

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1820 Session of
2007

INTRODUCED BY TURZAI, BENNINGHOFF, ADOLPH, ARGALL, BAKER,
BARRAR, BEAR, BOBACK, BOYD, CAPPELLI, CAUSER, CLYMER, COX,
CREIGHTON, CUTLER, DALLY, DENLINGER, ELLIS, J. EVANS,
EVERETT, FAIRCHILD, FLECK, GABIG, GEIST, GILLESPIE, GINGRICH,
GODSHALL, GRELL, HARHART, HARRIS, HERSHEY, HESS, HICKERNELL,
HUTCHINSON, KAUFFMAN, M. KELLER, KILLION, MACKERETH, MAJOR,
MANTZ, MARSHALL, MARSICO, McILHATTAN, MENSCH, METCALFE,
MILLARD, R. MILLER, MOUL, MURT, MUSTIO, NAILOR, O'NEILL,
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QUIGLEY, RAPP, REED, REICHLEY, ROAE, ROCK, ROHRER, RUBLEY,
SAYLOR, SCAVELLO, S. H. SMITH, SONNEY, STAIRS, STERN,
R. STEVENSON, SWANGER, J. TAYLOR, TRUE, VEREB, VULAKOVICH AND
WATSON, AUGUST 1, 2007

REFERRED TO COMMITTEE ON HEALTH AND HUMAN SERVICES,
AUGUST 1, 2007

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
2 act to consolidate, editorially revise, and codify the public
3 welfare laws of the Commonwealth," providing for budget
4 implementation and for work requirements for general
5 assistance.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. The act of June 13, 1967 (P.L.31, No.21), known
9 as the Public Welfare Code, is amended by adding articles to
10 read:

11 ARTICLE II-A

12 SPECIAL BUDGETARY PROVISIONS

13 Section 201-A. Short title.

This article shall be known and may be cited as the Working Family Independence Act.

Section 202-A. Scope.

Notwithstanding any provision of law to the contrary, the provisions of this article apply to State appropriations appropriated by the General Assembly from the General Appropriation Act to the department.

Section 203-A. Definitions.

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Annual report." The report the Department of Public Welfare files with the Federal Department of Health and Human Services pursuant to 45 CFR 265.9 (relating to what information must the State file annually?).

"General Appropriation Act." The act enacted by the General Assembly each year setting forth the amount of Federal and State money to be appropriated from the General Fund and other sources for general government operations.

"General assistance." As defined in section 402.

"Line items which support income assistance." As set forth in the General Appropriation Act, State appropriations for the line items for the Department of Public Welfare established under the General Fund either entitled or similar to:

(1) For general government operations of the Department of Public Welfare.

(2) For information systems.

(3) For Statewide operations related to county administration of the public assistance and medical assistance programs.

1 (4) For county assistance office operations related to
2 administration of the public assistance and medical
3 assistance programs.

4 (5) For cash assistance grants, including employment and
5 training and child care services for cash assistance
6 recipients and child care services for former cash assistance
7 recipients.

8 "Officers of the General Assembly." The President pro tempore
9 of the Senate, the Majority Leader of the Senate, the Minority
10 Leader of the Senate, the chairman of the Public Health and
11 Welfare Committee of the Senate, the minority chairman of the
12 Public Health and Welfare Committee of the Senate, the chairman
13 of the Appropriations Committee of the Senate, the minority
14 chairman of the Appropriations Committee of the Senate, the
15 Speaker of the House of Representatives, the Majority Leader of
16 the House of Representatives, the Minority Leader of the House
17 of Representatives, the chairman of the Health and Human
18 Services Committee of the House of Representatives, the minority
19 chairman of the Health and Human Services Committee of the House
20 of Representatives, the chairman of the Appropriations Committee
21 of the House of Representatives and the minority chairman of the
22 Appropriations Committee of the House of Representatives.

23 "Rate of inflation." The annual cost-of-living increase
24 calculated by applying the percentage change in the Consumer
25 Price Index for All Urban Consumers (CPI-U) for the
26 Pennsylvania, New Jersey, Delaware and Maryland area, for the
27 most recent 12-month period for which figures have been
28 officially reported by the United States Department of Labor,
29 Bureau of Labor Statistics.

30 "State appropriation." The appropriation by the General

Assembly of Commonwealth funds. The term does not include the appropriation of Federal funds.

"TANF." As defined in 45 CFR 260.30 (relating to what definitions apply under the TANF regulations?).

"Work verification plan." As set forth in 45 CFR 261.62(b) (relating to what must a State do to verify the accuracy of its work participation information?), the document the Department of Public Welfare must submit to the Federal Department of Health and Human Services to ensure accuracy in the reporting of work activities by individuals receiving TANF.

Section 204-A. State appropriations to department.

The following shall apply to State appropriations for the department from the General Appropriation Act:

(1) Except as prohibited by Federal law, State appropriations for the department may only be increased at maximum by the rate of inflation.

(2) State appropriations for the department from the General Fund, with the exception of line items which support income assistance, the State Lottery Fund and the Tobacco Settlement Fund shall be added together to form an aggregate State appropriation for the department which shall be disbursed by the State Treasurer on a quarterly basis during the fiscal year.

(3) Line items which support income assistance shall be disbursed by the State Treasurer on a quarterly basis during the fiscal year. The State Treasurer shall disburse the line items which support income assistance in an amount subject to the provisions of this article.

(4) In accordance with Federal law, the department shall comply with Federal mandatory work requirements for TANF as

1 set forth in 45 CFR 261.21 (relating to what overall work
2 rate must a State meet?) and 261.23 (relating to what two-
3 parent work rate must a State meet?) for each Federal fiscal
4 year ending September 30.

5 (5) In the General Appropriation Act, the following
6 shall apply with respect to line items which support income
7 assistance:

8 (i) No later than November 30 of each year the
9 secretary shall submit to the State Treasurer a copy of
10 the following documents which the department submits to
11 the Federal Department of Health and Human Services under
12 TANF for the Federal fiscal year ending September 30:

13 (A) Work verification plan.

14 (B) Quarterly reports submitted in accordance
15 with 45 CFR 265.3 (relating to what reports must the
16 State file on a quarterly basis?).

17 (C) Annual report.

18 (D) Any other documents submitted in accordance
19 with 45 CFR Pt. 265 (relating to data collection and
20 reporting requirements) which the Commonwealth
21 submits to the Federal Department of Health and Human
22 Services so that it can determine whether the
23 Commonwealth has met the mandatory work participation
24 requirements of TANF as set forth in 45 CFR 261.21
25 and 261.23.

26 (ii) The State Treasurer shall review the documents
27 submitted by the secretary and shall make a determination
28 by December 15 of each year as to whether the
29 Commonwealth is in compliance with the mandatory work
30 participation requirements set forth in 45 CFR 261.21 and

1 261.23 for each Federal fiscal year ending September 30.
2 The State Treasurer shall submit a written statement
3 regarding his determination to the officers of the
4 General Assembly, the secretary and the Inspector General
5 and shall publish in the Pennsylvania Bulletin notice of
6 whether the department is in compliance with the
7 mandatory work participation requirements.

8 (iii) At the same time the secretary submits
9 documents related to TANF to the State Treasurer in
10 accordance with subparagraph (i), the secretary shall
11 also provide a written statement to the State Treasurer
12 that the Commonwealth is in compliance with the mandatory
13 work participation requirements set forth in 45 CFR
14 261.21 and 261.23 or a written statement that the
15 Commonwealth is not in compliance with these
16 requirements. In addition, the secretary shall provide a
17 copy of the written statement to the officers of the
18 General Assembly and the Inspector General at the same
19 time the secretary submits the documents related to TANF
20 set forth in subparagraph (i) to the State Treasurer.

21 (iv) The secretary shall submit a copy of the
22 documents set forth in subparagraph (i) to the officers
23 of the General Assembly and the Inspector General at the
24 same time the secretary submits the documents to the
25 State Treasurer.

26 (6) With respect to line items which support income
27 assistance during a fiscal year, if any of the conditions set
28 forth in paragraph (7) are met during a quarter during a
29 fiscal year, the State Treasurer shall not disburse an amount
30 which represents one quarter of the line items which support

1 income assistance but shall instead disburse an amount which
2 is equal to one quarter of the amount set forth for the line
3 items which support income assistance less 10% of the amount
4 for each line item comprising the line items which support
5 income assistance as set forth in the General Appropriation
6 Act. However, in no case shall the reduction set forth in
7 this paragraph apply more than once during a fiscal year. The
8 reduction shall apply to the quarter immediately succeeding
9 the quarter in which paragraph (7) applies.

10 (7) The following conditions apply to paragraph (6):

11 (i) The secretary submits a written statement in
12 accordance with paragraph (5)(iii) that the Commonwealth
13 is not in compliance with the mandatory work
14 participation requirements set forth in 45 CFR 261.21 and
15 261.23 for each Federal fiscal year ending September 30.

16 (ii) The State Treasurer determines in accordance
17 with paragraph (5)(ii) that the Commonwealth is not in
18 compliance with the mandatory work participation
19 requirements set forth in 45 CFR 261.21 and 261.23 for
20 the Federal fiscal year ending September 30.

21 (iii) The Commonwealth is found by the Federal
22 Department of Health and Human Services not to be in
23 compliance with mandatory work participation rates set
24 forth in 45 CFR 261.21 and 261.23 for the Federal fiscal
25 year ending September 30.

26 (8) If the provisions of paragraph (7) apply during a
27 quarter, the amount of State appropriation which represents
28 the amount equal to the reduction set forth in paragraph (6)
29 shall be deposited by the State Treasurer in the Budget
30 Stabilization Reserve Fund.

1 (9) The following shall apply to general assistance:

2 (i) The department shall achieve the minimum work
3 participation rates set forth in section 408-A. The
4 secretary shall submit data to the State Treasurer in
5 accordance with section 407-A(b) regarding work
6 activities and caseloads sufficient to enable the State
7 Treasurer to determine whether the requirements of this
8 subparagraph are met. An individual or family shall be
9 deemed to be engaged in work activity if they meet the
10 requirements regarding work set forth in section 410-A.

11 (ii) In the event the department fails to meet the
12 minimum work participation rates set forth in section
13 408-A in a quarter of a fiscal year, as determined by the
14 State Treasurer, then the State Treasurer shall not
15 disburse an amount which represents one quarter of the
16 line items which support income assistance but shall
17 instead disburse an amount which is equal to one quarter
18 of the amount set forth for the line items which support
19 income assistance less 10% of the amount for each line
20 item comprising the line items which support income
21 assistance as set forth in the General Appropriation Act.
22 The amount of State appropriation which represents the
23 reduction set forth in this subparagraph shall be
24 deposited by the State Treasurer in the Budget
25 Stabilization Reserve Fund. The State Treasurer shall
26 submit a written statement regarding his determination to
27 the officers of the General Assembly, the secretary and
28 the Inspector General and shall publish in the
29 Pennsylvania Bulletin notice of whether the Commonwealth
30 is in compliance with the mandatory work participation

1 requirements regarding general assistance.

2 (10) In no case shall the reduction in paragraph (9)
3 apply more than once in the fiscal year.

4 (11) In the case of the Commonwealth failing to meet the
5 requirements of paragraph (4) or (9) in a quarter, the
6 reduction for failing to meet work participation rates under
7 TANF or general assistance shall be assessed only once
8 regardless of how many times the State Treasurer publishes
9 notice of noncompliance.

10 ARTICLE IV-A

11 SPECIAL PROVISIONS RELATED

12 TO GENERAL ASSISTANCE

13 Section 401-A. Short title.

14 This article shall be known and may be cited as the Working
15 Families and Individuals Independence Act.

16 Section 402-A. Scope.

17 Notwithstanding any provision of law to the contrary, the
18 provisions of this article apply to general assistance.

19 Section 403-A. Definitions.

20 The following words and phrases when used in this article
21 shall have the meanings given to them in this section unless the
22 context clearly indicates otherwise:

23 "Assistance." General Assistance granted under section
24 432(3).

25 "Community service programs." Structured programs and
26 embedded activities in which recipients perform work for the
27 direct benefit of the community under the auspices of public or
28 nonprofit organizations, including projects that serve a useful
29 community purpose in fields such as health, social service,
30 environmental protection, education, urban and rural

1 redevelopment, welfare, recreation, public facilities, public
2 safety and child care.

3 "Education directly related to employment." Education
4 related to a specific occupation, job or job offer, if a
5 recipient has not received a high school diploma or a
6 certificate of high school equivalency.

7 "Job search and job readiness assistance." The act of
8 seeking or obtaining employment, preparation to seek or obtain
9 employment, including life skills training, substance abuse
10 treatment, mental health treatment or rehabilitation activities
11 for those who are otherwise employable.

12 "Job skills training directly related to employment."
13 Training or education for job skills required by an employer to
14 provide an individual with the ability to obtain employment or
15 to advance or adapt to the changing demands of the workplace.

16 "Minor child." An individual who:

17 (1) has not attained 18 years of age; or

18 (2) has not attained 19 years of age and is a full-time
19 student in a secondary school or in the equivalent level of
20 vocational or technical training.

21 "Officers of the General Assembly." The President pro
22 tempore of the Senate, the Majority Leader of the Senate, the
23 Minority Leader of the Senate, the chairman of the Public Health
24 and Welfare Committee of the Senate, the minority chairman of
25 the Public Health and Welfare Committee of the Senate, chairman
26 of the Appropriations Committee of the Senate, the minority
27 chairman of the Appropriations Committee of the Senate, the
28 Speaker of the House of Representatives, the Majority Leader of
29 the House of Representatives, the Minority Leader of the House
30 of Representatives, the chairman of the Health and Human

Services Committee of the House of Representatives, the minority chairman of the Health and Human Services Committee of the House of Representatives, the chairman of the Appropriations Committee of the House of Representatives and the minority chairman of the Appropriations Committee of the House of Representatives.

"On-the-job training." Training in the public or private sector that is given to a paid employee while the employee is engaged in productive work and that provides knowledge and skills essential to the full and adequate performance of the job.

"Providing child care services to an individual who is participating in a community service program." Providing child care to enable another recipient to participate in a community service program.

"Satisfactory school attendance at secondary school or in a course of study leading to a certificate of general equivalence." Regular attendance at a secondary school or in a course of study leading to a certificate of general equivalence if a recipient has not completed secondary school or received such a certificate.

"Subsidized private sector employment." Employment in the private sector for which the employer receives a subsidy or other public funds to offset some or all of the wages and costs of employing a recipient.

"Subsidized public sector employment." Employment in the public sector for which the employer receives a subsidy or other public funds to offset some or all of the wages and costs of employing a recipient.

"Unsubsidized employment." Full-time or part-time employment in the public or private sector that is not subsidized by a

1 public program.

2 "Vocational educational training." Organized educational
3 programs that are directly related to the preparation of
4 individuals for employment in current or emerging occupations
5 requiring training other than a baccalaureate or advanced
6 degree.

7 "Work activities." The activities involving or relating to
8 work set forth under section 410-A.

9 "Work-eligible individual." An adult or minor child head-of-
10 household receiving assistance, or a non-recipient parent living
11 with a child receiving assistance, unless the individual is
12 exempt under section 405.1(a.3).

13 "Work experience." A work activity, performed in return for
14 assistance, that provides an individual with an opportunity to
15 acquire the general skills, training, knowledge and work habits
16 necessary to obtain employment.

17 Section 404-A. Mandatory work requirements.

18 (a) Work activities.--A work-eligible individual receiving
19 assistance must engage in work activities when the department
20 has determined that the individual is ready to engage in work or
21 when the individual has received assistance for a total of 24
22 months, whichever is earlier.

23 (b) Community service.--If a work-eligible individual has
24 received assistance for two months, the individual must
25 participate in a community service program, unless the
26 individual is exempt from work requirements under section
27 405.1(a.3) or the individual is already engaged in work
28 activities.

29 Section 405-A. Assessment.

30 (a) Initial assessment.--The department shall make an

initial assessment of the skills, prior work experience and employability of a recipient of assistance who is at least 18 years of age or who has not completed high school or its equivalent and is not attending secondary school.

(b) Timeframe.--The department shall make the assessment within 30 days of the date an individual becomes eligible for assistance.

Section 406-A. Children under six years of age.

The department may not reduce or terminate assistance based on a work-eligible individual's refusal to engage in a required work activity if the individual is a single custodial parent caring for a child under six years of age who has a demonstrated inability to obtain appropriate child care. Documentation supporting inability to obtain appropriate child care shall be submitted and reviewed by the department on a case-by-case basis.

Section 407-A. Work participation rates.

(a) Rates.--With respect to assistance, the department shall meet the following work participation rates in fiscal year 2007 and thereafter:

(1) A two-parent rate based on how well the department succeeds in helping work-eligible individuals in two-parent families find work activities.

(2) An overall rate based on how well the department succeeds in finding work activities for work-eligible individuals, irrespective of the individual's marital or familial status.

(b) Data submission.--The department must submit data regarding caseloads and work activities that allow the State Treasurer to measure the department's success in engaging work-

eligible individuals in work activities. Data which are submitted may be the type which are submitted by the department to the Department of Health and Human Services pursuant to 45 CFR Pt. 260 (relating to general temporary assistance for needy families (TANF) provisions) through Pt.265 (relating to data collection and reporting requirements).

(c) Financial penalty.--If the data show that the department did not meet a minimum work participation rate for a fiscal year as set forth in section 408-A, the department shall be subject to the financial penalty set forth under section 416-A.

Section 408-A. Overall participation rate.

For the fiscal year 2007, the department must achieve a 50% minimum overall participation rate, and a 90% minimum participation rate for two-parent families. For each fiscal year thereafter, the department must achieve a 70% minimum overall participation rate and a 90% minimum participation rate for two-parent families.

Section 409-A. Two-parent families.

The rate set forth in section 407-A(a)(1) applies to two-parent families with two work-eligible individuals. However, if one of the parents is a disabled work-eligible individual, the department shall not consider the family to be a two-parent family. A two-parent family includes, at a minimum, all families with two natural or adoptive parents of the same minor child who are work-eligible individuals and living in the home, unless both are minors and neither is a head-of-household.

Section 410-A. Work activities.

(a) Participation.--The work activities which count toward the work participation rates and which recipients of assistance may engage are:

- 1 (1) Unsubsidized employment.
- 2 (2) Subsidized private-sector employment.
- 3 (3) Subsidized public-sector employment.
- 4 (4) Work experience, if sufficient private-sector
5 employment is not available.
- 6 (5) On-the-job training.
- 7 (6) Job search and job readiness assistance.
- 8 (7) Community service programs.
- 9 (8) Vocational educational training.
- 10 (9) Job skills training directly related to employment.
- 11 (10) Education directly related to employment, in the
12 case of a recipient who has not received a high school
13 diploma or a certificate of high school equivalency.
- 14 (11) Satisfactory attendance at secondary school or in a
15 course of study leading to a certificate of general
16 equivalence, if a recipient has not completed secondary
17 school or received such a certificate.
- 18 (12) Providing child care services to an individual who
19 is participating in a community service program.

20 (b) Specific requirements.--The following apply with respect
21 to the work activities set forth in this section:

- 22 (1) With respect to on-the-job training, a recipient
23 engaged in on-the-job training must be supervised by an
24 employer, worksite sponsor or other responsible party on an
25 ongoing basis no less frequently than daily.
- 26 (2) With respect to job search and job readiness
27 assistance, if a recipient is receiving treatment or therapy
28 as part of job search and job readiness assistance, such
29 treatment or therapy must be determined to be necessary and
30 must be certified by a qualified medical or mental health

1 professional. With respect to job search and job readiness
2 assistance, the activity must be supervised by an agency or
3 other responsible party on an ongoing basis no less
4 frequently than daily.

5 (3) With respect to community service programs, a
6 community service program must be designed to improve
7 employability of recipients not otherwise able to obtain
8 employment. A recipient in a community service program must
9 be supervised on an ongoing basis no less frequently than
10 daily. When assigning a recipient to a community service
11 program, the department or an agency shall take into account,
12 to the extent possible, the prior training, experience and
13 skills of a recipient.

14 (4) With respect to vocational educational training, a
15 recipient engaged in vocational educational training must be
16 supervised on an ongoing basis no less frequently than daily.

17 (5) With respect to job skills training directly related
18 to employment, a recipient engaging in job skills training
19 directly related to employment must be supervised on an
20 ongoing basis no less frequently than daily.

21 (6) With respect to education directly related to
22 employment, a recipient must be supervised on an ongoing
23 basis no less frequently than daily.

24 (7) With respect to satisfactory attendance at secondary
25 school or in a course of study leading to a certificate of
26 general equivalence, a recipient engaging in satisfactory
27 attendance at secondary school or in a course of study
28 leading to a certificate of general equivalence must be
29 supervised on an ongoing basis no less frequently than daily.

30 (8) With respect to providing child care services to an

individual who is participating in a community service program, a recipient providing child care services to an individual who is participating in a community service program must be supervised on an ongoing basis no less frequently than daily.

Section 411-A. Hours for work-eligible individuals.

(a) Participation.--A work-eligible individual counts as engaged in work for a month for the overall rate if:

(1) the individual participates in work activities during the month for at least a minimum average of 30 hours per week; and

(2) at least 20 of the 30 hours per week come from participation in the activities listed in subsection (b).

(b) Work activities enumerated.--The following work activities count toward the first 20 hours of participation:

(1) Unsubsidized employment.

(2) Subsidized private-sector employment.

(3) Subsidized public-sector employment.

(4) Work experience.

(5) On-the-job training.

(6) Job search and job readiness assistance.

(7) Community service programs.

(8) Vocational educational training.

(9) Providing child care services to an individual who is participating in a community service program.

(c) Other activities.--Above 20 hours per week, the following activities may also count as participation:

(1) Job skills training directly related to employment.

(2) Education directly related to employment.

(3) Satisfactory attendance at secondary school or in a

1 course of study leading to a certificate of general
2 equivalence.

3 Section 412-A. Hours for two-parent families.

4 (a) Participation.--Subject to subsection (d), a family with
5 two work-eligible parents counts as engaged in work for the
6 month for the two-parent rate if:

7 (1) work-eligible parents in the family are
8 participating in work activities for a combined average of at
9 least 35 hours per week during the month; and

10 (2) at least 30 of the 35 hours per week come from
11 participation in the activities listed in subsection ((b)).

12 (b) Work activities enumerated.--The following work
13 activities count for the first 30 hours of participation:

14 (1) Unsubsidized employment.

15 (2) Subsidized private-sector employment.

16 (3) Subsidized public-sector employment.

17 (4) Work experience.

18 (5) On-the-job training.

19 (6) Job search and job readiness assistance.

20 (7) Community service programs.

21 (8) Vocational educational training.

22 (9) Providing child care services to an individual who
23 is participating in a community service program.

24 (c) Other activities.--Above 30 hours per week, the
25 following work activities may also count for participation:

26 (1) Job skills training directly related to employment.

27 (2) Education directly related to employment.

28 (3) Satisfactory attendance at secondary school or in a
29 course of study leading to a certificate of general
30 equivalence.

1 (d) Families receiving child care assistance.--If the two-
2 parent family receives government-funded child care assistance
3 from the Federal Government or the Commonwealth and an adult in
4 the family is not disabled or caring for a severely disabled
5 child, the following apply:

6 (1) The work-eligible individuals must participate in
7 work activities for an average of at least 55 hours per week
8 to count as a two-parent family engaged in work for the
9 month.

10 (2) At least 50 of the 55 hours per week must come from
11 participation in the work activities listed in subsection
12 (b).

13 (3) Above 50 hours per week, the work activities listed
14 in subsection (c) may also count as participation.

15 Section 413-A. Special requirements concerning educational
16 activities.

17 The following apply:

18 (1) Vocational educational training may only count for a
19 total of 12 months for an individual.

20 (2) A recipient who is married or a single head-of-
21 household under 20 years of age counts as engaged in work if
22 the individual:

23 (i) maintains satisfactory attendance at a secondary
24 school or the equivalent during the month; or

25 (ii) participates in education directly related to
26 employment for an average of at least 20 hours per week
27 during the month.

28 (3) For a married recipient, participation under this
29 section counts as the greater of 20 hours or the actual hours
30 of participation.

1 Section 414-A. Limitations.

2 (a) General rule.--Except as provided in subsection (b), an
3 individual's participation in job search and job readiness
4 assistance counts for a maximum of six weeks in any fiscal year.

5 (b) Exception.--If the Commonwealth's total unemployment
6 rate is at least 50% greater than the United States' total
7 unemployment rate, than an individual's participation in job
8 search and job readiness assistance counts for a maximum of 12
9 weeks in that fiscal year.

10 (c) Additional limitation.--An individual's participation in
11 job search and job readiness assistance does not count for a
12 week that immediately follows four consecutive weeks of such
13 participation in a fiscal year.

14 (d) Calculation of full week.--The department may count
15 three or four days of job search and job readiness assistance
16 during a week as a full week of participation not more than once
17 for any individual in a fiscal year.

18 Section 415-A. Special work provisions for single custodial
19 parents.

20 Subject to section 406-A, a single custodial parent or
21 caretaker relative with a child under six years of age shall
22 count as engaged in work if the individual participates for at
23 least an average of 20 hours per week.

24 Section 416-A. Failure to meet participation rates.

25 Failure to meet the work participation rates set forth in
26 section 408-A shall subject the department to the monetary
27 penalty set forth in Article II-A.

28 Section 417-A. Methods used to report hours of participation.

29 (a) Actual hours.--The department must report the actual
30 hours that work-eligible individuals participate in a work

1 activity. The department may not report the hours which an
2 individual is scheduled to participate in a work activity.

3 (b) Factors in calculation.--For the purposes of calculating
4 the work participation rates, actual hours may include the hours
5 for which a work-eligible individual was paid, including paid
6 holidays and sick leave. For participation in unpaid work
7 activities, the department may also include excused absences for
8 hours missed due to holidays and a maximum of an additional 10
9 days of excused absences in any 12-month period, no more than
10 two of which may occur in a month. In order to count an excused
11 absence as actual hours of participation, the individual must
12 have been scheduled to participate in an allowable work activity
13 for the period of the absence that the department reports as
14 participation.

15 (c) Self employment.--The department may not count more
16 hours toward the participation rate for a self-employed
17 individual than the number derived by dividing the individual's
18 self-employment income, composed of gross income less business
19 expenses, by the Federal minimum wage.

20 Section 418-A. Documenting hours of participation.

21 (a) Case file.--The department must support a work-eligible
22 individual's hours of participation through documentation in the
23 case file.

24 (b) Employed individuals.--For an employed individual, the
25 documentation includes pay stubs, employer reports or time and
26 attendance records substantiating hours of participation. The
27 department may presume that an employed individual participated
28 in unsubsidized employment for the total number of hours for
29 which that individual was paid.

30 (c) Calculation of hours.--For unsubsidized employment,

subsidized employment and on-the-job training, the department may report projected actual hours of employment participation for up to six months based on current, documented actual hours of work. Any time the department receives information that the recipient's actual hours of work have changed or no later than the end of any six-month period, the department must reverify the recipient's current actual average hours of work, and may report these projected actual hours of participation for another six-month period.

(d) Individuals not employed.--For an individual who is not employed, the documentation for substantiating hours of participation includes time sheets, service provider attendance records or school attendance records.

(e) Self-employed individuals.--For an individual who is self-employed, the documentation must include more than self-reporting by a recipient without additional verification.

Section 419-A. Accuracy of work participation information.

(a) Department duties.--To ensure accuracy in the reporting of work activities by work-eligible individuals, the department must:

(1) Establish and employ procedures for determining whether its work activities may count for participation rate purposes.

(2) Establish and employ procedures for determining how to count and verify reported hours of work.

(3) Establish and employ procedures for identifying who is a work-eligible individual.

(4) Establish and employ internal controls to ensure compliance with the procedures.

(5) Create a work verification plan, which must be

1 submitted to the secretary for approval. The work
2 verification plan must meet the requirements of subsection
3 (b). The work verification plan shall be submitted to the
4 secretary for approval by September 30 each year.

5 (b) Work verification plan.--The work verification plan must
6 include the following:

7 (1) For each countable work activity:

8 (i) A description demonstrating how the activity
9 meets the relevant definition set forth under section
10 403-A.

11 (ii) A description of how the department determines
12 the number of countable hours of participation for self-
13 employed individuals.

14 (iii) A description of the documentation the
15 department uses to monitor participation and ensure that
16 the actual hours of participation are reported.

17 (2) A description of the department's procedures for
18 identifying all work-eligible individuals.

19 (3) A description of how the department ensures that,
20 for each work-eligible individual, it:

21 (i) Accurately inputs data into the Commonwealth's
22 automated data processing system.

23 (ii) Properly tracks the hours through the automated
24 data processing system.

25 (iii) Accurately reports the hours.

26 (4) A description of the procedures for ensuring the
27 department does not count a work-eligible individual's hours
28 of participation in an activity that does not meet a
29 definition of a work activity set forth in section 403-A.

30 (5) A description of the internal controls that the

department has implemented to ensure a consistent measurement of work participation rates.

(c) Review.--The secretary shall review the department's work verification plan for completeness and approve it if the secretary believes that it will result in accurate reporting of work participation information in accordance with this article. The secretary shall submit a written statement to the officers of the General Assembly and the Inspector General by October 30 each year regarding whether the work verification plan has been approved. The secretary shall certify in that statement that the plan includes all the information required by this section and that it accurately reflects the procedures under which the department is operating. In addition, the secretary shall publish in the Pennsylvania Bulletin notice of whether the work verification plan has been approved and the work participation rates for each fiscal year.

Section 420-A. Safeguards for displaced workers.

(a) Prohibition.--An adult taking part in a work activity outlined in section 410-A may not fill a vacant employment position if:

(1) another individual is on layoff from the same or any substantially equivalent job; or

(2) the employer has terminated the employment of any regular employee or caused an involuntary reduction in its work force in order to fill the vacancy with an adult taking part in a work activity.

(b) Grievance procedure.--The department shall establish and maintain a grievance procedure to resolve complaints of alleged violations of the displacement rule in this section.

(c) Other laws not affected.--This section does not preempt

1 or supersede Commonwealth or local laws providing greater
2 protection for employees from displacement.

3 Section 2. This act shall take effect July 1, 2007, or
4 immediately, whichever is later.