..... (Original Signature of Member)

112TH CONGRESS 1ST SESSION



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

IN THE HOUSE OF REPRESENTATIVES

Mr. JORDAN (for himself and ____) introduced the following bill; which was referred to the Committee on _____

A BILL

- To provide information on total spending on means-tested welfare programs, to provide additional work requirements, and to provide an overall spending limit on means-tested welfare programs.
 - 1 Be it enacted by the Senate and House of Representa-
 - 2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the "Welfare Reform Act5 of 2011".

6 SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—TANF REFORMS

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

TITLE II—WORK REQUIREMENTS FOR THE FOOD STAMP PROGRAM

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

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

Sec. 301. Additional information in President's budget submission.

TITLE IV—AGGREGATE CAP FOR MEANS-TESTED WELFARE SPENDING

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

TITLE V—GRANTS TO PROMOTE SELF-SUFFICIENCY

Sec. 501. Grants to States.

TITLE VI—PROHIBITION ON FUNDING OF ABORTION

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

1 TITLE I—TANF REFORMS

2 SEC. 101. SHORT TITLE.

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

1SEC. 102. ELIMINATION OF TEMPORARY MODIFICATION OF2THE CASELOAD REDUCTION CREDIT.

3 (a) IN GENERAL.—Section 407(b)(3)(A)(i) of the Social Security Act (42 U.S.C. 607(b)(3)(A)(i)) is amended 4 5 by striking "(or if the immediately preceding fiscal year is fiscal year 2008, 2009, or 2010, then, at State option, 6 7 during the emergency fund base year of the State with 8 respect to the average monthly assistance caseload of the 9 State (within the meaning of section 403(c)(9)), except that, if a State elects such option for fiscal year 2008, 10 11 the emergency fund base year of the State with respect to such caseload shall be fiscal year 2007))". 12

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

16 (1) in subsection (a)(2), by striking ", except
17 that paragraph (9) of such subsection shall remain
18 in effect until October 1, 2011, but only with respect
19 to section 407(b)(3)(A)(i) of such Act"; and

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

21 SEC. 103. REDUCTION IN FUNDING OF STATE FAMILY AS22 SISTANCE GRANTS.

23 Section 403(a)(1)(C) of the Social Security Act (42
24 U.S.C. 603(a)(1)(C)) is amended by striking "2003
25 \$16,566,542,000" and inserting "2011 and each suc-

ceeding fiscal year \$15,566,042,000, notwithstanding any
 other provision of law".

3 TITLE II—WORK REQUIREMENTS 4 FOR THE FOOD STAMP PRO5 GRAM

6 SEC. 201. RESTORATION OF ACT SHORT TITLE AND REF-

ERENCES TO THE FOOD STAMP PROGRAM.

8 Effective on the date of the enactment of this Act, 9 the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et 10 seq.), and each provision of law amended by section 4001 11 or 4002 of the Food, Conservation, and Energy Act of 12 2008 (Public Law 110–246; 122 Stat. 1651), are restored 13 as if sections 4001 and 4002 of the Food, Conservation, 14 and Energy Act of 2008 had not been enacted.

15 SEC. 202. AMENDMENTS.

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

19 "Congress further finds that it should also be the goal 20 of the food stamp program to increase employment, to en-21 courage healthy marriage, and to promote prosperous self-22 sufficiency which shall mean the ability of households to 23 maintain an income above the poverty level without Gov-24 ernment services and benefits.". (b) DEFINITIONS.—Section 3 of the Food and Nutri tion Act of 2008 (7 U.S.C. 2012) is amended by adding
 at the end the following:

4 "(w) ABLE-BODIED, WORK-ELIGIBLE ADULT.—The
5 term 'able-bodied, work-eligible adult' means an individual
6 who—

7 "(1) is more than 18, and less than 63, years8 of age;

9 "(2) is not physically or mentally incapable of10 work; and

11 "(3) is not the full-time caretaker of a disabled12 adult dependent.

13 "(x) PHYSICALLY OR MENTALLY INCAPABLE OF
14 WORK.—The term 'physically or mentally incapable of
15 work' shall mean an individual—

"(1) who currently receives benefits from the
Supplemental Security Income program or another
program that provides recurring benefits to individuals because the individual is disabled and unable to
work; or

21 "(2) who has been medically certified as phys-22 ically or mentally incapable of work and who has a 23 credible pending application for enrollment in the 24 Supplemental Security Income program or another 25 program that provides recurring benefits to individ-

uals because the individual is disabled and unable to
 work.

- 3 "(y) FAMILY WITH DEPENDENT CHILDREN.—The
 4 term 'family with dependent children' means a unit con5 sisting of a family head, one or more dependent children,
 6 and in some cases, the married spouse of the family head,
 7 all of whom share meals and reside within a single house8 hold. There may be more than one family with dependent
 9 children within a single household.
- 10 "(z) FAMILY HEAD.—The term 'family head'11 means—
- "(1) a biological parent who is lawfully present
 in the United States and resides within a household
 with one or more dependent children who are biological offspring; or
- "(2) in the absence of a biological parent, a
 step parent, guardian, or adult relative who resides
 with and provides care to the child or the children
 and is lawfully present in the United States.
- 20 "(aa) FAMILY UNIT.—The term 'family unit'
 21 means—
- 22 "(1) an adult residing without dependent chil-23 dren;
- 24 "(2) a single-headed family with dependent chil-25 dren; or

"(3) a married couple family with dependent
 children.

3 "(bb) MARRIED COUPLE FAMILY WITH DEPENDENT
4 CHILDREN.—The term 'married couple family with de5 pendent children' means a family with dependent children
6 which has both a family head and the married spouse of
7 the family head residing with the family.

8 "(cc) MARRIED SPOUSE OF THE FAMILY HEAD.— 9 The term 'married spouse of the family head' means the 10 lawfully married spouse of the family head who resides 11 with the family head and dependent children and is law-12 fully present in the United States.

13 "(dd) MEMBER OF A FAMILY.—The term 'member
14 of a family' means the family head, married spouse if
15 present, and all dependent children within a family with
16 dependent children

17 "(ee) MONTHLY POTENTIAL WORK ACTIVATION
18 POPULATION.—The term 'monthly potential work activa19 tion population' means the sum of—

"(1) all able bodied work eligible individuals
without dependents who have received food stamp
benefits and who have maintained less than 60
hours of paid employment during a month;

24 "(2) all work eligible single-headed families with25 dependent children which have received food stamp

benefits during the month and have maintained less
 than 120 hours of paid employment by the family
 head during the month; and

4 "(3) all work eligible married couples with de5 pendent children which have received food stamp
6 benefits during the month and have maintained less
7 than 120 combined hours of paid employment be8 tween the family head and the married spouse,
9 summed together and counted jointly, during the
10 month.

11 "(ff) MONTHLY WORK ACTIVATION PARTICI12 PANTS.—The term 'monthly work activation participants'
13 means the sum of—

14 "(1) all able bodied work eligible individuals
15 without dependents who have received food stamp
16 benefits and who have maintained—

17 "(A) less than 60 hours of paid employ-18 ment during a month; and

19 "(B) more than 60 hours of combined paid
20 employment and work activation activity during
21 the month;

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

1	"(A) less than 120 hours of paid employ-
2	ment during the month; and
3	"(B) (B} more than 120 hours of com-
4	bined paid employment and work activation ac-
5	tivity during the month; and
6	"(3) all work eligible married couples with de-
7	pendent children which have received food stamp
8	benefits during the month, and have maintained—
9	"(A) less than 120 combined hours of paid
10	employment between the family head and the
11	spouse, summed together and counted jointly,
12	during the month; and
13	"(B) more than 120 hours of combined
14	paid employment and work activation activity
15	between the family head and the married
16	spouse, summed together and counted jointly,
17	during the month.
18	"(gg) Single-headed Family With Dependent
19	CHILDREN.—The term 'single-headed family with depend-
20	ent children' means a family with dependent children
21	which contains a family head residing with the family but
22	does not have a married spouse of the family head residing
23	with the family

1	"(hh) SUPERVISED JOB SEARCH.—The term 'super-
2	vised job search' means a job search program which has
3	the following characteristics:
4	"(1) The job search occurs at an official loca-
5	tion where the recipient's presence and activity can
6	be directly observed, supervised, and monitored.
7	"(2) The recipient's entry, time on site, and
8	exit from the official job search location are recorded
9	in a manner which prevents fraud.
10	"(3) The recipient is expected to remain and
11	undertake job search activities at the job search cen-
12	ter except for brief, authorized departures for speci-
13	fied off-site interviews.
14	"(4) The amount of time the recipient is ob-
15	served and monitored engaging in job search at the
16	official location is recorded for purposes of compli-
17	ance with section 29.
18	"(ii) WORK ACTIVATION.—The term 'work activa-
19	tion' means—
20	"(1) supervised job search;
21	"(2) community service activities;
22	"(3) education and job training for individuals
23	who are family heads or married spouses of family
24	heads;
25	"(4) workfare under section 20; or

1 "(5) drug or alcohol treatment. 2 "(jj) WORK ACTIVATION RATIO.—The term 'work activation ratio' means the number of work activation par-3 4 ticipants in a given month divided by the potential work 5 activation population for the same month. 6 "(k) WORK ACTIVITIES.—The term 'work activities' 7 means paid employment, work activation, or a combination 8 of both paid employment and work activation. 9 "(II) WORK ELIGIBLE FAMILY UNIT.—The term 'work eligible family unit' means— 10 11 "(1) an able-bodied, work eligible adult without 12 dependent children; 13 "(2) a work eligible single-headed family with 14 dependent children; or "(3) a work eligible married couple family with 15 16 dependent children. "(mm) Work Eligible Adult Without Depend-17 ENT CHILDREN.—The term 'work eligible adult without 18 dependent children' means an individual who-19 20 "(1) is an able-bodied work eligible individual; 21 and 22 "(2) is not a family head or the married spouse 23 of a family head. "(nn) Work Eligible Married Couple Family 24 WITH DEPENDENT CHILDREN.—The term 'work eligible 25

married couple family with dependent children' means a 1 2 married couple with dependent children which contains at 3 least one work eligible adult able-bodied adult who is— 4 "(1) the family head; or 5 "(2) the married spouse of the family head. 6 "(00) WORK ELIGIBLE SINGLE HEADED FAMILY 7 WITH DEPENDENT CHILDREN.—The term 'work eligible 8 single headed family with dependent children' means a sin-9 gle headed family with dependent children which has a 10 family head who is an able bodied work eligible adult.". 11 (c) CONDITIONS OF PARTICIPATION.—Section 6(d) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)) 12 is amended to read as follows: 13

- 14 "(d) CONDITIONS OF PARTICIPATION.—
- 15 "(1) WORK REQUIREMENTS.—
- 16 "(A) IN GENERAL.—No able-bodied work
 17 eligible adult shall be eligible to participate in
 18 the food stamp program if the individual—

19 "(i) refuses, at the time of application
20 and every 12 months thereafter, to register
21 for employment in a manner prescribed by
22 the Secretary;

23 "(ii) refuses without good cause to ac24 cept an offer of employment, at a site or
25 plant not subject to a strike or lockout at

	10
1	the time of the refusal, at a wage not less
2	than the higher of—
3	"(I) the applicable Federal or
4	State minimum wage; or
5	"(II) 80 percent of the wage that
6	would have governed had the min-
7	imum hourly rate under section
8	6(a)(1) of the Fair Labor Standards
9	Act of 1938 (29 U.S.C. 206 (a)(1))
10	been applicable to the offer of employ-
11	ment;
12	"(iii) refuses without good cause to
13	provide a State agency with sufficient in-
14	formation to allow the State agency to de-
15	termine the employment status or the job
16	availability of the individual; or
17	"(iv) voluntarily—
18	"(I) quits a job; or
19	"(II) reduces work effort and,
20	after the reduction, the individual is
21	working less than 30 hours per week,
22	unless another adult in the same fam-
23	ily unit increases employment at the
24	same time by an amount equal to the

1	reduction in work effort by the first
2	adult.
3	"(B) FAMILY UNIT INELIGIBILITY.—If an
4	able-bodied work eligible adult is ineligible to
5	participate in the food stamp program because
6	of subparagraph (A), then no other member of
7	the family unit to which that adult belongs shall
8	be eligible to participate.
9	"(C) DURATION OF INELIGIBILITY.—An
10	able-bodied work eligible adults who becomes in-
11	eligible under subparagraph (A), and members
12	of the family unit who become ineligible under
13	subparagraph (B), shall remain ineligible for
14	three months after the date at which they be-
15	came ineligible.
16	"(D) RESTORATION OF ELIGIBILITY.—At
17	the end of three months of ineligibility under
18	subsection (c), members of a work eligible fam-
19	ily unit may have their eligibility to participate
20	in the food stamp program restored, if—
21	"(i) the family unit is no longer a
22	work eligible family unit; or
23	"(ii) the adult members of the family
24	unit begin and maintain any combination
25	of paid employment and work activation

sufficient to meet the appropriate stand ards for resumption of benefits in section
 29(c)(2).

4 "(2) STRIKE AGAINST A GOVERNMENT.—For 5 the purpose of subparagraph (A)(iv), an employee of 6 the Federal Government, a State, or a political sub-7 division of a State, who is dismissed for partici-8 pating in a strike against the Federal Government, 9 the State, or the political subdivision of the State 10 shall be considered to have voluntarily quit without 11 good cause.

12 "(3) STRIKING WORKERS INELIGIBLE.—Notwithstanding any other provision of law, no member 13 14 of a family unit shall participate in the food stamp 15 program at any time that any able-bodied work eligi-16 ble adult member of such household is on strike as 17 defined in the Labor Management Relations Act, 18 1947 (29 U.S.C. 142(2)), because of a labor dispute 19 (other than a lockout) as defined in section 2(9) of 20 the National Labor Relations Act (29 U.S.C. 21 152(9)): *Provided*, That a family unit shall not lose 22 its eligibility to participate in the food stamp pro-23 gram as a result of one of its members going on 24 strike if the household was eligible immediately prior 25 to such strike, however, such family unit shall not receive an increased allotment as the result of a decrease in the income of the striking member or
members of the household: *Provided further*, That
such ineligibility shall not apply to any family unit
that does not contain a member on strike, if any of
its members refuses to accept employment at a plant
or site because of a strike or lockout.".

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

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

15 "(8) is enrolled full-time in an institution of
16 higher education, as determined by the institution,
17 and—

18 "(A) is a single parent with responsibility
19 for the care of a dependent child under 12
20 years of age; or

21 "(B) is a family head or married spouse of
22 a family head in a married couple family with
23 dependent children and has a dependent child
24 under age 12 residing in the home.".

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

4 "(o) FULFILLMENT OF EMPLOYMENT AND WORK
5 ACTIVATION REQUIREMENTS.—

6 "(1) IN GENERAL.—If an adult or adults within 7 a work eligible family unit are required by the State 8 agency to participate in work activation under sec-9 tion 29, no member of the family unit shall be eligi-10 ble for food stamp benefits unless the employment 11 and work activation standards for the family unit 12 are fulfilled.

13 "(2) SANCTIONS AND RESUMPTION OF BENE-14 FITS.—If an adult or adults within a work eligible 15 family unit who are required by the State agency to 16 participate in work activation under section 29 dur-17 ing a given month, fail to fulfill the work activation 18 standards, benefits for all members of the family 19 unit will be terminated in accordance with section 20 29(c)(1) and may be resumed upon compliance with 21 the provisions of section 29(c)(2).".

(g) EXCLUSION.—Section 6 of the Food and Nutrition Act of 2008 (7 U.S.C. 2015) is amended by adding
at the end the following:

"(r) MINOR CHILDREN.—No child less than age 18 1 years of age may participate in the food stamp program 2 unless that child is a member of a family with dependent 3 4 children and resides with an adult who is— 5 "(1) the family head of the same family of 6 which the child is also a member; 7 "(2) eligible to participate, and is participating, 8 in the food stamp program as a member of the same 9 household as the child; and 10 "(3) lawfully residing, and is eligible to work, in 11 the United States.". 12 (h) DETERMINATION.—Section HEARING AND 11(e)(10) of the Food and Nutrition Act of 2008 (7) 13 14 U.S.C. 2020(e)(10)) is amended by striking ": *Provided*" 15 and all that follows through "hearing;", and inserting a semicolon. 16 17 (i) Work Requirements and Activation Pro-18 GRAM.—The Food and Nutrition Act of 2008 (7 U.S.C. 19 2011 et seq.) is amended by adding at the end the fol-20 lowing: 21 "SEC. 29. WORK REQUIREMENTS AND ACTIVATION PRO-22 GRAM. 23 "(a) Employment and Work Activation Stand-

24 ARDS.—Family units with adult members that are re25 quired to participate in work activation under section

29(b) during a full month of participation in the food
 stamp program shall be expected to fulfill the following
 levels of work activity during that month:

4 "(1) Each able-bodied work eligible adult with5 out dependent children shall be required to perform
6 work activities for at least 60 hours per month.

7 "(2) Each family head of a work eligible single8 headed family with dependent children shall be re9 quired to perform work activities for at least 120
10 hours per month.

11 "(3) In each work eligible married couple family 12 with dependent children, the family head and mar-13 ried spouse shall be required to perform work activi-14 ties which when added together for the two adults 15 equal at least 120 hours per month: *Provided*, That 16 the 120 hour requirement shall be a single joint obli-17 gation for the married couple as a whole in which 18 the activities of both married partners shall be com-19 bined together and counted jointly.

20 "(A) For purposes of meeting this require21 ment the paid employment and work activation
22 of the family head shall be added to the paid
23 employment and work activation of the married
24 spouse, and the requirement shall be fulfilled as
25 long as the sum of the work activities of the

1	two individuals when added together equals or
2	exceeds 120 hours per month.
3	"(B) The work requirement for married
4	couple with dependent children may be fulfilled
5	by—
6	"(i) 120 or more hours of work activ-
7	ity by the family head;
8	"(ii) 120 or more hours of work ac-
9	tivities by the married spouse; or
10	"(ii) the combined work activities of
11	the family head and married spouse which
12	when added together equal or exceed 120
13	hours.
14	"(C) Neither the family head nor the mar-
15	ried spouse in a married couple with dependent
16	children shall be subject to a separate work ac-
17	tivation requirement as individuals.
18	"(b) Pro Rata Reduction in Employment and
19	WORK ACTIVATION STANDARD DURING A PARTIAL
20	Month.—
21	"(1) A work eligible family unit shall be subject
22	to a pro-rated work activity standard, if the family
23	unit—

"(A) receives a pro-rated monthly allot ment during the initial month of enrollment
 under section 8(c); and
 "(B) is required by the State to participate
 in the work activation program during that
 month.

"(2) The pro-rated work activity standard shall 7 8 be a number of hours of work activity having a value 9 which bears the same ratio to the employment and 10 work activation requirement for that family unit for 11 a full month under subsection (a) as the ratio of the 12 pro-rated monthly allotment received by the house-13 hold for the partial month under section 8(c) bears to the full allotment the same household would re-14 15 ceive for a complete month.

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

23 "(c) SANCTION FOR NONCOMPLIANCE.—

24 "(1) IN GENERAL.—If a member or members of25 a work eligible family unit are required to partici-

pate in the work activation program under subsection (e) in a given calendar month and the individual or individuals fail to fulfill the work activity standard under subsection (a) or (b) for that month, then no member of the family unit shall be eligible to receive food stamp benefits during the subsequent calendar month.

8 "(A) Administration of sanction.—If 9 a member or members of a work eligible family 10 unit is required to participate in the work acti-11 vation program under subsection (e) in a given 12 calendar month and the individual or individ-13 uals fail to fulfill the work activity standard for 14 that month, then the State agency must elimi-15 nate the food stamp benefit payment for all members of the family unit that otherwise 16 17 would have been issued at the beginning of the 18 next month except as provided in subparagraph 19 (B).

20 "(B) ADMINISTRATIVE DELAY OF SANC21 TION.—If it is administratively infeasible for
22 the State to eliminate the food stamp benefit
23 that would be issued at the beginning of the
24 first month after the month of noncompliance,
25 then the State must eliminate the payment to

1	all members of the family unit that otherwise
2	would have been made at the beginning of the
3	second month after the month of noncompli-
4	ance: <i>Provided</i> , That the sanction of benefits
5	must occur no later than 32 days after the end
6	of the month of noncompliance, and: Provided
7	further, That at least one monthly payment to
8	all members of the family unit must be elimi-
9	nated for each month of noncompliance under
10	paragraph (1).
11	"(2) Resumption of benefits after sanc-
12	TION.—
13	"(A) IN GENERAL.—If a family unit has
14	had its monthly benefit eliminated due to non-
15	compliance with a work activity requirement
16	under subsection (b) then the family unit shall
17	not be eligible to receive future benefits under
18	the food stamp program, until—
19	"(i) the work eligible member or mem-
20	bers of the family unit have participated in
21	the work activation program under sub-
22	section (e) for four consecutive subsequent
23	weeks and fulfilled the work activity stand-
24	ard for the family unit for that same four
25	week period; or

1	"(ii) the family unit no longer con-
2	tains any able bodied work eligible adults.
3	"(B) LIMITATION.—The resumed benefits
4	cannot restore or compensate for the benefits
5	that were eliminated due to the sanction im-
6	posed in subsection $(c)(1)$.
7	"(d) Work Activation Is Not Employment
8	Participation in work activation activities under this sec-
9	tion shall not be deemed employment and shall not be sub-
10	ject to any law pertaining to wages, compensation, hours,
11	or conditions of employment under any law administered
12	by the Department of Labor.
13	"(e) Work Activation Program.—
14	"(1) Program.—States will run a work activa-
15	tion program.
16	"(2) PURPOSE.—The goal of the program shall
17	be to increase the employment of work eligible able-
18	bodied adult food stamp recipients. To accomplish
19	this goal, each State shall require able-bodied adult
20	food stamp recipients who are unemployed or under-
21	employed to engage in work activation.
22	"(3) TARGET WORK ACTIVATION RATIOS.—
23	"(A) IN GENERAL.—Commencing no later
24	than six months after the effective date of this
25	section, the State shall engage able-bodied food

1	stamp recipients in work activation each month
2	in sufficient numbers to meet the following
3	monthly target work activation ratios:
4	"(i) In 2012 the monthly target work
5	activation ratio shall be 4 percent.
6	"(ii) In 2013 and in subsequent years
7	the monthly target work activation ratio
8	shall be 7 percent.
9	"(B) LIMITATION ON EDUCATION AND
10	TRAINING AS A COMPONENT OF WORK ACTIVA-
11	TION.—For purposes of compliance by the
12	State with the work activation ratios, not more
13	than 20 percent of the monthly work activation
14	participants counted by the State may be en-
15	gaged in employment and training as a means
16	of fulfilling their employment and work activa-
17	tion standards.
18	"(4) Work activation priority popu-
19	LATIONS.—
20	"(A) IN GENERAL.—In operating the work
21	activation program, States shall give priority to
22	participation by the following recipient groups:
23	"(i) Work eligible adults without de-
24	pendent children.

1	"(ii) Work eligible adults who are also
2	recipients of housing assistance.
3	"(iii) Other work eligible recipients at
4	the time of initial application for benefits.
5	"(B) PARTICIPATION SHARE.—Except as
6	provided in paragraph (C), at least 80 percent
7	of the participants in work activation should be-
8	long to the three priority groups listed in para-
9	graph (A).
10	"(C) EXCEPTION.—The numeric require-
11	ment in paragraph (B) shall not pertain if the
12	number of recipients in the three priority
13	groups in paragraph is insufficient to meet that
14	requirement, but in those circumstances, the
15	State will continue to give priority to any recipi-
16	ents who belong to the three priority groups.
17	"(5) Reimbursable expenses of partici-
18	PANTS.—
19	"(A) The State agency shall provide pay-
20	ments or reimbursements to participants in
21	work activation carried out under this section
22	for—
23	"(i) the actual costs of transportation
24	and other actual costs (other than depend-
25	ent care costs) that are reasonably nec-

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essary and directly related to participation in the work activation components of the program; and

4 "(ii) the actual costs of such depend-5 ent care expenses that are determined by the State agency to be necessary for the 6 7 participation of an individual in the work 8 activation components of the program 9 (other than an individual who is the caretaker relative of a dependent in a family 10 11 receiving benefits under part A of title IV 12 of the Social Security Act (42 U.S.C. 601 13 et seq.) in a local area where an employ-14 ment, training, or education program 15 under title IV of such Act (42 U.S.C. 601 16 et seq.) is in operation, except that no such 17 payment or reimbursement shall exceed the 18 applicable local market rate.

"(B) In lieu of providing reimbursements
for dependent care expenses under clause (i), a
State agency may, at its option, arrange for dependent care through providers by providing
vouchers to the household allowing the recipient
to choose between all lawful providers. The

1	value of the voucher shall not exceed the aver-
2	age local market rate.
3	"(C) The value of any dependent care serv-
4	ices provided for or arranged under paragraph
5	(1) or (2), or any amount received as a pay-
6	ment or reimbursement under (1), shall—
7	"(i) not be treated as income for the
8	purposes of any other Federal or federally
9	assisted program that bases eligibility for,
10	or the amount of benefits on, need; and
11	"(ii) not be claimed as an employ-
12	ment-related expense for the purposes of
13	the credit provided under section 21 of
14	title 26.
15	"(6) Penalties for inadequate state per-
16	FORMANCE.—If, in a given month, a State fails to
17	engage food stamp recipients in work activation in
18	sufficient numbers to meet or exceed the appropriate
19	work activation ratio provided in subsection $(e)(3)$,
20	the Federal food stamp funding provided to the
21	State in a subsequent penalty month will be reduced
22	as follows: <i>Provided</i> , That, the month in which the
23	State failed to engage food stamp recipients in work
24	activation in sufficient numbers to meet or exceed
25	the appropriate target work activation ratio shall be

1	designated the non-performance month, and: Pro-
2	vided further, That the month in which the State is
3	penalized shall be designated the penalty month:
4	"(A) The penalty month shall be no later
5	than four months after the non-performance
6	month.
7	"(B) The amount of Federal food stamp
8	funding the State shall receive for the penalty
9	month shall equal the amount of Federal food
10	stamp funds the State would otherwise have re-
11	ceived multiplied by a fraction equaling—
12	"(i) the actual monthly work activa-
13	tion ratio achieved by the State in the pen-
14	alty month; divided by
15	"(ii) the target monthly work activa-
16	tion ratio for the penalty month.
17	"(7) Rewards to states for reducing gov-
18	ERNMENT DEPENDENCE.—If, in any future year, a
19	State reduces its food stamp caseload below the lev-
20	els which existed in calendar year 2006, the State
21	shall receive a financial reward for reducing depend-
22	ence.
23	"(A) The reward shall equal one quarter of
24	the savings to the Federal Government for that
25	year that resulted from the caseload reduction.

1	"(B) The State may use its reward fund-
2	ing for any purpose it chooses that provides
3	benefits or services to individuals with incomes
4	below 200 percent of the Federal poverty level,
5	improves social outcomes in low income popu-
6	lations, encourages healthy marriage, or in-
7	creases self-sufficiency and reduces dependence.
8	"(8) Authorization of funding.—
9	"(A) IN GENERAL.—In fiscal year 2012,
10	and in each subsequent fiscal year there is au-
11	thorized to be appropriated \$2,500,000,000 to
12	be provided to State governments for the pur-
13	pose of administering a work activation pro-
14	gram in accordance with this section.
15	"(B) ALLOCATION AMONG STATES.—The
16	sum provided in subparagraph (A) shall be allo-
17	cated to the States in proportion to each State's
18	share of total funding for the food stamp pro-
19	gram under this Act in fiscal year 2007.".
20	(j) CONFORMING AMENDMENTS.—The Food and Nu-
21	trition Act of 2008 (7 U.S.C. 2011 et seq.) is amended—
22	(1) in section 5 —
23	(A) in subsection (a) by striking ",
24	6(d)(2),",

1	(B) in subsection $(d)(14)$ by striking
2	"6(d)(4)(I)" and inserting "29",
3	(C) in subsection $(e)(3)(B)(iii)$ by striking
4	"section $(d)(3)$ " and inserting "section 29",
5	and
6	(D) in the 1st sentence of subsection
7	(g)(3) by striking "6(d)" and inserting "29",
8	(2) in section $7(i)(2)$ by striking " $6(o)(2)$ " and
9	inserting "6(o)",
10	(3) in section 11(e) by striking paragraph (19),
11	(4) in section 16—
12	(A) in subsection (b)(4) by striking " $6(d)$ "
13	and inserting "29", and
14	(B) by striking subsection (h),
15	(5) in section 17—
16	(A) in subsection (b)—
17	(i) in paragraph $(1)(B)(iv)(III)$ by
18	striking item (bb),
19	(ii) in paragraph (2) by striking the
20	2d sentence, and
21	(iii) in paragraph (3)(B) by striking
22	"6(d)" and inserting "29," and
23	(B) by striking subsection (g),
24	(6) in section 20—
25	(A) in subsection (b)—

1	(i) by striking paragraph (1), and
2	(ii) by redesignating paragraphs (2)
3	through (6) as paragraphs (1) through (5) ,
4	respectively, and
5	(B) by striking subsection (f), and
6	(7) in section $22(b)$ by striking paragraph (4).
7	SECTION 203. 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), as amended by section 442 of Public
11	Law 111–296 (124 Stat. 3183, 3265), is amended by
12	striking "after October 31, 2013" and inserting "on the
13	date of the enactment of the Welfare Reform Act of
14	2011".
15	TITLE III—REPORTING OF
16	MEANS-TESTED WELFARE
17	SPENDING IN PRESIDENT'S
18	BUDGET SUBMISSION
19	SEC. 301. ADDITIONAL INFORMATION IN PRESIDENT'S
20	BUDGET SUBMISSION.
21	Section 1105(a) of title 31, United States Code, is
22	amended by adding at the end the following new para-
23	graph:
24	"(37) the total level of spending on means-test-
25	ed welfare programs by the Federal Government and

1 the total level of spending on means-tested welfare 2 programs by all State and local governments and the Federal Government for the most recent fiscal year 3 for which such data is available and estimated levels 4 5 for the fiscal year during which the budget submis-6 sion of the President is made, for the fiscal year be-7 ginning on October 1 of the calendar year during 8 which the budget submission is made, and for each 9 of the nine ensuing fiscal years, and for purposes of 10 this paragraph, means-tested welfare programs shall 11 mean those programs defined in section 401 of the 12 Welfare Reform Act of 2011.".

13 TITLE IV—AGGREGATE CAP FOR

MEANS-TESTED WELFARE SPENDING

16 SEC. 401. DEFINITION OF MEANS-TESTED WELFARE SPEND-

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ING.

18 Section 3 of the Congressional Budget and Impound-19 ment Control Act of 1974 is amended by adding at the20 end the following new paragraph:

21 "(11)(A) The term 'means-tested welfare
22 spending' refers to any Federal program that is de23 signed to specifically provide assistance or benefits
24 exclusively to low-income Americans, but is not such
25 a program if it—

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1	"(i) is based on earned eligibility;
2	"(ii) is not need-based;
3	"(iii) is a program designed exclusively or pri-
4	marily for veterans of military service; or
5	"(iv) offers universal or near universal eligi-
6	bility to the working population and their depend-
7	ents.
8	Community and economic development programs
9	targeted to low income communities or populations
10	shall be considered means-tested welfare programs
11	for purposes of this paragraph.
12	"(B) For purposes of subparagraph (A), the
13	following Federal programs shall be considered to be
14	means-tested welfare spending:
15	"(i) Cash and general programs.—
16	"(I) Supplemental Security Income.
17	"(II) Earned Income Tax Credit (Re-
18	fundable Portion).
19	"(III) Refundable Child Credit.
20	"(IV) Temporary Assistance to Needy
21	Families.
22	"(V) Title IV–E Foster Care.
23	"(VI) Title IV–E Adoption Assist-
24	ance.
25	"(VII) General Assistance to Indians.

1	"(VIII) Assets for Independence.
2	"(ii) Medical.—
3	"(I) Medicaid.
4	"(II) State Children's Health Insur-
5	ance Program.
6	"(III) Indian Health Services.
7	"(IV) Consolidated Health Centers/
8	Community Health Centers.
9	"(V) Maternal and Child Health.
10	"(VI) Healthy Start.
11	"(VII) Refundable Premiums and Out
12	of Pocket Subsidies under the Patient Pro-
13	tection and Affordable Health Care Act
14	(PPACA)
15	"(iii) Food.—
16	"(I) Food Stamps Program.
17	"(II) School Lunch Program.
18	"(III) Women, Infant and Children
19	(WIC) Food Program.
20	"(IV) School Breakfast.
21	"(V) Child Care Food Program.
22	"(VI) Nutrition Program for the El-
23	derly, Nutrition Service Incentives.
24	"(VII) Summer Food Service Pro-
25	gram.

1	"(VIII) Commodity Supplemental
2	Food Program.
3	"(IX) Temporary Emergency Food
4	Program.
5	"(X) Needy Families.
6	"(XI) Farmer's Market Nutrition
7	Program.
8	"(XII) Special Milk Program.
9	"(iv) Housing.—
10	"(I) Section 8 Housing (HUD).
11	"(II) Public Housing (HUD).
12	"(III) State Housing Expenditures.
13	"(IV) Home Investment Partnership
14	Program (HUD).
15	"(V) Homeless Assistance Grants
16	(HUD).
17	"(VI) Rural Housing Insurance Fund
18	(Agriculture).
19	"(VII) Rural Housing Service (Agri-
20	culture).
21	"(VIII) Housing for the Elderly
22	(HUD).
23	"(IX) Native American Housing
24	Block Grants (HUD).

1	"(X) Other Assisted Housing Pro-
2	grams (HUD).
3	"(XI) Housing for Persons with Dis-
4	abilities (HUD).
5	"(v) Energy and utilities.—
6	"(I) Low Income Home Energy As-
7	sistance.
8	"(II) Universal Service Fund—Sub-
9	sidized Phone Service for Low Income Per-
10	sons.
11	"(III) Weatherization.
12	"(vi) Education.—
13	"(I) Pell Grants.
14	"(II) Title I Grants to Local Edu-
15	cation Authorities.
16	"(III) Special Programs for Disadvan-
17	taged (TRIO).
18	"(IV) Supplemental Education Oppor-
19	tunity Grants.
20	"(V) Migrant Education.
21	"(VI) Gear-Up.
22	"(VII) Education for Homeless Chil-
23	dren and Youth.
24	"(VIII) Leveraging Educational As-
25	sistance Partnership (LEAP) Program.

1	"(IX) Even Start.
2	"(vii) Training.—
3	"(I) Job Corps.
4	"(II) Youth Opportunity Grants
5	(under the Workforce Investment Act).
6	"(III) Adult Employment and Train-
7	ing (under the Workforce Investment Act).
8	"(IV) Senior Community Service Em-
9	ployment.
10	"(V) Food Stamp Employment and
11	Training Program.
12	"(VI) Migrant Training.
13	"(VII) YouthBuild.
14	"(VIII) Native American Training.
15	"(viii) Services.—
16	"(I) Title XX Social Services Block
17	Grant.
18	"(II) Community Service Block
19	Grant.
20	"(III) Social Services for Refugees,
21	Asylees, and Humanitarian Cases.
22	"(IV) Title III Aging Americans Act.
23	"(V) Legal Services Block Grant.
24	"(VI) Family Planning.
25	"(VII) Emergency Food and Shelter.

1	"(VIII) Healthy Marriage and Re-
2	sponsible Fatherhood Grants.
3	"(IX) Americorps VISTA.
4	"(ix) Child care and child develop-
5	MENT.—
6	"(I) Headstart.
7	"(II) Childcare and Child Develop-
8	ment Block Grant.
9	"(III) Child Care Block Grant (under
10	Temporary Assistance to Needy Families
11	Program).
12	"(x) Community development.—
13	"(I) Community Development Block
14	Grant.
15	"(II) Economic Development Adminis-
16	tration.
17	"(III) Appalachian Regional Develop-
18	ment.
19	"(IV) Empowerment Zones, Enter-
20	prise Communities, Renewal Communities.
21	"(V) Urban Development Block
22	Grant.
23	"(C) For purposes of this paragraph, the term
24	'means-tested welfare spending' shall not include—

1	"(i) the Social Security Disability Insur-
2	ance program;
3	"(ii) Medicare;
4	"(iii) retirement insurance benefits and
5	survivor benefits under the Social Security pro-
6	gram;
7	"(iv) any program designed exclusively or
8	primarily for veterans of military service;
9	"(v) unemployment insurance benefits pro-
10	vided under Title K; and
11	"(vi) programs designed specifically to pro-
12	vide benefits to workers to compensate for job-
13	related injuries or illnesses.
14	"(D) For purposes of this paragraph, the term
15	'spending on means-tested welfare programs' shall
16	mean the full cost of benefits and services provided
17	by the program, as well as the administrative costs
18	for operating the program, subject to the limitations
19	in subparagraph (E).
20	"(E)(i) For purposes of this paragraph only the
21	refundable portion of the following tax credits shall
22	be counted as means-tested welfare expenditures:
23	"(I) The earned income tax credit.
24	"(II) The child tax credit.
25	"(III) The making work pay tax credit.

1	"(ii) For purposes of this paragraph only the
2	refundable portion of the premium and out of pocket
3	health care subsidies to be paid under the Patient
4	Protection and Affordable Health Care Act shall be
5	counted as means-tested welfare expenditures; the
6	refundable portion of these subsidies shall mean the
7	portion of the credit which is paid to an individual
8	in excess of the amount of federal income tax owed
9	by the individual.
10	"(iii) For purposes of this paragraph only the
11	costs of the free and reduced price segments of the
12	school lunch and school breakfast programs shall be
13	included.
14	"(F) For purposes of this paragraph expendi-
15	tures by state and local governments of funds that
16	are:
17	"(i) obtained by the State and local gov-
18	ernment from taxes, fees, or other sources of
19	revenue established by the State or local gov-
20	ernment; and
21	"(ii) are not received as any form of grant
22	from the Federal Government
23	shall not be considered as federal means-tested wel-
24	fare spending even if such state and local expendi-
25	tures take the form of contributions to Federal pro-

grams listed or defined in subparagraphs (A) and
 (B).".

3 SEC. 402. REPORTS TO BUDGET COMMITTEES.

4 Section 202(e)(1) of the Congressional Budget Act
5 of 1974 is amended by inserting "(A)" after "(1)" and
6 by inserting at the end the following new subparagraph:

7 "(B) Beginning with the first fiscal year that 8 begins after the date of enactment of this subsection 9 and after any monthly rate of unemployment during 10 the immediately preceding fiscal year is below 6.5 11 percent, the Director shall include in each report 12 submitted to the Committees on the Budget of the 13 House of Representatives and the Senate under sub-14 paragraph (A) the following information for the fis-15 cal year commencing on October 1 of the year in which the report is submitted and for each of the en-16 17 suing 4 fiscal years:

18 "(i) The Congressional Budget Office base19 line level of Federal spending for aggregate
20 means-tested welfare programs.

21 "(ii) The aggregate level of Federal means22 tested welfare spending computed by taking the
23 aggregate level of means-tested welfare spend24 ing for fiscal year 2007 and adjusting that for
25 inflation using the Consumer Price Index for

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All Urban Consumers, U.S. City Average, All
 Items, Not Seasonally Adjusted (CPI–U), as
 computed by the Bureau of Labor Statistics,
 for all fiscal years occurring after fiscal year
 2007 and before the applicable fiscal year.".
 SEC. 403. CONTENT OF CONCURRENT RESOLUTIONS ON

THE BUDGET.

8 Section 301 of the Congressional Budget Act of 19749 is amended by adding at the end the following new sub-10 section:

11 "(j) MEANS-TESTED WELFARE SPENDING.—Begin-12 ning with the first fiscal year that begins after the date of enactment of this subsection and after any monthly rate 13 of unemployment during the immediately preceding fiscal 14 15 year is below 6.5 percent, the concurrent resolution on the budget for the applicable fiscal year shall set forth the ap-16 propriate level for aggregate means-tested welfare spend-17 18 ing for the first fiscal year of that concurrent resolution 19 and for at least each of the 4 ensuing fiscal years. Such level shall not exceed the aggregate level of Federal means-20 21 tested welfare spending for fiscal year 2007, adjusted for 22 inflation using the Consumer Price Index for All Urban 23 Consumers, U.S. City Average, All Items, Not Seasonally 24 Adjusted (CPI–U), as computed by the Bureau of Labor

Statistics, for all fiscal years occurring after fiscal year
 2007 and before the applicable fiscal year.".

3 SEC. 404. ALLOCATIONS OF MEANS-TESTED WELFARE 4 SPENDING.

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

8 "(h) Means-tested Welfare Spending Limit.— 9 "(1) FURTHER DIVISION OF AMOUNTS.—For 10 any concurrent resolution on the budget for which 11 levels for aggregate means-tested welfare spending 12 are set forth under section 301(j), in the House of 13 Representatives and the Senate, the amounts allocated under subsection (a) shall be further divided 14 15 to establish an allocation of—

"(A) total new budget authority and total outlays for discretionary means-tested welfare spending in appropriation measures for the first fiscal year of the resolution on the budget; and

"(B) total new budget authority and total outlays for mandatory means-tested welfare spending for the first fiscal year of the resolution on the budget and at least each of the ensuing 4 fiscal years to all other committees of the House of Representatives and the Senate

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1	that have jurisdiction over legislation providing
2	mandatory means-tested welfare spending.
3	"(2) POINT OF ORDER.—It shall not be in
4	order in the House of Representatives or the Senate
5	to consider any bill, joint resolution, or amendment
6	if—
7	"(A) the enactment of such bill or resolu-
8	tion as reported;
9	"(B) the adoption and enactment of such
10	amendment; or
11	"(C) the enactment of such bill or resolu-
12	tion in the form recommended in such con-
13	ference report,
14	would cause the applicable allocation of new budget
15	authority or outlays made under subparagraph (A)
16	or (B) of paragraph (1) for a fiscal year to be ex-
17	ceeded.".
18	(b) Conforming Amendment.—Section 302(b) of
19	the Congressional Budget Act of 1974 is amended by
20	striking "under subsection (a)" and inserting "under sub-
21	sections (a) and (h)".
22	SEC. 405. RECONCILIATION.
23	Section 310(a) of the Congressional Budget Act of
24	1974 is amended as follows:

(1) Strike "or" at the end of paragraph (3) and
 strike the period at the end of paragraph (4) and in sert "; and".

4	(2) Redesignate paragraph (4) as paragraph
5	(5), and in paragraph (5) as redesignated, strike
6	"and (3)" and insert "(3), and (4)".

7 (3) After paragraph (3), insert the following8 new paragraph:

9 "(4) specify the total amount by which new 10 budget authority for such fiscal year for mandatory 11 means-tested welfare spending contained in laws, 12 bills, and resolutions within the jurisdiction of a 13 committee is to be changed and direct that com-14 mittee to determine and recommend changes to ac-15 complish a change of such total amount, which 16 amount shall be the amount by which the Congres-17 sional Budget Office baseline level of spending for 18 aggregate mandatory means-tested welfare programs 19 exceeds the allocation made pursuant to section 20 302(h)(1)(B) for such fiscal year.".

21 TITLE V—GRANTS TO PROMOTE 22 SELF-SUFFICIENCY

23 SEC. 501. GRANTS TO STATES.

24 (a) PURPOSE.—The purpose of this title is to encour-25 age States to develop policies to promote self-sufficiency

1 and prosperity and to reduce poverty and government de-

2 pendence.

3 (b) GRANTS.—The Social Security Act is amended by4 adding at the end the following:

"TITLE XXII—GRANTS TO STATES 5 PROMOTE **SELF-SUFFI-**TO 6 **CIENCY** PROSPERITY AND 7 AND TO REDUCE **DEPEND-**8 **ENCE** 9

10 "SEC. 2201. GRANTS TO STATES.

11 "(a) IN GENERAL.—The Secretary may provide
12 grants to States to reward reductions in poverty and gov13 ernment dependence and increases in self-sufficiency.

14 "(b) Allocation of Grants to States.—For each 15 fiscal year for which funds are made available under subsection (e), the Secretary shall make a grant in an amount 16 17 equal to \$100,000,000 to each of the 3 States with the 18 greatest percentage increases in the self-sufficiency ratio 19 of the State for the preceding fiscal year over the self-20sufficiency ratio of the State for fiscal year 2007, as com-21 pared with the changes in that ratio for each other State, 22 subject to subsection (c).

23 "(c) LIMITATION ON ELIGIBILITY FOR GRANTS.—A
24 State shall not be eligible for a grant under this title for
25 a fiscal year unless the self-sufficiency ratio of the State

for the fiscal year is greater than the self-sufficiency ratio
 of the State for fiscal year 2007.

- 3 "(d) DEFINITIONS.—In this title:
- "(1) The term 'self-sufficient family' means a 4 5 family (including a 1-person family) whose combined 6 income, excluding receipt of means-tested welfare 7 spending (as defined in section 3(11)(A) of the Con-8 gressional Budget and Impoundment Control Act of 9 1974), exceeds the poverty line (within the meaning 10 of section 673(2) of the Omnibus Budget Reconcili-11 ation Act of 1981, including any revision required by 12 such section applicable to a family of the size in-13 volved).
- 14 "(2) The term 'self-sufficiency ratio' means,
 15 with respect to a State and a fiscal year—
- 16 "(A) the number of self-sufficient families
 17 residing in the State during the fiscal year that
 18 are headed by able-bodied individuals who have
 19 not attained 63 years of age; divided by
- 20 "(B) the total number of families residing
 21 in the State during the fiscal year that are
 22 headed by able-bodied individuals who have not
 23 attained 63 years of age.
- 24 "(3) The term 'State' means the 50 States and25 the District of Columbia.

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

5 TITLE VI—PROHIBITION ON 6 FUNDING OF ABORTION

7 SEC. 601. PROHIBITION ON FUNDING FOR ABORTIONS.

8 No funds authorized or appropriated by Federal law, 9 and none of the funds in any trust fund to which funds 10 are authorized or appropriated by Federal law, shall be 11 expended for any abortion.

12 SEC. 602. PROHIBITION ON FUNDING FOR HEALTH BENE-13 FITS PLANS THAT COVER ABORTION.

14 None of the funds authorized or appropriated by Fed15 eral law, and none of the funds in any trust fund to which
16 funds are authorized or appropriated by Federal law, shall
17 be expended for health benefits coverage that includes cov18 erage of abortion.

19SEC. 603. PROHIBITION ON TAX BENEFITS RELATING TO20ABORTION.

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

3 SEC. 604. CONSTRUCTION RELATING TO SEPARATE COV-4 ERAGE.

5 Nothing in this title shall be construed as prohibiting any individual, entity, or State or locality from purchasing 6 7 separate abortion coverage or health benefits coverage 8 that includes abortion so long as such coverage is paid 9 for entirely using only funds not authorized or appro-10 priated by Federal law and such coverage shall not be purchased using matching funds required for a federally sub-11 12 sidized program, including a State's or locality's contribution of Medicaid matching funds. 13

14 SEC. 605. CONSTRUCTION RELATING TO THE USE OF NON-

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FEDERAL FUNDS FOR HEALTH COVERAGE.

16 Nothing in this title shall be construed as restricting the ability of any non-Federal health benefits coverage 17 provider from offering abortion coverage, or the ability of 18 19 a State or locality to contract separately with such a provider for such coverage, so long as only funds not author-20 21 ized or appropriated by Federal law are used and such 22 coverage shall not be purchased using matching funds re-23 quired for a federally subsidized program, including a 24 State's or locality's contribution of Medicaid matching funds. 25

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1	SEC. 606. TREATMENT OF ABORTIONS RELATED TO RAPE,
2	INCEST, OR PRESERVING THE LIFE OF THE
3	MOTHER.
4	The limitations established in this title shall not apply
5	to an abortion—
6	(1) if the pregnancy is the result of an act of
7	rape or incest; or
8	(2) in the case where a woman suffers from a
9	physical disorder, physical injury, or physical illness
10	that would, as certified by a physician, place the
11	woman in danger of death unless an abortion is per-
12	formed, including a life-endangering physical condi-
13	tion caused by or arising from the pregnancy itself.