

**[COMMITTEE PRINT]**

FEBRUARY 10, 1995

**1 TITLE I—BLOCK GRANTS FOR  
2 TEMPORARY ASSISTANCE  
3 FOR NEEDY FAMILIES****4 Subtitle A—General Provisions****5 SEC. 101. BLOCK GRANTS TO STATES.**

6 (a) IN GENERAL.—Title IV of the Social Security Act  
7 (42 U.S.C. 601 et seq.) is amended by striking part A,  
8 except sections 403(h) and 417, and inserting the follow-  
9 ing:

**10 “PART A—BLOCK GRANTS TO STATES FOR  
11 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES****12 “SEC. 401. PURPOSE.**

13 “The purpose of this part is to enable eligible States  
14 to operate a program designed to—

15 “(1) provide assistance to needy families so that  
16 the children in such families may be cared for in  
17 their homes or the homes of relatives;

18 “(2) end the dependence of needy parents on  
19 government benefits by promoting work and mar-  
20 riage; and

21 “(3) discourage out-of-wedlock births.

1 "SEC. 402. ELIGIBLE STATES; STATE PLAN.

2 "(a) IN GENERAL.—As used in this part, the term  
3 'eligible State' means, with respect to a fiscal year, a State  
4 that, during the 3-year period immediately preceding the  
5 fiscal year, has submitted to the Secretary a plan that in-  
6 cludes the following:

7 "(1) OUTLINE OF FAMILY ASSISTANCE PRO-  
8 GRAM.—A written document that outlines how the  
9 State intends to do the following:

10 "(A) Conduct a program designed to—

11 "(i) provide cash benefits to needy  
12 families with children, including an expla-  
13 nation of the definition of needy families,  
14 the amount of cash benefits to be provided,  
15 and other descriptive information about  
16 the program; and

17 "(ii) provide parents of children in  
18 such families with work experience, assist-  
19 ance in finding employment, and other  
20 work preparation activities and support  
21 services that the State considers appro-  
22 priate to enable such families to leave the  
23 program and become self-sufficient.

24 "(B)(i) Except as provided in clause (ii),  
25 require at least 1 parent of a child in any fam-  
26 ily which has received benefits for more than 24

1 months (whether or not consecutive) under the  
 2 program (or under any State plan approved  
 3 under part A of this title, as in effect before the  
 4 effective date of this part) to engage in work  
 5 activities (as defined by the State).

6 “(ii) Make exceptions (if at all) from the  
 7 requirement described in clause (i) for individ-  
 8 uals who have not attained 20 years of age and  
 9 are in secondary school.

10 “(C) Require the following percentage of  
 11 parents receiving assistance under the program  
 12 to engage in work activities in the following fis-  
 13 cal years:

“If the fiscal year is:	The percentage is:
1996 .....	2
1997 .....	5
1998 .....	10
1999 .....	12
2000 .....	14
2001 .....	16
2002 .....	18
2003 or <u>thereafter</u> .....	20.

14 “(D) Treat interstate immigrants, if fami-  
 15 lies including such immigrants are to be treated  
 16 differently than other families.

17 “(E) Take such reasonable steps as the  
 18 State deems necessary to restrict the use and  
 19 disclosure of information about individuals and  
 20 families receiving benefits under the program.

1           “(F) To the extent practicable, take ac-  
2           tions to reduce the incidence of out-of-wedlock  
3           births, which may include providing unmarried  
4           mothers and unmarried fathers with services  
5           which will help them—

6                   “(i) avoid subsequent pregnancies;

7                   “(ii) provide adequate care to their  
8           children; and

9                   “(iii) become self-sufficient.

*[Will the State be required to conduct a program which meets the above descrip-  
tion? If not, why require the above description? If so, and the  
State does not do so, is the audit intended to discover this? If  
these are requirements and the audit discovers a failure of the  
State to adhere to these requirements and reports the failure to  
the Secretary, then the penalty provisions of § 403(e)(1) would  
apply. On the other hand, if these are not requirements but the  
audit discovers a failure of the State to conduct a program  
which meets the above description and reports the failure to the  
Secretary, what is the Secretary to do?]*

10           “(2) CERTIFICATION THAT THE STATE WILL  
11           OPERATE A CHILD SUPPORT ENFORCEMENT PRO-  
12           GRAM.—A certification by the Governor of the State  
13           that, during the fiscal year, the State will operate a  
14           child support enforcement program under the State  
15           plan approved under part D, in a manner that com-  
16           plies with the requirements of such part.

17           “(3) CERTIFICATION THAT THE STATE WILL  
18           OPERATE A CHILD PROTECTION PROGRAM.—A cer-  
19           tification by the Governor of the State that, during

1 the fiscal year, the State will operate a child protec-  
2 tion program in accordance with part B.

3 “(4) CERTIFICATION THAT THE STATE WILL  
4 OPERATE A FOSTER CARE MAINTENANCE PAYMENTS  
5 PROGRAM AND AN ADOPTION ASSISTANCE PRO-  
6 GRAM.—A certification by the Governor of the State  
7 that, during the fiscal year, the State will make fos-  
8 ter care maintenance payments under section 472[?]  
9 and adoption assistance payments under section  
10 473[?].

11 “(b) DETERMINATIONS.—The Secretary shall deter-  
12 mine whether a plan submitted pursuant to subsection (a)  
13 contains the material required by subsection (a).

14 “SEC. 403. GRANTS TO STATES FOR FAMILY ASSISTANCE.

15 “(a) ENTITLEMENT.—Each eligible State shall be en-  
16 titled to receive from the Secretary for each fiscal year  
17 specified in subsection (b)(1) an amount equal to the State  
18 share of the family assistance amount for the fiscal year.

19 “(b) DEFINITIONS.—As used in subsection (a):

20 “(1) FAMILY ASSISTANCE AMOUNT.—The term  
21 ‘family assistance amount’ means \$15,365,000,000  
22 for each of fiscal years 1996, 1997, 1998, 1999, and  
23 2000.

24 “(2) STATE SHARE.—The term ‘State share’  
25 means, with respect to a State and a fiscal year, the

1 amount that bears the same relation to the amount  
2 specified in paragraph (1) for the fiscal year as the  
3 amount paid to the State under section 403 of this  
4 title (as in effect before October 1, 1995) for fiscal  
5 year 1994 bears to the total amount paid to all of  
6 the States under such section for fiscal year 1994.

7 “(3) STATE.—The term ‘State’ includes the  
8 several States, the District of Columbia, the Com-  
9 monwealth of Puerto Rico, the United States Virgin  
10 Islands, Guam, and American Samoa.

11 “(c) USE OF FUNDS.—

12 “(1) IN GENERAL.—A State to which funds are  
13 paid under this section may use such funds in any  
14 manner that is reasonably calculated to accomplish  
15 the purpose of this part, subject to this part.

16 “(2) AUTHORITY TO TREAT INTERSTATE IMMI-  
17 GRANTS UNDER RULES OF FORMER STATE.—A State  
18 to which funds are paid under this section may  
19 apply to a family the rules of the program operated  
20 under this part of another State if the family has  
21 moved to the State from the other State and has re-  
22 sided in the State for less than 12 months.

23 “(3) AUTHORITY TO USE FUNDS FOR OTHER  
24 PURPOSES.—

1           “(A) IN GENERAL.—A State may use not  
2           more than 20 percent of the funds paid to the  
3           State under this part for a fiscal year to carry  
4           out a State program pursuant to any or all of  
5           the following provisions of law:

6                   “(i) Part B of this title.

7                   “(ii) Title XX of this Act.

8                   “(iii) The food and nutrition block  
9           grant program established under [*cita-*  
10          *tion?*].

11                  “(iv) The Child Care and Develop-  
12          ment Block Grant Act of 1990.

13           “(B) RULES GOVERNING USE OF FUNDS  
14          FOR OTHER PURPOSES.—Funds paid to the  
15          State under this part that are used to carry out  
16          a State program pursuant to a provision of law  
17          specified in subparagraph (A) shall not be sub-  
18          ject to the requirements of this part, but shall  
19          be subject to the same requirements that apply  
20          to Federal funds provided directly under the  
21          provision of law to carry out the program.

22           “(4) AUTHORITY TO TEMPORARILY REDUCE AS-  
23          SISTANCE FOR FAMILIES APPLYING FOR ASSISTANCE  
24          WHICH INCLUDE A CHILD WHOSE PATERNITY IS NOT  
25          ESTABLISHED.—If, at the time a family applies for

1 assistance under the State program funded under  
2 this part, the paternity of a child in the family has  
3 not been established, the State shall, for such period  
4 (not exceeding 6 months) as the State deems appro-  
5 priate, provide the family with a lesser amount of  
6 assistance under the program than would otherwise  
7 be provided to the family, subject to such good cause  
8 and other exceptions as the State may establish.

*[The above is really a prohibition against paying the same level of benefits that others are receiving. But the above language would permit a State to avoid the prohibition by prescribing a vanishingly small period during which the reduction would apply, or by establishing a universal exception to the rule. If the provision is truly meant to prevent States from doing something, then it belongs in section 404, relating to prohibitions.]*

9 “(d) TIMING OF PAYMENTS.—The Secretary shall  
10 make the payments required by this section on a quarterly  
11 basis.

12 “(e) PENALTIES.—

13 “(1) FOR USE OF FUNDS IN VIOLATION OF  
14 THIS PART.—

15 “(A) IN GENERAL.—The Secretary shall  
16 reduce the amounts otherwise payable to a  
17 State under this section by any amount paid to  
18 the State under this section which an audit con-  
19 ducted pursuant to chapter 75 of title 31, Unit-  
20 ed States Code, finds has been used in violation  
21 of this part.

1                   “(B) LIMITATION.—In carrying out sub-  
2                   paragraph (A), the Secretary shall not reduce  
3                   any quarterly payment by more than 25 per-  
4                   cent.

5                   “(2) FOR FAILURE TO SUBMIT REQUIRED RE-  
6                   PORT.—The Secretary shall reduce by 3 percent the  
7                   amount otherwise payable to a State under this sec-  
8                   tion for a fiscal year if the Secretary determines that  
9                   the State has not submitted the report required by  
10                  section 405 for the immediately preceding fiscal  
11                  year, within 6 months after the end of the imme-  
12                  diately preceding fiscal year.

13                  “(3) FOR FAILURE TO PARTICIPATE IN THE IN-  
14                  COME AND ELIGIBILITY VERIFICATION SYSTEM.—  
15                  The Secretary shall reduce by 1 percent the amount  
16                  otherwise payable to a State under this section for  
17                  a fiscal year if the Secretary determines that the  
18                  State program funded under this part is not partici-  
19                  pating during the fiscal year in the income and eligi-  
20                  bility verification system required by section 1137.

21                  “(f) LIMITATION ON FEDERAL AUTHORITY.—Except  
22                  as expressly provided in this part, the Secretary may not  
23                  regulate the conduct of States under this part or enforce  
24                  any provision of this part.

1 "SEC. 404. PROHIBITIONS.

2 "(a) IN GENERAL.—A State to which funds are paid  
3 under this part may not do any of the following:

4 "(1) Use any part of such funds to provide as-  
5 sistance to a family, unless the family includes a  
6 minor child.

7 "(2) Use any part of such funds to provide as-  
8 sistance for any individual who is receiving benefits  
9 or services under—

10 "(A) a State plan for old-age assistance  
11 approved under section 2; or

12 "(B) the supplemental security income pro-  
13 gram under title XVI.

14 "(3) Use any part of such funds to provide as-  
15 sistance for an individual who is not a citizen or na-  
16 tional of the United States, unless—

17 "(A)(i) the individual is an alien who is ad-  
18 mitted to the United States as a refugee under  
19 section 207 of the Immigration and Nationality  
20 Act; and

21 "(ii) 5 years has elapsed since the date the  
22 individual arrived in the United States; or

23 "(B) the individual is an alien who—

24 "(i) is lawfully admitted to the United  
25 States for permanent residence;

26 "(ii) has attained 75 years of age; and

1                   “(iii) has resided in the United States  
2                   for at least 5 years.

3                   “(4) Use any part of such funds to provide cash  
4                   benefits for—

5                   “(A) a minor child who is born out-of-wed-  
6                   lock to a person who has not attained 18 years  
7                   of age; or

8                   “(B) any parent of the child.

9                   “(5) Use any part of such funds to provide cash  
10                  benefits for a minor child who is born to—

11                  “(A) a recipient of benefits under the pro-  
12                  gram operated under this part; or

13                  “(B) a person who received such benefits  
14                  at any time during the 10-month period ending  
15                  with the birth of the child.

16                  “(6) Use any part of such funds to provide cash  
17                  benefits for the family of an individual who, after at-  
18                  taining 18 years of age, has received benefits under  
19                  the program operated under this part for 60 months  
20                  (whether or not consecutive) after the effective date  
21                  of this part.

22                  “(7) Use any part of such funds to provide as-  
23                  sistance to a family that includes an individual  
24                  whom the agency responsible for administering the  
25                  State plan approved under part D determines is not

1 children carried out under section 17 of the  
2 Child Nutrition Act of 1966, or any Federal  
3 program of block grants to States for food and  
4 nutrition.

5 “(C) Any Federal housing program.

6 “(D) The program of medical assistance  
7 under the State plan approved under title XIX.

8 “(E) The Head Start programs carried out  
9 under the Head Start Act.

10 “(10) The number of months, since the most  
11 recent application of the family for benefits under  
12 the program operated under this part, for which  
13 such benefits have been provided to the family.

14 “(11) The total number of months for which  
15 benefits have been provided to the family under the  
16 program operated under this part.

17 “(12) The age, education, and employment sta-  
18 tus of, and the political subdivision of the State in  
19 which there resides, any individual who—

20 “(A) is a parent of a child in the family;

21 and

22 “(B) does not reside with the family.”

23 SEC. 102. TRANSFERS.

24 (a) CHILD SUPPORT AUDIT PENALTIES.—

1 (1) REDESIGNATION OF PROVISION.—Section  
2 403 of such Act (42 U.S.C. 603(h)), as in effect im-  
3 mediately before the effective date of this title, is  
4 amended by striking “(h)(1)” and inserting “(f)(1)”.

5 (2) TRANSFER OF PROVISION.—Section 403 of  
6 such Act, as added by the amendment made by sec-  
7 tion 101(a) of this Act, is amended by adding at the  
8 end the subsection amended by paragraph (1) of this  
9 subsection.

*(§ 403(h) of the Social Security Act penalizes States whose child support enforce-  
ment programs are not in substantial compliance with the re-  
quirements of part D. The penalty is a percentage reduction in  
amount payable to the State under part A. How is this penalty  
to be calculated with regard to the block grant?)*

10 (b) ASSISTANT SECRETARY FOR FAMILY SUPPORT.—

11 (1) REDESIGNATION OF PROVISION.—Section  
12 417 of such Act (42 U.S.C. 617), as in effect imme-  
13 diately before the effective date of this title, is  
14 amended by striking the following:

15 “ASSISTANT SECRETARY FOR FAMILY SUPPORT”

16 “SEC. 417.”

17 and inserting the following:

18 “SEC. 407. ASSISTANT SECRETARY FOR FAMILY SUPPORT.”.

19 (2) TRANSFER OF PROVISION.—Part A of title  
20 IV of such Act, as added by the amendment made  
21 by section 101(a) of this Act, is amended by adding  
22 at the end the section amended by paragraph (1) of  
23 this subsection.

1 SEC. 103. CONFORMING AMENDMENTS TO THE SOCIAL SE-  
2 CURITY ACT.

3 (a) AMENDMENTS TO TITLE II.—

4 (1) Section 205(c)(2)(C)(vi) of the Social Secu-  
5 rity Act (42 U.S.C. 405(c)(2)(C)(vi)), as so redesign-  
6 nated by section 321(a)(9)(B) of the Social Security  
7 Independence and Program Improvements Act of  
8 1994, is amended—

9 (A) by inserting “an agency administering  
10 a program funded under part A of title IV” be-  
11 fore “an agency operating”; and

12 (B) by striking “A or D of title IV of this  
13 Act” and inserting “D of such title”.

14 (2) Section 228(d)(1) of such Act (42 U.S.C.  
15 428(d)(1)) is amended by inserting “under a State  
16 program funded under” before “part A of title IV”.

17 (b) AMENDMENTS TO PART D OF TITLE IV.—

18 (1) Section 451 of such Act (42 U.S.C. 651) is  
19 amended by striking “aid” and inserting “assistance  
20 under a State program funded”.

21 (2) Section 452(a)(4) of such Act (42 U.S.C.  
22 652(a)(4)) is amended—

23 (A) by striking “403(h)(1)” and inserting  
24 “403(f)(1)”;

25 (B) by striking “403(h)(2)” and inserting  
26 “403(f)(2)”;

1 (C) by striking "403(h)" and inserting  
2 "403(f)".

3 (3) Section 452(a)(10)(C) of such Act (42  
4 U.S.C. 652(a)(10)(C)) is amended—

5 (A) by striking "aid to families with de-  
6 pendent children" and inserting "assistance  
7 under the State program funded under part A";  
8 and

9 (B) by striking "such aid" and inserting  
10 "such assistance"; and

11 (C) by striking "under section 402(a)(26)"  
12 and inserting "pursuant to section 404(a)(8)".

13 (4) Section 452(a)(10)(F) of such Act (42  
14 U.S.C. 652(a)(10)(F)) is amended—

15 (A) by striking "aid under a State plan ap-  
16 proved" and inserting "assistance under a State  
17 program funded"; and

18 (B) by striking "in accordance with the  
19 standards referred to in section  
20 402(a)(26)(B)(ii)" and inserting "by the  
21 State".

22 (5) Section 452(a) of such Act (42 U.S.C.  
23 652(a)) is amended in the last sentence by striking  
24 "plan approved" and inserting "program funded".

1 (6) Section 452(b) of such Act (42 U.S.C.  
2 652(b)) is amended in the last sentence by striking  
3 "plan approved under part A" and inserting "pro-  
4 gram funded under part A".

5 (7) Section 452(d)(3) of such Act (42 U.S.C.  
6 652(d)(3)) is amended—

7 (A) in subparagraph (A), by striking  
8 "403(h)" and inserting "403(f)"; and

9 (B) in subparagraph (B)(i), by striking  
10 "1115(e)" and inserting "1115(b)".

11 (8) Section 452(g)(1) of such Act (42 U.S.C.  
12 652(g)(1)) is amended by striking "403(h)" and in-  
13 serting "403(f)".

14 (9) Section 452(g)(2)(A)(ii)(I) of such Act (42  
15 U.S.C. 652(g)(2)(A)(ii)(I)) is amended—

16 (A) by inserting "assistance is being pro-  
17 vided under the State program funded under  
18 part A or" before "aid"; and

19 (B) by striking "A or".

20 (10) Section 452(g)(2)(A) of such Act (42  
21 U.S.C. 652(g)(2)(A)) is amended in the matter fol-  
22 lowing clause (iii) by striking "aid is being provided  
23 under the State's plan approved" and inserting "as-  
24 sistance is being provided under the State program  
25 funded".

1 (11) Section 452(g)(2) of such Act (42 U.S.C.  
2 652(g)(2)) is amended—

3 (A) by striking “who is a dependent child  
4 by reason of the death of a parent” and insert-  
5 ing “with respect to whom assistance is being  
6 provided under the State program funded under  
7 part A”; and

8 (B) by inserting “by the State agency ad-  
9 ministering the State plan approved under this  
10 part” after “found”; and

11 (C) by striking “under section 402(a)(26)”  
12 and inserting “pursuant to section 404(a)(8)”.

13 (12) Section 452(g)(3) of such Act (42 U.S.C.  
14 652(g)(3)) is amended by striking “403(h)” and in-  
15 serting “403(f)”.

16 (13) Section 452(h) of such Act (42 U.S.C.  
17 652(h)) is amended by striking “under section  
18 402(a)(26)” and inserting “pursuant to section  
19 404(a)(8)”.

20 (14) Section 454(4)(A) of such Act (42 U.S.C.  
21 654(4)(A)) is amended—

22 (A) by striking “under section 402(a)(26)  
23 or” and inserting “pursuant to section  
24 404(a)(8) or under”; and

1 (B) by striking "plan of the State" and in-  
2 sserting "State program"; and

3 (C) by striking "in accordance with the  
4 standards prescribed by the Secretary pursuant  
5 to section 402(a)(26)(B)".

6 (15) Section 454(4)(B) of such Act (42 U.S.C.  
7 654(4)(B)) is amended—

8 (A) by striking "aid to families with de-  
9 pendent children" and inserting "assistance  
10 under the State program funded under part A";

11 (B) by inserting "the State program fund-  
12 ed under part A of this title or" before "the  
13 plan";

14 (C) by striking "A or"; and

15 (D) by striking "in accordance with the  
16 standards prescribed by the Secretary pursuant  
17 to section 402(a)(26)(B)".

18 (16) Section 454(5) of such Act (42 U.S.C.  
19 654(5)) is amended—

20 (A) by striking "under section 402(a)(26)"  
21 and inserting "pursuant to section 404(a)(8)";  
22 and

23 (B) by striking "except that this para-  
24 graph shall not apply to such payments for any  
25 month following the first month in which the

1 amount collected is sufficient to make such  
2 family ineligible for assistance under the State  
3 plan approved under part A;”.

4 (17) Section 454(6)(D) of such Act (42 U.S.C.  
5 654(6)(D)) is amended by striking “aid under a  
6 State plan approved” and inserting “assistance  
7 under a State program funded”.

8 (18) Section 456 of such Act (42 U.S.C. 656)  
9 is amended by striking “under section 402(a)(26)”  
10 each place such term appears and inserting “pursu-  
11 ant to section 404(a)(8)”.

12 (19) Section 457(c) of such Act (42 U.S.C.  
13 657(c)) is amended by inserting “a State program  
14 funded” before “under part A”.

15 (20) Section 457(d)(3) of such Act (42 U.S.C.  
16 657(d)(3)) is amended by striking “aid to families  
17 with dependent children” and inserting “assistance  
18 under a State program funded under part A”.

19 (21) Section 458(a) of such Act (42 U.S.C.  
20 658(a)) is amended by striking “aid to families with  
21 dependent children under a State plan approved  
22 under part A of this title” and inserting “assistance  
23 under a State program funded under part A”.

*[/§ 458(b) and (c) should be thoroughly examined for modification.]*

1           (22) Section 464(a)(1) of such Act (42 U.S.C.  
2           664(a)(1)) is amended by striking "402(a)(26)" and  
3           inserting "404(a)(8)".

4           (23) Section 466(a)(3)(B) of such Act (42  
5           U.S.C. 666(a)(3)(B)) is amended by striking  
6           "402(a)(26)" and inserting "404(a)(8)".

7           (24) Section 466(a)(5)(B) of such Act (42  
8           U.S.C. 666(a)(5)(B)) is amended by striking "under  
9           section 402(a)(26)(B)" and inserting "pursuant to  
10          section 404(a)(8)".

11          (25) Section 466(a)(10)(B)(i) of such Act (42  
12          U.S.C. 666(a)(10)(B)(i)) is amended by striking  
13          "under section 402(a)(26)" and inserting "pursuant  
14          to section 404(a)(8)".

15          (26) Section 466(b)(2) of such Act (42 U.S.C.  
16          666(b)(2)) is amended by striking "aid" and insert-  
17          ing "assistance under a State program funded".

18          (27) Section 469 of such Act (42 U.S.C. 669)  
19          is amended—

20                 (A) by striking "aid under plans approved"  
21                 and inserting "assistance under State programs  
22                 funded"; and

23                 (B) by striking "such aid" and inserting  
24                 "such assistance".

1 (c) REPEAL OF PART F OF TITLE IV.—Part F of  
2 title IV of such Act (42 U.S.C. 681–687) is hereby re-  
3 pealed.

4 (d) AMENDMENT TO TITLE V.—Section 501(a)(3)(C)  
5 of such Act (42 U.S.C. 701(a)(3)(C)) is amended by in-  
6 serting “(as in effect before October 1, 1995)” after  
7 “1136”.

8 (e) AMENDMENT TO TITLE X.—

9 (1) Section 1002(a)(7) of such Act (42 U.S.C.  
10 1202(a)(7)) is amended by striking “aid to families  
11 with dependent children under the State plan ap-  
12 proved under section 402 of this Act” and inserting  
13 “assistance under a State program funded under  
14 part A of title IV”.

15 (f) AMENDMENTS TO TITLE XI.—

16 (1) Section 1108 of such Act (42 U.S.C. 1308)  
17 is amended—

18 (A) by striking subsections (a), (b), (d),  
19 and (e); and

20 (B) by striking “(c)”.

21 (2) Section 1109 of such Act (42 U.S.C. 1309)  
22 is amended by striking “or part A of title IV,”.

23 (3) Section 1115 of such Act (42 U.S.C. 1315)  
24 is amended—

25 (A) in subsection (a)—

1 (i) in the matter preceding paragraph

2 (1), by striking "A or";

3 (ii) in paragraph (1), by striking

4 "402,"; and

5 (iii) in paragraph (2), by striking

6 "403,".

7 (B) by striking subsections (b) and (d) and

8 by redesignating subsection (c) as subsection

9 (b).

10 (4) Section 1116 of such Act (42 U.S.C. 1316)

11 is amended—

12 (A) in each of subsections (a)(1), (d), and

13 (d), by striking "or part A of title IV,"; and

14 (B) in subsection (a)(3), by striking

15 "404,";

16 (5) Section 1118 of such Act (42 U.S.C. 1318)

17 is amended—

18 (A) by striking "403(a),";

19 (B) by striking "and part A of title IV,";

20 and

21 (C) by striking "and shall, in the case of

22 American Samoa, mean 75 per centum with re-

23 spect to part A of title IV".

24 (6) Section 1119 of such Act (42 U.S.C. 1319)

25 is amended—

1 (A) by striking "or part A of title IV"; and  
2 (B) by striking "403(a)".

3 (7) Section 1133(a) of such Act (42 U.S.C.  
4 1320b-3(a)) is amended by striking "or part A of  
5 title IV,".

6 (8) Section 1136 of such Act (42 U.S.C.  
7 1320b-6) is hereby repealed.

8 (9) Section 1137 of such Act (42 U.S.C.  
9 1320b-7) is amended—

10 (A) in subsection (b), by striking para-  
11 graph (1) and inserting the following:

12 "(1) any State program funded under part A of  
13 title IV of this Act;"; and

14 (B) in subsection (d)(2)—

15 (i) by striking "In this subsection—"  
16 and all that follows through "(ii) in" and  
17 inserting "In this subsection, in"; and

18 (ii) by redesignating subclauses (I),  
19 (II), and (III) as clauses (i), (ii), and (iii);  
20 and

21 (iii) by moving such redesignated ma-  
22 terial 2 ems to the left.

23 (g) AMENDMENT TO TITLE XIV.—Section  
24 1402(a)(7) of such Act (42 U.S.C. 1352(a)(7)) is amend-  
25 ed by striking "aid to families with dependent children

1 under the State plan approved under section 402 of this  
2 Act” and inserting “assistance under a State program  
3 funded under part A of title IV”.

4 (g) AMENDMENT TO TITLE XVI IN EFFECT WITH  
5 RESPECT TO THE TERRITORIES.—Section 1602(a)(11) of  
6 such Act, as in effect without regard to the amendment  
7 made by section 301 of the Social Security Amendments  
8 of 1972, (42 U.S.C. 1382 note) is amended by striking  
9 “aid under the State plan approved” and inserting “assist-  
10 ance under a State program funded”.

11 (h) AMENDMENT TO TITLE XVI IN EFFECT WITH  
12 RESPECT TO THE STATES.—Section 1611(c)(5)(A) of  
13 such Act (42 U.S.C. 1382(c)(5)(A)) is amended—

14 (1) by striking “plan approved” and inserting  
15 “program funded”; and

16 (2) by striking “aid to families with dependent  
17 children” and inserting “temporary assistance to  
18 needy families”.

19 (i) AMENDMENTS TO TITLE XVIII.—Section 1843 of  
20 such Act (42 U.S.C. 1395v) is amended—

21 (1) in subsection (b)(2), by striking “, and part  
22 A of title IV”; and

23 (2) in subsection (f)—

24 (A) by striking “or part A of title IV,”;

25 and

1 (B) by striking "and part A of title IV,".

2 **Subtitle B—Medicaid Provisions**

3 **SEC. 111. MEDICAID ELIGIBILITY FOR BENEFICIARIES**

4 **UNDER FAMILY ASSISTANCE PROGRAM.**

5 (a) **CONTINUED MEDICAID ELIGIBILITY FOR CER-**  
6 **TAIN FORMER BENEFICIARIES UNDER FAMILY ASSIST-**  
7 **ANCE PROGRAM.—**

8 (1) **IN GENERAL.—**Section 1902(a)(10)(A)(i) of  
9 the Social Security Act (42 U.S.C.  
10 1396a(a)(10)(A)(i)) is amended—

11 (A) by striking "or" at the end of  
12 subclause (VI);

13 (B) by striking the semicolon at the end of  
14 subclause (VII) and inserting ", or"; and

15 (C) by adding at the end the following new  
16 subclause:

17 "(VIII) who are qualified former  
18 family assistance recipients (as de-  
19 fined in section 1905(t));".

20 (2) **QUALIFIED FORMER FAMILY ASSISTANCE**  
21 **RECIPIENTS DEFINED.—**Section 1905 of such Act  
22 (42 U.S.C. 1396d) is amended by adding at the end  
23 the following new subsection:

24 "(t) The term 'qualified former family assistance re-  
25 cipient' means an individual who—

1           “(1) for the month preceding the first month to  
2           which this subsection applies to the individual—

3                   “(A) received aid or assistance under a  
4                   State plan approved under part A of title IV,  
5                   and

6                   “(B) [was eligible for medical assistance  
7                   under the State plan approved under this title-  
8                   *only applicable if individuals are required to*  
9                   *apply for medicaid under new program*]; and

10           “(2) would be eligible to receive aid or assist-  
11           ance under a State plan approved under part A of  
12           title IV but for the application to the individual of  
13           paragraph (4), (5), or (6) of section 404(a).”

14           (b) RESTRICTION ON CATEGORICAL ELIGIBILITY FOR  
15           CERTAIN FAMILY ASSISTANCE BENEFICIARIES.—

16                   (1) IN GENERAL.—Section 1902(a)(10)(A)(i)(I)  
17           of such Act (42 U.S.C. 1396a(a)(10)(A)(i)(I)) is  
18           amended—

19                           (A) by striking “or part A”;

20                           (B) by striking “402(a)(37), 406(h), or  
21                           473(b), or considered by the State to be receiv-  
22                           ing such aid as authorized by section  
23                           482(e)(6)” and inserting “473(b)”; and

24                           (C) by adding at the end the following: “or  
25                           who are receiving assistance under the State

1 program funded under part A of title IV and  
2 are not described in subsection (aa),”.

3 (2) RESTRICTION DESCRIBED.—Section 1902 of  
4 such Act (42 U.S.C. 1396a) is amended by adding  
5 at the end the following new subsection:

6 “(aa)(1) For purposes of section  
7 1902(a)(10)(A)(i)(I), an individual is described in this  
8 subsection if the individual's total family income exceeds  
9 185 percent of the State's standard of need for a family  
10 of the same composition, as determined by the State in  
11 accordance with paragraph (2).

12 “(2) In determining an individual's total family in-  
13 come under paragraph (1), the State—

14 “(A) [shall]//[may] exclude the income of any  
15 dependent child which is derived from a program  
16 carried out under the Job Training Partnership Act  
17 (as originally enacted) but only in such amounts,  
18 and for such period of time (not to exceed 6 months  
19 with respect to earned income) as the Secretary may  
20 provide in regulations);

21 “(B) shall exclude any refund of Federal in-  
22 come taxes made to the family by reason of section  
23 32 of the Internal Revenue Code of 1986 and any  
24 payment made to the family by an employer under  
25 section 3507 of such Code;

1           “(C) may exclude any earned income of a de-  
2           pendent child who is a full-time student, in such  
3           amounts and for such period of time (not to exceed  
4           6 months) as the State may determine; and

5           “(D) shall exclude any payments made to the  
6           family under the State program funded under part  
7           A of title IV.”.

8   **SEC. 112. OTHER CONFORMING AMENDMENTS.**

9           Title XIX of the Social Security Act (42 U.S.C. 1396  
10   et seq.) is amended as follows:

11           (1) Section 1902(a) of such Act (42 U.S.C.  
12   1396a(a)) is amended—

13           (A) in paragraph (5), by striking “the  
14           State plan approved” and inserting “the State  
15           program funded”;

16           (B) in paragraph (10)(A)(i), by striking  
17           subclause (III) and subclause (V);

18           (C) in paragraph (10)(A)(ii)(VIII)(cc), by  
19           striking “State’s aid to families with dependent  
20           children program under” and inserting “State  
21           program funded under”;

22           (D) in paragraph (17), by inserting “the  
23           State program funded under” before “part A”  
24           each place it appears;

25           (E) by striking paragraph (52);

1 (F) in paragraph (55), by striking "aid"  
2 each place it appears and inserting "assistance  
3 under the State program funded";

4 (G) in the fourth sentence, by inserting  
5 "under the State program funded under" before  
6 "part A"; and

7 (H) by striking the sixth sentence.

8 *[Repeal of AFDC maintenance of effort (review*  
9 *policy)]* (2) Section 1902(c) of such Act (42 U.S.C.  
10 1396a(c)) is amended by striking "if—" and all that  
11 follows and inserting the following: "if the State re-  
12 quires individuals described in subsection (l)(1) to  
13 apply for benefits under the State program funded  
14 under part A of title IV as a condition of applying  
15 for or receiving medical assistance under this title."

16 (3) Section 1902(e) of such Act (42 U.S.C.  
17 1396a(e)) is amended by striking paragraph (1) and  
18 paragraph (10).

19 (4) Section 1902(l)(3) of such Act (42 U.S.C.  
20 1396a(l)(3)) is amended—

21 (A) in subparagraph (C), by striking "is  
22 applied under the State plan" and inserting  
23 "may be applied under the State program fund-  
24 ed"; and

1 (B) in subparagraph (E), by striking “part  
2 A or E of title IV” and inserting “part E of  
3 title IV or under the State program funded  
4 under part A of such title”.

5 *[Maintaining 133% of AFDC payment amount*  
6 *as income limitation for medically needy (review pol-*  
7 *icy)]* (4) Section 1903(f) of such Act (42 U.S.C.  
8 1396b(f)) is amended—

9 (A) in paragraph (1)(B)(i), by striking  
10 “the plan of the State approved” and inserting  
11 “the State program funded”;

12 (B) in paragraph (3)—

13 (i) by striking “the State’s plan ap-  
14 proved” and inserting “the State program  
15 funded”, and

16 (ii) by striking “such plan” each place  
17 it appears and inserting “such program”;  
18 and

19 (C) in paragraph (4)(A), by inserting  
20 “under the State program funded under” before  
21 “part A”.

22 *[Repeal of AFDC maintenance of effort (review*  
23 *policy)]* (4) Section 1903(i) of such Act (42 U.S.C.  
24 1396b(i)) is amended by striking paragraph (9).

1 (5) Section 1903(u)(1)(D)(iv) of such Act (42  
2 U.S.C. 1396b(u)(1)(D)(iv)) is amended by striking  
3 "or 402(a)(26)(C)".

4 (6) Section 1905(a) of such Act (42 U.S.C.  
5 1396d(a)) is amended—

6 (A) in the matter preceding paragraph

7 (1)—

8 (i) in the matter preceding clause (i),  
9 by inserting "receiving assistance under  
10 the State program funded under" before  
11 "part A",

12 (ii) by striking clause (ii) and redesignig-  
13 nating clauses (iii) through (viii) as clauses  
14 (ii) through (vii), and

15 (iii) by striking clause (ix) and redesignig-  
16 nating clauses (x) and (xi) as clauses  
17 (viii) and (ix); and

18 (B) in the third sentence, by inserting  
19 "under the State program funded under" before  
20 "part A".

21 (7) Section 1905 of such Act (42 U.S.C.  
22 1396d) is amended by striking subsection (m) and  
23 subsection (n).

1            **[Repeal of transitional assistance for certain**  
2            **former AFDC recipients]** (8) Section 1925 of such  
3            Act (42 U.S.C. 1396r-6) is repealed.

4            (9) Section 1931 of such Act (42 U.S.C. 1396v)  
5            is amended by striking paragraph (1) and by redес-  
6            ignating paragraphs (2) through (5) as paragraphs  
7            (1) through (4), respectively.

8            **Subtitle C—Other Conforming**  
9            **Amendments and Repeals**

10          **SEC. 121. CONFORMING AMENDMENTS TO OTHER LAWS.**

*[The following provisions of law contain references to provisions repealed by this title or to the AFDC program generally, and should be reviewed to determine whether (and if so, how) they should be amended.]*

(1) The 1st section 255(h) and section 256(k) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(h) and 906(k)).

(2) Section 508(b) of the Unemployment Compensation Amendments of 1976 (90 Stat. 2689; 42 U.S.C. 603a).

(3) Sections 5, 6, 8, 11, 16, 17, 21, and 22 of the Food Stamp Act of 1977 (7 U.S.C. 2014, 2015, 2017, 2020, 2025, 2026, 2030, and 2031).

(4) Sections 210(f) and 245A(h)(1)(A)(i), and paragraphs (4), (7)(B), and (7)(D) of section 412(e), of the Immigration and Nationality Act (8

U.S.C. 1160(f), 1255a(h)(1)(A)(i), and 1522(e)(4), (7)(B), and (7)(D)).

(5) Section 523 of title 11, United States Code.

(6) Section 404C(c)(3) and subsections (b)(2) and (c)(2) of section 480 of the Higher Education Act of 1965 (20 U.S.C. 1070a-23(c)(3) and 1087vv(b)(2) and (c)(2)).

(7) Sections 115(c)(1), 231(d)(3)(A)(ii), 232(b)(2)(B), and 521(14)(B)(iii) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2325(c)(1), 2341(d)(3)(A)(ii), 2341a(b)(2)(B), 2471(14)(B)(iii)).

(8) Section 1005(c)(2)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711(c)(2)(B)).

(9) Sections 51, 3304, 4103, and 6402 of the Internal Revenue Code of 1986.

(10) Section 3 of the Act of June 19, 1952, (Chapter 445; 66 Stat. 140; 25 U.S.C. 683).

(11) Section 3 of the Act of August 27, 1954, (Chapter 1011; 68 Stat. 879; 25 U.S.C. 686).

(12) Section 3 of Public Law 85-794 (72 Stat. 958; 25 U.S.C. 689).

(13) Sections 4(29)(A)(i), 501(1), 506(1)(A), and 508(a)(2)(A) of the Job Training Partnership

Act (29 U.S.C. 1503(29)(A)(i), 1791(1), 1791e(1)(A), and 1791g(a)(2)(A)).

(14) Section 3(3)(A)(i) of the Displaced Homemakers' Self-Sufficiency Assistance Act (29 U.S.C. 2302(3)(A)(i)).

(15) Section 3803(c)(2)(C)(iv) of title 31, United States Code.

(16) Sections 9121 and 9122 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note).

(17) Section 221 of the Housing and Urban-Rural Recovery Act of 1983 (97 Stat. 1188; 42 U.S.C. 602 note).

(18) Section 159 of the Tax Equity and Fiscal Responsibility Act of 1982 (96 Stat. 400; 42 U.S.C. 602 note).

(19) Section 202(d) of the Social Security Amendments of 1967 (81 Stat. 882; 42 U.S.C. 602 note).

(20) Subsections (d) and (e) of section 302, and section 406 of the Family Support Act of 1988 (42 U.S.C. 602 note).

(21) Section 233 of the Social Security Act Amendments of 1994 (42 U.S.C. 602 note), relating to the New Hope Demonstration Project.

(22) Sections 501, 502, 504, 505, and 506 of the Family Support Act of 1988 (42 U.S.C. 1315 note).

(23) Section 232(d)(2) of the Social Security Act Amendments of 1994 (42 U.S.C. 1314a(d)(2)), relating to the annual welfare indicators report.

(24) Subsections (b)(2)(C)(ii)(II), (b)(6)(A)(ii), and (d)(2)(C) of section 9 of the National School Lunch Act (42 U.S.C. 1758(b)(2)(C)(ii)(II), (b)(6)(A)(ii), and (d)(2)(C)).

(25) Paragraphs (2)(A) and (3)(A) of section 17(d) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(2)(A) and (3)(A)).

(26) Section 208(a)(3)(D) of the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728(a)(3)(D)).

(27) Subsections (b)(2)(A)(i), (b)(4), and (j) of section 2605 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)(A)(i), (b)(4), and (j)).

(28) Sections 640(a)(3)(B)(i) and 651(g)(8) of the Head Start Act (42 U.S.C. 9835(a)(3)(B)(i) and 9846(g)(8)).

(29) Section 903 of the Stewart B. McKinney Homeless Assistance Act of 1988 (102 Stat. 3258; 42 U.S.C. 11381 note).

## Subtitle D—Effective Date

### SEC. 131. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments and repeals made by this title shall take effect on October 1, 1995.

(b) DELAYED APPLICABILITY OF AUTHORITY TO TEMPORARILY REDUCE ASSISTANCE FOR CERTAIN FAMILIES WHICH INCLUDE A CHILD WHOSE PATERNITY IS NOT ESTABLISHED.—Section 403(c)(4) of the Social Security Act, as added by the amendment made by section 101(a) of this Act, shall apply to individuals who, immediately before the effective date of this title, are recipients of aid under a State plan approved under part A of title IV of the Social Security Act, after the 1-year (or, at the option of the State, 2-year) period that begins with such effective date.

*[What is your policy regarding the kind of notice to be provided to persons whose benefits are being terminated or changed as a result of the amendments made by this title?]*

**[COMMITTEE PRINT]**

FEBRUARY 10, 1995

**1 TITLE II—CHILD PROTECTION**  
**2 BLOCK GRANT PROGRAM****3 SEC. 201. ESTABLISHMENT OF PROGRAM.**

**4** Part B of title IV of the Social Security Act (42  
**5** U.S.C. 620–635) is amended to read as follows:

**6** **“PART B—BLOCK GRANTS TO STATES FOR THE**  
**7 PROTECTION OF CHILDREN**

**8** **“SEC. 421. PURPOSE.**

**9** “The purpose of this part is to enable eligible States  
**10** to—

**11** “(1) identify and assist families at risk of abus-  
**12** ing or neglecting their children;

**13** “(2) operate a system for receiving reports of  
**14** abuse or neglect of children;

**15** “(3) investigate families reported to abuse or  
**16** neglect their children;

**17** “(4) assist troubled families in providing the  
**18** proper protection and nurture for their children;

**19** “(5) support children who must be removed  
**20** from or who cannot live with their families;

**21** “(6) make timely decisions about permanent liv-  
**22** ing arrangements for children who must be removed  
**23** from or who cannot live with their families; and

1           “(7) provide for continuing evaluation and im-  
2           provement of child protection laws, regulations, and  
3           services.

4   “SEC. 422. ELIGIBLE STATES.

5           “(a) IN GENERAL.—As used in this part, the term  
6   ‘eligible State’ means, with respect to a fiscal year, a State  
7   that, during the 3-year period immediately preceding the  
8   fiscal year, has submitted to the Secretary a plan that in-  
9   cludes the following:

10           “(1) OUTLINE OF CHILD PROTECTION PRO-  
11           GRAM.—A written document that outlines how the  
12           State intends to pursue the purposes described in  
13           section 421.

*[There is only 1 purpose. What does it mean to “pursue a purpose”? Better (but perhaps too strong) would be to “conduct activities designed to accomplish the purpose”.]*

14           “(2) CERTIFICATION OF STATE LAW REQUIRING  
15           REPORTING OF CHILD ABUSE AND NEGLECT.—A  
16           certification that the State has in effect a law that  
17           requires public officials and other professionals to  
18           report actual or suspected instances of child abuse  
19           or neglect, and an explanation of the law.

20           “(3) CERTIFICATION OF STATE PROGRAM TO  
21           INVESTIGATE CHILD ABUSE AND NEGLECT CASES.—  
22           A certification that the State has in effect proce-  
23           dures for determining quickly whether a report of

1 child abuse or neglect is credible, and, if so, for tak-  
2 ing action, and a description of the procedures.

3 “(4) CERTIFICATION OF STATE PROCEDURES  
4 FOR REMOVAL AND PLACEMENT OF ABUSED OR NE-  
5 GLECTED CHILDREN.—A certification that the State  
6 has in effect procedures for ensuring that children  
7 are removed from families in which their health or  
8 safety is endangered by abuse or neglect, and for  
9 placing such children in safe and nurturing settings,  
10 and a detailed explanation of such procedures.

11 “(5) CERTIFICATION OF STATE PROCEDURES  
12 FOR DEVELOPING AND REVIEWING WRITTEN PLANS  
13 FOR PERMANENT PLACEMENT OF REMOVED CHIL-  
14 DREN.—A certification that the State has in effect  
15 procedures for ensuring that a written plan is pre-  
16 pared for children who have been removed from their  
17 families that specifies the goal for achieving a per-  
18 manent placement for the child in a timely fashion,  
19 the written plan is reviewed every 6 months, and  
20 that information about such children is collected reg-  
21 ularly and recorded in case records, and a descrip-  
22 tion of such procedures.

“(6) DECLARATION OF STATE CHILD WELFARE  
GOALS.—Within 3 years after the date of the enact-  
ment of [?-see 1st following note], each [the?] State

shall develop quantitative goals for their child protection programs and report quantitative information on whether the State is making progress toward achieving the goals.

*[If this is to be 1-time report, it should be freestanding (not in the Social Security Act), unless the report is required to be made part of the State plan for 1 or more 3-year periods.]*

*[The above paragraph introduces the concept of a "child protection program". What is that? If it is contemplated that the State have a child protection program, then this concept can be used in the purposes section (i.e. the purpose of this part is to enable eligible States to carry out a child protection program under which— (1), (2), etc.)]*

*[To whom is the report to be made?]*

1       “(b) DETERMINATIONS.—The Secretary shall deter-  
2 mine whether a plan submitted pursuant to subsection (a)  
3 contains the material required by subsection (a).

4 “SEC. 423. GRANTS TO STATES FOR CHILD PROTECTION.

5       “(a) ENTITLEMENT.—Each eligible State shall be en-  
6 titled to receive from the Secretary for each fiscal year  
7 specified in subsection (b)(1) an amount equal to the State  
8 share of the child protection grant amount for the fiscal  
9 year.

10       “(b) DEFINITIONS.—As used in subsection (a):

11               “(1) CHILD PROTECTION GRANT AMOUNT.—

12       The term ‘child protection grant amount’ means—

13               “(A) \$4,145,000,000 for fiscal year 1996;

14               “(B) \$4,308,000,000 for fiscal year 1997;

15               “(C) \$4,471,000,000 for fiscal year 1998;

1                   “(D) \$4,631,000,000 for fiscal year 1999;

2                   and

3                   “(E) \$4,789,000,000 for fiscal year 2000.

4                   “(2) STATE SHARE.—The term ‘State share’  
5                   means ...

*[The policy on how grant funds are to be allocated among the States is to be provided.]*

6                   “(3) STATE.—The term ‘State’ includes the  
7                   several States, the District of Columbia, the Com-  
8                   monwealth of Puerto Rico, the United States Virgin  
9                   Islands, Guam, and American Samoa.

10                  “(c) USE OF FUNDS.—

11                  “(1) IN GENERAL.—A State to which funds are  
12                  paid under this section may use such funds in any  
13                  manner that the State deems appropriate to accom-  
14                  plish the purpose of this part.

15                  “(2) AUTHORITY TO USE FUNDS FOR OTHER  
16                  PURPOSES.—

17                  “(A) IN GENERAL.—A State may use not  
18                  more than 20 percent of the funds paid to the  
19                  State under this part for a fiscal year to carry  
20                  out a State program pursuant to any or all of  
21                  the following provisions of law:

22                          “(i) Part A of this title.

23                          “(ii) Title XX of this Act.

1           “(iii) The food and nutrition block  
2           grant program established under [cita-  
3           tion?].

4           “(iv) The Child Care and Develop-  
5           ment Block Grant Act of 1990.

6           “(B) RULES GOVERNING USE OF FUNDS  
7           FOR OTHER PURPOSES.—Funds paid to the  
8           State under this part that are used to carry out  
9           a State program pursuant to a provision of law  
10          specified in subparagraph (A) shall not be sub-  
11          ject to the requirements of this part, but shall  
12          be subject to the same requirements that apply  
13          to Federal funds provided directly under the  
14          provision of law to carry out the program.

15          “(3) TIMING OF EXPENDITURES.—A State to  
16          which funds are paid under this section for a fiscal  
17          year shall expend such funds not later than the end  
18          of the immediately succeeding fiscal year.

19          “(d) TIMING OF PAYMENTS.—The Secretary shall  
20          make the payments required by this section on a quarterly  
21          basis.

22          “(e) PENALTIES.—

23                 “(1) FOR USE OF FUNDS IN VIOLATION OF  
24                 THIS PART.—

1           “(A) IN GENERAL.—The Secretary shall  
2           reduce the amounts otherwise payable to a  
3           State under this section by any amount paid to  
4           the State under this section which an audit con-  
5           ducted pursuant to chapter 75 of title 31, Unit-  
6           ed States Code, finds has been used in violation  
7           of this part.

8           “(B) LIMITATION.—In carrying out sub-  
9           paragraph (A), the Secretary shall not reduce  
10          any quarterly payment by more than 25 per-  
11          cent.

12          “(2) FOR FAILURE TO SUBMIT REQUIRED RE-  
13          PORT.—The Secretary shall reduce by 3 percent the  
14          amount otherwise payable to a State under this sec-  
15          tion for a fiscal year if the Secretary determines that  
16          the State has not submitted the report required by  
17          section 426 for the immediately preceding fiscal  
18          year, within 6 months after the end of the imme-  
19          diately preceding fiscal year.

20          “(f) LIMITATION ON FEDERAL AUTHORITY.—Except  
21          as expressly provided in this part, the Secretary may not  
22          regulate the conduct of States under this part or enforce  
23          any provision of this part.

## 1 "SEC. 424. CHILD PROTECTION GOALS.

2 "(a) The primary standard by which a State child  
3 welfare system shall be judged is the protection of chil-  
4 dren.

5 "(b) Each State shall investigate reports of abuse and  
6 neglect promptly with due regard to the potential danger  
7 to children.

8 "(c) Children removed from their homes shall have  
9 a permanency plan and a dispositional hearing by a court  
10 or a court-appointed body within 3 months after a fact-  
11 finding hearing;

12 "(d) All child welfare cases with an out-of-home  
13 placement shall be reviewed every 6 months unless the  
14 child is already in a long term placement.

*[What does (a) above mean in practical terms?]*

*[What do the "shalls" above mean? What happens to a State that does not comply with 1 or more of the above "shalls"? Are these "requirements" within the meaning of the Single Audit Act?]*

*[What is a child welfare case with an out-of-home placement? Is it just a child who has been placed in a setting that is not the child's home? Is it intended to cover children placed in foster care and children placed for adoption, or only to the former?]*

*[Are (c) and (d) above intended to apply with respect to homeless children?]*

## 15 "SEC. 425. CITIZEN REVIEW PANELS.

16 "(a) ESTABLISHMENT.—Each State to which funds  
17 are paid under this part shall establish a citizen review  
18 panel for each metropolitan region in the State.

*[What is a metropolitan region? Is there a definition used by the Census Bureau or the Bureau of Labor Statistics that would be helpful?]*

1       “(b) COMPOSITION.—Each panel established under  
2 subsection (a) shall be broadly representative of the com-  
3 munity from which drawn.

4       “(c) FREQUENCY OF MEETINGS.—Each panel estab-  
5 lished under subsection (a) shall meet not less frequently  
6 than quarterly.

7       “(d) DUTIES.—

8           “(1) IN GENERAL.—Each panel established  
9 under subsection (a) shall, by examining specific  
10 cases, determine the extent to which the State agen-  
11 cy responsible for carrying out activities under this  
12 part is doing so in accordance with the State plan,  
13 child protection standards, and any other criteria  
14 that the panel considers important in the provision  
15 of child welfare services.

*[Do the terms “child protection” and “child welfare” have different meanings? If  
so, what is the difference? If not, it would be better to use only  
1 of those terms.]*

16           “(2) CONFIDENTIALITY.—The members and  
17 staff of any panel established under subsection (a)  
18 shall not disclose to any person or government any  
19 information about any specific case with respect to  
20 which the panel is provided information.

*[Is the term “case” also intended in its ordinary legal sense? If so, it would cover  
criminal cases and civil cases. If not, a different term, such as  
“child protection case” or “child welfare case”, should be used (de-  
pending on the answer to question posed in the preceding note).]*

1       “(e) STATE ASSISTANCE.—Each State that estab-  
2 lishes a panel under subsection (a) shall afford the panel  
3 access to any information on any case that the panel de-  
4 sires to review, and shall provide the panel with staff as-  
5 sistance in performing its duties.

6       “(f) REPORTS.—Each panel established under sub-  
7 section (a) shall make a public report of its activities after  
8 each meeting.

9       “SEC. 426. DATA COLLECTION AND REPORTING.

10       “(a) ANNUAL STATE DATA REPORTS.—Each State  
11 to which funds are paid under this part shall annually sub-  
12 mit to the Secretary of Health and Human Services a re-  
13 port that includes the following:

14               “(1) The number of children who were reported  
15 to the State during the year as abused or neglected.

16               “(2) Of the children described in paragraph (1),  
17 the number with respect to whom such reports were  
18 substantiated during the year.

19               “(3) Of the children described in paragraph  
20 (2)—

21                       “(A) the number that received no services  
22 during the year under the State program fund-  
23 ed under this part;

1           “(B) the number that received family serv-  
2           ices during the year under the State program  
3           funded under this part; and

4           “(C) the number that were removed from  
5           their families during the year.

6           “(4) The number of families that received pre-  
7           ventive services from the State during the year.

8           “(5) Of the families described in paragraph (4),  
9           the number with respect to whom there is a con-  
10          firmed report of abuse or neglect of a child.

11          “(6) The number of children who entered and  
12          exited foster care under the responsibility of the  
13          State during the year.

14          “(7) The types of foster care placements made  
15          by the State during the year.

16          “(8) The average length of the foster care  
17          placements made by the State during the year.

18          “(9) The age, ethnicity, gender, and family in-  
19          come of the children placed in foster care under the  
20          responsibility of the State during the year.

21          “(10) The reasons for making foster care place-  
22          ments during the year.

23          “(11) The number of children in foster care  
24          under the responsibility of the State with respect to  
25          whom the State has the goal of adoption.

1           “(12) The number of children in foster care  
2           under the responsibility of the State who were freed  
3           for adoption during the year.

4           “(13) The number of children in foster care  
5           under the responsibility of the State who were adopt-  
6           ed during the year.

7           “(14) The number of disrupted adoptions in the  
8           State during the year.

9           “(15) The number of children who re-entered  
10          foster care under the responsibility of the State dur-  
11          ing the year.

12          “(16) The number of children in foster care  
13          under the responsibility of the State for whom there  
14          is a permanency plan.

15          “(17) Quantitative measurements showing  
16          whether the State is making progress toward the  
17          child welfare goals certified by the State.

*[There is no provision for certification of child welfare goals by a State.]*

18          “(18) The number of infants abandoned in the  
19          State during the year, and the number of such in-  
20          fants who were legally adopted during the year and  
21          the length of time between the discovery of the aban-  
22          donment and such adoption.

*[This would miss kids abandoned in year 1 and adopted in year 2.]*



1 (b) INVALIDITY OF FEDERAL POLICY CLARIFICATION  
2 WHICH AUTHORIZES THE CONSIDERATION OF CULTURE,  
3 ETHNICITY, OR RACE IN MAKING PLACEMENT DECI-  
4 SIONS.—Any policy clarification, issued before, on, or after  
5 the effective date of this section, by any department, agen-  
6 cy, or officer of the Federal Government, which declares  
7 that an agency or entity that receives Federal assistance  
8 may consider the cultural, ethnic, or racial background of  
9 a child in making a placement decision with respect to the  
10 child shall have no force or effect.

*Then why do  
they ask for  
race in their  
reporting reqts.?*

11 (c) PLACEMENT DECISION DEFINED.—As used in  
12 subsection (b), the term “placement decision” means the  
13 decision to place, or to delay or deny the placement of,  
14 a child in a foster care or an adoptive home, and includes  
15 the decision of the agency or entity involved to seek the  
16 termination of birth parent rights or otherwise make a  
17 child legally available for adoptive placement.

18 SEC. 203. CONFORMING AMENDMENTS CERTAIN TITLES OF  
19 THE SOCIAL SECURITY ACT.

20 (a) AMENDMENTS TO PART D OF TITLE IV.—

21 (1) Section 452(a)(10)(C) of the Social Security  
22 Act (42 U.S.C. 652(a)(10)(C)) is amended—

23 (A) by striking “foster care maintenance  
24 payments under part E” and inserting “[?]”;  
25 and

1 (B) by striking "471(a)(17)" and inserting  
2 "472(h)".

3 (2) Section 452(g)(2)(A) of such Act (42  
4 U.S.C. 652(g)(2)(A)) is amended—

5 (A) by striking "or E" each place such  
6 term appears and inserting "[?]" ; and

7 (B) by striking "plan under part E" and  
8 inserting "State program funded under part  
9 [?]" .

10 (3) Section 454(4)(B) of such Act (42 U.S.C.  
11 654(4)(B)) is amended—

12 (A) by striking "part E" and inserting  
13 "[?]" ; and

14 (B) by striking "E of this title" and in-  
15 serting "[?]" .

16 (4) Section 456(a)(1) of such Act (42 U.S.C.  
17 656(a)(1)) is amended by striking "foster care main-  
18 tenance payments" and inserting "[?]" .

19 (5) Section 457(d) of such Act (42 U.S.C.  
20 657(d)) is amended by [?].

21 (6) Section 458(b)(1)(A) of such Act (42  
22 U.S.C. 658(b)(1)(A)) is amended by striking "or  
23 section 471(a)(17)" and inserting "[?]" .

1 (7) Section 464(a)(1) of such Act (42 U.S.C.  
2 664(a)(1)) is amended by striking "471(a)(17)" and  
3 inserting "472(h)".

4 (8) Section 466(a)(3)(B) of such Act (42  
5 U.S.C. 666(a)(3)(B)) is amended by striking  
6 "471(a)(17)" and inserting "472(h)".

7 (b) REPEAL OF PART E OF TITLE IV.—Part E of  
8 title IV of such Act (42 U.S.C. 671–679) is hereby re-  
9 pealed.

10 (c) REPEALS IN TITLE XI.—

11 (1) Section 1123 of such Act, as added by sec-  
12 tion 203 of the Social Security Act Amendments of  
13 1994, (42 U.S.C. 1320a-1a) is hereby repealed.

14 (2) Section 1130 of such Act (42 U.S.C.  
15 1320a-9) is hereby repealed.

16 (d) AMENDMENT TO TITLE XVI IN EFFECT WITH  
17 RESPECT TO THE STATES.—Section 1611(c)(5) of such  
18 Act (42 U.S.C. 1382(c)(5)) is amended by striking "(B)  
19 section 472 of this Act (relating to foster care assist-  
20 ance)," and inserting "[?]".

21 SEC. 204. CONFORMING AMENDMENTS TO MEDICAID PRO-  
22 GRAM.

23 Title XIX of the Social Security Act (42 U.S.C. 1396  
24 et seq.) is amended as follows:

1 (1) Section 1902(a)(10)(A)(i)(I) of such Act  
2 (42 U.S.C. 1396a(a)(10)(A)(i)(I)), as amended by  
3 section 111(b)(1)(B), is amended by striking “or  
4 part E of title IV (including individuals eligible  
5 under this title by reason of section 473(b)),”.

6 (2) Section 1902(a)(10)(A)(ii)(VIII) of such  
7 Act (42 U.S.C. 1396a(a)(10)(A)(ii)(VIII)) is amend-  
8 ed—

9 (A) in subdivision (aa), by striking “(other  
10 than an agreement under part E of title IV”;  
11 and

12 *[Repeal of alternative eligibility standard*  
13 *for adoptive children needing medicaid as a con-*  
14 *dition of placement (review policy)]* (B) in sub-  
15 division (cc), as amended by section 112(1)(C),  
16 by striking “, or who would have been eligible”  
17 and all that follows through “title IV”.

18 *[Conforming amendment to (5) below]* (3) Sec-  
19 tion 1902(a)(10)(A)(ii)(VI) of such Act (42 U.S.C.  
20 1396a(a)(10)(A)(ii)(VI)) is amended by striking  
21 “(e), (d), or (e)” and inserting “(c) or (d)”.

22 (4) Section 1902(l)(3)(E) of such Act (42  
23 U.S.C. 1396a(l)(3)(E)), as amended by section  
24 112(4), is amended by striking “part E of title IV  
25 or”.

1            *[Repeal of § 1915 waiver program for AIDS- or*  
2            *drug-infected infants (review policy)]* (5) Section  
3            1915 of such Act (42 U.S.C. 1396n) is amended—

4                    (A) by striking subsection (e); and

5                    (B) in subsection (h), by striking “(c), (d),  
6                    or (e)” and inserting “(c) or (d)”.

7            (6) Section 1931 of such Act (42 U.S.C.  
8            1396s), as amended by section 112(9), is amended  
9            by striking paragraph (2) and by redesignating  
10           paragraphs (3) and (4) as paragraphs (2) and (3).

11 **SEC. 205. CONFORMING AMENDMENTS TO OTHER LAWS.**

*[The following provisions of law contain references to provisions repealed by this title and should be reviewed to determine whether (and if so, how) they should be amended.]*

(1) Sections 1123 (as added by section 555(a) of the Improving America's Schools Act of 1994) and 1130A (as added by section 211 of the Social Security Act Amendments of 1994) of the Social Security Act (42 U.S.C. 1320a-2 and 1320a-10), relating to the Suter decision, both refer to section 471(a)(15) of such Act, which is being repealed.

(2) Section 256(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(c)).

(3) Sections 245A(h)(4)(I) and 412(d)(2)(B)(i) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(I) and 1522(d)(2)(B)(i)).

(4) Section 1052 of title 10, United States Code.

(5) Section 514 of title 14, United States Code.

(6) Section 480 of the Higher Education Act of 1965 (20 U.S.C. 1087vv).

(7) Section 201 of the Indian Child Welfare Act of 1978 (25 U.S.C. 1931).

(8) Section 6402 of the Internal Revenue Code of 1986.

(9) Section 2006(a)(15) of the Public Health Service Act (42 U.S.C. 300z-5(15)).

(10) Section 101(c) of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note).

(11) Section 13712 of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 670 note).

(12) Section 101(a)(4)(B) of the Adoption Assistance and Child Welfare Act of 1980 (42 U.S.C. 673a).

(13) Section 9442(4) of the Omnibus Budget Reconciliation Act of 1986 (42 U.S.C. 679a(4)).

(14) Section 8(f) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(f)).

(15) Section 142 of the Child Abuse, Domestic Violence, Adoption and Family Services Act of 1992 (42 U.S.C. 5106f-1).

(16) Section 761(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11471(b)).

**SEC. 206. EFFECTIVE DATE.**

The amendments and repeals made by this title shall take effect on October 1, 1995.

## [COMMITTEE PRINT]

FEBRUARY 10, 1995

1           **TITLE IV—SUPPLEMENTAL**  
2                           **SECURITY INCOME**

3   **SEC. 401. DENIAL OF SUPPLEMENTAL SECURITY INCOME**  
4                           **BENEFITS BY REASON OF DISABILITY TO**  
5                           **DRUG ADDICTS AND ALCOHOLICS.**

6       (a) IN GENERAL.—Section 1614(a)(3) of the Social  
7 Security Act (42 U.S.C. 1382c(a)(3)) is amended by add-  
8 ing at the end the following:

9       “(I) For purposes of subparagraph (A), an individual  
10 shall not be considered to be disabled if the primary diag-  
11 nosis of the individual is that the individual is addicted  
12 to alcohol or a drug.”

13       (b) CONFORMING AMENDMENTS.—

14           (1) Section 1611(e) of such Act (42 U.S.C.  
15 1382(e)) is amended by striking paragraph (3).

16           (2) Section 1631(a)(2)(A)(ii) of such Act (42  
17 U.S.C. 1383(a)(2)(A)(ii)) is amended—

18                   (A) by striking “(I)”; and

19                   (B) by striking subelause (II).

20           (3) Section 1631(a)(2)(B) of such Act (42  
21 U.S.C. 1383(a)(2)(B)) is amended—

22                   (A) by striking clause (vii);

1 (B) in clause (viii), by striking "(ix)" and  
2 inserting "(viii)";

3 (C) in clause (ix)—

4 (i) by striking "(viii)" and inserting  
5 "(vii)"; and

6 (ii) in subclause (II), by striking all  
7 that follows "15 years" and inserting a pe-  
8 riod;

9 (D) in clause (xiii)—

10 (i) by striking "(xii)" and inserting  
11 "(xi)"; and

12 (ii) by striking "(xi)" and inserting  
13 "(x)"; and

14 (E) by redesignating clauses (viii) through  
15 (xiii) as clauses (vii) through (xii), respectively.

16 (4) Section 1631(a)(2)(D)(i)(II) of such Act  
17 (42 U.S.C. 1383(a)(2)(D)(i)(II)) is amended by  
18 striking all that follows "\$25.00 per month" and in-  
19 serting a period.

20 (5) Section 1634 of such Act (42 U.S.C. 1383e)  
21 is amended by striking subsection (e).

22 (6) Section 201(c)(1) of the Social Security  
23 Independence and Program Improvements Act of  
24 1994 (42 U.S.C. 425 note) is amended—

1 (A) by striking “—” and all that follows  
2 through “(A)” the 1st place such term appears;

3 (B) by striking “and” the 3rd place such  
4 term appears;

5 (C) by striking subparagraph (B);

6 (D) by striking “either subparagraph (A)  
7 or subparagraph (B)” and inserting “the pre-  
8 ceding sentence”; and

9 (E) by striking “subparagraph (A) or (B)”  
10 and inserting “the preceding sentence”.

11 (c) EFFECTIVE DATE.—The amendments made by  
12 this section shall take effect on \_\_\_\_\_, and shall apply with  
13 respect to months beginning after \_\_\_\_\_.

14 SEC. 402. SUPPLEMENTAL SECURITY INCOME BENEFITS  
15 FOR DISABLED CHILDREN.

16 (a) RESTRICTIONS ON ELIGIBILITY FOR CASH BENE-  
17 FITS.—

18 (1) IN GENERAL.—Section 1614(a)(3)(A) of the  
19 Social Security Act (42 U.S.C. 1382c(a)(3)(A)) is  
20 amended—

21 (A) by inserting “(i)” after “(3)(A)”;

22 (B) by inserting “who has attained 18  
23 years of age” before “shall be considered”;

24 (C) by striking “he” and inserting “the in-  
25 dividual”;

1 (D) by striking "(or, in the case of an indi-  
2 vidual under the age of 18, if he suffers from  
3 any medically determinable physical or mental  
4 impairment impairment of comparable sever-  
5 ity)"; and

6 (E) by adding after and below the end the  
7 following:

8 "(ii) An individual who has not attained 18 years of  
9 age shall be considered to be disabled for purposes of this  
10 title for a month if—

11 "(I) the individual—

12 "(aa) has been eligible for cash benefits  
13 under this title by reason of disability since the  
14 month before the first month for which this  
15 clause is in effect; and

16 "(bb) the individual suffers from an im-  
17 pairment specified in the Listings of Impair-  
18 ments set forth in appendix 1 of subpart P of  
19 part 404 of title 20, Code of Federal Regula-  
20 tions (revised as of April 1, 1994); or

21 "(II) the individual—

22 "(aa) is not described in subclause (I)(aa);  
23 and

1           “(bb) suffers from an impairment de-  
2           scribed in subclause (I)(bb) as a result of which  
3           the individual—

4                   “(1) is in a hospital, extended care fa-  
5                   cility, or intermediate care facility; or

6                   “(2) would be required to be placed in  
7                   a hospital or in such a facility if a parent  
8                   or a home health care provider were not  
9                   providing full-time attention to the individ-  
10                  ual.”.

11           (2) NOTICE.—Within 1 month after the date of  
12           the enactment of this Act, the Commissioner of So-  
13           cial Security shall notify each individual whose eligi-  
14           bility for cash supplemental security income benefits  
15           under title XVI of the Social Security Act will termi-  
16           nate by reason of the amendments made by para-  
17           graph (1) of such termination.

18           (b) ESTABLISHMENT OF PROGRAM OF BLOCK  
19           GRANTS REGARDING CHILDREN WITH DISABILITIES.—  
20           Title XVI of the Social Security Act (42 U.S.C. 1381 et  
21           seq.) is amended by adding at the end the following part:

1 "PART C---BLOCK GRANTS REGARDING CHILDREN  
2 WITH DISABILITIES

3 "FORMULA GRANTS TO STATES

4 "SEC. 1641. (a) IN GENERAL.—In the case of each  
5 State that in accordance with section 1644 submits to the  
6 Commissioner an application for fiscal year 1997 or any  
7 subsequent fiscal year (in this part referred to as an 'eligi-  
8 ble State' for the fiscal year involved), the Commissioner  
9 shall make a grant for the year to the State for the pur-  
10 poses specified in section 1642. The grant shall consist  
11 of the allotment determined for the State under section  
12 1645.

13 "(b) STATUS AS DIRECT-SPENDING PROGRAM.—

14 "(1) IN GENERAL.—In the case of an eligible  
15 State, the requirement established in subsection (a)  
16 for the Commissioner (relating to making a grant of  
17 an allotment)—

18 "(A) is an entitlement in the State on be-  
19 half of qualifying children (as defined in section  
20 1642(b)), but is not an entitlement in any such  
21 child; and

22 "(B) constitutes budget authority in ad-  
23 vance of appropriations Acts and represents the  
24 obligation of the Federal Government to make  
25 payments in satisfaction of the requirement.

1           “(2) MODIFICATIONS IN AUTHORIZED EXPENDI-  
2           TURES OF GRANT.—With respect to the purposes for  
3           which a grant under subsection (a) is authorized to  
4           be expended, modifications in such purposes enacted  
5           after the date of the enactment of this part do not  
6           affect the amount of the entitlement under para-  
7           graph (1) in any eligible State.

8                           “PURPOSE OF GRANTS

9           “SEC. 1642. (a) EXPENDITURES FOR QUALIFYING  
10          CHILDREN.—

11           “(1) IN GENERAL.—The Commissioner may  
12           make a grant under section 1641 for a fiscal year  
13           only if the State involved agrees that the grant will  
14           not be expended for any purpose other than provid-  
15           ing authorized services to qualifying children (as  
16           such terms are defined in this section).

17           “(2) AUTHORITY OF STATE.—With respect to  
18           compliance with the agreement made by a State  
19           under paragraph (1) for the expenditure of a grant  
20           under section 1641, the following decisions are in  
21           the discretion of the State:

22                           “(A) Decisions regarding which of the au-  
23                           thorized services are provided.

24                           “(B) Decisions regarding who among  
25                           qualified children in the State receives the serv-  
26                           ices.

1                   “(C) Decisions regarding the number of  
2                   services provided for the qualifying child in-  
3                   volved and the duration of the services.

4                   “(b) QUALIFYING CHILD.—For purposes of this part,  
5 the term ‘qualifying child’ means an individual who—

6                   “(1) has not attained 18 years of age; and

7                   “(2)(A)           but           for           section  
8                   1614(a)(3)(A)(ii)(II)(bb), would be eligible for cash  
9                   benefits under this title by reason of disability; or

10                   “(B) is eligible for cash benefits under this title  
11                   by reason of disability.

12                   “(c) AUTHORIZED SERVICES.—

13                   “(1) AUTHORITY OF COMMISSIONER.—The  
14                   Commissioner, subject to paragraph (2), shall issue  
15                   regulations designating the purposes for which  
16                   grants under section 1641 are authorized to be ex-  
17                   pended by the States. For purposes of this part, the  
18                   term ‘authorized service’ means each purpose au-  
19                   thorized by the Commissioner under the preceding  
20                   sentence.

21                   “(2) REQUIREMENTS REGARDING SERVICES.—

22                   The Commissioner shall ensure that the purposes  
23                   authorized under paragraph (1) are designed to  
24                   meet the unique needs of qualifying children that  
25                   arise from physical and mental impairments; that

1 the purposes include medical and nonmedical serv-  
2 ices; and that the purposes do not include the provi-  
3 sion of cash benefits.

4 "ADDITIONAL RESPONSIBILITIES OF STATES

5 "SEC. 1643. The Commissioner may make a grant  
6 under section 1641 only if the State involved agrees  
7 that—

8 "(1) in providing authorized services, the State  
9 will make every reasonable effort to obtain payment  
10 for the services from other Federal, State, or local  
11 programs that provide such services; and

12 "(2) the State will expend the grant only to the  
13 extent that payments from such other programs are  
14 not available for authorized services provided by the  
15 State.

16 "APPLICATION FOR GRANT

17 "SEC. 1644. The Commissioner may make a grant  
18 under section 1641 only if an application for the grant  
19 is submitted to the Commissioner by the date specified by  
20 the Commissioner, the application contains the agree-  
21 ments required in this part, and the application is in such  
22 form, is made in such manner, and contains such agree-  
23 ments, assurances, and information as the Commissioner  
24 determines to be necessary to carry out this part.

## 1 "AMOUNT OF ALLOTMENT

2 "SEC. 1645. For purposes of section 1641(a), the al-  
3 lotment determined under this section for a State for a  
4 fiscal year (except as provided in subsection (b)) is the  
5 product of—

6 "(1) an amount equal to the difference be-  
7 tween—

8 "(A) the number of qualifying children in  
9 the State (as determined for the most recent  
10 12-month period for which data are available to  
11 the Commissioner); and

12 "(B) the number of qualifying children in  
13 the State receiving cash benefits under this title  
14 by reason of disability (as so determined); and

15 "(2) an amount equal to 75 percent of the  
16 mean average of the respective annual totals of cash  
17 benefits paid under this title to each qualifying child  
18 described in paragraph (1)(B) (as so determined).

## 19 "GENERAL PROVISIONS

20 "SEC. 1646. (a) ISSUANCE OF REGULATIONS.—Reg-  
21 ulations under this part shall be issued in accordance with  
22 procedures established for the issuance of substantive  
23 rules under section 553 of title 5, United States Code.  
24 Payments under grants under section 1641 for fiscal year  
25 1997 shall begin not later than January 1, 1997, without  
26 regard to whether final rules under this part have been

1 issued and without regard to whether such rules have  
2 taken effect.

3 “(b) PROVISIONS REGARDING OTHER PROGRAMS.—

4 “(1) INAPPLICABILITY OF VALUE OF SERV-  
5 ICES.—The value of authorized services provided  
6 under this part shall not be taken into account in  
7 determining eligibility for, or the amount of, benefits  
8 or services under any Federal or federally-assisted  
9 program.

10 “(2) MEDICAID PROGRAM.—For purposes of  
11 title XIX:

12 “(A) Authorized services provided under  
13 this part shall be considered to be supplemental  
14 security income benefits under this title.

15 “(B) An individual who would be eligible  
16 for authorized services under this part if the  
17 State in which the individual resides were re-  
18 ceiving a grant under section 1641 shall be con-  
19 sidered to be a recipient of supplemental secu-  
20 rity income benefits under this title. The pre-  
21 ceding sentence applies on and after the date of  
22 the enactment of this part.

23 “DEFINITIONS

24 “SEC. 1647. For purposes of this part:

25 “(1) The term ‘authorized service’ has the  
26 meaning given such term in section 1642(c)(1).

1           “(2) The term ‘eligible State’ has the meaning  
2           given such term in section 1641(a).

3           “(3) The term ‘qualifying child’ has the mean-  
4           ing given such term in section 1642(b).”.

5           (c) PROVISIONS RELATING TO SSI CASH BENEFITS  
6           AND SSI SERVICE BENEFITS.—

7           (1) CONTINUING DISABILITY REVIEWS FOR  
8           CERTAIN CHILDREN.—Section 1614(a)(3)(G) of such  
9           Act (42 U.S.C. 1382c(a)(3)(G)) is amended—

10           (1) by inserting “(i)” after “(G)”; and

11           (2) by adding at the end the following:

12           “(ii)(I) Not less frequently than once every 3 years,  
13           the applicable State agency or the Commissioner (as may  
14           be appropriate) shall redetermine the eligibility—

15           “(aa) for cash benefits under this title of each  
16           individual who has not attained 18 years of age and  
17           is eligible for such benefits by reason of disability;  
18           and

19           “(bb) for services under part C of each individ-  
20           ual who is determined to be eligible for such serv-  
21           ices.

22           “(II) Subclause (I) shall not apply to an individual  
23           if the individual suffers from a condition (or conditions)  
24           which cannot improve and which, alone or in combination

1 with other conditions, is (or are) sufficient to render the  
2 individual disabled for purposes of this title.”.

3 (2) APPLICABILITY OF MEDICAID RULES RE-  
4 GARDING COUNTING OF CERTAIN ASSETS AND  
5 TRUSTS.—Section 1613(c) of such Act (42 U.S.C.  
6 1382b(c)) is amended to read as follows:

7 “TREATMENT OF CERTAIN ASSETS AND TRUSTS IN  
8 ELIGIBILITY DETERMINATIONS

9 “(c) Subsections (c) and (d) of section 1917 shall  
10 apply to determinations of eligibility for benefits under  
11 this title in the same manner as such subsections apply  
12 to determinations of eligibility for medical assistance  
13 under a State plan under title XIX”.

14 (d) APPLICABILITY.—

15 (1) IN GENERAL.—Except as provided in para-  
16 graph (2), the amendments made by subsections  
17 (a)(1) and (c), and section 1646(b)(2)(B) of the So-  
18 cial Security Act (as added by the amendment made  
19 by subsection (b) of this section), shall apply to ben-  
20 efits for months beginning 90 or more days after the  
21 date of the enactment of this Act, without regard to  
22 whether regulations have been issued to implement  
23 such amendments.

24 (2) DELAYED APPLICABILITY TO CURRENT SSI  
25 RECIPIENTS OF ELIGIBILITY RESTRICTIONS.—The  
26 amendments made by subsection (a)(1) shall not

1       apply, during the first 6 months that begin after the  
2       month in which this Act becomes law, to an individ-  
3       ual who is a recipient of cash supplemental security  
4       income benefits under title XVI of the Social Secu-  
5       rity Act for the month in which this Act becomes  
6       law.

7       (e) REGULATIONS.—Within 3 months after the date  
8 of the enactment of this Act—

9               (1) the Commissioner of Social Security shall  
10       prescribe such regulations as may be necessary to  
11       implement the amendments made by subsections  
12       (a)(1) and (c); and

13              (2) the Secretary of Health and Human Serv-  
14       ices shall prescribe such regulations as may be nec-  
15       essary to implement section 1646(b)(2)(B) of the  
16       Social Security Act, as added by the amendment  
17       made by subsection (b) of this section.

**EFFECTS OF THE CHILD PROTECTION BLOCK GRANT IN THE YEAR 2000**

FY 2000 Current Law Estimate <sup>1</sup> :	\$6,498,000,000
<u>FY 2000 Proposed Block Grant Level:</u>	<u>-\$4,789,000,000</u>
Amount of funds that are cut:	\$1,709,000,000
Estimated Federal cost per foster child in FY 2000 <sup>2</sup> :	\$15,282
Number of foster care slots lost <sup>3</sup> :	111,831

<sup>1</sup>Based on Current Services estimates from the President's FY 1996 Budget

<sup>2</sup>Projection based on Federal share of costs for Federally subsidized foster care.

<sup>3</sup>Assumes that States apply the \$1.7 billion cut to foster care.

**BUDGETARY IMPACT OF SHAW CHILD PROTECTION BLOCK GRANT PROPOSAL**  
 Current law estimates as compared to proposed block grant: Outlays in \$ millions

	13-Feb-95 FY 1994 Actual	FY 1995 Estimate	FY 1996 Baseline	FY 1997 Baseline	FY 1998 Baseline	FY 1999 Baseline	FY 2000 Baseline	5-year Total
IV-E Foster Care	\$2,655	\$3,118	\$3,506	\$3,740	\$4,090	\$4,471	\$4,884	\$20,691
IV-E Adoption Assistance	314	407	475	519	562	608	658	\$2,822
IV-E Independent Living	61	71	70	70	70	70	70	\$350
IV-B Child Welfare Services	267	304	301	308	318	328	338	\$1,592
IV-B Family Preservation/Support	1	67	148	212	237	253	263	\$1,112
IV-B Research and Demonstration	5	6	6	6	7	7	7	\$34
IV-B Training	4	4	4	5	5	5	5	\$24
CAPTA Commun. Family Resource Program	7	10	29	31	33	34	35	\$162
CAPTA State Grants	17	22	23	23	24	25	26	\$120
CAPTA Discretionary	12	16	15	15	16	17	17	\$81
Family Violence Prevention and Services	24	28	32	34	35	36	37	\$173
Social Services Research	10	15	15	15	16	16	17	\$79
Abandoned Infants	12	15	14	14	15	16	16	\$76
Adoption Opportunities	10	12	13	13	14	14	15	\$89
Family Support Centers	3	10	7	8	9	9	9	\$43
Family Unification Program (HUD) /a	77	76	78	81	83	86	88	\$416
Missing and Exploited Children (DoJ) /a	7	7	7	7	7	8	8	\$37
Children's Advocacy Centers (DoJ) /a	2	3	3	3	3	3	3	\$16
Prosecution of Child Abuse (DoJ) /a	1	2	2	2	2	2	2	\$8
<b>Total, Child Welfare programs</b>	<b>\$3,489</b>	<b>\$4,192</b>	<b>\$4,749</b>	<b>\$5,107</b>	<b>\$5,544</b>	<b>\$6,006</b>	<b>\$6,498</b>	<b>\$27,905</b>
Shaw Block Grant Level /a			\$4,145	\$4,308	\$4,471	\$4,631	\$4,789	\$22,344
<b>Difference</b>			<b>-\$604</b>	<b>-\$799</b>	<b>-\$1,073</b>	<b>-\$1,375</b>	<b>-\$1,709</b>	<b>-\$5,561</b>
<b>Percent lost</b>			<b>-13%</b>	<b>-16%</b>	<b>-19%</b>	<b>-23%</b>	<b>-26%</b>	<b>-20%</b>

FY 1994 figures are actual outlays. All other Figures are based on Administration baseline projections.

/a Assumes all funds outlay in the year they are appropriated.

**SUMMARY BUDGET TABLE FOR  
SHAW CHILD PROTECTION BLOCK GRANT**

This table summarizes the likely budgetary impact of the Shaw proposal to block grant child welfare programs. As reflected in the table, between FY 1996 and FY 2000, states will lose almost \$5.5 billion, or 20 percent of their funding.

**Notes:**

1. FY 1994 levels are actual expenditures. Levels for FYs 1995-2000 reflect projected outlays based on the President's current services baseline.
2. CAPTA Community Based Family Resource Program (CBFRP) was first funded in FY 1995 as a consolidation of three programs: the Emergency Protection Grants Program; the CAPTA Community-Based Prevention Program; and the Family Resource and Support Center Program. The FY 1994 level reflects the sum of the levels for the three consolidated programs.

## **Individual Responsibility Act of 1995**

### **Puts Work First:**

- o Work First program to move welfare recipients into workforce as soon as possible. Work First demands that job search begin immediately.
- o Work First would have a federal model, while providing increased flexibility to states that can opt out of federal program and into their own through a simplified, less cumbersome waiver process.
- o Imposes a two-year lifetime limit to benefits through Work First with an additional option of two years in a Community Service program. No more something for nothing.
- o Provides sanctions against those who do not comply.

### **Personal Responsibility:**

- o Generational dependency is no longer an option.
- o Minor mothers must live with a parent and remain in school to receive benefits. Minor fathers must stay in school and work in community service if they cannot provide support otherwise.
- o Demands paternal identification at birth in exchange for benefits. Grandparents of the minor child's children would be financially liable for their care.

### **State Flexibility:**

- o Unlike other welfare reform proposals, states would not be required to establish community service programs.
- o Under our bill, states can drop welfare recipients after two years if they choose. It also gives them the option of recycling as much as 10 percent of a particular year's caseload.
- o States can impose a family cap limiting benefit increases to those who have additional children while receiving welfare assistance, and eliminate existing disadvantages for marriage.
- o Consolidates existing patchwork of child care programs into a single program with limited federal strings, and allows states to establish their own Work First programs with few minimum standards.