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(Original Signature of Member)

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 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 “Health, Opportunity,
5 and Personal Empowerment Act of 2020” or “HOPE Act
6 of 2020”.

7 **SEC. 2. FINDINGS.**

8 The Congress finds the following:

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

6 (2) In 2017, according to the Bureau of the
7 Census, 38,100,000 individuals (including
8 13,200,000 children) lived below the Federal poverty
9 line. The majority of these individuals living in pov-
10 erty were working people, children, older individuals,
11 and individuals with disabilities.

12 (3) Many low-income individuals work multiple
13 jobs and, contrary to common misconceptions, if un-
14 employed, they spend a great deal of time looking
15 for work. They often travel by public transportation,
16 laboriously making multiple connections to shuttle
17 between home, work, social service agencies, houses
18 of worship, and grocery stores. For those living in
19 rural and suburban areas far from work and without
20 adequate public transportation they rely upon vehi-
21 cles to get to work, but these are often less reliable
22 secondhand vehicles, that often break down. From
23 traveling greater distances between available jobs
24 and livable areas with affordable housing options,
25 seeking out scarce childcare options that fit a tight

1 budget and a constrained travel schedule, and caring
2 for elderly parents or grandparents because a senior
3 living facility is not financially realistic, low-income
4 individuals have little spare time.

5 (4) While government safety net programs help
6 tens of million of individuals avoid starvation, home-
7 lessness, and other outcomes even more dreadful
8 than everyday poverty, there are significant obstacles
9 that those seeking and maintaining government as-
10 sistance face for as long as they are eligible. Quali-
11 fied applicants are often required to travel signifi-
12 cant distances to multiple government offices, pre-
13 paring and submitting piles of nearly identical pa-
14 perwork to access the different government assist-
15 ance programs. Even when the application process
16 begins online, the eligible applicant is typically still
17 required to physically follow up with each govern-
18 ment office with physical copies, for near identical
19 meetings. As a result, many low-income people are
20 actually unaware of all the government benefits for
21 which they are eligible, reducing the amount of help
22 going to individuals in need by tens of billions of
23 dollars every year. The lines in these offices can
24 seem endless, and sometimes clients need to wait
25 outside, for hours, in the worst kinds of weather.

1 Many offices don't have weekend or night hours, so
2 an applicant is at risk of losing wages when often
3 their only option is to apply for government help
4 during work hours.

5 (5) Each year, many vital government programs
6 go underutilized because eligible beneficiaries are
7 hindered by obtrusive, time consuming, and repet-
8 itive application barriers. In 2015, according to the
9 Department of Agriculture, 15 percent of all people
10 eligible for supplemental nutrition assistance pro-
11 gram (SNAP), 25 percent of the "working poor" eli-
12 gible for SNAP, and 55 percent of seniors over 60
13 who were eligible failed to receive it.

14 (6) The United States has hundreds of thou-
15 sands of nonprofit groups providing high quality and
16 much needed social services, but it is nearly impos-
17 sible for struggling people to determine which of
18 those organizations provides services they need,
19 whether the organization is conveniently located, and
20 for which services they are eligible. If they do deter-
21 mine that a nonprofit (or multiple nonprofits) could
22 help, they need to take yet more time to visit each
23 one.

24 (7) Since many government and nonprofit pro-
25 grams require frequent reapplications and recertifi-

1 cations, a low-income person often has to repeat the
2 same endless and frustrating process.

3 (8) Technology has fundamentally revamped the
4 lives of most individuals, usually for the better. Ac-
5 cording to the Pew Research Center, 64 percent of
6 low-income individuals have a smart phone as of
7 2016 (not because a smart phone is a luxury but be-
8 cause it is an essential tool of learning and work in
9 modern America) but they rarely can use these de-
10 vices to apply for benefits. Digital technology, com-
11 bined with policy improvements, can simplify the
12 lives and boost the long-term self-sufficiency of our
13 lowest income residents.

14 **SEC. 3. DEFINITIONS.**

15 (1) SECRETARIES.—The term “Secretaries”
16 means the Secretary of Health and Human Services,
17 the Secretary of Agriculture, and the Secretary of
18 Housing and Urban Development, acting collabo-
19 ratively.

20 (2) ELIGIBLE ENTITY.— the term “eligible pilot
21 community” means a State, unit of general purpose
22 local government, Tribal government, or an entity
23 that represents a smaller geographical area therein
24 (including a neighborhood).

1 (3) TARGET POPULATION.—The term “target
2 population” includes an individual or household
3 that—

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

6 (B) suffers from food insecurity,

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

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

12 (E) is homeless,

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

18 (G) is eligible for benefits under any Fed-
19 eral nutrition assistance program or Federal
20 antipoverty program, or

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

23 (4) PARTNER NONPROFIT ORGANIZATION.—The
24 term “partner nonprofit organization” means any
25 national, regional, State, or local nonprofit group de-

1 scribed in section 501(c)(3) of the Internal Revenue
2 Code of 1986 and exempt from tax under section
3 501(a) of such Code.

4 **SEC. 4. HOPE ACCOUNTS PILOT PROJECTS.**

5 (a) PILOT PROJECTS AUTHORIZED.—The Secretaries
6 shall allow eligible entities that apply to do so—based on
7 an application to be created by the Secretaries—to carry
8 out HOPE (Health, Opportunity, and Personal Empower-
9 ment) Accounts Pilot Projects (in this section referred to
10 as Projects) to enable target populations of individuals to
11 establish through banks, credit unions, and any govern-
12 mental or Tribal agencies HOPE accounts that enable
13 such individuals—

14 (1) to have their paychecks deposited directly in
15 such accounts,

16 (2) to use such accounts to increase savings
17 that would be matched with funds provided by gov-
18 ernment and private sources, including individual de-
19 velopment accounts,

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

23 (4) to enable such individuals to use any smart
24 phone, tablet, or computer—

1 (A) to learn about the public and philan-
2 thropic programs that provide benefits to such
3 individuals, including aid to improve health, nu-
4 trition, job training and placement, housing, in-
5 come and to receive Federal and State tax cred-
6 its, and

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

10 (5) to receive a basic smart phone, tablet, or
11 computer, along with a subsidized internet Wi-Fi ac-
12 cess plan, if such individuals do not own a smart
13 phone, tablet, or computer,

14 (6) to obtain the access and information de-
15 scribed in paragraph (4) with assistance at libraries,
16 government offices, or nonprofit agencies if such in-
17 dividuals are uncomfortable using internet tech-
18 nology themselves,

19 (7) to obtain access to the information de-
20 scribed in paragraph (4), with the assistance of gov-
21 ernment or nonprofit employees, AmeriCorps na-
22 tional service participants, or Senior Corps members,
23 to receive home visits if such individuals are elderly
24 or disabled,

1 (8) to access health care information that speci-
2 fies medical benefits, and any out-of-pocket costs,
3 for each of the health plans for which such individ-
4 uals may be eligible, and to empower them to easily
5 select the plan that works best for them,

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

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

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

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

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

23 (12) to budget their resources by using real-
24 time cash flow data and long-term financial planning
25 data, including calculating how much they would

1 lose in interest on credit cards versus how much
2 they would gain in interest by saving more,

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

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

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

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

21 **SEC. 5. HOPE ACTION PLANS PILOT PROJECTS.**

22 (a) PILOT PROJECTS AUTHORIZED.—The Secretaries
23 shall allow eligible entities that apply to do so—based on
24 an application to be created by the Secretaries—to carry
25 out HOPE Action Plans Pilot Projects to enable target

1 populations of individuals to partner with government and
2 nonprofit organizations by entering into voluntary agree-
3 ments to carry out long-term HOPE action plans that—

4 (1) specify exactly how the parties to such plans
5 will help such individuals and their families earn,
6 learn, and save better in order to ensure greater eco-
7 nomic opportunity for themselves and their children
8 by working together in a long-term, positive relation-
9 ship for the purpose of ensuring upward mobility,

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

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

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

19 (5) would require that participating individuals
20 and families, government entities, and nonprofit
21 partners have equal rights to hold each other ac-
22 countable for plan outcomes and funding.

23 (b) FISCAL YEARS.—Pilot projects authorized by
24 subsection (a) shall be carried out in each of the fiscal
25 years 2020 through 2025.

1 **SEC. 6. COMPETITIVE GRANTS FOR PILOT PROJECTS.**

2 (a) APPLICATION FOR GRANT.—The Secretaries shall
3 each create grant application processes to competitively
4 make grants to eligible entities to aid target populations.
5 To be eligible to receive a grant for a fiscal year under
6 this section, eligible entities shall submit to the appro-
7 priate Secretary an application that contains a description
8 of how the applicant proposes to use the grant funds to
9 implement the components of the pilot projects authorized
10 by this section. Applications shall be submitted in such
11 form, at such time, and containing such other information
12 as the Secretaries may require.

13 (b) FORM OF GRANTS.—If a Secretary finds it appro-
14 priate, the Secretary may use cooperative agreements, as
15 described in section 6305 of title 31, United States Code,
16 for purposes of making grants under this section.

17 (c) AMOUNT OF GRANT.—Grants made under this
18 section shall range in amounts from \$250,000 to
19 \$3,000,000, and should be proportionate to the geo-
20 graphical size, project complexity, and number of individ-
21 uals participating in each project. Eligible entities may re-
22 ceive grants made under this section by 2 or more of the
23 Secretaries. To the extent funds are available, each Sec-
24 retary shall make not fewer than 8 such grants annually.

25 (d) DISTRIBUTION OF GRANTS.—To the extent prac-
26 ticable, the Secretaries shall make grants for pilot projects

1 that operate statewide, as well as pilot projects designed
2 to serve specific rural, urban, and suburban areas. To the
3 extent practicable, pilot projects for which grants are
4 made shall be distributed among diverse administrative re-
5 gions of Department of Housing and Urban Development,
6 the Department of Health and Human Services, and the
7 Department of Agriculture.

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

11 (1) serve individuals in historically under-
12 served, high-poverty, rural and urban communities,

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

15 (3) involve low-income individuals as equal part-
16 ners in project planning and implementation,

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

21 (5) are matched by considerable non-Federal
22 funds without penalizing very-low income, under-
23 served rural and urban communities that cannot
24 provide non-Federal matching funds,

1 (6) propose concrete plans for long-term sus-
2 tainability and expansions without future Federal
3 grant funds,

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

7 (8) provide resources in both English and addi-
8 tional languages commonly spoken in that jurisdic-
9 tion,

10 (9) prioritize client facing technology and mo-
11 bile device applications,

12 (10) include a robust monitoring and evaluation
13 planning and reporting plan, including proposed
14 staffing and reporting for that plan, including re-
15 porting on the extent to which the pilot makes it
16 easier, quicker, and less costly for low-income Ameri-
17 cans to access a variety of benefits, the extent to
18 which the pilot will save administrative funds over
19 the long-run, the extent to which the accuracy and
20 integrity of the benefits programs included are main-
21 tained or improved, and the extent to which low-in-
22 come households are able to more easily obtain free
23 or low-cost banking services,

24 (11) subcontract part of the pilot project imple-
25 mentation work to United States-based private busi-

1 nesses, banks, savings and loans, credit unions, co-
2 ops and section 501(c)(3) nonprofit organizations
3 with relevant, successful experience in similar or re-
4 lated project activities,

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

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

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

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

20 (16) ensure that people without personal smart
21 phone, tablet, or computer access are able to benefit
22 from the systems and technological improvements in
23 the pilot projects at public locations such as public
24 libraries, community centers, and social service of-
25 fices.

1 **SEC. 7. HOPE TECHNOLOGY INNOVATION CONTRACTS.**

2 (a) **AUTHORITY.**—The Secretary of Health and
3 Human Services, in consultation with the Secretary of Ag-
4 riculture and the Secretary of Housing and Urban Devel-
5 opment, shall hold a merit-based competition to award
6 HOPE Technology Innovation Contracts to United States-
7 based private businesses and section 501(c)(3) nonprofit
8 organizations with relevant, successful experience in tech-
9 nology, to create technology apps, widgets, and templates
10 that pilot entities can use to create HOPE accounts.

11 (b) **NUMBER OF CONTRACTS.**—The Secretary will
12 award no more than 10 and not fewer than 2 such con-
13 tracts each fiscal year.

14 (c) **SIZE OF CONTRACTS.**—Contracts may range in
15 size from \$200,000 to \$4,500,000.

16 (d) **AVAILABILITY TO THE PUBLIC.**—All technologies
17 developed with these funds will be open-sourced and avail-
18 able to the public for free.

19 (e) **HOUSEHOLD DATA.**—No contractor should have
20 access to any client or household data through this project,
21 except in cases they are also contractors or subgrantees
22 for pilot entities, in which case they would have limited,
23 functional access to such data. In no case shall a con-
24 tractor share or sell client or household data.

25 (f) **PREFERENCES.**—Preferences should be given to
26 contracts that ensure the following:

1 (1) Client facing technology with top pref-
2 erences mobile device applications and uses and sec-
3 ondary preferences to tablet and computer and
4 texting uses.

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

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

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

14 **SEC. 8. MAINTENANCE OF EFFORT AND NONDISPLACE-**
15 **MENT OF WORKERS.**

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

18 (1) Decrease the overall monetary value of Fed-
19 eral, State, local, or Tribal government funding as-
20 sistance given to any individual or family, although
21 all entities involved could independently, or jointly,
22 increase funding under such projects.

23 (2) Decrease the overall Federal, State, local, or
24 Tribal government funding for antipoverty programs
25 spent by participating pilot communities and agen-

1 cies, although all entities involved may independ-
2 ently, or jointly, increase funding.

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

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

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

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

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

23 (8) Track or monitor the physical location or
24 immigration status of immigrants, be used for any
25 immigration enforcement activity against any indi-

1 viduals, or be used to provide any data whatsoever
2 to agencies involved in immigration enforcement ac-
3 tivities or policy.

4 (9) Enable any pilot entity or contractor, sub-
5 contractor, or partner of any pilot entity to share or
6 sell client or household data obtained through those
7 projects.

8 (10) Eliminate the existing ability of applicants
9 to apply for, recertify, or manage government bene-
10 fits by physically visiting a government office.

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

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

16 (b) CONTENTS OF REPORT.—The report should in-
17 clude detailed data on the extent to which the pilot makes
18 it easier, quicker, and less costly for low-income Americans
19 to access a variety of benefits, the extent to which the pilot
20 will save administrative funds over the long-run, the extent
21 to which the accuracy and integrity of the benefits pro-
22 grams included are maintained or improved, and the ex-
23 tent to which low-income households are able to more eas-
24 ily obtain free or low-cost banking services.

1 **SEC. 10. AUTHORIZATION OF APPROPRIATIONS; TECH-**
2 **NICAL ASSISTANCE AUTHORIZED.**

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

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

13 (2) \$10,000,000 to the Secretary of Agri-
14 culture, of which \$500,000 shall be used internally
15 by Department of Agriculture for staff and other ex-
16 penses to plan, award, and oversee pilot projects
17 under this Act and \$9,500,000 shall be available for
18 grants under section 6, and

19 (3) \$15,000,000 to the Secretary of Health and
20 Human Services, of which \$500,000 shall be used
21 internally by the Department of Health and Human
22 Services for staff and other expenses to plan, award,
23 and oversee pilot projects under this Act and
24 \$9,500,000 shall be available for grants under sec-
25 tion 6, and 5,000,000 shall be available for contracts
26 under section 7.

1 (b) TECHNICAL ASSISTANCE AUTHORIZED.—The
2 Secretary of Health and Human Services, the Secretary
3 of Agriculture, the Secretary of Housing and Urban De-
4 velopment, the Secretary of Veterans of Affairs, the Sec-
5 retary of the Interior, the Secretary of Labor, the Com-
6 missioner of the Internal Revenue Service, the Chief Exec-
7 utive Officer of the Corporation for National and Commu-
8 nity Service, the Administrator of the Small Business Ad-
9 ministration, the Director of the Office of Management
10 and Budget, the Office of Science and Technology, the
11 Chairman of the Federal Deposit Insurance Corporation,
12 and the Domestic Policy Council may—

13 (1) provide technical assistance, and

14 (2) solicit voluntary, nonmonetary assistance
15 from universities, credit unions, and private sector
16 technology companies, banks, and financial institu-
17 tions,

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