116TH CONGRESS
2D Session

H. R. _____

To authorize the establishment of HOPE Account Pilot Projects, HOPE Action Plans Pilot Projects, and competitive grants for pilot projects.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To authorize the establishment of HOPE Account Pilot Projects, HOPE Action Plans Pilot Projects, and competitive grants for pilot projects.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Health, Opportunity, and Personal Empowerment Act of 2020” or “HOPE Act of 2020”.

4 SEC. 2. FINDINGS.

5 The Congress finds the following:
(1) In 2018, according to the Department of Agriculture, 37,200,000 individuals in the United States (including 11,100,000 children) lived in food insecure households. That equals 1 in 9 individuals and 1 in 7 children.

(2) In 2017, according to the Bureau of the Census, 38,100,000 individuals (including 13,200,000 children) lived below the Federal poverty line. The majority of these individuals living in poverty were working people, children, older individuals, and individuals with disabilities.

(3) Many low-income individuals work multiple jobs and, contrary to common misconceptions, if unemployed, they spend a great deal of time looking for work. They often travel by public transportation, laboriously making multiple connections to shuttle between home, work, social service agencies, houses of worship, and grocery stores. For those living in rural and suburban areas far from work and without adequate public transportation they rely upon vehicles to get to work, but these are often less reliable secondhand vehicles, that often break down. From traveling greater distances between available jobs and livable areas with affordable housing options, seeking out scarce childcare options that fit a tight
budget and a constrained travel schedule, and caring
for elderly parents or grandparents because a senior
living facility is not financially realistic, low-income
individuals have little spare time.

(4) While government safety net programs help
tens of millions of individuals avoid starvation, home-
lessness, and other outcomes even more dreadful
than everyday poverty, there are significant obstacles
that those seeking and maintaining government assis-
tance face for as long as they are eligible. Qualified
applicants are often required to travel significant
distances to multiple government offices, pre-
paring and submitting piles of nearly identical pa-
perwork to access the different government assist-
ance programs. Even when the application process
begins online, the eligible applicant is typically still
required to physically follow up with each govern-
ment office with physical copies, for near identical
meetings. As a result, many low-income people are
actually unaware of all the government benefits for
which they are eligible, reducing the amount of help
going to individuals in need by tens of billions of
dollars every year. The lines in these offices can
seem endless, and sometimes clients need to wait
outside, for hours, in the worst kinds of weather.
Many offices don’t have weekend or night hours, so an applicant is at risk of losing wages when often their only option is to apply for government help during work hours.

(5) Each year, many vital government programs go underutilized because eligible beneficiaries are hindered by obtrusive, time consuming, and repetitive application barriers. In 2015, according to the Department of Agriculture, 15 percent of all people eligible for supplemental nutrition assistance program (SNAP), 25 percent of the “working poor” eligible for SNAP, and 55 percent of seniors over 60 who were eligible failed to receive it.

(6) The United States has hundreds of thousands of nonprofit groups providing high quality and much needed social services, but it is nearly impossible for struggling people to determine which of those organizations provides services they need, whether the organization is conveniently located, and for which services they are eligible. If they do determine that a nonprofit (or multiple nonprofits) could help, they need to take yet more time to visit each one.

(7) Since many government and nonprofit programs require frequent reapplications and recertifi-
cations, a low-income person often has to repeat the same endless and frustrating process.

(8) Technology has fundamentally revamped the lives of most individuals, usually for the better. According to the Pew Research Center, 64 percent of low-income individuals have a smart phone as of 2016 (not because a smart phone is a luxury but because it is an essential tool of learning and work in modern America) but they rarely can use these devices to apply for benefits. Digital technology, combined with policy improvements, can simplify the lives and boost the long-term self-sufficiency of our lowest income residents.

SEC. 3. DEFINITIONS.

(1) SECRETARIES.—The term “Secretaries” means the Secretary of Health and Human Services, the Secretary of Agriculture, and the Secretary of Housing and Urban Development, acting collaboratively.

(2) ELIGIBLE ENTITY.— the term “eligible pilot community” means a State, unit of general purpose local government, Tribal government, or an entity that represents a smaller geographical area therein (including a neighborhood).
(3) TARGET POPULATION.—The term “target population” includes an individual or household that—

(A) earns an income below 200 percent of the Federal poverty line,

(B) suffers from food insecurity,

(C) earns insufficient income to ensure food security or economic security,

(D) lives in a rural, suburban, or urban community that suffers from poverty, hunger, or food insecurity,

(E) is homeless,

(F) receives (or recently received) assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. et seq.), relating to temporary assistance to needy families,

(G) is eligible for benefits under any Federal nutrition assistance program or Federal antipoverty program, or

(H) is formerly a youth in transition from foster care or the juvenile detention facilities.

(4) PARTNER NONPROFIT ORGANIZATION.—The term “partner nonprofit organization” means any national, regional, State, or local nonprofit group de-
scribed in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.

SEC. 4. HOPE ACCOUNTS PILOT PROJECTS.

(a) PILOT PROJECTS AUTHORIZED.—The Secretaries shall allow eligible entities that apply to do so—based on an application to be created by the Secretaries—to carry out HOPE (Health, Opportunity, and Personal Empowerment) Accounts Pilot Projects (in this section referred to as Projects) to enable target populations of individuals to establish through banks, credit unions, and any governmental or Tribal agencies HOPE accounts that enable such individuals—

(1) to have their paycheques deposited directly in such accounts,

(2) to use such accounts to increase savings that would be matched with funds provided by government and private sources, including individual development accounts,

(3) to use an account app on a smart phone to easily locate and sign-up for job training and placement services online,

(4) to enable such individuals to use any smart phone, tablet, or computer—
(A) to learn about the public and philanthropic programs that provide benefits to such individuals, including aid to improve health, nutrition, job training and placement, housing, income and to receive Federal and State tax credits, and

(B) to apply at once from the convenience of their device for such benefits for which such individuals may be eligible,

(5) to receive a basic smart phone, tablet, or computer, along with a subsidized internet Wi-Fi access plan, if such individuals do not own a smart phone, tablet, or computer,

(6) to obtain the access and information described in paragraph (4) with assistance at libraries, government offices, or nonprofit agencies if such individuals are uncomfortable using internet technology themselves,

(7) to obtain access to the information described in paragraph (4), with the assistance of government or nonprofit employees, AmeriCorps national service participants, or Senior Corps members, to receive home visits if such individuals are elderly or disabled,
(8) to access health care information that specifies medical benefits, and any out-of-pocket costs, for each of the health plans for which such individuals may be eligible, and to empower them to easily select the plan that works best for them,

(9) enable such individuals to file directly (and without expending funds to obtain third-party tax filing services) to obtain Federal tax credits and refunds, and in States and localities with their own supplemental tax credits, to simultaneously file for those,

(10) to deposit cash in the account that is set aside for education, job training, starting a business, or buying a home and that would be nontaxable,

(11) to easily access and monitor, in 1 central online account—

(A) to be able to check the status, amounts, and recertification deadlines for some or all their benefits and savings, and

(B) to pay all bills online, saving high check cashing fees and enormous amounts of time,

(12) to budget their resources by using real-time cash flow data and long-term financial planning data, including calculating how much they would
lose in interest on credit cards versus how much
they would gain in interest by saving more,

(13) to access calendar and scheduling func-
tions that enable them to keep track of all job
search, work, family, and school obligations, as well
as any social service filing or appointment dates,

(14) to be protected by security and privacy
systems so that only such individuals, and not the
government, nonprofit, or banking partners would be
able to see or track private financial and appoint-
ment information, and

(15) notwithstanding other provisions of law, to
allow program applicants to easily and clearly au-
thorize their sharing of personal and financial infor-
mation with multiple government agencies, solely for
the purpose of those government agencies enabling
those to apply for and utilize government benefits.

(b) FISCAL YEARS.—Pilot projects authorized by
subsection (a) shall be carried out for a 1-year period in
each of the fiscal years 2020 through 2025.

SEC. 5. HOPE ACTION PLANS PILOT PROJECTS.

(a) PILOT PROJECTS AUTHORIZED.—The Secretaries
shall allow eligible entities that apply to do so—based on
an application to be created by the Secretaries—to carry
out HOPE Action Plans Pilot Projects to enable target
populations of individuals to partner with government and nonprofit organizations by entering into voluntary agreements to carry out long-term HOPE action plans that—

(1) specify exactly how the parties to such plans will help such individuals and their families earn, learn, and save better in order to ensure greater economic opportunity for themselves and their children by working together in a long-term, positive relationship for the purpose of ensuring upward mobility,

(2) could empower such individuals and their families to better organize their time and focus their activities on productive endeavors while providing them extra resources to do so,

(3) could be short-term, over just a year or 2, and aimed at helping families achieve very basic goals, such as avoiding homelessness and hunger,

(4) could be long-term with far more ambitious goals for upward mobility, and

(5) would require that participating individuals and families, government entities, and nonprofit partners have equal rights to hold each other accountable for plan outcomes and funding.

(b) Fiscal Years.—Pilot projects authorized by subsection (a) shall be carried out in each of the fiscal years 2020 through 2025.
SEC. 6. COMPETITIVE GRANTS FOR PILOT PROJECTS.

(a) Application for Grant.—The Secretaries shall each create grant application processes to competitively make grants to eligible entities to aid target populations. To be eligible to receive a grant for a fiscal year under this section, eligible entities shall submit to the appropriate Secretary an application that contains a description of how the applicant proposes to use the grant funds to implement the components of the pilot projects authorized by this section. Applications shall be submitted in such form, at such time, and containing such other information as the Secretaries may require.

(b) Form of Grants.—If a Secretary finds it appropriate, the Secretary may use cooperative agreements, as described in section 6305 of title 31, United States Code, for purposes of making grants under this section.

(c) Amount of Grant.—Grants made under this section shall range in amounts from $250,000 to $3,000,000, and should be proportionate to the geographical size, project complexity, and number of individuals participating in each project. Eligible entities may receive grants made under this section by 2 or more of the Secretaries. To the extent funds are available, each Secretary shall make not fewer than 8 such grants annually.

(d) Distribution of Grants.—To the extent practicable, the Secretaries shall make grants for pilot projects
that operate statewide, as well as pilot projects designed to serve specific rural, urban, and suburban areas. To the extent practicable, pilot projects for which grants are made shall be distributed among diverse administrative regions of Department of Housing and Urban Development, the Department of Health and Human Services, and the Department of Agriculture.

(e) PREFERENCE.—For purposes of making grants under this section, preference shall be given for pilot projects that—

(1) serve individuals in historically underserved, high-poverty, rural and urban communities,

(2) simultaneously test both HOPE Accounts and HOPE Action Plans,

(3) involve low-income individuals as equal partners in project planning and implementation,

(4) make additional funds available directly to low-income households through action plans, either through government payments or through nonprofit subgrantees,

(5) are matched by considerable non-Federal funds without penalizing very-low income, underserved rural and urban communities that cannot provide non-Federal matching funds,
(6) propose concrete plans for long-term sustainability and expansions without future Federal grant funds,

(7) assist low-income households to apply for the Federal earned income tax credits and State tax credits,

(8) provide resources in both English and additional languages commonly spoken in that jurisdiction,

(9) prioritize client facing technology and mobile device applications,

(10) include a robust monitoring and evaluation planning and reporting plan, including proposed staffing and reporting for that plan, including reporting on the extent to which the pilot makes it easier, quicker, and less costly for low-income Americans to access a variety of benefits, the extent to which the pilot will save administrative funds over the long-run, the extent to which the accuracy and integrity of the benefits programs included are maintained or improved, and the extent to which low-income households are able to more easily obtain free or low-cost banking services,

(11) subcontract part of the pilot project implementation work to United States-based private busi-
nesses, banks, savings and loans, credit unions, co-
ops and section 501(e)(3) nonprofit organizations
with relevant, successful experience in similar or re-
lated project activities,

(12) incorporate a benefits calculator to enable
applicants to learn how the receipt of some benefits
might or might not impact whether they are eligible
for other benefits and might impact the amount of
those other benefits for which they are eligible,

(13) include planning and funding for the pilot
entities to train their staffs and clients to utilize the
new technologies,

(14) in rural and other areas without strong
broad-band service, integrate activities under this
grant with other activities to strengthen local-broad
band service,

(15) enable low-income Americans to obtain
free or reduce price smart phones and free or re-
duced-price data services, and

(16) ensure that people without personal smart
phone, tablet, or computer access are able to benefit
from the systems and technological improvements in
the pilot projects at public locations such as public
libraries, community centers, and social service of-
ices.
SEC. 7. HOPE TECHNOLOGY INNOVATION CONTRACTS.

(a) Authority.—The Secretary of Health and Human Services, in consultation with the Secretary of Agriculture and the Secretary of Housing and Urban Development, shall hold a merit-based competition to award HOPE Technology Innovation Contracts to United States-based private businesses and section 501(c)(3) nonprofit organizations with relevant, successful experience in technology, to create technology apps, widgets, and templates that pilot entities can use to create HOPE accounts.

(b) Number of Contracts.—The Secretary will award no more than 10 and not fewer than 2 such contracts each fiscal year.

(c) Size of Contracts.—Contracts may range in size from $200,000 to $4,500,000.

(d) Availability to the Public.—All technologies developed with these funds will be open-sourced and available to the public for free.

(e) Household Data.—No contractor should have access to any client or household data through this project, except in cases they are also contractors or subgrantees for pilot entities, in which case they would have limited, functional access to such data. In no case shall a contractor share or sell client or household data.

(f) Preferences.—Preferences should be given to contracts that ensure the following:
(1) Client facing technology with top preferences mobile device applications and uses and secondary preferences to tablet and computer and texting uses.

(2) Incorporate fail-safe systems to maintain the privacy and security of data.

(3) Are easily adaptable at the lowest possible financial costs with the least possible staff time by pilot entities and other State, county, city, municipal, and Tribal governments in a manner that can easily be utilized by low-income Americans.

(4) Build in the ability to be easily updated as technologies evolve.

SEC. 8. MAINTENANCE OF EFFORT AND NONDISPLACEMENT OF WORKERS.

None of the pilot projects carried out under this Act shall do any of the following:

(1) Decrease the overall monetary value of Federal, State, local, or Tribal government funding assistance given to any individual or family, although all entities involved could independently, or jointly, increase funding under such projects.

(2) Decrease the overall Federal, State, local, or Tribal government funding for antipoverty programs spent by participating pilot communities and agen-
cies, although all entities involved may independ-
ently, or jointly, increase funding.

(3) Lengthen the amount of time or increase
the requirements necessary to receive any govern-
ment benefits, or in any way make it more difficult
to obtain any form of government assistance.

(4) Limit the legal rights of anyone in the tar-
get populations to receive government or nonprofit
assistance.

(5) Decrease overall public sector employment
in any eligible pilot community, but public employees
could be transferred at similar or higher salaries and
pay grades from positions that oversee paperwork to
positions that provide direct services to the public,
assuming such transfers do not violate collective bar-
raging agreements or their other rights as public
employees.

(6) Decrease or increase work requirements for
existing government programs.

(7) Reduce program integrity measures or in-
crease the possibility of fraud in any government
program.

(8) Track or monitor the physical location or
immigration status of immigrants, be used for any
immigration enforcement activity against any indi-
viduals, or be used to provide any data whatsoever to agencies involved in immigration enforcement activities or policy.

(9) Enable any pilot entity or contractor, subcontractor, or partner of any pilot entity to share or sell client or household data obtained through those projects.

(10) Eliminate the existing ability of applicants to apply for, recertify, or manage government benefits by physically visiting a government office.

**SEC. 9. ANNUAL REPORTS TO CONGRESS.**

(a) Report.—Not later than September 30 of each of fiscal years 2020 through 2026, the Secretaries shall submit to Congress a report on the results of pilot projects carried out under this Act.

(b) Contents of Report.—The report should include detailed data on the extent to which the pilot makes it easier, quicker, and less costly for low-income Americans to access a variety of benefits, the extent to which the pilot will save administrative funds over the long-run, the extent to which the accuracy and integrity of the benefits programs included are maintained or improved, and the extent to which low-income households are able to more easily obtain free or low-cost banking services.
SEC. 10. AUTHORIZATION OF APPROPRIATIONS; TECHNICAL ASSISTANCE AUTHORIZED.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this Act for each of the fiscal years 2020 through 2025—

(1) $10,000,000 to the Secretary of Housing and Urban Development, of which $500,000 shall be used internally by the Department of Housing and Urban Development for staff and other expenses to plan, award, and oversee pilot projects under this Act and $9,500,000 shall be available for grants under section 6,

(2) $10,000,000 to the Secretary of Agriculture, of which $500,000 shall be used internally by Department of Agriculture for staff and other expenses to plan, award, and oversee pilot projects under this Act and $9,500,000 shall be available for grants under section 6, and

(3) $15,000,000 to the Secretary of Health and Human Services, of which $500,000 shall be used internally by the Department of Health and Human Services for staff and other expenses to plan, award, and oversee pilot projects under this Act and $9,500,000 shall be available for grants under section 6, and 5,000,000 shall be available for contracts under section 7.
(b) TECHNICAL ASSISTANCE AUTHORIZED.—The Secretary of Health and Human Services, the Secretary of Agriculture, the Secretary of Housing and Urban Development, the Secretary of Veterans of Affairs, the Secretary of the Interior, the Secretary of Labor, the Commissioner of the Internal Revenue Service, the Chief Executive Officer of the Corporation for National and Community Service, the Administrator of the Small Business Administration, the Director of the Office of Management and Budget, the Office of Science and Technology, the Chairman of the Federal Deposit Insurance Corporation, and the Domestic Policy Council may—

(1) provide technical assistance, and

(2) solicit voluntary, nonmonetary assistance from universities, credit unions, and private sector technology companies, banks, and financial institutions,

to advance the objectives of the pilot projects carried out under this Act.