

104TH CONGRESS
1ST SESSION

H. R. 759

To improve the effectiveness of Federal welfare efforts and increase citizen participation in fighting poverty.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 31, 1995

Mr. KNOLLENBERG (for himself, Mr. KOLBE, Mr. SMITH of Texas, and Mr. ISTOOK) introduced the following bill; which was referred to the Committee on Ways and Means and, in addition, to the Committees on Agriculture, Commerce, Economic and Educational Opportunities, Banking and Financial Services, the Judiciary, Resources, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To improve the effectiveness of Federal welfare efforts and increase citizen participation in fighting poverty.

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 “Common Sense
5 Welfare Reform Act of 1995”.

1 **TITLE I—CAPPING THE AGGRE-**
2 **GATE GROWTH OF WELFARE**
3 **SPENDING**

4 **SEC. 101. CAP ON GROWTH OF FEDERAL SPENDING ON**
5 **CERTAIN WELFARE PROGRAMS.**

6 (a) RESTRICTIONS ON SPENDING.—The total amount
7 of Federal spending for a fiscal year for the programs list-
8 ed in subsection (b) shall not exceed—

9 (1) in fiscal year 1996, an amount equal to the
10 sum of—

11 (A) the total Federal spending for fiscal
12 year 1995 on the programs listed in section
13 103;

14 (B) the total Federal spending for fiscal
15 year 1995 on the Head Start programs carried
16 out under the Head Start Act;

17 (C) the total Federal spending for fiscal
18 year 1995 on cash, medical, and social services
19 assistance furnished to refugees and entrants
20 under title IV of the Immigration and National-
21 ity Act and section 501 of the Refugee Edu-
22 cation Assistance Act of 1980; and

23 (D) the total Federal spending for fiscal
24 year 1995 on the special supplemental food pro-
25 gram for women, infants, and children carried

1 out under section 17 of the Child Nutrition Act
2 of 1966; and

3 (2) in fiscal year 1997 and succeeding fiscal
4 years, an amount equal to the sum of—

5 (A) the total Federal spending permitted
6 under this subsection for the preceding fiscal
7 year; and

8 (B) an adjustment for inflation.

9 The inflator used in the preceding sentence shall be
10 the percent by which the average of the estimated
11 gross national product fixed-weight price index for
12 that fiscal year differs from the average of such esti-
13 mated index for the preceding fiscal year.

14 (b) PROGRAMS SUBJECT TO SPENDING LIMIT.—The
15 programs listed in this subsection are the following:

16 (1) The welfare block grant program estab-
17 lished under section 102.

18 (2) The Head Start programs carried out under
19 the Head Start Act.

20 (3) The cash, medical, and social services as-
21 sistance programs for refugees and entrants under
22 title IV of the Immigration and Nationality Act and
23 section 501 of the Refugee Education Assistance Act
24 of 1980.

1 (4) The special supplemental food program for
2 women, infants, and children carried out under sec-
3 tion 17 of the Child Nutrition Act of 1966.

4 (5) The programs providing general assistance
5 to Indians under the Act of November 12, 1921 (25
6 U.S.C. 13; commonly known as the “Snyder Act”).

7 (6) The programs providing Indian health serv-
8 ices under the Indian Health Care Improvement Act
9 (25 U.S.C. 1601 et seq.).

10 (7) The programs providing Indian housing im-
11 provement grants.

12 (8) The programs providing Indian and Native
13 American employment training.

14 (c) RECONCILIATION OF GROWTH LIMITS.—

15 (1) ALLOCATIONS.—The joint explanatory
16 statement accompanying a conference report on a
17 concurrent resolution on the budget described in sec-
18 tion 301 of the Congressional Budget Act of 1974
19 for a fiscal year shall include allocations to each
20 committee based on the spending cap imposed by
21 subsection (a) for such fiscal year.

22 (2) RECONCILIATION DIRECTIVES.—The rec-
23 onciliation directives described in section 310 of the
24 Congressional Budget Act of 1974 shall specify re-
25 ductions for each committee necessary to comply

1 with the spending caps imposed by subsection (a) for
2 such fiscal year.

3 (3) CONSULTATION WITH COMMITTEES.—In
4 conducting any activities required under paragraphs
5 (1) and (2), the Committees on the Budget of the
6 House of Representatives and the Senate shall con-
7 sult with the following committees of Congress:

8 (A) The Committee on Ways and Means of
9 the House of Representatives.

10 (B) The Committee on Finance of the
11 Senate.

12 (C) The Committee on Agriculture of the
13 House of Representatives.

14 (D) The Committee on Agriculture, Nutri-
15 tion, and Forestry of the Senate.

16 (E) The Committee on Economic Oppor-
17 tunity of the House of Representatives.

18 (F) The Committee on Labor and Human
19 Resources of the Senate.

20 (G) The Committee on Banking and Fi-
21 nancial Services of the House of Representa-
22 tives.

23 (H) The Committee on Banking, Housing,
24 and Urban Affairs of the Senate.

1 (I) The Committee on Commerce of the
2 House of Representatives.

3 (J) The Committee on Resources of the
4 House of Representatives.

5 **SEC. 102. WELFARE BLOCK GRANT PROGRAM.**

6 (a) ENTITLEMENT.—Each State shall be entitled to
7 receive from the Secretary of the Treasury for each fiscal
8 year an amount equal to the welfare block grant amount
9 payable to the State for the fiscal year.

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

11 (1) WELFARE BLOCK GRANT AMOUNT.—The
12 term “welfare block grant amount” means, with re-
13 spect to a State and a fiscal year, an amount equal
14 to the amount described by subparagraph (A) multi-
15 plied by the amount described by subparagraph (B).

16 (A) WELFARE FUNDS AVAILABLE TO THE
17 STATE.—The amount described by this sub-
18 paragraph is the amount described in clause (i)
19 reduced by the amount described by clause (ii).

20 (i) STATE SHARE OF FEDERAL WEL-
21 FARE EXPENDITURES DURING FISCAL
22 YEAR 1995.—The amount described by this
23 clause is the amount described by
24 subclause (I) multiplied by the amount de-
25 scribed by subclause (II).

1 (I) FEDERAL WELFARE EXPEND-
2 ITURES DURING FISCAL YEAR 1995.—
3 The amount described by this
4 subclause is the aggregate of the
5 amounts expended during fiscal year
6 1995 under the provisions of law re-
7 pealed by section 103 and the pro-
8 grams eliminated by the amendments
9 made by subsections (c)(4) and (h)(8)
10 of section 103, as such provisions of
11 law and programs are in effect on
12 September 30, 1995.

13 (II) STATE SHARE.—The amount
14 described by this subclause is the ag-
15 gregate of the amounts paid to the
16 State during fiscal year 1995 under
17 such provisions of law and programs,
18 divided by the aggregate of the
19 amounts paid to all States during fis-
20 cal year 1995 under such provisions
21 of law and programs.

22 (ii) REDUCTION IN FEDERAL REVE-
23 NUES DUE TO CHARITABLE CONTRIBU-
24 TIONS TAX CREDITS ALLOWED TO CERTAIN
25 INDIVIDUALS DOMICILED IN THE STATE.—

1 The amount described by this clause is the
2 amount (if any) by which Federal revenues
3 are reduced for the fiscal year as a result
4 of credits allowed by section 23 of the In-
5 ternal Revenue Code of 1986 to individuals
6 who were domiciled in the State at the
7 time the charitable contribution in respect
8 of which the credit is allowed was made.

9 (B) INFLATION ADJUSTMENT.—The
10 amount described by this subparagraph is the
11 sum of 1 and the percentage (if any) by
12 which—

13 (i) the average of the Consumer Price
14 Index (as defined in section 1(f)(5) of the
15 Internal Revenue Code of 1986) for the
16 most recent 12-month period for which
17 such Index is available; exceeds

18 (ii) the average of such Index for the
19 corresponding 12-month period that ended
20 the applicable number of years earlier.

21 (2) APPLICABLE NUMBER OF YEARS.—The
22 term “applicable number of years” means the num-
23 ber of whole fiscal years that have elapsed since the
24 end of fiscal year 1995.

1 (3) STATE.—The term “State” includes the
2 District of Columbia, the Commonwealth of Puerto
3 Rico, the Commonwealth of the Northern Mariana
4 Islands, the United States Virgin Islands, Guam,
5 American Samoa, and the Trust Territory of the
6 Pacific Islands.

7 (c) AMOUNT AND TIMING OF GRANT PAYMENTS.—
8 The Secretary of the Treasury shall make the payments
9 required by subsection (a) at such times and in such man-
10 ner as the Secretary deems appropriate from the revolving
11 fund established under subsection (f).

12 (d) USE OF FUNDS.—Each State to which funds are
13 provided under this section shall use such funds to provide
14 assistance to individuals and families whose incomes do
15 not exceed 150 percent of the income official poverty line
16 (as defined by the Office of Management and Budget, and
17 revised annually in accordance with section 673(2) of the
18 Omnibus Budget Reconciliation Act of 1981) applicable
19 to a family of the size involved.

20 (e) COMPLIANCE WITH CIVIL RIGHTS LAWS RE-
21 QUIRED.—Each State to which funds are provided under
22 this section shall not violate any requirement established
23 by statute or regulation under the following Acts in pro-
24 viding aid using funds provided under this section:

25 (1) Title VI of the Civil Rights Act of 1965.

1 (2) Section 504 of the Rehabilitation Act of
2 1973.

3 (3) Title IX of the Education Amendments of
4 1972.

5 (4) The Age Discrimination Act of 1975.

6 (5) The Americans with Disabilities Act of
7 1990.

8 (f) REVOLVING FUND.—

9 (1) CREATION.—There is hereby established in
10 the Treasury of the United States a revolving fund
11 which shall be known as the “Welfare Revolving
12 Fund”, consisting of such amounts as may be appro-
13 priated to the revolving fund.

14 (2) LIMITATIONS ON AUTHORIZATION OF AP-
15 PROPRIATIONS.—There are authorized to be appro-
16 priated to the revolving fund for each fiscal year an
17 amount equal to the amount described by subsection
18 (b)(1)(A)(i)(I) for the fiscal year, multiplied by the
19 amount described by subsection (b)(1)(B) for the
20 fiscal year.

21 (3) PAYMENT OF COST OF CREDIT FOR CHARI-
22 TABLE CONTRIBUTIONS TO CERTAIN PRIVATE CHAR-
23 ITIES PROVIDING ASSISTANCE TO THE POOR.—On
24 July 15 of each fiscal year, the Secretary of the
25 Treasury shall make a payment to the Treasury of

1 the United States from the revolving fund of an
2 amount equal to the amount (if any) by which Fed-
3 eral revenues are reduced for the fiscal year as a re-
4 sult of the amendments made by section 201(a).

5 (4) PAYMENT OF WELFARE BLOCK GRANT.—
6 Except as provided in paragraph (3), amounts in the
7 revolving fund shall be available, as provided in ap-
8 propriation Acts, only for the payment of grants
9 under subsection (a).

10 (g) SUNSET.—This section shall have no force or ef-
11 fect at the end of the 5-year period that begins with the
12 effective date of this title.

13 **SEC. 103. ELIMINATION OF CERTAIN WELFARE PROGRAMS.**

14 (a) CASH AID.—

15 (1) AFDC.—Part A of title IV of the Social Se-
16 curity Act, except sections 403(h) and 417, (42
17 U.S.C. 601–617) is repealed.

18 (2) SSI.—Title XVI of the Social Security Act,
19 as in effect pursuant to the amendment made by
20 section 301 of the Social Security Amendments of
21 1972, (42 U.S.C. 1381–1383d) is repealed.

22 (3) FOSTER CARE AND ADOPTION ASSISTANCE
23 PROGRAMS.—Part E of title IV of the Social Secu-
24 rity Act (42 U.S.C. 470–479) is repealed.

1 (4) GRANTS TO TERRITORIES FOR AID TO THE
2 AGED.—Title I of the Social Security Act (42 U.S.C.
3 301–306) is repealed.

4 (5) GRANTS TO TERRITORIES FOR AID TO THE
5 BLIND.—Title X of the Social Security Act (42
6 U.S.C. 1201–1206) is repealed.

7 (6) GRANTS TO TERRITORIES FOR AID TO THE
8 TOTALLY DISABLED.—Title XIV of the Social Secu-
9 rity Act (42 U.S.C. 1351–1355) is repealed.

10 (7) GRANTS TO TERRITORIES FOR AID TO THE
11 AGED, BLIND, OR DISABLED.—Title XVI of the So-
12 cial Security Act, as in effect without regard to the
13 amendment made by section 301 of the Social Secu-
14 rity Amendments of 1972, (42 U.S.C. 1381 note,
15 1382 note, and 1383 note, 1384 note, and 1385
16 note) is repealed.

17 (b) MEDICAL AID.—

18 (1) MATERNAL AND CHILD HEALTH SERVICES
19 BLOCK GRANT PROGRAM.—Title V of the Social Se-
20 curity Act (42 U.S.C. 701–709) is repealed.

21 (2) COMMUNITY HEALTH CENTERS.—Section
22 330 of the Public Health Service Act (42 U.S.C.
23 254c) is repealed.

1 (3) MIGRANT HEALTH CENTERS.—Section 329
2 of the Public Health Service Act (42 U.S.C. 254b)
3 is repealed.

4 (c) FOOD AID.—

5 (1) FOOD STAMP PROGRAM.—The Food Stamp
6 Act of 1977 (7 U.S.C. 2011 et seq.) is repealed.

7 (2) SCHOOL LUNCH PROGRAM.—Sections 4, 6,
8 and 11 of the National School Lunch Act (42 U.S.C.
9 1753, 1755, and 1759a) are repealed.

10 (3) EMERGENCY FOOD ASSISTANCE PRO-
11 GRAM.—The Emergency Food Assistance Act of
12 1983 (7 U.S.C. 612c note) is repealed.

13 (4) NUTRITION PROGRAMS FOR THE ELDER-
14 LY.—The Older Americans Act of 1965 (42 U.S.C.
15 3001 et seq.) is amended—

16 (A) in section 205(a)—

17 (i) by striking paragraph (2), and

18 (ii) in paragraph (1)—

19 (I) by striking “(1)”, and

20 (II) by redesignating subpara-
21 graphs (A), (B), and (C) as para-
22 graphs (1), (2), and (3), respectively,
23 and

24 (B) in section 303 by striking subsections

25 (b) and (c),

1 (C) in section 304—

2 (i) in subsection (b) by striking “or
3 C”, and

4 (ii) in subsection (d)(1)(D) by striking
5 “, senior centers, and nutrition services”
6 and inserting “and senior centers”,

7 (D) in section 306(a)(1) by striking “, nu-
8 trition services,” each place it appears,

9 (E) in section 307(a) by striking para-
10 graph (13),

11 (F) in section 308—

12 (i) in subsection (b) by striking para-
13 graphs (4), (5), (6), and (7), and

14 (ii) by striking subsection (c),

15 (G) in title III by striking part C,

16 (H) in section 422(10)(ii) by striking sub-
17 paragraph (IV),

18 (I) in section 429B(d) by striking para-
19 graph (1), and

20 (J) in section 614(a) by striking paragraph
21 (8).

22 (5) SCHOOL BREAKFAST PROGRAM.—Section 4
23 of the Child Nutrition Act of 1966 (42 U.S.C. 1773)
24 is repealed.

1 (6) CHILD AND ADULT CARE FOOD PROGRAM.—
2 Section 17 of the National School Lunch Act (42
3 U.S.C. 1766) is repealed.

4 (7) SUMMER FOOD SERVICE PROGRAM FOR
5 CHILDREN.—Section 13 of the National School
6 Lunch Act (42 U.S.C. 1761) is repealed.

7 (8) COMMODITY SUPPLEMENTAL FOOD PRO-
8 GRAM FOR CHILDREN AND THE ELDERLY.—Sections
9 4 and 5 of the Agriculture and Consumer Protection
10 Act of 1973 (7 U.S.C. 612c note) are repealed.

11 (9) SPECIAL MILK PROGRAM.—Section 3 of the
12 Child Nutrition Act of 1966 (42 U.S.C. 1772) is re-
13 pealed.

14 (d) HOUSING AID.—

15 (1) SECTION 8 RENTAL ASSISTANCE AND PUB-
16 LIC HOUSING.—Title I of the United States Housing
17 Act of 1937 (42 U.S.C. 1437 et seq.) is repealed.

18 (2) RURAL SINGLE FAMILY HOUSING LOANS.—
19 Section 502 of the Housing Act of 1949 (42 U.S.C.
20 1472) is repealed.

21 (3) SECTION 236 INTEREST REDUCTION ASSIST-
22 ANCE.—Section 236 of the National Housing Act
23 (12 U.S.C. 1715z-1) is repealed.

1 (4) RURAL RENTAL HOUSING ASSISTANCE.—
2 Section 515 of the Housing Act of 1949 (42 U.S.C.
3 1485) is repealed.

4 (5) RURAL RENTAL ASSISTANCE PAYMENTS.—
5 Paragraph (2) of section 521(a) of the Housing Act
6 of 1949 (42 U.S.C. 1490a(a)(2)) is repealed.

7 (6) SECTION 235 HOMEOWNERSHIP ASSIST-
8 ANCE.—Section 235 of the National Housing Act
9 (12 U.S.C. 1715z) is repealed.

10 (7) RENT SUPPLEMENT ASSISTANCE.—Section
11 101 of the Housing and Urban Development Act of
12 1968 (12 U.S.C. 1701s) is repealed.

13 (8) RURAL HOUSING REPAIR ASSISTANCE.—
14 Section 504 of the Housing Act of 1949 (42 U.S.C.
15 1474) is repealed.

16 (9) FARM LABOR HOUSING LOANS.—Section
17 514 of the Housing Act of 1949 (42 U.S.C. 1483)
18 is repealed.

19 (10) RURAL HOUSING SELF-HELP TECHNICAL
20 ASSISTANCE.—Section 523 of the Housing Act of
21 1949 (42 U.S.C. 1490c) is repealed.

22 (11) FARM LABOR HOUSING GRANTS.—Section
23 516 of the Housing Act of 1949 (42 U.S.C. 1486)
24 is repealed.

1 (12) RURAL HOUSING PRESERVATION
2 GRANTS.—Section 533 of the Housing Act of 1949
3 (42 U.S.C. 1490m) is repealed.

4 (e) ENERGY AID.—

5 (1) LOW-INCOME HOME ENERGY ASSISTANCE
6 PROGRAMS.—The Low-Income Home Energy Assist-
7 ance Act of 1981 (42 U.S.C. 8621–8629) is re-
8 pealed.

9 (2) WEATHERIZATION ASSISTANCE PROGRAM.—
10 Part A of title IV of the Energy Conservation and
11 Production Act (42 U.S.C. 6861–6872), and the
12 items relating thereto in the table of contents of
13 such Act, are repealed.

14 (f) EDUCATION AID.—

15 (1) Subpart 1 of part A of title IV of the High-
16 er Education Act of 1965 (20 U.S.C. 1070a), relat-
17 ing to Pell grants, is repealed.

18 (2) Subpart 1 of part A of title I of the Ele-
19 mentary and Secondary Education Act of 1965 (20
20 U.S.C. 6311 et seq.) is repealed.

21 (3) Subpart 3 of part A of title IV of the High-
22 er Education Act of 1965 (20 U.S.C. 1070b–1 et
23 seq.), relating to Federal supplemental educational
24 opportunity grants, is repealed.

1 (4) Part C of title I of the Elementary and Sec-
2 ondary Education Act of 1965 (20 U.S.C. 6391 et
3 seq.) is repealed.

4 (5) Chapter 1 of subpart 2 of part A of title IV
5 of the Higher Education Act of 1965 (20 U.S.C.
6 1070a-11 to 1070a-18), relating to Federal TRIO
7 programs, is repealed.

8 (6) Subpart 4 of part A of title IV of the High-
9 er Education Act of 1965 (20 U.S.C. 1070c et seq.),
10 relating to grants to States for State student incen-
11 tives, is repealed.

12 (7) Part A of title IX of the Higher Education
13 Act of 1965 (20 U.S.C. 1134a et seq.), relating to
14 grants to institutions and consortia to encourage
15 women and minority participation in graduate edu-
16 cation, is repealed.

17 (g) JOBS AND TRAINING AID.—

18 (1) ADULT TRAINING PROGRAM.—Part A of
19 title II of the Job Training Partnership Act (29
20 U.S.C. 1601 et seq.) is repealed.

21 (2) SUMMER YOUTH EMPLOYMENT AND TRAIN-
22 ING PROGRAM.—Part B of title II of the Job Train-
23 ing Partnership Act (29 U.S.C. 1630 et seq.) is re-
24 pealed.

1 (3) JOB CORPS.—Part B of title IV of the Job
2 Training Partnership Act (29 U.S.C. 1691 et seq.)
3 is repealed.

4 (4) OLDER AMERICAN COMMUNITY SERVICE EM-
5 PLOYMENT PROGRAM.—Title V of the Older Ameri-
6 cans Act of 1965 (42 U.S.C. 501–511) is repealed.

7 (5) JOBS PROGRAM.—Part F of title IV of the
8 Social Security Act (42 U.S.C. 681–687) is repealed.

9 (6) NATIVE AMERICANS AND MIGRANT AND
10 SEASONAL FARMWORKERS PROGRAMS.—Sections
11 401 and 402 of the Job Training Partnership Act
12 (29 U.S.C. 1671 and 1672) are repealed.

13 (h) SOCIAL SERVICES.—

14 (1) BLOCK GRANTS TO STATES FOR SOCIAL
15 SERVICES.—Title XX of the Social Security Act (42
16 U.S.C. 1397–1397f) is repealed.

17 (2) COMMUNITY SERVICES BLOCK GRANT PRO-
18 GRAM.—The Community Services Block Grant Act
19 (42 U.S.C. 9901), other than sections 671 and 673
20 of such Act, is repealed.

21 (3) LEGAL SERVICES.—The Legal Services Cor-
22 poration Act of 1974 (42 U.S.C. 2996 et seq.) is
23 repealed.

24 (4) FEMA EMERGENCY FOOD AND SHELTER
25 PROGRAM.—Title III of the Stewart B. McKinney

1 Homeless Assistance Act (42 U.S.C. 11331 et seq.)
2 is repealed.

3 (5) RESEARCH REGARDING FAMILY PLANNING
4 AND POPULATION ISSUES.—Section 1004 of the
5 Public Health Service Act (42 U.S.C. 300a-2) is
6 repealed.

7 (6) VOLUNTARY FAMILY PLANNING
8 PROJECTS.—Section 1001 of the Public Health
9 Service Act (42 U.S.C. 300) is repealed.

10 (7) DOMESTIC VOLUNTEER SERVICE ACT.—The
11 Domestic Volunteer Service Act of 1973 (42 U.S.C.
12 4950 et seq.) is repealed.

13 (8) SUPPORTIVE SERVICES FOR OLDER INDI-
14 VIDUALS.—The Older Americans Act of 1965 (42
15 U.S.C. 3301 et seq.) is amended—

16 (A) in section 102(44) by striking “means
17 a service described in section 321(a)” and in-
18 serting the following:

19 “means—

20 “(A) a health (including mental health),
21 education and training, welfare, informational,
22 recreational, homemaker, counseling, or referral
23 service;

1 “(B) a transportation service to facilitate
2 access to a supportive services or a nutrition
3 service, or both;

4 “(C) a service designed to encourage and
5 assist older individuals to use the facilities and
6 services (including an information and assist-
7 ance service) available to them, including a lan-
8 guage translation service to assist older individ-
9 uals with limited-English speaking ability to ob-
10 tain a service under this title;

11 “(D) a service designed (i) to assist older
12 individuals to obtain adequate housing, includ-
13 ing residential repair and renovation projects
14 designed to enable older individuals to maintain
15 their homes in conformity with minimum hous-
16 ing standards; (ii) to adapt homes to meet the
17 needs of older individuals who have physical
18 disabilities; (iii) to prevent unlawful entry into
19 residences of older individuals, through the in-
20 stallation of security devices and through struc-
21 tural modifications or alterations of such resi-
22 dences; or (iv) to receive applications from older
23 individuals for housing under section 202 of the
24 Housing Act of 1959 (12 U.S.C. 1701Q);

1 “(E) a service designed to assist older indi-
2 viduals in avoiding institutionalization and to
3 assist individuals in long-term care institutions
4 who are able to return to their communities, in-
5 cluding client assessment through case manage-
6 ment and integration and coordination of com-
7 munity services such as preinstitution evalua-
8 tion and screening and home health services,
9 homemaker services, shopping services, escort
10 services, reader services, and letter writing serv-
11 ices, through resource development and man-
12 agement to assist such individuals to live inde-
13 pendently in a home environment;

14 “(F) a service designed to provide to older
15 individuals legal assistance and another coun-
16 seling service or assistance, including—

17 “(i) tax counseling and assistance, fi-
18 nancial counseling, and counseling regard-
19 ing appropriate health and life insurance
20 coverage;

21 “(ii) representation—

22 “(I) of individuals who are wards
23 (or are allegedly incapacitated); or

24 “(II) in guardianship proceedings
25 of older individuals who seek to be-

1 come guardians, if other adequate
2 representation is unavailable in the
3 proceedings; or

4 “(iii) provision, to older individuals
5 who provide uncompensated care to their
6 adult children with disabilities, of counsel-
7 ing to assist such older individuals with
8 permanency planning for such children;

9 “(G) a service designed to enable older in-
10 dividuals to attain and maintain physical and
11 mental well-being through programs of regular
12 physical activity, exercise, music therapy, art
13 therapy, and dance-movement therapy;

14 “(H) a service designed to provide health
15 screening to detect or prevent illnesses, or both,
16 that occur most frequently in older individuals;

17 “(I) a service designed to provide, for older
18 individuals, preretirement counseling and assist-
19 ance in planning for and assessing future post-
20 retirement needs with regard to public and pri-
21 vate insurance, public benefits, lifestyle
22 changes, relocation, legal matters, leisure time,
23 and other appropriate matters;

24 “(J) a service of an ombudsman at the
25 State level to receive, investigate, and act on

1 complaints by older individuals who are resi-
2 dents of long-term care facilities and to advo-
3 cate for the well-being of such individuals;

4 “(K) a service designed to meet the unique
5 needs of older individuals who are disabled, and
6 of older individuals who provide uncompensated
7 care to their adult children with disabilities;

8 “(L) a service to encourage the employ-
9 ment of older workers, including job and second
10 career counseling and, where appropriate, job
11 development, referral, and placement;

12 “(M) a crime prevention service or a victim
13 assistance program for older individuals;

14 “(N) a program, to be known as ‘Senior
15 Opportunities and Services’, designed to iden-
16 tify and meet the needs of low-income older in-
17 dividuals in one or more of the following areas:
18 (A) development and provision of new volunteer
19 services; (B) effective referral to existing health,
20 employment, housing, legal, consumer, trans-
21 portation, and other services; (C) stimulation
22 and creation of additional services and pro-
23 grams to remedy gaps and deficiencies in pres-
24 ently existing services and programs; and (D)
25 such other services as the Assistant Secretary

1 may determine are necessary or especially ap-
2 propriate to meet the needs of low-income older
3 individuals and to assure them greater self-
4 sufficiency;

5 “(O) a service for the prevention of abuse
6 of older individuals in accordance with chapter
7 3 of subtitle A of title VII and section
8 307(a)(16);

9 “(P) inservice training and State leader-
10 ship for legal assistance activities;

11 “(Q) a health and nutrition education serv-
12 ice, including information concerning preven-
13 tion, diagnosis, treatment, and rehabilitation of
14 age-related diseases and chronic disabling con-
15 ditions;

16 “(R) a service designed to enable mentally
17 impaired older individuals to attain and main-
18 tain emotional well-being and independent living
19 through a coordinated system of support serv-
20 ices;

21 “(S) a service designed to support family
22 members and other persons providing voluntary
23 care to older individuals that need long-term
24 care services;

1 “(T) a service designed to provide informa-
2 tion and training for individuals who are or
3 may become guardians or representative payees
4 of older individuals, including information on
5 the powers and duties of guardians and rep-
6 resentative payees and on alternatives to
7 guardianships;

8 “(U) a service to encourage and facilitate
9 regular interaction between school-age children
10 and older individuals, including visits in long-
11 term care facilities, multipurpose senior centers,
12 and other settings; or

13 “(V) any other service;
14 if such service meets standards prescribed by the As-
15 sistant Secretary and are necessary for the general
16 welfare of older individuals. For purposes of sub-
17 paragraph (E), the term ‘client assessment through
18 case management’ includes providing information re-
19 lating to assistive technology.”,

20 (B) in section 207(c)(4) by striking “sup-
21 portive services and”,

22 (C) in section 301(a)(1) by striking “, and
23 for the provision of,”,

24 (D) by striking section 303(a)—

25 (E) in section 304—

- 1 (i) by striking subsection (b), and
2 (ii) in subsection (d)(1)—
3 (I) by striking subparagraph (C),
4 and
5 (II) by striking subparagraph
6 (D),
7 (F) in section 306(a)—
8 (i) by striking paragraphs (1) and (2),
9 and
10 (ii) in paragraph (6) by striking sub-
11 paragraphs (L) and (M),
12 (G) in section 307(a)—
13 (i) in paragraph (10) by striking
14 “supportive services,” and
15 (ii) by striking paragraphs (14) and
16 (22),
17 (H) in title III by striking part B,
18 (I) in section 422(b)(11)(A)(ii)(V) by
19 striking “section 321(a)(21)” and inserting
20 “section 102(44)(U)”,
21 (J) in section 429D(b)(1) by striking
22 “under part B of title III,” and
23 (K) in section 429(H)(a) by striking para-
24 graph (3).
25 (i) COMMUNITY AID.—

1 (1) COMMUNITY DEVELOPMENT BLOCK GRANTS
2 AND URBAN DEVELOPMENT ACTION GRANTS.—Title
3 I of the Housing and Community Development Act
4 of 1974 (42 U.S.C. 5301 et seq.) is repealed.

5 (2) APPALACHIAN REGIONAL DEVELOPMENT
6 PROGRAM.—The Appalachian Regional Development
7 Commission is terminated and the Appalachian Re-
8 gional Development Act of 1965 (40 U.S.C. App. 1
9 et seq.) is repealed.

10 **SEC. 104. SAVINGS FROM WELFARE SPENDING LIMITS TO**
11 **BE USED FOR DEFICIT REDUCTION.**

12 (a) DEFICIT REDUCTION.—All savings to the Federal
13 Government resulting from the spending cap imposed
14 under section 101 shall be used for deficit reduction. Such
15 savings shall not be used to fund increased spending under
16 any programs that are not subject to the spending cap.

17 (b) TREATMENT ON THE PAYGO SCORECARD.—None
18 of the budgetary effects resulting from the enactment of
19 this title shall be counted for purposes of section 252 of
20 the Balanced Budgetary and Emergency Deficit Control
21 Act of 1985.

22 **SEC. 105. TRANSFER OF CERTAIN PROVISIONS.**

23 (a) PENALTIES FOR SUBSTANTIAL NONCOMPLIANCE
24 WITH STATE PLAN FOR CHILD AND SPOUSAL SUP-
25 PORT.—

1 (1) IN GENERAL.—Section 403(h) of such Act
2 (42 U.S.C. 603(h)) is hereby transferred to section
3 455 of such Act, inserted after subsection (b) of
4 such section 455, and redesignated as subsection (c).

5 (2) CONFORMING AMENDMENTS.—

6 (A) Section 455(c) of such Act (42 U.S.C.
7 655(c)), as added by paragraph (1) of this sub-
8 section, is amended—

9 (i) in paragraph (1)—

10 (I) by striking “Act” and insert-
11 ing “part”;

12 (II) by striking “part D” and in-
13 serting “this part”; and

14 (III) by striking “such part” and
15 inserting “this part”; and

16 (ii) by striking paragraph (3).

17 (B) Section 452(a)(4) of such Act (42
18 U.S.C. 652(a)(4)) is amended—

19 (i) by striking “403(h)(1)” and insert-
20 ing “455(c)(1)”; and

21 (ii) by striking “403(h)(2)” and in-
22 serting “455(c)(2)”.

23 (C) Section 452 of such Act (42 U.S.C.
24 652) is amended, in each of subsections (a)(4),

1 (d)(3)(A), (g)(1), and (g)(3)(A), by striking
2 “403(h)” and inserting “455(c)”.

3 (b) ASSISTANT SECRETARY FOR FAMILY SUPPORT.—

4 (1) IN GENERAL.—Section 417 of such Act (42
5 U.S.C. 617) is hereby transferred to section 452 of
6 such Act, added at the end of such section 452, and
7 redesignated as subsection (j).

8 (2) CONFORMING AMENDMENT.—Section 452(j)
9 of such Act (42 U.S.C. 652(j)), as added by para-
10 graph (1) of this subsection, is amended—

11 (A) by striking “ASSISTANT SECRETARY
12 FOR FAMILY SUPPORT”; and

13 (B) by striking “programs under this part,
14 part D, and part F” and inserting “program
15 under this part”.

16 **SEC. 106. EFFECTIVE DATE.**

17 This title and the amendments and repeals made by
18 this title shall take effect on the 1st day of the 1st fiscal
19 year that begins on or after the date of the enactment
20 of this Act.

1 **TITLE II—EMPOWERING TAX-**
2 **PAYERS TO PARTICIPATE IN**
3 **POVERTY RELIEF EFFORTS**

4 **SEC. 201. CREDIT FOR CHARITABLE CONTRIBUTIONS TO**
5 **CERTAIN PRIVATE CHARITIES PROVIDING**
6 **ASSISTANCE TO THE POOR.**

7 (a) IN GENERAL.—Subpart A of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 (relating to nonrefundable personal credits) is
10 amended by inserting after section 22 the following new
11 section:

12 **“SEC. 23. CREDIT FOR CERTAIN CHARITABLE CONTRIBU-**
13 **TIONS.**

14 “(a) IN GENERAL.—In the case of an individual,
15 there shall be allowed as a credit against the tax imposed
16 by this chapter for the taxable year an amount equal to
17 the qualified charitable contributions which are paid by
18 the taxpayer during the taxable year.

19 “(b) LIMITATION.—

20 “(1) IN GENERAL.—The credit allowed by sub-
21 section (a) for the taxable year shall not exceed the
22 lesser of—

23 “(A) the applicable percentage of the tax-
24 payer’s net regular tax for the taxable year, or

1 “(B) the applicable amount for such tax-
2 able year.

3 “(2) APPLICABLE PERCENTAGE; APPLICABLE
4 AMOUNT.—For purposes of paragraph (1), the term
5 ‘applicable percentage’ means the percentage deter-
6 mined in accordance with the following table:

In the case of taxable years beginning in calendar year:	The applicable percent- age is:	The applicable amount is:
1996	2 percent	\$ 500
1997	4 percent	1,000
1998	6 percent	1,500
1999	8 percent	2,000
2000	10 percent	2,500.

7 “(3) NET REGULAR TAX.—For purposes of
8 paragraph (1), the term ‘net regular tax’ means reg-
9 ular tax liability (as defined in section 26(b), re-
10 duced by the credits allowable under this subpart
11 (other than this section), subpart B, and subpart D.

12 “(c) QUALIFIED CHARITABLE CONTRIBUTION.—For
13 purposes of this section, the term ‘qualified charitable con-
14 tribution’ means any charitable contribution (as defined
15 in section 170(c)) made in cash to a qualified charity but
16 only if the amount of each such contribution, and the re-
17 cipient thereof, are identified on the return for the taxable
18 year during which such contribution is made.

19 “(d) QUALIFIED CHARITY.—

20 “(1) IN GENERAL.—For purposes of this sec-
21 tion, the term ‘qualified charity’ means, with respect

1 to the taxpayer, any organization described in sec-
2 tion 501(c)(3) and exempt from tax under section
3 501(a)—

4 “(A) which is certified by the Secretary as
5 meeting the requirements of paragraphs (2)
6 and (3), and

7 “(B) which is organized under the laws of
8 the State in which the taxpayer is domiciled at
9 the time the contribution is made and is exempt
10 from income taxation (if any) by such State.

11 “(2) CHARITY MUST PRIMARILY ASSIST THE
12 POOR.—An organization meets the requirements of
13 this paragraph only if the predominant activity of
14 such organization is the provision of services to indi-
15 viduals whose annual incomes do not exceed 150
16 percent of the official poverty line (as defined by the
17 Office of Management and Budget).

18 “(3) MINIMUM EXPENDITURE REQUIREMENT.—

19 “(A) IN GENERAL.—An organization meets
20 the requirements of this paragraph only if the
21 Secretary reasonably expects that the annual
22 exempt purpose expenditures of such organiza-
23 tion will not be less than 70 percent of the an-
24 nual aggregate expenditures of such organiza-
25 tion.

1 “(B) EXEMPT PURPOSE EXPENDITURE.—

2 For purposes of subparagraph (A)—

3 “(i) IN GENERAL.—The term ‘exempt
4 purpose expenditure’ means any expendi-
5 ture to carry out the activity referred to in
6 paragraph (2).

7 “(ii) EXCEPTIONS.—Such term shall
8 not include—

9 “(I) any administrative expense,

10 “(II) any expense for the purpose
11 of influencing legislation (as defined
12 in section 4911(d)),

13 “(III) any expense primarily for
14 the purpose of fundraising, and

15 “(IV) any expense for a legal
16 service provided on behalf of any indi-
17 vidual referred to in paragraph (2).

18 “(e) DONOR MAY NOT HAVE FINANCIAL INTEREST
19 IN CHARITY.—

20 “(1) IN GENERAL.—No credit shall be allowed
21 under this section for any contribution made to an
22 organization if the donor or any member of the do-
23 nor’s family is an officer or employee of such organi-
24 zation.

1 “(2) SELF-DEALING.—To the extent provided
2 by the Secretary by regulation, no credit shall be al-
3 lowed under this section for any contribution made
4 to an organization if—

5 “(A) the donor,

6 “(B) any member of the family of the
7 donor, or

8 “(C) any 35-percent controlled entity of
9 persons described in subparagraph (A) or (B),
10 engages in significant activities with respect to such
11 organization which are a type described in section
12 4941(d) (relating to self-dealing).

13 “(3) 35-PERCENT CONTROLLED ENTITY.—

14 “(A) IN GENERAL.—For purposes of para-
15 graph (2), the term ‘35-percent controlled en-
16 tity’ means—

17 “(i) a corporation in which persons
18 described in subparagraph (A) or (B) of
19 paragraph (2) own more than 35 percent
20 of the combined voting power,

21 “(ii) a partnership in which such per-
22 sons own more than 35 percent of the
23 profits interest, and

1 “(iii) a trust or estate in which such
2 persons own more than 35 percent of the
3 beneficial interest.

4 “(B) CONSTRUCTIVE OWNERSHIP
5 RULES.—Rules similar to the rules of para-
6 graphs (3) and (4) of section 4946(a) shall
7 apply for purposes of this paragraph.

8 “(4) MEMBER OF THE FAMILY.—For purposes
9 of this subsection, the members of an individual’s
10 family shall be determined under section 4946(d).

11 “(f) COORDINATION WITH DEDUCTION FOR CHARI-
12 TABLE CONTRIBUTIONS.—

13 “(1) CREDIT IN LIEU OF DEDUCTION.—The
14 credit provided by subsection (a) for any qualified
15 charitable contribution shall be in lieu of any deduc-
16 tion otherwise allowable under this chapter for such
17 contribution.

18 “(2) ELECTION TO HAVE SECTION NOT
19 APPLY.—A taxpayer may elect for any taxable year
20 to have this section not apply.”

21 (b) QUALIFIED CHARITIES REQUIRED TO PROVIDE
22 COPIES OF ANNUAL RETURN.—Subsection (e) of section
23 6104 of such Code (relating to public inspection of certain
24 annual returns and applications for exemption) is amend-
25 ed by adding at the end the following new paragraph:

1 “(3) CHARITIES RECEIVING CREDITABLE CON-
2 TRIBUTIONS REQUIRED TO PROVIDE COPIES OF AN-
3 NUAL RETURN.—

4 “(A) IN GENERAL.—Every qualified char-
5 ity (as defined in section 23(d)) shall, upon re-
6 quest of an individual made at an office where
7 such organization’s annual return filed under
8 section 6033 is required under paragraph (1) to
9 be available for inspection, shall provide a copy
10 of such return to such individual without charge
11 other than a reasonable fee for any reproduc-
12 tion and mailing costs. If the request is made
13 in person, such copies shall be provided imme-
14 diately and, if made other than in person, shall
15 be provided within 30 days.

16 “(B) PERIOD OF AVAILABILITY.—Subpara-
17 graph (A) shall apply only during the 3-year pe-
18 riod beginning on the filing date (as defined in
19 paragraph (1)(D) of the return requested).”

20 (c) CLERICAL AMENDMENT.—The table of sections
21 for subpart A of part IV of subchapter A of chapter 1
22 of such Code is amended by inserting after the item relat-
23 ing to section 22 the following new item:

 “Sec. 23. Credit for certain charitable contributions.”

24 (d) EFFECTIVE DATE.—The amendments made by
25 this section shall apply to contributions made after the

1 90th day after the date of the enactment of this Act in
2 taxable years ending after such date.

3 **TITLE III—PROMOTING STRONG**
4 **FAMILIES AND PARENTAL RE-**
5 **SPONSIBILITY**

6 **SEC. 301. ADDITIONAL EARNED INCOME CREDIT FOR MAR-**
7 **RIED INDIVIDUALS.**

8 (a) IN GENERAL.—Paragraph (1) of section 32(a) of
9 the Internal Revenue Code of 1986 (relating to earned in-
10 come credit) is amended to read as follows:

11 “(1) IN GENERAL.—There shall be allowed as a
12 credit against the tax imposed by this subtitle for
13 the taxable year an amount equal to the sum of—

14 “(A) in the case of an eligible individual,
15 an amount equal to the credit percentage of so
16 much of the taxpayer’s earned income for the
17 taxable year as does not exceed the earned in-
18 come amount, and

19 “(B) in the case of an eligible married in-
20 dividual, the applicable percentage of \$1,000.”.

21 (b) APPLICABLE PERCENTAGE.—Section 32(b) of the
22 Internal Revenue Code of 1986 (relating to percentages
23 and amounts) is amended by adding at the end the follow-
24 ing new paragraph:

1 “(3) APPLICABLE PERCENTAGE.—The applica-
2 ble percentage for any taxable year is equal to 100
3 percent reduced (but not below 0 percent) by 10 per-
4 centage points for each \$1,000 (or fraction thereof)
5 by which the taxpayer’s earned income for such tax-
6 able year exceeds \$16,000.”.

7 (c) ELIGIBLE MARRIED INDIVIDUALS.—Section
8 32(c) of the Internal Revenue Code of 1986 (relating to
9 definitions and special rules) is amended by adding at the
10 end the following new paragraph:

11 “(4) ELIGIBLE MARRIED INDIVIDUALS.—The
12 term ‘eligible married individual’ means an eligible
13 individual (determined without regard to paragraph
14 (1)(A)(ii))—

15 “(A) who is married (as defined in section
16 7703) and who has lived together with the indi-
17 vidual’s spouse at all times during such mar-
18 riage during the taxable year, and

19 “(B) has earned income for the taxable
20 year of at least \$8,500.”.

21 (d) CONFORMING AMENDMENTS.—

22 (1) Section 32(a)(2) of the Internal Revenue
23 Code of 1986 is amended by striking “paragraph
24 (1)” and inserting “paragraph (1)(A)”.

1 (2) Section 32(i) of such Code is amended to
2 read as follows:

3 “(i) INFLATION ADJUSTMENTS.—

4 “(1) IN GENERAL.—In the case of any taxable
5 year beginning after the applicable calendar year,
6 each dollar amount referred to in paragraph (2)(B)
7 shall be increased by an amount equal to—

8 “(A) such dollar amount, multiplied by

9 “(B) the cost-of-living adjustment deter-
10 mined under section 1(f)(3), for the calendar
11 year in which the taxable year begins, by sub-
12 stituting for ‘calendar year 1992’ in subpara-
13 graph (B) thereof—

14 “(i) ‘calendar year 1993’ in the case
15 of the dollar amounts referred to in para-
16 graph (2)(B)(i), and

17 “(ii) ‘calendar year 1994’ in the case
18 of the dollar amounts referred to in para-
19 graph (2)(B)(ii).

20 “(2) DEFINITIONS, ETC.—For purposes of
21 paragraph (1)—

22 “(A) APPLICABLE CALENDAR YEAR.—The
23 term ‘applicable calendar year’ means—

1 “(i) 1994 in the case of the dollar
2 amounts referred to in paragraph
3 (2)(B)(i), and

4 “(ii) 1995 in the case of the dollar
5 amounts referred to in paragraph
6 (2)(B)(ii).

7 “(B) DOLLAR AMOUNTS.—The dollar
8 amounts referred to in this subparagraph are—

9 “(i) each dollar amount contained in
10 subsection (b)(2)(A), and

11 “(ii) the \$16,000 amount contained in
12 subsection (b)(3) and the dollar amount
13 contained in subsection (c)(4)(B).

14 “(3) ROUNDING.—If any dollar amount after
15 being increased under paragraph (1) is not a mul-
16 tiple of \$10, such dollar amount shall be rounded to
17 the nearest multiple of \$10 (or, if such dollar
18 amount is a multiple of \$5, such dollar amount shall
19 be increased to the next higher multiple of \$10).”.

20 (e) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to taxable years beginning after
22 December 31, 1994.

1 **SEC. 302. NATIONAL REPORTING OF INFORMATION RELAT-**
2 **ING TO CHILD SUPPORT WITH RESPECT TO**
3 **CERTAIN EMPLOYEES.**

4 (a) MODIFIED W-4 REPORTING.—

5 (1) ESTABLISHMENT OF REPORTING SYSTEM.—

6 The Secretary of the Treasury, in consultation with
7 the Secretary of Labor, shall establish a system for
8 the reporting of information relating to child support
9 obligations of employees, that meets the require-
10 ments of this subsection.

11 (2) EMPLOYEE OBLIGATIONS.—

12 (A) EMPLOYEES SUBJECT TO CHILD SUP-
13 PORT WAGE WITHHOLDING.—The system shall
14 require each employee who owes a qualified
15 child support obligation to indicate, at the time
16 such obligation first arises or is modified, on a
17 W-4 form that the employee is otherwise re-
18 quired to file with the employer—

19 (i) the existence of the obligation;

20 (ii) the amount of the obligation;

21 (iii) the name and address of the per-
22 son to whom the obligation is owed; and

23 (iv) whether health care insurance is
24 available through the employer to the fam-
25 ily of the employee.

1 (B) EMPLOYEES IN DESIGNATED INDUS-
2 TRIES.—The system shall require each em-
3 ployee, who is employed in a State in an indus-
4 try that the State has designated pursuant to
5 section 466(a)(12)(A) of the Social Security Act
6 as one with respect to which universal employ-
7 ment reporting would improve child support en-
8 forcement in a cost-effective manner, to annu-
9 ally file with the employer a W-4 form indicat-
10 ing—

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

13 (ii) if so—

14 (I) the amount of the obligation;

15 (II) the name and address of the
16 person to whom the obligation is
17 owed; and

18 (III) whether health care insur-
19 ance is available through the employer
20 to the family of the employee.

21 (C) ONE-TIME UPDATING OF W-4 INFOR-
22 MATION OF ALL EMPLOYEES.—The system shall
23 require each employee to file with the employer,
24 during a period that the State in which the em-
25 ployee is employed has prescribed pursuant to

1 section 466(a)(12)(B) of the Social Security
2 Act, a W-4 form indicating—

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

5 (ii) if so—

6 (I) the amount of each such obli-
7 gation;

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

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

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

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

4 (A) within 10 days after such receipt, for-
5 ward the information to the agency, designated
6 pursuant to section 466(a)(11)(A) of the Social
7 Security Act, of the State in which the em-
8 ployee is employed by the employer; and

9 (B) withhold from the income of the em-
10 ployee the amount indicated on the W-4 form
11 (or, if the employer has received from the State
12 a notice that the amount is incorrect, such
13 other amount as the State indicates is to be so
14 withheld), in the manner described in section
15 466(b)(6)(A)(i) of such Act.

16 (4) NEW HIRES IN CERTAIN STATES EX-
17 CEPTED.—This subsection shall not apply with re-
18 spect to the employment in a State of any employee
19 not described in paragraph (2)(B) if the Secretary
20 of Health and Human Services determines that the
21 State—

22 (A) requires all employers in the State to
23 report to the State all basic employment infor-
24 mation on new hires;

1 (B) requires such information to be com-
2 pared with information in the State registry of
3 child support orders established pursuant to
4 section 466(a)(13) of the Social Security Act
5 and with requests from other States for infor-
6 mation on the location of noncustodial parents;

7 (C) maintains updated employment infor-
8 mation on all individuals employed in the State
9 in a manner that enables the State to effec-
10 tively respond to such requests; and

11 (D) requires all employers in the State, on
12 receipt of a notice from the State that an em-
13 ployee owes a qualified child support obligation,
14 to begin withholding from the income of the
15 employee the amount of the obligation, in the
16 manner described in section 466(b)(6)(A)(i) of
17 the Social Security Act.

18 (5) EFFECTIVE DATE.—This subsection shall
19 take effect on the 1st day of the 1st fiscal year that
20 begins on or after the date of the enactment of this
21 Act.

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

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

3 “(A) maintain the information provided by
4 employers pursuant to section 302(a)(3) of the
5 Common Sense Welfare Reform Act of 1995 in
6 accordance with regulations prescribed by the
7 Secretary which allow other States easy access
8 to the information through the Interstate Lo-
9 cate Network established under section 453(g)
10 of this Act; and

11 “(B) determine whether or not the infor-
12 mation described in subparagraph (A) of this
13 paragraph provided by an employer with respect
14 to an employee is accurate by comparing the in-
15 formation with the information on file in the
16 State registry of child support orders estab-
17 lished pursuant to section 466(a)(13) of this
18 Act, and—

19 “(i) if the information is confirmed by
20 the information on file in the registry, no-
21 tify any individual (or such individual’s
22 designee) who resides in the State and to
23 whom the employee has a legal obligation
24 to provide child support, of such informa-
25 tion;

1 “(ii) if the information is not so con-
2 firmed due to a discrepancy between the
3 information and a copy of a child support
4 order in the registry, notify the employer
5 of the discrepancy and the correct informa-
6 tion using the order developed under sec-
7 tion 452(a)(12) of this Act; or

8 “(iii) if the information is not so con-
9 firmed because the registry does not con-
10 tain a copy of an order that imposes a
11 child support obligation on the employee,
12 search the child support order registries
13 established pursuant to section 466(a)(13)
14 of this Act of the States in which the obli-
15 gation is most likely to have been imposed.

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

17 “(A) designate at least 1 industry, for pur-
18 poses of section 302(a)(2)(B) of the Common
19 Sense Welfare Reform Act of 1995, as an in-
20 dustry with respect to which universal employ-
21 ment reporting would improve child support en-
22 forcement in a cost-effective manner;

23 “(B) prescribe the period during which
24 individuals employed in the State are to be
25 required to file with their employers updated

1 W-4 forms as required by section 302(a)(2)(C)
2 of such Act; and

3 “(C) impose a fine—

4 “(i) against any individual employed
5 in the State who is required by section
6 302(a)(2) of such Act to file a W-4 form
7 with any employer of the individual and
8 fails to do so; and

9 “(ii) in an amount equal to the aver-
10 age cost of noncompliance (as determined
11 by the State) or \$25, whichever is the less-
12 er, on any employer who fails to comply
13 with section 302(a)(3) of such Act for any
14 month.”.

15 **SEC. 303. STATE INFORMATION SYSTEMS.**

16 (a) STATE REGISTRIES OF CHILD SUPPORT OR-
17 DERS.—Section 466(a) of the Social Security Act (42
18 U.S.C. 666(a)), as amended by section 302(b) of this Act,
19 is amended by inserting after paragraph (12) the follow-
20 ing:

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

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

1 “(B) at the request of an individual who
2 has or is owed a legal obligation to provide child
3 support (within the meaning of section 462(b)),
4 a copy of the order that imposes the obliga-
5 tion.”.

6 (b) ACCESSIBILITY OF STATE INFORMATION RELAT-
7 ED TO CHILD SUPPORT.—

8 (1) TO OTHER STATES.—Section 466(a) of such
9 Act (42 U.S.C. 666(a)), as amended by section
10 302(b)(1) of this Act and subsection (a) of this sec-
11 tion, is amended by inserting after paragraph (13)
12 the following:

13 “(14)(A) Procedures requiring all records of the
14 State to which the agency administering the plan
15 has access and determines may be useful in locating
16 noncustodial parents or collecting child support to be
17 made accessible to any agency of any State for such
18 purpose, through the Interstate Locate Network es-
19 tablished under section 453(g), in accordance with
20 safeguards established to prevent release of informa-
21 tion if the release might jeopardize the safety of any
22 individual.

23 “(B) The State may impose reasonable fees for
24 access to State records provided pursuant to sub-
25 paragraph (A).”.

1 (2) TO PRIVATE PARTIES.—Section 466(a) of
2 such Act (42 U.S.C. 666(a)), as amended by section
3 302(b)(1) of this Act, subsection (a) of this section,
4 and paragraph (1) of this subsection, is amended by
5 inserting after paragraph (14) the following:

6 “(15) Procedures under which—

7 “(A) noncustodial parents (and their des-
8 ignees) must be given access to State parent lo-
9 cator services to aid in the establishment or en-
10 forcement of visitation rights, in accordance
11 with safeguards established to prevent release
12 of information if the release might jeopardize
13 the safety of any individual; and

14 “(B) custodial parents (and their des-
15 ignees) must be given access to State parent lo-
16 cator services to aid in the establishment and
17 enforcement of child support obligations against
18 noncustodial parents.”.

19 **SEC. 304. NATIONAL INFORMATION SYSTEMS.**

20 (a) EXPANSION OF PARENT LOCATOR SERVICE.—

21 Section 453 of the Social Security Act (42 U.S.C. 653)
22 is amended—

23 (1) in subsection (a)—

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

25 and

1 (B) by striking “enforcing support obliga-
2 tions against such parent” and inserting “es-
3 tablishing parentage, establishing, modifying,
4 and enforcing child support obligations, and (2)
5 to any noncustodial parent (or the designee of
6 the noncustodial parent) information as to the
7 whereabouts of the custodial parent when such
8 information is to be used to locate such parent
9 for the purpose of enforcing child visitation
10 rights and obligations”;

11 (2) in subsection (b), by inserting after the 2nd
12 sentence the following: “Information shall not be
13 disclosed to a custodial parent or a noncustodial par-
14 ent if the disclosure would jeopardize the safety of
15 the child or either of such parents.”;

16 (3) in subsection (d), by inserting “and such
17 reasonable fees” after “such documents”; and

18 (4) by striking “absent parent” each place such
19 term appears and inserting “noncustodial parent”.

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

23 “(g) The Secretary shall establish an Interstate Lo-
24 cate Network linking the Parent Locator Service and all

1 State databases relating to child support enforcement,
2 which—

3 “(1) any State may use to—

4 “(A) locate any noncustodial parent who
5 has a legal obligation to provide child support
6 (as defined in section 462(b)), with respect to
7 whom such an obligation is being sought, or
8 against whom visitation rights are being en-
9 forced, by accessing the records of any Federal,
10 State, or other source of locate or child support
11 information, directly from one computer system
12 to another; or

13 “(B) direct a locate request to another
14 State or a Federal agency, or, if the source of
15 locate information is unknown, broadcast such
16 a request to selected States or to all States;

17 “(2) allows on-line and batch processing of lo-
18 cate requests, with on-line access restricted to cases
19 in which the information is needed immediately
20 (such as for court appearances), and batch process-
21 ing used to ‘troll’ databases to locate individuals or
22 update information periodically; and

23 “(3) enables courts to access information on the
24 Interstate Locate Network through a computer ter-
25 minal located in the court.”.

1 (c) INFORMATION SHARING REGULATIONS.—Section
2 452(a) of such Act (42 U.S.C. 652(a)) is amended—

3 (1) by striking “and” at the end of paragraph
4 (9);

5 (2) by striking the period at the end of the 2nd
6 sentence of paragraph (10) and inserting “; and”;
7 and

8 (3) by inserting after paragraph (10) the fol-
9 lowing:

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

13 “(A) to ensure that a State may broadcast
14 a request for information for the purpose of lo-
15 cating a noncustodial parent or collecting child
16 support, and receive a response to the request
17 in not more than 48 hours; and

18 “(B) to require a State that is attempting
19 to locate a noncustodial parent—

20 “(i) to compare all outstanding cases
21 with information in the employment
22 records of the State; and

23 “(ii) if, after complying with clause
24 (i), the State is unable to locate the
25 noncustodial parent, then—

1 “(I) if the State has reason to
2 believe that the noncustodial parent is
3 in another particular State or States,
4 to request such State or States for in-
5 formation on the noncustodial parent;
6 and

7 “(II) if not, to broadcast to all
8 States a request for such informa-
9 tion.”.

10 **SEC. 305. INCOME WITHHOLDING.**

11 (a) STATE ROLE.—Section 466(a) of the Social Secu-
12 rity Act (42 U.S.C. 666(a)), as amended by sections
13 302(b)(1) and 303 of this Act, is amended by inserting
14 after paragraph (15) the following:

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

17 “(A) collect child support pursuant to the
18 State plan; and

19 “(B) distribute, in accordance with section
20 457 and with all due deliberate speed, the
21 amounts collected as child support.

22 “(17) Procedures under which the State shall
23 require any court of the State that establishes or
24 modifies a child support order to transmit a copy of
25 the order to the State agency designated pursuant to

1 paragraph (18), unless the order does not provide
2 for income withholding, and the noncustodial parent
3 and the custodial parent object.

4 “(18) Procedures under which the State shall
5 designate a State agency to use the uniform income
6 withholding order developed under section
7 452(a)(12) to notify the agency administering the
8 State plan, any employer of an individual required to
9 pay child support through income withholding pursu-
10 ant to an order issued or modified in the State, and
11 the agency designated pursuant to paragraph (16) of
12 this subsection of each State in which such an em-
13 ployer is located, of—

14 “(A) the identity of the individual;

15 “(B) the amount to be withheld; and

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

18 (b) UNIFORM WITHHOLDING ORDER.—Section
19 452(a) of such Act (42 U.S.C. 652(a)), as amended by
20 section 304(c) of this Act, is amended—

21 (1) by striking “and” at the end of paragraph
22 (10);

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

1 (3) by inserting after paragraph (11) the fol-
2 lowing:

3 “(12) develop a uniform order to be used in all
4 cases in which income is to be withheld for the pay-
5 ment of child support, which shall—

6 “(A) contain the name of the individual
7 whose income is to be withheld, the number of
8 children covered by the order, and the individ-
9 ual or State to whom the withheld income is to
10 be paid, and

11 “(B) be in the form necessary to allow for
12 the service of the order on all sources of in-
13 come.”.

14 (c) STATES REQUIRED TO HAVE LAWS REQUIRING
15 EMPLOYERS TO WITHHOLD CHILD SUPPORT PURSUANT
16 TO UNIFORM INCOME WITHHOLDING ORDERS.—Section
17 466(b) of such Act (42 U.S.C. 666(b)) is amended—

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

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

24 (3) in paragraph (9)—

25 (A) by inserting “(A)” after “(9)”; and

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

2 “(B)(i) As a condition of doing business in the
3 State, any individual or entity engaged in commerce
4 in the State shall, upon receipt of a valid income
5 withholding order for any of its employees—

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

8 “(II) notwithstanding paragraph (4) of
9 this subsection, withhold, within 10 days after
10 receipt of the order, income from the employee
11 in the manner described in paragraph (6)(A)(i)
12 of this subsection.

13 “(ii) A valid income withholding order may be
14 served on the individual or entity directly or by first-
15 class mail.

16 “(iii) Any individual or entity who complies
17 with a valid income withholding order may not be
18 held liable for wrongful withholding of income from
19 the employee subject to the order.

20 “(iv) The State shall impose a civil fine in an
21 amount equal to the average cost of noncompliance
22 (as determined by the State) or \$25, whichever is
23 the lesser, on any such individual or entity who re-
24 ceives a valid income withholding order with respect
25 to an employee of the individual or entity, and who,

1 due to negligence, fails to comply with the order
2 within 10 days after receipt.

3 “(v) Any individual or entity who imposes a fee
4 for the administration of child support income with-
5 holding and related reporting of information shall
6 not collect more than the average cost of such ad-
7 ministration, as determined by the State.

8 “(vi) For purposes of this subparagraph, a valid
9 income withholding order is a withholding order de-
10 veloped under section 452(a)(12) that has been is-
11 sued by a court or agency of a State and is regular
12 on its face.”.

13 **SEC. 306. UNIFORM TERMS IN ORDERS.**

14 Section 452(a) of the Social Security Act (42 U.S.C.
15 652(a)), as amended by sections 304(c) and 305(b) of this
16 Act, is amended—

17 (1) in paragraph (11), by striking “and” after
18 the semicolon;

19 (2) in paragraph (12), by striking the period at
20 the end of the 2nd sentence and inserting “; and”;
21 and

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

23 “(13) develop, in conjunction with State execu-
24 tive and judicial organizations, a uniform abstract of
25 a child support order, for use by all State courts to

1 record, with respect to each child support order in
2 the child support order registry established under
3 section 466(a)(12)—

4 “(A) the date support payments are to
5 begin under the order;

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

8 “(C) the amount of child support payable
9 pursuant to the order expressed as a sum cer-
10 tain to be paid on a monthly basis, arrearages
11 expressed as a sum certain as of a certain date,
12 and any payback schedule for the arrearages;

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

15 “(E) if the award is in a lump sum, the
16 event causing a change in the support award
17 and the amount of any change;

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

19 “(G) the names of the parents subject to
20 the order;

21 “(H) the social security account numbers
22 of the parents;

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

1 “(J) the identification (FIPS code, name,
2 and address) of the court that issued the order;

3 “(K) any information on health care sup-
4 port required by the order; and

5 “(L) the party to contact if additional in-
6 formation is obtained.”.

7 **SEC. 307. EFFECTIVE DATE.**

8 (a) IN GENERAL.—Except as provided in subsection
9 (b), the amendments made by this title shall take effect
10 on the 1st day of the 1st fiscal year that begins on or
11 after the date of the enactment of this Act, and shall apply
12 to payments under part D of title IV of the Social Security
13 Act for calendar quarters beginning on or after such 1st
14 day, without regard to whether regulations to implement
15 such amendments are promulgated by such 1st day.

16 (b) DELAY PERMITTED IF STATE LEGISLATION RE-
17 QUIRED.—In the case of a State plan approved under part
18 D of title IV of the Social Security Act which the Sec-
19 retary of Health and Human Services determines requires
20 State legislation (other than legislation appropriating
21 funds) in order for the plan to meet the additional require-
22 ments imposed by the amendments made by this title, the
23 State plan shall not be regarded as failing to comply with
24 the requirements of such part solely on the basis of the
25 failure of the plan to meet such additional requirements

1 before the 1st day of the 1st calendar quarter beginning
2 after the close of the 1st regular session of the State legis-
3 lature that begins after the effective date of this title. For
4 purposes of the previous sentence, in the case of a State
5 that has a 2-year legislative session, each year of such ses-
6 sion shall be deemed to be a separate regular session of
7 the State legislature.

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