

**BILL STATUS REPORT**

February, 1994

**MEASURE:** H.R. 3500

**SPONSOR:** Michel (R-IL)

**OFFICIAL TITLE:** Responsibility and Empowerment Support Program Providing Employment, Child Care, and Training Act.

**DATE FILED:** November 10, 1993

**SHORT SUMMARY:** Amends Title IV of the Social Security Act to provide welfare families the education, training, job search, and work experience needed to prepare them to leave welfare within 2 years, to increase the rate of paternity establishment for children receiving welfare benefits, to provide states with greater flexibility in providing welfare, to authorize states to conduct demonstration projects to test the effectiveness of policies designed to help people leave welfare and increase their financial security, to strengthen child support enforcement, and to eliminate welfare payments for most groups of non-citizens.

**ORIGINAL CO-SPONSOR(S):** 160 Republican members of the House.

**COMMITTEES:** House Ways and Means  
House Rules  
House Judiciary  
House Government Operations  
House Energy and Commerce  
House Education and Labor  
House Banking, Finance and Urban Affairs  
House Agriculture

**LEGISLATIVE ACTION:** November 10, 1993: Referred to Committee on Agriculture, Committee on Banking, Finance and Urban Affairs, Committee on Education and Labor, Committee on Energy and Commerce, Committee on Government Operations, Committee on the Judiciary, Committee on Rules, Committee on Ways and Means.

## BILL ANALYSIS

February, 1994

**MEASURE:** H.R. 3500 by Michel (R-IL)

**CAPTION:** A bill to amend Title IV of the Social Security Act to provide welfare families with the education, training, job search, and work experience needed to prepare them to leave welfare within 2 years, to increase the rate of paternity establishment for children receiving welfare benefits, to provide states with greater flexibility in providing welfare, to authorize states to conduct demonstration projects to test the effectiveness of policies designed to help people leave welfare and increase their financial security, to strengthen child support enforcement, and to eliminate welfare payments for groups of non-citizens (Republican Welfare Reform).

**SUMMARY:** H.R. 3500, the "Responsibility and Empowerment Support Program Providing Employment, Child Care, and Training Act," contains a number of provisions to overhaul the current welfare system. The legislation would impose a limit of two years on the receipt of AFDC--cumulative over an individual's lifetime--during which time a recipient would be required to participate in education and training programs for preparation into the work-force. A recipient who failed to find employment in the private sector within two years would be required to take employment in the private sector (subsidized by state governments through the diversion of food-stamp funds) or assignment in community service in order to receive AFDC benefits. A mandatory twenty-five percent reduction in combined AFDC and food-stamp benefits would be imposed on anyone who failed the first time to satisfy training and work requirements. If a third-time failure occurred, the entire family would lose AFDC benefits, but keep food-stamps and Medicaid. States could drop from AFDC anyone who failed to find a job in the private sector after three years of participation in a work program. Nearly \$10 billion would be allocated to states to enable them to provide child care and jobs to mothers receiving AFDC.

To promote "parental responsibility," the bill provides for the denial of AFDC for any child for whom the mother does not name a father (although she may name as many as three putative fathers). The mother, however, receives no benefits until, and unless, paternity is established. If paternity is legally established, the family (the mother and any children for whom parentage has been determined) receive benefits. If paternity cannot be established, the mother and the child in question are removed from the welfare rolls until such time as paternity is established. In the case of a family with more than one child, at least one of which has paternity established, a false name will still result in the loss of benefits to the entire family. Exceptions are allowed for children conceived as

a result of rape or incest or for whom the state determines that paternity establishment might result in physical danger to the mother. These provisions apply only to AFDC applicants in 1994 and to the state's entire AFDC caseload in FY 1995 and thereafter.

Any AFDC applicant or recipient determined by the state to be addicted to drugs must participate in an addiction program in order to receive benefits. The failure of any such individual will result in a loss of AFDC benefits for two years.

Except for refugees with permanent resident status (and only for one year beyond the time required for application for citizenship) and permanent resident aliens over 75 who have been legal residents for at least five years, all welfare benefits (other than emergency Medicaid) would be denied to non-citizens. State AFDC agencies would be required to report (with addresses and fingerprints) the names of all illegal immigrant parents with citizen children receiving AFDC benefits.

To promote "parental responsibility," the bill provides for the denial of AFDC for any child for whom the mother does not name a father (although she may name as many as three putative fathers). The mother, however, receives no benefits until, and unless, paternity is established. If paternity is legally established, the family (the mother and any children for whom parentage has been determined) receive benefits. If paternity cannot be established, the mother and the child in question are removed from the welfare rolls until such time as paternity is established. In the case of a family with more than one child, at least one of which has paternity established, a false name will still result in the loss of benefits to the entire family. Exceptions are allowed for children conceived as a result of rape or incest or for whom the state determines that paternity establishment might result in physical danger to the mother. These provisions apply only to AFDC applicants in 1994 and to the state's entire AFDC caseload in FY 1995 and thereafter.

The state paternity establishment requirement, under OBRA '93, of 75 percent is increased to 90 percent. Those states with a paternity establishment percentage of less than 90 percent, but greater than 50 percent, must realize an increase of 6 percent a year to be in compliance. Those with a percentage of 50 percent or less must increase their percentage by 10 percent a year. States would be required to create hospital-based programs for voluntary paternity establishment and to provide for administrative processes for establishing parentage.

With respect to other aspects of child support enforcement, the bill follows certain recommendations of the U.S. Commission on Interstate Child Support, including the expansion of the Federal Parent Locator Service to improve access to locate information, together with the creation of an information network among states, coordinated by OCSE, through which states could transmit information on child

support obligations and absent parents. States would be required to maintain updated registries of support orders (using a uniform national child support order abstract for communication among states) in order to verify new hire withholding information reported by employers on modified W-4 forms. Obligor who become two months delinquent in child support payments would be required to participate in a state-designed and managed work program.

**COMMENT:** The bill's provisions for hospital-based programs and administrative processes were enacted under provisions of OBRA '93. The proposed changes in the paternity establishment standards may difficult to meet for those states with large AFDC populations, although the improvements in the paternity establishment process effected by OBRA '93 should enable states to realize higher percentages of establishment. The provisions intended to improve the establishment of paternity for children born out of wedlock and for whom AFDC might be made available may impress some as unrealistic and unduly harsh.

103D CONGRESS  
1ST SESSION

# H. R. 3500

To amend title IV of the Social Security Act to provide welfare families with the education, training, job search, and work experience needed to prepare them to leave welfare within 2 years, to increase the rate of paternity establishment for children receiving welfare benefits, to provide States with greater flexibility in providing welfare, to authorize States to conduct demonstration projects to test the effectiveness of policies designed to help people leave welfare and increase their financial security, to strengthen child support enforcement, and to eliminate welfare payments for most groups of noncitizens.

---

## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 10, 1993

Mr. MICHEL (for himself, Mr. GINGRICH, Mr. SANTORUM, Mr. DELAY, Mr. SHAW, Mrs. JOHNSON of Connecticut, Mr. GRANDY, Mr. CAMP, Mr. CASTLE, Mr. HERGER, Mr. HUTCHINSON, Mr. INGLIS of South Carolina, Mr. KNOLLENBERG, Mr. KOLBE, Mrs. ROUKEMA, Mr. ALLARD, Mr. ARCHER, Mr. ARMEY, Mr. BACHUS of Alabama, Mr. BAKER of California, Mr. BAKER of Louisiana, Mr. BALLENGER, Mr. BARRETT of Nebraska, Mr. BARTLETT of Maryland, Mr. BARTON of Texas, Mr. BATEMAN, Mrs. BENTLEY, Mr. BEREUTER, Mr. BILIRAKIS, Mr. BLILEY, Mr. BLUTE, Mr. BOEHNER, Mr. BONILLA, Mr. BUNNING, Mr. BURTON of Indiana, Mr. BUYER, Mr. CALLAHAN, Mr. CALVERT, Mr. CANADY, Mr. CLINGER, Mr. COBLE, Mr. COLLINS of Georgia, Mr. COX, Mr. CRANE, Mr. CRAPO, Mr. CUNNINGHAM, Mr. DICKEY, Mr. DOOLITTLE, Mr. DORNAN, Mr. DREIER, Mr. DUNCAN, Ms. DUNN, Mr. EMERSON, Mr. EVERETT, Mr. EWING, Mr. FAWELL, Mr. FIELDS of Texas, Mrs. FOWLER, Mr. FRANKS of New Jersey, Mr. FRANKS of Connecticut, Mr. GALLEGLY, Mr. GALLO, Mr. GEKAS, Mr. GILCHREST, Mr. GILMAN, Mr. GOODLATTE, Mr. GOODLING, Mr. GOSS, Mr. GRAMS, Mr. GREENWOOD, Mr. GUNDERSON, Mr. HANCOCK, Mr. HANSEN, Mr. HASTERT, Mr. HEFLEY, Mr. HOBSON, Mr. HOEKSTRA, Mr. HOKE, Mr. HORN, Mr. HOUGHTON, Mr. HUFFINGTON, Mr. HUNTER, Mr. HYDE, Mr. INHOFE, Mr. ISTOOK, Mr. SAM JOHNSON of Texas, Mr. KASICH, Mr. KIM, Mr. KING, Mr. KINGSTON, Mr. KLUG, Mr. KYL, Mr. LAZIO, Mr. LEACH, Mr. LEVY, Mr. LEWIS of California, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. LINDER, Mr. LIVINGSTON, Mr. MCCANDLESS, Mr. MCCOLLUM, Mr. MCCREY, Mr. MCDADE, Mr. MCHUGH, Mr. MCINNIS, Mr. MCKEON, Mr. MCMILLAN, Mr. MACHTLEY, Mr. MANZULLO, Mr. MICA, Mr. MILLER of Florida, Mr. MOORHEAD, Mr.

NUSSLE, Mr. OXLEY, Mr. PACKARD, Mr. PAXON, Mr. PETRI, Mr. POMBO, Mr. PORTER, Mr. PORTMAN, Ms. PRYCE of Ohio, Mr. QUILLEN, Mr. QUINN, Mr. RAMSTAD, Mr. RAVENEL, Mr. REGULA, Mr. RIDGE, Mr. ROBERTS, Mr. ROGERS, Mr. ROHRBACHER, Mr. ROTH, Mr. ROYCE, Mr. SAXTON, Mr. SCHAEFER, Mr. SENEENBRENNER, Mr. SHUSTER, Mr. SEEEN, Mr. SMITH of TEXAS, Mr. SMITH of Michigan, Mr. SMITH of Oregon, Mr. SOLOMON, Mr. SPENCE, Mr. STEARNS, Mr. STUMP, Mr. SUNDQUIST, Mr. TALENT, Mr. TAYLOR of North Carolina, Mr. THOMAS of Wyoming, Mr. THOMAS of California, Mr. TORKILDSEN, Mr. UPTON, Mr. WALKER, Mr. WALSH, Mr. WELDON, Mr. WOLF, Mr. YOUNG of Florida, Mr. YOUNG of Alaska, Mr. ZELIFF, and Mr. ZIMMER) introduced the following bill; which was referred jointly to the Committees on Ways and Means, Education and Labor, Energy and Commerce, Agriculture, Banking, Finance and Urban Affairs, the Judiciary, Government Operations, and Rules

---

## A BILL

To amend title IV of the Social Security Act to provide welfare families with the education, training, job search, and work experience needed to prepare them to leave welfare within 2 years, to increase the rate of paternity establishment for children receiving welfare benefits, to provide States with greater flexibility in providing welfare, to authorize States to conduct demonstration projects to test the effectiveness of policies designed to help people leave welfare and increase their financial security, to strengthen child support enforcement, and to eliminate welfare payments for most groups of noncitizens.

1       *Be it enacted by the Senate and House of Representa-*  
 2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the "Responsibility and  
3 Empowerment Support Program Providing Employment,  
4 Child Care, and Training Act".

5 **SEC. 2. TABLE OF CONTENTS.**

6 The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

**TITLE I—AFDC TRANSITION AND WORK PROGRAM**

- Sec. 101. AFDC transition and work program.
- Sec. 102. Community work experience program amendments.
- Sec. 103. Work supplementation program amendments.
- Sec. 104. Effective date; regulations.

**TITLE II—PATERNITY ESTABLISHMENT**

- Sec. 201. Reduction or denial of AFDC for children whose paternity is not established.
- Sec. 202. Teens receiving AFDC required to live at home.
- Sec. 203. Earlier paternity establishment efforts by States.
- Sec. 204. Increase in paternity establishment percentage.
- Sec. 205. Effective date.

**TITLE III—EXPANSION OF STATUTORY FLEXIBILITY OF STATES**

- Sec. 301. Option to convert AFDC into a block grant program.
- Sec. 302. Option to deny AFDC if either parent is a minor.
- Sec. 303. Option to treat interstate immigrants under rules of former State.
- Sec. 304. Option to impose penalty for failure to attend school.
- Sec. 305. Option to deny AFDC for additional children.
- Sec. 306. Option to modify certain AFDC income disregard rules.
- Sec. 307. Option to provide married couple transition benefit.
- Sec. 308. Option to disregard income and resources designated for education, training, and employability, or related to self-employment.
- Sec. 309. Option to require attendance at parenting and money management classes, and prior approval of any action that would result in a change of school for a dependent child.
- Sec. 310. Effective date.

**TITLE IV—EXPANSION OF STATE AND LOCAL FLEXIBILITY**

- Sec. 401. Interagency Waiver Request Board.
- Sec. 402. Application to implement assistance plans.
- Sec. 403. Review and approval of applications; waivers.
- Sec. 404. Implementation of assistance plans; evaluations.
- Sec. 405. Public-Private Partnership Committees.
- Sec. 406. Definitions.
- Sec. 407. Reports.

Sec. 408. Sunset.

#### TITLE V—CHILD SUPPORT ENFORCEMENT

- Sec. 501. National reporting of information relating to child support with respect to certain employees.
- Sec. 502. State information systems.
- Sec. 503. National information systems.
- Sec. 504. Income withholding.
- Sec. 505. Uniform terms in orders.
- Sec. 506. Work requirement for noncustodial parents with child support arrearages.

#### TITLE VI—WELFARE RESTRICTIONS FOR ALIENS

- Sec. 601. Ineligibility of aliens for public welfare assistance.
- Sec. 602. State AFDC agencies required to provide information on illegal aliens to the Immigration and Naturalization Service.

#### TITLE VII—CONTROLLING WELFARE COSTS

- Sec. 701. Caps on certain means-tested programs.
- Sec. 702. Sequestration of Federal spending to enforce spending caps on means-tested programs.

#### TITLE VIII—CONSOLIDATED BLOCK GRANT TO STATES FOR FOOD ASSISTANCE

- Sec. 801. Food assistance block grant program.
- Sec. 802. Availability of Federal coupon program to States.
- Sec. 803. Authority to sell Federal surplus commodities.
- Sec. 804. Definitions.
- Sec. 805. Repealers and amendments.
- Sec. 806. Effective date; application of repealers and amendments.

#### TITLE IX—MISCELLANEOUS

- Sec. 901. AFDC recipients required to undergo necessary substance abuse treatment as a condition of receiving AFDC.
- Sec. 902. SSI benefits for drug and alcohol addicts.
- Sec. 903. Evaluation of education and training programs.
- Sec. 904. Job search required while AFDC application is pending.
- Sec. 905. Fraud and administrative efficiency.
- Sec. 906. Public housing rent reform.
- Sec. 907. Required immunizations for children.

## 1 TITLE I—AFDC TRANSITION AND 2 WORK PROGRAM

### 3 SEC. 101. AFDC TRANSITION AND WORK PROGRAM.

- 4 (a) PURPOSE.—Section 481(a) of the Social Security  
5 Act (42 U.S.C. 681(a)) is amended by striking all that

1 to which section 1108 applies, or as defined in  
2 section 1905(b) in the case of any other  
3 State)".

4 (b) REGULATIONS.—Not later than 1 year after the  
5 date of the enactment of this Act, the Secretary of Health  
6 and Human Services shall prescribe such regulations as  
7 may be necessary to enable States to establish and operate  
8 programs pursuant to the amendments made by this title.

## 9 TITLE II—PATERNITY 10 ESTABLISHMENT

### 11 SEC. 201. REDUCTION OR DENIAL OF AFDC FOR CHILDREN

#### 12 WHOSE PATERNITY IS NOT ESTABLISHED.

#### 13 (a) FAMILIES APPLYING FOR AFDC.—

14 (1) IN GENERAL.—Section 402(a) of the Social  
15 Security Act (42 U.S.C. 602(a)) is amended—

16 (A) by striking "and" at the end of para-  
17 graph (44);

18 (B) by striking the period at the end of  
19 paragraph (45) and inserting "; and"; and

20 (C) by inserting after paragraph (45) the  
21 following:

22 "(46) unless the State has enacted a law ex-  
23 emptioning itself from the application of this para-  
24 graph, provide that—

1           “(A) except as provided in subparagraph  
2 (B), aid under the State plan shall not be pay-  
3 able to a family applying for such aid with re-  
4 spect to a dependent child whose paternity has  
5 not been established, unless—

6           “(i) the child was conceived as a re-  
7 sult of rape or incest; or

8           “(ii) the State determines that efforts  
9 to establish such paternity would result in  
10 physical danger to the relative claiming  
11 such aid;

12           “(B) if the paternity of a dependent child  
13 has not been established, the relative claiming  
14 such aid alleges that any of not more than 3  
15 named individuals may be the father of the  
16 child and provides the address of each of the  
17 named individuals or of the immediate relatives  
18 of each of the named individuals, and the State  
19 has not disproved the allegation, then—

20           “(i) aid under the State plan shall be  
21 payable to the family in the amount pay-  
22 able family whose size is determined with-  
23 out regard to the dependent child; and

1           “(ii) the entire family shall be eligible  
2           for medical assistance under the State plan  
3           approved under title XIX; and

4           “(C) the relative claiming such aid shall  
5           have the burden of proving any allegation of pa-  
6           ternity of a dependent child by an individual  
7           who is deceased, in accordance with procedures  
8           established by the State in consultation with  
9           the Secretary.”.

10           (2) EFFECTIVE DATE.—The amendments made  
11           by paragraph (1) shall take effect on October 1,  
12           1993, and shall apply to payments under part A of  
13           title IV of the Social Security Act for calendar quar-  
14           ters beginning on or after such date.

15           (b) ALL FAMILIES.—

16           (1) IN GENERAL.—Section 402(a)(46) of such  
17           Act (42 U.S.C. 602(a)(46)), as added by subsection  
18           (a) of this section, is amended by striking “applying  
19           for such aid”.

20           (2) EFFECTIVE DATE.—The amendment made  
21           by paragraph (1) shall take effect on October 1,  
22           1994, and shall apply to payments under part A of  
23           title IV of the Social Security Act for calendar quar-  
24           ters beginning on or after such date.

1 **SEC. 202. TEENS RECEIVING AFDC REQUIRED TO LIVE AT**  
2 **HOME.**

3 Section 402(a)(43) of the Social Security Act (42  
4 U.S.C. 602(a)(43)) is amended—

5 (1) by striking “at the option of the State,”;

6 and

7 (2) by striking “18” and inserting “19”.

8 **SEC. 203. EARLIER PATERNITY ESTABLISHMENT EFFORTS**  
9 **BY STATES.**

10 (a) **IN GENERAL.**—Section 466(a)(5)(C) of the Social  
11 Security Act (42 U.S.C. 666(a)(5)(C)) is amended by re-  
12 designating clauses (i) and (ii) as clauses (ii) and (iii) and  
13 by inserting before clause (ii) (as so redesignated) the fol-  
14 lowing: “(i) a requirement that, as soon as an officer or  
15 employee of the State becomes aware, in the performance  
16 of official duties, of a pregnant, unmarried individual, the  
17 officer or employee (I) inform the individual, orally and  
18 in writing, that she will be ineligible for aid under the  
19 State plan under part A unless she informs the State of  
20 the identity of the prospective father and, after the child  
21 is born, cooperates in establishing the paternity of the  
22 child, and (II) encourage the individual to urge the pro-  
23 spective father to acknowledge paternity.”.

24 (b) **CONFORMING AMENDMENTS.**—Section 466(a)(5)  
25 of such Act (42 U.S.C. 666(a)(5)) is amended in each of

1 subparagraphs (D) and (E) by striking “(C)(ii)” and in-  
2 serting “(C)(iii)”.

3 (c) SENSE OF THE CONGRESS.—The Congress en-  
4 courages the States to develop procedures in public hos-  
5 pitals and clinics to facilitate the acknowledgement of  
6 paternity.

7 **SEC. 204. INCREASE IN PATERNITY ESTABLISHMENT PER-**  
8 **CENTAGE.**

9 Section 452(g)(1) of the Social Security Act (42  
10 U.S.C. 652(g)(1)) is amended by striking all that follows  
11 “—” and inserting the following:

12 “(A) 90 percent;

13 “(B) for a State with a paternity establishment  
14 percentage of not less than 50 percent but less than  
15 90 percent for such fiscal year, the paternity estab-  
16 lishment percentage of the State for the immediately  
17 preceding fiscal year plus 6 percentage points; or

18 “(C) for a State with a paternity establishment  
19 percentage of less than 50 percent for such fiscal  
20 year, the paternity establishment percentage of the  
21 State for the immediately preceding fiscal year plus  
22 10 percentage points.”.

23 **SEC. 205. EFFECTIVE DATE.**

24 Except as provided in section 201, the amendments  
25 made by this title shall take effect on October 1, 1993,

1 and shall apply to payments under part A of title IV of  
2 the Social Security Act for calendar quarters ending be-  
3 ginning on or after such date.

4 **TITLE III—EXPANSION OF STAT-**  
5 **UTORY FLEXIBILITY OF**  
6 **STATES**

7 **SEC. 301. OPTION TO CONVERT AFDC INTO A BLOCK GRANT**  
8 **PROGRAM**

9 Section 403 of the Social Security Act (42 U.S.C.  
10 603) is amended by inserting after subsection (b) the fol-  
11 lowing:

12 “(c)(1) Any State may elect to receive payments  
13 under this subsection in lieu of receiving payments under  
14 the other subsections of this section.

15 “(2) If a State makes an election under paragraph  
16 (1), then, in lieu of any payment under any other sub-  
17 section of this section, the Secretary shall make payments  
18 to the State under this subsection for each fiscal year in  
19 an amount equal to 103 percent of the total amount to  
20 which the State was entitled under this section for fiscal  
21 year 1992, subject to paragraph (5).

22 “(3) Each State to which an amount is paid under  
23 paragraph (2) for a fiscal year shall expend the amount  
24 to carry out any program established by the State to pro-  
25 vide benefits to needy families with dependent children.

1 (1) describe the extent to which assistance  
2 plans have been implemented in accordance with this  
3 title;

4 (2) evaluate the effectiveness of covered Federal  
5 assistance programs included in such plans; and

6 (3) include recommendations with respect to  
7 whether to continue activities under this title.

8 (b) TIMING.—The Comptroller General shall submit  
9 a report under subsection (a) not later than 3 years after  
10 the date of the enactment of this Act, and another such  
11 report not later than 6 years after such date of enactment.

12 **SEC. 408. SUNSET.**

13 Any authority provided under this title shall expire  
14 7 years after the date of the enactment of this Act.

15 **TITLE V—CHILD SUPPORT**  
16 **ENFORCEMENT**

17 **SEC. 501. NATIONAL REPORTING OF INFORMATION RELAT-**  
18 **ING TO CHILD SUPPORT WITH RESPECT TO**  
19 **CERTAIN EMPLOYEES.**

20 (a) MODIFIED W-4 REPORTING.—

21 (1) ESTABLISHMENT OF REPORTING SYSTEM.—

22 The Secretary of the Treasury, in consultation with  
23 the Secretary of Labor, shall establish a system for  
24 the reporting of information relating to child support

1 obligations of employees, that meets the require-  
2 ments of this subsection.

3 (2) EMPLOYEE OBLIGATIONS.—

4 (A) EMPLOYEES SUBJECT TO CHILD SUP-  
5 PORT WAGE WITHHOLDING.—The system shall  
6 require each employee who owes a qualified  
7 child support obligation to indicate on a W-4  
8 form that the employee is otherwise required to  
9 file with the employer—

10 (i) the existence of the obligation;

11 and

12 (ii) the amount of the obligation;

13 (iii) the name and address of the  
14 person to whom the obligation is  
15 owed; and

16 (iv) whether health care insur-  
17 ance is available through the employer  
18 to the family of the employee.

19 (B) EMPLOYEES IN DESIGNATED INDUS-  
20 TRIES.—The system shall require each em-  
21 ployee, who is employed in a State in an indus-  
22 try that the State has designated pursuant to  
23 section 466(a)(12)(A) of the Social Security Act  
24 as one with respect to which universal employ-  
25 ment reporting would improve child support en-

1           forcement in a cost-effective manner, to file  
2           with the employer a W-4 form indicating—

3                   (i) whether the employee owes a quali-  
4                   fied child support obligation; and

5                   (ii) if so—

6                           (I) the amount of the obligation;

7                           (II) the name and address of the  
8                           person to whom the obligation is  
9                           owed; and

10                          (III) whether health care insur-  
11                          ance is available through the employer  
12                          to the family of the employee.

13           (C) ONE-TIME UPDATING OF W-4 INFOR-  
14           MATION OF ALL EMPLOYEES.—The system shall  
15           require each employee to file with the employer,  
16           during a period that the State in which the em-  
17           ployee is employed has prescribed pursuant to  
18           section 466(a)(12)(B) of the Social Security  
19           Act, a W-4 form indicating—

20                   (i) whether the employee owes a quali-  
21                   fied child support obligation; and

22                   (ii) if so—

23                           (I) the amount of each such obli-  
24                           gation;

1 (II) the name and address of  
2 each person to whom the obligation is  
3 owed; and

4 (III) whether health care insur-  
5 ance is available through the employer  
6 to the family of the employee.

7 (D) QUALIFIED CHILD SUPPORT OBLIGA-  
8 TION.—As used in this subsection, the term  
9 “qualified child support obligation” means a  
10 legal obligation to provide child support (as de-  
11 fined in section 462(b) of the Social Security  
12 Act) which is to be collected, in whole or in  
13 part, through wage withholding pursuant to an  
14 order issued by a court of any State or an order  
15 of an administrative process established under  
16 the law of any State.

17 (3) EMPLOYER OBLIGATIONS.—Each employer  
18 who receives information from an employee pursuant  
19 to paragraph (2) of this subsection shall—

20 (A) within 10 days after such receipt, for-  
21 ward the information to the agency, designated  
22 pursuant to section 466(a)(11)(A) of the Social  
23 Security Act, of the State in which the em-  
24 ployee is employed by the employer; and

1           (B) withhold from the income of the em-  
2           ployee the amount indicated on the W-4 form  
3           (or, if the employer has received from the State  
4           a notice that the amount is incorrect, such  
5           other amount as the State indicates is to be so  
6           withheld), in the manner described in section  
7           466(b)(6)(A)(i) of such Act.

8           (4) NEW HIRES IN CERTAIN STATES EX-  
9           CEPTED.—This subsection shall not apply with re-  
10          spect to the employment in a State of any employee  
11          not described in paragraph (2)(B) if the Secretary  
12          of Health and Human Services determines that the  
13          State—

14                (A) requires all employers in the State to  
15                report to the State all basic employment infor-  
16                mation on new hires;

17                (B) requires such information to be com-  
18                pared with information in the State registry of  
19                child support orders established pursuant to  
20                section 466(a)(13) of the Social Security Act  
21                and with requests from other States for infor-  
22                mation on the location of noncustodial parents;

23                (C) maintains updated employment infor-  
24                mation on all individuals employed in the State

1 in a manner that enables the State to effec-  
2 tively respond to such requests; and

3 (D) requires all employers in the State, on  
4 receipt of a notice from the State that an em-  
5 ployee owes a qualified child support obligation,  
6 to begin withholding from the income of the  
7 employee the amount of the obligation, in the  
8 manner described in section 466(b)(6)(A)(i) of  
9 the Social Security Act.

10 (b) STATE ROLE.—Section 466(a) of the Social Secu-  
11 rity Act (42 U.S.C. 666(a)) is amended by inserting after  
12 paragraph (10) the following:

13 “(11) Procedures under which the State shall  
14 designate a public agency to—

15 “(A) maintain the information provided by  
16 employers pursuant to section 501(a)(3) of the  
17 Responsibility and Empowerment Support Pro-  
18 gram Providing Employment, Child Care, and  
19 Training Act in accordance with regulations  
20 prescribed by the Secretary which allow other  
21 States easy access to the information through  
22 the Interstate Locate Network established  
23 under section 453(g) of this Act; and

24 “(B) determine whether or not the infor-  
25 mation described in subparagraph (A) of this

1 paragraph provided by an employer with respect  
2 to an employee is accurate by comparing the in-  
3 formation with the information on file in the  
4 State registry of child support orders estab-  
5 lished pursuant to section 466(a)(13) of this  
6 Act, and—

7 “(i) if the information is confirmed by  
8 the information on file in the registry, no-  
9 tify any individual who resides in the State  
10 and to whom the employee has a legal obli-  
11 gation to provide child support (or such in-  
12 dividual’s designee) of such information;

13 “(ii) if the information is not so con-  
14 firmed due to a discrepancy between the  
15 information and a copy of a child support  
16 order in the registry, notify the employer  
17 of the discrepancy and the correct informa-  
18 tion using the order developed under sec-  
19 tion 452(a)(12) of this Act; or

20 “(iii) if the information is not so con-  
21 firmed because the registry does not con-  
22 tain a copy of an order that imposes a  
23 child support obligation on the employee,  
24 search the child support order registries  
25 established pursuant to section 466(a)(13)

1 of this Act of the States in which the obli-  
2 gation is most likely to have been imposed.

3 “(12) Procedures under which the State shall—

4 “(A) designate at least 1 industry, for pur-  
5 poses of section 501(a)(2)(B) of the Respon-  
6 sibility and Empowerment Support Program  
7 Providing Employment, Child Care, and Train-  
8 ing Act, as an industry with respect to which  
9 universal employment reporting would improve  
10 child support enforcement in a cost-effective  
11 manner;

12 “(B) prescribe the period during which in-  
13 dividuals employed in the State are to be re-  
14 quired to file with their employers updated W-  
15 4 forms as required by section 501(a)(2)(C) of  
16 such Act; and

17 “(C) impose a fine—

18 “(i) against any individual employed  
19 in the State who is required by section  
20 501(a)(2) of such Act to file a W-4 form  
21 with any employer of the individual and  
22 fails to do so; and

23 “(ii) in an amount equal to the aver-  
24 age cost of noncompliance (as determined  
25 by the State) or \$25, whichever is the less-

1 er, on any employer who fails to comply  
2 with section 501(a)(3) of such Act for any  
3 month.”.

4 **SEC. 502. STATE INFORMATION SYSTEMS.**

5 (a) **STATE REGISTRIES OF CHILD SUPPORT OR-**  
6 **DERS.**—Section 466(a) of the Social Security Act (42  
7 U.S.C. 666(a)), as amended by section 501(b) of this Act,  
8 is amended by inserting after paragraph (12) the follow-  
9 ing:

10 “(13) Procedures requiring the State agency  
11 designated pursuant to paragraph (16) to maintain  
12 a child support order registry, which must include—

13 “(A) a copy of each child support order  
14 being enforced under the State plan; and

15 “(B) at the request of an individual who  
16 has or is owed a legal obligation to provide child  
17 support (within the meaning of section 462(b)),  
18 a copy of the order that imposes the obliga-  
19 tion.”.

20 (b) **ACCESSIBILITY OF STATE INFORMATION RELAT-**  
21 **ED TO CHILD SUPPORT.**—

22 (1) **TO OTHER STATES.**—Section 466(a) of the  
23 Social Security Act (42 U.S.C. 666(a)), as amended  
24 by section 501(b)(1) of this Act and subsection (a)

1 of this section, is amended by inserting after para-  
2 graph (13) the following:

3 “(14)(A) Procedures requiring all records of the  
4 State to which the agency administering the plan  
5 has access and determines may be useful in locating  
6 noncustodial parents or collecting child support to be  
7 made accessible to any agency of any State for such  
8 purpose, through the Interstate Locate Network es-  
9 tablished under section 453(g), in accordance with  
10 safeguards established to prevent release of informa-  
11 tion if the release might jeopardize the safety of any  
12 individual.

13 “(B) The State may impose reasonable fees for  
14 access to State records provided pursuant to sub-  
15 paragraph (A).”.

16 (2) TO PRIVATE PARTIES.—Section 466(a) of  
17 such Act (42 U.S.C. 666(a)), as amended by section  
18 501(b)(1) of this Act, subsection (a) of this section,  
19 and paragraph (1) of this subsection, is amended by  
20 inserting after paragraph (14) the following:

21 “(15) Procedures under which—

22 “(A) noncustodial parents (and their des-  
23 ignees) must be given access to State parent lo-  
24 cator services, to aid in the establishment or en-  
25 forcement of visitation rights, in accordance

1 with safeguards established to prevent release  
2 of information if the release might jeopardize  
3 the safety of any individual; and

4 “(B) custodial parents (and their des-  
5 ignees) must be given access to State parent lo-  
6 cator services to aid in the establishment and  
7 enforcement of child support obligations against  
8 noncustodial parents.”.

9 **SEC. 503. NATIONAL INFORMATION SYSTEMS.**

10 (a) **EXPANSION OF PARENT LOCATOR SERVICE.—**  
11 Section 453 of the Social Security Act (42 U.S.C. 653)  
12 is amended—

13 (1) in subsection (a)—

14 (A) by inserting “(1)” after “transmit”;

15 (B) by striking “enforcing support obliga-  
16 tions against such parent” and inserting “es-  
17 tablishing parentage, establishing, modifying,  
18 and enforcing child support obligations, and (2)  
19 to any noncustodial parent (or the designee of  
20 the noncustodial parent) information as to the  
21 whereabouts of the custodial parent when such  
22 information is to be used to locate such parent  
23 for the purpose of enforcing child visitation  
24 rights and obligations”;

1           (2) in subsection (b), by inserting after the 2nd  
2 sentence the following: "Information shall not be  
3 disclosed to a custodial parent or a noncustodial par-  
4 ent if the disclosure would jeopardize the safety of  
5 the child or either of such parents.";

6           (3) in subsection (d), by inserting "and such  
7 reasonable fees" after "such documents"; and

8           (4) by striking "absent parent" each place such  
9 term appears and inserting "noncustodial parent".

10         (b) ESTABLISHMENT OF INTERSTATE LOCATE NET-  
11 WORK.—Section 453 of such Act (42 U.S.C. 653) is  
12 amended by adding at the end the following:

13         “(g) The Secretary shall establish an Interstate Lo-  
14 cate Network linking the Parent Locator Service and all  
15 State databases relating to child support enforcement,  
16 which—

17           “(1) any State may use to—

18           “(A) locate any noncustodial parent who  
19 has a legal obligation to provide child support  
20 (as defined in section 462(b)), with respect to  
21 whom such an obligation is being sought, or  
22 against whom visitation rights are being en-  
23 forced, by accessing the records of any Federal,  
24 State, or other source of locate or child support

1 information, directly from one computer system  
2 to another; or

3 “(B) direct a locate request to another  
4 State or a Federal agency, or, if the source of  
5 locate information is unknown, broadcast such  
6 a request to selected States or to all States;

7 “(2) allows on-line and batch processing of lo-  
8 cate requests, with on-line access restricted to cases  
9 in which the information is needed immediately  
10 (such as for court appearances), and batch process-  
11 ing used to ‘troll’ data bases to locate individuals or  
12 update information periodically; and

13 “(3) enables courts to access information on the  
14 Network through a computer terminal located in the  
15 court.”.

16 (c) INFORMATION SHARING REGULATIONS.—Section  
17 452(a) of such Act (42 U.S.C. 652(a)) is amended—

18 (1) by striking “and” at the end of paragraph  
19 (9);

20 (2) by striking the period at the end of the 2nd  
21 sentence of paragraph (10) and inserting “; and”;  
22 and

23 (3) by inserting after paragraph (10) the fol-  
24 lowing:

1           “(11) prescribe regulations governing informa-  
2           tion sharing among States, within States, and be-  
3           tween the States and the Parent Locator Service—

4                   “(A) to ensure that a State may broadcast  
5                   a request for information for the purpose of lo-  
6                   cating a noncustodial parent or collecting child  
7                   support, and receive a response to the request  
8                   in not more than 48 hours; and

9                   “(B) to require a State that is attempting  
10                  to locate a noncustodial parent—

11                          “(i) to compare all outstanding cases  
12                          with information in the employment  
13                          records of the State;

14                          “(ii) if, after complying with clause  
15                          (i), the State is unable to locate the  
16                          noncustodial parent, then—

17                                  “(I) if the State has reason to  
18                                  believe that the noncustodial parent is  
19                                  in another particular State or States,  
20                                  to request such State or States for in-  
21                                  formation on the noncustodial parent;  
22                                  and

23                                  “(II) if not, to broadcast all  
24                                  States a request for such informa-  
25                                  tion.”.

1 **SEC. 504. INCOME WITHHOLDING.**

2 (a) **STATE ROLE.**—Section 466(a) of the Social Secu-  
3 rity Act (42 U.S.C. 666(a)), as amended by sections  
4 501(b)(1) and 502 of this Act, is amended by inserting  
5 after paragraph (15) the following:

6 “(16) Procedures under which the State shall  
7 designate a public agency to—

8 “(A) collect child support pursuant to the  
9 State plan; and

10 “(B) distribute, in accordance with section  
11 457, and with all due deliberate speed, the  
12 amounts collected as child support.

13 “(17) Procedures under which the State shall  
14 require any court of the State that establishes or  
15 modifies a child support order to transmit a copy of  
16 the order to the State agency designated pursuant to  
17 paragraph (18), unless the order does not provide  
18 for income withholding, and the noncustodial parent  
19 and the custodial parent object.

20 “(18) Procedures under which the State shall  
21 designate a State agency to use the uniform income  
22 withholding order developed under section  
23 452(a)(12) to notify the agency administering the  
24 State plan, any employer of an individual required to  
25 pay child support through income withholding pursu-  
26 ant to an order issued or modified in the State, and

1 the agency designated pursuant to paragraph (16) of  
2 this subsection of each State in which such an em-  
3 ployer is located, of—

4 “(A) the identity of the individual;

5 “(B) the amount to be withheld; and

6 “(C) the State agency to which the with-  
7 held amount is to be paid.”.

8 (b) UNIFORM WITHHOLDING ORDER.—Section  
9 452(a) of such Act (42 U.S.C. 652(a)), as amended by  
10 section 503(c) of this Act, is amended—

11 (1) by striking “and” at the end of paragraph  
12 (10);

13 (2) by striking the period at the end of para-  
14 graph (11) and inserting “; and”; and

15 (3) by inserting after paragraph (11) the fol-  
16 lowing:

17 “(12) develop a uniform order to be used in all  
18 cases in which income is to be withheld for the pay-  
19 ment of child support, which shall contain the name  
20 of the individual whose income is to be withheld, the  
21 number of children covered by the order, and the in-  
22 dividual or State to whom the withheld income is to  
23 be paid, and be generic to allow for the service of  
24 the order on all sources of income.”.

1 (c) STATES REQUIRED TO HAVE LAWS REQUIRING  
2 EMPLOYERS TO WITHHOLD CHILD SUPPORT PURSUANT  
3 TO UNIFORM INCOME WITHHOLDING ORDERS.—Section  
4 466(b) of such Act (42 U.S.C. 666(b)(1)) is amended—

5 (1) in paragraph (1), by inserting “and in the  
6 case of each individual employed in the State,” be-  
7 fore “so much”;

8 (2) in paragraph (6)(C), by inserting “of this  
9 paragraph and paragraph (9)(B) of this subsection”  
10 after “(A)”;

11 (3) in paragraph (9)—

12 (A) by inserting “(A)” after “(9)”;

13 (B) by adding at the end the following:

14 “(B)(i) Any individual or entity engaged in  
15 commerce, as a condition of doing business in the  
16 State, on receipt of an income withholding order de-  
17 veloped under section 452(a)(12) with respect to an  
18 employee of the individual or entity, that is regular  
19 on its face and has been issued by a court or State  
20 agency of any State, shall—

21 “(I) immediately provide a copy of the  
22 order to the employee subject to the order; and

23 “(II) within 10 days after receipt of the  
24 order, withhold income from the employee in  
25 the manner described in paragraph (6)(A)(i) of

1           this subsection, notwithstanding paragraph (4)  
2           of this subsection.

3           “(ii) Such an order may be served on the indi-  
4           vidual or entity directly or by first-class mail.

5           “(iii) Any individual or entity who complies  
6           with such an order may not be held liable for wrong-  
7           ful withholding of income from the employee subject  
8           to the order.

9           “(iv) The State shall impose a civil fine in an  
10          amount equal to the average cost of noncompliance  
11          (as determined by the State) or \$25, whichever is  
12          the lesser, on any such individual or entity who re-  
13          ceives such an order with respect to an employee of  
14          the individual or entity, and who, due to negligence,  
15          fails to comply with the order within 10 days after  
16          receipt.

17          “(v) Any individual or entity who imposes a fee  
18          for the administration of child support income with-  
19          holding and related reporting of information shall  
20          not collect more than the average cost of such ad-  
21          ministration, as determined by the State.”.

22 **SEC. 505. UNIFORM TERMS IN ORDERS.**

23          (a) **IN GENERAL.**—Section 452(a) of the Social Secu-  
24          rity Act (42 U.S.C. 652(a)), as amended by sections  
25          503(c) and 504(b) of this Act, is amended—

1           (1) in paragraph (11), by striking "and" after  
2 the semicolon;

3           (2) in paragraph (12), by striking the period at  
4 the end of the 2nd sentence and inserting "; and";  
5 and

6           (3) by adding at the end the following:

7           “(13) develop, in conjunction with State execu-  
8 tive and judicial organizations, a uniform abstract of  
9 a child support order, for use by all State courts to  
10 record, with respect to each child support order in  
11 the child support order registry established under  
12 section 466(a)(12)—

13                 “(A) the date support payments are to  
14 begin under the order;

15                 “(B) the circumstances upon which sup-  
16 port payments are to end under the order;

17                 “(C) the amount of child support payable  
18 pursuant to the order expressed as a sum cer-  
19 tain to be paid on a monthly basis, arrearages  
20 expressed as a sum certain as of a certain date,  
21 and any payback schedule for the arrearages;

22                 “(D) whether the order awards support in  
23 a lump sum (nonallocated) or per child;

1           “(E) if the award is in a lump sum, the  
2           event causing a change in the support award  
3           and the amount of any change;

4           “(F) other expenses covered by the order;

5           “(G) the names of the parents subject to  
6           the order;

7           “(H) the social security account numbers  
8           of the parents;

9           “(I) the name, date of birth, and social se-  
10          curity account number (if any) of each child  
11          covered by the order;

12          “(K) the identification (FIPS code, name,  
13          and address) of the court that issued the order;

14          “(L) any information on health care sup-  
15          port required by the order; and

16          “(M) the party to contact if additional in-  
17          formation is obtained.”.

18 **SEC. 508. WORK REQUIREMENT FOR NONCUSTODIAL PAR-**  
19 **ENTS WITH CHILD SUPPORT ARREARAGES.**

20        (a) **IN GENERAL.**—Section 466(a) of the Social Secu-  
21 rity Act (42 U.S.C. 666(a)), as amended by sections  
22 501(b)(1), 502, and 504(a) of this Act, is amended by in-  
23 serting after paragraph (18) the following:

24        “(19) Procedures requiring that—

1           “(A) upon a determination by the State  
2 agency referred to in section 402(a)(3) that the  
3 noncustodial parent of any child who is apply-  
4 ing for or receiving aid under the State plan ap-  
5 proved under part A owes child support (as de-  
6 fined in section 462(b)) with respect to the  
7 child, is in arrears in the payment of such sup-  
8 port in an amount that is not less than twice  
9 the amount of the monthly child support obliga-  
10 tion, is not incapacitated, and is not subject to  
11 a court-approved plan for payment of such ar-  
12 rearage, the State agency referred to in section  
13 402(a)(3) send to the noncustodial parent a let-  
14 ter notifying the noncustodial parent that the  
15 noncustodial parent—

16           “(i) is required to pay child support  
17 with respect to the child; and

18           “(ii) is subject to fines and other pen-  
19 alties for failure to pay the full amount of  
20 such support in a timely manner; and

21           “(B) if, by the end of the 30-day period  
22 that begins with the date the letter is sent pur-  
23 suant to subparagraph (A), the amount of the  
24 arrearage has not decreased by at least a per-  
25 centage amount specified by the State agency,

1 the State seek a court order requiring the  
2 noncustodial parent—

3 “(i) to participate in a job search pro-  
4 gram established by the State, for not less  
5 than 2 weeks and not more than 4 weeks;  
6 and

7 “(ii) if, by the end of the 30-day pe-  
8 riod beginning on the date the order is en-  
9 tered, the amount of the arrearage has not  
10 decreased by at least a percentage amount  
11 specified by the State agency, to partici-  
12 pate in a work program established by the  
13 State, for not less than 35 hours per week  
14 (or, if the program also requires job  
15 search, for not less than 30 hours per  
16 week).”.

17 **TITLE VI—WELFARE**  
18 **RESTRICTIONS FOR ALIENS**

19 **SEC. 601. INELIGIBILITY OF ALIENS FOR PUBLIC WELFARE**  
20 **ASSISTANCE.**

21 (a) **IN GENERAL.**—Notwithstanding any other provi-  
22 sion of law and except as provided in subsections (b) and  
23 (c), no alien shall be eligible for any program referred to  
24 in subsection (d).

25 (b) **EXCEPTIONS.**—

Welfare Reform Act of 1994

Senators Brown, Dole, Packwood, D'Amato, Simpson, Warner, et. al.

PURPOSE: To amend title IV of the Social Security Act and other provisions to provide reforms to the welfare system in effect in the United States.

Section 1. Short Title.

Section 2. References in Act; Table of Contents.

All amendments in this act, unless otherwise noted, shall amend the Social Security Act.

Title I: APPLICANT JOB SEARCH, VOUCHER PROGRAM, TRANSITION AND WORK PROGRAM, ETC.

Section 101. Applicant Job Search Requirement.

Any individual applying for assistance shall conduct job search activities, as determined appropriate by the state, while the individual's application for aid is pending; the state shall reimburse the applicant for necessary transportation and child care expenses resulting from such activities.

Section 102. Employment Voucher Programs.

In order to qualify for participation in the AFDC program, a state must establish an employment voucher program, which shall make employment vouchers available to eligible individuals during their first year of employment in lieu of AFDC benefits and food stamp benefits for which they, and their household, would be eligible. During the first six months of employment, the employment voucher for an individual is equal to the sum of the monthly AFDC benefit and the monthly cash value of the food stamp benefit which would otherwise be available to the individual's household. In the second six-month period of employment, the employment voucher would be worth 50% of the sum of the amounts described above.

Under the program, an individual will give his employment voucher to the employer, who will then redeem the voucher with the state for its full value. However, an employer can only participate in the program if it pays in gross wages the greater of (a) 200% of the amount of the voucher of such individual, or (b) the product of the greater of the federal minimum wage or the applicable state minimum wage and the number of hours worked by such individual. Any individual is eligible for the program as long as he/she is receiving assistance under AFDC or the food stamps program.

The wages paid to an individual during the first year of employment under this program shall be considered earned income for purposes of any provision of law, except that such wages

shall not be taken into account when determining the eligibility of the individual for assistance programs.

The federal government does not assume any greater or lesser payments to the states under this program; its formula for contributions will remain as if the amounts for the employment vouchers were still paid directly to the individual under the assistance programs.

### Section 103. Transition and Work Components Added to Jobs Program.

A transition component is to be added, which must include the job search program, the employment voucher program, and other services. Each participant must engage in the appropriate activities for an average of at least 20 hours per week. Once an individual has participated in the transition component for 24 months, assistance to the family in which such individual is a member shall be reduced by the amount allocable to such individual unless the individual finds gainful employment or is participating in the work component of this program. However, the state may opt to reduce this minimum period from 24 months to 12 months. After a participant has participated in the transition component of the program for a period of six months, the state shall make an assessment to determine whether the participant is making clear and substantial progress toward employment. If, at any time during a individual's participation in the the transition component of the program, the state agency determines the participant to be employable, such participant shall be assigned to the work component of the program. The state, in consultation with HHS, shall establish guidelines for determining whether an individual has satisfied the hours of participation requirement; in the case of educational activities, the HHS shall prescribe rules for converting time spent in a program of study into hours of participation in the transition component.

A work component is also to be added, which shall include a work supplementation program, a community work experience program, the employment voucher program, and any other work program of the state approved by HHS. Once an individual has been determined as employable by the appropriate state agency, such individual shall be assigned to the work component of the program. Each participant is to engage in work activities for an average of at least 35 hours per week, or in work activities of at least 30 hours per week and job search activities of at least 8 hours. The state shall enter into agreement with an employer, whereby the state is required to pay the employer a subsidized portion of the wages. In return, the employer is required to pay the individual wages, which when added to the subsidized wages, are not less than 100% of the sum of the amount of the AFDC assistance that an individual would receive if the state did not have a work supplementation program, and the cash value of the appropriate level of food stamp benefits, provided that the state has utilized food stamp funds to help subsidize this program. The states are authorized to use sums which otherwise would be expended for food stamp benefits to provide subsidized jobs for

participants. Accordingly, if the state chooses to undertake this method of financing, households may receive the equivalent value of food stamp benefits which they would otherwise receive if the program was not in effect for the period during which the member continues to participate in the work supplementation program.

If the individual has participated in the transition component and the work component for 24 months, the state has the option to reduce assistance to his/her family by the amount allocable to such individual and the individual may be prohibited from further participation. Nevertheless, each individual shall be permitted to participate in the work component for at least 12 months without a reduction in benefits.

Despite any reductions in aid to an individual under the above provisions, as long as his/her family would be eligible for Medicaid, he/she will also continue to be eligible for Medicaid.

For purposes of computing the amount of the federal payment to a state, for expenditures incurred in making payments to individuals and employers under the state's work supplementation program, the state may claim as such expenditures the maximum amount payable to the state.

#### Section 104. Sanctions for Failure to Participate in Jobs program.

Amends the formula for levying sanctions, as described in the Social Security Act, against individuals who fail to participate in the above jobs program. In the case of (1) an individual's first failure to comply, the sanction shall continue for at least three months and until the individual complies, (2) an individual's second failure to comply, the sanction shall continue for at least six months and until the individual complies, and (3) an individual's third failure to comply, the sanction shall continue for at least twelve months and until the individual complies. In addition, any first failure to comply that continues more than three months shall be considered a second failure, and any second failure to comply that continues for more than six months shall be considered a third failure to comply.

#### Section 105. Persons Exempted From Participation in Jobs Program.

An individual may be exempt from this program if the individual (1) is ill, incapacitated, or of advanced age, (2) works 35 or more hours per week, (3) is a child who is under age 16 and attends, full-time, an elementary, secondary, or vocational (or technical) school, (4) is providing full-time care for a disabled dependent of the individual, (5) at the option of the state, if the individual is making progress in a substance abuse treatment program, unless this clause has been applied to an individual for 12 months, (6) during the 6-month period after the individual gives birth to the first child born to the individual after becoming eligible for aid under this part, (7) during the 4-month period after the individual gives birth to the second or subsequent child born to the individual after becoming eligible for aid under this part, and (8) if the individual

resides in an area of the state where the program is not available.

Section 106. Increase in Required Jobs Participation Rates.

Provides for increased state participation rates, including by the year 2002 a minimum level of 90% of all such individuals eligible for aid under the state plan who applied for such aid on or after October 1, 1998.

In the case of any family eligible for AFDC by reason of the unemployment of the parent who is the principal earner, the state shall require one parent to participate in the work component of the program, and may require one parent to participate in the transition component of the program. In the case of a parent under age 25 who has not completed high school or an equivalent course of education, the state may require such parent to participate in educational activities directed at the attainment of a high school diploma or another basic education program, in lieu of the work/transition component requirement.

All states are granted the option to limit AFDC-UP .

Section 107. Payments to States.

Establishes formula for the provision of federal funds to states for the administration of these jobs programs, based in part on the participation rates of the states.

Section 108. Effective Date.

This amendment shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this act, but allows for a delay for those states where state legislation (other than authorization or appropriation legislation) is required to comply with the amendments made by this title.

TITLE II: PROVISIONS RELATING TO PATERNITY ESTABLISHMENT.

Section 201. Reduction of AFDC for Parent or Guardian of Children Whose Paternity is Not Established.

If a family applying for AFDC includes a child with respect to whom paternity has not been established, aid paid to such family under the state plan for any month shall be reduced by the amount of such aid allocable to the parent or guardian of such child until (1) paternity has been acknowledged by the father of such child, (2) a paternity suit has been instituted with respect to such child and a negative ruling has not yet been handed down, or (3) such parent or guardian demonstrates to the satisfaction of the state that the father of such child is dead or missing.

The above paragraph may not apply if (1) the state has enacted a law exempting itself from the application of this paragraph, (2) if the child was conceived as a result of rape or incest, (3) the state determines that efforts to establish paternity would result in physical danger to a member of the family claiming aid under this part, or (4) the state, with the

approval of the HHS, determines that a reduction in such aid would impose an undue hardship on the family.

This amendment shall take effect on the first day of the second fiscal year beginning after the date of the enactment of this act, but allows for a delay for those states where state legislation (other than authorization or appropriation legislation) is required to comply with the amendments made by this title.

Section 202. Earlier Paternity Establishment Efforts by States.

States are to provide a pregnant, unmarried woman information regarding potential ineligibility for, or reductions in, benefits under federal and state programs, including the AFDC program, if the woman fails to establish, or cooperate in the establishment of, the paternity of the child.

Section 203. Increase in Paternity Establishment Percentage.

Section 204. Effective Date.

This amendment shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this act, but allows for a delay for those states where state legislation (other than authorization or appropriation legislation) is required to comply with the amendments made by this title.

**TITLE III: CHILD SUPPORT ENFORCEMENT.**

Section 301. State Information Systems.

Each state shall designate a public agency to maintain a child support order registry, which must include a copy of each child support order being enforced by the state.

All records of a state to which the agency administering the child support enforcement plan has access and determines may be useful in locating noncustodial parents or collecting child support shall be made accessible to any agency of any state for such purpose through the Interstate Locate Network in accordance with regulations promulgated by the HHS which prohibit the release of any information which might jeopardize the safety of any individual. Each state may impose reasonable fees for access to state records provided, however.

Noncustodial parents (and their designees) must be given access to state parent locator services to aid in the establishment or enforcement of visitation rights in accordance with regulations promulgated by the HHS which prohibit the release of any information which might jeopardize the safety of any individual. Custodial parents (and their designees) must be given access to state parent locator services to aid in the establishment and enforcement of child support obligations against noncustodial parents.

Section 302. National Information Systems.

Expands the use of the Parent Locator Service for purposes of establishing parentage, establishing, modifying, and enforcing

child support obligations, and granting information to noncustodial parents as to the whereabouts of the custodial parent when such information is to be used for the purpose of enforcing child visitation rights and obligations, provided that such information does not jeopardize the safety of any individual.

The HHS shall establish an Interstate Locate Network linking the Parent Locator Service and all state databases relating to child support enforcement which shall promote efforts to enforce child support orders and visitation rights by providing on-line access to the records of any federal, state, or other source of child support information. Each state shall respond within 48 hours to another state's request for information vis-a-vis the Interstate Locate Network.

#### Section 303. Income Withholding.

The state shall designate a public agency to collect child support and to distribute the amounts collected as child support. All withholding forms for child support shall be developed pursuant to a uniform model; the states then are required to have laws requiring employers to withhold child support pursuant to the uniform withholding orders. Employers who in good faith comply with such an order may not be held liable for wrongful withholding of income from the employee subject to the order; however, failure to comply by an employer shall result in the imposition of a civil fine by the state. Any employer who imposes a fee for the administration of child support income withholding and related reporting of information shall not collect more than the average cost of such administration, as determined by the state.

#### Section 304. Uniform Terms in Orders.

Establishes the provisions of a uniform child support order for use by all state courts.

#### Section 305. Work Requirement For Noncustodial Parents With Child Support Arrearages.

A noncustodial parent who is applying for or receiving aid under a state plan and owes child support, is in arrears in the payment of such support in an amount that is not less than twice the amount of the monthly child support obligation, and is not subject to a court-approved plan for payment of such arrearage, shall be notified by the state that he/she is required to pay child support and is subject to fines and other penalties for failure to pay the full amount of such amount in a timely manner. If, following thirty days after the notice by the state, the amount of the arrearage has not decreased by at least a percentage amount specified by the state agency, the state shall seek a court order requiring the noncustodial parent to participate in a job search program established by the state, for not less than two weeks and not more than four weeks. If, following the end of the 30-day period beginning on the date the order was entered, the amount of the arrearage has not decreased by at least a percentage amount specified by the state agency,

the noncustodial parent shall participate in a work program established by the state, for not less than 35 hours per week.

Section 306. Effective Date.

This amendment shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this act, but allows for a delay for those states where state legislation (other than authorization or appropriation legislation) is required to comply with the amendments made by this title.

TITLE IV: EXPANSION OF STATUTORY FLEXIBILITY OF STATES.

Section 401. Option to Increase or Decrease Payments Based on Preventive Health Care and Immunizations for Children.

Unless a state has enacted a law exempting itself from the application of this paragraph, a state shall increase the amount paid to a family under this part by up to \$50 for any month (but not exceeding \$300 in the aggregate), provided that the state agency receives written verification from a licensed health care provider that each child under age 6 in such family has received early and periodic screening, diagnostic, and treatment services, and has been immunized in accordance with recommendations issued by the Surgeon General of the Public Health Service.

In addition, a failure to receive such written verification shall prompt a state to reduce the amount paid to a family under this part by up to \$50 for any month.

The state shall conduct appropriate education and outreach activities designed to increase public awareness of the importance and availability of preventive health care and immunity for preschool children and inform the public regarding any transportation, child care, or other support services that may be available to assist parents in obtaining such services for their children and the clinics at which any child may receive immunizations free or at a reduced charge.

The Surgeon General, after taking into consideration the most recent report of the Committee on Infectious Diseases of the American Academy of Pediatrics, shall issue and revise from time to time, recommendations for the immunization of children under 6 years of age.

Section 402. Option to Increase or Decrease Payments Based on Attendance at Educational Institutions and Participation in Vocational or Technical Training.

The aid otherwise payable under the plan to a family may be increased by not more than \$75 per month if a member of such family who is attending an educational institution or participating in a course of vocational or technical training has, during the immediately preceding month, maintained minimum attendance at such institution or in such course. However, if he/she has not maintained such minimum attendance, the aid otherwise payable under the plan to a family may be decreased by not more than \$75 per month.

Section 403. Option to Deny AFDC for Additional Children.

At the state's option, it may provide that aid under the plan shall not be payable with respect to a child conceived by a recipient of aid under the plan.

Section 404. Option to Provide Married Couple Transition Benefit.

At the option of the state, if a recipient of aid under the plan marries an individual who is not a parent of a child of the recipient and the resulting family would have become ineligible for such aid by reason of the marriage, then the family shall remain eligible for aid under the plan, in an amount equal to 50 percent of the aid payable to the recipient payable to the recipient immediately before the marriage, for a period of not more than 12 months (to be specified by the state), but only for so long as the income of the family is less than 150% of the income official poverty line applicable to a family of the size involved.

Section 405. Option to Treat Interstate Immigrants under Rules of Former State.

At the state's option, in the case of a family applying for aid under the state plan that has moved to the state from another jurisdiction of the United States with a state plan approved under this part, and who has resided in the state for less than 12 months consecutively, the state may apply the rules that would have been applied by such other jurisdiction in determining (A) the eligibility of the family for benefits, and (B) the amount of benefits payable to the family under the state plan.

Section 406. Option to Require Attendance at Parenting and Money Management.

At the state's option, the state may require, as a condition of granting aid under the state plan, the recipient shall attend parenting and money management classes determined necessary and appropriate by the state.

Section 407. Option to Deny AFDC Eligibility to Certain Teenagers; Requirement that Teenagers Eligible for AFDC Live at Home.

At the state's option, the state may provide that any individual who is under the age of 18 and has never been married, and who has a dependent child in his or her care or is pregnant, shall be ineligible for AFDC under this part. However, such individuals, even if denied eligibility for AFDC, shall still be considered fully eligible for the Medicaid program.

Establishes a requirement for teenagers eligible for AFDC to live at home.

Each state shall use the savings under the AFDC program as a result of the amendments made by this section for (1) funding group homes for individuals, (2) adoption assistance programs, and (3) abstinence education programs.

Section 408. Disregard of Education and Employment Training Savings for AFDC Eligibility.

At the state's option, any amount up to the amount established by the state in a qualified education account shall be disregarded as resources for purposes of determining AFDC eligibility. In addition, any qualified distribution made from any qualified education account while the family is receiving AFDC shall be disregarded as income.

A "qualified education account" means a mechanism established by the state that allows savings from the earned income of a dependent child who is a member of a family receiving AFDC to be used for qualified distributions.

Section 409. Effective Date.

This amendment shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this act, but allows for a delay for those states where state legislation (other than authorization or appropriation legislation) is required to comply with the amendments made by this title.

TITLE V: EXPEDITED STATE WAIVER AUTHORITY

Section 501. Interagency Waiver Request Board.

Provides for the establishment of an Interagency Waiver Request Board, to provide a focal point within the federal government for the development and coordination of waiver requests designed to improve opportunities for low-income individuals and families.

Section 502. Application to Implement Assistance Plans.

Any entity that is receiving or is eligible to receive funds or other assistance under an eligible federal program and desires to reform any number of such programs may submit to the Chairperson an application.

Section 503. Review and Approval of Applications; Waivers.

Several important provisions:

The commission may not approve any application, which the implementation thereof would result in an increase in the total amount of obligations or outlays of discretionary appropriations or direct spending under the covered program or programs included in the plan.

The assistance plan contained in any application shall be implemented for an initial period of 5 years and may be renewed for subsequent 5-year periods.

The Chairperson may waive any requirement applicable under federal law to the administration of any covered program included in an approved application, if the waiver is reasonably necessary for the implementation of the assistance plan. This provision, however, does not apply to any requirement established by statute or regulation under several enumerated civil rights acts.

Section 504. Implementation of Assistance Plans; Evaluations.

Section 505. Public-Private Partnership Committees.

Any entity desiring to submit an application under the authority of this board shall establish a Public-Private Partnership Committee to advise it in the development and implementation of an assistance plan. This committee shall consist of low-income individuals, representatives of low-income individuals and families, persons with leadership experience in the private and voluntary sectors, local elected officials, and the general public.

Section 506. Definitions.

Section 507. Reports.

Section 508. Sunset.

Any authority provided under this title shall expire 7 years after the date of the enactment of this act.

TITLE VI: WELFARE RESTRICTIONS FOR ALIENS.

Section 601. Eligibility of Certain Aliens for Certain Federal Benefits.

(a) No benefits shall be available under the following programs to an unlawful alien except pursuant to a provision of the Immigration and Nationality Act:

- AFDC
- Medicare
- The food stamp program
- The supplemental security income program
- Any federal unemployment compensation program

The federal agency administering any of these programs shall, directly or through the states, notify any unlawful alien who is receiving benefits under the program on the date of the enactment of this act and whose eligibility for the program is or will be terminated by reason of this subsection.

(b) Following the enactment of this act, any lawful alien who receives benefits under a program listed above for more than 12 months shall be reported to the INS and shall be treated as a public charge for purposes of the Immigration and Nationality Act.

In determining the eligibility of, and the amount of benefits for, a lawful alien under a program listed above, the income and resources of any person (and his/her spouse) who, as a sponsor of such alien's entry into the U.S., executed an affidavit of support or similar agreement with respect to such alien, as well as the income and resources of such sponsor's spouse, shall be deemed to be the unearned income and resources of such alien until the alien achieves U.S. citizenship through naturalization pursuant to the Immigration and Nationality Act.

Section 602. State AFDC Agencies Required to Provide Information on Illegal Aliens to the Immigration and

Naturalization Service.

TITLE VII: MISCELLANEOUS.

Section 701. Restriction on Payment of Benefits to  
Individuals Confined by Court Order to  
Public Institutions Pursuant to Verdicts  
of Not Guilty by Reason of Insanity or Other  
Mental Disorder.

No monthly benefits shall be paid to any individual for any month during which such individual is confined in any public institution pursuant to a verdict of guilty but insane or any other similar finding related to a mental disorder. However, this amendment shall not apply to any payment with respect to any individual if, as of the date of the enactment of this act, such payment is made directly to the public institution to compensate it for the expense of institutionalizing an individual.

Section 702. AFDC Recipients Required to Undergo Necessary  
Substance Abuse Treatment as a Condition of  
Receiving AFDC.

As a condition for eligibility for aid, each applicant or recipient for AFDC who the state determines is addicted to alcohol or drugs must be required to participate, and must maintain satisfactory participation in an appropriate addiction treatment program, and must be required to submit to random tests for the presence of alcohol or drugs during and after such participation. Failure to comply with any requirement shall result in the lack of eligibility for aid during the following 2-year period; however, the individual shall still be eligible for Medicaid assistance. No applicant/recipient shall be considered to have failed to comply with any requirement imposed above if an appropriate addiction treatment program is unavailable to such applicant or recipient under the system established by the state for determining priorities with respect to the availability of treatment services.

Section 703. Evaluation of Education and Training Programs.

The Secretary of HHS shall conduct research projects to examine the impact of education and training programs on the ability of individuals to end participation in the program of AFDC, expenditures under the AFDC program, wage rates, employment histories, and resumption of participation in such program of individuals who had ended such participation. The research shall not extend for any period longer than five years.

At least one research project shall involve the random assignment of adult recipients of AFDC among:

- (1) a group that is not required to participate in any special activity;
- (2) a group that is required to participate in education or job training programs; and
- (3) a group that is required to participate in a job search program, or in a job search and a work program.

#### Section 704. Fraud and Administrative Efficiency.

The Secretary of HHS may conduct demonstration projects in several states to determine whether providing benefits based on need through the use of electronic cards and automatic teller machines would reduce administrative costs and fraud; within five years, would then submit to the Congress a report on the results.

Federal financial participation shall not be available for any electronic benefit transfer system developed under a project conducted by a state unless,

- (1) The system is budget-neutral to the federal government.
- (2) Any cost-savings associated with the system are shared proportionately by the state and federal government.
- (3) Reasonable time frames for development and implementation of the system are provided and such time frames result in minimal disruption to beneficiaries.
- (4) The number of transactions allowed to beneficiaries and service fees charged to beneficiaries for transactions under the system ensure reasonable access to benefits.
- (5) The state has implemented anti-fraud procedures under the system.
- (6) The state has in place procedures which ensure the privacy of beneficiaries receiving benefits under the system.
- (7) The payments for any hardware necessary for the system are made by the state.
- (8) If the state adapts the system for use in other federal or state programs, the state and the secretary agree on an equitable cost accounting system.
- (9) The state conducts such evaluations and provides such reports to the Secretary.

A commission shall be established, consisting of heads of executive departments, expert private individuals, and state administrators, to determine the cost and feasibility of creating an interstate system to compare the social security account numbers of all recipients of AFDC, so as to identify any such recipients who are receiving such aid from 2 or more states.

#### Section 705. SSI Benefits for Drug and Alcohol Addicts.

All SSI recipients who receive SSI benefits by virtue of a disability resulting from addiction to illegal drugs shall be so identified. Such recipients shall be periodically tested on a random basis; any person who is determined to be using illegal drugs, or who refuses to submit to testing, shall not be eligible for benefits under this title.

#### Section 706. State Fraud Control Programs.

- State fraud control programs made mandatory.
- Sanction for fraud made permanent.

SUMMARIES OF WELFARE REFORM/CHILD SUPPORT ENFORCEMENT  
LEGISLATION IN THE 104TH CONGRESS

H.R. 176	Rep. Emerson	Food Stamp Employment and Flexibility Amendments of 1993
H.R. 456	Rep. Hall	Individual Development Account Demonstration Act
S. 863	Sen. Bradley et. al.	Assets for Independence Demonstration Act
H.R. 555	Rep. Woolsey	
H.R. 2346	Rep. Woolsey	
H.R. 741	Rep. Shaw, Michel, Gingrich et. al.	Responsibility and Empowerment, Support Program Providing Employment, Child Care, and Training Act
H.R. 773	Rep. Hyde	Uniform Child Support Enforcement Act of 1993
S. 967	Sen. Shelby et. al.	Uniform Child Support Enforcement Act of 1993
H.R. 892	Rep. Franks	Parental Responsibility Act
H.R. 910	Rep. Paxon	Child Support Economic Security Act of 1993
H.R. 915	Rep. Schroeder	
H.R. 1007	Rep. Shays	
H.R. 1732	Rep. Frank	
H.R. 1860	Rep. Inglis	Combined Welfare Administration Act of 1993
H.R. 2241	Rep. McDermott	
H.R. 2355	Rep. Cox	Child Support Enforcement Act
S. 434	Sen. Bumpers et. al.	Child Support Tax Equity Act of 1993
H.R. 2557	Rep. Solomon	
H.R. 3643	Rep. Franks	Welfare Opportunities and Payback Act
H.R. 3727	Rep. Lazio	
H.R. 3742	Rep. Fingerhut	Welfare Elimination Act of 1994

S. 16	Sen. Moynihan	Work for Welfare Act of 1993
S. 111	Sen. Moynihan	Welfare Dependency Act of 1993
S. 1532	Sen. Domenici	Child Support and Custody Jurisdiction Reform Act of 1993
S. 1668	Sen. Moynihan	Social Security Act Amendments of 1993
S. 1795	Sen. Brown, Dole, et. al.	Welfare Reform Act of 1994

103D CONGRESS  
1ST SESSION

# H. R. 176

To remove inappropriate limitations on work requirements and to enhance waiver authority for welfare reform demonstration projects for the Food Stamp Program.

---

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mr. EMERSON introduced the following bill; which was referred to the Committee on Agriculture

---

## A BILL

To remove inappropriate limitations on work requirements and to enhance waiver authority for welfare reform demonstration projects for the Food Stamp Program.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Food Stamp Employ-  
5 ment and Flexibility Amendments of 1993".

6 **SEC. 2. REMOVAL OF LIMITATIONS ON DURATION OF JOB**  
7 **SEARCH.**

8 (a) Section 6(d)(4)(B)(i) of the Food Stamp Act of  
9 1977 (7 U.S.C. 2015(d)(4)(B)(i)) is amended by striking

---

## **Clinton Presidential Records Digital Records Marker**

---

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

---

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

---

H.R. 176

Food Stamp Employment and Flexibility Amendments of 1993

Congressman Emerson

PURPOSE: To remove inappropriate limitations on work requirements and to enhance waiver authority for welfare reform demonstration projects for the Food Stamp Program.

Section I: Short Title

Section II: Removal of Limitations on Duration of Job Search

Allows the state agency to establish the duration of job search periods, in place of the previous thirty day limit, subject to any minimum period set by the HHS Secretary.

Section III: Revision of Prohibition Against Displacing Employees.

Prohibits employers from impairing existing contracts and collective bargaining agreements or dismissing an employee with the intent of replacing that employee with a participant in the workfare/training program.

Section IV: Authority for State Agencies to Increase Hours of Participation in Community Work Experience Programs and Workfare.

Permits participants to work as many as 40 hours a week in community work experience programs and workfare programs, in place of the previous 30 hour limit, without any corresponding decline in assistance.

Section V: Enhanced Food Stamp Program Waiver Authority for Welfare Reform Demonstration Projects.

Section VI: Effective Date

Effective 60 days after enactment of the act.

103D CONGRESS  
1ST SESSION

# H. R. 456

To provide for the establishment of demonstration projects designed to determine the social, psychological, and economic effects of providing to individuals with limited means an opportunity to accumulate assets, and to determine the extent to which an asset-based welfare policy may be used to enable individuals with low income to achieve economic self-sufficiency.

---

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1993

Mr. HALL of Ohio (for himself and Mr. EMERSON) introduced the following bill; which was referred jointly to the Committees on Ways and Means and Education and Labor

---

## A BILL

To provide for the establishment of demonstration projects designed to determine the social, psychological, and economic effects of providing to individuals with limited means an opportunity to accumulate assets, and to determine the extent to which an asset-based welfare policy may be used to enable individuals with low income to achieve economic self-sufficiency.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled;*

---

## **Clinton Presidential Records Digital Records Marker**

---

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

---

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

---

Individual Development Account Demonstration Act

Congressman Hall

PURPOSE: To provide for demonstration projects designed to determine effects of providing to low-income individuals an opportunity to accumulate assets; to assess the impact of an asset-based welfare policy.

(This bill is closely identical to S. 863, sponsored by Senator Bradley and a sizable number of other senators).

Section I: Short Title

Section II: Findings

Section III: Individual Development Accounts

(a) Inserts the following new section into the the Internal Revenue Code of 1986:

Section 220. Individual Development Accounts

(a) Permits as a tax deduction the amount of money placed into an individual development account (IDA) by an eligible individual.

(b) Limitations

(1) IDA cannot be established for benefit of more than one individual.

(2) Individual can only establish one IDA.

(3) Maximum deduction is \$2000.

(4) Formula for cost of living adjustments to deduction.

(5) No deduction allowed for amounts transferred from another IDA.

(c) Definitions and Special Rules

(1) Lists the "qualified expenses" for which withdrawals from an IDA can be made: (A) Post-secondary education expenses, (B) First-home purchase, (C) Business capitalization; funds paid directly to a business capitalization account in a financial institution, (D) Retirement expenses; expenses for which amounts may be distributed from an individual retirement plan, (E) Transfers to IDA's of family members.

(2) Definition of an "eligible individual".

(3) Definition of an Individual Development Account.

(4) Time When Contributions Deemed Made (for tax purposes).

(d) Tax Treatment of Distributions: Any amount paid or distributed out of an IDA shall be included in gross income of payee, unless that amount is utilized for "qualified expenses".

(e) Tax Treatment of Accounts

(1) An IDA is exempt from taxation, except those taxes imposed on unrelated business income of charitable, etc. organizations.

(2) Loss of Exemption:

(A) If the individual uses IDA funds for purposes of a prohibited transaction, the IDA shall cease to be such.

(B) Under such circumstances, all assets in the IDA attributable to assistance provided under the IDA Demonstration Act shall be paid into the general fund of the Treasury of the United States.

(3) If an individual uses part or all of an IDA as a security for a loan, an amount equal to this portion so used which is attributable to assistance provided under the IDA Demonstration Act will be paid into the general fund of the U.S. Treasury, with the remaining portion treated as distributed to the individual so using such portion.

(f) Additional Taxes

(1) In case of distributions for non-qualified expenses, the tax liability of the individual shall be increased by an amount equal to 10% of the amount of the distribution.

(2) If an amount is includible in the gross income of an individual because such amount is required to be treated as a distribution from the IDA under paragraph (2) or (3) of subsection (e), the individual's tax liability shall be increased by an amount equal to 10% of such amount.

(3) Paragraph (2) or (3) shall not apply if the individual for whom the IDA is established dies or becomes disabled.

(g) Section to be applied without regard to community property laws.

(h) For the purposes of this section, allows a custodial account to be treated as a trust, and the custodian to be treated as the trustee thereof.

(i) The trustee of an IDA shall prepare and submit such reports as required by the Secretary.

The section also provides that; (b) permission of a deduction for IDA's in arriving at adjusted gross income; (c) any contribution to an IDA will not be subject to the gift tax, (d) exemption of any individual for whose benefit an IDA is established and any contributor to the account from the tax on prohibited transactions if the account ceases to be an IDA by reason of Sec. 220(e); (e) establishment of penalties for failure to report IDA's; (f) when determining support for a child, non-consideration of a distribution to a dependent from his/her IDA.

Section IV: Individual Development Account Demonstration Projects

- (a) Purpose to provide for establishment of demonstration projects designed to determine the effects of providing to low-income individuals the means to accumulate assets and achieve economic self-sufficiency.
- (b) Applications to conduct demonstration projects by any organization, provided that the resident state provide a specified amount of funds to the organization; listing of criteria by which to judge applications.
- (c) Demonstration Authority; Annual Grants
  - (1) Applicant shall be authorized to conduct demonstration project for five project years.
  - (2) Grant authority designated to Secretary.
  - (3) Limitations on grant authority:
    - (A) Maximum grant not to exceed \$20,000.
    - (B) First year grant level assured; subsequent grants shall not be less than amount of first grant.
    - (C) Grants reduced, if necessary, in proportion to any reductions in appropriations after first year.
- (d) Reserve Fund

Each authorized organization shall establish a Reserve Fund, to which all funds provided to the organization shall be deposited; the Reserve Fund shall receive the payment of any penalties imposed on individuals receiving financial assistance from said organization; the funds of the Reserve Fund shall be used for operation of demonstration project and general investments; not more than 10% of the amounts provided to the organization shall be used for administrative/publicity purposes without approval of oversight panel; unused federal grant funds will be transferred to the Secretary when the project terminates.
- (e) Eligibility for Assistance
  - (1) Income of the household for preceding calendar year does not exceed 200% of the poverty threshold.
  - (2) Net worth of household does not exceed \$20,000.
- (f) Selection of Individuals to Receive Assistance (who are deemed best-suited to receive such assistance).
- (g) Provision of Financial Assistance:

Each participating organization shall deposit directly into the IDA of any participating individual an amount determined in accordance with a certain formula detailed here.
- (h) Each organization shall have sole authority over the administration of its project; the Secretary may only prescribe such regulations necessary to ensure compliance with the provisions of the act.
- (i) Each participating organization shall prepare 10 semi-annual reports on the progress of the project.
- (j) For oversight purposes, the Secretary shall establish an oversight panel to (A) develop guidelines governing the investment of funds in the Reserve Funds and funds in the IDA's, (b) monitor the progress of the projects,

- (c) make recommendations for projects which do not progress adequately, (d) determine the percentage of the amounts appropriated to carry out evaluations of the project, provided that such percentage is not less than 3% or greater than 8%.
- (k) Establishes the procedures for appointment of panel members, and their terms, compensation, and specific powers.
- (l) Sanctions for organizations which fail to successfully carry out their demonstration authority; procedures to transfer demonstration authority to other organization.
- (m) Grants authority to an independent research organization to be selected to carry out comprehensive evaluations of the demonstration projects.
- (n) Definitions.
- (o) Limits on Authorization of Appropriations; no more than \$100,000 for each of FY 1994, 1995, 1996, 1997, and 1998 shall be appropriated to carry out this section.

Section V: Funds in IDA's Disregarded for Purposes of All Means Tested Federal Programs

The funds, including interest accruing, in an IDA shall be disregarded for the purpose of determining eligibility to receive any federal assistance or benefit with respect to any period during which such individual participates in a demonstration project.

103D CONGRESS  
1ST SESSION

# H. R. 555

To ensure that consumer credit reports include information on any overdue child support obligations of the consumer.

---

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 21, 1993

Mr. WOOLSEY introduced the following bill; which was referred jointly to the Committees on Banking, Finance and Urban Affairs and Ways and Means

---

## A BILL

To ensure that consumer credit reports include information on any overdue child support obligations of the consumer.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INCLUSION IN CONSUMER CREDIT REPORTS**  
4 **OF INFORMATION ON OVERDUE CHILD SUP-**  
5 **PORT OBLIGATIONS OF THE CONSUMER.**

6 (a) CONSUMER REPORTING AGENCIES REQUIRED TO  
7 INCLUDE IN CONSUMER CREDIT REPORTS INFORMATION  
8 ON OVERDUE CHILD SUPPORT OBLIGATIONS OF THE  
9 CONSUMER.—Section 604 of the Consumer Credit Protec-  
10 tion Act (15 U.S.C. 1681b) is amended—

---

## **Clinton Presidential Records Digital Records Marker**

---

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

---

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

---

103d CONGRESS  
1ST SESSION

# H. R. 2346

To ensure that consumer credit reports include information on any overdue child support obligations of the consumer.

---

## IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 1993

Ms. WOOLSEY introduced the following bill, which was referred to the Committee on Ways and Means

---

## A BILL

To ensure that consumer credit reports include information on any overdue child support obligations of the consumer.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INCLUSION IN CONSUMER CREDIT REPORTS**  
4 **OF INFORMATION ON OVERDUE CHILD SUP-**  
5 **PORT OBLIGATIONS OF THE CONSUMER.**

6 (a) PROVISION TO CONSUMER REPORTING AGENCIES  
7 OF INFORMATION ON OVERDUE CHILD SUPPORT OBLIGA-  
8 TIONS OF ABSENT PARENTS.—Section 466(a)(7) of the  
9 Social Security Act (42 U.S.C. 666(a)(7)) is amended—

10 (1) by striking “will” and inserting “shall”;

---

## **Clinton Presidential Records Digital Records Marker**

---

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

---

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

---

H.R. 555

Rep. Woolsey

PURPOSE: To ensure that consumer credit reports include information on any overdue child support obligations of the consumer.

Section 1. Inclusion in Consumer Credit Reports of Information on Overdue Child Support Obligations of the Consumer.

Information provided by a child support agency or verified by another government entity on the failure of the consumer to pay overdue support shall be included in any consumer report by a consumer reporting agency.

NOTE: H.R. 2346, also sponsored by Rep. Woolsey and introduced six months after H.R. 555, contains similar language.

103D CONGRESS  
1ST SESSION

# H. R. 741

To amend title IV of the Social Security Act to provide welfare families with the education, training, job search, and work experience needed to prepare them to leave welfare within 2 years, to authorize States to conduct demonstration projects to test the effectiveness of policies designed to help people leave welfare and increase their financial security, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 2, 1993

Mr. SLAW (for himself, Mrs. JOHNSON of Connecticut, Mr. GRANDY, Mr. SANTORUM, Mr. MICHEL, and Mr. GINGRICH) introduced the following bill; which was referred jointly to the Committees on Ways and Means, Agriculture, Education and Labor, Energy and Commerce, Banking, Finance and Urban Affairs, and the Judiciary

---

## A BILL

To amend title IV of the Social Security Act to provide welfare families with the education, training, job search, and work experience needed to prepare them to leave welfare within 2 years, to authorize States to conduct demonstration projects to test the effectiveness of policies designed to help people leave welfare and increase their financial security, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

---

## **Clinton Presidential Records Digital Records Marker**

---

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

---

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

---

Responsibility and Empowerment Support Program Providing  
Employment, Child Care, and Training Act.

Representative Shaw, Cosponsored by Rep. Grandy, Rep.  
Santorum, Rep. Michel, and Rep. Gingrich.

PURPOSE: To amend title IV of the Social Security Act to provide welfare families with education, training, and work experience to prepare them to leave welfare within 2 years, and to authorize states to conduct demonstration projects.

Title I: AFDC TRANSITION AND WORK PROGRAM.

Section 101: AFDC Transition and Work Program.

- (A) States required to have welfare programs for qualified individuals which consist of (I) a transition component, which must include a job search program, and a (II) a work component program.
- (B) Qualified individuals are all individuals who are eligible for aid on or after October 1, 1994 and all those eligible for aid or after October 1, 1988. Qualified individuals do not include (I) the incapacitated, (II) at the option of the state, those who are making progress in a substance abuse program, for maximum period of 12 months, (III) for a six-month period, in which an individual gives birth to the first child after becoming eligible for program, (IV) for a four-month period, in which an individual gives birth to another child after becoming eligible for this aid, (V) the parent of a child who was returned to the home of the individual during the preceding two months after having been removed from the home, (VI) those who are providing full-time care for a disabled dependent.
- (C) (i) Each qualified individual must participate in the transition component, unless (ii) if the State, on the basis of demographic criteria, finds it unlikely that the individual will be a recipient of aid for a significant length of time, (iii) s/he has elected to participate in the work component, (iv) after the first 24 months for which s/he is a qualified individual.
- (D) (i) Each participant in the transition component must participate in such activities for at least 10 hours a week during the first 24 months of participation.  
(ii) The state, in consultation with the Secretary, must establish guidelines by which a full-time student is to be regarded as participating in the transition component.

- (E) (i) The state must require each qualified individual (one parent in a two-parent family) who is not participating in the transition component to participate in the work component.  
(ii) Any qualified individual participating in the work component may, with the approval of the state, discontinue participation in the work component and begin or resume participation in the transition component.
- (F) Each qualified individual must cooperate with the state in developing a plan which spells out the responsibilities of the State and the individual; which shall include a written statement informing the individual that aid will be discontinued upon completion of the transition component unless the individual finds gainful employment or is participating in the work component.
- (G) At the end of the first 12 months for which an individual is qualified for the transition component, (or more frequently at the option of the state), the state must determine if the individual is making clear and substantial progress toward preparing for work.
- (H) Establishes penalties for failure of qualified individual to meet requirements, including ineligibility for aid on the part of the family following a third failure of the individual to meet requirements.
- (I) The state has the option of ruling the family of an individual ineligible for aid after the individual has been required to participate in the work component for a period of 3 years or more.
- (J) Even if a family becomes ineligible for aid by virtue of subsection (H) or (I), they are still deemed eligible for medical assistance.

The section also establishes a formula for payments to states for these programs, based in part on state participation rates.

Section 102: Community Work Experience Program Amendments

Each participant in the work component program may not be required to work more than 35 hours a month (or 30, if the State requires the participant to engage in a job search program).

Section 103: Work Supplementation Program Amendments

- (a) Provides authority of states to assign participants to unfilled jobs.
- (b) (1) Authority of states to use sums that would otherwise be expended for food stamp benefits to provide subsidized jobs for participants.  
(2) In operating a work supplementation program,

each state shall enter into an agreement with an employer who is to provide an eligible individual with a supplemented job, under which,

- (i) the state is required to pay the employer a specified amount as the subsidized portion of the wages of the individual,
  - (ii) the employer is required to pay the eligible individual wages which, when added to an amount that will be payable as AFDC to the individual, are no less than 125% of the sum of the amount of (I) the amount that otherwise would be payable as AFDC to the eligible individual if the state did not have a work supplementation program in effect, and (II) for those states utilizing funds from food stamp benefits, the cash value of the food stamp benefits for which the household of the eligible individual is eligible.
- (3) Conforming Amendment.
  - (4) Elaboration on employment cashout of food stamp benefits.

Section 104. Effective Date; Regulations

While provisions of act would go into effect on October 1, 1994, a state may formally petition HHS to initiate program immediately following enactment of act.

Title II: EXPANDED STATE WAIVER AUTHORITY

Section 201. Waivers to Social Welfare Statutes to Promote Self-Sufficiency.

- (a) Establishment and details of structure of Interagency Waiver Request Board for development and coordination of waiver requests designed to improve self-sufficiency for low-income individuals/families.

The board to consist of eight permanent members:

- Chairman appointed by President.
  - Secretary of Agriculture.
  - Secretary of Health and Human Services.
  - Secretary of Housing and Urban Development.
  - Secretary of Labor.
  - Attorney General
  - OMB Director.
- (b) Application for Waivers.
  - (c) Administrative Provisions:  
The chairman shall evaluate proposals and make a recommendation.
  - (d) Agency Review: The appropriate agency official, under whose jurisdiction the proposed waiver applies, would offer recommendation to chairman.
  - (e) Final action by chairman.
  - (f) Revocation of waiver, if deemed so appropriate by Chairman.

- (g) Special rules.
- (h) Programs subject to waiver authority (including the AFDC program, Supplemental Social Security Income program, the Food Stamp program, etc.)

Title III: MISCELLANEOUS AMENDMENTS

Section 301. AFDC Recipients Required to Undergo Necessary Substance Abuse Treatment as a Condition of Receiving AFDC.

Section 302. Authority of State to Modify Certain AFDC Income Disregard Rules.

103D CONGRESS  
1ST SESSION

# H. R. 773

To amend the Internal Revenue Code of 1986 and the Social Security Act to repeal provisions relating to the State enforcement of child support obligations and to require the Internal Revenue Service to collect child support through wage withholding.

---

## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 1993

Mr. HYDE introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1986 and the Social Security Act to repeal provisions relating to the State enforcement of child support obligations and to require the Internal Revenue Service to collect child support through wage withholding.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Uniform Child Support  
5 Enforcement Act of 1993".

---

## **Clinton Presidential Records Digital Records Marker**

---

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

---

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

---

103D CONGRESS  
1ST SESSION

# S. 967

To amend the Internal Revenue Code of 1986 and the Social Security Act to repeal provisions relating to the State enforcement of child support obligations, to require the Internal Revenue Service to collect child support through wage withholding, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

MAY 13 (legislative day, APRIL 19), 1993

Mr. SHELBY (for himself, Mr. D'AMATO, Ms. MOSELEY-BRAUN, and Mr. CONRAD) introduced the following bill; which was read twice and referred to the Committee on Finance

---

## A BILL

To amend the Internal Revenue Code of 1986 and the Social Security Act to repeal provisions relating to the State enforcement of child support obligations, to require the Internal Revenue Service to collect child support through wage withholding, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Uniform Child Support  
5 Enforcement Act of 1993".

---

## **Clinton Presidential Records Digital Records Marker**

---

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

---

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

---

H.R. 773

Uniform Child Support Enforcement Act of 1993

Rep. Hyde

NOTE: S.967 is a very similar bill.

PURPOSE: To amend the Internal Revenue Code of 1986 and the Social Security Act to repeal provisions relating to the state enforcement of child support obligations and to require the Internal Revenue Service to collect child support through wage withholding.

Section 1. Short Title.

Section 2. Certain Statutorily Prescribed Procedures Required as a Condition of Receiving Federal Child Support Funds.

Requires that state courts or administrative agencies which have issued or modified a child support order to transmit a copy of the order to the IRS; requires any individual with the right to collect child support to be presumed to have assigned that right to the IRS, unless the individual elects to retain this right.

Section 3. Collection of Child Support by Internal Revenue Service.

(a) Chapter 77 of the Internal Revenue Code of 1986 is amended by adding the following new section:

Sec. 7524. Collection of Child Support.

(a) Establishment of program under auspices of IRS to collect assigned child support payments.

(b) Use of wage withholding: This program shall collect the necessary child support through use of increases in wage withholding and estimated tax payments.

(c) Annual reckoning of obligation: the entire amount of child support required to be paid by any individual to the IRS during any taxable year shall be paid no later than the last date for filing such individual's tax return imposed by Chapter 1.

(d) If an individual fails to comply with subsection C, the IRS shall have same powers to assess and collect the unpaid amount, with certain exceptions.

(e) (1) Amounts collected by the IRS shall be paid to the entitled individual per the child support order; any penalties and interest shall also be paid to such individual.

(2) In the case of families receiving state assistance, the first \$50 of such amount collected shall be paid to the individual in question, but all other amounts shall be paid to the state; however, the payment of such amounts shall not affect a family's eligibility for assistance.

- (f) Coordination of collection of unpaid child support and unpaid tax.
- (g) Limitation on judicial review: no court shall have jurisdiction to hear any action brought to restrain or review any assessment or collection authorized by this section. However, an individual may still take action against the state to determine his liability for any amount assessed against him and collected.
- (h) Regulations necessary to carry out section.
- (b) Repeal of Offset of Past-Due Support Against Overpayments.
- (c) Repeal of collection of past-due support.
- (d) Clerical amendments.

Section 4. Elimination of Provisions of the Social Security Act Relating to State Enforcement of Child Support Obligations.

Section 5. Effective Date.

H.R. 892

Parental Responsibility Act

Rep. Franks

PURPOSE: To amend part A of title IV of the Social Security Act to ensure the identification of the biological parents of each child who receives aid to families with dependent children.

Section 1. Short Title.

Section 2. Reduction in Payments to States for AFDC.

Establishes a formula whereby payments to states for the AFDC program are reduced in inverse proportion to the parental identity percentage of the state for any calendar quarter; reductions are incurred as long as states do not establish a 70% or higher rate in the identification of the biological parents of dependent children.

103D CONGRESS  
1ST SESSION

# H. R. 892

To amend part A of title IV of the Social Security Act to ensure the identification of the biological parents of each child who receives aid to families with dependent children.

## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 1993

Mr. FRANKS of Connecticut introduced the following bill, which was referred to the Committee on Ways and Means

### A BILL

To amend part A of title IV of the Social Security Act to ensure the identification of the biological parents of each child who receives aid to families with dependent children.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Parental Responsibility  
5 Act".

1 SEC. 2. REDUCTION IN PAYMENTS TO STATES FOR AID TO  
2 FAMILIES WITH DEPENDENT CHILDREN.

3 (a) IN GENERAL.—Section 403 of the Social Security  
4 Act (42 U.S.C. 603), is amended by adding at the end the  
5 following:

6 “(o)(1) Notwithstanding any other provision of this  
7 part, the Secretary shall reduce the amounts payable to  
8 any State under this part for any calendar quarter by—

9 “(A) 5 percent, if the parental identity percent-  
10 age of the State for the calendar quarter is less than  
11 70 percent but not less than 60 percent;

12 “(B) 7 percent, if the parental identity percent-  
13 age of the State for the calendar quarter is less than  
14 60 percent but not less than 50 percent;

15 “(C) 10 percent, if the parental identity per-  
16 centage of the State for the calendar quarter is less  
17 than 50 percent but not less than 40 percent;

18 “(D) 15 percent, if the parental identity per-  
19 centage of the State for the calendar quarter is less  
20 than 40 percent but not less than 22 percent; or

21 “(E) 20 percent, if the parental identity per-  
22 centage of the State for the calendar quarter is less  
23 than 22 percent.

24 “(2) As used in paragraph (1), the term ‘parental  
25 identity percentage of a State for a calendar quarter’  
26 means the percentage of dependent children who received

1 aid during the calendar quarter under the State plan ap-  
2 proved under this part whose biological parents have not  
3 been identified to the State agency referred to in section  
4 402(a)(3).”

5 (b) EFFECTIVE DATE.—The amendment made by  
6 subsection (a) shall apply to payments for calendar quar-  
7 ters ending at least 1 year after the date of the enactment  
8 of this Act.

○

103D CONGRESS  
1st Session

# H. R. 910

To amend part A of title IV of the Social Security Act and title XIX of such Act to discourage persons from moving to a State to obtain greater amounts of aid to families with dependent children or additional medical assistance under State medicaid plans.

---

## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 1993

Mr. PAXON introduced the following bill; which was referred jointly to the Committees on Ways and Means and Energy and Commerce

---

## A BILL

To amend part A of title IV of the Social Security Act and title XIX of such Act to discourage persons from moving to a State to obtain greater amounts of aid to families with dependent children or additional medical assistance under State medicaid plans.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LIMITATION ON AFDC BENEFITS PAYABLE TO**  
4 **FAMILIES MOVING INTERSTATE.**

5 (a) IN GENERAL.—Section 402(a) of the Social Secu-  
6 rity Act (42 U.S.C. 602(a)) is amended—

---

## **Clinton Presidential Records Digital Records Marker**

---

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

---

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

H.R. 910

Representative Paxon

PURPOSE: To amend part A of title IV of the Social Security Act title XIX of such Act to discourage persons from moving to a State to obtain greater amounts of AFDC or additional medical assistance under state Medicaid plans.

Section I. Limitation on AFDC Benefits Payable to Families Moving Interstate.

The amount of aid provided under a state plan to a family which has received aid under another state's plan under this part during the preceding 1-year period must not exceed the amount of aid the other state would have provided the family if they were still residing in this other state.

Section II. Limitation on Medicaid Benefits for Medically Needy Individuals Moving Interstate.

The medical assistance provided to an individual who has received medical assistance under another state's plan for medical assistance under this title during the preceding 1-year period may not include any items or service which would not have been made available to the individual if s/he was still under this other state's plan.