

103D CONGRESS  
1ST SESSION

# S. 596

To amend title IV of the Social Security Act to provide improved child welfare services, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

MARCH 16 (legislative day, MARCH 3), 1993

Mr. ROCKEFELLER (for himself, Mr. BOND, Mr. RIEGLE, Mr. BRADLEY, Mr. DECONCINI, Mr. DASCHLE, Mr. JEFFORDS, Mr. SIMON, Mr. KOHL, Mrs. FEINSTEIN, Mr. MITCHELL, Mr. KERRY, Mr. CAMPBELL, and Mr. CONRAD) 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 provide improved child welfare services, 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; REFERENCE; TABLE OF CON-**  
4       **TENTS.**

5       (a) SHORT TITLE.—This Act may be cited as the  
6       “Family Preservation and Child Protection Reform Act”.

7       (b) REFERENCE.—Except as otherwise expressly pro-  
8       vided, whenever in this Act an amendment or repeal is  
9       expressed in terms of an amendment to, or repeal of, a

1 section or other provision, the reference shall be consid-  
 2 ered to be made to a section or other provision of the So-  
 3 cial Security Act.

4 (c) TABLE OF CONTENTS.—The table of contents for  
 5 this Act is as follows:

- Sec. 1. Short title; reference; table of contents.
- Sec. 2. Findings.
- Sec. 3. Child welfare services designed to strengthen and preserve families, and substance abuse prevention and treatment.
- Sec. 4. Grant program for State court systems to assess and improve procedures in child welfare cases.
- Sec. 5. State directory of services.
- Sec. 6. Required protections for foster children.
- Sec. 7. States required to report on measures taken to comply with the Indian Child Welfare Act.
- Sec. 8. Reports on child welfare services and expenditures.
- Sec. 9. Involvement of private parties in the development of State plans.
- Sec. 10. Comprehensive service projects.
- Sec. 11. Dissolved adoptions.
- Sec. 12. Extension of definition of children with special needs.
- Sec. 13. Study of reasonable efforts requirement by advisory committee.
- Sec. 14. Adoption expense deduction.
- Sec. 15. Periodic reevaluation of foster care maintenance payments.
- Sec. 16. Case review system requirements.
- Sec. 17. Health care plans for foster children.
- Sec. 18. Placement accountability.
- Sec. 19. Independent living.
- Sec. 20. Elimination of foster care ceilings and of authority to transfer unused foster care funds to child welfare services programs.
- Sec. 21. Regulations for training of agency staff and of foster and adoptive parents.
- Sec. 22. Foster and adoptive parent training.
- Sec. 23. Child welfare traineeships.
- Sec. 24. Publication of program data.
- Sec. 25. Review of child welfare activities.
- Sec. 26. Automated systems.
- Sec. 27. Research and evaluations.
- Sec. 28. Child welfare demonstration projects.
- Sec. 29. Demonstration of independent living services for young adults.
- Sec. 30. Home rebuilders demonstration project.
- Sec. 31. Commission on childhood disability.
- Sec. 32. Effect of failure to carry out State plan.

## 6 **SEC. 2. FINDINGS.**

7 The Congress finds that:

1           (1) Child abuse and neglect is a growing na-  
2           tional crisis of dangerous and costly proportions, as  
3           an alarming number of America's children are be-  
4           coming the innocent victims of families shattered by  
5           poverty, unemployment, homelessness, drugs, vio-  
6           lence, isolation, and despair.

7           (2) More than 2,600,000 children, or 7,381  
8           each day, were reportedly abused or neglected in  
9           1991, an increase of more than 150 percent in a  
10          decade; and 1,383 children, or more than 3 each  
11          day, and most of them under one year of age, died  
12          from abuse or neglect in 1991.

13          (3) Parental substance abuse has become a  
14          major factor in child abuse and neglect; and as  
15          many as 15 percent of newborns have been exposed  
16          in utero to crack cocaine, marijuana, and other ille-  
17          gal drugs.

18          (4) More than 400,000 children who have been  
19          abused, neglected, abandoned, or troubled now live  
20          in out-of-home foster care, an increase of more than  
21          50 percent over the last 5 years; and more than  
22          30,000 vulnerable children are now awaiting adop-  
23          tion.

24          (5) Skyrocketing caseloads have overwhelmed  
25          the State child welfare systems responsible for the

1 care and protection of abused, neglected, and vulner-  
2 able children and troubled families; and Federal sup-  
3 port for comprehensive child welfare services have  
4 been severely limited.

5 (6) Comprehensive services to support families  
6 should be offered to help prevent abuse, neglect, and  
7 family disintegration.

8 (7) Substance abuse prevention and treatment  
9 must be provided for pregnant and parenting women  
10 in order to prevent the birth of drug-exposed babies,  
11 and reduce the incidence of child abuse, neglect,  
12 family separation, and violence.

13 (8) It is estimated that every \$1 spent on alco-  
14 hol and drug treatment saves \$11.54 in health and  
15 criminal justice costs.

16 (9) Quality foster care, adoption assistance, and  
17 independent living services should be provided to en-  
18 sure that abused, neglected, and troubled children  
19 and youth receive the help and support such children  
20 and youth need to become healthy and productive  
21 adults.

1 **SEC. 3. CHILD WELFARE SERVICES DESIGNED TO**  
 2 **STRENGTHEN AND PRESERVE FAMILIES, AND**  
 3 **SUBSTANCE ABUSE PREVENTION AND TREAT-**  
 4 **MENT.**

5 (a) IN GENERAL.—Part B of title IV (42 U.S.C.  
 6 620–628) is amended—

7 (1) by striking the heading and inserting the  
 8 following:

9 **“PART B—CHILD WELFARE SERVICES**

10 **“Subpart 1—Child Welfare Services”;**

11 (2) in section 423(a) (42 U.S.C. 623(a)), by  
 12 striking “this part” and inserting “this subpart”;

13 (3) in section 428(b) (42 U.S.C. 628(b)), by in-  
 14 serting “or 432, as appropriate” after “421”; and

15 (4) by adding at the end the following:

16 **“Subpart 2—Innovative Family Services**

17 **“SEC. 430. ENTITLEMENT.**

18 “(a) IN GENERAL.—For payments to which States  
 19 are entitled under this subpart, there shall be available  
 20 to the Secretary an amount equal to the sum of—

21 “(1) the innovative services amount for the fis-  
 22 cal year;

23 “(2) the substance abuse amount for the fiscal  
 24 year; and

25 “(3) the respite care amount for the fiscal year.

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

1           “(1) INNOVATIVE SERVICES AMOUNT.—The  
2       term ‘innovative services amount’ means—

3                   “(A) for fiscal year 1994, \$95,000,000;

4                   “(B) for fiscal year 1995, \$235,000,000;

5                   “(C) for fiscal year 1996, \$320,000,000;

6                   “(D) for fiscal year 1997, \$340,000,000;

7                   “(E) for fiscal year 1998, \$385,000,000;

8       and

9                   “(F) for fiscal year 1999 and each suc-  
10       ceeding fiscal year, \$365,000,000, increased by  
11       the percentage (if any) by which—

12                   “(i) the average of the Consumer  
13       Price Index (as defined in section 1(f)(5)  
14       of the Internal Revenue Code of 1986) for  
15       the 12-month period ending on June 30 of  
16       the immediately preceding fiscal year; ex-  
17       ceeds

18                   “(ii) the average of the Consumer  
19       Price Index (as so defined) for the 12-  
20       month period ending on June 30, 1997.

21           “(2) SUBSTANCE ABUSE AMOUNT.—The term  
22       ‘substance abuse amount’ means—

23                   “(A) for fiscal year 1994, \$40,000,000;

24                   “(B) for fiscal year 1995, \$90,000,000;

25                   “(C) for fiscal year 1996, \$110,000,000;

1 “(D) for fiscal year 1997, \$115,000,000;

2 “(E) for fiscal year 1998, \$125,000,000;

3 and

4 “(F) for fiscal year 1999 and each suc-  
5 ceeding fiscal year, \$125,000,000, increased by  
6 the percentage (if any) by which—

7 “(i) the average of the Consumer  
8 Price Index (as defined in section 1(f)(5)  
9 of the Internal Revenue Code of 1986) for  
10 the 12-month period ending on June 30 of  
11 the immediately preceding fiscal year; ex-  
12 ceeds

13 “(ii) the average of the Consumer  
14 Price Index (as so defined) for the 12-  
15 month period ending on June 30, 1997.

16 “(3) RESPITE CARE AMOUNT.—The term ‘res-  
17 pite care amount’ means—

18 “(A) for fiscal year 1995, \$30,000,000;

19 “(B) for fiscal year 1996, \$55,000,000;

20 “(C) for fiscal year 1997, \$65,000,000;

21 “(D) for fiscal year 1998, \$85,000,000;

22 and

23 “(E) for fiscal year 1999 and each suc-  
24 ceeding fiscal year, \$85,000,000, increased by  
25 the percentage (if any) by which—

1 “(i) the average of the Consumer  
 2 Price Index (as defined in section 1(f)(5)  
 3 of the Internal Revenue Code of 1986) for  
 4 the 12-month period ending on June 30 of  
 5 the immediately preceding fiscal year; ex-  
 6 ceeds

7 “(ii) the average of the Consumer  
 8 Price Index (as so defined) for the 12-  
 9 month period ending on June 30, 1997.

10 **“SEC. 431. ELIGIBILITY FOR FUNDS.**

11 “(a) INNOVATIVE SERVICES AMOUNT.—

12 “(1) SUBMISSION OF STATE PLAN AMEND-  
 13 MENTS.—To be eligible to receive funds from its al-  
 14 lotment of the innovative services amount for any  
 15 fiscal year, a State shall submit to the Secretary for  
 16 approval, as an amendment to the State plan under  
 17 this part, a detailed description of the services that  
 18 the State intends to provide through the use of such  
 19 funds during the fiscal year that includes—

20 “(A) a strategy for the fiscal year to im-  
 21 prove the coordination of services to families in  
 22 the State any child of which has been or is at  
 23 risk of being placed outside the home, with  
 24 other State programs and services;



1           “(B) an assurance that the State will not  
2           use any of such funds to supplant Federal,  
3           State, or local funds used for similar purposes;

4           “(C) an explanation of how such funds will  
5           be used, during the fiscal year, to expand serv-  
6           ices available to such families, including—

7                   “(i) a description of the service pro-  
8                   grams to be provided through the use of  
9                   such funds;

10                   “(ii) the goals of the programs; and

11                   “(iii) a description of the populations  
12                   to which the programs will be targeted,  
13                   with an assurance that the populations will  
14                   consist of—

15                           “(I)(aa) families any child of  
16                           which is in foster care;

17                           “(bb) families any child of which  
18                           has been in foster care; or

19                           “(cc) families any child of which  
20                           is at risk of being placed in foster  
21                           care; and

22                           “(II) such other kinds of families  
23                           as the State may select; and

24           “(D) such other information as the Sec-  
25           retary may require by regulation.

1           “(2) DEADLINE FOR SUBMISSION.—To be eligi-  
2           ble to receive funds from its allotment of the innova-  
3           tive services amount for a fiscal year, a State shall  
4           comply with paragraph (1)—

5                   “(A) for fiscal year 1994, not later than  
6                   such date as the Secretary may require; and

7                   “(B) for any succeeding fiscal year, not  
8                   later than the July 1 of the immediately preced-  
9                   ing fiscal year.

10           “(3) REPORT ON GOALS.—Not later than such  
11           date as the Secretary may require, each State which  
12           receives funds under this subpart shall submit to the  
13           Secretary a report containing a statement of goals  
14           that the State expects to achieve during the 5-year  
15           period beginning with fiscal year 1994 through the  
16           use of such funds.

17           “(b) SUBSTANCE ABUSE AMOUNT.—To be eligible to  
18           receive funds from the allotment to a State of the sub-  
19           stance abuse amount for any fiscal year, the Governor of  
20           the State shall provide to the Secretary (in such form as  
21           the Secretary may prescribe) written assurances that—

22                   “(1) the total amount of funds expended by the  
23                   State (and any political subdivision thereof) from  
24                   non-Federal sources to provide nonmedical substance  
25                   abuse treatment support services for the fiscal year

1 will not be less than the total amount so expended  
 2 for the immediately preceding fiscal year; and

3 “(2) an individual who is referred by a State  
 4 agency described in section 422(b)(1) to a program  
 5 provided with funds from the allotment shall be  
 6 given priority in admission to the program.

7 **“SEC. 432. ALLOTMENTS TO STATES.**

8 “The Secretary shall allot separately the innovative  
 9 services amount, the substance abuse amount, and the res-  
 10 pite care amount for any fiscal year, as follows:

11 “(1) ALLOTMENTS TO TERRITORIES.—The al-  
 12 lotment for any fiscal year to each of the jurisdic-  
 13 tions of Puerto Rico, Guam, the Virgin Islands, the  
 14 Northern Mariana Islands, and American Samoa  
 15 shall be determined in the same manner in which  
 16 the allotment to the jurisdiction is determined under  
 17 section 421.

18 “(2) OTHER ALLOTMENTS.—

19 “(A) IN GENERAL.—The allotment for any  
 20 fiscal year to each other State shall—

21 “(i) in the case of the innovative serv-  
 22 ices amount, equal—

23 “(I) the innovative services  
 24 amount for the fiscal year that re-  
 25 mains unallotted after the application

1 of paragraph (1) of this section; mul-  
2 tiplied by

3 “(II) the food stamp percentage  
4 of the State for the fiscal year;

5 “(ii) in the case of the substance  
6 abuse amount, equal—

7 “(I) the substance abuse amount  
8 for the fiscal year that remains  
9 unallotted after the application of  
10 paragraph (1) of this section; multi-  
11 plied by

12 “(II) the food stamp percentage  
13 of the State for the fiscal year; and

14 “(iii) in the case of the respite care  
15 amount, equal—

16 “(I) the respite care amount for  
17 the fiscal year that remains unallotted  
18 after the application of paragraph (1)  
19 of this section; multiplied by

20 “(II) a ratio equal to—

21 “(aa) the average number of  
22 children in the State who re-  
23 ceived foster care maintenance  
24 payments under section 472 for  
25 the most recent 3-year period for

1 which such information is avail-  
2 able; divided by

3 “(bb) the average number of  
4 children in the United States who  
5 received foster care maintenance  
6 payments under section 472 for  
7 such 3-year period.

8 “(B) FOOD STAMP PERCENTAGE DE-  
9 FINED.—As used in subparagraph (A), the  
10 term ‘food stamp percentage’ means, with re-  
11 spect to a State and a fiscal year, the average  
12 number of children receiving food stamp bene-  
13 fits in the State for the 4th, 3rd, and 2nd pre-  
14 ceding fiscal years, as determined from sample  
15 surveys made under section 16(c) of the Food  
16 Stamp Act of 1977, expressed as a percentage  
17 of the average number of children receiving  
18 food stamp benefits in all of the States (to  
19 which this paragraph applies) for such preced-  
20 ing fiscal years, as so determined.

21 **“SEC. 433. REALLOTMENTS.**

22 “(a) IN GENERAL.—The amount of any allotment to  
23 a State under section 432 for any fiscal year which the  
24 State has not expended by the end of the immediately suc-  
25 ceeding fiscal year shall be available for reallotment, from

1 time to time, on such dates as the Secretary may fix, to  
2 other States which the Secretary determines—

3 “(1) in the case of the innovative services  
4 amount and the substance abuse amount, have com-  
5 plied with section 431 for the 2nd succeeding fiscal  
6 year;

7 “(2) need sums exceeding the sums allotted to  
8 such States under sections 421 and 432 for the 2nd  
9 succeeding fiscal year, to carry out their State plans  
10 under this part for the 2nd succeeding fiscal year;  
11 and

12 “(3) will be able to use such excess sums during  
13 the 2nd or 3rd succeeding fiscal year.

14 “(b) DISTRIBUTION FORMULA.—Any amount avail-  
15 able for reallocation shall be reallocated among the other  
16 States referred to in subsection (a) on the same basis as  
17 allotments are made under section 432.

18 “(c) TREATMENT OF REALLOTMENTS.—Any amount  
19 reallocated to a State under this section is deemed to be  
20 part of the allotment of the State under section 432.

21 **“SEC. 434. PAYMENTS TO STATES.**

22 “(a) IN GENERAL.—

23 “(1) INNOVATIVE SERVICES AMOUNT.—From  
24 the sums made available pursuant to section 430(a)  
25 for any fiscal year, each State which has complied

1 with section 431 for the fiscal year shall be entitled  
2 to receive from the Secretary from the allotment to  
3 the State under section 433 of the innovative serv-  
4 ices amount, and the Secretary shall from time to  
5 time pay to the State, an amount equal to 75 per-  
6 cent of the total amount expended by the State dur-  
7 ing the fiscal year under the plan (including admin-  
8 istrative costs) in accordance with section 435.

9 “(2) SUBSTANCE ABUSE AMOUNT.—From the  
10 sums made available pursuant to section 430(a) for  
11 any fiscal year, the Governor of each State which  
12 has a plan developed in accordance with section 422  
13 and has complied with section 431 for the fiscal year  
14 shall be entitled to receive from the Secretary from  
15 the allotment to the State under section 433 of the  
16 substance abuse amount, and the Secretary shall  
17 from time to time pay to the Governor of the State,  
18 an amount equal to 75 percent of the total amount  
19 expended by the State in accordance with section  
20 436 during the fiscal year.

21 “(3) RESPITE CARE AMOUNT.—From the sums  
22 made available pursuant to section 430(a) for any  
23 fiscal year, each State which has a plan developed in  
24 accordance with section 422 and has complied with  
25 section 431 for the fiscal year shall be entitled to re-

1       ceive from the Secretary from the allotment to the  
2       State under section 433 of the respite care amount,  
3       and the Secretary shall from time to time pay to the  
4       State, an amount equal to 75 percent of the total  
5       amount expended by the State in accordance with  
6       section 437 during the fiscal year.

7       “(b) ADMINISTRATIVE PROVISIONS.—

8               “(1) ESTIMATES.—Before each calendar quar-  
9       ter, the Secretary shall estimate the amount to be  
10      paid with respect to each State under this section  
11      for the quarter.

12             “(2) PAYMENTS.—From that portion of each  
13      allotment of each State, the Secretary shall pay the  
14      amount estimated under paragraph (1), reduced or  
15      increased, as the case may be, by any sum (not pre-  
16      viously adjusted under this subsection) by which the  
17      Secretary finds that any such estimate for a prior  
18      quarter was greater or less than the amount which  
19      should have been paid with respect to the State  
20      under this subsection for such prior quarter.

21             “(c) AVAILABILITY OF FUNDS.—The amount to  
22      which a State is entitled under this part for a fiscal year  
23      shall remain available to the State for the fiscal year and  
24      the immediately succeeding fiscal year.



1 **“SEC. 435. INNOVATIVE SERVICES.**

2 “(a) IN GENERAL.—Each State which receives funds  
3 paid to the State under section 434(a)(1) shall use the  
4 funds to plan, develop, expand, operate, or evaluate—

5 “(1) service programs designed to help chil-  
6 dren—

7 “(A) where appropriate, return to families  
8 (including adoptive families) from which they  
9 have been removed; or

10 “(B) be placed for adoption, with a legal  
11 guardian, or, if adoption or legal guardianship  
12 is determined not to be appropriate for a child,  
13 in some other planned, permanent living ar-  
14 rangement;

15 “(2) preplacement preventive services programs,  
16 such as intensive family preservation programs, that  
17 are designed to help children at risk of foster care  
18 placement remain with their families (including  
19 adoptive families);

20 “(3) service programs designed to provide fol-  
21 low-up care to families (including adoptive families)  
22 to whom a child has been returned after a foster  
23 care placement; or

24 “(4) family support services to strengthen the  
25 functioning of a family (including an adoptive or fos-  
26 ter care family), such as—

1           “(A) services designed to improve  
2           parenting skills;

3           “(B) respite care; and

4           “(C) adult mentoring services by adult vol-  
5           unteers to low-income or at-risk children or  
6           young adults who are in need of additional, on-  
7           going contact with adult role models.

8           “(b) MAINTENANCE OF EFFORT.—Notwithstanding  
9           section 434, the amount that would otherwise be paid to  
10          a State under section 434(a)(1) shall be reduced by the  
11          sum of—

12           “(1) any amount paid to the State under sec-  
13          tion 434 which is used to supplant any Federal,  
14          State, or local funds used for purposes similar to  
15          those for which the innovative services amount is  
16          made available; and

17           “(2) the amount (if any) by which the total  
18          amount expended by the State and the political sub-  
19          divisions thereof from State and local sources for the  
20          provision of child welfare services (excluding foster  
21          care maintenance payments and adoption assistance  
22          payments) during any fiscal year is less than the  
23          total amount so expended during fiscal year 1992.

1 **“SEC. 436. COMPREHENSIVE SUBSTANCE ABUSE TREAT-**  
2 **MENT PROGRAMS FOR PREGNANT WOMEN**  
3 **AND CARETAKER PARENTS.**

4 “(a) IN GENERAL.—Each State which receives funds  
5 paid to the State under section 434(a)(2) shall use the  
6 funds to plan, develop, expand, operate, or evaluate a  
7 qualified comprehensive substance abuse treatment pro-  
8 gram, and to provide nonmedical substance abuse treat-  
9 ment support services for qualified individuals under the  
10 program.

11 “(b) REPORTS.—The Secretary shall require each  
12 State with respect to which payments under section  
13 434(a)(2) are received to report (in such manner and form  
14 and at such time as the Secretary determines to be appro-  
15 priate) such information as may be necessary to permit  
16 the Secretary and the Congress to evaluate the operation  
17 and effectiveness of the program and services provided  
18 pursuant to this section, including—

19 “(1) the number of individuals participating in  
20 the program in the State;

21 “(2) any limits imposed by the State on the  
22 number of individuals who may enroll in the pro-  
23 gram; and

24 “(3) the number of individuals on any waiting  
25 list maintained by the State for participation in the  
26 program.

1 “(c) DEFINITIONS.—As used in this section:

2 “(1) NONMEDICAL SUBSTANCE ABUSE TREAT-  
3 MENT SUPPORT SERVICES.—The term ‘nonmedical  
4 substance abuse treatment support services’  
5 means—

6 “(A) home visitation services, nutrition  
7 services, child care, and parenting education;

8 “(B) substance abuse prevention, treat-  
9 ment, and follow-up services (to the extent such  
10 services are not furnished under a State plan  
11 approved under title XIX); and

12 “(C) any other services (such as room and  
13 board at a residential substance abuse treat-  
14 ment facility for a qualified individual and,  
15 where appropriate, the individual’s child) that  
16 are determined by the State (in accordance with  
17 regulations promulgated by the Secretary) to be  
18 necessary and appropriate to support the par-  
19 ticipation of a qualified individual in a qualified  
20 comprehensive substance abuse treatment pro-  
21 gram.

22 “(2) QUALIFIED INDIVIDUAL.—The term ‘quali-  
23 fied individual’ means an individual who is—

1           “(A) a pregnant woman or caretaker par-  
2           ent who is eligible for medical assistance under  
3           a State plan approved under title XIX;

4           “(B) at the option of the State, any other  
5           pregnant woman or caretaker parent whose in-  
6           come does not exceed an amount specified by  
7           the State; and

8           “(C) where appropriate, any child of an in-  
9           dividual specified in subparagraph (A) or (B).

10          “(3) QUALIFIED COMPREHENSIVE SUBSTANCE  
11          ABUSE TREATMENT PROGRAM.—The term ‘qualified  
12          comprehensive substance abuse treatment program’  
13          means a program, established by a State, that—

14               “(A) makes available to qualified individ-  
15               uals (either directly or through arrangements  
16               with others) at least the following services:

17                       “(i) substance abuse prevention, treat-  
18                       ment, and follow up services (on an out-  
19                       patient basis and, at the option of the  
20                       State, in a residential facility);

21                       “(ii) prenatal, gynecological, and pedi-  
22                       atric medical services;

23                       “(iii) transportation; and

24                       “(iv) nonmedical substance abuse  
25                       treatment support services;

1           “(B) provides for appropriate coordination  
2           of substance abuse treatment-related medical  
3           services furnished to individuals under the pro-  
4           gram (under title V or XIX) and nonmedical  
5           substance abuse support services for which pay-  
6           ment may be made under section 434(a)(2);  
7           and

8           “(C) is administered by an agency (or  
9           agencies) designated by the Governor of the  
10          State.

11          “(4) CARETAKER PARENT.—The term ‘care-  
12          taker parent’ means a parent who personally pro-  
13          vides (or expects to provide) care for a child.

14      **“SEC. 437. RESPITE CARE.**

15          “(a) IN GENERAL.—Each State which receives funds  
16          paid to the State under section 434(a)(3) shall use the  
17          funds to provide respite care to any family which operates  
18          a foster family home for 1 or more foster children who  
19          the State determines have special needs, in accordance  
20          with all applicable State and local standards and guide-  
21          lines and in the least restrictive setting consistent with the  
22          special needs of such child or children.

23          “(b) RESPITE CARE DEFINED.—As used in sub-  
24          section (a), the term ‘respite care’ means, with respect to  
25          the family of a foster child, care authorized by a State,

1 or provided by a public or private agency designated by  
 2 a State, to provide temporary relief for the foster parent  
 3 caregiver or caregivers of the child.

4 **“SEC. 438. EVALUATIONS; REPORT.**

5       “(a) EVALUATIONS.—(1)(A) The Secretary shall, di-  
 6 rectly or under contract with 1 or more independent re-  
 7 search organizations, conduct evaluations of programs  
 8 carried out pursuant to section 435 in accordance with  
 9 criteria that the Secretary shall establish, and in accord-  
 10 ance with requirements that the Secretary shall prescribe  
 11 by regulation.

12       “(B) In developing the criteria referred to in para-  
 13 graph (1), the Secretary shall consult with—

14               “(i) individuals who administer programs under  
 15 this part and part E;

16               “(ii) private, nonprofit organizations with an in-  
 17 terest in child welfare; and

18               “(iii) other individuals and organizations with  
 19 recognized expertise in the evaluation of child wel-  
 20 fare services programs or other related programs.

21       “(2) Program evaluations conducted pursuant to  
 22 paragraph (1) shall—

23               “(A) use methodologies to measure outcomes  
 24 with respect to children and families who participate  
 25 in the programs referred to in paragraph (1) that

1 enable comparison with similar outcome measure-  
2 ments of children and families who have not received  
3 the services offered by such programs; and

4 “(B) include an assessment of family function-  
5 ing.

6 “(3) In carrying out the program evaluations de-  
7 scribed in paragraph (1), the Secretary shall ensure that,  
8 where appropriate and feasible, an appropriate portion of  
9 such evaluations shall use experimental and control groups  
10 (of a sample size determined in accordance with appro-  
11 priate statistical practices).

12 “(4)(A) The Secretary shall develop procedures to fa-  
13 cilitate the coordination of evaluations conducted by the  
14 Secretary and by the States.

15 “(B) Upon request by a State, the Secretary shall  
16 provide technical assistance to facilitate the planning and  
17 design of program evaluations under this subsection.

18 “(b) REPORT.—For fiscal year 1996, and annually  
19 thereafter until the programs authorized under this sec-  
20 tion are completed, the Secretary shall issue a report to  
21 the Committee on Finance of the Senate and the Commit-  
22 tee on Ways and Means of the House of Representatives  
23 that includes—



1           “(1) information concerning the status of eval-  
2       uations conducted by the Secretary under subsection  
3       (a);

4           “(2) findings from the evaluations;

5           “(3) information concerning the status of the  
6       evaluations conducted by States under this section;  
7       and

8           “(4) a summary of the findings from the State  
9       evaluations referred to in paragraph (3).

10       “(c) AUTHORIZATION OF APPROPRIATIONS.—There  
11     are authorized to be appropriated for each of the fiscal  
12     years 1994, 1995, 1996, 1997, and 1998, the sum of  
13     \$8,000,000 to carry out the purposes of this section.”.

14       (b) REPORT.—The Secretary of Health and Human  
15     Services shall, upon completion of a review of the evalua-  
16     tions conducted under section 438(a) of the Social Secu-  
17     rity Act by the Secretary and by States (but not later than  
18     December 1, 1997), submit a report to the Committee on  
19     Finance of the Senate and the Committee on Ways and  
20     Means of the House of Representatives that includes rec-  
21     ommendations for legislation to—

22           (1) improve child and family services provided  
23       under title IV of such Act to strengthen families;

1           (2) reduce the number of cases in which it is  
2           necessary to remove a child from home and place the  
3           child in foster care;

4           (3) promote the reunification of families of chil-  
5           dren who have been placed in foster care; and

6           (4) promote planned, permanent living arrange-  
7           ments for children, including adoption, where appro-  
8           priate.

9           (c) EFFECTIVE DATE.—The amendments made by  
10          subsection (a) shall take effect on October 1, 1993, and  
11          shall apply to payments under part B of title IV of the  
12          Social Security Act for fiscal year 1994 and to such pay-  
13          ments for any succeeding fiscal year.

14       **SEC. 4. GRANT PROGRAM FOR STATE COURT SYSTEMS TO**  
15                       **ASSESS AND IMPROVE PROCEDURES IN**  
16                       **CHILD WELFARE CASES.**

17          (a) IN GENERAL.—The Secretary of Health and  
18          Human Services (in this section referred to as the “Sec-  
19          retary”) shall make grants in accordance with this section  
20          to the highest State courts to conduct assessments of the  
21          procedures and functions of the State courts in carrying  
22          out parts B and E of title IV of the Social Security Act,  
23          and to implement recommendations for improvements in  
24          such procedures and functions based on the assessments.

1       (b) ASSESSMENTS.—The assessment described in this  
2 subsection is designed to assess how the State courts are  
3 performing the activities required of them by or under  
4 State laws enacted pursuant to parts B and E of title IV  
5 of the Social Security Act, and to make recommendations  
6 on how to improve the implementation of such parts,  
7 which shall include the following:

8           (1) A list of the requirements imposed on the  
9 State courts by or under State laws enacted pursu-  
10 ant to such parts, and a list of the State laws, regu-  
11 lations, and policies that govern the implementation  
12 of such requirements.

13          (2) A description of the extent to which State  
14 law requires procedural safeguards for children and  
15 their parents with respect to each type of proceeding  
16 held by State courts pursuant to the State laws re-  
17 ferred to in paragraph (1).

18          (3) A quantitative and qualitative evaluation of  
19 how each requirement of such parts is being carried  
20 out in the State, including the following:

21           (A) The circumstances under which, and  
22 the frequency with which, the procedural safe-  
23 guards described pursuant to paragraph (2) are  
24 provided.

1 (B) Whether, during court proceedings,  
2 evidence is presented and arguments are made  
3 that address the findings and determinations  
4 required by the State laws referred to in para-  
5 graph (1), and, if so, the amount and suffi-  
6 ciency of time devoted to the presentation of  
7 such evidence and the making of such argu-  
8 ments.

9 (C) The extent to which the procedures  
10 and practices of the State courts are reasonably  
11 in accord with recommended standards of na-  
12 tional organizations concerned with permanent  
13 placement for foster children.

14 (4) The effect of judicial caseloads and case as-  
15 signments on the quality of court proceedings.

16 (5) Recommendations on how to better meet  
17 the requirements of such parts, and to improve the  
18 implementation by the State courts of the State laws  
19 enacted pursuant to such parts, including any  
20 changes in law, regulation, procedure, judicial man-  
21 power, judicial case assignments, judicial caseloads,  
22 judicial data collection, judicial education, and re-  
23 quirements for court-appointed legal representatives  
24 for parents and children.

25 (c) APPLICATIONS.—

1           (1) FISCAL YEAR 1995.—In order for a highest  
2       State court to become eligible for a grant under this  
3       section for fiscal year 1995, the court shall submit  
4       to the Secretary an application which, at a mini-  
5       mum, contains the following:

6                   (A) A timetable for conducting and com-  
7       pleting the assessment described in subsection  
8       (b) during fiscal year 1995.

9                   (B) A budget for the assessment described  
10      in subsection (b), the method which is to be  
11      used to conduct the assessment, and a state-  
12      ment of how courts are to be selected for inclu-  
13      sion in the assessment.

14                  (C) A certification that the head of the  
15      State agency responsible for children in State-  
16      supervised foster care, and, if applicable, the  
17      State foster care citizen review board or the  
18      State organization of citizen review boards, has  
19      had an opportunity to review and comment on  
20      a draft of the application before its submission.  
21      Such certification must include a copy of such  
22      comments.

23                  (D) A description of how the court is to  
24      consult and cooperate with the head of the  
25      State agency responsible for children in State-

1 supervised foster care, and, if applicable, the  
2 State foster care citizen review board or the  
3 State organization of citizen review boards, in  
4 developing and conducting the assessment de-  
5 scribed in subsection (b).

6 (E) Such other information as the Sec-  
7 retary may require by regulation.

8 (2) FISCAL YEAR 1996.—In order for a highest  
9 State court to become eligible for a grant under this  
10 section for fiscal year 1996, the court shall submit  
11 to the Secretary an application which contains the  
12 following:

13 (A) A copy of the assessment described in  
14 subsection (b) that was conducted and com-  
15 pleted with funds provided under this section.

16 (B) A description of the steps that were  
17 taken during the conduct of the assessment de-  
18 scribed in subsection (b), and that will be taken  
19 in the fiscal year for which the application is  
20 submitted, to consult and cooperate with the  
21 State agency responsible for children in State-  
22 supervised foster care and, if applicable, the  
23 State foster care citizen review board or the  
24 State organization of citizen review boards.

1 (C) A specification of the steps that will be  
2 taken to implement the recommendations de-  
3 scribed in subsection (b)(5) made in the assess-  
4 ment described in subsection (b), and to make  
5 other improvements in the judicial handling of  
6 child welfare and foster care cases.

7 (D) Assurances that the applicant will—

8 (i) coordinate with the head of the  
9 State agency responsible for children in  
10 State-supervised foster care, and provide  
11 the agency with a report on the actions to  
12 be taken by the applicant to implement the  
13 recommendations of the assessment;

14 (ii) after completion of the assessment  
15 described in subsection (b), use funds re-  
16 ceived under this section to—

17 (I) implement the recommenda-  
18 tions of the assessment; and

19 (II) establish new activities or  
20 programs, or strengthen existing ac-  
21 tivities or programs, to carry out such  
22 recommendations; and

23 (iii) not use funds received under this  
24 section to supplant State or local funds  
25 used for similar purposes.

1           (E) Such other information as the Sec-  
2           retary may require by regulation.

3           (3) FISCAL YEARS 1997 AND 1998.—In order for  
4           a highest State court to become eligible for a grant  
5           under this section for fiscal year 1997 or 1998, the  
6           court shall submit to the Secretary an application  
7           which contains the following:

8                   (A) A description and evaluation of the ac-  
9                   tivities of the State courts under the grant  
10                  made with respect to an application submitted  
11                  under paragraph (2) in improving their imple-  
12                  mentation of parts B and E of title IV of the  
13                  Social Security Act.

14                  (B) A description of the steps that were  
15                  taken during the previous fiscal year, and that  
16                  will be taken in the year for which the applica-  
17                  tion is submitted, to consult and cooperate with  
18                  the head of the State agency responsible for  
19                  children in State-supervised foster care and, if  
20                  applicable, the State foster care citizen review  
21                  board or the State organization of citizen review  
22                  boards, in implementing the recommendations  
23                  made in the assessment described in subsection  
24                  (b).



1 (C) A specification of the remaining steps  
2 that will be taken to implement the rec-  
3 ommendations described in subsection (b)(5)  
4 made in the assessment described in subsection  
5 (b), and to make other related improvements in  
6 the judicial handling of child welfare and foster  
7 care cases.

8 (D) A reaffirmation of the assurances  
9 made pursuant to paragraph (2)(D).

10 (E) Such other information as the Sec-  
11 retary may require by regulation.

12 (d) GRANT AMOUNTS.—

13 (1) FISCAL YEAR 1995.—Of the amounts made  
14 available to carry out this section for fiscal year  
15 1995, each highest State court that submits an ap-  
16 plication which meets the requirements of subsection  
17 (c)(1) shall be entitled to, and the Secretary shall  
18 pay such court, a grant in an amount equal to—

19 (A) \$150,000; plus

20 (B) the amount which bears the same ratio  
21 to the remainder of such available amounts as  
22 the number of individuals in the State who have  
23 not attained the age of 21 years bears to the  
24 number of individuals who have not attained

1           such age in the States the highest State courts  
2           of which have so submitted such applications.

3           (2) FISCAL YEARS 1996, 1997, AND 1998.—Of the  
4           amounts made available to carry out this section for  
5           each of fiscal years 1996, 1997, and 1998, each  
6           highest State court that submits an application  
7           which meets the requirements of paragraph (2) or  
8           (3) of subsection (c) shall be entitled to, and the  
9           Secretary shall pay such court, a grant in an  
10          amount equal to—

11                   (A) \$170,000; plus

12                   (B) the amount which bears the same ratio  
13           to the remainder of the amounts available for  
14           the fiscal year as the number of individuals in  
15           the State who have not attained the age of 21  
16           years bears to the number of individuals who  
17           have not attained such age in the States the  
18           highest State courts of which have so submitted  
19           such applications.

20           (3) NO STATE MATCH REQUIRED FOR FISCAL  
21           YEAR 1995; REDISTRIBUTION OF UNUSED FUNDS.—  
22           Grant amounts under this section shall be paid to,  
23           and redistributed among, highest State courts in the  
24           same manner in which funds made available pursu-  
25           ant to section 420(b) of the Social Security Act are

1 paid to, and reallocated among, the States pursuant  
 2 to sections 423 and 424 of such Act, except that—

3 (A) for fiscal year 1995, section 423(a) of  
 4 such Act shall be applied by substituting “100  
 5 percentum” for “75 percentum”; and

6 (B) amounts shall be redistributed on the  
 7 same basis as amounts are distributed under  
 8 paragraph (1)(B) or (2)(B), and amounts so re-  
 9 distributed shall be treated as part of the  
 10 amounts distributed under paragraph (1)(B) or  
 11 (2)(B), whichever is applicable.

12 (e) USE OF GRANTS.—

13 (1) FISCAL YEAR 1995.—

14 (A) CONDUCT ASSESSMENT.—Except as  
 15 provided in subparagraph (B), each highest  
 16 State court which receives a grant applied for  
 17 under subsection (c)(1) shall use such grant to  
 18 conduct the assessment described in subsection  
 19 (b).

20 (B) AUTHORITY TO USE EXCESS GRANT  
 21 FUNDS TO IMPLEMENT RECOMMENDATIONS.—  
 22 Any highest State court which has grant funds  
 23 remaining after completing the assessment may  
 24 use the remainder of the grant to implement  
 25 the recommendations made as part of the as-

1            sessment, in fiscal year 1995 or fiscal year  
2            1996.

3            (2) FISCAL YEARS 1996, 1997, AND 1998.—Each  
4            highest State court which receives a grant applied  
5            for under paragraph (2) or (3) of subsection (c) for  
6            a fiscal year shall—

7                    (A) use the grant to implement the rec-  
8                    ommendations made as part of the assessment  
9                    described in subsection (b); and

10                    (B) expend such grant in the fiscal year or  
11                    in the immediately succeeding fiscal year.

12            (f) ADMINISTRATIVE PROVISIONS.—

13                    (1) GUIDELINES FOR GRANT APPLICATIONS.—  
14            Within 180 days after the effective date of this sec-  
15            tion, the Secretary shall issue guidelines for grant  
16            applications under subsection (c)(1) and transmit  
17            such guidelines to each highest State court.

18                    (2) PROMPT ACTION ON APPLICATIONS.—The  
19            Secretary shall take prompt action on each applica-  
20            tion for a grant under this section.

21            (g) DEFINITIONS.—As used in this section:

22                    (1) HIGHEST STATE COURT.—The term “high-  
23            est State court” means, with respect to a State, the  
24            State court with final appellate jurisdiction over civil  
25            matters in which State courts perform a function as-

1 signed by or under State laws enacted pursuant to  
2 part B or E of the Social Security Act.

3 (2) STATE.—The term “State” shall have the  
4 same meaning such term has for purposes of parts  
5 B and E of title IV of the Social Security Act.

6 (h) REPORTS TO THE CONGRESS.—The Secretary  
7 shall submit to the Congress a report not later than Sep-  
8 tember 30, 1999, on—

9 (1) the information obtained from the assess-  
10 ments conducted with grants made under this sec-  
11 tion; and

12 (2) the impact of the grant program under this  
13 section on the procedures and functions of the State  
14 courts in carrying out parts B and E of title IV of  
15 the Social Security Act.

16 (i) GRANTS FUNDED THROUGH INNOVATIVE SERV-  
17 ICES ENTITLEMENT FUNDS FOR CERTAIN FISCAL  
18 YEARS.—

19 (1) FISCAL YEAR 1995.—Of the sums made  
20 available pursuant to section 430 of the Social Secu-  
21 rity Act for fiscal year 1995, \$15,000,000 of the in-  
22 novative services amount (as defined in section  
23 430(b)(1) of such Act) shall be used solely to make  
24 grants to highest State courts under this section, be-  
25 fore applying section 432 of such Act.

1           (2) FISCAL YEARS 1996, 1997, AND 1998.—Of the  
 2       sums made available pursuant to section 430 of the  
 3       Social Security Act for each of fiscal years 1996,  
 4       1997, and 1998, \$20,000,000 of the innovative serv-  
 5       ices amount (as defined in section 430(b)(1) of such  
 6       Act) shall be used solely to make grants to highest  
 7       State courts under this section, before applying sec-  
 8       tion 432 of such Act.

9       (j) EFFECTIVE DATE.—This section shall take effect  
 10   on the date of the enactment of this Act.

11   **SEC. 5. STATE DIRECTORY OF SERVICES.**

12       (a) STATE PLAN REQUIREMENT.—Section 422(b)  
 13   (42 U.S.C. 622(b)) is amended—

14           (1) by striking “and” at the end of paragraph  
 15       (7);

16           (2) by striking the period at the end of para-  
 17       graph (8) and inserting “; and”; and

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

19           “(9) require the agency administering or super-  
 20       vising the administration of the plan, not less fre-  
 21       quently than every 2 years, to—

22           “(A) compile a detailed directory of those  
 23       service programs made available by the agency  
 24       or by local child welfare agencies to families  
 25       served by such agencies that are—

1           “(i) preplacement preventive services  
2           programs that are designed to help chil-  
3           dren at risk of foster care placement re-  
4           main with their families;

5           “(ii) service programs designed to  
6           help children—

7                   “(I) where appropriate, return to  
8                   families from which they have been  
9                   removed; or

10                   “(II) be placed for adoption, with  
11                   a legal guardian, or in some other  
12                   planned, permanent living arrange-  
13                   ment; or

14           “(iii) service programs designed to  
15           provide follow-up care to families to whom  
16           a child has been returned after a foster  
17           care placement;

18           “(B) identify in such directory which of  
19           the programs referred to in subparagraph (A)  
20           provides specialized child welfare services to  
21           families in crisis due to substance abuse;

22           “(C) include in such directory such infor-  
23           mation as the Secretary may require by rule;

24           “(D) include in such directory, for each of  
25           such programs—

1 “(i) the name and address of the pro-  
2 gram and the agency or organization that  
3 administers the program;

4 “(ii) a description of the services of-  
5 fered by the program;

6 “(iii) the number of individuals the  
7 program is capable of serving at one time;  
8 and

9 “(iv) a description of the criteria for  
10 eligibility for services under the program,  
11 including any priorities with respect to who  
12 will receive such services;

13 “(E) arrange the information in the direc-  
14 tory geographically; and

15 “(F) provide a copy of such directory to  
16 the Secretary and to all judges and other judi-  
17 cial administrators, and all State agencies, that  
18 are involved in child protection, foster care, and  
19 adoption cases.”.

20 (b) EFFECTIVE DATE.—The amendments made by  
21 subsection (a) shall take effect on October 1, 1994, and  
22 shall apply to payments under part B of title IV of the  
23 Social Security Act for fiscal year 1995 and to such pay-  
24 ments for any succeeding fiscal year.



1 **SEC. 6. REQUIRED PROTECTIONS FOR FOSTER CHILDREN.**

2 (a) ELIMINATION OF INCENTIVE FUNDING MECHA-  
3 NISMS.—

4 (1) IN GENERAL.—

5 (A) REPEAL.—Section 427 (42 U.S.C.  
6 627) is hereby repealed.

7 (B) CONFORMING AMENDMENT.—Section  
8 423(a) (42 U.S.C. 623(a)) is amended by strik-  
9 ing “and in section 427”.

10 (2) STATE PLAN REQUIRED TO PROVIDE FOR  
11 FOSTER CARE PROTECTIONS OF REPEALED SECTION  
12 427.—Section 422(b) (42 U.S.C. 622(b)), as amend-  
13 ed by section 5(a) of this Act, is amended—

14 (A) by striking “and” at the end of para-  
15 graph (8);

16 (B) by striking the period at the end of  
17 paragraph (9) and inserting “; and”; and

18 (C) by adding at the end the following:

19 “(10) provide that the State must—

20 “(A) conduct or have conducted an inven-  
21 tory of all children who have been in foster care  
22 under the responsibility of the State for a pe-  
23 riod of 6 months preceding the inventory, and  
24 determine or have determined—

25 “(i) the appropriateness of, and neces-  
26 sity for, the foster care placement;

1           “(ii) whether the child can or should  
2           be returned to the parents of the child or  
3           should be freed for adoption; and

4           “(iii) the services necessary to facili-  
5           tate either the return of the child or the  
6           placement of the child for adoption or legal  
7           guardianship;

8           “(B) implement and operate, to the satis-  
9           faction of the Secretary—

10           “(i) a statewide information system  
11           from which the status, demographic char-  
12           acteristics, location, and goals for the  
13           placement of every child who is in foster  
14           care, or who has been in such care within  
15           the preceding 12 months, can be readily  
16           determined;

17           “(ii) a case review system (as defined  
18           in section 475(5)) for each child receiving  
19           foster care under the supervision of the  
20           State;

21           “(iii) a service program designed to  
22           help children—

23           “(I) where appropriate, return to  
24           families from which they have been  
25           removed; or

1 “(II) be placed for adoption, with  
 2 a legal guardian, or in some other  
 3 planned, permanent living arrange-  
 4 ment; and

5 “(iv) a preplacement preventive serv-  
 6 ices program designed to help children at  
 7 risk of foster care placement remain with  
 8 their families; and

9 “(C)(i) review or have reviewed State laws,  
 10 State administrative and judicial procedures,  
 11 and agency legal representation in effect for  
 12 children abandoned at or shortly after birth;  
 13 and

14 “(ii) develop and implement such laws and  
 15 procedures as the State determines are nec-  
 16 essary to enable lasting permanent decisions to  
 17 be made expeditiously with respect to the place-  
 18 ment of such children;”.

19 (3) CONFORMING AMENDMENTS.—

20 (A) Section 472(d) (42 U.S.C. 672(d)) is  
 21 amended by striking “427(b)” and inserting  
 22 “422(b)(10)”.

23 (B) Section 425(a)(2) (42 U.S.C.  
 24 625(a)(2)) is amended by inserting “to comply  
 25 with section 422(b)(10) or” before “to comply”.

1 (c) EFFECTIVE DATE.—The amendments made by  
 2 this section shall take effect on October 1, 1995, and shall  
 3 apply to payments under parts B and E of title IV of the  
 4 Social Security Act for fiscal year 1996 and to such pay-  
 5 ments for any succeeding fiscal year.

6 (d) CONSTRUCTION OF SECTION.—This section and  
 7 the amendments made by this section shall not be con-  
 8 strued to permit any State to interrupt the provision of  
 9 the foster care protections described in section 427 of the  
 10 Social Security Act, as in effect before fiscal year 1996.

11 **SEC. 7. STATES REQUIRED TO REPORT ON MEASURES**  
 12 **TAKEN TO COMPLY WITH THE INDIAN CHILD**  
 13 **WELFARE ACT.**

14 (a) STATE PLAN REQUIREMENT.—Section 422(b)  
 15 (42 U.S.C. 622(b)), as amended by sections 5(a) and  
 16 6(a)(2) of this Act, is amended—

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

19 (2) by striking the period at the end of para-  
 20 graph (10) and inserting “; and”; and

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

22 “(11) contain a description, developed after  
 23 consultation with tribal organizations (as defined in  
 24 section 4 of the Indian Self-Determination and Edu-  
 25 cation Assistance Act) in the State, of the specific

1 measures taken by the State to comply with the In-  
2 dian Child Welfare Act.”.

3 (b) EFFECTIVE DATE.—The amendments made by  
4 subsection (a) shall take effect on October 1, 1994, and  
5 shall apply to payments under part B of title IV of the  
6 Social Security Act for fiscal year 1995 and to such pay-  
7 ments for any succeeding fiscal year.

8 **SEC. 8. REPORTS ON CHILD WELFARE SERVICES AND EX-**  
9 **PENDITURES.**

10 (a) POST-EXPENDITURE REPORTS.—

11 (1) IN GENERAL.—Part B of title IV (42  
12 U.S.C. 620–628) is amended by inserting after sec-  
13 tion 428 the following:

14 **“SEC. 429. REPORT ON EXPENDITURES.**

15 “(a) PREPARATION.—Each State shall prepare an-  
16 nual reports on the services provided with funds paid  
17 under this part (other than under section 434(a)(2)) dur-  
18 ing the most recently completed fiscal year, which shall  
19 be in such form and contain such information as the State  
20 finds necessary to—

21 “(1) provide an accurate description of such  
22 services;

23 “(2) secure a complete record of the purposes  
24 for which the funds were spent; and

1           “(3) enable a determination of the extent to  
2           which the funds were spent in a manner consistent  
3           with the information provided by the State pursuant  
4           to section 422(b)(5).

5           “(b) DISSEMINATION.—Not later than the date pre-  
6           scribed by the Secretary as the due date for each report  
7           required by subsection (a), each State shall—

8           “(1) transmit to the Secretary a copy of each  
9           such report;

10           “(2) make copies of each such report available  
11           for public inspection in the State; and

12           “(3) provide copies of each such report, upon  
13           request, to any interested public agency, which may  
14           provide to the Congress the views of such agency on  
15           any such report.

16           “(c) ESTABLISHMENT OF UNIFORM DEFINITIONS.—  
17           The Secretary shall, to the extent feasible, establish uni-  
18           form definitions of services for use by the States in prepar-  
19           ing the reports required by subsection (a) of this section,  
20           taking into consideration the uniform definitions estab-  
21           lished for the reports required by section 2006, and shall  
22           take such other steps as may be necessary or appropriate  
23           to ensure that compliance with this section will not be un-  
24           duly burdensome on the States.”.

1           (2) EFFECTIVE DATE.—The amendment made  
 2       by paragraph (1) shall take effect on October 1,  
 3       1994, and shall apply to expenditures under State  
 4       plans under part B of title IV of the Social Security  
 5       Act in or after fiscal year 1995.

6       (b) COMPARATIVE FINANCIAL CONTRIBUTION RE-  
 7       PORTS.—

8           (1) IN GENERAL.—Section 422(b) (42 U.S.C.  
 9       622(b)), as amended by sections 5(a), 6(a)(2), and  
 10      7(a) of this Act, is amended—

11           (A) by striking “and” at the end of para-  
 12      graph (10);

13           (B) by striking the period at the end of  
 14      paragraph (11) and inserting “; and”; and

15           (C) by adding at the end the following:

16           “(12) include information for the second fiscal  
 17      year preceding the fiscal year covered by the plan,  
 18      in such form as the Secretary may prescribe by reg-  
 19      ulation, on—

20           “(A) the aggregate amount expended by  
 21      the State and the political subdivisions thereof  
 22      for the provision of child welfare services (other  
 23      than foster care maintenance payments and  
 24      adoption assistance payments), broken down in  
 25      a manner that shows the extent to which such

1 amount was expended from funds provided by  
2 each of Federal, State, or local sources; and

3 “(B) the aggregate amount expended by  
4 the State and the political subdivisions thereof  
5 for foster care maintenance payments and  
6 adoption assistance payments, broken down in a  
7 manner that shows the extent to which such  
8 amount was expended from funds provided by  
9 each of Federal, State, or local sources.”.

10 (2) EFFECTIVE DATE.—The amendments made  
11 by paragraph (1) shall apply to State plans under  
12 part B of title IV of the Social Security Act for fis-  
13 cal year 1995 and to such plans for any succeeding  
14 fiscal year.

15 (3) REPORTS TO THE CONGRESS.—Section 422  
16 (42 U.S.C. 622) is amended by adding at the end  
17 the following:

18 “(c) The Secretary shall annually transmit to the  
19 Committee on Ways and Means of the House of Rep-  
20 resentatives and the Committee on Finance of the Senate  
21 a summary of the information received from States pursu-  
22 ant to subsection (b)(12), and shall make available to the  
23 public copies of the summary at a charge equal to the cost  
24 of printing.”.



1 **SEC. 9. INVOLVEMENT OF PRIVATE PARTIES IN THE DE-**  
 2 **VELOPMENT OF STATE PLANS.**

3 (a) IN GENERAL.—Section 422(b) (42 U.S.C.  
 4 622(b)), as amended by sections 5(a), 6(a)(2), 7(a), and  
 5 8(b)(1) of this Act, is amended—

6 (1) by striking “and” at the end of paragraph  
 7 (11);

8 (2) by striking the period at the end of para-  
 9 graph (12) and inserting “; and”; and

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

11 “(13) provide for the involvement and use of  
 12 the expertise of nonprofit organizations, and relevant  
 13 experts, involved in the delivery of services to chil-  
 14 dren and families, and consumers, in the develop-  
 15 ment of the plan.”.

16 **SEC. 10. COMPREHENSIVE SERVICE PROJECTS.**

17 (a) COMPREHENSIVE SERVICE PROJECTS.—

18 (1) IN GENERAL.—Title IV (42 U.S.C. 601–  
 19 687) is amended by inserting after part B the fol-  
 20 lowing:

21 **“PART C—COMPREHENSIVE SERVICE PROJECTS**

22 **“SEC. 441. COMPREHENSIVE SERVICE PROJECTS.**

23 “(a) IN GENERAL.—

24 “(1) PURPOSE.—The purpose of this section is  
 25 to grant not more than 3 States the flexibility and

1 resources necessary to develop comprehensive and  
2 coordinated services designed—

3 “(A) to preserve and strengthen families  
4 with children at risk of placement outside their  
5 home;

6 “(B) to reunite children with their families  
7 expeditiously if an out-of-home placement is  
8 found to be necessary; and

9 “(C) to place children in adoptive homes or  
10 other permanent arrangements in a timely fash-  
11 ion if reunification with their families is not ap-  
12 propriate.

13 “(2) METHOD.—The method of this section is  
14 to permit any State to apply to the Secretary for  
15 permission—

16 “(A) to conduct a comprehensive service  
17 project in accordance with this section in such  
18 area or areas of the State as the State may se-  
19 lect; and

20 “(B) to suspend certain requirements of  
21 parts B and E with respect to the activities of  
22 the State in such area or areas during the  
23 project.

24 “(3) ENTITLEMENT.—For payments to which  
25 States authorized to conduct projects under this sec-

1       tion are entitled under this part, there shall be avail-  
2       able to the Secretary for each fiscal year an amount  
3       equal to 10 percent of the aggregate of the amounts  
4       that would have been paid to such States under sec-  
5       tion 423 for the fiscal year, and the amounts that  
6       would have been paid to such States under section  
7       434 for the fiscal year, if the Secretary had ap-  
8       proved the State plans of such States under part B  
9       for the fiscal year and had not authorized such  
10      States to conduct projects under this section for the  
11      fiscal year.

12      “(b) APPLICATIONS.—Not later than 3 months before  
13      the fiscal year in which a State desires to commence a  
14      comprehensive services project under this section, the  
15      State may submit to the Secretary an application to con-  
16      duct the project which shall contain the following:

17              “(1) A plan and a timetable for assessing by  
18      the end of the fiscal year—

19                      “(A) whether procedures and policies of  
20              the child welfare agency of the State, or of the  
21              area or areas of the State in which the project  
22              is to be conducted, provide for the coordinated  
23              delivery of services to children and their fami-  
24              lies, and the specific barriers that must be over-  
25              come to ensure such coordination;

1           “(B) the service needs of families in the  
2           area or areas of the State in which the project  
3           is to be conducted whose child or children are  
4           at imminent risk of placement outside their  
5           home or are in an out-of-home placement in the  
6           child welfare, juvenile justice, or mental health  
7           system;

8           “(C) specific service programs available in  
9           the area or areas of the State in which the  
10          project is to be conducted that address the serv-  
11          ice needs of such families; and

12          “(D) the extent to which common prac-  
13          tices, policies, and procedures among the child  
14          welfare, juvenile justice, and mental health sys-  
15          tems in the area or areas of the State in which  
16          the project is to be conducted govern the as-  
17          sessment of children and their families, the pro-  
18          vision of case plans, the delivery of services to  
19          children and their families, and the periodic re-  
20          views of the services provided, particularly with  
21          regard to families whose child or children are at  
22          imminent risk of placement outside their home  
23          or are in an out-of-home placement;

24          “(2) a plan and a timetable for implementing,  
25          to the extent appropriate—

1           “(A) procedures and policies of the child  
2           welfare agency of the State, or of the area or  
3           areas of the State in which the project is to be  
4           conducted, that will result in the coordinated  
5           and efficient delivery of the range of child wel-  
6           fare services to families in the child welfare sys-  
7           tem;

8           “(B) a comprehensive services program de-  
9           signed to—

10           “(i) preserve and strengthen families  
11           with children at imminent risk of place-  
12           ment outside their home;

13           “(ii) reunite children with their fami-  
14           lies expeditiously if an out-of-home place-  
15           ment is found to be necessary;

16           “(iii) place children in adoptive homes  
17           or other permanent arrangements in a  
18           timely fashion if reunification with their  
19           families is not appropriate;

20           “(iv) meet the primary service needs  
21           of targeted families in the area or areas of  
22           the State in which the project is to be con-  
23           ducted who are in the child welfare, juve-  
24           nile justice, or mental health system and  
25           whose child or children are at imminent

1 risk of placement outside their home or are  
2 in an out-of-home placement; and

3 “(v) include, at a minimum, access to  
4 substance abuse treatment, parenting edu-  
5 cation, health, mental health, crisis man-  
6 agement, and counseling services;

7 “(C) a common assessment tool for  
8 targeting which children and families who come  
9 to the attention of the child welfare, juvenile  
10 justice, and mental health systems will partici-  
11 pate in the program described in subparagraph  
12 (B);

13 “(D) joint training of staff from the child  
14 welfare, mental health, and juvenile justice sys-  
15 tems who will be involved in the program de-  
16 scribed in subparagraph (B);

17 “(E) a system for delivering services under  
18 the program described in subparagraph (B) to  
19 families targeted for the program which ensures  
20 a single point of entry and uses a unified case  
21 management approach, and thereby minimizes  
22 unnecessary and duplicative assessments and  
23 services;

24 “(F) an information system to track chil-  
25 dren and families across systems who partici-

1           pate in the program described in subparagraph  
2           (B), which provides data, not less frequently  
3           than annually, on the number of children and  
4           families served from each system and the na-  
5           ture of the services provided; and

6           “(G) a mechanism by which to ensure that  
7           relevant information on the service and treat-  
8           ment needs and outcomes of children and their  
9           families which is developed through their par-  
10          ticipation in the program described in subpara-  
11          graph (B) is made available, as appropriate, to  
12          case managers and service providers in the rel-  
13          evant agencies who are charged with making  
14          service, placement, and other decisions with re-  
15          spect to the children and their families;

16          “(3) a statement of the specific outcomes the  
17          State expects by conducting the project, which shall  
18          include outcomes in at least the following areas—

19               “(A) an increase in the well-being of chil-  
20               dren;

21               “(B) a reduction in placements and ex-  
22               penditures for out-of-home care relative to what  
23               would have occurred otherwise;

24               “(C) an increase in the level and mix of  
25               preventive services available to families in the

1 child welfare, juvenile justice, and mental health  
2 systems; and

3 “(D) an increase in coordination and co-  
4 operation among the child welfare, juvenile jus-  
5 tice, and mental health agencies;

6 “(4) a specification of the area or areas of the  
7 State in which the project is to be conducted, in  
8 which must reside not fewer than 300,000 individ-  
9 uals in the aggregate at the time the application is  
10 submitted;

11 “(5) a certification that all cost savings result-  
12 ing from the project will be used to provide child  
13 welfare services to families;

14 “(6) a certification that the State will provide  
15 the Secretary with such information about the  
16 project and the State programs carried out pursuant  
17 to parts B and E as the Secretary may request;

18 “(7) a certification that—

19 “(A) the State will not use any funds pro-  
20 vided under this section to supplant any Fed-  
21 eral, State, or local funds used for similar pur-  
22 poses;

23 “(B) the aggregate amount expended from  
24 State and local sources by the State and the po-  
25 litical subdivisions thereof for the provision of



1 child welfare services (excluding foster care  
2 maintenance payments and adoption assistance  
3 payments) during any fiscal year will be not  
4 less than the aggregate amount so expended  
5 during fiscal year 1993; and

6 “(C) the aggregate amount expended from  
7 State and local sources by the State and the po-  
8 litical subdivisions thereof for the provision of  
9 child welfare services during any fiscal year will  
10 be not less than the aggregate amount so ex-  
11 pended during fiscal year 1993;

12 “(8) a certification that the individual or agen-  
13 cy referred to in section 422(b)(1)(A) shall have lead  
14 responsibility for the operation and administration of  
15 the project under this section;

16 “(9) a certification by the Governor of the State  
17 that project activities will be coordinated among the  
18 State child welfare, juvenile justice, and mental  
19 health agencies, and other appropriate State agen-  
20 cies; and

21 “(10) a list of those requirements of parts B  
22 and E which are to apply to the project, in addition  
23 to the requirements imposed by the provisions speci-  
24 fied in subsection (c)(6)(A) of this section.

25 “(c) ADMINISTRATIVE PROVISIONS.—

1           “(1) NOTIFICATION TO STATES OF APPLICA-  
2           TION REQUIREMENTS.—Not later than 6 months  
3           after the date of the enactment of this section, the  
4           Secretary shall prepare and transmit to each State  
5           a detailed explanation of the requirements for con-  
6           ducting a project under this section.

7           “(2) CONSIDERATION OF APPLICATIONS.—The  
8           Secretary shall consider all applications (and amend-  
9           ments thereto) received from States desiring to con-  
10          duct a project under this section.

11          “(3) AMENDMENT OF APPLICATIONS.—A State  
12          may, at any time and for any fiscal year, submit to  
13          the Secretary 1 or more amendments to any applica-  
14          tion submitted to the Secretary under this section.

15          “(4) APPROVAL OF APPLICATIONS.—

16                 “(A) IN GENERAL.—The Secretary shall  
17                 not approve any application of a State to con-  
18                 duct a project under this section, or any  
19                 amendment thereto, that does not meet the re-  
20                 quirements of this section to the satisfaction of  
21                 the Secretary.

22                 “(B) FREEDOM OF STATES TO SELECT  
23                 AREAS IN WHICH TO CONDUCT THE PROJECT.—  
24                 The Secretary may not, as a condition of ap-  
25                 proval of a State application to conduct a

1 project under this section or of any amendment  
2 thereto, require the State to select any particu-  
3 lar area or areas of the State in which to con-  
4 duct the project.

5 “(C) FREEDOM OF STATES TO SELECT  
6 PROVISIONS OF PARTS B AND E TO APPLY TO  
7 THE PROJECT.—The Secretary may not, as a  
8 condition of approval of a State application to  
9 conduct a project under this section or of any  
10 amendment thereto, require the project to com-  
11 ply with any provision of part B or E not speci-  
12 fied in paragraph (6)(A) of this subsection.

13 “(6) AUTHORITY TO CONDUCT PROJECT; GRANT  
14 AUTHORITY.—If the Secretary approves the applica-  
15 tion of a State to conduct a project under this sec-  
16 tion, then—

17 “(A) the Secretary shall authorize the  
18 State to conduct the project in accordance with  
19 the approved application therefor and any ap-  
20 proved amendments thereto, and the require-  
21 ments of section 427, the provision of section  
22 471(a)(1) requiring the State plan to provide  
23 for adoption assistance in accordance with sec-  
24 tion 473, paragraphs (8), (9), (10), (12), (13),  
25 (15), and (16) of section 471(a), and sections

1           472(h), 473, and 479 shall apply to the project;  
2           and

3           “(B) in lieu of receiving the funds that  
4           would otherwise be provided to the State for  
5           any fiscal year pursuant to sections 423, 434,  
6           and 474 (other than with respect to adoption  
7           assistance) with respect to the activities of the  
8           State in the area or areas of the State in which  
9           the project is to be conducted, the State shall  
10          be entitled to receive a grant, in accordance  
11          with subsection (d) of this section, for each fis-  
12          cal year, from the amount allotted to the State  
13          for the fiscal year under section 421, the total  
14          amount allotted to the State for the fiscal year  
15          under section 432, the amount to which the  
16          State is entitled for the fiscal year under part  
17          E, and the amount made available pursuant to  
18          subsection (a)(3) of this section.

19          “(d) ANNUAL GRANTS.—

20               “(1) AMOUNT OF GRANT.—

21                   “(A) IN GENERAL.—The amount of the  
22                   grant to be paid under this subsection to a  
23                   State for a fiscal year shall be the amount de-  
24                   termined by the Secretary to be—

25                           “(i) the sum of—

1           “(I) 110 percent of the aggregate  
2           of the amount that would have been  
3           paid to the State under section 423  
4           for the fiscal year, and the total  
5           amount that would have been paid to  
6           such States under section 434 for the  
7           fiscal year, if the Secretary had ap-  
8           proved the State plan under part B  
9           for the fiscal year and had not author-  
10          ized the State to conduct a project  
11          under this section for the fiscal year;  
12          and

13           “(II) the aggregate of the ex-  
14           penses for which the State would  
15           properly have submitted a claim for  
16           reimbursement under section 474  
17           (other than with respect to adoption  
18           assistance) for the fiscal year if the  
19           Secretary had approved the State plan  
20           under part E for the fiscal year and  
21           had not authorized the State to con-  
22           duct a project under this section for  
23           the fiscal year;

24          multiplied by

25           “(ii) the quotient equal to—

1           “(I) the number of children in  
2           the area or areas in which the project  
3           is to be conducted under this section  
4           with respect to whom the State would  
5           have made foster care maintenance  
6           payments under section 472 for the  
7           fiscal year if the Secretary had ap-  
8           proved the State plan under part E  
9           for the fiscal year and had not author-  
10          ized the State to conduct the project;  
11          divided by

12           “(II) the total number of children  
13          in the State with respect to whom the  
14          State would have so made such pay-  
15          ments for the fiscal year.

16           “(B) CALCULATION OF GRANT AMOUNT.—  
17          The Secretary shall calculate the expenses for  
18          which a State would properly have submitted a  
19          claim for reimbursement under section 474  
20          (other than with respect to adoption assistance)  
21          for a fiscal year by—

22           “(i) determining the amount paid to  
23          the State with respect to such expenses for  
24          the fiscal year immediately preceding the  
25          fiscal year in which the State commenced

1 (or is to commence) the project under this  
2 section;

3 “(ii) adjusting such amount annually  
4 for inflation based on changes in the  
5 Consumer Price Index for all urban con-  
6 sumers for the most recent 12-month pe-  
7 riod for which data are available; and

8 “(iii) increasing such amount, to the  
9 extent the Secretary deems appropriate, by  
10 taking into account—

11 “(I) any estimate made by the  
12 State of the expenses for which the  
13 State would properly have submitted  
14 such a claim for reimbursement for  
15 the fiscal year;

16 “(II) the rate at which the num-  
17 ber of children on whose behalf the  
18 Federal Government has reimbursed  
19 foster care maintenance payments  
20 made by States not participating in  
21 the project has recently increased  
22 (emphasizing those nonparticipating  
23 States which have similar child wel-  
24 fare programs and similar foster care

caseload characteristics), as determined by the Secretary;

“(III) changes in State laws or procedures that have the effect of changing the rate at which children are placed in foster care or changing the costs of maintaining children in foster care;

“(IV) the amount (if any) by which—

“(aa) the national average number of children per State who, as of the end of the fiscal year immediately preceding the commencement of the project, have not attained the age of 18 years and were eligible for benefits under the respective State plan under part E (expressed as a percentage of the total population of children in the respective State who have not so attained such age); exceeds



1                   “(bb) the number of such  
2                   children in the State (expressed  
3                   as a similar percentage); and

4                   “(V) other factors deemed appro-  
5                   priate by the Secretary.

6                   “(2) NOTIFICATION TO STATES OF AMOUNT OF  
7                   GRANTS.—The Secretary shall notify each State of  
8                   the amount of the grant to be made to the State for  
9                   a fiscal year under this subsection, not later than—

10                   “(A) in the case of the first grant with re-  
11                   spect to an approved application, the later of—

12                   “(i) 45 days after the Secretary re-  
13                   ceives the application therefor; or

14                   “(ii) August 1 of the fiscal year imme-  
15                   diately preceding the fiscal year for which  
16                   the grant is to be made; and

17                   “(B) in any other case, August 1 of such  
18                   immediately preceding fiscal year.

19                   “(3) GRANTS TO BE PAID IN EQUAL QUAR-  
20                   TERLY INSTALLMENTS.—The Secretary shall pay  
21                   each grant under this subsection in equal quarterly  
22                   installments.

23                   “(e) PRESERVATION OF CERTAIN BENEFITS.—Dur-  
24                   ing the period in which a State is conducting a project  
25                   under this section—

1           “(1) the State may not carry out the project in  
2           a manner which impairs the entitlement of any child  
3           to—

4                   “(A) the foster care benefits the child  
5                   would have received under a State plan ap-  
6                   proved under part E if the Secretary had ap-  
7                   proved the State plan under part E for the fis-  
8                   cal year and had not authorized the State to  
9                   conduct a project under this section for the fis-  
10                  cal year; or

11                   “(B) any other benefit to which the child  
12                  is entitled by law; and

13           “(2) the State shall, for purposes of section  
14           402(a)(20), be deemed to have in effect a State plan  
15           approved under part E.

16           “(f) REPORT ON EXPENDITURES.—

17                   “(1) IN GENERAL.—Not later than April 1 of  
18                   the fiscal year immediately following each fiscal year  
19                   for which a State conducts a project under this sec-  
20                   tion, the State shall prepare and submit to the Sec-  
21                   retary a report on the funds expended under the  
22                   project.

23           “(2) FORM AND CONTENT.—

24                   “(A) IN GENERAL.—The report required  
25                   by paragraph (1) shall be in such form and con-

1           tain such information as the State finds nec-  
2           essary to—

3                   “(i) accurately describe how the grant  
4                   made under this section for the fiscal year  
5                   was used;

6                   “(ii) provide a complete record of how  
7                   the grant funds were expended; and

8                   “(iii) enable a determination of the  
9                   extent to which the funds were spent in a  
10                  manner consistent with the application  
11                  therefor.

12               “(B) INCLUSION OF INFORMATION ON  
13               COMPARATIVE FINANCIAL CONTRIBUTIONS.—  
14               The report required by paragraph (1) for any  
15               fiscal year after fiscal year 1994 shall include  
16               the information described in section 422(b)(12)  
17               for the 2nd preceding fiscal year.

18               “(g) ADMINISTRATIVE REMEDIES FOR UNSUCCESS-  
19               FUL PROJECTS.—If the Secretary has determined that the  
20               State is not conducting the project in accordance with this  
21               section or is not making satisfactory progress toward the  
22               achievement of the plans of the State, the Secretary  
23               may—

24                   “(1) provide technical assistance to the project;

1           “(2) require the State to take corrective action  
2 with respect to the project; or

3           “(3) after notice and opportunity for hearing,  
4 reduce the payments that would otherwise be due  
5 the State under this section by an amount which the  
6 Secretary determines is appropriate.

7           “(h) TERMINATION OF PROJECTS.—

8           “(1) IN GENERAL.—Any State authorized to  
9 conduct a project under this section shall dis-  
10 continue the project at the end of a fiscal year—

11           “(A) if the State has notified the Secretary  
12 that the State intends to discontinue the project  
13 at the end of the fiscal year; or

14           “(B) if the Secretary has determined that  
15 the State is not conducting the project in ac-  
16 cordance with this section or is not making sat-  
17 isfactory progress toward the achievement of  
18 the plans of the State, and the Secretary does  
19 not plan to take action under subsection (g)  
20 during the fiscal year with respect to the  
21 project.

22           “(2) EFFECT OF PROJECT TERMINATION.—On  
23 the discontinuance of a project of a State under this  
24 section, parts B and E shall apply with respect to  
25 the population of, and the activities of the State in,

1 the area or areas of the State in which the project  
2 was conducted.”.

3 (2) EFFECTIVE DATE.—The amendment made  
4 by paragraph (1) shall take effect on October 1,  
5 1993.

6 (b) DEMONSTRATION PROJECTS TO IMPROVE CO-  
7 ORDINATION OF SERVICES.

8 (1) IN GENERAL.—Part E of title IV (42  
9 U.S.C. 670–679) is amended by inserting after sec-  
10 tion 474 the following:

11 **“SEC. 474A. DEMONSTRATION PROJECTS FOR THE COORDI-**  
12 **NATION OF CHILD AND FAMILY SERVICES.**

13 “(a) In order to improve the coordination of child and  
14 family services, the Secretary shall authorize not more  
15 than 3 States to conduct demonstration projects, to be  
16 carried out in accordance with this section.

17 “(b) An application to conduct a demonstration  
18 project under this section submitted by the Governor of  
19 a State shall include a description of the measures to be  
20 employed to improve the coordination of the services and  
21 benefits provided by child and family services programs  
22 carried out under the State plan under this part with pro-  
23 grams which provide services to families and children in-  
24 cluding some or all of the following programs and  
25 services:

1           “(1) The program of aid and services for needy  
2 families with children carried out under the State  
3 plan pursuant to part A.

4           “(2) The child support and spousal support en-  
5 forcement program carried out under the State plan  
6 pursuant to part D.

7           “(3) The job opportunities and basic skills  
8 training program carried out under section  
9 402(a)(19) and part F.

10           “(4) The special supplemental food program for  
11 women, infants, and children (the WIC program) au-  
12 thorized under section 17 of the Child Nutrition Act  
13 of 1966 (42 U.S.C. 1786).

14           “(5) The maternal and child health block grant  
15 program under title V.

16           “(6) Medical assistance furnished under the  
17 State plan approved under title XIX.

18           “(7) Drug treatment programs and other sub-  
19 stance abuse programs.

20           “(8) Mental health services programs.

21           “(9) Juvenile justice programs.

22           “(10) Programs for developmentally disabled  
23 individuals.

24           “(11) Any additional services for children and  
25 families that the State determines necessary to meet

1 the needs of all family members in order to carry  
2 out the purposes of this section that are approved by  
3 the Secretary.

4 “(c) A demonstration project conducted under this  
5 section may be conducted for a period of not more than  
6 3 years.

7 “(d)(1) Each State that conducts a demonstration  
8 project authorized by the Secretary under this section  
9 shall, as a part of such demonstration project, conduct an  
10 evaluation of the effectiveness of the demonstration  
11 project in improving the coordination and the funding of  
12 child and family services.

13 “(2) Amounts expended by the State for the purposes  
14 of conducting an evaluation under this subsection shall be  
15 considered to be amounts expended for the proper and ef-  
16 ficient administration of the State plan under this part.

17 “(e) Upon completion of a demonstration project  
18 under this section, each State shall submit a report to the  
19 Secretary concerning the results of the evaluation de-  
20 scribed in subsection (d).

21 “(f) Each State shall submit to the Secretary at such  
22 time as the Secretary may prescribe by regulation—

23 “(1) a description of administrative policies and  
24 laws of the Federal Government and the State or a  
25 political subdivision of the State, identified by the

1 State as impediments to the coordination of the de-  
 2 livery of the child and family services described in  
 3 subsection (b); and

4 “(2) a description of the measures that the  
 5 State has taken or intends to take to eliminate or  
 6 reduce impediments described in paragraph (1) that  
 7 are attributable to administrative policies and laws  
 8 of the State or a political subdivision of the State.

9 “(g) This section shall not be construed to authorize  
 10 the Secretary or appropriate agency head to waive or mod-  
 11 ify any requirement of the programs described in sub-  
 12 section (b).”.

13 (2) PAYMENTS TO STATES FOR DEMONSTRA-  
 14 TION PROJECTS.—

15 (A) IN GENERAL.—Section 474(a) (42  
 16 U.S.C. 674(a)) is amended—

17 (i) by striking the period at the end of  
 18 paragraph (4)(B)(ii) and inserting “;  
 19 plus”; and

20 (ii) by adding at the end the follow-  
 21 ing:

22 “(5) if such State is authorized to conduct a  
 23 demonstration project pursuant to section 474A, 50  
 24 percent of so much of such expenditures (not to ex-  
 25 ceed \$750,000 for each quarter during the period of



1       such demonstration project) to carry out the dem-  
2       onstration project.”.

3               (B) EFFECTIVE DATE.—The amendments  
4               made by subparagraph (A) shall apply to ex-  
5               penditures made after September 30, 1993.

6       (c) REVIEW OF ADMINISTRATIVE POLICIES AND  
7       REGULATIONS.—(1) The Secretary of Health and Human  
8       Services, the Secretary of Agriculture, the Secretary of  
9       Education, and the Attorney General of the United States  
10      shall review the administrative policies and regulations re-  
11      lating to the funding and delivery of services for families  
12      and children (as described in section 474A(b) of the Social  
13      Security Act, as added by subsection (a) of this section)  
14      of the Department of Health and Human Services, the  
15      Department of Agriculture, the Department of Education,  
16      and the Department of Justice, respectively, to determine  
17      whether changes in such administrative policies and regu-  
18      lations may be made without statutory changes to improve  
19      the funding and delivery of such services.

20      (2) In conducting a review pursuant to paragraph  
21      (1), the heads of departments described in paragraph (1)  
22      shall consult with appropriate representatives of the gov-  
23      ernments of States and political subdivisions of States.

24      (3) Not later than July 1, 1994, the heads of the  
25      departments described in paragraph (1) shall collectively

1 (or separately after consultation with the others) issue a  
2 report to the Congress that includes—

3 (A) recommendations for statutory changes, as  
4 well as changes in regulations and administrative  
5 policies, to improve the coordination of the funding  
6 and delivery of child and family services;

7 (B) a description of the technical assistance  
8 that the heads of the departments will make avail-  
9 able to the States to improve the coordination of the  
10 funding and delivery of child and family services;  
11 and

12 (C) an analysis of the impediments identified  
13 pursuant to section 474A(f)(1) of the Social Secu-  
14 rity Act, as added by subsection (a) of this section,  
15 as such impediments relate to Federal policies and  
16 laws.

17 **SEC. 11. DISSOLVED ADOPTIONS.**

18 (a) ELIGIBILITY FOR FOSTER CARE MAINTENANCE  
19 PAYMENTS.—Section 472 (42 U.S.C. 672) is amended—

20 (1) in subsection (b), by inserting “or (i)” after  
21 “subsection (a)”; and

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

23 “(i) Any State with a plan approved under this part  
24 may make foster care maintenance payments under this  
25 part on behalf of a child—

1           “(1) with respect to whom such payments were  
2           previously made;

3           “(2) whose adoption has been set aside by a  
4           court;

5           “(3) who meets the requirements of paragraphs  
6           (1), (2), and (3) of subsection (a); and

7           “(4) who fails to meet the requirements of sub-  
8           section (a)(4) but would meet such requirements  
9           if—

10                 “(A) the child were treated as if the child  
11                 were in the same financial and other cir-  
12                 cumstances the child was in the last time the  
13                 child was determined eligible for such pay-  
14                 ments; and

15                 “(B) the adoption were treated as having  
16                 never occurred.”.

17           (b) ELIGIBILITY FOR ADOPTION ASSISTANCE PAY-  
18           MENTS.—Section 473(a) (42 U.S.C. 673(a)) is amended  
19           by adding at the end the following:

20           “(7) Any State with a plan approved under this part  
21           may enter into an adoption assistance agreement with the  
22           adoptive parents of any child with respect to whom the  
23           State may make foster care maintenance payments under  
24           section 472(i).”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect on October 1, 1993, and shall  
3 apply to payments under part E of title IV of the Social  
4 Security Act in or after fiscal year 1994.

5   **SEC. 12. EXTENSION OF DEFINITION OF CHILDREN WITH**  
6                   **SPECIAL NEEDS.**

7       (a) IN GENERAL.—Section 473(c) (42 U.S.C. 673(c))  
8 is amended to read as follows:

9       “(c)(1) For purposes of this section, a child shall not  
10 be considered a child with special needs unless—

11           “(A) the State determines that—

12                   “(i) the child cannot or should not be re-  
13 turned to the home or the legal custody of the  
14 parents of the child;

15                   “(ii) there exists a specific factor or condi-  
16 tion (such as his ethnic background, age, or  
17 membership in a minority or sibling group, or  
18 the presence of factors such as medical condi-  
19 tions or physical, mental, or emotional handi-  
20 caps), or information available and known  
21 about the child indicating a high risk of medical  
22 conditions or physical, mental, or emotional  
23 handicaps, which makes it reasonable to con-  
24 clude that the child cannot be placed for adop-  
25 tion without providing adoption assistance

1 under this section or medical assistance under  
2 title XIX; and

3 “(iii) except where it would be against the  
4 best interests of the child because of such fac-  
5 tors as the existence of significant emotional  
6 ties with prospective adoptive parents while in  
7 their care as a foster child or a relative, a rea-  
8 sonable but unsuccessful effort has been made  
9 to place the child with appropriate adoptive  
10 parents without providing adoption assistance  
11 or medical assistance under title XIX; or

12 “(B) the State determines that the child—

13 “(i) has been adopted;

14 “(ii) immediately before the adoption was  
15 under the care and responsibility of the State  
16 agency administering or supervising the admin-  
17 istration of the State programs under this part  
18 or of a private nonprofit organization; and

19 “(iii) has a mental, physical, or emotional  
20 handicap that—

21 “(I) existed before the adoption but  
22 was not diagnosed until after the adoption;

23 or

1                   “(II) first manifests itself after the  
2                   adoption but is congenital or was caused  
3                   before the adoption.

4           “(2) Each State shall submit to the Secretary the fac-  
5   tors and conditions used by the State to identify children  
6   with special needs for purposes of this section, and any  
7   modifications to such factors and conditions.”.

8           (b) EFFECTIVE DATE.—The amendment made by  
9   subsection (a) shall take effect on October 1, 1994, and  
10   shall apply with respect to children who are adopted after  
11   September 30, 1994, and who become eligible for adoption  
12   assistance payments under section 473 of the Social Secu-  
13   rity Act in or after fiscal year 1995.

14   **SEC. 13. STUDY OF REASONABLE EFFORTS REQUIREMENT**  
15                   **BY ADVISORY COMMITTEE.**

16           (a) IN GENERAL.—Not later than 90 days after the  
17   date of the enactment of this Act, the Secretary of Health  
18   and Human Services (in this section referred to as the  
19   “Secretary”) shall establish an Advisory Committee on  
20   Foster Care Placement (in this section referred to as the  
21   “Advisory Committee”) to study and make recommenda-  
22   tions concerning the implementation of the requirements  
23   imposed under section 471(a)(15) of the Social Security  
24   Act.

1 (b) MEMBERSHIP.—The Advisory Committee shall  
2 consist of not fewer than 9 members. In appointing per-  
3 sons to the Advisory Committee, the Secretary shall in-  
4 clude representatives of the following types of organiza-  
5 tions and agencies:

6 (1) Private, nonprofit organizations with an in-  
7 terest in child welfare (including such organizations  
8 that provide child protective services, foster care  
9 services, adoption services, or family support serv-  
10 ices).

11 (2) Agencies of States and political subdivisions  
12 thereof responsible for child protective services, fos-  
13 ter care services, or adoption services.

14 (3) Judicial bodies of States and political sub-  
15 divisions thereof responsible for adjudicating issues  
16 of family law (as defined and determined by the Sec-  
17 retary).

18 (c) TRAVEL EXPENSES.—While away from their  
19 homes or regular places of business and on the business  
20 of the Advisory Committee, the members of the Advisory  
21 Committee may be allowed travel expenses, including per  
22 diem in lieu of subsistence, as authorized by section 5703  
23 of title 5, United States Code, for persons employed inter-  
24 mittently in Government service.

1 (d) HIRING AUTHORITY.—The Advisory Committee  
 2 may employ and fix the level of compensation for 1 indi-  
 3 vidual.

4 (e) REPORT.—Not later than April 1, 1995, the Advi-  
 5 sory Committee shall submit a report to the Secretary and  
 6 to the Congress that includes legislative or other rec-  
 7 ommendations concerning the implementation of the re-  
 8 quirements imposed under section 471(a)(15) of the Social  
 9 Security Act.

10 **SEC. 14. ADOPTION EXPENSE DEDUCTION.**

11 (a) IN GENERAL.—Part VII of subchapter B of chap-  
 12 ter 1 of the Internal Revenue Code of 1986 is amended  
 13 by redesignating section 221 as section 222 and by insert-  
 14 ing after section 221 the following new section:

15 **“SEC. 221. SPECIAL NEEDS ADOPTION EXPENSES DEDUC-**  
 16 **TION.**

17 **“(a) ALLOWANCE OF DEDUCTION.—**In the case of an  
 18 individual, there shall be allowed as a deduction for the  
 19 taxable year the amount of the qualified adoption expenses  
 20 paid or incurred by the individual for such taxable year.

21 **“(b) LIMITATIONS.—**

22 **“(1) MAXIMUM DOLLAR AMOUNT.—**The aggre-  
 23 gate amount of adoption expenses which may be  
 24 taken into account under subsection (a) with respect  
 25 to the adoption of a child shall not exceed \$3,000.



1           “(2) DENIAL OF DOUBLE BENEFIT.—

2                 “(A) IN GENERAL.—No deduction shall be  
3           allowable under subsection (a) for any expense  
4           for which a deduction or credit is allowable  
5           under any other provision of this chapter.

6                 “(B) REIMBURSEMENTS.—If a taxpayer is  
7           reimbursed for any qualified adoption expenses  
8           for which a deduction was allowed under sub-  
9           section (a), the amount of such reimbursement  
10          shall be includable in the gross income of the  
11          taxpayer in the taxable year in which such re-  
12          imbursement was received.

13          “(c) DEFINITIONS.—For purposes of this section—

14                 “(1) QUALIFIED ADOPTION EXPENSES.—The  
15          term ‘qualified adoption expenses’ means reasonable  
16          and necessary adoption fees, court costs, attorneys  
17          fees, and other expenses which—

18                         “(A) are directly related to the legal adop-  
19           tion of a child with special needs by the tax-  
20           payer,

21                         “(B) are not incurred in violation of State  
22           or Federal law, and

23                         “(C) are of a type eligible for reimburse-  
24           ment under the adoption assistance program

1 under part E of title IV of the Social Security  
2 Act.

3 “(2) CHILD WITH SPECIAL NEEDS.—The term  
4 ‘child with special needs’ means any child deter-  
5 mined by the State to be a child described in sub-  
6 paragraph (A) or (B) of section 473(c)(1) of the So-  
7 cial Security Act.”.

8 (b) DEDUCTION ALLOWED WHETHER OR NOT TAX-  
9 PAYER ITEMIZES DEDUCTIONS.—Subsection (a) of section  
10 62 of the Internal Revenue Code of 1986 is amended by  
11 inserting after paragraph (13) the following new para-  
12 graph:

13 “(14) ADOPTION EXPENSES.—The deduction  
14 allowed by section 221 (relating to deduction for ex-  
15 penses of adopting a child with special needs).”.

16 (c) CLERICAL AMENDMENT.—The table of sections  
17 for part VII of subchapter B of chapter 1 of the Internal  
18 Revenue Code of 1986 is amended by striking the item  
19 relating to section 221 and by inserting the following new  
20 items:

“Sec. 221. Special needs adoption expenses deduction.

“Sec. 222. Cross reference.”.

21 (d) EFFECTIVE DATE.—The amendments made by  
22 this section shall apply to adoptions occurring in taxable  
23 years beginning after December 31, 1993.

1 **SEC. 15. PERIODIC REEVALUATION OF FOSTER CARE MAIN-**  
2 **TENANCE PAYMENTS.**

3 (a) IN GENERAL.—Section 471(a)(11) (42 U.S.C.  
4 671(a)(11)) is amended to read as follows:

5 “(11)(A) provides for periodic review of the  
6 standards referred to in paragraph (10) to assure  
7 their continuing appropriateness; and

8 “(B) provides for the review, not less frequently  
9 than once every 3 years, of the amounts paid as fos-  
10 ter care maintenance payments and adoption assist-  
11 ance to assure their continuing appropriateness, and  
12 a report to the Secretary and the public on the re-  
13 sults of such review at such time and in such form  
14 and manner as the Secretary may by regulation re-  
15 quire, which contains, at a minimum—

16 “(i) a statement of the manner in which  
17 the foster care maintenance payment level is de-  
18 termined, including information on the cost of  
19 foster care with respect to which such payments  
20 are made;

21 “(ii) information with respect to the basic  
22 foster care maintenance payment level, whether  
23 such payment level includes an amount to cover  
24 the cost of clothing, and whether such payment  
25 level varies by the type of care or the special  
26 needs or age of the child, and if so, the pay-

1           ment levels for each special need, care, or age  
2           category;

3           “(iii) if such payments are not made at a  
4           different rate for children with special needs  
5           who test positive for human immunodeficiency  
6           virus, have acquired immune deficiency syn-  
7           drome, are addicted to drugs, or suffer from  
8           complications due to exposure to drugs or alco-  
9           hol, the reasons therefor; and

10          “(iv) information on any limitations im-  
11          posed by the State on adoption assistance pay-  
12          ments levels;”.

13          (b) EFFECTIVE DATE.—The amendment made by  
14          subsection (a) shall take effect on October 1, 1993, and  
15          shall apply to payments under part E of title IV of the  
16          Social Security Act for fiscal year 1994 and to such pay-  
17          ments for any succeeding fiscal year.

18       **SEC. 16. CASE REVIEW SYSTEM REQUIREMENTS.**

19          (a) ACCELERATED DISPOSITIONAL HEARING.—Sec-  
20          tion 475(5)(C) (42 U.S.C. 675(5)(C)) is amended by  
21          striking “eighteen months” and inserting “15 months”.

22          (b) PERIODIC REVIEW OF CHILDREN FREE FOR  
23          ADOPTION.—Section 475(5)(B) (42 U.S.C. 675(5)(B)) is  
24          amended—

25               (1) by inserting “(i)” after “(B)”;

1           (2) by inserting “and” after “legal guardian-  
2       ship”; and

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

4           “(ii) if the entity conducting the review  
5       finds that the child should be placed for adop-  
6       tion, the entity shall determine and document  
7       the measures needed to enhance the likelihood  
8       of making the child legally eligible for adoption  
9       and of finding an adoptive home for the child,  
10      and if the child is legally eligible for adoption,  
11      determine and document (I) the specific meas-  
12      ures which have been taken, and the specific  
13      measures which need to be taken, to make an  
14      adoptive placement, or (II) a finding that place-  
15      ment of the child in an adoptive family would  
16      be inappropriate,”.

17       (c)   MOST APPROPRIATE SETTING.—Section  
18   475(5)(A) (42 U.S.C. 675(5)(A)) is amended by inserting  
19   “and most appropriate” after “(most family like)”.

20       (d)   CITIZEN VOLUNTEER INPUT.—Section 475(5)  
21   (42 U.S.C. 675(5)) is amended—

22           (1) by striking “and” at the end of subpara-  
23       graph (C);

24           (2) by striking the period at the end of sub-  
25       paragraph (D) and inserting “; and”; and

1           (3) by inserting at the end the following new  
2       subparagraph:

3           “(E) to the extent determined appropriate by  
4       the State, citizen volunteers may participate in mak-  
5       ing recommendations at either the court or adminis-  
6       trative reviews described in subparagraph (B) or at  
7       the dispositional hearings described in subparagraph  
8       (C).”.

9       (e) EFFECTIVE DATES.—

10           (1) ACCELERATED DISPOSITIONAL HEARING;  
11       PERIODIC REVIEW OF CHILDREN FREE FOR ADOPT-  
12       TION.—The amendments made by subsections (a)  
13       and (b) shall take effect on October 1, 1995, and  
14       shall apply to payments under part E of title IV of  
15       the Social Security Act for fiscal year 1996 and to  
16       such payments for any succeeding fiscal year.

17           (2) MOST APPROPRIATE SETTING.—The amend-  
18       ment made by subsection (c) shall take effect with  
19       respect to case reviews conducted on or after July 1,  
20       1994.

21           (3) CITIZEN VOLUNTEER INPUT.—The amend-  
22       ments made by subsection (d) shall take effect on  
23       the date of the enactment of this Act.

1 **SEC. 17. HEALTH CARE PLANS FOR FOSTER CHILDREN.**

2 (a) IN GENERAL.—Section 475(1)(C) (42 U.S.C.  
3 675(1)(C)) is amended—

4 (1) in clause (i), by striking “and addresses”  
5 and inserting “, addresses, and telephone numbers”,

6 (2) in clause (vii), by striking “and”; and

7 (3) by redesignating clause (viii) as clause (ix)  
8 and inserting after clause (vii) the following:

9 “(viii) a record indicating that the child’s  
10 foster care provider was advised (where appro-  
11 priate) of the child’s eligibility for early and  
12 periodic screening, diagnostic, and treatment  
13 services under title XIX; and”.

14 (b) EFFECTIVE DATE.—The amendments made by  
15 subsection (a) shall apply to case plans established or re-  
16 viewed on or after January 1, 1994.

17 **SEC. 18. PLACEMENT ACCOUNTABILITY.**

18 (a) CASE PLAN PROVISIONS REQUIRED FOR CHIL-  
19 DREN IN OUT-OF-STATE FOSTER CARE PLACEMENTS.—  
20 Section 475(1) (42 U.S.C. 675(1)) is amended by insert-  
21 ing after subparagraph (C) the following:

22 “(D) In the case of a child receiving foster  
23 care maintenance payments under section 472  
24 who is placed in a facility outside the State, a  
25 finding that—

1 “(i) efforts have been made to place  
2 the child in a facility in the State;

3 “(ii) the child needs services not avail-  
4 able in the State;

5 “(iii) the placement is in the least re-  
6 strictive (most family like) and most ap-  
7 propriate setting available, consistent with  
8 the best interests and the special needs of  
9 the child; and

10 “(iv) the placement has been approved  
11 by—

12 “(I) a court; or

13 “(II) a committee (such as a fos-  
14 ter care review board), established by  
15 the State, that reviews placements  
16 outside the State and that, in addition  
17 to the appropriate State personnel, in-  
18 cludes child advocates, parents, and  
19 other individuals the State deems ap-  
20 propriate.”.

21 (b) STATUS OF CHILDREN IN OUT-OF-STATE FOS-  
22 TER CARE PLACEMENTS TO BE JUDICIALLY REVIEWED  
23 ANNUALLY WITH THE CHILD PRESENT.—Section  
24 475(5)(B) (42 U.S.C. 675(5)(B)), as amended by section  
25 16(b) of this Act, is amended—



1 (1) by striking “and” at the end of clause (i);

2 (2) by adding “and” at the end of clause (ii);

3 and

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

5 “(iii) in the case of a child who is placed  
6 by a State in a foster care facility outside the  
7 State, the status of the child shall be reviewed  
8 by a court, not less frequently than annually,  
9 with the child present, unless the court deter-  
10 mines that due to the age or condition of the  
11 child, or for some other good cause, the pres-  
12 ence of the child would be detrimental to the  
13 child or would not accomplish a useful pur-  
14 pose,”.

15 (c) STATE PLAN REQUIREMENT.—Section 471(a)  
16 (42 U.S.C. 671(a)) is amended—

17 (1) by striking “and” at the end of paragraph  
18 (16);

19 (2) by striking the period at the end of para-  
20 graph (17) and inserting “; and”; and

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

22 “(18) provides that the State agency must en-  
23 sure that any facility outside the State in which a  
24 child eligible for foster care maintenance payments  
25 under section 472 is placed has certified to the origi-

1 nating State that the facility meets the standards of  
 2 the originating State which apply to child care facili-  
 3 ties, or the standards recommended by national or-  
 4 ganizations concerned with standards for such facili-  
 5 ties, including standards of the types described in  
 6 paragraph (10).”.

7 (d) COLLECTION OF DATA ON NUMBERS OF CHIL-  
 8 DREN IN OUT-OF-STATE FOSTER CARE PLACEMENTS.—  
 9 Section 479(c)(3)(C) (42 U.S.C. 679(c)(3)(C)) is amend-  
 10 ed—

11 (1) by striking “and” at the end of clause (i);  
 12 and

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

14 “(iii) children placed in foster care outside the  
 15 State, and”.

16 (e) EFFECTIVE DATES.—

17 (1) CASE PLAN, CASE REVIEW SYSTEM, AND  
 18 STATE PLAN CHANGES.—The amendments made by  
 19 subsections (a), (b), and (c) shall take effect on Oc-  
 20 tober 1, 1994 and shall apply to payments under  
 21 part E of title IV of the Social Security Act for ex-  
 22 penditures made in fiscal years 1995, 1996, and  
 23 1997.

24 (2) DATA COLLECTION.—The amendments  
 25 made by subsection (d) shall take effect on October

1       1, 1995 and shall apply to payments under part E  
 2       of title IV of the Social Security Act for expendi-  
 3       tures made in or after fiscal year 1996.

4       (f) STUDY OF REASONS FOR MAKING OUT-OF-STATE  
 5 FOSTER CARE PLACEMENTS.—In order for a State to re-  
 6 ceive payments under section 474 of the Social Security  
 7 Act for amounts expended after fiscal year 1995 for foster  
 8 care maintenance payments under section 472 of such Act  
 9 made with respect to children placed by the State in foster  
 10 care outside the State, the State shall, by the end of such  
 11 fiscal year, conduct and submit to the Secretary a study  
 12 designed to identify—

13           (1) the number of such children and the charac-  
 14           teristics (if any) common to such children; and

15           (2) the reasons why such children were not  
 16           placed in foster care in the State.

17 **SEC. 19. INDEPENDENT LIVING.**

18       (a) ACCUMULATION OF ASSETS.—Section 477 (42  
 19 U.S.C. 677) is amended—

20           (1) by redesignating subsection (i) as subsection  
 21           (j); and

22           (2) inserting after subsection (h) the following  
 23           new subsection:

24           “(i) Notwithstanding any other provision of this title  
 25           or of title XIX, with respect to a child who is included

1 in a program established under subsection (a), an amount  
2 of the assets of the child which would otherwise be re-  
3 garded as resources for the purposes of determination of  
4 eligibility for programs under this title or title XIX may  
5 be disregarded for the purpose of allowing such child to  
6 establish a household. Such amount may not exceed an  
7 amount determined by the State agency responsible for  
8 the administration of the program as reasonable for the  
9 purpose of establishing a household.”.

10 (b) PERMANENT EXTENSION.—Section 477 (42  
11 U.S.C. 677) is amended—

12 (1) in subsection (a)(1), by striking the 3rd  
13 sentence;

14 (2) in subsection (c), by striking “of the fiscal  
15 years 1988 through 1992” and inserting “succeed-  
16 ing fiscal year”;

17 (3) in subsection (e)(1)(A), by striking “each of  
18 the fiscal years 1987 through 1992” and inserting  
19 “any fiscal year”.

20 (c) EFFECTIVE DATE.—The amendments made by  
21 this section shall take effect on October 1, 1993, and shall  
22 apply to payments under part E of title IV of the Social  
23 Security Act for fiscal year 1994 and payments made  
24 under such part for any succeeding fiscal year.

1 **SEC. 20. ELIMINATION OF FOSTER CARE CEILINGS AND OF**  
 2 **AUTHORITY TO TRANSFER UNUSED FOSTER**  
 3 **CARE FUNDS TO CHILD WELFARE SERVICES**  
 4 **PROGRAMS.**

5 (a) REPEAL.—Subsections (b) and (c) of section 474  
 6 (42 U.S.C. 674 (b) and (c)) are hereby repealed.

7 (b) CONFORMING AMENDMENTS.—Section 474 (42  
 8 U.S.C. 674) is amended—

9 (1) in subsection (d)—

10 (A) by striking “subsections (a), (b), and  
 11 (c)” and inserting “subsection (a)”; and

12 (B) by striking “the provisions of such  
 13 subsections” and inserting “subsection (a)”;  
 14 and

15 (2) by redesignating subsection (d) as sub-  
 16 section (b).

17 (c) EFFECTIVE DATE.—The amendments and repeal  
 18 made by this section shall take effect on October 1, 1993,  
 19 and shall apply to payments under part E of title IV of  
 20 the Social Security Act for fiscal year 1994 and to such  
 21 payments for any succeeding fiscal year.

22 **SEC. 21. REGULATIONS FOR TRAINING OF AGENCY STAFF**  
 23 **AND OF FOSTER AND ADOPTIVE PARENTS.**

24 (a) IN GENERAL.—Not later than 180 days after the  
 25 date of the enactment of this Act, the Secretary of Health

1 and Human Services shall establish an advisory committee  
2 which shall include representatives of—

3 (1) nonprofit organizations with an interest in  
4 child welfare (including organizations that train pro-  
5 fessional social workers in the field of child welfare  
6 services); and

7 (2) organizations representing State and local  
8 governmental agencies with responsibility for foster  
9 care and adoption services.

10 (b) FINAL REGULATIONS.—Not later than 15 months  
11 after the date of the enactment of this Act, the Secretary  
12 of Health and Human Services shall, after consultation  
13 with the advisory committee established under subsection  
14 (a), issue final regulations setting forth detailed guidelines  
15 to assist States in using Federal matching funds author-  
16 ized to be provided under section 474(a)(3) of the Social  
17 Security Act for the purpose of training for—

18 (1) individuals who are employed, or preparing  
19 for employment, by the agencies with responsibility  
20 for administering the foster care and adoption as-  
21 sistance programs of the States under part E of title  
22 IV of such Act; and

23 (2) foster and adoptive parents.

24 (c) TRAINING FOR EMPLOYMENT IN CHILD WEL-  
25 FARE AGENCIES.—In order to improve the capacity of

1 State and local child welfare agencies to administer the  
 2 programs authorized under parts B and E of title IV of  
 3 the Social Security Act and to provide services to families  
 4 and children, the Secretary of Health and Human Services  
 5 shall, not later than October 1, 1994, develop and publish  
 6 a model staff recruitment, training, and staff retention  
 7 program for use by such agencies.

8 **SEC. 22. FOSTER AND ADOPTIVE PARENT TRAINING.**

9 Section 8006(b) of the Omnibus Budget Reconcili-  
 10 ation Act of 1989 (42 U.S.C. 674 note; 103 Stat. 2462)  
 11 is amended by striking “, and before October 1, 1992”.

12 **SEC. 23. CHILD WELFARE TRAINEESHIPS.**

13 (a) IN GENERAL.—Part B of title IV (42 U.S.C.  
 14 620–628), as amended by section 8(a), is amended by in-  
 15 serting after section 429 the following:

16 **“SEC. 429A. CHILD WELFARE TRAINEESHIPS.**

17 “(a) The Secretary shall approve an application for  
 18 a grant to a public or nonprofit institution of higher learn-  
 19 ing to provide traineeships with stipends under section  
 20 426(a)(1)(C), only if the application—

21 “(1) provides assurances that each individual  
 22 who receives a stipend with such traineeship (in this  
 23 section referred to as a ‘recipient’) shall enter into  
 24 an agreement with the institution of higher learning  
 25 under which the recipient shall agree—

1           “(A) to participate in onsite training at a  
2 public or private child welfare agency on a reg-  
3 ular basis (as determined by the Secretary) for  
4 the period of the traineeship;

5           “(B) to be employed for a period of years  
6 equivalent to the period of the traineeship in a  
7 public or private nonprofit child welfare agency  
8 in any State after completing the postsecondary  
9 education for which the traineeship was award-  
10 ed (within such period of time as is determined  
11 by the Secretary by regulation);

12           “(C) to provide the institution of higher  
13 learning and the Secretary with evidence of  
14 compliance with subparagraphs (A) and (B);  
15 and

16           “(D) in the event that the conditions of  
17 subparagraph (A) or (B) are not complied with  
18 (except as provided in the exceptions to repay-  
19 ment provisions described in subsection (b)), to  
20 repay to the Secretary all or part of the amount  
21 of the stipend, plus interest, and if applicable,  
22 reasonable collection fees (in compliance with  
23 regulations that the Secretary shall promul-  
24 gate);



1           “(2) provides that an agreement entered into  
2           with a recipient shall fully disclose the terms and  
3           conditions under which the traineeship with stipend  
4           is granted; and

5           “(3) provides assurances that the institution of  
6           higher learning shall—

7                   “(A) provide appropriate support and su-  
8                   pervision of recipients;

9                   “(B) enter into agreements with child wel-  
10                  fare agencies for the onsite training of recipi-  
11                  ents;

12                  “(C) develop and implement a curriculum  
13                  in the field of child welfare services that—

14                          “(i) incorporates the most recent in-  
15                          formation concerning best practices for the  
16                          delivery of child welfare services; and

17                          “(ii) incorporates information relating  
18                          to clause (i) supplied to the institution  
19                          through consultation with child welfare  
20                          agencies;

21                  “(D) permit a student who is employed in  
22                  the field of child welfare services (at the time  
23                  such student applies for a traineeship) to apply  
24                  for a traineeship with a stipend if such  
25                  traineeship furthers the student’s progress to-

1           wards the completion of degree requirements;  
2           and

3                 “(E) develop and implement a system that  
4           tracks for a period of 3 years, beginning on the  
5           date of completion of any student of a child  
6           welfare services program of study, the employ-  
7           ment record of such student in the field of child  
8           welfare services (for the purpose of determining  
9           the percentage of students who secure employ-  
10          ment in the field of child welfare services and  
11          remain employed in such field).

12         “(b) A recipient shall not be considered in violation  
13 of the agreement entered into pursuant to subsection  
14 (a)(1) during any period in which the recipient satisfies  
15 repayment exceptions that may be prescribed by the Sec-  
16 retary by regulation.”.

17         (b)         CONFORMING         AMENDMENT.—Section  
18 426(a)(1)(C) (42 U.S.C. 626(a)(1)(C)) is amended by in-  
19 serting “described in section 429” after “including  
20 traineeships”.

21         (c) APPLICABILITY.—The amendments made by this  
22 section shall apply to grants awarded on or after April  
23 1, 1994.

1 **SEC. 24. PUBLICATION OF PROGRAM DATA.**

2 (a) IN GENERAL.—Section 479 (42 U.S.C. 679) is  
3 amended by adding at the end the following:

4 “(d) Not later than January 31 of each year, the Sec-  
5 retary shall submit to the Committee on Ways and Means  
6 of the House of Representatives and the Committee on  
7 Finance of the Senate, and shall make available to the  
8 public at a charge equal to the cost of printing, a report  
9 containing the following information, at least for the most  
10 recent fiscal year for which such information is available:

11 “(1) A detailed summary, and a breakdown by  
12 State, of—

13 “(A) the expenditures of each State for the  
14 program during the fiscal year for each of the  
15 programs funded under part B, part C, or this  
16 part, broken down in a manner that shows the  
17 extent to which such expenditures were made  
18 from funds provided by each of Federal or  
19 State sources; and

20 “(B) to the extent available, the number of  
21 children or families participating in each of  
22 such programs.

23 “(2) Information detailing the schedule and re-  
24 sult of the reviews conducted under the regulatory  
25 review system established in accordance with section  
26 491, including information on payments withheld,

1 reduced, or sought, or intended by the Secretary to  
2 be withheld, reduced, or sought, from each State as  
3 a result of such reviews.

4 “(3) The information described in clauses (ii)  
5 and (iii) of section 471(a)(11)(B).

6 “(4) An analysis of the services provided with  
7 funds made available under part B.

8 “(5) A listing and summary of ongoing re-  
9 search, training, and demonstration projects funded  
10 under section 426 or 438 of this Act or under sec-  
11 tions 27 through 30 of the Family Preservation and  
12 Child Protection Reform Act, and the expected date  
13 for the publication of any evaluations of, conclusions  
14 based on, or analyses of such projects.

15 “(6) Any other information the Secretary deems  
16 useful to monitor the operations of the program.”.

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

19 **SEC. 25. REVIEW OF CHILD WELFARE ACTIVITIES.**

20 (a) NEW SYSTEM FOR REVIEWING CHILD WELFARE  
21 ACTIVITIES.—

22 (1) IN GENERAL.—Title IV (42 U.S.C. 601–  
23 687) is amended by adding at the end the following:

1       **“PART G—CHILD WELFARE REVIEW SYSTEM**

2       **“SEC. 491. CHILD WELFARE REVIEW SYSTEM.**

3           “(a) ESTABLISHMENT BY REGULATION.—

4               “(1) IN GENERAL.—The Secretary shall estab-  
5       lish, by regulation, a system for—

6               “(A) the review of each child welfare pro-  
7       gram of each State for the purposes of—

8               “(i) assessing whether the program is  
9       being carried out as required by part B or  
10      E, whichever is applicable;

11              “(ii) identifying any area in which the  
12      program is not being carried out as so re-  
13      quired, and the degree to which the pro-  
14      gram is not being so carried out; and

15              “(iii) identifying the circumstances  
16      under which financial penalties shall be im-  
17      posed in cases of failure to comply with  
18      part B or E, whichever is applicable, and  
19      imposing financial penalties proportional to  
20      the degree of such failure to comply, unless  
21      action is taken to correct such failure; and

22              “(B) the provision of technical assistance  
23      to any such program.

24              “(2) STATE CHILD WELFARE PROGRAMS DE-  
25      FINED.—As used in this section, the term ‘child wel-  
26      fare programs’ means, with respect to a State—

1           “(A) all activities engaged in by, or under  
2           contract with, the State for the purpose of car-  
3           rying out the State plan for child welfare serv-  
4           ices under part B; and

5           “(B) all activities engaged in by, or under  
6           contract with, the State for the purpose of car-  
7           rying out the State plan approved by the Sec-  
8           retary under part E.

9           “(b) CONTENT OF REGULATIONS.—The regulations  
10          required by subsection (a) shall—

11          “(1) require each State child welfare program  
12          to be reviewed on a fiscal year basis to determine—

13               “(A) whether and, where appropriate, the  
14               degree to which, the program complies with the  
15               requirements of the applicable State plan re-  
16               ferred to in subsection (a)(2); and

17               “(B) the extent to which the amounts  
18               claimed to have been expended by the State for  
19               foster care maintenance payments under section  
20               472 and for adoption assistance payments  
21               under section 473 are eligible for reimburse-  
22               ment under part E;

23          “(2) specify the criteria that are to be used to  
24          assess, with respect to each subparagraph of para-  
25          graph (1)—

1           “(A) whether each program has complied  
2           with the requirements that apply to the matters  
3           described in such subparagraph; and

4           “(B) the degree of such compliance;

5           “(3) require that the procedures used to deter-  
6           mine whether, and, where appropriate, the degree to  
7           which a State child welfare program is carried out  
8           in compliance with the applicable requirements—

9           “(A) enable a timely review of all matters  
10          referred to in paragraph (1);

11          “(B) include the sampling of foster care  
12          maintenance payments made under section 472,  
13          adoption assistance payments made under sec-  
14          tion 473, and payments for such other activities  
15          under the State plan approved under part E as  
16          the Secretary deems appropriate;

17          “(C) be applied uniformly to each State  
18          child welfare program; and

19          “(D) be periodically reviewed and, if nec-  
20          essary, revised to take into account information  
21          from completed reviews under such regulations;

22          “(4) provide that a deficiency or error in a  
23          State child welfare program is not to be taken into  
24          account if the deficiency or error is—

1           “(A) due to the State’s failure to properly  
2           implement changes in Federal statute within  
3           the 6-month period beginning with the date the  
4           statute takes effect or, if later, within the 6-  
5           month period beginning with the date the regu-  
6           lation is issued if the regulation is reasonably  
7           necessary to construe or apply the statute;

8           “(B) due to the State’s reliance upon and  
9           correct use of erroneous information provided  
10          by the Secretary about matters or fact;

11          “(C) due to the State’s reliance upon and  
12          correct use of written statements of Federal  
13          policy provided to the State by the Secretary; or

14          “(D) of a technical nature and does not  
15          materially affect the performance of the pro-  
16          gram or the protection of children who are in,  
17          or at risk of being placed in, foster care;

18          “(5) establish the method by which a financial  
19          penalty is to be calculated, with respect to each sub-  
20          paragraph of subsection (b)(1), if there is a failure  
21          by a State child welfare program to comply with the  
22          requirements that apply to the matters described in  
23          such subparagraph;

24          “(6) provide that the financial penalty to be im-  
25          posed for a failure described in paragraph (5)—



1           “(A) reflect the degree of the failure; and

2           “(B) to the extent appropriate, be based  
3           on the formula used to determine the amount  
4           of a disallowance under section 408(f); and

5           “(7) be developed in consultation with rep-  
6           resentatives of State agencies administering the  
7           programs under parts B and E.

8           “(c) FREQUENCY OF REVIEWS.—Not less frequently  
9           than once every 3 years, the Secretary shall complete a  
10          review of each State child welfare program for the most  
11          recently completed fiscal year under the regulatory review  
12          system established in accordance with this section.

13          “(d) EFFECTS OF DETERMINATIONS OF NONCOMPLI-  
14          ANCE.—

15               “(1) NOTIFICATION.—The Secretary shall pro-  
16          vide timely notification to any State of any deter-  
17          mination under this section that a State child wel-  
18          fare program has failed, with respect to any sub-  
19          paragraph of subsection (b)(1), to comply with the  
20          requirements that apply to the matters described in  
21          such subparagraph, and shall include with such no-  
22          tice—

23               “(A) the basis for the determination; and

1           “(B) the amount of the financial penalty  
2           (if any) imposed on the State under the regula-  
3           tions issued under this section.

4           “(2) DETERMINATION OF PENALTIES.—The  
5           regulations setting forth the conditions under which  
6           penalties are to be imposed, and the amount of such  
7           penalties shall specify, where appropriate—

8           “(A) thresholds beyond which a State child  
9           welfare program will be determined to have  
10          failed to comply with Federal requirements, and  
11          thresholds beyond which a failure of such a pro-  
12          gram to comply with such requirements will be  
13          determined to be substantial; and

14          “(B) the circumstances under which a pro-  
15          gram under part B shall not be subject to pen-  
16          alty (or such penalty shall be withheld or re-  
17          duced) if the State has developed and followed  
18          an approved corrective action plan.

19          “(e) ADMINISTRATIVE REVIEW.—

20          “(1) IN GENERAL.—Within a reasonable time  
21          after a State is notified of a determination under  
22          this section that there is a failure of a State child  
23          welfare program to comply with applicable require-  
24          ments, and of the amount of the financial penalty  
25          imposed on the State under this section with respect

1 to such failure, the State may appeal the determina-  
2 tion and the imposition of the penalty (in whole or  
3 in part) to the Departmental Appeals Board estab-  
4 lished in the Department of Health and Human  
5 Services, by filing an appeal with the Board.

6 “(2) AUTHORITY OF BOARD TO ADJUST PEN-  
7 ALTY.—The Board may adjust the amount of the fi-  
8 nancial penalty to be imposed under this section,  
9 taking into account—

10 “(A) the amount of the financial penalty  
11 imposed by the Secretary;

12 “(B) the proportionality of the penalty to  
13 the degree of the failure; and

14 “(C) where appropriate, whether the fail-  
15 ure materially affected the protection of chil-  
16 dren who are in, or at risk of being placed in,  
17 foster care.

18 “(f) JUDICIAL REVIEW.—

19 “(1) IN GENERAL.—Within a reasonable time  
20 after a decision by the Departmental Appeals Board  
21 with respect to the imposition of a penalty under the  
22 regulatory review system established in accordance  
23 with this section, the State may obtain judicial re-  
24 view of the decision by filing an action in—

1           “(A) the district court of the United States  
2           for the judicial district in which the principal or  
3           headquarters office of the agency responsible  
4           for administering the State child welfare pro-  
5           gram which is the subject of the decision is lo-  
6           cated; or

7           “(B) the United States District Court for  
8           the District of Columbia.

9           “(2) PROCEDURAL RULES.—The district court  
10          shall review the decision of the Board on the record  
11          established in the proceedings before the Board, in  
12          accordance with the standards of review prescribed  
13          by subparagraphs (A) through (E) of section 706(2)  
14          of title 5, United States Code.”.

15          (2) EFFECTIVE DATE.—The amendment made  
16          by paragraph (1) shall take effect on the date of the  
17          enactment of this Act.

18          (b) FINAL REGULATIONS.—

19               (1) DEADLINE FOR ISSUANCE.—Not later than  
20          January 1, 1995, the Secretary of Health and  
21          Human Services shall issue, in final form, the regu-  
22          lations required by section 491 of the Social Security  
23          Act.

1           (2) APPLICABILITY.—Such regulations shall  
2       apply to conduct occurring on or after October 1,  
3       1995.

4       (c) CONFORMING AMENDMENT.—

5           (1) IN GENERAL.—Section 471(b) (42 U.S.C.  
6       671(b)) is amended by striking all that follows the  
7       first sentence.

8           (2) EFFECTIVE DATE.—The amendment made  
9       by paragraph (1) shall take effect on October 1,  
10      1995.

11      (d) ALL STATE CHILD WELFARE PROGRAMS TO BE  
12      REVIEWED BY THE END OF FISCAL YEAR 1999.—Not  
13      later than September 30, 1999, the Secretary of Health  
14      and Human Services shall complete at least one review  
15      of each State child welfare program (as defined in section  
16      491(a)(2) of the Social Security Act, as added by sub-  
17      section (a)(1)) under the regulatory review system estab-  
18      lished in accordance with such section.

19      (e) MORATORIUM ON COLLECTING DISALLOWANCES  
20      UNDER PART E.—The Secretary of Health and Human  
21      Services shall not, before October 1, 1994, reduce any pay-  
22      ment to, withhold any payment from, or seek any repay-  
23      ment from, any State under part E of title IV of the Social  
24      Security Act by reason of a determination made in connec-  
25      tion with any on-site Federal financial review, or any audit

1 conducted by the Inspector General using similar meth-  
2 odologies.

3 (f) MORATORIUM ON COLLECTING DISALLOWANCES  
4 UNDER PART B.—Section 10406 of the Omnibus Budget  
5 Reconciliation Act of 1989 (42 U.S.C. 627 note; 103 Stat.  
6 2490) is amended—

7 (1) by striking “1991” and inserting “1994”;

8 (2) by striking “triennial”;

9 (3) by striking “1992” and inserting “1995”;

10 and

11 (4) by striking the section heading and insert-  
12 ing the following:

13 **“SEC. 10406. TREATMENT OF REVIEWS OF STATE FOSTER**  
14 **CARE PROTECTIONS FOR FISCAL YEARS BE-**  
15 **FORE OCTOBER 1, 1994.”**

16 (g) PAYMENT OF STATE CLAIMS FOR FOSTER CARE  
17 AND ADOPTION ASSISTANCE.—

18 (1) IN GENERAL.—Section 474 (42 U.S.C.  
19 674), as amended by section 20 of this Act, is  
20 amended by adding at the end the following:

21 “(c) The Secretary shall pay any State claim for re-  
22 imbursement for expenditures pursuant to subsection (a)  
23 within 90 days after the receipt of the claim unless the  
24 Secretary issues a deferral or a disallowance of the claim  
25 before the end of such 90-day period.”.

1           (2) EFFECTIVE DATE.—The amendment made  
 2       by paragraph (1) shall take effect on the date of the  
 3       enactment of this Act, and shall apply to actions  
 4       taken before, on, or after such date.

5   **SEC. 26. AUTOMATED SYSTEMS.**

6       (a) ENHANCED MATCH.—

7           (1) PAYMENTS TO STATES.—

8               (A) IN GENERAL.—Section 474(a)(3) (42  
 9       U.S.C. 674(a)(3)) is amended—

10                   (i) by striking “and” at the end of  
 11                   subparagraph (B);

12                   (ii) by redesignating subparagraph  
 13                   (C) as subparagraph (E); and

14                   (iii) by inserting after subparagraph  
 15                   (B) the following:

16               “(C) 90 percent of so much of such expendi-  
 17       tures as are for the planning, design, development,  
 18       or installation of statewide mechanized data collec-  
 19       tion and information retrieval systems (including 90  
 20       percent of the full amount of expenditures for hard-  
 21       ware components for such systems) but only to the  
 22       extent that such systems—

23                   “(i) meet the requirements imposed by reg-  
 24       ulations promulgated pursuant to section  
 25       479(b)(2);

1           “(ii) to the extent practicable, are capable  
2 of interfacing with the State data collection sys-  
3 tem that collects information relating to child  
4 abuse and neglect;

5           “(iii) to the extent practicable, have the ca-  
6 pability of interfacing with, and retrieving infor-  
7 mation from, the State data collection system  
8 that collects information relating to the eligi-  
9 bility of individuals under part A (for the pur-  
10 poses of facilitating the verification of the eligi-  
11 bility of foster children); and

12           “(iv) are determined by the Secretary to be  
13 likely to provide more efficient, economical, and  
14 effective administration of the programs carried  
15 out under the State plan approved under part  
16 B or the State plan approved under this part;  
17 and

18           “(D) 50 percent of so much of such expendi-  
19 tures as are for the operation of the statewide  
20 mechanized data collection and information retrieval  
21 systems referred to in subparagraph (C); and”.

22           (B) TREATMENT OF STATE EXPENDI-  
23 TURES FOR DATA COLLECTION AND INFORMA-  
24 TION RETRIEVAL SYSTEMS.—Section 474 (42  
25 U.S.C. 674), as amended by sections 20 and



1           25(g)(1) of this Act, is amended by adding at  
2           the end the following:

3           “(d) The Secretary shall treat as necessary for the  
4 proper and efficient administration of the State plan ap-  
5 proved under this part all expenditures of a State that  
6 are necessary in order for the State to plan, design, de-  
7 velop, install, and operate data collection and information  
8 retrieval systems described in subsection (a)(3)(C), with-  
9 out regard to whether the systems may be used with re-  
10 spect to foster or adoptive children other than those on  
11 behalf of whom foster care maintenance payments or  
12 adoption assistance payments may be made under this  
13 part.”.

14           (C) CONFORMING AMENDMENT.—Section  
15           473(a)(6)(B) (42 U.S.C. 673(a)(6)(B)), as  
16           amended by section 9102(b) of this Act, is  
17           amended by striking “474(a)(3)(B)” and in-  
18           serting “474(a)(3)(E)”.

19           (D) EFFECTIVE DATE.—The amendments  
20           made by this paragraph shall apply to payments  
21           under part E of title IV of the Social Security  
22           Act for expenditures made during the 3-year  
23           period that begins 6 months after the date of  
24           the enactment of this Act.

25           (2) TERMINATION OF ENHANCED MATCH.—

1 (A) IN GENERAL.—Section 474(a)(3)(C)  
2 (42 U.S.C. 674(a)(3)(C)), as added by para-  
3 graph (1)(A)(iii) of this subsection, is amended  
4 by striking “90” each place such term appears  
5 and inserting “50”.

6 (B) EFFECTIVE DATE.—The amendment  
7 made by subparagraph (A) shall take effect on  
8 September 30, 1996.

9 (C) CONSTRUCTION.—The amendment  
10 made by subparagraph (A) of this paragraph  
11 shall not be construed to affect any right, enti-  
12 tlement, or duty granted or imposed by, or aris-  
13 ing by reason of, the amendments made by  
14 paragraph (1).

15 (b) ESTABLISHMENT OF GROUP TO ADVISE THE  
16 SECRETARY ON THE PLANNING AND IMPLEMENTATION  
17 OF AUTOMATED SYSTEMS.—

18 (1) IN GENERAL.—Section 479 (42 U.S.C.  
19 679), as amended by section 24(a) of this Act, is  
20 amended by adding at the end the following:

21 “(e) The Secretary shall establish a work group to  
22 advise the Secretary on the planning and implementation  
23 of the system to be used for the collection of data relating  
24 to adoption and foster care in the United States. Such  
25 group shall include representatives of—

1 “(1) organizations described in subsection  
2 (a)(4)(B)(ii); and

3 “(2) other appropriate groups.”.

4 (2) EFFECTIVE DATE.—The amendment made  
5 by paragraph (1) shall take effect on the date of the  
6 enactment of this Act.

7 **SEC. 27. RESEARCH AND EVALUATIONS.**

8 (a) FOSTER CARE EVALUATIONS; LONGITUDINAL  
9 CHILD WELFARE DATA BASES; STUDIES OF CHILD WEL-  
10 FARE POPULATION DYNAMICS.—Section 426(b) (42  
11 U.S.C. 626(b)) is amended to read as follows:

12 “(b) RESEARCH AND EVALUATION PROJECTS.—

13 “(1) FOSTER CARE EVALUATIONS.—In order to  
14 promote more appropriate and effective foster care  
15 for children in need of long-term foster care, the  
16 Secretary shall, directly or under contract with 1 or  
17 more independent research organizations, and in ac-  
18 cordance with such criteria as the Secretary deems  
19 appropriate, evaluate the effects of alternative foster  
20 care arrangements and services on the well-being of  
21 children who—

22 “(A) have little prospect of being reunited  
23 with their families, or of being adopted; and

1           “(B) represent a challenging group of fos-  
2           ter children who are in need of specialized serv-  
3           ices or care.

4           “(2) LONGITUDINAL CHILD WELFARE DATA  
5           BASES; STUDIES OF CHILD WELFARE POPULATION  
6           DYNAMICS.—

7           “(A) CONTRACT AUTHORITY.—In order to  
8           develop more appropriate and effective interven-  
9           tion strategies with respect to children and  
10          their families who are referred or reported to  
11          the child welfare system, the Secretary shall, di-  
12          rectly or under contract with 1 or more inde-  
13          pendent research organizations—

14               “(i) plan, design, develop, and imple-  
15               ment not more than 4 child welfare data  
16               bases that provide detailed longitudinal in-  
17               formation on children and their families to  
18               whom the local public child welfare system  
19               provides services, from the time such chil-  
20               dren are first referred or reported to such  
21               system; and

22               “(ii) using data from such data bases,  
23               conduct such studies on children and their  
24               families served by public child welfare sys-  
25               tems, as the Secretary deems appropriate,

1 including a study of the extent to which a  
2 lack of affordable housing is a factor in the  
3 placement of children in foster care, and  
4 (at the option of the Secretary) studies  
5 of—

6 “(I) the movements of subgroups  
7 of children and their families into,  
8 through, and out of the various parts  
9 of the child welfare system;

10 “(II) the characteristics of those  
11 children or families who stay in the  
12 system or various parts of the system  
13 for short time periods versus those  
14 who stay for long time periods;

15 “(III) the type and intensity of,  
16 and effectiveness of, services that  
17 families receive in the system;

18 “(IV) the frequency of contact  
19 between and among foster children,  
20 their parents, and caseworkers;

21 “(V) the factors associated with  
22 repeat occurrences of child abuse and  
23 neglect, and other outcomes; and

24 “(VI) the condition of children in  
25 the system in areas that may include

1 educational performance, health, and  
2 personal and social adjustment.

3 “(B) AGREEMENTS WITH STATES.—

4 “(i) IN GENERAL.—Not later than Oc-  
5 tober 1, 1994, the Secretary shall enter  
6 into agreements with not more than 4  
7 States or localities to—

8 “(I) participate in the planning,  
9 design, development, and operation of  
10 a longitudinal child welfare data base  
11 described in subparagraph (A) in the  
12 participating State or locality in-  
13 volved; and

14 “(II) reimburse such States or  
15 localities for expenditures incurred  
16 with respect to such activities.

17 “(ii) PAYMENTS TO STATES.—Under  
18 each such agreement, the Secretary shall  
19 be obligated to pay the State or locality  
20 participating in the establishment of the  
21 data base—

22 “(I) from amounts available for  
23 payments under section 474(a)(3)(C),  
24 70 percent of such expenditures as  
25 are incurred during the 3-year period

1 beginning on October 1, 1994, for the  
2 planning, design, development, instal-  
3 lation, or operation of the data base;  
4 and

5 “(II) from amounts available for  
6 payments under section 474(a)(3)(D),  
7 50 percent of such expenditures as  
8 are incurred after the end of such 3-  
9 year period for the operation of the  
10 data base.

11 “(C) DATA BASE REQUIREMENTS.—The  
12 Secretary shall ensure that each longitudinal  
13 data base established under this paragraph—

14 “(i) includes information on the re-  
15 ceipt, by children and their families in the  
16 data base, of particular child welfare serv-  
17 ices, including—

18 “(I) child protective services;

19 “(II) services designed to  
20 strengthen and preserve families;

21 “(III) foster care and adoption  
22 services; and

23 “(IV) other services made avail-  
24 able by the child welfare system;

1 “(ii) to the extent feasible, includes  
 2 information on the receipt of services, or  
 3 the placement of children, through the  
 4 public mental health or juvenile justice  
 5 agencies;

6 “(iii) includes only data that are reli-  
 7 able and developed using uniform defini-  
 8 tions and methodologies that are consistent  
 9 over time and, to the extent feasible,  
 10 among jurisdictions; and

11 “(iv) to the extent appropriate, is im-  
 12 plemented with the State data collection  
 13 and information retrieval systems de-  
 14 scribed in section 474(a)(3)(C).”.

15 (b) OTHER RESEARCH AND EVALUATIONS.—

16 (1) STUDY OF RISKS TO FOSTER CARE WORK-  
 17 ERS; NATIONAL WORKLOAD STUDY; EVALUATION OF  
 18 FOSTER PARENT RECRUITMENT, TRAINING, AND  
 19 EDUCATION.—The Secretary may—

20 (A) conduct a study to assess the preva-  
 21 lence and nature of risks to the safety of em-  
 22 ployees of child welfare systems, under which  
 23 empirical information shall be obtained on—

24 (i) the incidence of violence toward, or  
 25 harassment of, such employees;



1 (ii) the types of such employees ex-  
2 posed to the greatest risk;

3 (iii) the types of harm threatened or  
4 inflicted;

5 (iv) the characteristics of perpetrators  
6 of such violence or threats;

7 (v) the most dangerous child welfare  
8 settings; and

9 (vi) the differences (if any) between  
10 urban and rural areas in the above re-  
11 spects;

12 (B)(i) enter into a contract with an organi-  
13 zation or organizations with demonstrated expe-  
14 rience in the field of workload measurement for  
15 human service agencies—

16 (I) under which the organization is to  
17 conduct a 3-year study to examine meth-  
18 odologies for measuring the workloads of  
19 providers of child welfare services and pro-  
20 viders of community mental health serv-  
21 ices; and

22 (II) which, at a minimum, requires  
23 the organization to—

24 (aa) examine and document  
25 which methodologies are used to

1 measure caseworker and supervisor  
2 workloads;

3 (bb) develop general standards  
4 for measurement and size of work-  
5 loads;

6 (cc) apply and validate standards  
7 for measurement and size of work-  
8 loads; and

9 (dd) develop software that en-  
10 ables agencies to use appropriate  
11 methodologies to measure workloads;  
12 and

13 (ii) consult with an advisory body selected  
14 by the Secretary, in planning and carrying out  
15 the study described in clause (i); and

16 (C) under contract with an independent re-  
17 search organization, conduct a study that—

18 (i) is designed to evaluate strategies  
19 for the recruitment and retention of foster  
20 parents, and the effects of foster parent  
21 training programs on the retention of fos-  
22 ter parents; and

23 (ii) shall identify successful recruit-  
24 ment techniques and recommend steps  
25 which could be taken at the Federal, State,

1 or local level to improve the recruitment,  
2 retention, and training of foster parents.

3 (2) CHILD SEPARATION GUIDELINES STUDY.—

4 The Secretary shall conduct a study designed to an-  
5 swer the following questions:

6 (A) How do the criteria for removal of  
7 children from the home, and the tools for as-  
8 sessing the risk to the child if not removed from  
9 the home, vary from State to State? In consid-  
10 ering this question, the Secretary should exam-  
11 ine—

12 (i) the decisionmaking process at the  
13 caseworker level in at least 3 States, at  
14 least 1 of which has a significantly higher  
15 than average rate of removing children  
16 from the home, at least 1 of which has an  
17 approximately average rate of removing  
18 children from the home, and at least 1 of  
19 which has a significantly lower than aver-  
20 age rate of removing children from the  
21 home; and

22 (ii) other factors that may affect  
23 placement rates such as State laws and  
24 policies, interpretations by the State child  
25 welfare agency of the reasonable efforts re-

1           requirement of section 471(a)(15) of the So-  
2           cial Security Act, and the tendency to  
3           place or not place children as a result of  
4           economic incentives provided by various  
5           State and Federal funding sources.

6           (B) What guidelines should be used to as-  
7           sess such risk and determine the need for re-  
8           moval of children from the home, and what  
9           kind of training would ensure the consistent ap-  
10          plication of such guidelines? The Secretary  
11          should review and compile all current research  
12          relevant to this question.

13          (c) AVAILABILITY OF STUDY RESULTS.—The Sec-  
14          retary shall make the results and recommendations of  
15          each study described in subsection (b) available for dis-  
16          semination.

17          (d) EFFECTIVE DATE.—This section and the amend-  
18          ment made by subsection (a) shall take effect on the date  
19          of the enactment of this Act.

20      **SEC. 28. CHILD WELFARE DEMONSTRATION PROJECTS.**

21          (a) GENERAL PROVISIONS.—

22              (1) MINIMUM NUMBER OF PROJECTS OF EACH  
23          TYPE.—The Secretary of Health and Human Serv-  
24          ices (in this section referred to as the “Secretary”)  
25          shall authorize at least 1 demonstration project to be

1 conducted under each paragraph of subsection (b),  
2 and at least 1 demonstration project to be conducted  
3 under each clause of subsection (b)(2)(A), during  
4 the 4-year period beginning with fiscal year 1995.

5 (2) LIMITATION ON AUTHORIZATION OF APPRO-  
6 PRIATIONS.—For demonstration projects approved  
7 by the Secretary under paragraph (1), there are au-  
8 thorized to be appropriated to the Secretary not to  
9 exceed \$15,000,000 for each of fiscal years 1995,  
10 1996, 1997, and 1998.

11 (b) SPECIFIC TYPES OF PROJECTS.—

12 (1) EXPEDITIOUS PERMANENT PLACEMENT OF  
13 CHILDREN.—

14 (A) IN GENERAL.—The Secretary may  
15 make no more than 3 grants to States or local-  
16 ities to conduct demonstration projects,  
17 throughout the State or in areas selected by the  
18 State as having the greatest need, designed  
19 to—

20 (i) review statutes, administrative and  
21 judicial procedures, and agency legal rep-  
22 resentation, in effect in the State or local-  
23 ity, that govern determinations of aban-  
24 donment of children, termination of paren-  
25 tal rights, and permanent placement of

1 children, particularly with respect to chil-  
2 dren abandoned at or shortly after birth;

3 (ii) assess which of such procedures or  
4 laws cause delays in the permanent place-  
5 ment of such children or the consideration  
6 of termination of parental rights;

7 (iii) assess the extent, or lack, of  
8 training of judges and child protection  
9 service workers on the timelines for deter-  
10 minations involving termination of parental  
11 rights or permanent placement of such  
12 children;

13 (iv) assess the provision of (and the  
14 impact of providing) coordinated com-  
15 prehensive social services, particularly in  
16 relation to reunification or maintenance of  
17 families;

18 (v) assess the impact of the designa-  
19 tion of entities or individuals that have or  
20 could be granted standing to initiate place-  
21 ment or termination of parental rights pro-  
22 ceedings with respect to children who have  
23 been placed under protective care or public  
24 supervision;

1           (vi) assess the extent of the current  
2           presence of individuals either employed by  
3           a social service agency or a private entity,  
4           who are specifically responsible for expedit-  
5           ing consideration of the termination of pa-  
6           rental rights and permanent placement,  
7           particularly with respect to children aban-  
8           doned at or shortly after birth, and the im-  
9           pact of such individuals on the timelines  
10          for such considerations;

11          (vii) assess the success of programs  
12          which concurrently provide planning for,  
13          and services to, preadoptive and natural  
14          parents; and

15          (viii) implement new procedures or  
16          make other improvements (as determined  
17          by the assessments conducted pursuant to  
18          this paragraph) that ensure more timely  
19          hearing of, and final decisions on, cases in-  
20          volving termination of parental rights and  
21          the permanent placement of children, with  
22          the goal of substantially reducing the  
23          amount of time that elapses from the time  
24          the child is removed from a home setting  
25          and is permanently placed in a stable

1 adoption placement, including, at the op-  
2 tion of the State or locality, improvements  
3 that include activities that—

4 (I) provide additional personnel  
5 identified as necessary under any pro-  
6 vision of this paragraph to pursue or  
7 process cases involving termination of  
8 parental rights or expeditious perma-  
9 nent placements;

10 (II) expand the standing of foster  
11 parents and others to bring actions  
12 involving the termination of parental  
13 rights and permanent placements; and

14 (III) require certain children to  
15 be placed in foster care in homes that  
16 are likely to become permanent adop-  
17 tive homes of such children.

18 (B) APPLICATION.—Each State or locality  
19 desiring to conduct a demonstration project  
20 under this paragraph shall submit to the Sec-  
21 retary an application containing—

22 (i) an assurance that the State or lo-  
23 cality will develop and carry out the project  
24 jointly with appropriate judicial adminis-  
25 trators, and with appropriate agencies of



1 the State or locality that provide services  
2 to children abandoned at or shortly after  
3 birth; and

4 (ii) such other information as the Sec-  
5 retary may require by regulation.

6 (C) APPROVAL OF CERTAIN APPLICA-  
7 TIONS.—

8 (i) IN GENERAL.—The Secretary shall  
9 approve not more than 3 applications to  
10 conduct projects which appear likely to  
11 contribute significantly to the achievement  
12 of the purpose of this paragraph, particu-  
13 larly as they relate to changes in the legis-  
14 lative, judicial, and administrative prac-  
15 tices with respect to permanent placement  
16 and termination of parental rights.

17 (ii) DISTRIBUTION CRITERION.—In  
18 determining whether to approve applica-  
19 tions under this paragraph, the Secretary  
20 shall ensure that grants under this para-  
21 graph are made to applicants whose posi-  
22 tions on consideration of parental rights  
23 and the termination of such rights reflect  
24 the range of statutory and judicial posi-  
25 tions taken by States on such matters.

1 (iii) GRANT PERIOD.—Subject to the  
2 availability of appropriations therefor, the  
3 Secretary shall make grants under this  
4 paragraph for a period of 4 years.

5 (D) EVALUATIONS; REPORT.—Each State  
6 and locality that conducts a demonstration  
7 project under this paragraph shall develop and  
8 carry out a plan for evaluating the effects of  
9 the project, and shall submit to the Secretary a  
10 report on such evaluation.

11 (E) DISSEMINATION OF REPORTS.—The  
12 Secretary shall make available to the Congress  
13 and the public the reports submitted pursuant  
14 to subparagraph (D).

15 (F) REVIEW AND EVALUATION BY THE  
16 SECRETARY.—The Secretary shall periodically  
17 review and evaluate the conduct of each dem-  
18 onstration project conducted under this para-  
19 graph.

20 (G) AUTHORITY TO SUSPEND OR TERMI-  
21 NATE PROJECTS.—Notwithstanding subpara-  
22 graph (C)(iii), the Secretary may suspend for  
23 any period or terminate the authority to con-  
24 duct a demonstration project under this para-  
25 graph, and may discontinue the provision of

1 grants under this paragraph for the project, if  
2 the Secretary determines that the project has  
3 not been conducted in a satisfactory manner.

4 (2) CULTURALLY SENSITIVE AND SPECIAL  
5 NEEDS CHILD WELFARE WORKER TRAINING DEM-  
6 ONSTRATION.—

7 (A) IN GENERAL.—

8 (i) TRAINING TO DELIVER CHILD  
9 WELFARE SERVICES IN BORDER RE-  
10 GIONS.—The Secretary shall authorize not  
11 more than 3 eligible institutions to conduct  
12 demonstration projects to train eligible in-  
13 dividuals to deliver culturally sensitive and  
14 bilingual child welfare services in areas of  
15 the United States that border on Mexico.

16 (ii) TRAINING TO DELIVER CHILD  
17 WELFARE SERVICES TO HISTORICALLY  
18 UNSERVED OR UNDERSERVED POPU-  
19 LATIONS IN CERTAIN URBAN CENTERS.—

20 In addition, the Secretary may make no  
21 more than 3 grants to eligible institutions  
22 to conduct projects to train eligible individ-  
23 uals to deliver culturally sensitive and bi-  
24 lingual welfare services in urban centers

1 which have a high proportion of historically  
2 unserved or underserved populations.

3 (B) APPLICATIONS.—

4 (i) APPLICATIONS UNDER SUBPARA-  
5 GRAPH (A)(i).—The Secretary shall approve  
6 an application of an eligible institution to  
7 conduct a demonstration project under  
8 subparagraph (A)(i) for a fiscal year if the  
9 Secretary has approved not more than 4  
10 other such applications for the fiscal year  
11 and the application meets the following re-  
12 quirements:

13 (I) HISTORY OF, OR PLAN FOR,  
14 TRAINING STUDENTS TO DELIVER  
15 CHILD WELFARE SERVICES IN BOR-  
16 DER AREAS.—The application dem-  
17 onstrates that the applicant has a his-  
18 tory of, or a plan for, training stu-  
19 dents to deliver child welfare services  
20 in an area of the United States that  
21 borders on Mexico.

22 (II) TRAINING CURRICULUM RE-  
23 QUIREMENTS.—The application de-  
24 scribes the curriculum of the training  
25 program. Such curriculum must be

1 sensitive to the culture of the area  
2 that borders on Mexico and the State  
3 in which the applicant is located, and  
4 must include training for the identi-  
5 fication of health problems of children  
6 and their families and of child abuse  
7 and neglect.

8 (III) SCOPE AND LENGTH OF  
9 TRAINING.—The application includes  
10 an assurance that the training pro-  
11 gram meets all requirements estab-  
12 lished under subparagraph (C) gov-  
13 erning the scope and length of the  
14 training to be provided.

15 (IV) PLAN FOR PLACING INDIV-  
16 IDUALS COMPLETING THE TRAINING  
17 IN BORDER AREA FAMILY ASSISTANCE  
18 AGENCIES.—The application contains  
19 a plan for placing each eligible indi-  
20 vidual who completes the training  
21 under the project in a family assist-  
22 ance agency that provides services di-  
23 rectly to residents of the border coun-  
24 ty in which the agency is located.

1 (V) COMMITMENT TO CONSULT  
2 WITH STATE CHILD WELFARE AGEN-  
3 CY.—The application contains a com-  
4 mitment by the applicant to consult  
5 with the child welfare agency of the  
6 State in which the applicant is located  
7 to ensure that the project is designed  
8 to provide individuals with child wel-  
9 fare skills that are needed for work  
10 with disadvantaged individuals in the  
11 area of the State that borders on  
12 Mexico.

13 (ii) APPLICATIONS UNDER SUBPARA-  
14 GRAPH (A)(ii).—The Secretary shall ap-  
15 prove an application of an eligible institu-  
16 tion to conduct a demonstration project  
17 under subparagraph (A)(ii) for a period of  
18 4 fiscal years (subject to the availability of  
19 funds and satisfactory performance) if the  
20 Secretary has not approved more than 4  
21 other applications for such projects and  
22 the application meets the following require-  
23 ments:

24 (I) The applicant demonstrates  
25 that it has a history of, expertise in,

1 and commitment to, providing train-  
2 ing for individuals to deliver child wel-  
3 fare services to historically unserved  
4 or underserved populations in urban  
5 centers.

6 (II) The applicant describes how  
7 the application was developed in con-  
8 sultation with State and local child  
9 welfare agencies, community-based or-  
10 ganizations serving the area to be af-  
11 fected, and the residents of the area,  
12 including public notice and oppor-  
13 tunity to comment on the training  
14 program to be offered, and a plan for  
15 a continuing consultation process with  
16 these entities.

17 (III) The curriculum to be of-  
18 fered includes the broad range of Fed-  
19 eral, State, and local programs avail-  
20 able to provide services to historically  
21 unserved or underserved populations  
22 in urban centers, and the identifica-  
23 tion of health problems in children  
24 and their families which may lead to

1 child abuse or neglect and the pres-  
2 ence of such conditions.

3 (IV) The application includes an  
4 assurance that the training program  
5 meets all the requirements of subpara-  
6 graph (C) governing the scope and  
7 length of the training to be provided.

8 (V) The application includes a  
9 plan for placing each eligible individ-  
10 ual who completes the training under  
11 the project in a public or private non-  
12 profit family assistance agency that  
13 provides services directly to unserved  
14 or underserved populations in urban  
15 centers with high concentrations of  
16 such populations.

17 (iii) GRANTS SUBJECT TO APPROPRIA-  
18 TIONS.—The Secretary shall make grants  
19 for projects authorized under subpara-  
20 graph (A)(ii) subject to the availability of  
21 appropriations therefor.

22 (iv) REVIEW AND EVALUATION BY  
23 THE SECRETARY.—The Secretary shall pe-  
24 riodically review and evaluate the conduct  
25 of each demonstration project authorized



1 to be conducted under subparagraph  
2 (A)(ii).

3 (v) AUTHORITY TO SUSPEND OR TER-  
4 MINATE PROJECTS.—The Secretary may  
5 suspend for any period or terminate the  
6 authority to conduct a demonstration  
7 project under subparagraph (A)(ii), and  
8 may discontinue the provision of grants  
9 under subparagraph (A)(ii) for the project,  
10 if the Secretary determines that the project  
11 has not been conducted in a satisfactory  
12 manner.

13 (C) TRAINING REQUIREMENTS.—The Sec-  
14 retary, in consultation with the State child wel-  
15 fare agencies of the eligible States, shall develop  
16 criteria regarding the scope and length of the  
17 training program to be provided under any  
18 demonstration project conducted under this  
19 paragraph to ensure that training under the  
20 program adequately prepares trainees for the  
21 work they will perform after completion of the  
22 training program. The Secretary shall treat  
23 participation in a program leading to a bach-  
24 elor's or a master's degree in social work as  
25 providing such adequate preparation.

1 (D) GRANTS.—

2 (i) ALLOCATION AMONG STATES WITH  
3 APPROVED PROJECTS.—Each eligible State  
4 in which is located an eligible institution  
5 whose application to conduct a demonstra-  
6 tion project under subparagraph (A)(i) for  
7 a fiscal year has been approved by the Sec-  
8 retary shall be allocated for the fiscal year  
9 that portion of the funds available to carry  
10 out subparagraph (A)(i) for the fiscal year  
11 that is represented by—

12 (I) the number of disadvantaged  
13 individuals who, as of the close of the  
14 second preceding fiscal year, resided  
15 in the border counties of the State; di-  
16 vided by

17 (II) the total number of dis-  
18 advantaged individuals who, as of the  
19 close of the second preceding fiscal  
20 year, resided in the border counties of  
21 all such eligible States.

22 (ii) GRANT AUTHORITY.—The Sec-  
23 retary shall make a grant to each eligible  
24 institution that the Secretary authorizes to  
25 conduct a demonstration project under

1 subparagraph (A)(i) for a fiscal year in an  
2 amount equal to—

3 (I) the amount allocated for the  
4 fiscal year under clause (i) to the  
5 State in which the institution is lo-  
6 cated; divided by

7 (II) the number of eligible insti-  
8 tutions in the State that are so au-  
9 thorized.

10 (E) USE OF GRANTS.—Each eligible insti-  
11 tution that receives a grant under this para-  
12 graph—

13 (i) shall use the grant to equip eligible  
14 individuals with the knowledge and skills  
15 necessary to perform the range of child  
16 welfare work, from case management to  
17 supervisory skills; and

18 (ii) may use the grant to pay the tui-  
19 tion, room and board, travel, and other liv-  
20 ing expenses of eligible individuals.

21 (F) DEFINITIONS.—As used in this para-  
22 graph:

23 (i) BORDER COUNTY.—The term  
24 “border county” means—

1 (I) in the State of Texas, the  
2 counties of Cameron, Brooks, Hi-  
3 dalgo, Kenedy, Willacy, Jim Hogg,  
4 Starr, Webb, Zapata, Duval, LaSalle,  
5 Maverick, Dimmit, Zavala, Uvalde,  
6 Kinney, Val Verde, Edwards, Crock-  
7 ett, Terrell, Pecos, Brewster, Presidio,  
8 Jeff Davis, Reeves, Culberson,  
9 Hudspeth, Bexar, and El Paso;

10 (II) in the State of New Mexico,  
11 the counties of Otero, Sierra, Dona  
12 Ana, Luna, Hidalgo, Grant, Lea, Roo-  
13 sevelt, Chaves, Eddy, and Lincoln;

14 (III) in the State of Arizona, the  
15 counties of Cochise, Graham,  
16 Greenlee, Maricopa, Pinal, Pima,  
17 Yuma, La Paz, and Santa Cruz; and

18 (IV) in the State of California,  
19 the counties of Imperial, San Diego,  
20 Riverside, and Orange.

21 (ii) CHILD WELFARE AGENCY.—The  
22 term “child welfare agency” means, with  
23 respect to a State, the individual or agency  
24 that administers or supervises the adminis-  
25 tration of the State plan for child welfare

1 services under part B of title IV of the So-  
2 cial Security Act.

3 (iii) DISADVANTAGED INDIVIDUAL.—

4 The term “disadvantaged individual”  
5 means an individual whose income does not  
6 exceed 130 percent of the income official  
7 poverty line (as defined by the Office of  
8 Management and Budget, and revised an-  
9 nually in accordance with section 673(2) of  
10 the Omnibus Budget Reconciliation Act of  
11 1981) applicable to a family of the size of  
12 the individual’s family.

13 (iv) ELIGIBLE INDIVIDUAL.—The

14 term “eligible individual” means any indi-  
15 vidual who—

16 (I) is, or intends to become, an  
17 employee of a family assistance agen-  
18 cy in an eligible State; and

19 (II) enters into an agreement  
20 with an eligible institution in the  
21 State under which—

22 (aa) the institution agrees to  
23 train the individual to deliver cul-  
24 turally sensitive and bilingual  
25 child welfare services in the area

1 of the United States that borders  
2 on Mexico; and

3 (bb) the individual agrees to so  
4 deliver such services at or from a  
5 site approved by the child welfare  
6 agency of the State for at least 1  
7 year beginning within a reason-  
8 able time after the individual  
9 completes the training under a  
10 project conducted under subpara-  
11 graph (A)(i), or for a period of 1  
12 year for each year of assistance  
13 or training received beginning  
14 upon completion of the training  
15 under a project conducted under  
16 subparagraph (A)(ii).

17 (v) ELIGIBLE INSTITUTION.—The  
18 term “eligible institution” means any insti-  
19 tution of higher education that is located  
20 in an eligible State.

21 (vi) ELIGIBLE STATE.—The term “eli-  
22 gible State” means Texas, New Mexico,  
23 Arizona, and California.

24 (vii) FAMILY ASSISTANCE AGENCY.—  
25 The term “family assistance agency”

1 means a child welfare agency, family plan-  
2 ning agency, hospital, clinic, community  
3 mental health facility, or drug and alcohol  
4 treatment program.

5 (viii) INSTITUTION OF HIGHER EDU-  
6 CATION.—The term “institution of higher  
7 education” means—

8 (I) an institution of higher edu-  
9 cation (as defined in section 1201(a)  
10 or 481(a) of the Higher Education  
11 Act of 1965); and

12 (II) an area vocational education  
13 school (as defined in subparagraph  
14 (C) or (D) of section 521(3) of the  
15 Carl D. Perkins Vocational Education  
16 Act).

17 (ix) The term “urban centers” means  
18 an area in a metropolitan statistical area,  
19 as designated by the Director of the Office  
20 of Management and Budget, which has a  
21 high incidence of individuals in historically  
22 unserved or underserved populations who  
23 are in need of social services, as deter-  
24 mined by the Secretary using the most re-  
25 cent and best available information. A list

1 of such urban centers shall be published by  
2 the Secretary in the Federal Register no  
3 more than 180 days after the date of the  
4 enactment of this Act.

5 (x) The term “historically unserved or  
6 underserved populations” includes—

7 (I) minority populations;

8 (II) persons with limited English  
9 proficiency;

10 (III) populations residing in  
11 urban areas and exhibiting a high in-  
12 cidence of child abuse, neglect, or  
13 abandonment, as determined by the  
14 Secretary;

15 (IV) homeless persons (within the  
16 meaning of section 103 of the Stewart  
17 B. McKinney Homeless Assistance  
18 Act);

19 (V) persons who are, or are in  
20 danger of becoming, infected with the  
21 human immunodeficiency virus; and

22 (VI) persons who abuse alcohol  
23 or drugs.

24 (G) RECOVERY OF ASSISTANCE IN CER-  
25 TAIN CASES.—Any individual participating in a



1 project conducted under subparagraph (A) who  
2 breaches the agreement referred to in subpara-  
3 graph (F)(iv)(II) shall repay to the Secretary  
4 an amount equal to the amount or value of as-  
5 sistance received by the individual under the  
6 project, ratably reduced, if applicable, by a pro-  
7 portion representing that portion of the year  
8 during which the individual complied with the  
9 agreement. The Secretary shall establish guide-  
10 lines and repayment schedules to carry out this  
11 subparagraph.

12 (3) JOINT TRAINING DEMONSTRATION.—

13 (A) IN GENERAL.—The Secretary may  
14 make grants under this paragraph, on a com-  
15 petitive basis, to not more than 3 State or local  
16 government agencies to conduct demonstration  
17 projects designed to test the effect of joint  
18 training programs for the staff of child welfare,  
19 mental health, and juvenile justice agencies,  
20 and for judicial personnel and judges.

21 (B) ELIGIBILITY.—To be eligible for a  
22 grant under this paragraph, a State or local  
23 government agency shall designate a public  
24 agency which provides services to children in  
25 the State and demonstrate that at least 2 such

1 agencies will participate in the project by con-  
2 tributing financial resources, staff resources,  
3 and trainees.

4 (C) APPROVAL OF CERTAIN APPLICA-  
5 TIONS.—The Secretary shall approve not more  
6 than 3 applications to conduct projects which  
7 appear likely to contribute significantly to the  
8 achievement of the purpose of this paragraph.

9 (D) USE OF GRANT.—Each State or local  
10 government agency that receives a grant under  
11 this paragraph shall use the grant to train staff  
12 (including supervisors) of public and private  
13 agencies who provide services to children or  
14 adolescents at risk of requiring foster care or to  
15 the families of such children or adolescents.  
16 Such training shall be designed to—

17 (i) educate staff about the special  
18 needs of, and service programs for, certain  
19 populations of children or adolescents, such  
20 as those who have been sexually abused,  
21 suffer from serious emotional disturbances,  
22 are substance abusers, have acquired im-  
23 mune deficiency syndrome, or are infected  
24 with a human immunodeficiency virus;

1 (ii) coordinate the interagency delivery  
2 of services (including family preservation  
3 services, family reunification services, inde-  
4 pendent living services, and supportive  
5 services) to children at risk of being placed  
6 in foster care; and

7 (iii) provide training for judges or  
8 other administrative personnel, who are  
9 authorized to make final determinations as  
10 to termination of parental rights or place-  
11 ment of children in either temporary or  
12 permanent situations, to determine and in-  
13 corporate into their decisions factors relat-  
14 ing to the physical, mental, and social in-  
15 terests of the child.

16 (E) EVALUATIONS; REPORT.—Each State  
17 or local government agency that conducts a  
18 demonstration project under this paragraph  
19 shall develop and carry out a plan for evaluat-  
20 ing the effects of the training provided under  
21 the project, and shall submit to the Secretary a  
22 report on such evaluation.

23 (F) DISSEMINATION OF REPORTS.—The  
24 Secretary shall make available to the Congress

1           and the public the reports submitted pursuant  
2           to subparagraph (E).

3           (c) FOSTER CARE AND ADOPTION ASSISTANCE DEM-  
4       ONSTRATION.—

5           (1) IN GENERAL.—The Secretary may author-  
6       ize not more than 5 States to conduct demonstration  
7       projects designed to test, for not more than 6 years,  
8       the feasibility of eliminating the requirements in sec-  
9       tions 472 and 473 of the Social Security Act that  
10      relate to the income and resources of the child or of  
11      the family from which a child originated, and allow-  
12      ing States to receive reimbursement for foster care  
13      maintenance payments and for adoption assistance  
14      payments made with respect to children without re-  
15      gard to such income and resources.

16          (2) APPLICATION.—Each State desiring to con-  
17      duct a demonstration project under this subsection  
18      shall submit to the Secretary an application in such  
19      form and containing such information as the Sec-  
20      retary may require by regulation.

21          (3) AGREEMENT ON FEDERAL MATCHING PAY-  
22      MENTS AND STRATEGY FOR EVALUATION.—

23            (A) IN GENERAL.—As a condition prece-  
24      dent to approving any application to conduct a  
25      demonstration project under this subsection,

1 the Secretary and the State shall reach agree-  
2 ment on—

3 (i) the rates at which the various  
4 types of expenditures under the project  
5 shall be reimbursed, in lieu of the rates at  
6 which such expenditures would otherwise  
7 be reimbursed under section 474 of the So-  
8 cial Security Act; and

9 (ii) a strategy for evaluating the ef-  
10 fects of the project.

11 (B) LIMITATION.—The Secretary may not  
12 agree to any set of reimbursement rates under  
13 subparagraph (A)(i) of this paragraph, unless  
14 the Secretary determines that the set of rates  
15 is likely to result in an amount of Federal pay-  
16 ments to the State under section 474 of the So-  
17 cial Security Act that does not exceed the  
18 amount that would have been so paid to the  
19 State if the State were not conducting the dem-  
20 onstration project.

21 (4) APPROVAL OF CERTAIN APPLICATIONS.—

22 (A) IN GENERAL.—The Secretary shall ap-  
23 prove not more than 5 applications to conduct  
24 projects which appear likely to contribute sig-

1 significantly to the achievement of the purpose of  
2 this subsection.

3 (B) PROJECT LIFETIME.—

4 (i) 3 YEARS.—Each agreement under  
5 paragraph (3) shall be for a term of 3  
6 years.

7 (ii) AUTHORITY TO RENEW PROJECT  
8 FOR 3 YEARS.—Upon the request of the  
9 State, the Secretary shall extend for 3 ad-  
10 ditional years the term of any agreement  
11 under paragraph (3).

12 (5) EVALUATIONS; REPORT.—Each State that  
13 conducts a demonstration project under this sub-  
14 section shall develop and carry out a plan for evalu-  
15 ating the effects of the project, and shall submit to  
16 the Secretary a report on such evaluation.

17 (6) DISSEMINATION OF REPORTS.—The Sec-  
18 retary shall make available to the Congress and the  
19 public the reports submitted pursuant to paragraph  
20 (5).

21 **SEC. 29. DEMONSTRATION OF INDEPENDENT LIVING SERV-**  
22 **ICES FOR YOUNG ADULTS.**

23 (a) IN GENERAL.—The Secretary of Health and  
24 Human Services may authorize 1 State to conduct a dem-  
25 onstration project for 3 years under which—

1           (1) community-based services are provided to  
2       former foster children who have attained the age of  
3       21 years but have not attained the age of 25 years;  
4       and

5           (2) the State must arrange for an evaluation of  
6       the impact of the demonstration project on the well-  
7       being of the individuals who participate in the  
8       project.

9       (b) SERVICES.—The services referred to in subsection  
10   (a) may include self-help groups, counseling, treatment for  
11   survivors of abuse, mentoring, alumni groups, and coordi-  
12   nation of, and referral to, community services by inde-  
13   pendent living agency staff.

14   **SEC. 30. HOME REBUILDERS DEMONSTRATION PROJECT.**

15       (a) IN GENERAL.—Upon written application of the  
16   State of New York (in this section referred to as the  
17   “State”), and after the Secretary of Health and Human  
18   Services approves the application as meeting the require-  
19   ments set forth in subsection (b), the State may conduct  
20   a demonstration project for the purpose of testing how to  
21   enhance the practices and procedures that will expedite  
22   the discharge of children from foster care, including the  
23   appropriate reunification of children with their families,  
24   or the adoption of children by suitable adoptive parents.

1 (b) PROJECT REQUIREMENTS.—In an application  
2 submitted under subsection (a), the State shall provide  
3 that the following terms and conditions shall be in effect  
4 under the demonstration project:

5 (1) Services and assistance for reunification of  
6 children with their families or adoption may be pro-  
7 vided to not more than 2,000 eligible children (exclu-  
8 sive of siblings).

9 (2) Services and assistance shall be provided to  
10 explore and test innovative means to facilitate expe-  
11 dited and appropriate discharge of children from fos-  
12 ter care. Such services and assistance may include  
13 social services and other forms of assistance de-  
14 signed to ameliorate or remedy personal problems,  
15 behaviors, or home conditions.

16 (3) For the purpose of testing an alternative to  
17 the per diem method of provider reimbursement,  
18 payments to participating agencies for total costs as-  
19 sociated with providing foster care maintenance,  
20 services, and assistance on behalf of children will be  
21 disbursed pursuant to an approved per capita reim-  
22 bursement methodology. The per capita payment will  
23 be based on the total number of care days the eligi-  
24 ble population of children can reasonably be ex-  
25 pected to use during the demonstration period.



1           (4) Eligibility for the demonstration project  
2 shall be based on the age of the child, the length of  
3 time in foster care, the type of placement, and the  
4 permanency planning goal.

5           (5) If an eligible child has siblings in foster  
6 care, siblings may be regarded as eligible project  
7 participants for the purpose of estimating total reim-  
8 bursements in a manner approved by the Secretary  
9 of Health and Human Services.

10          (6) The Federal Government shall pay to the  
11 State with respect to children eligible for the dem-  
12 onstration project who are receiving maintenance  
13 payments, services, and assistance under the dem-  
14 onstration project the same amounts as would have  
15 been payable with respect to such children under  
16 parts B and E of title IV of the Social Security Act  
17 as if the families were receiving benefits under the  
18 State plan in effect during the period of the dem-  
19 onstration and such amounts shall be in lieu of  
20 amounts otherwise payable under such parts. The  
21 State and the Secretary of Health and Human Serv-  
22 ices shall agree to a methodology for determining  
23 such amounts prior to the beginning of the dem-  
24 onstration project.

1 (c) WAIVERS.—The Secretary of Health and Human  
2 Services may waive compliance with requirements in part  
3 E of title IV of the Social Security Act (other than para-  
4 graphs (8), (12), (13), (15), and (16) of section 471(a))  
5 which (if applied) would prevent the State from carrying  
6 out the demonstration project under this section or pre-  
7 vent the State from effectively achieving the purpose of  
8 such a project.

9 (d) DATE OF COMMENCEMENT.—The demonstration  
10 project under this section shall commence not later than  
11 December 31, 1994.

12 (e) DURATION OF DEMONSTRATION.—The dem-  
13 onstration project under this section shall be conducted  
14 for a period not to exceed 3 years after the date such  
15 project begins.

16 (f) EVALUATION OF REPORTS.—The State shall col-  
17 lect data and conduct an appropriate evaluation of the  
18 demonstration project so as to demonstrate the effective-  
19 ness of the project. The evaluation design shall be ap-  
20 proved by the Secretary of Health and Human Services.  
21 The State shall provide an interim and final evaluation  
22 report to the Secretary of Health and Human Services at  
23 such times and in such manner as such Secretary deter-  
24 mines appropriate.

1 (g) PROHIBITION AGAINST IMPAIRMENT OF ENTI-  
 2 TLEMENT TO FOSTER CARE BENEFITS.—The State may  
 3 not carry out the demonstration project under this section  
 4 in a manner which impairs the entitlement of any qualified  
 5 child to foster care benefits under a State plan approved  
 6 under part E of title IV of the Social Security Act.

7 **SEC. 31. COMMISSION ON CHILDHOOD DISABILITY.**

8 (a) ESTABLISHMENT OF COMMISSION.—The Sec-  
 9 retary of Health and Human Services (in this section re-  
 10 ferred to as the “Secretary”) shall appoint a Commission  
 11 on the Evaluation of Disability in Children (in this section  
 12 referred to as the “Commission”).

13 (b) APPOINTMENT OF MEMBERS.—(1) The Secretary  
 14 shall appoint 15 members to the Commission, including—

15 (A) recognized experts in the field of medicine,  
 16 whose work involves—

17 (i) the evaluation and treatment of disabil-  
 18 ity in children,

19 (ii) the study of congenital, genetic, or  
 20 perinatal disorders in children, or

21 (iii) the measurement of developmental  
 22 milestones and developmental deficits in chil-  
 23 dren; and

24 (B) recognized experts in the fields of—

25 (i) psychology,

- 1 (ii) education and rehabilitation,
- 2 (iii) law, or
- 3 (iv) the administration of disability pro-
- 4 grams, and
- 5 (v) other fields of expertise that the Sec-
- 6 retary determines to be appropriate.

7 (2) Members shall be appointed within 90 days after  
8 the date of the enactment of this Act, without regard to  
9 the provisions of title 5, United States Code, governing  
10 appointments to competitive service.

11 (3) Members appointed under this subsection shall  
12 serve for a term equivalent to the duration of the Commis-  
13 sion.

14 (4) The Secretary shall designate a member of the  
15 Commission to serve as Chairman of the Commission for  
16 a term equivalent to the duration of the Commission.

17 (c) ADMINISTRATIVE PROVISIONS.—(1) Service as a  
18 member of the Commission by an individual who is not  
19 otherwise a Federal employee shall not be considered serv-  
20 ice in an appointive or elective position in the Federal Gov-  
21 ernment for the purposes of any provision of title 5, Unit-  
22 ed States Code.

23 (2) Each member of the Commission who is not a  
24 full-time Federal employee shall be paid compensation at  
25 a rate equal to the daily equivalent of the rate of basic

1 pay in effect for Level IV of the Executive Schedule for  
2 each day (including travel time) the member attends meet-  
3 ings or otherwise performs the duties of the Commission.

4 (3) While away from their homes or regular places  
5 of business on the business of the Commission, each mem-  
6 ber who is not a full-time Federal employee may be al-  
7 lowed travel expenses, including per diem in lieu of sub-  
8 sistence, as authorized by section 5703 of title 5, United  
9 States Code, for persons employed intermittently in the  
10 Government service.

11 (d) ASSISTANCE TO COMMISSION.—The Commission  
12 may engage such technical assistance from individuals  
13 skilled in medical and other aspects of childhood disability  
14 as may be necessary to carry out the functions of the Com-  
15 mission. The Secretary shall make available to the Com-  
16 mission such secretarial, clerical, and other assistance as  
17 the Commission may require to carry out the functions  
18 of the Commission.

19 (e) STUDY BY THE COMMISSION.—(1) The Commis-  
20 sion shall conduct a study, in consultation with the Na-  
21 tional Academy of Sciences, of the effects of the definition  
22 of “disability” under title XVI of the Social Security Act  
23 (42 U.S.C. 1382 et seq.) in effect on the date of enactment  
24 of this Act, as such definition applies to determining  
25 whether a child under the age of 18 is eligible to receive

1 benefits under such title, the appropriateness of such defi-  
2 nition, and the advantages and disadvantages of using any  
3 alternative definition of disability in determining whether  
4 a child under age 18 is eligible to receive benefits under  
5 such title.

6 (2) The study described in paragraph (1) shall in-  
7 clude issues of—

8 (A) recommendations for revision of the Child-  
9 hood Listing of Impairments under regulations pro-  
10 mulgated under Part B of Appendix 1 to Subpart P,  
11 section 404 of title 20, Code of Federal Regulations;

12 (B) the validity of a presumption of disability  
13 for children under age 4 with a genetic, congenital,  
14 or perinatal disorder;

15 (C) whether the need by families for assistance  
16 in meeting high costs of medical care for children  
17 with serious physical or mental impairments, wheth-  
18 er or not they are eligible for disability benefits  
19 under title XVI of the Social Security Act, might ap-  
20 propriately be met through expansion of Federal  
21 health assistance programs (including the program  
22 of medical assistance under title XIX of such Act);  
23 and

24 (D) such other issues that the Secretary deter-  
25 mines to be appropriate.

1 (f) REPORT.—Not later than September 1, 1995, the  
 2 Commission shall prepare a report and submit such report  
 3 to the Committee on Ways and Means of the House of  
 4 Representatives and the Committee on Finance of the  
 5 Senate which shall summarize the results of the study de-  
 6 scribed in subsection (e) and include any recommendations  
 7 that the Commission determines to be appropriate.

8 (g) TERMINATION OF COMMISSION.—The Commis-  
 9 sion shall terminate on September 30, 1995.

10 **SEC. 32. EFFECT OF FAILURE TO CARRY OUT STATE PLAN.**

11 (a) IN GENERAL.—Part A of title XI (42 U.S.C.  
 12 1301–1320b–13) is amended by inserting after section  
 13 1122 the following:

14 **“SEC. 1123. EFFECT OF FAILURE TO CARRY OUT STATE**  
 15 **PLAN.**

16 “In an action brought to enforce a provision of this  
 17 Act, such provision is not to be deemed unenforceable be-  
 18 cause of its inclusion in a section of this Act requiring  
 19 a State plan or specifying the required contents of a State  
 20 plan. This section is not intended—

21 “(1) to limit or expand the grounds for deter-  
 22 mining the availability of private actions to enforce  
 23 State plan requirements other than by overturning  
 24 any such grounds applied in *Suter v. Artist M.*, 112  
 25 S. Ct. 1360 (1992), but not applied in prior Su-

1       preme Court decisions respecting such enforceability,  
2       or

3               “(2) to alter the holding in *Suter v. Artist M.*  
4       that section 471(a)(15) of this Act is not enforceable  
5       in a private right of action.”

6       (b) APPLICABILITY.—The amendment made by sub-  
7       section (a) shall apply to actions pending on the date of  
8       the enactment of this Act and to actions brought on or  
9       after such date of enactment.

○

S 596 IS——2

S 596 IS——3

S 596 IS——4

S 596 IS——5

S 596 IS——6

S 596 IS——7

S 596 IS——8

S 596 IS——9

S 596 IS——10

S 596 IS——11