

(D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE SECRETARY SHALL HAVE SOLE AUTHORITY ~~OVER~~ TO APPROVE THE DEMONSTRATION SITE PLANS THAT WILL GOVERN FIP FUNCTIONS IN A DEMONSTRATION SITE, INCLUDING THE AUTHORITY TO APPROVE DEMONSTRATION SITE PLANS THAT WILL:

- (1) ASSIST FAMILIES ON WELFARE THAT HAVE AN EMPLOYABLE PARENT TOWARD A LASTING EXIT FROM TEMPORARY CASH ASSISTANCE;
- (2) ENSURE THAT INDIVIDUALS AND FAMILIES RECEIVE APPROPRIATE BENEFITS;
- (3) REDUCE ERRORS IN THE ADMINISTRATION OF FIP;
- (4) PLACE TEMPORARY CASH ASSISTANCE RECIPIENTS IN EMPLOYMENT IN WHICH THEIR EARNINGS WILL LIKELY INCREASE; AND
- (5) IMPROVE THE TYPES OF EMPLOYMENT AND EMPLOYMENT RETENTION RATES OF EXISTING AND FORMER WELFARE RECIPIENTS.

(E) THE DIRECTOR OF THE LOCAL UNIT SHALL:

(1) DEVELOP A DEMONSTRATION SITE PLAN FOR SUBMITTAL TO THE SECRETARY FOR APPROVAL WHICH WILL DETAIL ITS:

(I) PROGRAMMATIC STRUCTURE, INCLUDING ANY PROGRAMMATIC CHANGES;

(II) ORGANIZATIONAL STRUCTURE, INCLUDING ANY ORGANIZATIONAL CHANGES;

(III) PAY INCENTIVE STRUCTURE AND CRITERIA FOR THE AWARD OF PAY INCENTIVES;

(IV) MEASURABLE PERFORMANCE CRITERIA AND HOW THESE RELATE TO THE INCENTIVE STRUCTURE; AND

(V) TARGET PERFORMANCE CRITERIA;

(2) IMPLEMENT THE PLAN AS APPROVED;

(3) HAVE THE PROPER OPERATION OF THE DEMONSTRATION AND THE ACHIEVEMENT OF THE TARGET PERFORMANCE CRITERIA BE AN ELEMENT OF THAT LOCAL UNIT DIRECTOR'S PERFORMANCE EVALUATION; AND

(4) REPORT BACK TO THE DEPARTMENT OF HUMAN RESOURCES ON THE PROGRESS ACHIEVED IN THE DEMONSTRATION SITE.

~~(E) (F) (3) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION AND NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ALL EMPLOYEES HIRED IN A DEMONSTRATION SITE AFTER ITS DESIGNATION AS A DEMONSTRATION SITE SHALL BE PLACED IN THE MANAGEMENT SERVICE OR IN SPECIAL APPOINTMENTS IN THE STATE PERSONNEL MANAGEMENT SYSTEM.~~