

103D CONGRESS
1ST SESSION

H. R. 915

To improve the collection of child support.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 1993

Mrs. SCHROEDER introduced the following bill; which was referred jointly to the Committees on Ways and Means and the Judiciary

A BILL

To improve the collection of child support.

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 "Child Support Eco-
5 nomic Security Act of 1993".

6 **TITLE I—CHILD SUPPORT**

7 **ENFORCEMENT AMENDMENTS**

8 **SEC. 101. UNIFORM STATEWIDE CHILD SUPPORT ENFORCE-**
9 **MENT PROGRAM.**

10 Section 454(3) of the Social Security Act (42 U.S.C.
11 654(3)) is amended by striking ", which meets" and all
12 that follows and inserting "at the State level to administer

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.

"Child Support Economic Security Act of 1993"

Rep. Schroeder

PURPOSE: To improve the collection of child support.

TITLE I: CHILD SUPPORT ENFORCEMENT AMENDMENTS

Sec. 101. Uniform Statewide Child Support Enforcement Program.

Sec. 102. Access of State Child Support Enforcement Agency to Information in State Data Bases.

The agency responsible for enforcing child support shall have on-line access to all information contained in any data base maintained by the state or any local jurisdiction therein.

Sec. 103. Child Support Payments Required Until Certain Event Occurs.

Child support payments are to be maintained until child is 18 years old, graduated from high school or drops out, or marries; in case of disabled child, if he/she marries or is able to support him/herself.

Sec. 104. Requirement That All Income Be Subject To Withholding To Meet Child Support Obligations.

- (A) Requires establishment of procedures to subject all income of individual (other than means-tested government benefits) to withholding to meet individual's child support obligations.
- (B) Provides for overdue support to be subtracted from an individual's lottery winnings.
- (C) Requires insurers to determine if recipient of any benefits owes child support, and if so, to withhold such amount from recipient's benefits and instead provide the amount to the appropriate child support enforcement agency.
- (D) Requires state courts which enter an order awarding a monetary payment, or accept a settlement involving a monetary award, to determine if the intended recipient owes child support and, if so, to withhold such award until the overdue child support is paid.
- (E) Prevents any state or local agency from recording a property transaction until (1) determining whether any party to the transaction owes child support and, if so, (2) ensuring that the party has either paid the overdue amount or made a good faith effort to establish a regular

schedule for paying it off.

Sec. 105. State Licenses Denied to Parents with Past Due Child Support Obligations.

Prevents the issuance or renewal of any type of license awarded by the state or any local jurisdiction therein to any person whose overdue support exceeds \$1000, until the person demonstrates a good faith effort to pay the amount due for the month in which the license was requested and to establish a schedule for regular payments.

Sec. 106. Certain Overdue Child Support Obligations Required to be Reported to Consumer Credit Reporting Agencies.

(A) Requires child support enforcement agencies to report to the major consumer reporting agencies the amount of overdue support owed by an individual if the delinquent amount exceeds the amount of child support payable by the individual on a monthly basis.

(B) If requested by a consumer reporting agency, the enforcement agency shall furnish information the amount of overdue support owed by an individual, for a fee equal to not more than the cost of providing the information.

Sec. 107. Elimination of Statutes of Limitations in Child Support Cases.

Prevents the limitation of periods in which any court order for child support may be enforced.

Sec. 108. Requirement that Social Security Numbers Appear on Marriage Licenses and Child Support Orders.

Sec. 109. Separate Treatment of Cases Alleging Nonsupport and Cases Alleging Denial of Visitation Rights.

The issue of visitation rights and its proper or improper exercise shall be treated as irrelevant in any action brought to enforce child support provisions; likewise, the failure to provide child support payments shall be treated as irrelevant in any action brought to enforce child visitation rights.

Sec. 110. Timely Response to Interstate Local Requests.

Provide for the establishment of time limits in which states must respond to requests from other states concerning information on absent parents, taking into account the state of available technology; also, provides for the review and revision of such time limits every three years, to take into account technology

advances.

Sec. 111. Regulations for Processing of Interstate Child Support Cases.

Requires the HHS Secretary to issue regulations establishing standards and procedures governing the processing by states of cases involving the enforcement of child support obligations against parents in other states, including a deadline by which prosecutions commence after the case first comes to the attention of the state, and a deadline by which such actions must be decided or dismissed.

Sec. 112. Financial Incentives.

Replaces federal incentive payments with an increased reimbursement rate of 90 percent.

Sec. 113. Deadline for Adoption of Uniform Interstate Family Support Act.

As a condition for the approval of any state plan, the state must have in effect a law identical to the Uniform Interstate Family Support Act.

Sec. 114. Commission on Child Support Guidelines.

Establishment of the Commission on Child Support Guidelines, to submit to the Congress a report containing recommendations for national guidelines for child support award amounts.

Sec. 115. Effective Date.

TITLE II: BANKRUPTCY AMENDMENTS RELATING TO CHILD SUPPORT, ALIMONY, AND PROPERTY SETTLEMENT AGREEMENTS.

Amends the federal bankruptcy code to ensure that support owed to children and custodial parents is paid even when the non-custodial parent declares bankruptcy. Ensures that the obligation to pay child support receives priority over other creditors.

SUMMARY OF H.R. 915
"CHILD SUPPORT ECONOMIC SECURITY ACT OF 1993"

PURPOSE: To correct deficiencies in the child support enforcement system to ensure that children receive consistent support from their noncustodial parents.

TITLE I. Child Support Enforcement Amendments

Section 101. Requires states to have statewide, uniform rules of child support enforcement.

Section 102. Requires states to have on-line access to all data bases maintained by the state or any local jurisdiction.

Section 103. Ensures continuing child support until children complete high school and for disabled children beyond the age of 18.

Section 104. Requires that income from lotteries, insurance settlements, and legal proceedings be garnished to offset child support arrearages.

Section 105. Requires states to deny issuance of licenses to individuals unless a good faith effort has been made to pay any child support arrearages owed.

Section 106. Requires reporting of child support arrearages to consumer credit reporting agencies.

Section 107. Eliminates the statute of limitations with respect to collection of child support arrearages.

Section 108. Requires social security numbers on marriage licenses and child support orders.

Section 109. Clarifies that nonsupport and denial of visitation rights are to be treated as distinct issues.

Section 110. Requires timely response by states to interstate locate requests.

Section 111. Requires the Secretary of the Department of Health and Human Services to issue regulations for processing of interstate child support cases.

Section 112. Replaces federal incentive payments with an increased reimbursement rate of 90 percent.

Section 113. Requires states to adopt laws similar to the Uniform Interstate Family Support Act.

Section 114. Establishes a national commission to recommend national child support guidelines.

TITLE II. Bankruptcy Amendments

Sections 201-208. Amends the federal bankruptcy code to ensure that support owed to children and custodial parents is paid even when the noncustodial parent declares bankruptcy.

103D CONGRESS
1ST SESSION

H. R. 1007

To amend title IV of the Social Security Act to eliminate disincentives in the program of aid to families with dependent children that prevent recipients of such aid from working toward self-sufficiency.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 18, 1993

Mr. SHAYS (for himself and Mr. MFUME) introduced the following bill; which was referred jointly to the Committees on Ways and Means, and Energy and Commerce

A BILL

To amend title IV of the Social Security Act to eliminate disincentives in the program of aid to families with dependent children that prevent recipients of such aid from working toward self-sufficiency.

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. WORK INCENTIVES.**

4 (a) **MEDICAID BENEFITS CONTINUED FOR 36**
5 **MONTHS FOR FAMILIES BECOMING INELIGIBLE FOR**
6 **AFDC DUE TO EXCESSIVE INCOME.**—Section 402(a) of
7 the Social Security 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.

Rep. Shays and Mfume

PURPOSE: To amend title IV of the Social Security Act to eliminate disincentives in the program of aid to families with dependent children that prevent recipients of such aid from working toward self-sufficiency.

Section 1. Work Incentives

(a) Continuation of Medicaid benefits for 36 Months after families become ineligible for AFDC due to excessive income.

(b) For purposes of establishing a microenterprise, increases the asset limit from \$1000 to \$10,000.

(c) Encouragement of Microenterprises.

(1) Require states to establish programs to encourage and develop microenterprises (commercial enterprises with five or fewer employees, one or more of whom owns the enterprise) through technical assistance and other general support services.

(2) Require states to establish microenterprise training programs in the JOBS program if at least three percent of the adult recipients of aid elect to participate in microenterprise activities.

(3) Adjustment of performance standards for microenterprises to take account of time required for their establishment.

(4) Provides for a study to identify administrative barriers to development of microenterprises among interested AFDC recipients.

(d) In calculating eligibility for AFDC benefits, 50% of a recipient's earned income shall be disregarded for the first 12 months, 40% for the next 12 months, and 30% for the final 12 months, provided the recipients are enrolled in a JOBS program.

Section 2. Education.

(a) AFDC Suspended for so Long as Dependent Child is not Regularly Attending Required School.

(b) AFDC Reduced by \$50 for High School Dropouts.

(c) Child Care Guaranteed to Parents While Completing High School or the Equivalent (only for months or parts of year during which the recipient is enrolled in school).

Section 3. Family Unity and Paternal Responsibility.

(a) Authority to Collect Overdue Child Support through

Levy by IRS on Wages.

(1) If the Treasury Secretary is notified by a state that a person owes overdue support the payment of which is at least two months delinquent, the amount of such overdue support shall be treated as unpaid tax for purposes of permitting the Secretary to levy upon the wages and salary of the person.

(2) The Secretary shall remit any amount collected under the above section to the appropriate state.

(3) Limitation on Review.

No court shall have jurisdiction to hear any action brought to restrain or review a levy and any collection thereunder authorized by subsection (a), nor to recover the amount of any such collection. This clause does not preclude an action against the Department of Health and Human Services.

(b) AFDC Available for Certain Families that Include Married Couples.

Provides benefits for needy families with dependent children whose parents are in school or in the JOBS program.

Section 4. Effective Date.

WELFARE PROPOSALS FOR URBAN BILL

I. OBJECTIVES

- A. Promote education and job training to provide welfare recipients with necessary skills to become self-sufficient.
 - B. Promote family unity and parental responsibility to foster a more healthy family environment to increase the likelihood welfare children will not be dependent on state and federal assistance.
 - C. Remove the statutory disincentives inherent in the current welfare system which impose an economic discouragement for welfare recipients to work toward self-sufficiency.
- * We have created a culture of dependency in which getting a job may actually result in a decreased income and staying on welfare becomes a much more desirable and economically sound alternative.

II. WORK INCENTIVES

A. Transitional Health Benefits

- * Recipients of AFDC will remain eligible to receive Medicaid for a period of 36 months after they have successfully moved off the AFDC rolls as a result of earnings.

B. Micro-Enterprise/Assets Limit Increase

- * H.R. 455, introduced by Congressmen Tony Hall of Ohio.
- * Increases assets limit from \$1,000 to \$10,000 for the purpose of establishing a microenterprise (business of 5 or less persons) and includes provisions to encourage Microenterprise development and make AFDC recipients aware of this option.

C. Increase in Income Disregard

- * For the purpose of calculating eligibility for AFDC benefits, 50 percent of a recipients earned income shall be disregarded for the first 12 months 40 percent for the next 12 months and 30 percent for the following 12 months for those recipients who are enrolled in a JOBS program.
- To commence at the time an individual becomes eligible for AFDC

III. EDUCATION

- A. AFDC recipients must ensure that their children are "regularly" attending school. If they aren't, benefits for that child will be "suspended."
- * Benefits will only be suspended for that child who does not meet state-established standards as "regularly" attending school.
 - * Once verification has been received of school attendance, benefits will be reinstated.
- B. Parents of school age who do not have a high school or equivalency diploma will be required to "regularly" attend school.
- * States will reduce benefits by \$50/month to AFDC recipients of school age who have not finished high school and are not currently enrolled in an regularly attending school or an equivalency program.
 - States will provide child-care for parents in school at 100% federally reimbursed rate for these parents.

IV. FAMILY UNITY AND PATERNAL RESPONSIBILITY

- A. Permit married couples with no work experience to have their incomes counted separately (the higher of the two will be counted) provided both are either attending school or enrolled in a JOBS program.
- B. Enhance the ability of the federal government to ensure the payment of child-support by allowing the Internal Revenue Service to garnish wages and disburse payments of delinquent fathers of welfare mothers. This proposal sponsored by Congressman Henry Hyde of Illinois and former Congressman Tom Downey will ensure every child receives a minimum benefit in cases where the father either can't be located or is unemployed.
- * Money would also be appropriated to provide job-training to unemployed fathers while instituting penalties for non-compliance and mothers who fail to assist in identifying the father.
- C. Require all recipients of AFDC to enroll in a Parental Responsibility Program which provides parenting instruction with an emphasis on involvement in their children's education.
- * Failure to participate will result in the suspension of benefits to the mother.

H.R. 1732

Rep. Frank

PURPOSE: To amend part A of title IV of the Social Security Act to require states, under the AFDC program, to disregard from the income of certain stepparents an amount equal to the state's standard of need for the stepparent's new family.

Section 1. Modification of Stepparent Income Disregard.

If the stepparent is paying child support, and his new family would be eligible for AFDC support if the stepparent were not part of the family, the amount equal to the state's standard of need for the stepparent's new family shall be disregarded from the stepparent's income for purposes of calculating AFDC support for the stepparent's new family.

103D CONGRESS
1ST SESSION

H. R. 1732

To amend part A of title IV of the Social Security Act to require States, under the program of aid to families with dependent children, to disregard from the income of certain stepparents an amount equal to the State's standard of need for the stepparent's new family.

IN THE HOUSE OF REPRESENTATIVES

APRIL 20, 1993

Mr. FRANK of Massachusetts 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 require States, under the program of aid to families with dependent children, to disregard from the income of certain stepparents an amount equal to the State's standard of need for the stepparent's new family.

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. MODIFICATION OF STEPPARENT INCOME DIS-**
4. **REGARD.**

5. (a) **IN GENERAL.**—Section 402(a)(31)(B) of the So-
6. cial Security Act (42 U.S.C. 602(a)(31)(B)) is amended
7. by striking those other individuals living in the same

1 household as the dependent child and claimed by such
2 stepparent as dependents for purposes of determining his
3 Federal income tax liability but” and inserting “(i) if the
4 stepparent is paying child support (pursuant to a court
5 order or an order of an administrative process established
6 under State law) and the family (excluding the stepparent)
7 would be eligible for such aid if the stepparent were not
8 a member of the family, those other individuals living in
9 the same household as the dependent child and claimed
10 by such stepparent as dependents for purposes of deter-
11 mining his Federal income tax liability, or (ii) if not, such
12 other individuals” after “the stepparent”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 subsection (a) shall apply to payments under part A of
15 title IV of the Social Security Act for calendar quarters
16 beginning after the date of the enactment of this Act.

103D CONGRESS
1ST SESSION

H. R. 1860

To authorize a combined grant to States for administrative costs necessary to carry out the program of aid to families with dependent children under title IV of the Social Security Act, the State plan for medical assistance under title XIX of such Act, and the Food Stamp program, to eliminate enhanced Federal payments for such costs under such programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 1993

Mr. INGLIS of South Carolina introduced the following bill; which was referred jointly to the Committees on Ways and Means, Agriculture, and Energy and Commerce

A BILL

To authorize a combined grant to States for administrative costs necessary to carry out the program of aid to families with dependent children under title IV of the Social Security Act, the State plan for medical assistance under title XIX of such Act, and the Food Stamp program, to eliminate enhanced Federal payments for such costs under such programs, 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.

H.R. 1860

Combined Welfare Administration Act of 1993

Representative Inglis

PURPOSE: To authorize a combined grant to states for administrative costs necessary to carry out AFDC, Medicaid, and Food Stamp programs and thus to eliminate enhanced federal payments for such costs.

Section 1. Short Title

Section 2. Combined Grant to State for Administrative Costs of AFDC, Medicaid, and Food Stamp Programs

- (a) The HHS shall make grants to each state for the costs of the necessary and proper administration of its state plan for AFDC, its state plan for medical assistance, and its state plan for the food stamp program.
- (b) Source of Funds: The HHS and Department of Agriculture (Food Stamp program).
- (c) Establishment of Single Fund.

Section 3. Elimination of Enhanced Federal Payments for State Administrative Activities under AFDC, Medicaid, and Food Stamps.

Section 4. Allotment and Payment of Funds under Grant Program.

Section 5. Report on Intended Use of Funds and Activities; Audit.

Section 6. Inapplicability of Single State Agency Requirements Under Other Acts.

Notwithstanding provisions of other acts, no state plan shall be regarded as failing to comply with applicable requirements under such provisions solely because the agency administering the grant provided under this act is not the same state agency otherwise responsible for the administration of such state plan.

Section 7. Conforming Amendments.

Section 8. Definitions.

Section 9. Effective Date.

103D CONGRESS
1ST SESSION

H. R. 2241

To provide for the establishment of a committee to assist the Secretary of Health and Human Services in developing new criteria and standards for audits of State child support programs, and to require the Secretary to promulgate regulations to modify such audits to emphasize program outcomes.

IN THE HOUSE OF REPRESENTATIVES

MAY 21, 1993

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

A BILL

To provide for the establishment of a committee to assist the Secretary of Health and Human Services in developing new criteria and standards for audits of State child support programs, and to require the Secretary to promulgate regulations to modify such audits to emphasize program outcomes.

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. CHILD SUPPORT AUDIT ADVISORY COMMITTEE.**

4 (a) ESTABLISHMENT.—Not later than 60 days after
5 the date of the enactment of this Act, the Secretary of
6 Health and Human Services (in this Act referred to as

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. 2241

Rep. McDermott

PURPOSE: To provide for the establishment of a committee to assist the Secretary of Health and Human Services in developing new criteria and standards for audits of state child support programs, and to require the secretary to promulgate regulations to modify such audits to emphasize program outcomes.

Section 1. Child Support Audit Advisory Committee.

Provides for the establishment of a committee to help (1) develop revised audit criteria and standards, (2) formulate a definition of substantial compliance that is based on such revised audit criteria and standards, (3) determine the period of time after interim or final federal regulations are issued implementing this revised audit criteria and standards after which a state may be audited to determine compliance with such regulations, and (4) recommend to the Congress such legislation as may be necessary, with respect to the financing of state child support programs, to enhance the effectiveness of audits required to be conducted and the associated penalty process.

Establishes criteria for membership, procedures, compensation, and administrative support for the commission.

The Federal Advisory Committee Act shall not apply to the committee.

The committee shall submit a report within 180 days after the date of enactment of this act.

Section 2. New Child Support Audit Process.

After consultation with the committee, the Secretary of Health and Human Services shall promulgate new criteria and standards for conducting audits which emphasize program outcomes, and not later than a year following the enactment of the act, recommend to the Congress such legislation as may be necessary to enhance the effectiveness of such audits and the associated penalty process.

103D CONGRESS
1ST SESSION

H. R. 2355

To require a parent who is delinquent in child support to include his unpaid obligation in gross income, and to allow custodial parents a bad debt deduction for unpaid child support payments.

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 1993

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

A BILL

To require a parent who is delinquent in child support to include his unpaid obligation in gross income, and to allow custodial parents a bad debt deduction for unpaid child support payments.

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 "Child Support Enforce-
5 ment Act".

6 **SEC. 2. NO EFFECT ON RIGHTS AND LIABILITIES.**

7 Nothing in this Act shall be construed to affect—

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. 434

To amend the Internal Revenue Code of 1986 to allow taxpayers a bad debt deduction for certain partially unpaid child support payments and to require the inclusion in income of child support payments which a taxpayer does not pay, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24 (legislative day, JANUARY 5), 1993

Mr. BUMPERS (for himself, Mr. DURENBERGER, Mr. LIEBERMAN, Mrs. KASSEBAUM, Mr. HARKIN, Mr. DOMENICI, Mr. KERRY, Mr. GRASSLEY, Mr. DECONCINI, Mr. LEVIN, Mr. GLENN, Mr. SHELBY, Mr. INOUE, Mr. REID, Mr. SIMON, Mr. CONRAD, Mr. JOHNSTON, and Mr. ROBB) 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 to allow taxpayers a bad debt deduction for certain partially unpaid child support payments and to require the inclusion in income of child support payments which a taxpayer does not pay, 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 "Child Support Tax
5 Equity 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. 2355

Child Support Enforcement Act

Rep. Cox

NOTE: S. 434 is very similar.

PURPOSE: To require a parent who is delinquent in child support to include his unpaid obligation in gross income, and to allow custodial parents a bad debt reduction for unpaid child support payments.

Section 1. Short Title.

Section 2. No Effect on Rights and Liabilities.

Nothing in this act shall be construed to affect the right of an individual or state to receive any child support payment, or the obligation of an individual to pay child support.

Section 3. Inclusion in Income of Amount of Unpaid Child Support Payments.

Any taxable unpaid child support payments of a taxpayer shall be treated as includible in gross income of the taxpayer by reason of the discharge of indebtedness of the taxpayer. Establishes the notice requirements whereby the custodial parent/guardian, at the end of the year, shall send a notice to the individual who failed to make the support payments, detailing the amount of the owed child support payments.

Allows for subsequent payments to be allowed as a deduction for the taxable year in which the payment(s) was made, even if they have already been included in gross income by virtue of non-payment.

Section 4. Allowance of Bad Debt Deduction for Unpaid Child Support Payments.

- If an eligible taxpayer who has any applicable child support payments remaining unpaid at the close of the taxable year, a deduction equal to the amount of such payments shall be allowed.
- The aggregate amount allowable as a deduction for any taxable year with respect to child support payments for any child shall not exceed \$5000.
- An 'eligible taxpayer' is defined as an individual whose adjusted gross income for the taxable year does not exceed \$50,000 and whose applicable child support payments remaining unpaid at the end of the taxable year is equal to or greater than \$500.
- Any payments which are required to be made by any individual to an eligible taxpayer shall not be treated as an applicable unpaid child support payment if at least half of the payments required to be paid to the eligible taxpayer during the taxable year are

paid. When this subsection applies to payments from any individual for the first time, he/she may pay half of the payments required during two consecutive taxable years to avoid designating any missing payments as applicable unpaid child support payments (Hence, an individual can completely skip payments for one year, but then begin regular payment the next year, and avoid designation of applicable unpaid child support payments).

- The term 'applicable child support payment' shall not include any payment the right to which has been assigned to a state.
- Provides for cost-of-living adjustments for the relevant figures determining who an "eligible taxpayer" is.
- If an eligible taxpayer has claimed a bad debt deduction on any applicable unpaid child support payment, and the payment subsequently is made, this payment shall be included in gross income of the eligible taxpayer.

Section 8. Reduction of Federal Debt.

Net revenues received in the Treasury resulting from this act shall be applied solely to the retirement of outstanding public debt obligations of the U.S. and may not be expended for any other purpose.

103D CONGRESS
1ST SESSION

H. R. 2557

To discourage States and local governments from providing general welfare assistance to able-bodied individuals unless such individuals are participating in workfare programs.

IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 1993

Mr. SOLOMON (for himself, Mr. KING, and Mr. LEVY) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To discourage States and local governments from providing general welfare assistance to able-bodied individuals unless such individuals are participating in workfare programs.

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. AMENDMENT.**

4 Section 403 of the Social Security Act (42 U.S.C.
5 603) is amended by inserting after subsection (b) the fol-
6 lowing new subsection:

7 “(e)(1)(A) If the Secretary determines—

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. 2557

Rep. Solomon

PURPOSE: To discourage states and local governments from providing general welfare assistance to able-bodied individuals unless such individuals are participating in workfare programs.

Section 1. Amendment.

(1) HHS will reduce by 50% the federal payments to a state for the administration of the AFDC program if such state is operating a general welfare assistance program, or if more than 20% of the local governments within a state that provide such general assistance programs. The 50% cut will be distributed equitably throughout the local governments within the state, only among those local governments operating such general welfare assistance programs.

(2) If a state does not meet definition of subsection A, but a local jurisdiction is providing a general welfare assistance program, the state must reduce its payments to the local jurisdiction by a share equal to 50% of the federal share of the administrative expenses for such jurisdiction.

(3) A general welfare assistance program is defined as

- Providing benefits to able-bodied individuals who are at least 18 years old and have no dependents.
- Lacking a workfare program which meets the participation requirements (referred to below).

(4) Detailed participation rate requirements in state workfare programs.

Section 2. Application of Amendment.

103D CONGRESS
1ST SESSION

H. R. 3643

To amend the Internal Revenue Code of 1986 to provide tax incentives to encourage corporations to provide financing and management support services to enable welfare recipients to leave welfare and operate small business concerns.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 22, 1993

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

A BILL

To amend the Internal Revenue Code of 1986 to provide tax incentives to encourage corporations to provide financing and management support services to enable welfare recipients to leave welfare and operate small business concerns.

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 "Welfare Opportunities
5 and Pay Back Act".

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. 3643

Representative Franks

Welfare Opportunities and Pay Back Act

PURPOSE: To amend the Internal Revenue Code of 1986 to provide tax incentives to encourage corporations to provide financing and management support services to enable welfare recipients to leave welfare and operate small business concerns.

Section 1. Short Title.

Section 2. Tax Incentives for Welfare Opportunity Financing Subsidiaries.

- (1) Deduction for Equity Contributions to Welfare Opportunity Financing Subsidiaries.
 - (a) Grants a qualified contributing corporation a deduction equal to the equity contribution to a welfare opportunity financing subsidiary of such corporation for the purpose of making qualified business loans.
 - (b) Limitation for annual deduction the lesser of either \$10,000 or the portion of the overall deduction program allocated to the individual corporation to the extent the amount so allocated was not used in a prior taxable year.
 - (c) Definition of equity contribution as (1) any amount paid in cash for stock in a welfare opportunity financing subsidiary of the corporation if such stock is acquired at its original issuance, and (2) any contribution in cash to the capital of a welfare opportunity financing subsidiary of the corporation.
 - (d) Recapture provisions:
 - (i) The adjusted basis of any stock held by a corporation in a welfare opportunity financing subsidiary shall be reduced by the amount allowed as a deduction under subsection (a). No increase in the basis of any such stock shall be made on account of any contribution to the capital of such subsidiary for which a deduction is allowed under subsection (a).
 - (ii) Any gain recognized on the sale or other disposition by a corporation of stock in a welfare opportunity financing subsidiary of such corporation shall be

treated as necessary income.

- (iii) If any welfare opportunity financing subsidiary of a corporation ceases to qualify as such, such corporation shall recognize the subsequent gain as if it sold its stock in such subsidiary for an amount equal to its fair market value immediately before the cessation.

(2) Overall Limitation on Deductions.

The HHS shall allocate the overall deduction limitation, which is \$250,000, among the qualified contributing corporations submitting applications for the program. The criteria used to evaluate the applications shall be set by HHS and shall be designed to ensure a reasonable availability, on a geographical basis, of the benefits of the program.

(3) Definitions and Special Rules.

- (a) A qualified contributing corporation means any domestic corporation which is not a small business concern, except that such term shall not include any corporation predominantly engaged in a banking, insurance, finance, or similar business.
- (b) A welfare financing subsidiary means any domestic corporation, all the stock of which is held directly by one qualified contributing corporation, and all the activities of which consist of (i) making qualified loans, (ii) providing management, administrative, consulting, and other support services to qualified small business concerns to which such corporation has made qualified business loans, and (iii) making temporary investments of capital being held for purposes of making qualified business loans.
- (c) Regulations on extension of qualified business concerns, including the required provision of "substantial qualified services" and the establishment of interest rates.
- (d) A qualified small business concern means any such concern so defined within the meaning of section 3 of the Small Business Act, and such concern is wholly owned by one qualified individual.
- (e) A qualified individual means an individual who (i) has become ineligible to receive AFDC or SSI benefits by reason of the receipt of a qualified business loan and (ii) has agreed to repay to the federal government an amount equal to the total amount of AFDC/SSI benefits received by the individual during the most recent 24 months (whether or not consecutive) during which such benefits were

so received.

(f) Other Definitions and Special Rules.

(1) "Substantial qualified services" refers to any management, administrative, consulting, or other support services provided to the recipient of a qualified business loan, but only if the amount of such services to be provided during the first year such loan is outstanding involve at least 1000 man-hours for each \$100,000 principal amount of such loan.

(2) Determination of the prime rate the basis for calculating the interest rates on the qualified business loans.

(3) Treatment of controlled groups: any group of corporations treated as a single employer under the IRS Code shall be treated as one corporation for purposes of this subpart.

(g) Employees of the borrower may be treated as the employees of a qualified contributing corporation for purposes of compliance with the requirements of any federal law, if the borrower has received financing from the coporation's welfare opportunity financing subsidiary and the borrower has designated this subsidiary as its primary lender.

Section 3. Individuals Receiving Loans from Welfare Opportunity Financing Subsidiaries Required To Repay Certain Welfare Benefits

(a) Each borrower of a qualified business loan shall make the payments required under this section for each taxable year in the repayment period.

(b) The amount required to be paid under this section by any borrower for any taxable year in the repayment period shall be the sum of the amount determined by dividing the repayable welfare benefits of such individual which were not repaid under this section as of the close of the preceding taxable year by the number of taxable years remaining in the repayment period, plus interest on such amount determined at the repayment interest rate. However, the amount required to be paid for any taxable year shall not exceed 5% of the taxpayer's annual adjusted gross income.

(c) Definitions.

(i) Repayable welfare benefits refers to the aggregate amount received by the borrower as AFDC or SSI during the most recent 24 months (whether or not consecutive) during which such benefits were so received before the date such loan was made.

(ii) Establishes the following formula for the

length of the repayment period:

<u>Aggregate Repayable Welfare Benefits</u>	<u>Repayment Period</u>
91-3000	2 taxable years
93001-7500	5 taxable years
97501-15,000	10 taxable years

In addition, an extension of the repayment period by one taxable year is allowed for each taxable year that the required payment is limited for purposes of not exceeding 5% of the recipient's annual adjusted gross income.

(iii) The repayment interest rate, with respect to any taxable year ending during a calendar year, shall be based upon the average prime rate as of the close of each month during the preceding calendar year plus 1.5% points.

(d) Procedures for providing notice to the borrower of his/her repayment obligations.

(e) The individual is to pay his annual repayment obligation by the last date prescribed for filing his return of tax imposed by Chapter 1.

(f) Failure to pay the full amount owed by the due date grants the IRS the power to assess and collect the unpaid amount in the same manner as an unpaid tax obligation.

(g) If an individual dies or becomes permanently and totally disabled, then the borrower's liability for any payment shall be discharged.

(h) The amounts collected shall be credited to the governments paying the repayable welfare benefits in proportion to each such government's share of the aggregate welfare benefits required to be repaid.

103D CONGRESS
2D SESSION

H. R. 3727

To require the Secretary of Health and Human Services to conduct a study of, and report to the Congress on, the feasibility of using biometric devices to verify the identity of persons applying for or receiving aid to families with dependent children in order to reduce fraud in the welfare program.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 25, 1994

Mr. LAZIO (for himself, Mr. KING, Mr. LEVY, Mr. BOEHLERT, Mr. LEWIS of California, Mr. PETH, Mr. DORNAN, Mr. BILBRAY, Mr. ZOMER, Mr. WALKER, Mr. MCHUGH, Mr. ARMIEY, Mr. GINGRICH, Mr. CANADY, Mr. SHAW, Ms. DUNN, Mr. ALLARD, Mr. DELAY, Mr. HORN, Mrs. FOWLER, Mr. DUNCAN, and Mr. GEKAS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To require the Secretary of Health and Human Services to conduct a study of, and report to the Congress on, the feasibility of using biometric devices to verify the identity of persons applying for or receiving aid to families with dependent children in order to reduce fraud in the welfare program.

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. STUDY OF THE FEASIBILITY OF USING BIOMET-**
2 **RIC DEVICES TO VERIFY THE IDENTITY OF**
3 **PERSONS APPLYING FOR OR RECEIVING AID**
4 **TO FAMILIES WITH DEPENDENT CHILDREN;**
5 **REPORT TO THE CONGRESS.**

6 (a) **STUDY.**—The Secretary of Health and Human
7 Services shall conduct a study designed to determine—

8 (1) whether it would be feasible to reduce fraud
9 in the receipt of aid to families with dependent chil-
10 dren under any State plan approved under part A of
11 title IV of the Social Security Act by using biometric
12 devices to measure various physical characteristics of
13 the persons applying for or receiving such aid in
14 order to verify the identity of such persons; and

15 (2) if so, whether it would be appropriate to
16 enter into a contract with a private party or parties
17 to perform such identification.

18 (b) **REPORT TO THE CONGRESS.**—Not later than 6
19 months after the date of the enactment of this Act, the
20 Secretary of Health and Human Services shall submit to
21 the Committee on Ways and Means of the House of Rep-
22 resentatives and the Committee on Finance of the Senate
23 a report on the results of the study required by subsection
24 (a).

H.R. 3727

Rep. Lazio

PURPOSE: To require the HHS to conduct a study of, and report to the Congress on, the feasibility of using biometric devices to verify the identity of persons applying for or receiving AFDC in order to reduce fraud in the welfare program.

Section 1. Study of the Feasibility of Using Biometric Studies to Verify the Identity of Persons Applying For or Receiving AFDC; Report to the Congress.

The HHS would conduct a study to determine the feasibility of using biometric devices to measure various physical characteristics of the persons applying for or receiving such aid in order to verify the identity of such persons, and if so, whether it would be appropriate to enter into a contract with a private party or parties to perform such identification.

The HHS would submit a report on the results of the study to Congress.

103RD CONGRESS
2^D SESSION

H. R. 3742

To establish a commission to design a plan for transition from certain welfare, job training, and child care programs to new programs providing temporary financial aid and assistance in locating permanent employment.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 26, 1994

Mr. FISHER introduced the following bill, which was referred jointly to the Committees on Ways and Means, Agriculture, and Education and Labor

A BILL

To establish a commission to design a plan for transition from certain welfare, job training, and child care programs to new programs providing temporary financial aid and assistance in locating permanent employment.

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 "Welfare Elimination
5 Act of 1994".

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. 3742

Rep. Fingerhut

Welfare Elimination Act of 1994

PURPOSE: To establish a commission to design a plan for transition from certain welfare, job training, and child care programs to new programs providing temporary financial aid and assistance in locating permanent employment.

Section 1. Short Title.

Section 2. Establishment of Commission to Eliminate Welfare.

Section 3. Duties of Commission.

(a) Welfare and Job Training Reform.

The commission shall design a replacement for the AFDC program, the food stamp program, the programs under the Job Training Partnership Act, and the targeted jobs credit under Section 51 of the Internal Revenue Code of 1986 that shall be composed of the following components:

(1) The state and local shares previously spent to carry out the programs listed above are now to be used to provide education and job training assistance to unemployed individuals.

(2) A temporary emergency assistance program.

-A household is to be eligible for benefits under this program if the total income of the household is less than 50% of the poverty line and the head of the household is not a recipient of SSI benefits. However, if any member of the household other than the head is a recipient of SSI benefits, these benefits are to be disregarded in determining the eligibility of a household for benefits.

-The benefits to be paid to a household shall be an amount equal to the amount by which 50% of the poverty line exceeds the total income of the household.

-Benefits shall not be provided to a household for more than 6 months in a 24 month period. Nevertheless, exceptions to this duration limit shall be made for those households for so long as (I) the household includes a single parent/guardian of a member of the household who has not attained 3 months of age or is disabled and (II) each member of the household who has not attained 18 years of age is living in a living arrangement supervised by an adult. In addition, an individual who has not attained 20 years of age

The commission shall design a program that consolidates existing child care programs under federal

is to remain eligible for benefits so long as the household would be eligible for benefits (provided the duration limit is disregarded), and the individual is a full-time student in a secondary school or the equivalent level of vocational technical training.

(3) Modifications to SSI program to allow inclusion of minor children of eligible individuals and the provision of benefits based on household size, ensure that eligible individuals receive benefits in a timely manner, and expand the program to the extent necessary and to provide benefits necessary to individuals and families who cannot support themselves through work and available benefits under state income assistance programs.

(4) National Service Work Program.

-The federal government shall provide grants on an annual basis to local governments to provide job training and job placement assistance to unemployed individuals for the purpose of placing such individuals in unsubsidized employment. The local governments shall use the grants to provide subgrants on a competitive basis to eligible service providers for the purpose of providing the above assistance.

-Eligible service providers include existing entities providing services to unemployed individuals under federal, state, or local law, and appropriate nonprofit and for-profit organizations.

-A description of the appropriate nature of the job-training and job-placement assistance programs, including the requirement that the service provider provides forty hours per week of assistance to a participant and to provide compensation for such participant in an amount equal to \$4.00 per hour.

-The service provider shall provide assistance to a participant until he/she is placed in unsubsidized employment, or 180 days after the date on which the participant begins receiving assistance, whichever occurs first.

-The service provider shall also provide work/study assistance to participants for the similar purpose of preparing such participants for unsubsidized employment. Such assistance is to include placement in part-time unsubsidized jobs, or if such jobs are not available, placement in part-time subsidized jobs, as well as educational assistance related to such jobs and to the full-time unsubsidized jobs that the participants should obtain after receiving assistance.

-Under the work-study program, the service

provider is to provide, to the extent practicable, 40 hours per week of assistance to a participant and is to provide compensation to such participant in an amount equal to \$4.00 per hour, except that such compensation shall not include amounts received from placement in a part-time subsidized job. The service provider is to provide such assistance to a participant until such participant is placed in full-time unsubsidized employment, except that a participant may not receive such assistance for more than a total of four years.

-Under the framework of the overall national service work program, the service provider is to provide support services, including case management, counseling services, and legal services to combat employer discrimination.

-The federal government shall ensure that each participant who is unable to obtain unsubsidized employment after receiving assistance is placed in a public sector job until such time as the participant obtains such unsubsidized employment. Any such individual shall be paid \$4.00 per hour in the public-sector job and shall be provided ongoing support services to help him/her obtain unsubsidized employment.

-Even following the obtainment of unsubsidized employment by a participant, he/she shall continue to receive the support services outlined above for up to one additional year.

(5) Targeted Job Training Tax Credit

Employers shall be provided with a nonrefundable credit against federal income tax for some portion of the expenses paid by the employer in providing job training.

(6) Enhanced Earned Income Tax Credit.

-Restructures the earned income tax credit by allowing, in households where an adult participates in the National Service Work Program, the amount of such credit, when added to the taxpayer's earned income, equal 75% of the poverty level for a household.

-Ensures that the tax credit for households where no adult participates in this program, but in which there is an adult full-time worker, the credit, when added to the taxpayer's earned income, will at least equal 100% of the poverty level for such household.

-Provides for the payment of the earned income credit on a periodic basis during the taxable year.

(b) Child Care Reform.

The commission shall design a program that consolidates existing child care programs under federal

law into a single program under which a household is to be eligible for child care services if the total income of the household is less than 200% of the poverty line. This single federal program will include a sliding fee scale that provides for cost sharing by households that receive child care services. The federal program will also, to the extent possible, be coordinated with appropriate state and local programs providing child care services.

Section 4. Membership.

Section 5. Staff; Experts and Consultants.

Section 6. Procedure of Commission.

Section 7. Powers of Commission.

Section 8. Report.

Section 9. Termination of Commission.

103D CONGRESS
1ST SESSION

S. 16

To amend title IV of the Social Security Act to require full funding of the job opportunity and basic skills training program under part F of such title, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 21 (legislative day, JANUARY 5), 1993

Mr. MOYNIHAN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title IV of the Social Security Act to require full funding of the job opportunity and basic skills training program under part F of such title, 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 "Work for Welfare Act
5 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.

Work for Welfare Act

Sen. Moynihan

PURPOSE: To amend title IV of the Social Security Act to require full funding of the JOBS program under part F of such title, and for other purposes.

Section 1. Short Title.

Section 2. Full Funding of JOBS Program.

- Removal of federal payment limitation and requirement of state maintenance of effort.
- In order to continue receiving federal contributions, each state must maintain its payments in any fiscal year for the JOBS program at or above the level of such payments as of FY 1993.
- Removal of certain payment limits and mandated state participation rates.
- Repeal of state match requirement for supportive services, although no state shall expend amounts for child care in any fiscal year less than the amount such state expended in FY 1993.
- For all individuals required to participate in the program, the state agency shall conduct the assessment, develop the employability plan, and refer the individuals to a program component (as required) within 60 days of the date upon which the individual is found eligible for such program.

103D CONGRESS
1ST SESSION

S. 111

To amend title IV of the Social Security Act to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency.

IN THE SENATE OF THE UNITED STATES

JANUARY 21 (legislative day, JANUARY 5), 1993

Mr. MOYNIHAN introduced the following bill, which was read twice and referred to the Committee on Finance

A BILL

To amend title IV of the Social Security Act to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency.

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 "Welfare Dependency
5 Act of 1993".

6 **SEC. 2. FINDINGS AND POLICY.**

7 (a) **FINDINGS.**—The Congress finds:

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.

Welfare Dependency Act of 1993

Sen. Moynihan

PURPOSE: To amend title IV of the Social Security Act to direct the Secretary of HHS to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency.

Section 1. Short Title.

Section 2. Findings and Policy.

Section 3. Measurement and Reporting of Welfare Dependency.

The HHS shall develop indicators, rates, and predictors of welfare dependency, assess the resulting data, and prepare annual reports assessing current trends in each of the federally-guided means-tested benefit programs. In addition, the reports shall establish annual numerical goals for recipients and expenditures within each program and within significant subgroups within the population.

An Advisory Board on Welfare Dependency is established, which shall provide advice and recommendations to the Secretary on the above tasks.

103D CONGRESS
1ST SESSION

S. 532

To amend section 1738A of title 28, United States Code, relating to child custody determinations and child support orders, to modify the requirements for court jurisdiction.

IN THE SENATE OF THE UNITED STATES

MARCH 9 (legislative day, MARCH 3), 1993

Mr. DOMENICI (for himself and Mr. BUMPERS) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To amend section 1738A, of title 28, United States Code, relating to child custody determinations and child support orders, to modify the requirements for court jurisdiction.

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 "Child Support and
5 Custody Jurisdiction Reform Act of 1993".

Amber's act Parental Kidnapping Prevention Act
If someone moves to a new state, they must confer with the state, which has child support

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.

S. 532

Child Support and Custody Jurisdiction Reform Act of 1993.

Senator Domenici

PURPOSE: To amend section 1738A of title 28, United States Code, relating to child custody determinations and child support orders, to modify the requirements for court jurisdiction.

This bill clarifies provisions in the Parental Kidnapping Prevention Act concerning the recognition by a state of another state's court orders regarding child support and child custody rights. If a custodial parent moves to a different state than the state in which the child custody/support order was handed down, any court in the new state which decides to review the terms of child custody/support must confer with the court of original jurisdiction before taking any action. The court of original jurisdiction may choose to retain jurisdiction if it so desires. Accordingly, "full faith and credit" is granted to court orders of all states on child custody/support matters.

Calendar No. 295

103D CONGRESS
1ST SESSION**S. 1668**

To amend the Social Security Act and related Acts to make miscellaneous and technical amendments; and for other purposes.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 17 (legislative day, NOVEMBER 2), 1993

Mr. MOYNIHAN, from the Committee on Finance, reported the following original bill; which was read twice and placed on the calendar

A BILL

To amend the Social Security Act and related Acts to make miscellaneous and technical amendments, 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 "Social Security Act
5 Amendments of 1993".

6 **SEC. 2. REFERENCES IN ACT; TABLE OF CONTENTS.**

7 (a) AMENDMENTS TO SOCIAL SECURITY ACT.—Ex-
8 cept as otherwise specifically provided, whenever in this

1 supplemental security income benefits are not less than
 2 its expenditures for such payments in the preceding
 3 twelve-month period, the Secretary, in computing the
 4 State's expenditures, shall disregard, pursuant to the one-
 5 time election of such State, all expenditures by such State
 6 for retroactive supplementary payments that are required
 7 to be made in connection with the retroactive supplemental
 8 security income benefits referred to in section 5041 of the
 9 Omnibus Budget Reconciliation Act of 1990."

10 (b) EFFECTIVE DATE.—The amendment made by
 11 subsection (a) shall be effective on, before, and after the
 12 date of the enactment of this Act.

13 **Subtitle D—Aid to Families With**
 14 **Dependent Children**

15 **SEC. 331. SIMPLIFICATION OF INCOME AND ELIGIBILITY**
 16 **VERIFICATION SYSTEM.**

17 Paragraph (1)(A) of section 1137(d) (42 U.S.C.
 18 1320b-7(d)) is amended to read as follows:

19 "(1)(A) The State shall require, as a condition
 20 of an individual's eligibility for benefits under a pro-
 21 gram listed in subsection (b), a declaration in writ-
 22 ing, under penalty of perjury—

23 "(i) by the individual,

24 "(ii) in the case in which eligibility for pro-
 25 gram benefits is determined on a family or

1. household basis; by any adult member of such
 2. individual's family or household (as applicable),
 3. or
 4. "(iii) in the case of an individual born into
 5. a family or household receiving benefits under
 6. such program, by any adult member of such
 7. family or household no later than the next rede-
 8. termination of eligibility of such family or
 9. household following the birth of such individual,
 10. stating whether the individual is a citizen or national
 11. of the United States, and, if that individual is not
 12. a citizen or national of the United States, that the
 13. individual is in a satisfactory immigration status."

14. **SEC. 332. MEASUREMENT AND REPORTING OF WELFARE**

15. **RECEIPT.**

16. (a) **CONGRESSIONAL POLICY.**—The Congress hereby
 17. declares that—

18. (1) it is the policy and responsibility of the
 19. Federal Government to reduce the rate at which and
 20. the degree to which families depend on income from
 21. welfare programs and the duration of welfare re-
 22. ceipt, consistent with other essential national goals;
 23. (2) it is the policy of the United States to
 24. strengthen families, to ensure that children grow up
 25. in families that are economically self-sufficient and

1 that the life prospects of children are improved, and
 2 to underscore the responsibility of parents to sup-
 3 port their children;

4 (3) the Federal Government should help welfare
 5 recipients as well as individuals at risk of welfare re-
 6 ceipt to improve their education and job skills, to ob-
 7 tain child care and other necessary support services,
 8 and to take such other steps as may be necessary to
 9 assist them to become financially independent; and

10 (4) it is the purpose of this section to provide
 11 the public with generally accepted measures of wel-
 12 fare receipt so that it can track such receipt over
 13 time and determine whether progress is being made
 14 in reducing the rate at which and, to the extent fea-
 15 sible, the degree to which, families depend on income
 16 from welfare programs and the duration of welfare
 17 receipt.

18 (b) DEVELOPMENT OF WELFARE INDICATORS AND
 19 PREDICTORS.—The Secretary of Health and Human Serv-
 20 ices (in this section referred to as the "Secretary") in con-
 21 sultation with the Secretary of Agriculture shall—

22 (1) develop—

23 (A) indicators of the rate at which and, to
 24 the extent feasible, the degree to which, families

1 depend on income from welfare programs and
2 the duration of welfare receipt; and
3 (B) predictors of welfare receipt;
4 (2) assess the data needed to report annually
5 on the indicators and predictors, including the abil-
6 ity of existing data collection efforts to provide such
7 data and any additional data collection needs; and
8 (3) not later than 2 years after the date of the
9 enactment of this section, provide an interim report
10 containing conclusions resulting from the develop-
11 ment and assessment described in paragraphs (1)
12 and (2), to—
13 (A) the Committee on Ways and Means of
14 the House of Representatives;
15 (B) the Committee on Education and
16 Labor of the House of Representatives;
17 (C) the Committee on Agriculture of the
18 House of Representatives;
19 (D) the Committee on Energy and Com-
20 merce of the House of Representatives;
21 (E) the Committee on Finance of the Sen-
22 ate;
23 (F) the Committee on Labor and Human
24 Resources of the Senate; and

1 (G) the Committee on Agriculture, Nutri-
2 tion, and Forestry of the Senate.

3 (e) ADVISORY BOARD ON WELFARE INDICATORS.—

4 (1) ESTABLISHMENT.—There is established an
5 Advisory Board on Welfare Indicators (in this sub-
6 section referred to as the "Board").

7 (2) COMPOSITION.—The Board shall be com-
8 posed of 12 members with equal numbers to be ap-
9 pointed by the House of Representatives, the Senate,
10 and the President. The Board shall be composed of
11 experts in the fields of welfare research and welfare
12 statistical methodology, representatives of State and
13 local welfare agencies, and organizations concerned
14 with welfare issues.

15 (3) VACANCIES.—Any vacancy occurring in the
16 membership of the Board shall be filled in the same
17 manner as the original appointment for the position
18 being vacated. The vacancy shall not affect the
19 power of the remaining members to execute the du-
20 ties of the Board.

21 (4) DUTIES.—Duties of the Board shall
22 include—

23 (A) providing advice and recommendations
24 to the Secretary on the development of indica-
25 tors of the rate at which and, to the extent fea-

1. ... possible, the degree to which, families depend on
2. ... income from welfare programs and the duration
3. ... of welfare receipt; and
4. ... (B) providing advice on the development
5. ... and presentation of annual reports required
6. ... under subsection (d).

7. ... (5) TRAVEL EXPENSES.—Members of the
8. ... Board, shall not be compensated, but shall receive
9. ... travel expenses, including per diem in lieu of subsist-
10. ... ence, at rates authorized for employees of agencies
11. ... under subchapter I of chapter 57 of title 5, United
12. ... States Code, for each day the member is engaged in
13. ... the performance of duties away from the home or
14. ... regular place of business of the member.

15. ... (6) DETAIL OF FEDERAL EMPLOYEES.—The
16. ... Secretary shall detail, without reimbursement, any
17. ... of the personnel of the Department of Health and
18. ... Human Services to the Board to assist the Board in
19. ... carrying out its duties. Any detail shall not interrupt
20. ... or otherwise affect the civil service status or privi-
21. ... leges of the Federal employee.

22. ... (7) VOLUNTARY SERVICE.—Notwithstanding
23. ... section 1342 of title 31, United States Code, the
24. ... Board may accept the voluntary services provided by
25. ... a member of the Board.

1 (8) **TERMINATION OF BOARD.**—The Board shall
2 be terminated at such time as the Secretary deter-
3 mines the duties described in paragraph (4) have
4 been completed, but in any case prior to the submis-
5 sion of the first report required under subsection
6 (d).

7 (d) **ANNUAL WELFARE INDICATORS REPORT.**—

8 (1) **PREPARATION.**—The Secretary shall pre-
9 pare annual reports on welfare receipt in the United
10 States.

11 (2) **COVERAGE.**—The report shall include anal-
12 ysis of families and individuals receiving assistance
13 under means-tested benefit programs, including the
14 program of aid to families with dependent children
15 under part A of title IV of the Social Security Act
16 (42 U.S.C. 601 et seq.), the food stamp program
17 under the Food Stamp Act of 1977 (7 U.S.C. 2011
18 et seq.), and the Supplemental Security Income pro-
19 gram under title XVI of the Social Security Act (42
20 U.S.C. 1381 et seq.), or as general assistance under
21 programs administered by State and local govern-
22 ments.

23 (3) **CONTENTS.**—Each report shall set forth for
24 each of the means-tested benefit programs described
25 in paragraph (2)—

1 (A) indicators of—

2 (i) the rate at which and, to the ex-

3 tent feasible, the degree to which, families

4 depend on income from welfare programs,

5 and

6 (ii) the duration of welfare receipt;

7 (B) trends in indicators;

8 (C) predictors of welfare receipt;

9 (D) the causes of welfare receipt;

10 (E) patterns of multiple program receipt;

11 (F) such other information as the Sec-

12 retary deems relevant; and

13 (G) such recommendations for legislation;

14 which shall not include proposals to reduce eli-

15 gibility levels or impose barriers to program ac-

16 cess, as the Secretary may determine to be nec-

17 essary or desirable to reduce—

18 (i) the rate at which and the degree to

19 which families depend on income from wel-

20 fare programs, and

21 (ii) the duration of welfare receipt.

22 (4) SUBMISSION.—The Secretary shall submit

23 such a report not later than 3 years after the date

24 of the enactment of this section and annually there-

25 after, to the committees specified in subsection

1 (b)(3)(C). Each such report shall be transmitted
2 during the first 60 days of each regular session of
3 Congress.

4 (e) SHORT TITLE.—This section may be cited as the
5 “Welfare Indicators Act of 1993”.

6 **SEC. 333. NEW HOPE DEMONSTRATION PROJECT.**

7 (a) IN GENERAL.—The Secretary of Health and
8 Human Services (in this section referred to as the “Sec-
9 retary”) shall provide for a demonstration project for a
10 qualified program to be conducted in Milwaukee, Wiscon-
11 sin; in accordance with this section.

12 (b) PAYMENTS.—For each calendar quarter in which
13 there is a qualified program approved under this sub-
14 section, the Secretary shall pay to the operator of the
15 qualified program, for no more than 20 calendar quarters,
16 an amount equal to the aggregate amount that would oth-
17 erwise have been payable to the State with respect to par-
18 ticipants in the program for such calendar quarter, in the
19 absence of the program, for cash assistance and child care
20 under part A of title IV of the Social Security Act, for
21 medical assistance under title XIX of such Act, and for
22 administrative expenses related to such assistance. The
23 amount payable to the operator of the program under this
24 section shall not include the costs of evaluating the effects
25 of the program.

1 (c) DEMONSTRATION PROJECT DESCRIBED.—For
 2 purposes of this section, the term “qualified program”
 3 means a program operated—

4 (1) by The New Hope Project, Inc.; a private,
 5 not-for-profit corporation incorporated under the
 6 laws of the State of Wisconsin (in this section re-
 7 ferred to as the “operator”), which offers low-income
 8 residents of Milwaukee, Wisconsin, employment,
 9 wage supplements, child care, health care, and coun-
 10 seling and training for job retention or advancement;
 11 and

12 (2) in accordance with an application submitted
 13 by the operator of the program and approved by the
 14 Secretary based on the Secretary's determination
 15 that the application satisfies the requirements of
 16 subsection (d).

17 (d) CONTENTS OF APPLICATION.—The operator of
 18 the qualified program shall provide, in its application to
 19 conduct a demonstration project for the program, that the
 20 following terms and conditions will be met:

21 (1) The operator will develop and implement an
 22 evaluation plan designed to provide valid and reliable
 23 information on the impact and implementation of
 24 the program. The evaluation plan will include ade-

1 quately sized groups of project participants and con-
2 trol groups assigned at random.

3 (2) The operator will develop and implement a
4 plan addressing the services and assistance to be
5 provided by the program, the timing and determina-
6 tion of payments from the Secretary to the operator
7 of the program, and the roles and responsibilities of
8 the Secretary and the operator with respect to meet-
9 ing the requirements of this paragraph.

10 (3) The operator will specify a reliable meth-
11 odology for determining expenditures to be paid to
12 the operator by the Secretary, with assistance from
13 the Secretary in calculating the amount that would
14 otherwise have been payable to the State in the ab-
15 sence of the program, pursuant to subsection (b).

16 (4) The operator will issue an interim and final
17 report on the results of the evaluation described in
18 paragraph (1) to the Secretary at such times as re-
19 quired by the Secretary.

20 (c) EFFECTIVE DATE.—This section shall take effect
21, on the first day of the first calendar quarter that begins
22, after the date of the enactment of this Act.

1 **SEC. 334. DELAY IN REQUIREMENT THAT OUTLYING**
 2 **AREAS OPERATE AN AFDC-UP PROGRAM.**

3 (a) **IN GENERAL.**—Section 401(g)(2) of the Family
 4 Support Act of 1988 (42 U.S.C. 602 note; 102 Stat.
 5 2396) is amended by striking “October 1, 1992” and in-
 6 serting “the date of the repeal of the limitations contained
 7 in section 1108(a) of the Social Security Act on payments
 8 to such jurisdictions for purposes of making maintenance
 9 payments under parts A and E of title IV of such Act”.

10 (b) **EFFECTIVE DATE.**—The amendment made by
 11 subsection (a) shall take effect as if included in the provi-
 12 sion of the Family Support Act of 1988 to which the
 13 amendment relates at the time such provision became law.

14 **SEC. 335. NEW YORK STATE CHILD SUPPORT DEMONSTRATION PROGRAM.**

15 (a) **EXTENSION.**—Section 9122(g)(1) of OBRA-
 16 1987 is amended by striking “five” and inserting “10”.

17 (b) **PAYMENT OF EVALUATION COSTS.**—Section
 18 9122(b) of OBRA-1987 is amended by adding at the end
 19 the following new flush sentence: “Payment to the State
 20 under this section shall not include the costs of evaluating
 21 the effects of the program.”

22 (c) **EFFECTIVE DATES.**—

23 (1) **EXTENSION.**—The amendment made by
 24 subsection (a) shall take effect on the date of the en-
 25 actment of this Act.
 26

1 (2) PAYMENT.—The amendment made by sub-
 2 section (b) shall take effect on April 1, 1994.

3 **SEC. 336. STATE OPTION TO USE RETROSPECTIVE BUDG-**
 4 **ETING WITHOUT MONTHLY REPORTING.**

5 (a) IN GENERAL.—Section 402(a)(13) (42 U.S.C.
 6 602(a)(13)) is amended—

7 (1) by striking all that precedes subparagraph
 8 (A) and inserting the following:

9 “(13) provide, at the option of the State and
 10 with respect to such category or categories as the
 11 State may select and identify in the State plan,
 12 that—”; and

13 (2) in each of subparagraphs (A) and (B), by
 14 striking “, in the case of families who are required
 15 to report monthly to the State agency pursuant to
 16 paragraph (14)”.

17 (b) EFFECTIVE DATE.—The amendment made by
 18 subsection (a) shall take effect on October 1, 1993, and
 19 shall apply to payments under part A of title IV of the
 20 Social Security Act for fiscal year 1993 and such pay-
 21 ments for succeeding fiscal years.

22 **Subtitle E—JOBS Program**

23 **SEC. 341. EXPANSION OF COVERAGE FOR INDIAN TRIBES.**

24 (a) IN GENERAL.—Section 482(i)(2)(A) (42 U.S.C.
 25 682(i)(2)(A)) is amended by striking “members of such

1 Indian tribe receiving aid to families with dependent chil-
2 dren" and inserting "Indians receiving aid to families with
3 dependent children who reside on the reservation or within
4 the designated service area".

5 (b) EFFECTIVE DATE.—The amendment made by
6 subsection (a) shall take effect on October 1, 1994.

7 **SEC. 342. REPORT TO THE CONGRESS WITH RESPECT TO**
8 **PERFORMANCE STANDARDS IN THE JOBS**

9 **PROGRAM.**

10 Section 487(a) (42 U.S.C. 687(a)) is amended—

11 (1) by striking "3" and inserting "4";

12 (2) in paragraph (1), by inserting "criteria for"

13 after "develop";

14 (3) in paragraph (2), by striking "for" and in-

15 serting "with respect to"; and

16 (4) in the second sentence, by striking "under

17 this subsection" and inserting "with respect to the

18 program under this part".

19 **Subtitle F—Unemployment**
20 **Insurance**

21 **SEC. 351. EXTENSION OF REPORTING DATE FOR ADVISORY**
22 **COUNCIL.**

23 In the case of the first Advisory Council on Unem-
24 ployment Compensation established under section 908 of

Social Security Act Amendments of 1993

Senator Moynihan

PURPOSE: To amend the Social Security Act and related Acts to make miscellaneous and technical amendments, and for other purposes.

NOTE: While this bill is massive and covers a range of programs, Title III, Subtitle D, G, and E cover reforms of the AFDC and JOBS programs. Hence, this summary only covers those relevant sections.

TITLE III

Subtitle D: Aid to Families with Dependent Children

Section 331. Simplification of Income and Eligibility Verification System.

The state shall require, as a condition of an individual's eligibility for benefits, a declaration in writing, under penalty of perjury, stating whether the intended recipient is a citizen or national of the U.S. or if the individual is not in a satisfactory immigration status.

Section 332. Measurement and Reporting of Welfare Receipt.

- (1) The Secretary of Health and Human Services shall develop indicators of the rate at which and, to the extent feasible, the degree to which families depend on income from welfare programs and the duration of welfare receipt, as well as predictors of welfare receipt, (2) assess the data collection needed to report annually on the indicators and predictors, (3) no later than 2 years after the date of the enactment of this section, provide an interim report containing conclusions resulting from the development and assessment described above.

Provides for the creation of an Advisory Board on Welfare Indicators, to provide advice and recommendations to the Secretary on the development of indicators of the rate at which and, to the extent, feasible, the degree to which, families depend on income from welfare programs and the duration of welfare receipt and provide advice on the development and presentation of annual reports required under this section.

The Secretary shall prepare annual reports on welfare receipt in the U.S. to incorporate an analysis of families and individuals receiving assistance under means-tested benefit programs.

Section 333. New Hope Demonstration Project.

Authorization for a demonstration project to be

conducted in Milwaukee, WI.

Section 334. Delay in Requirement that Outlying Areas
Operate an AFDC-UP Program.

Section 335. New York State Child Support Demonstration
Project.

Section 336. State Option to Use Retrospective Budgeting
Without Monthly Reporting.

Subtitle E: JOBS Program.

Section 341. Expansion of Coverage for Indian Tribes.

Section 342. Report to the Congress with Respect to
Performance Standards in the JOBS Program.

Subtitle G: Other Provisions

Section 361. Extension of Demonstration to Expand Job
Opportunities.

Expansion of demonstration project under the Family
Support Act of 1988.

103D CONGRESS
1ST SESSION

S. 1747

To provide for enforcement of State court judgments against federally forfeited assets of individuals who are delinquent in payment of child support.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 20 (legislative day, NOVEMBER 2), 1993

Mr. GLENN introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To provide for enforcement of State court judgments against federally forfeited assets of individuals who are delinquent in payment of child support.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Support Fairness Act of 1993".

SEC. 2. FEDERALLY FORFEITED ASSETS SUBJECT TO

STATE COURT JUDGMENT.

(a) IN GENERAL.—Assets forfeited as a result of violation of Federal law shall be subject to valid State court

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.

S. 1747

Child Support Fairness Act of 1993

Sen. Glenn

PURPOSE: To provide for enforcement of state court judgments against federally forfeited assets of individuals who are delinquent in payment of child support.

Section 1. Short Title.

Section 2. Federally Forfeited Assets Subject to State Court.

Assets forfeited as a result of violation of federal law shall be subject to valid state court judgments for the payment of delinquent child support.

The Secretary of the Treasury or the Attorney General shall notify the HHS Child Support Enforcement Division of the name of any individual whose assets are seized. The HHS shall then notify the appropriate state agency of the name of any such individual who is delinquent in child support payments and inform such agency of the seizure. The state agency shall notify any party owed child support by the individual.

Any party owed child support may petition the Treasury Department within 30 days after receiving notice. The Treasury Dept. shall schedule a hearing no later than 30 days following receipt of petition. At the discretion of the department, the hearing may be waived and the assets disbursed to the petitioner within 30 days of the filing of a petition and valid state court judgment.

Only the excess money or property remaining from any forfeited assets, following payment of all expenses of forfeiture, including investigative costs, and costs of forfeiture proceedings and all other reasonable costs, shall be placed in an agency trust fund and rendered subject to claim under this act.