

## **Evidence-Based Reemployment Services Program**

The following is the text of the evidence-based reemployment services provisions of the Bipartisan Budget Act of 2018 ([PL 115-123](#)), enacted February 9, 2018. More information about this legislation is available on the Social Innovation Research Center web site at: [www.socialinnovationcenter.org](http://www.socialinnovationcenter.org)

### **SEC. 30206. Reemployment services and eligibility assessments.**

(a) In general.—Title III of the Social Security Act (42 U.S.C. 501 et seq.) is amended by adding at the end the following:

#### **SEC. 306. Grants to States for reemployment services and eligibility assessments.**

(a) In general.—The Secretary of Labor (in this section referred to as the ‘Secretary’) shall award grants under this section for a fiscal year to eligible States to conduct a program of reemployment services and eligibility assessments for individuals referred to reemployment services as described in section 303(j) for weeks in such fiscal year for which such individuals receive unemployment compensation.

(b) Purposes.—The purposes of this section are to accomplish the following goals:

- (1) To improve employment outcomes of individuals that receive unemployment compensation and to reduce the average duration of receipt of such compensation through employment.
- (2) To strengthen program integrity and reduce improper payments of unemployment compensation by States through the detection and prevention of such payments to individuals who are not eligible for such compensation.
- (3) To promote alignment with the broader vision of the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.) of increased program integration and service delivery for job seekers, including claimants for unemployment compensation.
- (4) To establish reemployment services and eligibility assessments as an entry point for individuals receiving unemployment compensation into other workforce system partner programs.

#### **(c) Evidence-based standards.—**

(1) IN GENERAL.—In carrying out a State program of reemployment services and eligibility assessments using grant funds awarded to the State under this section, a State shall use such funds only for interventions demonstrated to reduce the number of weeks for which program participants receive unemployment compensation by improving employment outcomes for program participants.

(2) EXPANDING EVIDENCE-BASED INTERVENTIONS.—In addition to the requirement imposed by paragraph (1), a State shall—

(A) for fiscal years 2023 and 2024, use no less than 25 percent of the grant funds awarded to the State under this section for interventions with a high or moderate causal evidence rating that show a demonstrated capacity to improve employment and earnings outcomes for program participants;

(B) for fiscal years 2025 and 2026, use no less than 40 percent of such grant funds for interventions described in subparagraph (A); and

(C) for fiscal years beginning after fiscal year 2026, use no less than 50 percent of such grant funds for interventions described in subparagraph (A).

(d) Evaluations.—

(1) REQUIRED EVALUATIONS.—Any intervention without a high or moderate causal evidence rating used by a State in carrying out a State program of reemployment

services and eligibility assessments under this section shall be under evaluation at the time of use.

(2) FUNDING LIMITATION.—A State shall use not more than 10 percent of grant funds awarded to the State under this section to conduct or cause to be conducted evaluations of interventions used in carrying out a program under this section (including evaluations conducted pursuant to paragraph (1)).

(e) State plan.—

(1) IN GENERAL.—As a condition of eligibility to receive a grant under this section for a fiscal year, a State shall submit to the Secretary, at such time and in such manner as the Secretary may require, a State plan that outlines how the State intends to conduct a program of reemployment services and eligibility assessments under this section, including—

(A) assurances that, and a description of how, the program will provide—

(i) proper notification to participating individuals of the program's eligibility conditions, requirements, and benefits, including the issuance of warnings and simple, clear notifications to ensure that participating individuals are fully aware of the consequences of failing to adhere to such requirements, including policies related to non-attendance or non-fulfillment of work search requirements; and

(ii) reasonable scheduling accommodations to maximize participation for eligible individuals;

(B) assurances that, and a description of how, the program will conform with the purposes outlined in subsection (b) and satisfy the requirement to use evidence-based standards under subsection (c), including—

(i) a description of the evidence-based interventions the State plans to use to speed reemployment;

(ii) an explanation of how such interventions are appropriate to the population served; and

(iii) if applicable, a description of the evaluation structure the State plans to use for interventions without at least a moderate or high causal evidence rating, which may include national evaluations conducted by the Department of Labor or by other entities; and

(C) a description of any reemployment activities and evaluations conducted in the prior fiscal year, and any data collected on—

(i) characteristics of program participants;

(ii) the number of weeks for which program participants receive unemployment compensation; and

(iii) employment and other outcomes for program participants consistent with State performance accountability measures provided by the State unemployment compensation program and in section 116(b) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3141(b)).

(2) APPROVAL.—The Secretary shall approve any State plan, that is timely submitted to the Secretary, in such manner as the Secretary may require, that satisfies the conditions described in paragraph (1).

(3) DISAPPROVAL AND REVISION.—If the Secretary determines that a State plan submitted pursuant to this subsection fails to satisfy the conditions described in paragraph (1), the Secretary shall—

(A) disapprove such plan;

(B) provide to the State, not later than 30 days after the date of receipt of the State plan, a written notice of such disapproval that includes a

description of any portion of the plan that was not approved and the reason for the disapproval of each such portion; and

(C) provide the State with an opportunity to correct any such failure and submit a revised State plan.

(f) Allocation of funds.—

(1) BASE FUNDING.—

(A) IN GENERAL.—For each fiscal year after fiscal year 2020, the Secretary shall allocate a percentage equal to the base funding percentage for such fiscal year of the funds made available for grants under this section among the States awarded such a grant for such fiscal year using a formula prescribed by the Secretary based on the rate of insured unemployment (as defined in section 203(e)(1) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note)) in the State for a period to be determined by the Secretary. In developing such formula with respect to a State, the Secretary shall consider the importance of avoiding sharp reductions in grant funding to a State over time.

(B) BASE FUNDING PERCENTAGE.—For purposes of subparagraph (A), the term 'base funding percentage' means—

- (i) for fiscal years 2021 through 2026, 89 percent; and
- (ii) for fiscal years after 2026, 84 percent.

(2) RESERVATION FOR OUTCOME PAYMENTS.—

(A) IN GENERAL.—Of the amounts made available for grants under this section for each fiscal year after 2020, the Secretary shall reserve a percentage equal to the outcome reservation percentage for such fiscal year for outcome payments to increase the amount otherwise awarded to a State under paragraph (1). Such outcome payments shall be paid to States conducting reemployment services and eligibility assessments under this section that, during the previous fiscal year, met or exceeded the outcome goals provided in subsection (b)(1) related to reducing the average duration of receipt of unemployment compensation by improving employment outcomes.

(B) OUTCOME RESERVATION PERCENTAGE.—For purposes of subparagraph (A), the term 'outcome reservation percentage' means—

- (i) for fiscal years 2021 through 2026, 10 percent; and
- (ii) for fiscal years after 2026, 15 percent.

(3) RESERVATION FOR RESEARCH AND TECHNICAL ASSISTANCE.—Of the amounts made available for grants under this section for each fiscal year after 2020, the Secretary may reserve not more than 1 percent to conduct research and provide technical assistance to States.

(4) CONSULTATION AND PUBLIC COMMENT.—Not later than September 30, 2019, the Secretary shall—

(A) consult with the States and seek public comment in developing the allocation formula under paragraph (1) and the criteria for carrying out the reservations under paragraph (2); and

(B) make publicly available the allocation formula and criteria developed pursuant to subclause (A).

(g) Notification to Congress.—Not later than 90 days prior to making any changes to the allocation formula or the criteria developed pursuant to subsection (f)(5)(A), the Secretary shall submit to Congress, including to the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives and the Committee on Finance and the Committee on Appropriations of the Senate, a notification of any such change.

(h) Supplement not supplant.—Funds made available to carry out this section shall be used to supplement the level of Federal, State, and local public funds that, in the absence of such availability, would be expended to provide reemployment services and eligibility assessments to individuals receiving unemployment compensation, and in no case to supplant such Federal, State, or local public funds.

(i) Definitions.—In this section:

(1) CAUSAL EVIDENCE RATING.—The terms 'high causal evidence rating' and 'moderate causal evidence rating' shall have the meaning given such terms by the Secretary of Labor.

(2) ELIGIBLE STATE.—The term 'eligible State' means a State that has in effect a State plan approved by the Secretary in accordance with subsection (e).

(3) INTERVENTION.—The term 'intervention' means a service delivery strategy for the provision of State reemployment services and eligibility assessment activities under this section.

(4) STATE.—The term 'State' has the meaning given the term in section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(5) UNEMPLOYMENT COMPENSATION.—The term unemployment compensation means 'regular compensation', 'extended compensation', and 'additional compensation' (as such terms are defined by section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note)).

(b) Report.—Not later than 3 years after the date of enactment of this Act, the Secretary of Labor shall submit to Congress a report to describe promising interventions used by States to provide reemployment assistance.

(c) Adjustment to discretionary spending limits.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)) is amended by adding at the end the following:

(E) REEMPLOYMENT SERVICES AND ELIGIBILITY ASSESSMENTS.—

(i) IN GENERAL.—If a bill or joint resolution making appropriations for a fiscal year is enacted that specifies an amount for grants to States under section 306 of the Social Security Act, then the adjustment for that fiscal year shall be the additional new budget authority provided in that Act for such grants for that fiscal year, but shall not exceed—

- (I) for fiscal year 2018, \$0;
- (II) for fiscal year 2019, \$33,000,000;
- (III) for fiscal year 2020, \$58,000,000; and
- (IV) for fiscal year 2021, \$83,000,000.

(ii) DEFINITION.—As used in this subparagraph, the term 'additional new budget authority' means the amount provided for a fiscal year, in excess of \$117,000,000, in an appropriation Act and specified to pay for grants to States under section 306 of the Social Security Act.

(d) Other budgetary adjustments.—Section 314 of the Congressional Budget Act of 1974 (2 U.S.C. 645) is amended by adding at the end the following:

(g) Adjustment for reemployment services and eligibility assessments.—

(1) IN GENERAL.—

(A) ADJUSTMENTS.—If the Committee on Appropriations of either House reports an appropriation measure for any of fiscal years 2022 through 2027 that provides budget authority for grants under section 306 of the Social Security Act, or if a conference committee submits a conference report thereon, the chairman of the Committee on the Budget of the House of Representatives or the Senate shall make the adjustments referred to in subparagraph (B) to reflect the additional new budget authority provided for such grants in that measure or conference report and the outlays resulting therefrom, consistent with subparagraph (D).

(B) TYPES OF ADJUSTMENTS.—The adjustments referred to in this subparagraph consist of adjustments to—

- (i) the discretionary spending limits for that fiscal year as set forth in the most recently adopted concurrent resolution on the budget;
  - (ii) the allocations to the Committees on Appropriations of the Senate and the House of Representatives for that fiscal year under section 302(a);
- and

(iii) the appropriate budget aggregates for that fiscal year in the most recently adopted concurrent resolution on the budget.

(C) ENFORCEMENT.—The adjusted discretionary spending limits, allocations, and aggregates under this paragraph shall be considered the appropriate limits, allocations, and aggregates for purposes of congressional enforcement of this Act and concurrent budget resolutions under this Act.

(D) LIMITATION.—No adjustment may be made under this subsection in excess of—

- (i) for fiscal year 2022, \$133,000,000;
- (ii) for fiscal year 2023, \$258,000,000;
- (iii) for fiscal year 2024, \$433,000,000;
- (iv) for fiscal year 2025, \$533,000,000;
- (v) for fiscal year 2026, \$608,000,000; and
- (vi) for fiscal year 2027, \$633,000,000.

(E) DEFINITION.—As used in this subsection, the term ‘additional new budget authority’ means the amount provided for a fiscal year, in excess of \$117,000,000, in an appropriation measure or conference report (as the case may be) and specified to pay for grants to States under section 306 of the Social Security Act.

(2) REPORT ON 302(B) LEVEL.—Following any adjustment made under paragraph (1), the Committees on Appropriations of the Senate and the House of Representatives may report appropriately revised suballocations pursuant to section 302(b) to carry out this subsection.