Subtitle A – Universal Paid Family and Medical Leave
Section-by-Section

Section 130001. Paid Family and Medical Leave.
This section amends the Social Security Act to create a new "***Title XXII—Paid Family and Medical Leave Benefits***" which includes investments in 12 weeks of paid family and medical leave benefits for all American workers and related conditions of funding. The rest of the Subtitle contains the sections in the new Title XXII of the Social Security Act.

Section 2201. Table of Contents.
Provides a table of contents for the new Title XXII.

Section 2202. Paid Family and Medical Leave Benefit Eligibility.
This section describes who qualifies for paid family and medical leave, and under what circumstances they qualify.

Subsection (a). Entitlement.
Entitles an individual to a federal family and medical leave benefit if they:

- Have filed an application;
- Have (or anticipate having) 4 or more hours of qualified caregiving (defined in subsection (c)) during a week, in the 90-day period prior to submitting the application (if the application is filed after caregiving begins), or up to 180 days after submitting the application (in advance of an anticipated need for paid leave);
- Have any wages or self-employment income at any time during the period beginning with the most recent calendar quarter that ends at least 4 months prior to the start of the individual's benefit period and ending with the month before the benefit period begins. (This most recent calendar quarter is the last quarter of the 8-quarter period used in the benefit calculation under section 2203. If an individual has any wages in that quarter, they do not need to show wages since that time.)

Subsection (b). Benefit Period.
An individual's benefit period lasts for 12 months; during that period, they may receive up to 12 weeks of paid leave (or, if taking partial leave, the equivalent of 12 full weeks). The 1-year benefit period starts with the month in which ends the first week in which the individual has at least 4 hours of qualified caregiving (which for retroactive applications can be up to 90 days before an application is filed).

Benefits start in July 2023.

Subsection (c). Caregiving Hours.
This subsection defines a "caregiving hour," which is an hour for which an individual may receive federal benefits (subject to waiting periods, benefit periods, and limitations on eligibility).

Subsection (c)(1).
A "caregiving hour" is an hour in which an individual engaged in qualified caregiving.

Subsection (c)(2).
"Qualified caregiving" is an activity performed instead of working for monetary compensation (generally including wages or full pay during other accrued time off, such as paid sick leave or vacation time). The activity must be undertaken for a reason that would qualify for unpaid leave under the Family and Medical Leave Act (FMLA): to address a serious personal or family health issue; to care for a newborn, newly adopted child, or new foster child; or for circumstances arising from a loved one's military deployment or serious injury. However, this subsection expands the types of family relationships which allow individuals to seek caregiving leave to include siblings, grandparents, and grandchildren; the spouses of family members; and any other association by blood or affinity that is equivalent to a family relationship, as defined in regulations by the Secretary of the Treasury. An individual does not need to be eligible for unpaid leave under the FMLA for hours to be considered qualified caregiving for the purposes of this program.

Bereavement at the death of a spouse, parent or child is also a qualified caregiving activity (but as described in subsection (d), is limited to the equivalent of 3 full workdays).

Generally, if an employee is receiving wages or other compensation (such as paid sick leave, paid vacation, or other paid time off) while performing caregiving, such time does not constitute qualified caregiving for the purposes of federal benefit eligibility. However, an employee may receive compensation from their employer to supplement (or "top up") their weekly federal benefit amount, so long as the employer compensation plus the federal paid leave benefit combined do not exceed the worker's regular rate of pay.

The program covers all workers: full-time and part-time workers including gig workers and other self-employed workers, in both the private and public sector (including federal employees, and state and local employees who are covered for the purposes of Medicare Part A), and without regard to employer size. Workers are covered without regard to tenure on their current job, so long as they meet eligibility criteria under section 2202(a) including for recent wages or self-employment income.

Workers will be covered either through the federal benefits program, or through a qualifying "legacy state" or a comprehensive employer-sponsored program for which the state or employer is reimbursed by the federal government, as described in sections 2209 and 2210. Individuals whose employment is covered by such a state or employer-sponsored program are not eligible for federal benefits for leave from that job.

Subsection (d). Treatment of Bereavement Leave.
Bereavement leave is limited to 3/5 of the number of hours in the individual's regular workweek (i.e., 3 days for someone who normally works 5 days a week).

Subsection (e). No Caregiving Hours in Individual's Week of Death.
Benefits are not paid for the week during which the individual (the worker on leave) dies.

Subsection (f). Disqualification Following Certain Convictions.
Individuals are ineligible for benefits for five years after any finding that they used false statements to secure family and medical leave benefits.

Section 2203. Benefit Amount.
This section describes how the benefit amount is calculated. Paid family and medical leave benefits are calculated using a progressive formula designed to replace at least two-thirds of earnings for most workers, and a larger share for low-income workers. (Wages over $250,000 are not counted in the benefit formula.)

Subsections (a) and (b). In general; weekly benefit rate.
The weekly benefit rate is based on a worker's past earnings; weekly benefit amounts are prorated if a worker takes less caregiving leave than the full hours they normally work. Benefits will be paid out monthly for all weeks that end during that month.

The Secretary will first calculate the worker's average weekly earnings, which are their earnings and self-employment income (or unemployment compensation) during the most recent 8 quarters of wage data, ending with the quarter that ends at least 4 months prior to the start of the individual's benefit period. This amount will be determined based on quarterly wage data from the National Directory of New Hires (NDNH) and self-employment income data from tax returns, except that Treasury shall also consider any additional evidence of wages or self-employment income voluntarily submitted by the individual.

Using this average weekly earnings amount, the Secretary will then apply a progressive benefit formula that replaces a greater share of wages for lower-earning workers. Specifically, with respect to benefits payable starting July 2023, the formula replaces 85 percent of the first $290 of average weekly earnings, plus 75 percent of average weekly earnings between $290 and $659, plus 55 percent of average weekly earnings between $659 and $1,385, plus 25 percent of average weekly earnings between $1,385 and $1,923, plus 5 percent of average weekly earnings between $1,923 and $4,808. (In future years, these dollar amounts will be indexed by the Social Security Average Wage Index so that replacement rates are maintained over time.) This computation determines the weekly benefit rate, which is the amount that is paid to a worker who takes a full week of caregiving leave.

If a worker takes partial leave in a week, the benefit amount they are due for that week is prorated to reflect the fraction of their regular workweek for which they took caregiving leave. Specifically, the individual's weekly benefit rate as calculated above is multiplied by a fraction that compares the individual's number of caregiving hours credited to that week, to their regular workweek hours (as defined in subsection (d) below).

Subsection (c). Crediting of Caregiving Hours to a Week. Hours of qualified caregiving will be credited to a week (i.e., will count towards a worker's benefit amount for that week), subject to the following specifications. A worker is eligible to receive up to 12 weeks of leave during the 1-year benefit period (or, for those taking partial weeks, at the equivalent of 12 full weeks). The minimum number of hours that can be credited to a week is 4 hours. A worker cannot be paid for more caregiving hours than they currently work in a regular workweek. In addition, the worker must complete a one-week waiting period before benefits can start (defined as having at least 4 hours of qualified caregiving in that week); they may use employer-provided leave benefits (including sick days, vacation, or paid time off) during this waiting period.

Subsection (d). Number of Hours in a Regular Workweek. An individual's regular workweek is the number of hours they regularly work in a week for all employers.

Section 2204. Benefit Determination and Payment.
This section describes responsibilities of both workers and the Secretary of the Treasury regarding benefit determination and payment.

Subsection (a). In general.
To be eligible for benefits, a worker must file an application. The information in the application and periodic benefit claim report shall be presumed to be true and accurate unless the Secretary demonstrates by a preponderance of evidence that the information is false; however, the Secretary shall establish procedures to validate the identity of the individual filing the application, and penalties and exclusions for false statements described in other sections shall apply.

Subsection (b). Required Contents of Initial Application.
The application must include:

- an attestation that the individual has, or anticipates having, at least 4 caregiving hours in a week;
- a certification of the need for leave issued by a relevant authority (such as a doctor or other medical professional), which shall be no more than the information that is required under the FMLA;
- an attestation that the worker's employer was provided with notice of the need to be absent from work for qualified caregiving, not later than 7 days after such need arises, except in case of hardship or extenuating circumstances or if the individual is self-employed;
- (optional) pay stubs or other evidence of recent wages if needed (most workers would not need to submit this evidence because it would be available to the Secretary through NDNH);
- an attestation of the number of hours in the individual's regular workweek; and
- an attestation that the worker has not been notified by their employer that they would be eligible for leave from a legacy state program under section 2209 or an employer-sponsored program under section 2210.

The subsection also sets out procedures for applications in advance of needed leave (for example, new parent leave or scheduled medical treatment, like chemotherapy) and applications filed after leave begins (for example, sudden injury or accident).

Subsection (c). Periodic Benefit Claim Report.
In order to be paid for a month, an individual who has been found eligible for benefits must file a periodic benefit claim report specifying their caregiving hours during each week that ends in that month. The individual must file the report not later than 60 days after the end of a month (with exceptions for good cause). However, an individual who is applying for retroactive benefits may report on their prior caregiving hours as part of their initial application and the 60-day time limit does not apply.

Subsection (d). Determination and Notice Requirements.
Requires the Secretary of the Treasury to notify individuals of the initial determination of eligibility not more than 15 days after the application has been filed, and to determine and provide notice of the number of caregiving hours to be credited to each week in a month and paid for the month within 15 days of the filing of the claim report. The notices must inform individuals of: their benefit amount; the information the Secretary used to determine their eligibility and benefit amount (such as the 8 quarters used for their benefit computation, the wages and self-employment information recorded for those quarters, the number of caregiving hours credited per week, etc.); and their rights to submit additional evidence of wages or self-employment income, and to appeal a determination. The notices must be written in clear and simple language (in addition to existing federal requirements for language access under Executive Order 13166 and disability access under the Americans with Disabilities Act and the Rehabilitation Act). This subsection also requires the Secretary to establish a process for individuals who experience new reasons for caregiving during a benefit period to notify the Secretary of these changing circumstances (without having to file a new application).

Subsection (e). Certification of Payment.
Requires benefits to be paid not later than 15 days after the Secretary makes a determination based on a periodic claim report.

Subsection (f). Expedited Benefit Payment in Cases of Missing Payment.
Requires the Secretary of the Treasury to expedite benefit payment in the event that a payment was due, but is missing.

Subsection (g). Submission of Required Information.
An application for paid leave, a periodic benefit claim report, and related information may be submitted by phone, mail, or electronically. Information in support of an application, periodic benefit claim report, or appeal may be submitted by any person including the individual, their representative, their employer, or the relevant authority who must certify the need for caregiving for a qualified purpose. The Secretary must provide prompt notice of receipt of such information.

Section 2205. Appeals.
This section describes the rights to appeal a determination of family and medical leave eligibility or benefits, the appeals procedures to be used by the Secretary of the Treasury, and the Secretary's authority to issue and enforce subpoenas.

Subsection (a). In general.
This subsection provides individuals with the right to appeal to the Secretary of the Treasury a determination of federal paid family and medical leave benefits under section 2202 or a determination of a qualified employer plan under section 2210 (if the plan's internal appeal process results in a determination that is unfavorable to the individual), and to appeal a final decision of the Secretary to federal court.

Subsection (b). Procedures.
This subsection requires the Secretary to ensure that appeals are heard in a timely manner using procedures similar to those for appeals of initial determinations of Medicare Low-Income Subsidy (LIS) eligibility by the Social Security Administration: the individual has the right to a timely, non-adversarial hearing presided over by a decisionmaker who is different from the initial decisionmaker.

Subsection (c). Authority to Issue and Enforce Subpoenas.
This subsection gives the Secretary the power to issue and enforce subpoenas for the purpose of hearings, investigations, or other proceedings with regard to paid family and medical leave benefits under this bill.

Section 2206. Stewardship.
This section describes required activities to prevent disparities, correct underpayment and overpayment errors, and limits overpayment recovery when it might cause hardship.

Subsection (a). Promoting Equity.
This subsection requires the Secretary to conduct a robust program to analyze and prevent disparities in benefits and access to paid family and medical leave benefits under this bill on the basis of race, color, ethnicity, religion, sex, sexual orientation, gender identity, disability, age, national origin, family composition, or living arrangements.

Subsection (b). Underpayments and Overpayments.
This subsection requires the Secretary to promptly pay any underpayment and must collect any overpayment. The Secretary must promptly notify an individual if more or less than the correct amount of paid family and medical leave benefits has been paid. In certain cases, such as if an individual was without fault and collection of an overpayment would be against equity or good conscience, the Secretary shall waive the collection of overpayments.

Subsection (c). Penalties and Other Procedures. This subsection requires the Secretary to establish procedures and penalties for fraud related to family and medical leave benefits that are similar to the procedures and penalties under sections 1136 and 1632 of the Social Security Act, to exclude individuals who have engaged in fraud from representing applicants or submitting evidence in support of a benefit claim, and to redetermine entitlement promptly if there is reason to believe fraud or similar fault was involved in an application for family and medical leave benefits.

Section 2207. Funding for Benefit Payments, Grants, and Program Administration.
This section directly appropriates funding for paid family and medical leave.

Subsection (a). Funding for Benefit Payments and Grants.
This subsection directly appropriates such sums as are necessary to pay the paid family and medical leave benefits under this bill, the grants to legacy states under section 2209, and the grants to eligible employers under section 2210. It also limits the total number of weeks eligible for federal payment or reimbursement through a grant to a legacy state under section 2209, within each person's twelve-month benefit period, to 12.

Subsection (b). Funding for Program Administration.
This subsection directly appropriates such sums as are necessary for administrative costs, including for the following purposes:

- Service to applicants and beneficiaries, including taking applications, responding to public inquiries, assisting with problem resolution, taking requests for appeals, and operating a national toll-free phone number;
- Determining eligibility;
- Ensuring program integrity and combating fraud, including verifying the identity of applicants and verifying the professional credentials of doctors or other professionals who submit certifications;
- Certifying benefit payments;
- Administering the appeals process;
- Administering the legacy state grant program under Sec. 2209 and the employer-sponsored plan grant program under Sec. 2210;
- Developing the necessary systems of records for administering this program;
- Data exchange and sharing;
- Employee training, including training relating to the prevention of discrimination on the basis of race, color, ethnicity, religion, sex, sexual orientation, gender identity, disability, age, national origin, family composition, or living arrangements;
- Providing technical assistance to legacy states under Sec. 2209 and to employers (or third-party administrators) under Sec. 2210; and
- Providing technical assistance to small business employers regarding the assistance grants in Sec. 2211, and regarding access to paid leave for their employees

Section 2208. Funding for Outreach, Public Education, and Research.
This section provides funding for outreach, public education, and research in support of awareness and access to federal paid family and medical leave benefits.

Subsection (a). Funding for Outreach and Public Education.
This subsection provides $150 million per year in each of FY2022 through 2026 for the Secretary to engage in a robust program of culturally and linguistically competent outreach and public education to ensure awareness of and access to the federal paid family and medical leave program, and to increase participation among workers who need it, including providing information to potential beneficiaries and a model notice for employers.

Subsection (b). Funding for Research.
This subsection invests $150 million per year in each of FY2023 through 2027 for the Secretary to fund research to ensure full access to paid family and medical leave benefits, including through the detection and prevention of disparities on the basis of race, color, ethnicity, religion, sex, sexual orientation, gender identity, disability, age, or national origin, income, language, job classification, family composition, or living arrangement. The Secretary is also required to publish a comprehensive annual report on the federal paid family and medical leave program.

Section 2209. State Administration Option for Legacy States.
This section provides an option for states with already-enacted paid leave laws which provide benefits equivalent to the new federal benefits to continue operating their own programs and be reimbursed by the Secretary of the Treasury.

Subsection (a). In general.
This subsection describes the option for legacy states (defined below) to continue operating their programs and receive an annual grant from the Secretary of the Treasury that is equal to the lesser of the following:

- the total amount of family and medical leave benefits that would otherwise have been paid to affected individuals under this title (including administrative costs), as estimated by the Secretary; or
- the total cost of the state's paid leave program (including administrative costs).

Grants will be issued annually for the prior calendar year, although the Secretary may issue estimated advance payments during the year. Grants will begin in 2024 for benefits paid starting July 1, 2023 (when benefits start under the federal paid family and medical leave program) through December 21, 2023.

Subsection (b). Legacy State.
This subsection defines a legacy state as a state that: 1) had enacted a law providing paid family and medical leave benefits as of the date of enactment of this bill, and 2) beginning with the first calendar year that starts three years after the date of enactment of this bill (2025), provides a comprehensive paid leave program that covers all workers in the state who would be covered under the federal benefits program (except as noted below), for all types of caregiving leave covered under the federal benefits program, and provides at least 12 weeks of paid family and medical leave benefits per year in amounts that are at least equivalent to the benefits under the federal benefits program. Legacy state programs must cover state and local employees, except that such employees who are covered by a collective bargaining agreement may be excluded if 90 percent of the employees under the agreement agree to such exclusion; additionally, legacy state programs are not required to cover federal employees, who all are fully covered by the federal program. Only states that have an enacted a paid family and medical leave law at the time of enactment of this bill are eligible to be legacy states.

Subsection (c). Data Sharing.
This subsection requires legacy states to enter into data-sharing agreements with the Secretary to provide the necessary data on:

- eligible individuals and benefits paid under the state paid family and medical leave program;
- the total cost of the state family and medical leave program; and
- other information as the Secretary determines may be necessary to carry out this bill including for promoting equity under subsection 2206(a) and for research under subsection 2208(b).

Subsection (d). Funding for Transitional Costs for Legacy States.
This subsection provides grants to assist legacy states with transitional costs associated with creating new technology systems and sharing information with the Secretary of the Treasury to demonstrate that they meet the legacy state standard.

Subsection (d)(1). In general.
This paragraph directly appropriates such sums as necessary for the Secretary to provide legacy states with transition grants under subsection (d)(2).

Subsection (d)(2). Transition Grants.
The Secretary is required to make a grant to each legacy state that certifies it intends to remain a legacy state through the first calendar year that is 3 calendar years after enactment of this bill (2025) and agrees to repay the grant if fails to remain a legacy state through 2025 or fails to meet the data sharing requirements under subsection (c).

Subsection (d)(3). Amount of Grant.
The grant paid by the Secretary will be one-half of a legacy state's costs of creating new technology systems to meet the data sharing requirements under subsection (c) and of demonstrating to the Secretary that its plan provides benefits which are equivalent to the federal benefit. Grants will cover eligible costs incurred from the time of enactment of this bill through the first calendar year that is 3 calendar years after enactment of this bill (2025).

Subsection (d)(4). Estimated Advance Payments.
The Secretary may issue estimated advance payments of transition grants to legacy states for any calendar year.

Section 2210. Reimbursement Option for Employer-Sponsored Paid Leave Benefits.
Provides an option for employers to receive reimbursement for comprehensive paid leave benefits they sponsor or directly provide to their workers (instead of the benefits their workers would receive directly from the federal program) if they meet all conditions of the section.

Subsection (a). In general.
Provides two different payment mechanisms for different kinds of employer-sponsored plans.

Insured employer plans that meet all conditions of the subsection will be reimbursed at a rate equal to 90 percent of the projected national average cost of providing the full benefit package outlined in the model template in this section, assuming no more administrative cost than the average in the publicly administered program, multiplied by the number of employees (pro-rated for part-time employees) covered by the plan.

Employers who self-insure and pay benefits directly, whether or not they use a third party administrator to manage the plan, will be reimbursed for 90 percent of the cost of up to 12 weeks of qualified paid leave benefits (in a plan that is equal to or better than the public plan), unless that amount exceeds the national average weekly benefit paid in the public plan for that number of weeks multiplied by the number of weeks used, in which case the employer will be reimbursed for the national average multiplied by the number of weeks of benefits provided. Self-insured plans are also subject to additional conditions specified in (b)(1)(H).

Subsection (b). Eligibility; Application Requirements.
Outlines eligibility and application requirements for employers who sponsor a paid family and medical leave plan and wish to receive federal reimbursement.

The federal government and legacy states (and their political subdivisions) are not eligible for reimbursement and sets forth the additional criteria for eligible employers.

Subsection (b)(1).
Provides rules and requirements for participating employers, including:

- Limits eligibility to employers who have at least one employee in a non-legacy state.
- Requires employers who wish to receive reimbursement to notify the Secretary, certify that they will have in effect a plan that meets all the requirements, provide all documentation by the deadlines specified in (b)(2), and pay an initial application fee of $1,000 or a renewal application fee of $200 each calendar year.
- Specifies that employers are only eligible for reimbursement once the Secretary determines that the application and the benefits meet all the requirements of the section.
- Requires the application to include an attestation that the plan will be in effect for the full year (or in the case of a plan started mid-year, for the rest of the year) and all information needed to identify the employees and, if needed, pro-rate payments based on benefits paid to part-time workers, as well as any other information required by the Secretary.
- Requires employers to retain all records relating to the paid family and medical leave benefits program for at least 3 years.
- Lists employee rights that are a condition of the grant. They include: guaranteed reinstatement to current job or an equivalent job after leave; continuation of the group health insurance; the right to appeal adverse decisions internally, and, if denied benefits at that level, to the Secretary; the right to receive an annual notice of available benefits and appeal rights; and a prohibition on having to pay a fee to receive coverage or benefits. These protections are conditions of the employer reimbursement in this section even if the employee's leave is not covered by the Family and Medical Leave Act (FMLA).
- Requires employers to provide assurances that employees who exercise their right to paid leave will not be penalized, discriminated against, or retaliated against, as a condition of their reimbursement.
- Sets forth additional requirements for self-insured plans seeking reimbursement, including having at least 50 employees, holding a surety bond to guarantee payment, and placing funds to pay benefits within a dedicated account. Self-insured plans for eligible public employees do not need to hold a surety bond but must be collectively bargained.

Subsection (b)(2).
Outlines the application timeline, the required elements of a paid family and medical leave plan (the model template in (c)(2)), and how the "national average cost" for reimbursement is determined.

- Requires applications to be filed at least 90 days in advance of benefits being provided under a reimbursable plan.
- Requires all required documentation to support an application to be submitted at least 45 days before benefits are provided under a reimbursable plan.

Subsection (c). Employer Program Requirements.
Outlines terms and conditions for an employer-sponsored plan to receive reimbursement, requires that all aspects be part of a written employer policy and are provided via one or more employee benefit plans, and describes additional conditions.

Subsection (c)(1).
Specifies that plans may be administered by an employer, an insurer, or a third-party administrator, must include a minimum of every element of the model template, provide benefits to all employees regardless of length of service or other characteristics, and meet all of the conditions in Subsection (b).

Subsection (c)(2).
Outlines the major elements of employer-sponsored plans which must be as good as or better than the public plan and requires the Secretary to publish a "model template" for plans to follow by July 1, 2022. Plans must meet or exceed the public plan level in all respects, including the following:

- Providing equal or higher wage replacement at all income levels;
- Providing at least 12 weeks of available benefits;
- Allowing leave for all federal qualifying reasons, without any preexisting condition restrictions;
- Providing for intermittent leave;
- Not imposing fees or costs for coverage;
- Paying benefits at least monthly or more frequently;
- With application processing and notification provided at least as quickly; and
- Operating under a presumption that information provided by applicants is true unless demonstrated otherwise.

Subsection (c)(3).
Requires the Secretary to determine the projected national average cost that will be used to calculate reimbursement for insured plans in the following year by October 1 of the prior year, and to take into account the national average cost of providing the required benefits according to the model template, including overall probability of leave taking, projected durations and benefit levels, and assuming administrative cost no higher than for the public program.

Subsection (d). Timing of Payment; Penalty for Late Filing.
Specifies when payments will be made and requires reductions and delays in payments for late submissions or plan changes.

- Payments for eligible insured plans must be made within 30 days of the start of the calendar year, or, in the first year, by August 1, 2023.
- Reimbursements to eligible self-insured plans must made by March 31 of the year after the benefits were paid
- If application or required documentation is late, requires payment to be made 45 days after all requirements are met and reduces the amount of the grant to exclude costs related to the period in which requirements were not met plus 45 days.

Subsection (e). Information Submission.
Makes providing information needed to pay grants and coordinate benefits with the public plan and with legacy state plans a condition of receiving a grant.

Subsection (f). Enforcement.
Requires the Secretary to periodically review employers receiving grants under this section and allows the Secretary to withdraw approval for a plan or administering entity to participate on a temporary or permanent basis. This subsection also specifically requires the Secretary to penalize employers if a pattern of inappropriate benefit denial is found and requires administering entities to notify the employer if a plan they administer for that employer is penalized by the Secretary. Employers and administering entities subject to penalties may appeal the penalty within 60 days of the decision.

Subsection (g). Greater Benefits Permitted.
This subsection clarifies that nothing in Section 2210 is intended to prohibit employers from providing benefits in excess of the model template or the amount of benefit that is reimbursable under the section.

Section 2211. Funding for Small Business Assistance.
Directly appropriates such sums as are necessary for the Secretary to provide grants for small businesses (with fewer than 50 employees) to help with costs associated with filling in for an employee on paid family and leave under the federal program, a legacy state program under section 2209, or an employer-sponsored program under section 2210 (such as hiring a temporary worker or paying for overtime).

Subsection (a). In general.
Provides funding to pay all grants authorized under the section.

Subsection (b). Small Business Assistance Grants.
Entitles eligible employers who employ "covered individuals" and satisfy all requirements of the section to receive grants.

Subsection (c). Grant Requirements.
Sets forth requirements employers must meet in order to receive grants, including:

- Applying for a grant in accordance with rules set by the Secretary and not later than 90 days after an employee returns from paid family and medical leave;
- Attesting that the employer incurred costs in excess of the on-leave employee's salary or wages in order to temporarily replace the employee's labor (like overtime or a more-expensive temporary worker);
- Agreeing to provide job reinstatement protection (to the employee's prior job or an equivalent job;
- Agreeing to maintain group health insurance coverage as if the employee were not on leave; and
- Agreeing to notify employee of their right to job protection and health insurance on receipt of the grant to the business.

Subsection (d). Amount of Grant.
Specifies that the amount of the one-time grant, for each worker on leave, is equal to 2.5 times the average weekly wage in the state in which the worker's worksite is located.

Subsection (e). Limitations.
Limits the number of grants a small business can receive to 1 per employee, per year, and no more than 10 total.

Subsection (f). Enforcement.
Allows the Secretary to recover the full amount of the grant and, in egregious situations, permanently ban an employer from the program if the employer makes false attestations to receive the grant or does not comply with grant requirements.

Subsection (g). Definitions.
Defines "covered individual" as an individual who takes, or anticipates taking, at least four weeks of qualified leave and for which the employer is not receiving another grant to cover all or part of replacement costs. Also defines "eligible employer" as an employer with 50 or fewer employees and "qualified leave" to be family and medical leave covered by the public paid leave plan established in this subtitle, the plan of a legacy state, or the plan of an employer who qualifies for reimbursement under Section 2210 by offering a comprehensive plan.

Section 2212. Definitions.
This section defines the terms group health plan, national average wage index, Secretary, self-employment income, State, wages, and week, as they are used within Title XXII.

Section 130002. Access to Wage Information from the National Directory of New Hires for the Purpose of Administering Paid Leave.
Allows the Secretary of the Treasury to access quarterly wage information from the National Directory of New Hires, for the purpose of administering the federal paid family and medical leave program.

Subtitle B – Retirement
Section-by-Section

Part 1 – Automatic Contribution Plans and Arrangements

Sec. 131101. Tax on Imposed on Employers Failing to Maintain Automatic Contribution Plan or Arrangement.
Under current federal law, employer participation in the retirement system is generally voluntary. When employers do sponsor a retirement plan, often these plans allow employees to contribute to their retirement savings through a salary reduction arrangement, i.e., money that would otherwise be paid to an employee in cash is instead contributed to a retirement plan. Such salary reduction arrangements may be designed so that an employee will receive cash compensation unless the employee affirmatively elects to make elective deferrals to the plan. Alternatively, salary reduction arrangements may provide that elective deferrals are made automatically at a specified rate.

This section creates a new requirement that, generally employers with 5 or more employees that do not sponsor a retirement plan must automatically enroll their employees in IRAs or other automatic contribution plans or arrangements, like 401(k) plans. Participation in an existing state program that requires employers to enroll employees in workplace savings arrangements also satisfy this requirement. Additionally, an employer that already maintains a qualified retirement plan generally is grandfathered from the requirements in this subtitle. The legislation also does not apply to employers that have been in existence for less than two full years.

Automatic IRAs, as established in this section, are payroll deduction IRAs. Employers contribute a default percentage of an employee's paycheck into the employee's automatic IRA account. The default percentage must follow the rules set forth below. Employees can raise or lower their contribution percentage or can opt-out entirely from the program. Similar rules apply to other automatic contribution plans or arrangements, like 401(k) plans.

All non-excludable employees are required to be covered by the automatic contribution plan or arrangement. The only employees not required to be covered are:

- Employees who have not attained age 21.
- Employees subject to a collective bargaining agreement.
- Nonresident aliens with no U.S.-source income.
- Employees until they have attained (1) a year of service (generally a year in which the employee has at least 1,000 hours of service), or (2) two consecutive years in which the employee has at least 500 hours of service.
    - Employees who become eligible by reason of the 500-hour rule may be disregarded for coverage and nondiscrimination testing purposes, and may be excluded from the application of the top-heavy requirements.

The above rules do not apply to Savings Incentive Match Plans for Employees (SIMPLEs), which have their own separate eligibility requirements.

With respect to the amount of salary automatically enrolled employees would contribute, this legislation requires all automatic contribution plans or arrangements (except for automatic IRAs) to:

- Default at a minimum of 6% (can be higher – however, no higher than 10% the first year and 15% thereafter).
- Automatically escalate at 1% per year up to 10%, i.e., 6% to 7% to 8% to 9% to 10%. Treasury will prescribe administrative rules to facilitate implementation of automatic escalation.

For automatic IRAs, the exact level of default contributions is not left to the employer's discretion. The set level for default contributions is as follows:

- Year 1 – 6%
- Year 2 – 7%
- Year 3 – 8%
- Year 4 – 9%
- All subsequent years – 10%

In terms of investments, for automatic IRAs, the following investments must be offered to employees: (1) target date fund, which must be the default, (2) principal preservation fund, (3) balanced fund, and (4) any others that might be added by Treasury in the future. No other investment alternative will be permitted to be offered. For all other automatic contribution plans or arrangements, the default investment is a target date fund; otherwise, current law applies.

An employer is subject to an excise tax of $10 (adjusted for inflation) per day per employee not covered by an automatic contribution plan or arrangement. There is an exception for failures that were not known and would not have been discovered exercising reasonable diligence and for failures corrected within 9 and 1/2 months of the date the employer knew or should have known of the failure. The tax is capped at $500,000 per year for unintentional failures.

The requirements of this section take effect for plan years beginning after December 31, 2022.

Sec. 131102. Deferral-Only Arrangements.
This section creates a new type of 401(k) plan, known as a "deferral-only arrangement." These plans are exempt from certain nondiscrimination rules because of the automatic enrollment rules. However, the limit on employee contributions are in line with the IRA contribution limits (i.e., $6,000 for 2021 and $1,000 catch up contribution).

This provision takes effect for plan years beginning after December 31, 2022.

Sec. 131103. Increase in Credit Limitation for Small Employer Pension Plan Startup Costs Including for Automatic Contribution Plans or Arrangements.
Under current law, a nonrefundable tax credit is available for qualified startup costs of an eligible small employer that adopts a new qualified retirement plan, SIMPLE IRA plan or Simplified Employee Pension (SEP), provided that the plan covers at least one non-highly compensated employee. This startup credit applies for up to three years.

The section expands the existing-law startup credit to offset employers' administrative costs of setting up automatic contribution plans. The current law startup credit is extended from 3 years to 4 years. For employers with up to 25 employees, the legislation increases the startup credit from 50 percent of costs to 100 percent of costs (subject to the startup credit dollar cap, which can be as high as $5,000).

This provision takes effect to tax years beginning after December 31, 2021.

Sec. 131104. Credit for Certain Small Employer Automatic Retirement Arrangement.
The section creates a new tax credit for small employers that facilitate auto IRA arrangements (federal or state) and deferral only arrangements. Under the new tax credit employers of up to 100 employees that establish automatic IRAs (those required under a state law or federal automatic IRAs) or a deferral only arrangement receive a tax credit. An eligible employer receives a credit of $500 for 4 years.

This provision applies to tax years beginning after December 31, 2021.

Part 2 – Saver's Match

Sec. 131011. Matching Payments for Elective Deferral and IRA Contributions by Certain Individuals.
Current law includes a nonrefundable tax credit for eligible taxpayers who make elective deferrals to tax-favored retirement plans or contributions to IRAs known as the Saver's Credit. The maximum amount of the elective deferrals that may be taken into account is $2,000 with a maximum credit of $1,000 per eligible individual.

This section makes the existing credit refundable so that those without any income tax liability still receive a benefit. For a household earning $50,000 and under, the amount of the match is 50 percent of the amount contributed to retirement savings, up to $1,000. The credit percentage decreases from 50 percent to 0 percent as household income exceeds $50,000, with households earning over $70,000 being ineligible.

Contributions to IRAs, elective deferrals, voluntary contributions to qualified plans, and contributions to Achieving a Better Life Experience (ABLE) accounts (a type of savings account benefiting a disabled person) are eligible for the credit. Eligible contributions will be reduced by the aggregate amount of distributions taken (with certain distributions excepted).

In order to help the credit further contribute towards retirement security, the section also requires the credit amount to be contributed directly to a tax-favored retirement account (so it would act more like a matching contribution for savers). Taxpayers receiving the credit will specify a retirement account to which the credit will be deposited.

This provision applies to tax years beginning after December 31, 2024.

Sec. 131012. Deadline to Fund IRA with Tax Refund.
Under existing law, a taxpayer is deemed to have made a contribution to an IRA on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is not made later than the due date for the filing of the return (not including extensions).

This section permits a taxpayer that makes a timely income tax filing to elect to have all or a portion of a tax refund directly deposited into an IRA account. An amount deposited through this election is going to be treated as if it were received by the end of the tax year for which the income tax filing was made.

This provision takes effect in tax years beginning after December 31, 2022.

Subtitle C – Child Care Access and Equity
Section-by-Section

Section 132001. Child Care Access.
This section creates a new Section 418A in Title IV of the *Social Security Act.*

Section 418A. Child Care Access.
This section invests in new tools to make sure parents can find and enroll in child care that meets their needs.

Subsection (a). Establishing Child Care Information Networks.
This subsection invests in all states, tribes, and territories that operate a child care lead agency such that they may build or expand a Child Care Information Network (CCIN), which would provide parents and caregivers with frequently-updated information about child care in their communities, including information on availability and affordability, and new tools to access available child care.

Subsection (a)(1).
As a condition of HHS administrative funding, this subdivision requires the Secretary to consult with stakeholders, including parents, both center and home-based child care providers, child care provider organizations, labor unions and other organizations representing child care providers, and experts before issuing guidance on use of the funding.

Subsection (a)(2).
This subdivision funds the development of national technology and data models for the CCIN which allow for information sharing while protecting privacy.

Subsection (a)(3).
This subdivision invests in data interoperability with other HHS programs.

Subsection (a)(4).
This subdivision describes the conditions of funding that jurisdictions must meet to receive federal aid for their CCIN. They meet the conditions of funding and are eligible for reimbursement if they maintain an up-to-date, publicly-available compilation of information which includes the following information for registered, licensed, and regulated child care providers:

- Where the provider is located;
- Services offered and fees charged;
- Whether federal vouchers or reserved slots can be used to pay for care;
- Hours of operation;
- How to apply (including a direct online link, when possible);
- How many children are cared for by the provider, and how many openings are available by age group;
- Whether there is a waiting list, estimated wait time, and how to join the list;
- Whether the care is home-based or in a center, and whether it is licensed;
- Other information the Secretary determines is needed by parents;

To receive funding reimbursement, the subsection also specifies that the CCIN must be maintained by (or jointly maintained with) the existing state or territory-wide child care resource and referral system or the licensing entity or another appropriate entity. It also specifies that the jurisdiction must make the information available through the Internet and by telephone to families, and also available to State, county, and other governmental staff involved in the provision of child care.

Under the subsection, providers (or unions or provider networks they designate) must update information about available slots and waiting lists on a weekly basis and update all other information at least every three months.

Subsection (b). Funding Child Care Information Networks.
This subsection provides funding to states and U.S. territories for a Child Care Information Network (CCIN).

Subsection (b)(1).
This subdivision directly appropriates $200 million per year in FY2022 and FY2023 to provide startup funds for states and territories to build the CCIN or upgrade existing Child Care Resource and Referral systems. The funds are to be allocated using the same shares as the Child Care Entitlement to States funding also provided in Section 418.

Subsection (b)(2).
This subdivision provides a 75 percent match for expenditures to operate the system in FY2022 through 2026. The match is available to states, the District of Columbia, and U.S. territories, and includes expenditures for technology and other costs related to the network, including, if the state so chooses, developing a common application for all child care slots, and, where needed, financial incentives to participating providers, with attention to the challenges faced by home-based providers. States may also receive the 75 percent match on the cost of reimbursing coordinating partners like unions and other organizations that represent child care providers to assist small providers with the weekly updating and other activities associated with participating in the CCIN.

Subsection (c). HHS Participating Child Care Provider Certification.
This subsection funds the HHS Participating Child Care Provider Certification. To receive the certification, providers must be licensed or in a license-exempt category that meets health and safety standards, offer child care to the general public (although they may have a priority system), participate in the CCIN, and accept federal reimbursement as payment for qualified low-income families. The list will be maintained by the Secretary of HHS and also electronically shared with the Internal Revenue Service one month before the end of each quarter, at the end of each calendar year. Providers may also request written proof of their status. To be on the list, providers must have been qualified for the full prior quarter.

Subsection (d).
In order to determine the level of matching funds, the subsection requires the Secretary to conduct accuracy checks and notify jurisdictions of any excessive levels of errors, issue guidance on data privacy, and issue guidance on expenditures eligible for matching under Section 418A(b). For jurisdictions that have not taken action to correct any excessive levels of errors in their reported list of qualifying providers, the matching rates for costs related to the CCIN would be reduced from 75 percent to 70 percent.

Subsection (e).
The subsection provides the Secretary with $50 million per year in each of FY 2022 – FY 2026 for administrative expenses related to the certification and the accuracy checks.

Section 132002. Infrastructure Grants to Improve Child Care Safety.
This section creates a new section 418B in Title IV of the *Social Security Act* to invest in child care physical infrastructure.

Section 418B. Infrastructure grants to improve Child Care Safety.
This section provides funding for child care facility construction and major remodeling, which are not allowable uses of other federal child care funds.

Subsection (a)(1).
This subdivision authorizes grants to states, the District of Columbia, and U.S. territories to support child care providers in conducting infrastructure projects related to construction, remodeling, and other investments in the physical infrastructure of child care facilities. The grants must be awarded within 12 months of enactment and obligated within five years. To receive a grant, a jurisdiction must have an approved plan that:

- Includes an analysis of the jurisdiction's child care infrastructure need;
- Includes a plan to use a portion of the grant funds to report to the Secretary on uses of the funds;
- Includes a plan to fund only construction projects that comply with fair labor standards (commonly known as the *Davis-Bacon Act* standards);
- Helps facilities to meet, improve, or surpass health and safety standards for center and home-based child care settings;
- Increases availability of child care in rural, urban, and suburban settings;
- Shows evidence of collaboration with local and state government, nongovernmental organizations such as philanthropic organizations or certified community development financial institutions, local community organizations including child care providers and labor unions and Child Care Resource and Referral organizations, organizations with history of providing technical assistance or financial assistance;
- Provides grants to child care providers that qualify for the HHS; Participating Child Care Provider Certification and therefore are participating in the CCIN.

The subdivision requires a 10 percent match from states and U.S. territories, which may be met with in-kind contributions from private entities. Grants are allocated based on state need and plan quality but are capped at $250 million per state or jurisdiction. As a condition of funding, states must report to the Secretary on uses of the funds within 6 months of the end of the grant period. States that do not have an approved grant by 2022 must return funds. $200 million is provided for HHS administrative costs. As a condition of issuing grants, HHS will not retain a federal interest in any property, including any infrastructure project conducted on a privately-owned family child care home.

Subsection (a)(2).
This subdivision specifies that the Secretary may also award competitive grants of up to $15 million to intermediary organizations with experience in child care facility financing (such as Certified Community Development Financial Institutions), but no more than $2.25 billion of total funds may be used for this purpose. Intermediary organizations may invest their funds on activities related to capacity-building, technical assistance, and financial products, to develop or finance child care facilities, and must report annually on expenditure activities. Prior to awarding grants, the Secretary must consult with relevant child care facility financing stakeholders.

Subsection (a)(3).
This subdivision makes it a condition of funding that all funds must be used for construction projects which meet fair labor standards (commonly referred to as *Davis-Bacon Act* standards) and a commitment to follow it is referenced in the conditions of funding for states and territories.

Subsection (a)(4).
This subdivision limits use of funds to physical infrastructure projects in buildings used primarily for child care and prohibits their use for a building used primarily for sectarian instruction or religious worship, rather than child care. It also limits administrative costs to 5 percent of total grant funds.

Subsection (b).
This subsection directly appropriates $15 billion in fiscal year 2022 for the grants in this section, which shall remain available for obligation through fiscal year 2026.

Subsection (c).
This subsection provides $100 million for grants to U.S. Territories. It also provides $200 million for HHS administrative costs, and up to $100,000 of immediately available funds for each jurisdiction for plan development.

Subsection (d).
This subsection caps total spending on grants to intermediary organizations at $2.25 billion.

Section 132003. Technical Assistance.
This section creates a new section 418C in Title IV of the *Social Security Act* to fund technical assistance to states and U.S. territories, and directly appropriates $17.5 million in each of years FY2022 through 2026 for HHS. These funds supplement existing HHS technical assistance.

Section 132004. Tribal Child Care Access and Growth.
This section creates a new section 418D in Title IV of the *Social Security Act* to fund tribal child care investments.

Section 418D. Tribal Child Care Access and Growth.
This section provides $200 million per year for FY2022 through FY2026 for investments in developing a Child Care Information Network, qualifying tribal providers for the HHS Participating Child Care Provider Certification (which are a condition of associated child care worker wage credits), and physical infrastructure upgrades at child care facilities serving tribal communities. The section requires the Secretary of Health and Human Services to conduct tribal consultation to inform guidance and best practices before awarding funds, and to provide technical assistance after awarding. The Secretary may expend not more than $1 million to conduct tribal consultation, and shall award not less than $199 million to CCDF Tribal Lead Agencies based on relative need. Funds must supplement, not supplant, existing tribal child care spending.

Section 132005. Raising the Floor for Child Care Provider Wages.
This section creates a new Section 418E of the *Social Security Act* to fund wage subsidies to sole proprietor and very small child care providers.

418E (a). Planning for Child Care Wage Grants for Small Businesses.
This subsection provides $10 million available immediately upon enactment and available through the end of fiscal year 2022 for the Secretary to conduct planning and development activities associated with implementation of the new wage grant program. Allowable uses of funds include: issuing guidance to Lead Agencies about proper consultation with field engagement organizations; calculating wage supplements and bonuses; application and reporting requirements; anti-discrimination protection measures; administrative overhead activities; and consulting with relevant stakeholders such as state, local, and tribal governments, and community stakeholders.

418E (b). Implementation.
This subsection invests in Child Care Wage Grants for Small Businesses.

(a). Grants to Lead Agencies.
This subdivision instructs the Secretary to provide reimbursement grants to State, Tribal and Territory Lead Agencies to reimburse for the cost of any child care wage grants made to qualifying child care providers and for the cost of administering the program. To qualify for a grant, Lead Agencies shall conduct consultations with field engagement organizations regarding the development and implementation of the program, including applications, eligibility determination, and community engagement. Lead Agencies must submit certification that they have conducted such a consultation and certify that they intend to submit for reimbursement for the program.

(b) State Child Care Wage Grant Program.
To qualify for funds, the program shall be operated by the Lead Agency and that grants are to be awarded to qualifying providers for one-year periods in a supplement amount informed by the qualified child care provider's application. Qualified child care providers must report to the Lead Agency on a quarterly basis and include documentation of grant expenditure, wage levels and worker demographics. Lead Agencies may approve individual request for reporting extensions but failure to submit all requirement information will result in future grant award ineligibility.

(c) Reimbursement; Advance Estimated Payment.
This subdivision details requirements for annual grant reimbursements and also gives the Secretary authority to award advanced estimated payments instead of annual reimbursements. Lead Agencies operating the program must include all required documentation and an assurance that not more than 5 percent of costs will be for administrative expenses. Required documentation includes: qualified child care provider application data, qualified child care provider wage subsidy data including demographics of providers and children served, certification that qualified child care providers are not eligible to receive the child care payroll tax credits, documentation of qualified child care provider eligibility.

(d) Penalty for Misuse of Child Care Wage Grant.
Qualified child care providers that have not used the funds to supplement wages will be required to repay all grant funds back to the Lead Agency and will be ineligible for future wage grants for a period of 2 years.

(e) Appropriation.
This subdivision provides uncapped federal funds for annual reimbursements or estimated payments to Lead Agencies operating the Child Care Wage Grants for Small Business.

(f) Definitions.
This subdivision provides definitions for the following terms needed to correctly distribute funding provided in this section: Applicable Minimum Rate, Child care wages, Child care employee, Eligible child care wage supplement, Field engagement organization, Qualified child care provider.

Section 132006. Common Provisions.
This section amends Section 419 of the *Social Security Act* to: provide definitions for lead agency and territory in order to distribute funding, require reports to Congress on expenditures as a condition of funding, and exempt spending in this subtitle from the territory spending cap in section 1108(a) of the *Social Security Act*.

Subtitle D – Budget Reconciliation Legislative Recommendations Relating to Trade Adjustment Assistance
Section-by-Section

Section 133001. Short Title.
This section provides the short title.

Section 133002. Application of Provisions Relating to Trade Adjustment Assistance.
This section provides that the effective date of this legislation will be the date of enactment and repeals the provision in existing law that drastically cuts benefits in the program's last year. This ensures that periods with lower benefits under the TAA programs do not exist moving forward.

Part 1 – Trade Adjustment Assistance for Workers

Section 133101. Filing Petitions.
This section allows one or more trade-impacted workers from the same firm to petition for TAA benefits. Current TAA law requires three or more workers in the same firm to file a petition. This section also clarifies that workforce intermediaries may file petitions on behalf of workers.

Section 133102. Group Eligibility Requirements.
The current TAA program unnecessarily restricts eligibility for the program to select workers facing import competition. Moreover, those workers facing import competition face an unnecessarily high hurdle to demonstrate eligibility.

This section eases requirements for workers affected by imports by removing the requirement under current law that imports contributed "importantly" to their job loss, which can be difficult to demonstrate. Further, this section ensures that workers can successfully apply for TAA when a layoff has been announced but production has not yet decreased and clarifies that eligible workers include teleworkers and workers employed by other firms under the operational control of the firm subject to the petition.

Finally, this section ensures that TAA is available to all workers who lose their job due to trade by expanding eligibility to workers who lose their job because a firm has decreased exports.

Section 133103. Application of Determinations of Eligibility to Workers Employed by Successors-In-Interest.
This section clarifies that trade-impacted workers at firms that undergo mergers, acquisitions, or name changes remain eligible for TAA benefits.

Section 133104. Provision of Benefit Information to Workers.
This section expands outreach regarding benefits available from the U.S. Department of Labor (DOL). It also requires DOL to make every effort to reach out to workers in their native languages.

Additionally, this section modernizes TAA outreach and provides states with new tools to reach TAA-certified workers. Specifically, states may utilize TAA funding to collect email addresses and telephone numbers of workers from employers, partner with union representatives, hire peer support workers within a certified group to perform outreach, and use advertising methods and public information campaign.

Section 133105. Qualifying Requirements for Workers.
This section removes the requirement that a worker be employed for one year prior to losing the worker's job in order to receive income support under TAA.

Further, this section restores previous flexibility in the program for workers that are unable to enroll in training because the worker is recalled to the worker's previous employment and the worker is within two years of retirement and expects to receive retirement benefits.

Section 133106. Modification to Trade Readjustment Allowances.
This section would enhance Trade Readjustment Allowances (TRA) by providing workers with up to 130 weeks of income support if they are enrolled in a qualified training program. Workers enrolled in prerequisite education or remedial education, such as English language courses, may receive an additional 26 weeks of TRA benefits. This section also removes the restriction on workers receiving TRA during work-based learning or training.

Section 133107. Automatic Extension of Trade Readjustment Allowances.
This section automatically extends income support for six months to workers who complete training but are unable to find suitable employment because of poor economic conditions. Specifically, this provision provides that the period during which trade readjustment allowances are payable to an adversely affected worker can be automatically extended for 26 weeks if the worker has completed training and cannot find a job during a period of heightened unemployment.

Section 133108. Employment and Case Management Services.
This section requires DOL, through the states, to provide workers with information about registered apprenticeships, on-the-job training, and information related to direct job placement. It also requires DOL to conduct sustained outreach to groups of workers that are potentially eligible for TAA.

Section 133109. Training.
This section places a new emphasis on ensuring that training providers which DOL approves have a demonstrated ability to place workers into jobs upon the completion of training. Further, this section adds pre-apprenticeships to the category of authorized training programs for workers and requires DOL to reimburse workers for out-of-pocket expenses related to an approved training program.

Section 133110. Job Search, Relocation, and Child Care Allowances.
This section updates the funding levels for the existing job search and relocation allowances provided to workers. This change increases the limit to $2,000 per worker from $1,250 and ensures that 100% (instead of just 90%) of these costs can be covered under the limit.

Additionally, this section establishes a childcare allowance of up to $2,000 for workers in TAA. Childcare accessibility and costs are often highlighted as a key barrier to workers being able to successfully take advantage of the training benefits under TAA.

Finally, this section requires states to provide these allowances. States currently have discretion to do so. It also ties the limit of each allowance to inflation, so that the allowance automatically rises and new legislation is not required every time an adjustment is warranted.

Section 133111. Agreements with States.
This section requires that each state shall consider when approving a training program whether training providers have a proven track record in placing workers into good jobs after completing training. It also calls for states to work with training providers that have a proven track record in serving underserved communities.

This section also requires states to adopt an aggressive outreach model to workers who are potentially eligible for TAA. It requires states to complete proactive searches for potential eligible workers and to then conduct outreach to such workers. This provision is based on an existing model developed in several states that have demonstrated a record of higher participation rates and successful outcomes in TAA.

This section requires states to perform outreach to workers from underserved communities and develop plans to address common barriers those diverse communities face in accessing services.

Lastly, this section rescinds a Trump Administration regulation which removed a decades-old requirement that TAA be administered by merit-based staff at the state level. This provision reinstates this requirement.

Section 133112. Reemployment Trade Adjustment Assistance Program.
This section provides increased access to Reemployment Trade Adjustment Assistance (RTAA), which is a wage insurance program available to workers over 50 who obtain a new job but at a lower wage. Current TAA law limits this program to workers making less than $50,000 and limits the benefit to a maximum of $10,000. This section makes the program available to workers making $70,000 and increases the maximum benefit to $20,000. To ensure that these figures do not become stagnant, this section also requires these figures to rise with inflation.

Section 133113. Extension of Trade Adjustment Assistance to Public Agency Workers.
This section ensures that public sector workers are also eligible for TAA. This provision would apply when public sector services have been outsourced by a state or the federal government to an offshore service provider (e.g., a call center).

Section 133114. Definitions.
This section extends eligibility to TAA for Workers to territories including Guam, the Virgin Islands of the United States, American Samoa, and the Commonwealth of the Northern Mariana Islands.

This section also defines an 'underserved community' as a group of people who have been systematically denied the full opportunity to participate in aspects of economic, social, and civic life. Underserved communities include Black, Latino, Indigenous and Native American persons, Asian American and Pacific Islanders, other persons of color, members of other minority communities, persons with disabilities, person who live in rural areas, and other populations affected by persistent poverty or inequality.

Section 133115. Subpoena Power.
The current TAA statute provides DOL with explicit authority to subpoena firms to produce evidence necessary to certify a group of workers for TAA benefits. This section confers this authority to states and allows states to seek compliance with a subpoena under state law and by petitioning a federal court.

Part 2 – Trade Adjustment Assistance for Firms

Section 133201. Petitions and Determinations.
Similar to the TAA for Workers program, TAA for Firms also has unnecessarily restrictive eligibility requirements. This section removes the requirement that imports contributed "importantly" to lost sales or employment at a firm and expands eligibility to firms that have suffered because of a decrease in exports. Further, this section provides that a firm is eligible for the program if it has seen a decrease in employment or sales (either of which must be caused by trade), instead of requiring both. This change will ensure that firms can get into the program before they have to fire workers.

Further, this section also tightens the U.S. Department of Commerce's (DOC) timeline for approving petitions. In FY 2019, firms had to wait 110 days on average between filing the petition and being certified, even though the statute requires certifications to be made within 40 days. To avoid non-compliance with the statute, DOC waits on average almost three months before accepting a petition. This lengthy certification process is particularly difficult for firms that are already struggling and need assistance as soon as possible to keep the business operating.

This section rectifies the problem by requiring that DOC accept a petition within 15 days of receipt and deems a petition approved if DOC has not approved or denied it within 55-days. This will ensure that all petitions are approved or denied within 70 days.

Section 133202. Approval of Adjustment Proposals.
This section requires firms to assess the potential employment outcomes of their adjustment proposal to ensure that a proposal does not lead to decreased employment at the firm. This section also clarifies that a firm may receive up to $300,000 in support under the program, subject to the firm matching the funds contributed by DOC. This funding level will automatically rise with inflation to ensure it does not remain stagnant.

Section 133203. Technical Assistance.
This section clarifies that assistance provided to a firm may be used to provide skills training programs to employees of the firm.

Section 133204. Definitions.
This section provides the definition for the term underserved community.

Section 133205. Plan for Sustained Outreach to Potentially-Eligible Firms.
This section requires DOC to develop a plan and submit it to Congress regarding outreach to potentially eligible firms, including:

- Outreach to the U.S. International Trade Commission (ITC) and firms in the industries with increased imports identified in an annual ITC report;
- Outreach to firms in the service sector and small businesses;
- Outreach to firms that that are minority or women-owned; and
- Outreach to firms that employ a majority or substantial percentage of workers from underserved communities.

Part 3 – Trade Adjustment Assistance for Communities and Community Colleges

Section 133301. Trade Adjustment Assistance for Communities.
This section establishes the TAA for Communities program. This section will describe the program based on the sections of the program as established in the legislation.

Section 271. Definitions.
This section provides the definitions for agricultural commodity producer, community, eligible community, eligible entity, Secretary, and underserved community.

Section 272. Establishment of Trade Adjustment Assistance for Communities Program.
This section provides DOC, acting through the Economic Development Administration, with 180 days to establish the TAA for Communities program.

Section 273. Eligibility; Notification of Eligibility.
This section provides that communities impacted by trade are eligible for the program. It further defines "impacted by trade" as a community (1) in which a certification has been made under the TAA for Workers, Firms, or Farmers programs, and (2) a community that (a) has a per capita income of 80% or less of the national average, (b) is historically economically distressed, or (c) is significantly affected by the threat or the loss of jobs associated with a TAA certification. This section also requires the federal government to proactively reach out to a potentially eligible community to notify it of benefits potentially available under the program.

Section 274. Grants to Eligible Communities.
This section requires DOC to provide grant funding to eligible communities that apply for assistance (described in the next section). This section requires that entities that receive assistance under the TAA for Community Colleges program coordinate with eligible communities in section, if applicable.

This section provides DOC with flexibility to administer revolving loan fund grants and construction grants, similar to flexibilities provided in other programs the agency administers.

This section limits the maximum award to a community to $25,000,000. It also requires DOC to prioritize historically distressed communities and ensure that grants are provided to geographically diverse communities.

Section 275. Strategic Plans.
This section requires communities to develop a strategic plan to adjust to the impact that trade has had on it. In developing this plan, the community is required to consult with local officials, labor organizations, and organizations representing underserved communities, among others.

A community's strategic plan is required to describe the capacity of the community to adjust to trade, evaluate economic opportunities, including for young workers, describe economic adjustment projects, assess the impact on underserved communities, and training programs available to workers, among other things. This section also requires DOC to provide individualized technical assistance to communities in developing its strategic plan.

Section 276. Coordination of Federal Response and Other Additional Technical Assistance.
This section requires DOC to coordinate the federal response for an eligible community, including identifying other funding opportunities available through other federal agencies and assisting the community in accessing such assistance. It also provides DOC with flexibility to transfer funds to and from agencies to carry out the provisions of the TAA for Communities program.

Section 277. General Provisions.
This section provides DOC with the authority to issue regulations to carry out the program and to consult with the Committee on Ways and Means and the Senate Finance Committee regarding such regulations. It also requires DOC to rely on existing regulations to the maximum extent possible to carry out this program and to use expertise from its existing work.

Section. 133302. Trade Adjustment Assistance for Community Colleges and Career Training.
This section makes key improvements to the Trade Adjustment Assistance for Community Colleges program. It updates the funding levels for grants distributed to community colleges and requires DOL to develop a plan to ensure that the program effectively serves populations from underserved communities. Finally, this section ensures that a portion of grant funding can be used to support the needs of students taking courses at community colleges.

Part 4 – Trade Adjustment Assistance for Farmers

Section 133401. Definitions.
This section provides the definition for the term underserved community.

Section 133402. Group Eligibility Requirements.
Similar to the TAA for Workers and Firms programs, TAA for Farmers includes unnecessarily strict eligibility criteria in order for a farmer to be eligible to receive benefits under the program. Farmers have described how difficult it was to demonstrate eligibility under this program.

Section 133403. Benefit Information to Agricultural Commodity Producers.
This section requires USDA to develop an outreach plan to producers from underserved communities that could benefit under the program.

Section 133404. Qualifying Requirements and Benefits for Agricultural Commodity Producers.
This section increases the benefits available to farmers under the program, responding to criticism that the program has not provided enough benefit support to justify the time and resources required to demonstrate eligibility for the program. Further, these funding levels have not been increased since the program's inception more than a decade ago. Thus, this section increases maximum available funding to a farmer from $12,000 to $36,000. Funding levels will automatically rise with inflation to ensure they do not remain stagnant.

Part 5 – Appropriations and Other Matters

Section 133501. Extension of and Appropriations for Trade Adjustment Assistance Program.
This section program extends the TAA for Workers, Firms, and Farmers programs for seven years. This section appropriates $1,000,000,00 for TAA for Workers per year for training funds and appropriates $50,000,000 per year to both the Firms and Farmers programs.

It also provides $1,000,000,000 per year in appropriations to the TAA for Communities program for five years. Finally, it provides $1,300,000,000 per year in appropriations to the TAA for Communities Colleges program for seven years.

Section 133502. Applicability of Trade Adjustment Assistance Provisions.
This section streamlines the TAA for Workers program. Currently, DOL and the states are required to administer five different versions of the program depending on when a worker was certified as eligible for the program. This also means that workers under older versions of the program would be unable to benefit from the improvements made in this legislation.

This provision provides that all TAA workers will be moved into the current version of TAA (including the changes made in this legislation). This would remove the incredible administrative and paperwork burdens on DOL and the states, as well as ensure that all workers receive the modern benefits provided in this legislation.

This section requires DOL and DOC to review petitions for eligibility to the TAA for Workers and Firms programs, respectively, that have been denied since January 1, 2021. This will ensure that any petitions denied because of the limited eligibility provisions under reversion have another opportunity to become eligible for the TAA programs. It also provides a window for recently denied petitions to be certified under the expanded eligibility criteria in this legislation.

Lastly, this section makes numerous conforming amendments to the underlying TAA legislation.

HOUSE COMMITTEE ON WAYS & MEANS

Part 1 of Subtitle E – Pathways to Health Careers
Section-by-Section

Sec. 134101. Pathways to Health Careers Act.

Transition Funding.
Appropriates $15 million to the Secretary of the U.S. Department of Health & Human Services (HHS Secretary) to provide Technical Assistance (TA) and cover administrative costs associated with the national Health Profession Opportunity Grant (HPOG) Program as authorized and funded by this legislation.

Career Pathways Through Health Profession Opportunity Grants.
Amends Title XX of the *Social Security Act* by establishing a new Subtitle to take the HPOG Program out of a demonstration, authorizes new HPOG competitive grants, and provides funding in states, the District of Columbia, U.S. territories, and tribal communities.

Subtitle D—Career Pathways Through Health Profession Opportunity Grants.
Sec. 2071. Career Pathways Through Health Profession Opportunity Grants.

Subsection (a). Application requirements.
Eligible entities seeking HPOG funds are required to submit applications to the HHS Secretary. Grant applications must include:

- Descriptions of how the applicant will implement or provide: a career pathway, adult basic skills, case management and career coaching, and staff recruitment and retention.
- Demonstration that the applicant has experience working with low-income populations or has a partner with such experience, a plan for post-employment services, and a plan for providing supportive services during the training program.
- Certification that project development included consultation with the local workforce board, consideration of apprenticeship and existing career pathway programs.
- Local labor market analysis of local health care workforce shortages, in-demand jobs, and certification that they will train to fill such jobs.
- Commitment to provide all requested data, hire a project director, and accept TA

The subsection has additional application requirements for the new demonstration projects.

- For demonstration projects that train individuals with arrest or conviction records, applications must additionally include certification that local laws allow for credentials to be awarded in the professions for which the applicant will be training, description of local policies or appeals processes that offer opportunity to demonstrate rehabilitation to obtain health care credentials. Applicants must have staff experienced in working with people with records, partner with employers experienced in working with people with records, proof of concept, and a plan for participant recruitment and job placement.
- For demonstration projects that train individuals for a pregnancy and childbirth career pathway, applications must also include partnerships and a program design that will support such a career pathway, and certify that local laws permit doulas and midwives to practice.

Subsection (b). Preferences in Considering Applications.
Gives priority to the following applicant characteristics: prior HPOG grantees; cross-sector partnerships; coaching and mentoring; rural applicants; cash stipend, or reserve fund to help participants with emergencies that might force them to drop out of training.

Subsection (c). Grants.
Provides the HHS Secretary with authority to award HPOG funds to eligible entities that have submitted qualified applications. Requires HHS to award at least 2 grants per state and the District of Columbia, at least 10 tribal grants, and at least 2 territory grants. The grant period shall be not less than 5 years, which may include a planning period of no more than the first 12 months of the grant cycle.

Establishes grant authority for new HPOG demonstrations to train: (I) Individuals with Arrest or Conviction Records, and (II) Pregnancy and Childbirth Career Pathway. Each demonstration project shall be conducted for not less than 5 years. Dedicated funded is provided such that each demonstration receives at least $6,375,000 per grant cycle.

Subsection (d). Use of Grant.
Requires grantees to provide: basic skills education if needed; access to child care if needed; case management that includes career coaching; and access to transportation if needed. For new demonstration projects for individuals with records, grantees must provide connections to legal assistance for addressing arrest or conviction records and associated workforce barriers.

Other allowable funding: a stipend, emergency fund, training materials such as uniforms and personal protective equipment, in-kind donations such as interview clothing, basic education or high school equivalency, supports necessary to address arrest or conviction barriers to work.

Grantees must provide at least the number of hours of training required to qualify for a postsecondary or industry-recognized credential in the state in which the project is conducted. And at least 10 percent of enrolled participants must meet the income threshold for the state Temporary Assistance for Needy Families program.

Grantees may not spend funds on ineligible individuals, and may not use funds for the purposes of entertainment, with the exception of career-based milestones such as hosting a graduation.

Subsection (e). Technical Assistance.
Requires HHS to provide tailored TA to applicants and to grantees to assist with all stages of project administration, including the needs of new demonstration projects, tribal and territory applicants and grantees. HHS must also provide TA for the purpose of peer information exchange among eligible entities regarding best practices.

Subsection (f). Evaluation of Demonstration Projects.
Requires HHS to conduct evaluations of new demonstration projects. For the demonstration project for arrest or conviction records, the evaluation must include identification of successful activities for developing and sustaining job training programs for people with records who seek a health care career. For the demonstration project for pregnancy and childbirth career pathway, the evaluation must include identification of successful activities for developing and sustaining a career pathway for people seeking a career in birth, pregnancy, and post-partum fields. The evaluations may include a randomized control trial, but are not required to use that methodology.

Subsection (g). Reports.
Grantees must report data on participant outcomes to the HHS Secretary. The HHS Secretary must report to Congress regarding rural applicants and rural awards, and, if the agency was not able to award the minimum required number of grants to states, territories, and tribal communities, the explanations for such.

Subsection (h). Definitions.
Provides definitions for terms used in the legislation.

Subsection (i). Funding.
Directly appropriates $425,000,000 for each of FY2022 through FY2026, of which $318,750,000 is for general competitive grants, $17,000,000 is for tribal grants, $21,250,000 is for territory grants, $25,500,000 is for the new demonstration projects, $25,500,000 is for TA, and $17,000,000 is for studying the effects of HPOG grants including the short-term and long-term effects of the new demonstration grants.

Part 2 of Subtitle E – Provisions Relating to Elder Justice
Section-by-Section

Section 134201. Reauthorization of Funding for Programs to Prevent and Investigate Elder Abuse, Neglect, and Exploitation.
Section 134102 reauthorizes and makes mandatory funding for programs in the Elder Justice Act and adds new policies to further serve and support older adults and people with disabilities.

Subsection (a). Post-Acute and Long-Term Care Workforce Development.
This subsection replaces the language in Section 2041 of Title XX of the Social Security Act (SSA) with new language that directly appropriates $392 million for states for each of fiscal years (FYs) 2022 through 2025 and $8 million for Indian tribes and tribal organizations for FY2022 through FY2025 to invest in state worker recruitment and retention. It provides direct appropriations for grants to states to support workers providing aid, nursing, and social work services in post-acute and long-term care (LTC) settings. The grants are provided to states and territories, based on their population of adults over 65 years of age or with disabilities, and to tribes and tribal organizations through a consultation process.

The funds must be used to:

- Provide wage subsidies to employees in post-acute and LTC positions
- Provide student loan repayment or tuition assistance to eligible individuals
- Guarantee affordable and accessible child care for eligible individuals
- Provide transportation assistance to eligible individuals

The funds may be used to:

- Establish a reserve fund for emergency financial assistance
- Provide in-kind resource donations, such as interview clothing and conference attendance fees
- Provide assistance with activities designed to lower barriers to employment, including legal assistance
- Support eligible employers in offering not less than two weeks of paid leave per year

Each grantee will also provide annually a report to the Secretary describing its activities under this section.

Subsection (b). Funding for Adult Protective Services Functions and Grant Programs.
This subsection revises Section 2042 of the SSA, which requires the Secretary of the Department of Health and Human Services (HHS) to provide funding to state and local Adult Protective Services (APS) offices that investigate reports of elder abuse, neglect, and exploitation; work with the Department of Justice to collect and disseminate data; develop and disseminate best practices and training on APS; conduct research related to the provision of APS; and provide technical assistance to states and other entities that provide or fund APS. To carry out these functions, this subsection provides $8 million in mandatory funding for each of FYs 2023 through 2025.

This subsection also requires the HHS Secretary to establish two grant programs. The first awards grants to enhance state and local APS services. For each of FYs 2023 through 2025, this provision directly appropriates $400 million for purposes of these grants. The second grant program awards funds to states to conduct APS demonstration programs. States may use grant funds for a range of activities, such as detecting or preventing elder abuse, addressing financial exploitation, and focusing on guardianship and conservatorship proceedings. For each of FYs 2023 through 2025, this provision directly appropriates $75 million for APS demonstration grants.

Additionally, this subsection provides grants to Indian tribes and tribal organizations for APS through a consultation with Indian tribes and tribal organizations.

Subsection (c). Funding for Long-Term Care Ombudsman Program Grants and Training.
This subsection reauthorizes Section 2043 of the SSA, which requires the HHS Secretary to award grants to eligible entities with relevant expertise and experience in abuse and neglect in LTC facilities or LTC ombudsman programs and responsibilities. Grants may be used to increase the capacity of state LTC ombudsman programs to respond to and resolve abuse and neglect complaints as well as to conduct and support pilot programs with state or local LTC ombudsman offices. This provision directly appropriates $22.5 million for FY 2023 and $30 million for each of FYs 2024 and 2025 for these grants.

The revised Section 2043 also requires the Secretary to establish programs that provide and improve ombudsman training for national organizations and state LTC ombudsman programs, with a focus on elder abuse, neglect, and exploitation. This provision directly appropriates $30 million for each of FYs 2023 through 2025 for this purpose.

Subsection (d). Incentives for Developing and Sustaining Structural Competency in Providing Health and Human Services.
This subsection creates a new Section 2047 in Title XX of the SSA to address structural gaps in providing older adults and people with disabilities the services and supports they need.

Subsection (a). Grants to states to support linkages to legal services and medical-legal partnerships. This section directly appropriates $125 million for each of FYs 2022 through 2025 to establish a grant program for states to support the adoption of evidence-based approaches to establish, improve, or maintain linkages between health and social services and supports for vulnerable older adults. States must use the funds to develop medical-legal partnerships (MLPs) – multidisciplinary teams that combine clinical staff with social workers and lawyers at a single site of care to ensure patients' social needs (e.g., housing, food, education, and access to care) are met. Grants will also fund the development and expansion of legal assistance hotlines to help facilitate the identification of older adults who could benefit from linkages to available services.

This section also requires state reports to the Secretary of HHS every two years, evaluation of the activities pursuant to this section by the Secretary, and a Report to Congress from the Secretary every four years.

Subsection (b). Grants and training to support community-based organizations in addressing social isolation. This subsection directly appropriates $62.5 million for each of FYs 2022 through 2025 to make grants to eligible Area Agencies on Aging (AAAs) or other community-based organizations to conduct outreach to individuals at risk for social isolation or loneliness, develop community-based interventions to mitigate loneliness and social isolation, connect at-risk individuals with social and clinical supports, and evaluate the effect of the programs developed and implemented in this section.

Additionally, the subsection provides funding to the Secretary to establish programs to provide and improve training for AAAs or other community-based organizations to address and prevent social isolation and loneliness.

The Secretary must evaluate the programs established under this section and submit a Report to Congress at least every three years after this section is enacted.

Section 3. Assessment Reports.
This provision directly appropriates $5 million for each of FYs 2022 through 2025 to carry out assessments of the programs funded under the Elder Justice Act. This provision requires the Secretary to submit a Report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the programs, coordinating bodies, registries, and activities under the Elder Justice Act. Reports, issued at the mid-point of the funding and after all funding in this title has been disbursed, assess the extent to which such programs have improved access to and quality of resources for aging Americans and their caregivers to ultimately prevent, detect, and treat abuse, neglect, and exploitation.

Part 3 of Subtitle E – Skilled Nursing Services
Section-by-Section

Section 134301. Funding to Improve the Accuracy and Reliability of Certain Skilled Nursing Facility Data.
Section 134201 amends section 1888 of the SSA in paragraph (h)(12) by directly appropriating $50 million to the Secretary of HHS, available until FY 2031, for the purposes of conducting data validation of nursing home quality data submitted through the Minimum Data Set (MDS), skilled nursing facility (SNF) Value-Based Purchasing Program, or Payroll Based Journal (PBJ) staffing dataset. Based on this data validation, the policy also amends subparagraph 1888(e)(6)(A) of the Social Security Act to reduce SNF payments by two percentage points beginning in fiscal year (FY) 2025 for SNFs that submit inaccurate data through any of these three data systems.

Section 134302. Ensuring Accurate Information on Cost Reports.
Section 134202 amends subsection 1888(f) of the SSA to appropriate $250 million to the Secretary of HHS for the purposes of auditing the Medicare cost reports SNFs are required to submit, beginning in calendar year 2022 and ending in 2031.

Section 134303. Survey Improvements.
Section 134203 amends section 1819 of the SSA by inserting a new subsection (l) that appropriates $325 million for FYs 22 through 2031 to the Secretary of HHS for the purposes of improving existing surveys and enforcement processes to improve compliance with the SNF conditions of participation. It requires the Secretary to consider several factors as part of the review, including the ability of state survey agencies to identify infection control and emergency preparedness deficiencies as well as sufficiently hire, train, and retain individuals to conduct surveys.

Section 134304. Nurse Staffing Requirements.
Section 134204 amends section 1819 of the SSA in subsection (d) to insert a new paragraph (5), entitled "Nurse Staffing Requirements." The new Section 1819(d)(5) appropriates $50 million to the Secretary of HHS for FYs 2022 through 2031, for the purposes of (not later than three years after the date of enactment and no less than once every five years thereafter) conducting studies on the appropriateness of establishing minimum staff-to-resident ratios in SNFs. Such reports must include recommendations on minimum staffing levels for Registered Nurses (RNs), Licensed Practical Nurses (LPNs) or Licensed Vocational Nurses (LVNs), and Certified Nursing Assistants (CNAs), which the Secretary shall promulgate through regulations. Through those regulations, the Secretary must apply the recommended staffing minimums to the Medicare conditions of participation, subject to limited waivers, within two years of each report (updated periodically to reflect any changes in recommendations from the latest report).

Part 4 of Subtitle E – Medicare Dental, Hearing, and Vision Coverage
Section-by-Section

Section 134401. Dental and Oral Health Care. Section 134301 amends section 1861 of the SSA by adding a new subsection (lll) to create coverage for dental and oral health services under Medicare Part B. Beginning January 1, 2028, Medicare will provide coverage for preventive and screening services (furnished by a dentist or oral health professional) as well as basic and major dental treatments, as defined by the Secretary of HHS, and furnished by a dentist or oral health professional.

This section defines preventive and screening services as: oral exams, dental cleanings, dental x-rays performed in a dentist or oral health professionals' office, and fluoride treatments. Basic treatments may include basic tooth restorations, basic periodontal services, tooth extractions, and oral disease management services. Major treatments may include major tooth restorations, major periodontal services, bridges, crowns, and root canals.

The section defines an oral health professional as a health professional licensed under state law to furnish dental and oral health care (other than a dentist), operating within a given state's scope-of-practice laws.

The section amends section 1834 of the SSA to create a new subsection (z) to pay for dental and oral health services under the Physician Fee Schedule in Section 1848 of the SSA or through another fee schedule that may include fees paid through TRICARE, under the Federal Employee Health Benefits Program, by the Secretary of Veterans Affairs, under Medicare Advantage plans under part C of Title XVIII of the SSA, under State plans under Title XIX, or by other health care payers or payers of dental and oral health services.

Beneficiaries will be responsible for 20 percent of cost-sharing for preventive and screening services as well as basic services. Beneficiary cost-sharing for major services will be phased in over time, reaching 50 percent in 2032.

The section also limits payment to two oral exams and two dental cleanings annually. The Secretary may also set additional frequencies with respect to the benefit.

The section allows the Secretary to pay for dentures and the associated professional services furnished through a bundle. This section also excludes dentists from the Merit-based Incentive Payment System (MIPS).

The section amends section 1842 of the SSA in subparagraph (b)(18)(C) to add oral health professionals to the list of providers receiving payment on an assignment-related basis from Medicare.

The new benefit also covers a full or partial set of dentures once every five years, or more frequently in cases where a dentists determines the dentures no longer fit the beneficiary. Payment for dentures may be made through Medicare's competitive bidding program for orthotics and prosthetics, as determined appropriate by the Secretary. Dentures furnished by a physician or other practitioner (as defined by the Secretary) to the physician's own patients as part of a professional service may be excluded from competitive bidding.

The section transfers $20 million from the Federal Supplementary Trust Fund to the Centers for Medicare & Medicaid Services (CMS) Program Management Account for each of FYs 2022 through 2028 for the purposes of implementing the dental benefit.

Section 134402. Providing Coverage for Hearing Under the Medicare Program. Section 134302 amends section 1861 paragraph (ll)(3) of the SSA to allow qualified audiologists to deliver aural rehabilitation and treatment services, beginning on October 1, 2023.

The section also invests in coverage of hearing aids as a prosthetic device under Medicare Part B by amending paragraph 1861(s)(8) of the SSA. Payment for hearing aids is for individuals with severe or profound hearing loss in one or both ears once every five years if furnished through a written order by a physician or qualified audiologist.

Payment will be made through Medicare's competitive bidding program for orthotics and prosthetics for hearing aids that are not included in the definition of "over-the-counter hearing aids" described in the Federal Food, Drug, and Cosmetic Act. Hearing aids furnished by a physician or other practitioner (as defined by the Secretary) to the physician's own patients as part of a professional service may be excluded from competitive bidding.

The section amends section 1842 of the SSA in subparagraph (b)(18)(C) to add audiologists to the list of providers receiving payment on an assignment-related basis from Medicare.

The section transfers $20 million from the Federal Supplementary Trust Fund to the CMS Program Management Account for each of FYs 2022 through 2023 for the purposes of implementing the dental benefit.

Section 134403. Provision Coverage for Vision Care Under the Medicare Program. Section 134303 amends section 1861 of the SSA to add a new subsection (mmm) to create coverage for vision services under Medicare Part B. This section defines vision services as routine eye examinations to determine the refractive state of the eye and contact lens fitting services furnished on or after October 1, 2022, by an ophthalmologist or optometrist legally authorized to perform such examinations, procedures, and fitting services under state law.

The section amends section 1834 of the SSA by adding a new subsection (aa) that limits coverage for routine eye examinations and contact lens fitting services to once every two years.

The section also adds vision services to payment through the Physician Fee Schedule in Section 1848 of the SSA.

Beginning on October 1, 2022, Medicare will begin reimbursing ophthalmologists and optometrists for one routine eye examination and one session of contact or eyeglass fitting services every two years. Beneficiaries will be responsible for 20 percent of the cost-sharing for such services.

The section amends section 1834 of the SSA in paragraph (h)(8) by investing in coverage for either one pair of eyeglasses and lenses during a two-year period or a two-year supply of contact lenses. Medicare will pay up to $85 toward the cost of either the eyeglass frames and $85 toward lenses or $85 toward contact lenses. Payment for eyeglasses and contact lenses may be made through Medicare's competitive bidding program for orthotics and prosthetics, as determined appropriate by the Secretary. Eyeglasses or contact lenses furnished by a physician or other practitioner (as defined by the Secretary) to the physician's own patients as part of a professional service may be excluded from competitive bidding.

The section transfers $20 million from the Federal Supplementary Trust Fund to the CMS Program Management Account for each of FYs 2022 through 2023 for the purposes of implementing the dental benefit.