

(4) The funds allocated to demonstration projects under this section may not be used in the furtherance of sectarian religious instruction or worship.

(5) Funds allocable to demonstration projects under the provisions of paragraph (2) of this subsection shall, if feasible, be used for demonstration projects in the subdivisions which generated the savings.

(6) The Secretary shall award grants for these demonstration projects through a competitive bid process which includes:

(i) The issuance of a request for proposals; and

(ii) The establishment of an evaluation panel to review competing proposals and to make a recommendation to the Secretary concerning which proposals have the greatest programmatic and financial merit.

(7) WHEN AWARDING GRANTS UNDER PARAGRAPH (6) OF THIS SUBSECTION, THE SECRETARY SHALL GIVE PRIORITY IN FUNDING FOR AT LEAST 20% OF THE FUNDS ALLOCATED TO DEMONSTRATION PROJECTS UNDER THIS SECTION TO REGIONAL PROPOSALS FROM TWO OR MORE COUNTIES OF THE STATE.

(b) In the request for proposals, the Secretary shall include requirements that:

(1) Applicants specify what goods or services, or both, they will provide to participants; and

(2) Each demonstration project shall:

(i) Complement the local department Family Investment Program Plan; and

(ii) Address specific, unmet local needs and barriers that prevent families from meeting the requirements of this subtitle.

(c) The Secretary shall encourage and facilitate any demonstration projects, in addition to the demonstration projects funded through savings identified in subsection (a) of this section, which are supported through:

(1) The voluntary transfer of temporary cash assistance and food stamp benefits to the demonstration project;

(2) The transfer of administrative costs from the local department of social services; and

(3) Any nonstate funds available to the project.

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~~(A) ON OR BEFORE OCTOBER 1, 1998, THE SECRETARY SHALL ESTABLISH A PERFORMANCE INCENTIVE PROGRAM IN THE DEPARTMENT TO PROVIDE PAY INCENTIVES TO EMPLOYEES OF THE DEPARTMENT WHO ARE RESPONSIBLE FOR ASSISTING RECIPIENTS OF TEMPORARY CASH ASSISTANCE UNDER THE FIP IN OBTAINING EMPLOYMENT.~~