS WITH DEPENDENT
4 CHILDREN.—Section 6(e) of the Food and Nutrition Act
5 of 2008 (7 U.S.C. 2015(e)) is amended by striking para-
6 graph (8) and inserting the following:

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

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

13 “(B) is a family head or married spouse of
14 a family head in a married couple family with
15 dependent children and has a dependent child
16 under age 12 residing in the home.”.

17 (f) WORK REQUIREMENT.—Section 6 of the Food
18 and Nutrition Act of 2008 (7 U.S.C. 2015) is amended
19 by striking subsection (o) and inserting the following:

20 “(o) FULFILLMENT OF EMPLOYMENT AND WORK
21 ACTIVATION REQUIREMENTS.—

22 “(1) IN GENERAL.—If 1 or more adults within
23 a program-eligible family unit are required by the
24 State agency to participate in work activation under
25 section 29, no member of the family unit shall be eli-

1 gible for supplemental nutrition assistance benefits
2 unless the relevant 1 or more adults fully comply
3 with the work activation standards.

4 “(2) SANCTIONS AND RESUMPTION OF BENE-
5 FITS.—If 1 or more adults within a program-eligible
6 family unit who are required by the State agency to
7 participate in work activation under section 29 dur-
8 ing a given month fail to comply with the work acti-
9 vation standards, benefits for all members of the
10 family unit—

11 “(A) shall be terminated in accordance
12 with section 29(c)(1); and

13 “(B) may be resumed upon compliance
14 with section 29(c)(2).”.

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

18 “(r) MINOR CHILDREN.—No child less than age 18
19 years of age may participate in the supplemental nutrition
20 assistance program unless the child is a member of a fam-
21 ily with dependent children and resides with an adult who
22 is—

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

1 “(2) eligible to participate, and participating, in
2 the supplemental nutrition assistance program as a
3 member of the same household as the child; and

4 “(3) lawfully residing, and eligible to work, in
5 the United States.”.

6 (h) HEARING AND DETERMINATION.—Section
7 11(e)(10) of the Food and Nutrition Act of 2008 (7
8 U.S.C. 2020(e)(10)) is amended by striking “: Provided”
9 and all that follows through “hearing;” at the end and
10 inserting a semicolon.

11 (i) WORK REQUIREMENTS AND ACTIVATION PRO-
12 GRAM.—The Food and Nutrition Act of 2008 (7 U.S.C.
13 2011 et seq.) is amended by adding at the end the fol-
14 lowing:

15 **“SEC. 29. WORK REQUIREMENTS AND ACTIVATION PRO-**
16 **GRAM.**

17 “(a) WORK ACTIVATION STANDARDS.—

18 “(1) IN GENERAL.—Subject to paragraph (3), a
19 family unit with adult members that is required to
20 participate in work activation under subsection (e)
21 during a full month of participation in the supple-
22 mental nutrition assistance program shall fulfill the
23 following levels of work activation during that
24 month:

1 “(A) WORK ACTIVATION PERFORMANCE
2 LEVEL FOR PROGRAM-ELIGIBLE ADULT WITH-
3 OUT DEPENDENT CHILDREN.—Each program-
4 eligible adult without dependent children who is
5 required to participate in work activation by a
6 State agency under subsection (e) for a par-
7 ticular month shall be required to perform a
8 minimum of 36 hours of work activation for
9 that month, including at least—

10 “(i) a minimum of 16 hours of super-
11 vised onsite work activation; and

12 “(ii) a minimum of 20 additional
13 hours of—

14 “(I) onsite work activation;

15 “(II) approved offsite work acti-
16 vation; or

17 “(III) a combination of both.

18 “(B) WORK ACTIVATION PERFORMANCE
19 LEVELS FOR PROGRAM-ELIGIBLE SINGLE PAR-
20 ENT FAMILIES WITH DEPENDENT CHILDREN.—
21 Work-capable adult family heads in program-el-
22 igible single parent families with dependent
23 children who are required by a State agency to
24 participate in work activation under subsection
25 (e) shall be required to perform a minimum of

1 72 hours of work activation per month, includ-
2 ing at least—

3 “(i) a minimum of 32 hours of super-
4 vised onsite work activation; and

5 “(ii) a minimum of 40 additional
6 hours of—

7 “(I) onsite work activation;

8 “(II) approved offsite work acti-
9 vation; or

10 “(III) a combination of both.

11 “(C) WORK ACTIVATION PERFORMANCE
12 LEVELS FOR PROGRAM-ELIGIBLE MARRIED COU-
13 PLES WITH DEPENDENT CHILDREN.—

14 “(i) IN GENERAL.—Subject to clause
15 (ii), each program-eligible married couple
16 with dependent children that is required by
17 a State agency to participate in work acti-
18 vation under subsection (e) shall be re-
19 quired to perform a minimum of 72 hours
20 of work activation per month, including at
21 least—

22 “(I) a minimum of 32 hours of
23 supervised onsite work activation; and

24 “(II) a minimum of 40 additional
25 hours of—

1 “(aa) onsite work activation;

2 “(bb) approved offsite work

3 activation; or

4 “(cc) a combination of both.

5 “(ii) REQUIREMENTS.—

6 “(I) SINGLE JOINT OBLIGA-

7 TION.—The 72-hour requirement

8 under clause (i) shall be a single joint

9 obligation for the married couple as a

10 whole in which the activities of both

11 married partners shall be combined

12 together and counted jointly.

13 “(II) OPTIONS.—The work acti-

14 vation requirement for a work-capable

15 married couple family with dependent

16 children may be fulfilled by—

17 “(aa) 72 or more hours of

18 appropriate activity by the family

19 head;

20 “(bb) 72 or more hours of

21 appropriate activity by the mar-

22 ried spouse of the family head; or

23 “(cc) the combined activity

24 of the family head and married

25 spouse of the family head which

1 “(i) the family unit has fulfilled the
2 Federal work activation standards of the
3 family unit for that month; and

4 “(ii) the State agency need not re-
5 quire members of the family unit to per-
6 form additional work activation during
7 that month.

8 “(b) PRO RATA REDUCTION IN EMPLOYMENT AND
9 WORK ACTIVATION STANDARD DURING A PARTIAL
10 MONTH.—

11 “(1) IN GENERAL.—A program-eligible family
12 unit shall be subject to a pro-rated work activation
13 standard, if the family unit—

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

17 “(B) is required by the State to participate
18 in the work activation program during that
19 month.

20 “(2) PRO-RATED WORK ACTIVATION STAND-
21 ARD.—For purposes of paragraph (1), the term
22 ‘pro-rated work activation standard’ means a stand-
23 ard that equals a number of hours of work activity
24 of a family unit that bears the same proportion to
25 the work activation requirement for the family unit

1 for a full month under subsection (a) as the propor-
2 tion that—

3 “(A) the pro-rated monthly allotment re-
4 ceived by the household for the partial month
5 under section 8(c); bears to

6 “(B) the full allotment the same household
7 would receive for a complete month.

8 “(3) REQUIREMENT.—For purposes of fulfilling
9 the pro-rated work activation requirement during an
10 initial month of enrollment in the supplemental nu-
11 trition assistance program, only those hours of adult
12 work activation that occurred during the portion of
13 the month in which the family unit was participating
14 in the supplemental nutrition assistance program
15 shall be counted.

16 “(c) SANCTION FOR NONCOMPLIANCE BY FAMILY
17 UNITS.—

18 “(1) STANDARD.—

19 “(A) IN GENERAL.—If 1 or more members
20 of a program-eligible family unit are required to
21 participate in the work activation program
22 under subsection (e) in a calendar month and
23 1 or more individuals fail to fulfill the work ac-
24 tivation standards under subsection (a) or (b)
25 for that month—

1 “(i) no member of the family unit
2 shall be eligible to receive supplemental nu-
3 trition assistance benefits during the sub-
4 sequent calendar month; and

5 “(ii) except as provided in subpara-
6 graph (B), the State agency shall not pro-
7 vide the supplemental nutrition assistance
8 benefit payment for all members of the
9 family unit that otherwise would have been
10 issued at the beginning of the next month.

11 “(B) ADMINISTRATIVE DELAY OF SANC-
12 TION.—

13 “(i) IN GENERAL.—Except as pro-
14 vided in clauses (ii) and (iii), if it is admin-
15 istratively infeasible for the State to not
16 provide the supplemental nutrition assist-
17 ance benefit that would be issued at the
18 beginning of the first month after the
19 month of noncompliance, the State shall
20 not provide the payment to all members of
21 the family unit that otherwise would have
22 been made at the beginning of the second
23 month after the month of noncompliance.

24 “(ii) DEADLINE.—The sanction of
25 benefits shall occur not later than 32 days

1 after the end of the month of noncompli-
2 ance.

3 “(iii) RELATIONSHIP OF PAYMENTS
4 TO MEMBERS OF THE FAMILY UNIT.—At
5 least 1 monthly payment to all members of
6 the family unit shall be not provided for
7 each month of noncompliance under sub-
8 paragraph (A).

9 “(2) RESUMPTION OF BENEFITS AFTER SANC-
10 TION.—

11 “(A) IN GENERAL.—If a family unit has
12 had the monthly benefit of the family unit not
13 provided due to noncompliance with a work ac-
14 tivation requirement under paragraph (1), the
15 family unit shall not be eligible to receive future
16 benefits under the supplemental nutrition as-
17 sistance program until—

18 “(i) the 1 or more work-capable mem-
19 bers of the family unit have—

20 “(I) successfully participated in a
21 work activation program under sub-
22 section (e) for at least 4 consecutive,
23 subsequent weeks; and

24 “(II) fulfilled the work activation
25 standard for the family unit for that

1 same 4-week period by maintaining an
2 hourly total of participation in work
3 activation that is at least equal to the
4 appropriate monthly totals for hours
5 of participation provided in subsection
6 (a);

7 “(ii) the family unit no longer con-
8 tains any able-bodied, work-capable adults;
9 or

10 “(iii) the family unit maintains at
11 least 120 hours of paid employment during
12 the 4-week period.

13 “(B) LIMITATION.—The resumed benefits
14 provided under subparagraph (A) shall not re-
15 store or compensate for the benefits that were
16 not provided due to the sanction imposed under
17 paragraph (1).

18 “(d) WORK ACTIVATION IS NOT EMPLOYMENT.—
19 Participation in work activation activities under this sec-
20 tion shall not be—

21 “(1) considered to be employment; or

22 “(2) subject to any law pertaining to wages,
23 compensation, hours, or conditions of employment
24 under any law administered by the Secretary of
25 Labor.

1 “(e) WORK ACTIVATION PROGRAM.—

2 “(1) PROGRAM.—Each State participating in
3 the supplemental nutrition assistance program shall
4 carry out a work activation program.

5 “(2) PURPOSE.—

6 “(A) IN GENERAL.—The goals of each
7 work activation program shall be—

8 “(i) to encourage and assist able-bod-
9 ied, work-capable adult recipients of sup-
10 plemental nutrition assistance to obtain
11 paid employment;

12 “(ii) to reduce dependence on govern-
13 ment assistance; and

14 “(iii) to ensure that able-bodied, work-
15 capable adult recipients of supplemental
16 nutrition assistance make a contribution to
17 society and the taxpayers in exchange for
18 assistance received.

19 “(B) REQUIREMENT.—To accomplish the
20 goals described in subparagraph (A), each State
21 shall require able-bodied, work-capable adult re-
22 cipients of supplemental nutrition assistance
23 who are unemployed or under-employed to en-
24 gage in work activation.

1 “(3) REQUIRED STATE WORK ACTIVATION PAR-
2 TICIPATION RATES.—

3 “(A) IN GENERAL.—Subject to subpara-
4 graph (D), each State that receives supple-
5 mental nutrition assistance program funding
6 shall be required to meet, for the work activa-
7 tion programs of the State—

8 “(i) a work activation participation
9 rate for work-capable adults without de-
10 pendent children, as described in subpara-
11 graph (B); and

12 “(ii) a total recipient work activity
13 participation rate, as described in subpara-
14 graph (C).

15 “(B) PARTICIPATION RATE FOR WORK-CA-
16 PABLE WITHOUT DEPENDENT CHILDREN.—The
17 average monthly percent of program-eligible
18 work-capable without dependent children who
19 shall be required to maintain full engagement in
20 work activation under subparagraph (A)(i) shall
21 be—

22 “(i) for each performance measure-
23 ment period in fiscal year 2014, 50 percent
24 of all program-eligible adults without de-
25 pendent children; and

1 “(ii) for each performance measure-
2 ment period in fiscal year 2016 and each
3 subsequent fiscal year, the lesser of—

4 “(I) the product obtained by mul-
5 tiplying—

6 “(aa) the State share of
7 work-capable family units in cal-
8 endar year 2010; by

9 “(bb) 4,000,000; or

10 “(II) 85 percent of the average
11 monthly number of total family units
12 eligible for participation in work acti-
13 vation in the State in the calendar
14 year.

15 “(D) LIMITATION.—If the total number of
16 individuals in a State who are required to par-
17 ticipate in work activation under the work-cap-
18 able adults without dependent children work acti-
19 vation requirement described in subparagraph
20 (B) is greater than the number of individuals in
21 the State who are required to participate under
22 the overall participation rate requirement de-
23 scribed in subparagraph (C), the State shall be
24 required to fulfill only the requirement for
25 work-capable adults without dependent children.

1 qualified for a resumption of benefits
2 due to work activation performed in
3 the month that meets the standards
4 provided in subsection (c)(2); or

5 “(III) a program-eligible family
6 unit that—

7 “(aa) received supplemental
8 nutrition assistance benefits in a
9 given month;

10 “(bb) was required by a
11 State agency to participate in
12 work activation in that month;

13 “(cc) failed to perform suffi-
14 cient work activation in that
15 month to meet the standards in
16 subsection (a) or (b); and

17 “(dd) was sanctioned by an
18 elimination of supplemental nu-
19 trition assistance benefits in the
20 1 or more immediately suc-
21 ceeding months, in accordance
22 with subsection (c)(1).

23 “(ii) LIMITATION.—

24 “(I) IN GENERAL.—For purposes
25 of clause (i)(III), a family unit that

1 was required to participate in work
2 activation but failed to perform suffi-
3 cient activity to meet the standard
4 shall be counted as having maintained
5 full engagement in work activation
6 only in the first month of noncompli-
7 ance.

8 “(II) SUBSEQUENT MONTHS.—
9 Except as provided in clause (i)(II),
10 the family unit shall not be counted as
11 maintaining full engagement in work
12 activation in any subsequent month in
13 which the family unit was subject to
14 the sanction for noncompliance.

15 “(C) BENEFITS PREVIOUSLY TERMI-
16 NATED.—Except as provided in subparagraph
17 (B)(i)(II) concerning family units that qualify
18 for resumption of benefits, a family unit that
19 does not receive supplemental nutrition assist-
20 ance benefits in a given month because the ben-
21 efits of the family unit have been previously ter-
22 minated in accordance with subsection (c)(1)
23 shall not be counted in that month—

1 “(i) as a family unit that has main-
2 tained full engagement in work activation;

3 or

4 “(ii) as a program-eligible family unit.

5 “(5) PENALTIES FOR INADEQUATE STATE PER-
6 FORMANCE.—

7 “(A) REQUIREMENT.—

8 “(i) IN GENERAL.—Beginning in fis-
9 cal year 2015 and for each subsequent fis-
10 cal year, each State shall count the month-
11 ly average number of program-eligible fam-
12 ily units that maintain full engagement in
13 work activation during each performance
14 measurement period.

15 “(ii) REDUCTION IN FUNDING.—If the
16 monthly average number of program-eli-
17 gible family units that maintain full engage-
18 ment in a State is not sufficient to fulfill
19 1 or both of the relevant performance
20 standards in subparagraphs (B) and (C) of
21 paragraph (3) during a performance meas-
22 urement period (subject to the limitation in
23 paragraph (3)(D)), the Federal supple-
24 mental nutrition assistance program fund-
25 ing for the State shall be reduced for the

1 entire penalty period that commences 12
2 months after the commencement of the rel-
3 evant performance measurement period.

4 “(B) SCHEDULE OF FUNDING REDUC-
5 TIONS.—

6 “(i) IN GENERAL.—The funding re-
7 duction for a State under subparagraph
8 (A) shall be determined by the number of
9 consecutive performance measurement pe-
10 riods during which the State has failed to
11 meet 1 or both of the relevant work activa-
12 tion participation rates under subpara-
13 graphs (B) and (C) of paragraph (3) (sub-
14 ject to paragraph (3)(D)).

15 “(ii) FAILURE.—If any State fails to
16 maintain a monthly average number of
17 program-eligible family units that maintain
18 full engagement in work activation during
19 a performance measurement period that
20 fulfills 1 or both of the relevant perform-
21 ance standards under subparagraphs (B)
22 and (C) of paragraph (3) (subject to para-
23 graph (3)(D))—

24 “(I) for a single, nonconsecutive
25 performance measurement period, the

1 Federal supplemental nutrition assist-
2 ance program funding for the State
3 shall be reduced by 20 percent of the
4 normal funding allotment of the State
5 for the penalty period that commences
6 12 months after the relevant perform-
7 ance measurement period;

8 “(II) for 2 consecutive perform-
9 ance measurement periods, the Fed-
10 eral supplemental nutrition assistance
11 program funding for the State shall
12 be reduced by 30 percent of the nor-
13 mal funding allotment of the State for
14 the penalty period that commences 12
15 months after the relevant performance
16 measurement period;

17 “(III) for 3 consecutive perform-
18 ance measurement periods, the Fed-
19 eral supplemental nutrition assistance
20 program funding for the State shall
21 be reduced by 40 percent of the nor-
22 mal funding allotment of the State for
23 the penalty period that commences 12
24 months after the relevant performance
25 measurement period;

1 “(IV) for 4 consecutive perform-
2 ance measurement periods, the Fed-
3 eral supplemental nutrition assistance
4 program funding for the State shall
5 be reduced by 50 percent of the nor-
6 mal funding allotment of the State for
7 the penalty period that commences 12
8 months after the relevant performance
9 measurement period;

10 “(V) for 5 consecutive perform-
11 ance measurement periods, the Fed-
12 eral supplemental nutrition assistance
13 program funding for the State shall
14 be reduced by 70 percent of the nor-
15 mal funding allotment of the State for
16 the penalty period that commences 12
17 months after the relevant performance
18 measurement period; or

19 “(VI) for 6 or more consecutive
20 performance measurement periods,
21 the Federal supplemental nutrition as-
22 sistance program funding for the
23 State shall be reduced by 100 percent
24 of the normal funding allotment of the
25 State for the penalty period that com-

1 mences 12 months after the relevant
2 performance measurement period.

3 “(C) RESTORATION IN FUNDING RESULT-
4 ING FROM IMPROVED STATE PERFORMANCE.—

5 “(i) IN GENERAL.—Subject to clause
6 (iii), if a State maintains a monthly aver-
7 age number of program-eligible family
8 units that maintain full engagement in
9 work activation that is sufficient to fulfill
10 the relevant performance standards de-
11 scribed in subparagraphs (B) and (C) of
12 paragraph (3), subject to the limitation in
13 paragraph (3)(D) for 1 nonconsecutive
14 performance measurement period, the Fed-
15 eral supplemental nutrition assistance
16 funding for the State for the next penalty
17 period shall equal $\frac{1}{2}$ of the sum of—

18 “(I) the normal funding allot-
19 ment of the State for the performance
20 measurement period; and

21 “(II) the funding allotment of the
22 State for the previous penalty period.

23 “(ii) SUBSEQUENT PERIODS.—Subject
24 to clause (iii), if a State maintains a
25 monthly average number of program-eli-

1 ble family units who maintain full engage-
2 ment in work activation that is sufficient
3 to fulfill the relevant performance stand-
4 ards described in subparagraphs (B) and
5 (C) of paragraph (3), subject to the limita-
6 tion in paragraph (3)(D) for 2 consecutive
7 performance measurement periods, the
8 Federal supplemental nutrition assistance
9 funding for the State shall equal 100 per-
10 cent of the normal funding allotment of
11 the State for the next penalty period.

12 “(iii) LIMITATION.—Notwithstanding
13 clauses (i) and (ii), no State shall receive
14 more than 100 percent of the normal fund-
15 ing allotment of the State due to the provi-
16 sions of this paragraph.

17 “(6) REWARDS TO STATES FOR REDUCING GOV-
18 ERNMENT DEPENDENCE.—

19 “(A) IN GENERAL.—If, in any future year,
20 a State reduces the supplemental nutrition as-
21 sistance caseload of the State below the levels
22 that existed in calendar year 2006, the State
23 shall receive a financial reward for reducing de-
24 pendence.

1 “(B) AMOUNT.—The reward shall equal $\frac{1}{4}$
2 of the savings to the Federal Government for
3 that year that resulted from the caseload reduc-
4 tion.

5 “(C) USE OF REWARD.—A State may use
6 reward funding under this paragraph for any
7 purpose chosen by the State that—

8 “(i) provides benefits or services to in-
9 dividuals with incomes below 200 percent
10 of the Federal poverty level;

11 “(ii) improves social outcomes in low-
12 income populations;

13 “(iii) encourages healthy marriage; or

14 “(iv) increases self-sufficiency and re-
15 duces dependence.

16 “(7) AUTHORIZATION OF FUNDING.—

17 “(A) IN GENERAL.—There is authorized to
18 be appropriated to the Secretary to provide
19 funds to State governments for the purpose of
20 carrying out work activation programs in ac-
21 cordance with this section \$500,000,000 for fis-
22 cal year 2014 and each subsequent fiscal year.

23 “(B) ALLOCATION AMONG STATES.—The
24 total amount appropriated under subparagraph
25 (A) for a fiscal year shall be allocated among

1 the States in accordance with the proportion of
2 each State's share of total funding for the sup-
3 plemental nutrition assistance program under
4 this Act in fiscal year 2007.

5 “(C) ADDITIONAL FUNDING.—

6 “(i) TANF FUNDING.—

7 “(I) IN GENERAL.—Notwith-
8 standing any other provision of law, in
9 fiscal year 2014 and each subsequent
10 fiscal year, a State that receives sup-
11 plemental nutrition assistance funds
12 may spend, in that fiscal year to ad-
13 minister the work activation program
14 of the State under this section, up
15 to—

16 “(aa) 30 percent of the Fed-
17 eral funds available to the State
18 through the program of block
19 grants to States for temporary
20 assistance for needy families es-
21 tablished under part A of title IV
22 of the Social Security Act (42
23 U.S.C. 601 et seq.) in that fiscal
24 year; and

1 “(bb) 30 percent of funds
2 from State sources allocated to
3 the operation of the program de-
4 scribed in item (aa).

5 “(II) EFFECT.—Any State that
6 uses State funds allocated to the pro-
7 gram of block grants to States for
8 temporary assistance for needy fami-
9 lies established under part A of title
10 IV of the Social Security Act (42
11 U.S.C. 601 et seq.) to administer the
12 work activation program under this
13 section may count those funds for
14 purposes of meeting the maintenance
15 of effort requirement of the State
16 under that program of block grants in
17 that fiscal year.

18 “(ii) WORKFORCE INVESTMENT ACT
19 FUNDING.—Notwithstanding any other
20 provision of law, in fiscal year 2014 and
21 each subsequent fiscal year, a State that
22 receives Federal funds under the Work-
23 force Investment Act of 1998 (29 U.S.C.
24 2801 et seq.) may spend up to 50 of those

1 funds to administer the work activation
2 program under this section.”.

3 (j) CONFORMING AMENDMENTS.—

4 (1) Section 5 of the Food and Nutrition Act of
5 2008 (7 U.S.C. 2014) is amended—

6 (A) in subsection (a), in the second sen-
7 tence, by striking “, 6(d)(2),”;

8 (B) in subsection (d)(14), by striking “sec-
9 tion 6(d)(4)(I)” and inserting “section 29”;

10 (C) in subsection (e)(3)(B)(ii), by striking
11 “subsection (d)(3)” and inserting “section 29”;
12 and

13 (D) in the first sentence of subsection
14 (g)(3), by striking “section 6(d)” and inserting
15 “section 29”.

16 (2) Section 7(i)(1) of the Food and Nutrition
17 Act of 2008 (7 U.S.C. 2016(i)(1)) is amended by
18 striking “section 6(o)(2)” and inserting “section
19 6(o)”.

20 (3) Section 11(e) of the Food and Nutrition Act
21 of 2008 (7 U.S.C. 2020(e)) is amended—

22 (A) by striking paragraph (19); and

23 (B) by redesignating paragraphs (20)
24 through (23) as paragraphs (19) through (22),
25 respectively.

1 (4) Section 16 of the Food and Nutrition Act
2 of 2008 (7 U.S.C. 2025) is amended—

3 (A) in subsection (b)(4), by striking “sec-
4 tion 6(d)” and inserting “section 29”; and

5 (B) by striking subsection (h).

6 (5) Section 17 of the Food and Nutrition Act
7 of 2008 (7 U.S.C. 2026) is amended—

8 (A) in subsection (b)—

9 (i) in paragraph (1)(B)(iv)(III)—

10 (I) by striking item (bb); and

11 (II) by redesignating items (cc)

12 through (jj) as items (bb) through

13 (ii), respectively;

14 (ii) in paragraph (2), by striking the

15 second sentence; and

16 (iii) in paragraph (3)(B), in the first

17 sentence, by striking “section 6(d)” and

18 inserting “section 29,”; and

19 (B) by striking subsection (g).

20 (6) Section 20 of the Food and Nutrition Act
21 of 2008 (7 U.S.C. 2029) is amended—

22 (A) in subsection (b)—

23 (i) by striking paragraph (1); and

1 (ii) by redesignating paragraphs (2)
2 through (6) as paragraphs (1) through (5),
3 respectively;

4 (B) by striking subsection (f); and

5 (C) by redesignating subsection (g) as sub-
6 section (f).

7 (7) Section 22(b) of the Food and Nutrition
8 Act of 2008 (7 U.S.C. 2031(b)) is amended by strik-
9 ing paragraph (4).

10 (8) Section 26(f)(3)(E) of the Food and Nutri-
11 tion Act of 2008 (7 U.S.C. 2036(f)(3)(E)) is amend-
12 ed by striking “(22), and (23)” and inserting “(21),
13 and (22)”.

14 (9) Section 501(b)(2)(E) of the Workforce In-
15 vestment Act of 1998 (20 U.S.C. 9271(b)(2)(E)) is
16 amended by striking “section 6(d)” and all that fol-
17 lows through the end and inserting “section 29 of
18 the Food and Nutrition Act of 2008.”.

19 (10) Section 112(b)(8)(A)(iii) of the Workforce
20 Investment Act of 1998 (29 U.S.C.
21 2822(b)(8)(A)(iii)) is amended by striking “section
22 6(d)(4)” and all that follows through “(7 U.S.C.
23 2015(d)(4))” and inserting “section 29 of the Food
24 and Nutrition Act of 2008”.

1 (11) Section 121(b)(2)(B)(ii) of the Workforce
2 Investment Act of 1998 (29 U.S.C.
3 2841(b)(2)(B)(ii)) is amended by striking “section
4 6(d)(4)” and all that follows through the end and in-
5 serting “section 29 of the Food and Nutrition Act
6 of 2008;”.

7 **SEC. 102. TERMINATION OF BENEFIT INCREASE.**

8 Section 101(a)(2) of division A of the American Re-
9 covery and Reinvestment Act of 2009 (Public Law 111-
10 5; 123 Stat. 120; 124 Stat. 2394; 124 Stat. 3265) is
11 amended by striking paragraph (2) and inserting the fol-
12 lowing:

13 “(2) TERMINATION.—The authority provided by
14 this subsection shall terminate on the date of enact-
15 ment of the Welfare Reform and Upward Mobility
16 Act.”.

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

21 **SEC. 201. ADDITIONAL INFORMATION IN PRESIDENT’S**
22 **BUDGET SUBMISSION.**

23 Section 1105(a) of title 31, United States Code, is
24 amended—

1 (1) by redesignating the second paragraph des-
2 ignated as paragraph (37), relating to outdated or
3 duplicative plans and reports, as added by section 11
4 of the GPRA Modernization Act of 2010 (Public
5 Law 111–352; 124 Stat. 3881), as paragraph (39);
6 and

7 (2) by adding at the end the following:

8 “(40) the total level of means-tested welfare
9 spending (as defined in section 3 of the Congres-
10 sional Budget Act of 1974 (2 U.S.C. 622)) by the
11 Federal Government and the total level of means-
12 tested welfare spending by all State and local gov-
13 ernments and the Federal Government for the most
14 recent fiscal year for which such data is available
15 and estimated levels for the fiscal year during which
16 the budget submission of the President is made, for
17 the fiscal year beginning on October 1 of the cal-
18 endar year during which the budget submission is
19 made, and for each of the 9 ensuing fiscal years.”.

1 **TITLE III—AGGREGATE CAP FOR**
2 **MEANS-TESTED WELFARE**
3 **SPENDING**

4 **SEC. 301. DEFINITION OF MEANS-TESTED WELFARE SPEND-**
5 **ING.**

6 Section 3 of the Congressional Budget Act of 1974
7 (2 U.S.C. 622) is amended by adding at the end the fol-
8 lowing new paragraph:

9 “(12)(A) The term ‘means-tested welfare
10 spending’—

11 “(i) means spending for any Federal pro-
12 gram that is designed to specifically provide as-
13 sistance or benefits exclusively to low-income
14 Americans;

15 “(ii) does not include such a program if
16 the program—

17 “(I) is based on earned eligibility;

18 “(II) is not need-based;

19 “(III) is a program designed exclu-
20 sively or primarily for veterans of military
21 service; or

22 “(IV) offers universal or near uni-
23 versal eligibility to the working population
24 and their dependents; and

1 “(iii) includes community and economic de-
2 velopment programs targeted to low-income
3 communities or populations.

4 “(B) For purposes of subparagraph (A), the
5 spending on following Federal programs shall be
6 means-tested welfare spending:

7 “(i) CASH AND GENERAL PROGRAMS.—

8 “(I) Supplemental Security Income.

9 “(II) Earned Income Tax Credit (Re-
10 fundable Portion).

11 “(III) Refundable Child Credit.

12 “(IV) Temporary Assistance to Needy
13 Families.

14 “(V) Title IV–E Foster Care.

15 “(VI) Title IV–E Adoption Assist-
16 ance.

17 “(VII) General Assistance to Indians.

18 “(VIII) Assets for Independence.

19 “(ii) MEDICAL.—

20 “(I) Medicaid.

21 “(II) State Children’s Health Insur-
22 ance Program.

23 “(III) Indian Health Services.

24 “(IV) Consolidated Health Centers/
25 Community Health Centers.

1 “(V) Maternal and Child Health.

2 “(VI) Healthy Start.

3 “(VII) Refundable Premiums and Out
4 of Pocket Subsidies under the Patient Pro-
5 tection and Affordable Health Care Act
6 (PPACA).

7 “(iii) FOOD.—

8 “(I) Food Stamps Program.

9 “(II) School Lunch Program.

10 “(III) Women, Infant and Children
11 (WIC) Food Program.

12 “(IV) School Breakfast.

13 “(V) Child Care Food Program.

14 “(VI) Nutrition Program for the El-
15 derly, Nutrition Service Incentives.

16 “(VII) Summer Food Service Pro-
17 gram.

18 “(VIII) Commodity Supplemental
19 Food Program.

20 “(IX) Temporary Emergency Food
21 Program.

22 “(X) Needy Families.

23 “(XI) Farmer’s Market Nutrition
24 Program.

25 “(XII) Special Milk Program.

- 1 “(iv) HOUSING.—
- 2 “(I) Section 8 Housing (HUD).
- 3 “(II) Public Housing (HUD).
- 4 “(III) State Housing Expenditures.
- 5 “(IV) Home Investment Partnership
- 6 Program (HUD).
- 7 “(V) Homeless Assistance Grants
- 8 (HUD).
- 9 “(VI) Rural Housing Insurance Fund
- 10 (Agriculture).
- 11 “(VII) Rural Housing Service (Agri-
- 12 culture).
- 13 “(VIII) Housing for the Elderly
- 14 (HUD).
- 15 “(IX) Native American Housing
- 16 Block Grants (HUD).
- 17 “(X) Other Assisted Housing Pro-
- 18 grams (HUD).
- 19 “(XI) Housing for Persons with Dis-
- 20 abilities (HUD).
- 21 “(v) ENERGY AND UTILITIES.—
- 22 “(I) Low-Income Home Energy As-
- 23 sistance.

1 “(II) Universal Service Fund—Sub-
2 sidized Phone Service for Low-Income Per-
3 sons.

4 “(III) Weatherization.

5 “(vi) EDUCATION.—

6 “(I) Pell Grants.

7 “(II) Title I Grants to Local Edu-
8 cation Authorities.

9 “(III) Special Programs for Disadvan-
10 taged (TRIO).

11 “(IV) Supplemental Education Oppor-
12 tunity Grants.

13 “(V) Migrant Education.

14 “(VI) Gear-Up.

15 “(VII) Education for Homeless Chil-
16 dren and Youth.

17 “(VIII) Leveraging Educational As-
18 sistance Partnership (LEAP) Program.

19 “(IX) Even Start.

20 “(vii) TRAINING.—

21 “(I) Job Corps.

22 “(II) Youth Opportunity Grants
23 (under the Workforce Investment Act).

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

1 “(IV) Senior Community Service Em-
2 ployment.

3 “(V) Food Stamp Employment and
4 Training Program.

5 “(VI) Migrant Training.

6 “(VII) YouthBuild.

7 “(VIII) Native American Training.

8 “(viii) SERVICES.—

9 “(I) Title XX Social Services Block
10 Grant.

11 “(II) Community Service Block
12 Grant.

13 “(III) Social Services for Refugees,
14 Asylees, and Humanitarian Cases.

15 “(IV) Title III Aging Americans Act.

16 “(V) Legal Services Block Grant.

17 “(VI) Family Planning.

18 “(VII) Emergency Food and Shelter.

19 “(VIII) Healthy Marriage and Re-
20 sponsible Fatherhood Grants.

21 “(IX) Americorps VISTA.

22 “(ix) CHILD CARE AND CHILD DEVELOP-
23 MENT.—

24 “(I) Headstart.

1 “(II) Childcare and Child Develop-
2 ment Block Grant.

3 “(III) Child Care Block Grant (under
4 Temporary Assistance to Needy Families
5 Program).

6 “(x) COMMUNITY DEVELOPMENT.—

7 “(I) Community Development Block
8 Grant.

9 “(II) Economic Development Adminis-
10 tration.

11 “(III) Appalachian Regional Develop-
12 ment.

13 “(IV) Empowerment Zones, Enter-
14 prise Communities, Renewal Communities.

15 “(V) Urban Development Block
16 Grant.

17 “(C) For purposes of subparagraph (A), spend-
18 ing on following Federal programs shall not be
19 means-tested welfare spending:

20 “(i) The Social Security Disability Insur-
21 ance program.

22 “(ii) Medicare.

23 “(iii) Retirement insurance benefits and
24 survivor benefits under the Social Security pro-
25 gram.

1 “(iv) Any program designed exclusively or
2 primarily for veterans of military service.

3 “(v) Unemployment insurance benefits.

4 “(vi) Programs designed specifically to
5 provide benefits to workers to compensate for
6 job-related injuries or illnesses.

7 “(D) The term ‘means-tested welfare spending’
8 includes the full cost of benefits and services pro-
9 vided under a program and the administrative costs
10 for operating the program, subject to the limitations
11 under subparagraph (E).

12 “(E)(i)(I) For purposes of this paragraph, only
13 the refundable portion of the following tax credits
14 shall be means-tested welfare spending:

15 “(aa) The earned income tax credit.

16 “(bb) The child tax credit.

17 “(cc) The making work pay tax credit.

18 “(II) For purposes of this paragraph, only the
19 refundable portion of the premium and out of pocket
20 health care subsidies to be paid under the Patient
21 Protection and Affordable Health Care Act shall be
22 means-tested welfare spending.

23 “(III) For purposes of this clause, the term ‘re-
24 fundable portion’ means the portion of the credit
25 which is paid to an individual in excess of the

1 amount of Federal income tax owed by the indi-
2 vidual.

3 “(ii) For purposes of this paragraph, only the
4 costs of the free and reduced price segments of the
5 school lunch and school breakfast programs shall be
6 means-tested welfare spending.

7 “(F) For purposes of this paragraph expendi-
8 tures by State and local governments of funds that
9 are—

10 “(i) obtained by the State and local gov-
11 ernment from taxes, fees, or other sources of
12 revenue established by the State or local gov-
13 ernment; and

14 “(ii) are not received as any form of grant
15 from the Federal Government,
16 shall not be Federal means-tested welfare spending,
17 without regard to whether such State and local ex-
18 penditures take the form of contributions to a Fed-
19 eral program described in subparagraph (A) or listed
20 in subparagraph (B).”.

21 **SEC. 302. REPORTS TO BUDGET COMMITTEES.**

22 Section 202(e)(1) of the Congressional Budget Act
23 of 1974 (2 U.S.C. 602(e)(1)) is amended—

24 (1) by inserting “(A)” after “(1)”; and

25 (2) by adding at the end the following:

1 “(B)(i) The Director shall include in each re-
2 port submitted to the Committees on the Budget of
3 the House of Representatives and the Senate under
4 subparagraph (A) the information described in
5 clause (ii) beginning on the earlier of—

6 “(I) the first fiscal year that begins after
7 the date of enactment of this subparagraph and
8 after any monthly rate of unemployment during
9 the immediately preceding fiscal year is below 6
10 percent; or

11 “(II) fiscal year 2016.

12 “(ii) The Director shall include the following in-
13 formation for the fiscal year commencing on October
14 1 of the year in which the report is submitted and
15 for each of the ensuing 4 fiscal years:

16 “(I) The Congressional Budget Office
17 baseline level of means-tested welfare spending.

18 “(II) The aggregate level of means-tested
19 welfare spending computed by taking the aggre-
20 gate level of means-tested welfare spending for
21 fiscal year 2007 and adjusting that for inflation
22 according to the procedures specified in clause
23 (iii).

24 “(iii) In preparing the information required to
25 be included under this subparagraph—

1 “(I) means-tested welfare spending relat-
2 ing to medical assistance programs shall be ad-
3 justed for inflation according to the price index
4 for personal consumption expenditures for
5 health products and services as calculated by
6 the Bureau of Economic Analysis; and

7 “(II) all other means-tested welfare spend-
8 ing shall be adjusted for inflation according to
9 the weighted price index for personal consump-
10 tion expenditures excluding health products and
11 services as calculated by the Bureau of Eco-
12 nomic Analysis.”.

13 **SEC. 303. CONTENT OF CONCURRENT RESOLUTIONS ON**
14 **THE BUDGET.**

15 Section 301 of the Congressional Budget Act of 1974
16 (2 U.S.C. 632) is amended by adding at the end the fol-
17 lowing:

18 “(j) MEANS-TESTED WELFARE SPENDING.—

19 “(1) IN GENERAL.—The concurrent resolution
20 on the budget for a fiscal year shall set forth the ap-
21 propriate level for aggregate means-tested welfare
22 spending for the first fiscal year of that concurrent
23 resolution and for at least each of the 4 ensuing fis-
24 cal years beginning on the earlier of—

1 “(A) the first fiscal year that begins after
2 the date of enactment of this subsection and
3 after any monthly rate of unemployment during
4 the immediately preceding fiscal year is below 6
5 percent; or

6 “(B) fiscal year 2016.

7 “(2) SETTING LEVEL.—The level described in
8 paragraph (1) shall not exceed—

9 “(A) in fiscal year 2016,
10 \$825,000,000,000;

11 “(B) in fiscal year 2017,
12 \$750,000,000,000; and

13 “(C) in fiscal year 2018 and subsequent
14 fiscal years, the aggregate level of Federal
15 means-tested welfare spending for fiscal year
16 2007, adjusted for inflation as follows:

17 “(i) Means-tested welfare spending re-
18 lating to medical assistance programs shall
19 be adjusted for inflation according to the
20 price index for personal consumption ex-
21 penditures for health products and services
22 as calculated by the Bureau of Economic
23 Analysis.

24 “(ii) All other means-tested welfare
25 spending shall be adjusted for inflation ac-

1 cording to the weighted price index for per-
2 sonal consumption expenditures excluding
3 health products and services as calculated
4 by the Bureau of Economic Analysis.”.

5 **SEC. 304. ALLOCATIONS OF MEANS-TESTED WELFARE**
6 **SPENDING.**

7 (a) IN GENERAL.—Section 302 of the Congressional
8 Budget Act of 1974 (2 U.S.C. 633) is amended by adding
9 at the end the following:

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

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

18 “(A) total new budget authority and total
19 outlays for discretionary means-tested welfare
20 spending in appropriation measures for the first
21 fiscal year of that concurrent resolution; and

22 “(B) total new budget authority and total
23 outlays for mandatory means-tested welfare
24 spending for the first fiscal year of that concur-
25 rent resolution and at least each of the ensuing

1 4 fiscal years to all other committees of the
2 House of Representatives and the Senate that
3 have jurisdiction over legislation providing man-
4 datory means-tested welfare spending.

5 “(2) POINT OF ORDER.—

6 “(A) IN GENERAL.—Except as provided in
7 subparagraph (B), it shall not be in order in
8 the House of Representatives or the Senate to
9 consider any bill, joint resolution, amendment,
10 or amendment between the Houses if—

11 “(i) the enactment of such bill or res-
12 olution as reported;

13 “(ii) the adoption and enactment of
14 such amendment;

15 “(iii) the enactment of such bill or
16 resolution in the form recommended in
17 such conference report; or

18 “(iv) the enactment of such amend-
19 ment between the Houses,

20 would cause the applicable allocation of new
21 budget authority or outlays made under sub-
22 paragraph (A) or (B) of paragraph (1) for a
23 fiscal year to be exceeded.

24 “(B) EXCEPTION.—The limits on the allo-
25 cation of new budget authority or outlays made

1 under subparagraph (A) or (B) of paragraph
2 (1) shall not be in effect for a fiscal year if the
3 average monthly unemployment rate in the pre-
4 ceding fiscal year exceeded 7.5 percent.”.

5 (b) CONFORMING AMENDMENT.—Section 302(b) of
6 the Congressional Budget Act of 1974 is amended by
7 striking “under subsection (a)” and inserting “under sub-
8 sections (a) and (h)”.

9 **SEC. 305. RECONCILIATION.**

10 Section 310(a) of the Congressional Budget Act of
11 1974 (2 U.S.C. 641(a)) is amended—

12 (1) in paragraph (3), by striking “or” at the
13 end;

14 (2) by redesignating paragraph (4) as para-
15 graph (5);

16 (3) by inserting after paragraph (3) the fol-
17 lowing:

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

1 sional Budget Office baseline level of spending for
 2 aggregate mandatory means-tested welfare programs
 3 exceeds the allocation made pursuant to section
 4 302(h)(1)(B) for such fiscal year; and”;

5 (4) in paragraph (5), as so redesignated, by
 6 striking “and (3)” and inserting “(3), and (4)”.

7 **TITLE IV—GRANTS TO PROMOTE**
 8 **SELF-SUFFICIENCY**

9 **SEC. 401. GRANTS TO STATES.**

10 (a) PURPOSE.—The purpose of this title is to encour-
 11 age States to develop policies to promote self-sufficiency
 12 and prosperity and to reduce poverty and Government de-
 13 pendence.

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

16 **“TITLE XXII—GRANTS TO STATES**
 17 **TO PROMOTE SELF-SUFFI-**
 18 **CIENCY AND PROSPERITY**
 19 **AND TO REDUCE DEPEND-**
 20 **ENCE**

21 **“SEC. 2201. GRANTS TO STATES.**

22 “(a) IN GENERAL.—The Secretary may provide
 23 grants to States to reward reductions in poverty and Gov-
 24 ernment dependence and increases in self-sufficiency.

1 “(b) ALLOCATION OF GRANTS TO STATES.—For each
2 fiscal year for which funds are made available under sub-
3 section (e), the Secretary shall make a grant in an amount
4 equal to \$100,000,000 to each of the 3 States with the
5 greatest percentage increases in the self-sufficiency ratio
6 of the State for the preceding fiscal year over the self-
7 sufficiency ratio of the State for fiscal year 2007, as com-
8 pared with the changes in that ratio for each other State,
9 subject to subsection (c).

10 “(c) LIMITATION ON ELIGIBILITY FOR GRANTS.—A
11 State shall not be eligible for a grant under this title for
12 a fiscal year unless the self-sufficiency ratio of the State
13 for the fiscal year is greater than the self-sufficiency ratio
14 of the State for fiscal year 2007.

15 “(d) DEFINITIONS.—In this title:

16 “(1) The term ‘self-sufficient family’ means a
17 family (including a 1-person family) whose combined
18 income, excluding receipt of means-tested welfare
19 spending (as defined in section 3(11)(A) of the Con-
20 gressional Budget and Impoundment Control Act of
21 1974), exceeds the poverty line (within the meaning
22 of section 673(2) of the Omnibus Budget Reconcili-
23 ation Act of 1981, including any revision required by
24 such section applicable to a family of the size in-
25 volved).

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

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

7 “(B) the total number of families residing
8 in the State during the fiscal year that are
9 headed by able-bodied individuals who have not
10 attained 63 years of age.

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

13 “(e) LIMITATIONS ON AUTHORIZATION OF APPRO-
14 PRIATIONS.—For grants under this title, there are author-
15 ized to be appropriated to the Secretary \$300,000,000 for
16 fiscal year 2016 and each succeeding fiscal year.”.

17 **TITLE V—PROHIBITION ON**
18 **FUNDING OF ABORTION**

19 **SEC. 501. PROHIBITION ON FUNDING FOR ABORTIONS.**

20 No funds authorized or appropriated by Federal law,
21 and none of the funds in any trust fund to which funds
22 are authorized or appropriated by Federal law, shall be
23 expended for any abortion.

1 **SEC. 502. PROHIBITION ON FUNDING FOR HEALTH BENE-**
2 **FITS PLANS THAT COVER ABORTION.**

3 None of the funds authorized or appropriated by Fed-
4 eral law, and none of the funds in any trust fund to which
5 funds are authorized or appropriated by Federal law, shall
6 be expended for health benefits coverage that includes cov-
7 erage of abortion.

8 **SEC. 503. PROHIBITION ON TAX BENEFITS RELATING TO**
9 **ABORTION.**

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

16 **SEC. 504. CONSTRUCTION RELATING TO SEPARATE COV-**
17 **ERAGE.**

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

1 **SEC. 505. CONSTRUCTION RELATING TO THE USE OF NON-**
2 **FEDERAL FUNDS FOR HEALTH COVERAGE.**

3 Nothing in this title shall be construed as restricting
4 the ability of any non-Federal health benefits coverage
5 provider from offering abortion coverage, or the ability of
6 a State or locality to contract separately with such a pro-
7 vider for such coverage, so long as only funds not author-
8 ized or appropriated by Federal law are used and such
9 coverage shall not be purchased using matching funds re-
10 quired for a federally subsidized program, including a
11 State's or locality's contribution of Medicaid matching
12 funds.

13 **SEC. 506. TREATMENT OF ABORTIONS RELATED TO RAPE,**
14 **INCEST, OR PRESERVING THE LIFE OF THE**
15 **MOTHER.**

16 The limitations established in this title shall not apply
17 to an abortion—

18 (1) if the pregnancy is the result of an act of
19 rape or incest; or

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