

116TH CONGRESS
2D SESSION

S. 3484

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

IN THE SENATE OF THE UNITED STATES

MARCH 12, 2020

Mrs. GILLIBRAND introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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 Congress finds the following:

9 (1) In 2018, according to the Department of
10 Agriculture, 37,200,000 individuals in the United

1 States (including 11,100,000 children) lived in food
2 insecure households. That equals 1 in 9 individuals
3 and 1 in 7 children.

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

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

1 living facility is not financially realistic, low-income
2 individuals have little spare time.

3 (4) While government safety net programs help
4 tens of million of individuals avoid starvation, home-
5 lessness, and other outcomes even more dreadful
6 than everyday poverty, there are significant obstacles
7 that those seeking and maintaining government as-
8 sistance face for as long as they are eligible. Quali-
9 fied applicants are often required to travel signifi-
10 cant distances to multiple government offices, pre-
11 paring and submitting piles of nearly identical pa-
12 perwork to access the different government assist-
13 ance programs. Even when the application process
14 begins online, the eligible applicant is typically still
15 required to physically follow up with each govern-
16 ment office with physical copies, for near identical
17 meetings. As a result, many low-income people are
18 actually unaware of all the government benefits for
19 which they are eligible, reducing the amount of help
20 going to individuals in need by tens of billions of
21 dollars every year. The lines in these offices can
22 seem endless, and sometimes clients need to wait
23 outside, for hours, in the worst kinds of weather.
24 Many offices don't have weekend or night hours, so
25 an applicant is at risk of losing wages when often

1 their only option is to apply for government help
2 during work hours.

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

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

23 (7) Since many government and nonprofit pro-
24 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 In this Act:

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

21 (2) ELIGIBLE ENTITY.—The term “eligible pilot
22 community” means a State, unit of general purpose
23 local government, Tribal government, or an entity
24 that represents a smaller geographical area therein
25 (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. 601 et seq.), relating to temporary as-
17 sistance 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 such Secretaries
7 to carry out Health, Opportunity, and Personal Empower-
8 ment (“HOPE”) Accounts Pilot Projects to enable target
9 populations of individuals to establish through banks,
10 credit unions, and any governmental or Tribal agencies
11 HOPE accounts that enable such individuals—

12 (1) to have their paychecks deposited directly in
13 such accounts;

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

18 (3) to use an account mobile application on a
19 smart phone to easily locate and sign up for job
20 training and placement services online;

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

23 (A) to learn about the public and philan-
24 thropic programs that provide benefits to such
25 individuals, including aid to improve health, nu-

1 trition, job training and placement, housing,
2 and income;

3 (B) to receive Federal and State tax cred-
4 its; and

5 (C) to apply for, submit eligibility docu-
6 ments for, enroll in, and manage the use of
7 such benefits at once through the convenience
8 of their device if individuals or their households
9 are eligible for one or more of such benefits;

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 such individ-
5 uals to easily select the plan that works best for
6 them;

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

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

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

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

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

24 (12) to budget resources by using real-time
25 cash flow data and long-term financial planning

1 data, including calculating how much such individ-
2 uals would lose in interest on credit cards versus
3 how much such individuals would gain in interest by
4 saving more;

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

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

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

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

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

2 (a) PILOT PROJECTS AUTHORIZED.—The Secretaries
3 shall allow eligible entities that apply to such Secretaries
4 to carry out HOPE Action Plans Pilot Projects to enable
5 target populations of individuals to partner with govern-
6 ment and nonprofit organizations by entering into vol-
7 untary agreements to carry out long-term HOPE action
8 plans that—

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

15 (2) are designed to empower such individuals
16 and their families to better organize their time and
17 focus their activities on productive endeavors while
18 providing them extra resources to do so;

19 (3) may be—

20 (A) short-term, conducted over a year or 2
21 years, and aimed at helping families achieve
22 very basic goals, such as avoiding homelessness
23 and hunger; or

24 (B) long-term with far more ambitious
25 goals for upward mobility; and

1 (4) would require that participating individuals
2 and families, government entities, and nonprofit
3 partners have equal rights to hold each other ac-
4 countable for plan outcomes and funding.

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

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

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

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

24 (c) AMOUNT OF GRANT.—Grants made under this
25 section shall range in amounts from \$250,000 to

1 \$3,000,000, and should be proportionate to the geo-
2 graphical size, project complexity, and number of individ-
3 uals participating in each project. Eligible entities may re-
4 ceive grants made under this section by two or more of
5 the Secretaries. To the extent funds are available, each
6 Secretary shall make not fewer than 8 such grants annu-
7 ally.

8 (d) DISTRIBUTION OF GRANTS.—To the extent prac-
9 ticable, the Secretaries shall make grants for pilot projects
10 that operate statewide, as well as pilot projects designed
11 to serve specific rural, urban, and suburban areas. To the
12 extent practicable, pilot projects for which grants are
13 made shall be distributed among diverse administrative re-
14 gions of Department of Housing and Urban Development,
15 the Department of Health and Human Services, and the
16 Department of Agriculture.

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

20 (1) serve individuals in historically underserved,
21 high-poverty, rural or urban communities;

22 (2) simultaneously test both HOPE Accounts
23 and HOPE Action Plans;

24 (3) involve low-income individuals as equal part-
25 ners in project planning and implementation;

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

5 (5) are matched by considerable non-Federal
6 funds without penalizing very-low income, under-
7 served rural and urban communities that cannot
8 provide non-Federal matching funds;

9 (6) propose concrete plans for long-term sus-
10 tainability and expansions without future Federal
11 grant funds;

12 (7) assist low-income households to apply for
13 the Federal earned income tax credits and State tax
14 credits;

15 (8) provide resources in both English and addi-
16 tional languages commonly spoken in the applicable
17 area;

18 (9) prioritize client-facing, fully tested tech-
19 nology and mobile device applications;

20 (10) include a robust monitoring and evaluation
21 planning and reporting plan, including proposed
22 staffing and reporting for that plan, including re-
23 porting on the extent to which the pilot makes it
24 easier, quicker, and less costly for low-income indi-
25 viduals to access a variety of benefits, the extent to

1 which the pilot will save administrative funds over
2 the long-run, the extent to which the accuracy and
3 integrity of the benefits programs included are main-
4 tained or improved, and the extent to which low-in-
5 come households are able to more easily obtain free
6 or low-cost banking services;

7 (11) subcontract part of the pilot project imple-
8 mentation work to United States-based private busi-
9 nesses, banks, savings and loans, credit unions, co-
10 ops and nonprofit organizations described in section
11 501(c)(3) of the Internal Revenue Code of 1986
12 with relevant, successful experience in similar or re-
13 lated project activities;

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

19 (13) include planning and funding for the pilot
20 entities to train their staffs and clients to utilize the
21 new technologies;

22 (14) in rural and other areas without strong
23 broad-band service, integrate activities under the
24 grant with other activities to strengthen local-broad
25 band service;

1 (15) enable low-income individuals to obtain
2 free or reduced price smart phones and free or re-
3 duced-price data services;

4 (16) ensure that individuals without personal
5 smart phone, tablet, or computer access are able to
6 benefit from the systems and technological improve-
7 ments in the pilot projects at public locations such
8 as public libraries, community centers, and social
9 service offices;

10 (17) propose a detailed, workable plan to thor-
11 oughly beta test and field test any new technologies
12 or systems in the pilot project before making such
13 technologies or systems available to all households,
14 individuals, or the entire pilot area; and

15 (18) identify the applicable Federal, State,
16 local, or Tribal statutory and regulatory authorities,
17 including waiver authorities, to be potentially lever-
18 aged to most effectively implement the proposed
19 pilot project.

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

21 (a) **AUTHORITY.**—The Secretary of Health and
22 Human Services, in consultation with the Secretary of Ag-
23 riculture and the Secretary of Housing and Urban Devel-
24 opment, shall hold a merit-based competition to award
25 HOPE Technology Innovation Contracts to United States-

1 based private businesses and nonprofit organizations de-
2 scribed in section 503(c)(3) of the Internal Revenue Code
3 of 1986 with relevant, successful experience in technology,
4 to create technology, including mobile applications, widg-
5 ets, and templates that pilot entities can use to create
6 HOPE accounts.

7 (b) NUMBER OF CONTRACTS.—The Secretary shall
8 award no more than ten and not fewer than two such con-
9 tracts each fiscal year.

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

12 (d) AVAILABILITY TO THE PUBLIC.—All technologies
13 developed with funding provided under this section shall
14 be open-sourced and available to the public for free.

15 (e) HOUSEHOLD DATA.—No contractor shall have
16 access to any client or household data through a project
17 under this section, unless such contractor is a contractor
18 or subgrantee for a pilot entity, in which case such con-
19 tractor may have limited, functional access to such data.
20 In no case shall a contractor share or sell client or house-
21 hold data.

22 (f) PREFERENCES.—In making awards under this
23 section, the Secretary of Health and Human Services shall
24 give preference to applicants that ensure the following
25 with respect to the applicable technology:

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 individuals.

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.—Each report under sub-
17 section (a) shall include detailed data on the extent to
18 which the pilot makes it easier, quicker, and less costly
19 for low-income individuals to access a variety of benefits,
20 the extent to which the pilot will save administrative funds
21 over the long-term, the extent to which the accuracy and
22 integrity of the benefits programs included are maintained
23 or improved, and the extent to which low-income house-
24 holds are able to more easily obtain free or low-cost bank-
25 ing 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 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, for the purpose of
13 advancing the objectives of the pilot projects carried out
14 under this Act—

15 (1) provide technical assistance;

16 (2) solicit voluntary, nonmonetary assistance
17 from institutions of higher education, credit unions,
18 and private sector technology companies, banks, and
19 financial institutions; and

20 (3) inform eligible entities of the applicable
21 Federal, State, local, or Tribal statutory and regu-
22 latory authorities, including waiver authorities.

○