

103^D 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Combined Welfare Ad-
3 ministration Act of 1993”.

4 **SEC. 2. COMBINED GRANT TO STATE FOR ADMINISTRATIVE**
5 **COSTS OF AFDC, MEDICAID, AND FOOD**
6 **STAMP PROGRAMS.**

7 (a) IN GENERAL.—The Secretary of Health and
8 Human Services shall make grants, in accordance with the
9 provisions of this section, to each State for the costs of
10 the necessary and proper administration of its State plan
11 for aid to families with dependent children approved under
12 part A of title IV of the Social Security Act, its State plan
13 for medical assistance under title XIX of such Act and
14 its State plan of operation approved (by the Secretary of
15 Agriculture) under the Food Stamp Act of 1977.

16 (b) SOURCE OF FUNDS.—Grants to States under
17 subsection (a) shall be made from amounts appropriated
18 to carry out this Act, or from funds made available for
19 such purpose—

20 (1) by the Secretary of Health and Human
21 Services pursuant to part A of title IV, or title XIX,
22 of the Social Security Act; or

23 (2) by the Secretary of Agriculture pursuant to
24 the Food Stamp Act of 1977.

25 (c) ESTABLISHMENT OF SINGLE FUND.—Amounts
26 made available pursuant to subsection (b) shall be com-

1 bined in a single fund account established by the Secretary
2 of the Treasury for the administration of this Act by the
3 Secretary of Health and Human Services.

4 **SEC. 3. ELIMINATION OF ENHANCED FEDERAL PAYMENTS**
5 **FOR STATE ADMINISTRATIVE ACTIVITIES**
6 **UNDER AFDC, MEDICAID, AND FOOD STAMPS.**

7 (a) AFDC.—

8 (1) IN GENERAL.—Section 403(a)(3) of the So-
9 cial Security Act (42 U.S.C. 603(a)(3)) is amended
10 to read as follows:

11 “(3) in the case of any State, an amount equal
12 to 50 percent of the total amounts expended during
13 such quarter as found necessary by the Secretary for
14 the proper and efficient administration of the State
15 plan;”.

16 (2) CONFORMING AMENDMENTS.—(A) Section
17 402(e) of such Act (42 U.S.C. 602(e)) is amended—

18 (i) by striking “(e)(1)” and inserting
19 “(e)”; and

20 (ii) by striking paragraph (2).

21 (B) Part A of title IV of such Act (42 U.S.C.
22 601 et seq.) is amended by striking section 413.

23 (b) MEDICAID.—

1 (1) IN GENERAL.—Section 1903(a) of the So-
2 cial Security Act (42 U.S.C. 1396b(a)) is amend-
3 ed—

4 (A) by striking paragraphs (2), (3), (4),
5 and (6);

6 (B) in paragraph (5), by adding “plus” at
7 the end; and

8 (C) by redesignating paragraphs (5) and
9 (7) as paragraphs (2) and (3).

10 (2) CONFORMING AMENDMENTS.—(A) Section
11 1158 of such Act (42 U.S.C. 1320c-7) is amend-
12 ed—

13 (i) by striking “(a) A State plan” and in-
14 serting “A State plan”; and

15 (ii) by striking subsection (b).

16 (B) Section 1902(a)(25)(A)(ii) of such Act (42
17 U.S.C. 1396a(a)(25)(A)(ii)) is amended by striking
18 “shall—” and all that follows and inserting the fol-
19 lowing: “shall be integrated with a mechanized
20 claims processing and information retrieval sys-
21 tem;”.

22 (C) Section 1903 of such Act (42 U.S.C.
23 1396b) is amended by striking subsections (b)(3)
24 and (r).

1 (D) Section 1903(w) of such Act (42 U.S.C.
2 1396b(w)) is amended—

3 (i) in paragraph (1)(B), by striking “sub-
4 section (a)(7)” and inserting “subsection
5 (a)(3)”; and

6 (ii) by striking “paragraphs (2), (3), (4),
7 (6), and (7)” each place it appears in para-
8 graphs (1)(B) and (2)(A)(iii) and inserting
9 “paragraph (3)”.

10 (E) Section 1919 of such Act (42 U.S.C.
11 1396r) is amended—

12 (i) in subsection (g)(3)(C), by striking
13 “1903(a)(2)(D)” and inserting “1903(a)(3)”;
14 and

15 (ii) by striking “1903(a)(7)” each place it
16 appears in subsections (h)(2)(E) and (h)(2)(F)
17 and inserting “1903(a)(3)”.

18 (c) FOOD STAMP PROGRAM.—

19 (1) IN GENERAL.—Section 16(a) of the Food
20 Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended
21 by striking “: *Provided*, That the Secretary” and all
22 that follows through the end and inserting a period.

23 (2) CONFORMING AMENDMENTS.—(A) Section
24 16(c)(1) of such Act (7 U.S.C. 2025(c)(1)) is
25 amended—

1 (i) in the matter preceding subparagraph
2 (A), by striking “and provide” and all that fol-
3 lows through “error rates”;

4 (ii) in subparagraph (B), by striking
5 “other than those receiving adjustments under
6 subparagraph (A)”;

7 (iii) in subparagraph (C), by striking “sub-
8 paragraph (B)” and inserting “subparagraph
9 (A)”;

10 (iv) by striking subparagraph (A) and re-
11 designating subparagraphs (B) and (C) as sub-
12 paragraphs (A) and (B).

13 (B) Section 16(c)(5) of such Act (7 U.S.C.
14 2025(c)(5)) is amended—

15 (i) by striking “either incentive payments
16 under paragraph (1)(A) or”;

17 (ii) by striking “paragraph (1)(C)” each
18 place it appears and inserting “paragraph
19 (1)(B)”.

20 (C) Section 16(c)(6) of such Act (7 U.S.C.
21 2025(c)(6)) is amended—

22 (i) by striking “and incentive payments”
23 and all that follows through “(1)(C)” and in-
24 serting “and claims pursuant to paragraph
25 (1)”;

1 (ii) by striking “paragraph (1)(C)” and in-
2 serting “paragraph (1)(B)”.

3 (D) Section 16(c)(7) of such Act (7 U.S.C.
4 2025(c)(7)) is amended by striking “paragraph
5 (1)(C)” and inserting “paragraph (1)(B)”.

6 (E) Section 16 of such Act (7 U.S.C. 2025(c))
7 is amended by striking subsections (g) and (j).

8 (F) Section 23(a)(1) of such Act (7 U.S.C.
9 2032(a)(1)) is amended—

10 (i) in paragraph (1)(C), by striking “either
11 section 16(a) or 16(g)” and inserting “section
12 16(a)”; and

13 (ii) by striking subparagraph (E).

14 **SEC. 4. ALLOTMENT AND PAYMENT OF FUNDS UNDER**
15 **GRANT PROGRAM.**

16 (a) IN GENERAL.—

17 (1) BASIS FOR PAYMENTS IN INITIAL YEAR OF
18 APPLICABILITY.—The total amount payable to a
19 State under this Act for fiscal year 1994 shall be
20 that amount which bears the same ratio to the
21 amount available pursuant to section 2 for that year
22 as the allowable administrative amounts determined
23 to be payable to such State for the last two quarters
24 in fiscal year 1993 and the first two quarters in fis-
25 cal year 1994 (as defined in subsection (b), and sub-

1 ject to the limitation in subsection (c)) bear to the
2 total of such amounts for all States.

3 (2) PAYMENTS IN SUBSEQUENT YEARS.—The
4 total amount payable to a State under this Act for
5 each subsequent fiscal year shall be the amount pay-
6 able to the State under this subsection in the pre-
7 ceding year increased by the percentage increase in
8 the consumer price index for all urban consumers
9 (U.S. city average) for the 12-month period ending
10 with June of the previous year.

11 (3) TIMING; FREQUENCY.—Payments under
12 this section shall be made in accordance with section
13 203 of the Intergovernmental Cooperation Act of
14 1968 from amounts determined to be available to
15 the State under paragraph (1), and payments shall
16 be made at the same time and in the same frequency
17 as the Secretary determines appropriate for making
18 payments under section 403(b)(3) or section
19 1903(d)(2) of the Social Security Act.

20 (b) ALLOWABLE ADMINISTRATIVE AMOUNTS DE-
21 FINED.—

22 (1) IN GENERAL.—For purposes of subsection
23 (a)(1), the term “allowable administrative amount”
24 means (subject to paragraphs (2) and (3)), with re-
25 spect to a State, the amounts determined to be pay-

1 able to a State for the quarter specified is equal to
2 the sum of—

3 (A) payments to the State under section
4 403(a)(3) of the Social Security Act (excluding
5 any amounts determined under section
6 403(a)(3)(B) of such Act);

7 (B) payments to the State under para-
8 graphs (2), (3), (4), and (6) of section 1903(a)
9 of such Act (excluding amounts paid for the ac-
10 tivities described in paragraph (3)(A) of such
11 section); and

12 (C) payments to the State under section
13 16(a) of the Food Stamp Act of 1977 (exclud-
14 ing amounts retained by a State under such
15 section because of its collection or recovery ac-
16 tivities, and without regard to any adjustment
17 under section 16(c) of such Act or any amounts
18 paid under such section for the cost of inves-
19 tigations or prosecutions, or the cost of admin-
20 istering the food stamp program on all or part
21 of an Indian reservation).

22 (2) LIMITATION.—For purposes of paragraph
23 (1), in determining the amount of payments to a
24 State for a fiscal year, the State's expenditures shall
25 be considered only if amounts have been transferred

1 for grants under this Act for such year from sums
2 otherwise available (but for such transfer) for ad-
3 ministrative costs under title IV or title XIX of the
4 Social Security Act or under the Food Stamp Act of
5 1977.

6 (3) ELIMINATION OF ENHANCED ADMINISTRA-
7 TIVE PAYMENTS IN DETERMINING AMOUNT OF
8 GRANTS.—In carrying out this subsection, the Sec-
9 retary shall apply the Social Security Act and the
10 Food Stamp Act of 1977 as if the amendments to
11 those Acts made by section 3 had been in effect for
12 quarters beginning during 1993.

13 (c) TREATMENT OF AMOUNTS IN DISPUTE.—In the
14 event that there is a dispute between a State and the Sec-
15 retary (or the Secretary of Agriculture) with respect to
16 any such claim for payment which, if approved, would be
17 included in computing the State's allotment under sub-
18 section (a), the amount in dispute shall not be included
19 for purposes of making allotments under such subsection
20 for any year prior to the first year beginning after the
21 dispute is resolved.

22 **SEC. 5. REPORT ON INTENDED USE OF FUNDS AND ACTIVI-**
23 **TIES; AUDIT.**

24 (a) REPORT BY STATE.—Each State desiring to re-
25 ceive an allotment for any fiscal year under this Act shall

1 prepare a report on the intended use of such allotment.
2 Such report shall describe in general terms of goals to be
3 achieved and classes of administrative expenditures for
4 which funds received under the grant will be used. The
5 report shall assure that fiscal control and fund accounting
6 procedures will be established that are adequate to meet
7 the requirements of subsection (b). The report (for the
8 second and subsequent years for which an allotment is
9 sought under this Act) shall also include a description of
10 the State's activities under the Act in the fiscal year pre-
11 ceding the year for which such report is prepared and the
12 extent to which the goals it identified in the report for
13 such preceding year were achieved. The report shall be
14 made public within the State on a timely basis and in such
15 manner as to facilitate review by and comments from in-
16 terested persons and local governments on its content, and
17 a copy of the report will be provided to the Secretary.

18 (b) AUDITS.—Each State receiving a grant under
19 this Act shall biennially conduct a financial and compli-
20 ance audit of its expenditures from such grants. Such
21 State audits shall be conducted by an entity independent
22 of any State agency administering activities carried out
23 under this subsection, and in accordance with the Comp-
24 troller General's standards for auditing governmental or-
25 ganizations, programs, activities, and functions. The State

1 shall also make copies of the audit available for public in-
2 spection within the State.

3 **SEC. 6. INAPPLICABILITY OF SINGLE STATE AGENCY RE-**
4 **QUIREMENTS UNDER OTHER ACTS.**

5 Notwithstanding any other provision of the Social Se-
6 curity Act or of the Food Stamp Act of 1977, a State
7 plan approved under part A of title IV of the Social Secu-
8 rity Act, under title XIX of such Act, or a State plan of
9 operation required by section 11(d) of the Food Stamp
10 Act of 1977, shall not be regarded as failing to comply
11 with applicable requirements under such provisions solely
12 because the agency administering the grant provided
13 under this Act is not the same State agency otherwise re-
14 sponsible for the administration of such State plan.

15 **SEC. 7. CONFORMING AMENDMENTS.**

16 (a) AFDC.—Section 403(a)(3) of the Social Security
17 Act (42 U.S.C. 603(a)(3)) is amended by striking “plan—
18 ” and inserting “plan (except to the extent that payment
19 is made to the State for expenditures under this part dur-
20 ing quarters in the fiscal year under the Combined Wel-
21 fare Administration Act of 1993)—”.

22 (b) MEDICAID.—Section 1903(a)(3) of the Social Se-
23 curity Act (42 U.S.C. 1396b(a)(3)) is amended by striking
24 “(3)” and inserting “(3) except to the extent that payment
25 is made to the State for expenditures under this title dur-

1 ing quarters in the fiscal year under the Combined Wel-
2 fare Administration Act of 1993.”.

3 (c) FOOD STAMP PROGRAM.—Section 16 of the Food
4 Stamp Act of 1977 (7 U.S.C. 2025) is amended by adding
5 at the end the following new subsection:

6 “(j) Payments to a State under this section for quar-
7 ters in a fiscal year shall be reduced to the extent that
8 payment is made to the State for activities under this Act
9 during quarters in the fiscal year under the Combined
10 Welfare Administration Act of 1993.”.

11 **SEC. 8. DEFINITIONS.**

12 In this Act—

13 (1) except as otherwise provided, the term
14 “Secretary” means the Secretary of Health and
15 Human Services; and

16 (2) the term “State” means each of the several
17 States and the District of Columbia.

18 **SEC. 9. EFFECTIVE DATE.**

19 This Act shall apply to payments to States under part
20 B of title IV of the Social Security Act, title XIX of the
21 Social Security Act, and the Food Stamp Act of 1977 for
22 quarters in fiscal years beginning after fiscal year 1993.

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