

104TH CONGRESS  
1ST SESSION

# S. 834

To restore the American family, reduce illegitimacy, and reduce welfare dependence.

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## IN THE SENATE OF THE UNITED STATES

MAY 19 (legislative day, MAY 15), 1995

Mr. FAIRCLOTH (for himself, Mr. DOLE, Mr. LOTT, Mr. BROWN, Mr. BURNS, Mr. CRAIG, Mr. HATCH, Mr. HELMS, Mr. KEMPTHORNE, Mr. MCCONNELL, and Mr. THURMOND) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To restore the American family, reduce illegitimacy, and reduce welfare dependence.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Real Welfare Reform  
5 Act of 1995”.

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

7 (a) AMENDMENTS TO SOCIAL SECURITY ACT.—Ex-  
8 cept as otherwise specifically provided, whenever in this  
9 Act an amendment is expressed in terms of an amendment

1 to or repeal of a section or other provision, the reference  
 2 shall be considered to be made to that section or other  
 3 provision of the Social Security Act.

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

- Sec. 1. Short title.
- Sec. 2. References in act; table of contents.

#### TITLE I—WELFARE SPENDING CAP AND BLOCK GRANTS

##### Subtitle A—Capping the Aggregate Growth of Welfare Spending

- Sec. 101. Cap on growth of Federal spending on certain welfare programs.
- Sec. 102. Savings from welfare spending limits to be used for deficit reduction.

##### Subtitle B—Welfare Block Grant Program

- Sec. 111. Establishment of welfare block grant program.
- Sec. 112. Repeal of certain welfare programs.
- Sec. 113. Rainy day fund.
- Sec. 114. No limitation on use of non-Federal funds.
- Sec. 115. Substantial noncompliance.
- Sec. 116. Reporting requirements.
- Sec. 117. Eligibility under the medicaid program.

#### TITLE II—WORK PROGRAM-RELATED REQUIREMENTS ON STATES IN EXPENDING CERTAIN BLOCK GRANT FUNDS

- Sec. 201. Definitions.

##### Subtitle A—Workfare and Dependency Reduction Program

- Sec. 211. Purpose of program.
- Sec. 212. Requirement to operate a workfare and dependency reduction program.
- Sec. 213. Program participation requirements.
- Sec. 214. Community work service program.
- Sec. 215. Benefits to wages program.
- Sec. 216. Penalties relating to noncustodial parents.
- Sec. 217. Work requirements eliminated for groups which no longer receive benefits.

##### Subtitle B—Work Requirement for Food Stamp Equivalent Households

- Sec. 221. Work requirement for able-bodied nonparents in food stamp equivalent households.
- Sec. 222. Work requirements eliminated for groups which no longer receive benefits.

##### Subtitle C—Evaluation of Training Programs

- Sec. 231. Evaluation of training programs.

## TITLE III—PROMOTING FAMILIES

Sec. 301. Sense of the Congress.

Subtitle A—Eligibility for Certain Welfare Block Grant Funds

- Sec. 311. Denial of certain assistance for certain young unwed parents and their children.  
 Sec. 312. Benefit provisions regarding additional children.  
 Sec. 313. Provisions relating to paternity establishment.

Subtitle B—Additional Earned Income Tax Credit for Married Individuals

Sec. 321. Additional earned income credit for married individuals.

Subtitle C—Expansion of Abstinence Education

Sec. 331. Abstinence education grants.

## TITLE IV—RECOMMENDATIONS

- Sec. 401. Educational activities for custodial parents under 19 years of age.  
 Sec. 402. Recommendation that certain applicants for assistance conduct job search activities.  
 Sec. 403. Reduction of benefits to families who also receive housing assistance.

## TITLE V—CHILD SUPPORT ENFORCEMENT

- Sec. 501. National reporting of information relating to child support with respect to certain employees.  
 Sec. 502. State information systems.  
 Sec. 503. National information systems.  
 Sec. 504. Income withholding.  
 Sec. 505. Uniform terms in orders.  
 Sec. 506. Improvements in paternity establishment.  
 Sec. 507. Waiver of fee for certain individuals receiving child support collection or paternity determination services.  
 Sec. 508. Effective date.

## TITLE VI—MISCELLANEOUS PROVISIONS

- Sec. 601. Repeal of the Davis-Bacon Act.  
 Sec. 602. Elimination of medicaid benefits with respect to fugitive felons and probation and parole violators.  
 Sec. 603. Restriction of certain legal challenges.  
 Sec. 604. Commodity distribution in lieu of vouchers under the WIC program.

## TITLE VII—SEVERABILITY AND EFFECTIVE DATE

- Sec. 701. Severability.  
 Sec. 702. Effective date.

1     **TITLE I—WELFARE SPENDING**  
2             **CAP AND BLOCK GRANTS**  
3     **Subtitle A—Capping the Aggregate**  
4             **Growth of Welfare Spending**

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

7             (a) RESTRICTIONS ON SPENDING.—The total amount  
8 of Federal spending for the programs listed in subsection

9 (b) shall not exceed—

10                 (1) in fiscal year 1996, an amount equal to—

11                     (A) the sum of—

12                             (i) the total Federal spending for fis-  
13 cal year 1995 for the programs repealed or  
14 terminated in section 112;

15                             (ii) the total Federal spending for fis-  
16 cal year 1995 for the refundable portion of  
17 the earned income credit under section 32  
18 of the Internal Revenue Code of 1986;

19                             (iii) the total Federal spending for fis-  
20 cal year 1995 for the head start programs  
21 carried out under the Head Start Act;

22                             (iv) the total Federal spending for fis-  
23 cal year 1995 for cash, medical, and social  
24 services assistance furnished to refugees  
25 and entrants under title IV of the Immi-

1                   gration and Nationality Act and section  
2                   501 of the Refugee Education Assistance  
3                   Act of 1980; and

4                   (v) the special supplemental food pro-  
5                   gram for women, infants, and children car-  
6                   ried out under section 17 of the Child Nu-  
7                   trition Act of 1966; minus

8                   (B) the total estimated Federal amount for  
9                   fiscal year 1996 that the Congressional Budget  
10                  Office estimates—

11                  (i) would have been spent had section  
12                  111(c)(2) (relating to prohibition on aid to  
13                  noncitizens) not been enacted; and

14                  (ii) would have been spent had section  
15                  221 (relating to work requirement for able-  
16                  bodied nonparents in food stamp equiva-  
17                  lent households) not been enacted; and

18                  (2) in fiscal year 1997 and each fiscal year  
19                  thereafter, an amount equal to the sum of—

20                  (A) the total Federal spending permitted  
21                  under this subsection for the preceding fiscal  
22                  year; and

23                  (B) 3 percent of such spending.

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

1           (1) The welfare block grant program estab-  
2           lished under section 111.

3           (2) The refundable portion of the earned in-  
4           come credit under section 32 of the Internal Reve-  
5           nue Code of 1986.

6           (3) The head start programs carried out under  
7           the Head Start Act.

8           (4) The cash, medical, and social services as-  
9           sistance programs for refugees and entrants under  
10          title IV of the Immigration and Nationality Act and  
11          section 501 of the Refugee Education Assistance Act  
12          of 1980.

13          (5) The special supplemental food program for  
14          women, infants, and children carried out under sec-  
15          tion 17 of the Child Nutrition Act of 1966.

16 The adjustment in allocation based on the statewide ille-  
17 gitimacy ratio described in section 111(a)(3)(B) and the  
18 supplemental payment described in section 215(g) shall  
19 not be treated as part of the welfare block grant program  
20 described in paragraph (1).

21          (c) RECONCILIATION OF GROWTH LIMITS.—

22           (1) ALLOCATIONS.—The joint explanatory  
23           statement accompanying a conference report on a  
24           concurrent resolution on the budget described in sec-  
25           tion 301 of the Congressional Budget Act of 1974

1 for a fiscal year shall include allocations to each  
2 committee based on the spending cap imposed by  
3 subsection (a) for such fiscal year.

4 (2) RECONCILIATION DIRECTIVES.—The rec-  
5 onciliation directives described in section 310 of the  
6 Congressional Budget Act of 1974 shall specify re-  
7 ductions for each committee necessary to comply  
8 with the spending caps imposed by subsection (a) for  
9 such fiscal year.

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

15 (A) The Committee on Ways and Means of  
16 the House of Representatives.

17 (B) The Committee on Finance of the  
18 Senate.

19 (C) The Committee on Agriculture of the  
20 House of Representatives.

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

23 (E) The Committee on Economic and Edu-  
24 cational Opportunities of the House of Rep-  
25 resentatives.

1 (F) The Committee on Labor and Human  
2 Resources of the Senate.

3 (G) The Committee on Banking and Fi-  
4 nancial Services of the House of Representa-  
5 tives.

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

8 (I) The Committee on Commerce of the  
9 House of Representatives.

10 (d) REFUNDABLE PORTION OF EITC.—For purposes  
11 of this title, the refundable portion of the earned income  
12 credit under section 32 of the Internal Revenue Code of  
13 1986 is the amount treated as an overpayment of tax  
14 under section 6401(b)(1) of such Code which is allocable  
15 to such credit.

16 **SEC. 102. SAVINGS FROM WELFARE SPENDING LIMITS TO**  
17 **BE USED FOR DEFICIT REDUCTION.**

18 (a) DEFICIT REDUCTION.—All savings to the Federal  
19 Government resulting from the spending cap imposed  
20 under section 101 shall be used for deficit reduction. Such  
21 savings shall not be used to fund increased spending under  
22 any programs that are not subject to the spending cap.

23 (b) ADJUSTMENT OF DISCRETIONARY CAPS.—Not  
24 later than 5 days after the date of enactment of this Act,  
25 the President shall increase the discretionary spending



1 limits under section 601 of the Congressional Budget Act  
2 of 1974 for the budget year and any outyear affected to  
3 reflect the net increase in such limits resulting from the  
4 cap imposed by section 101.

5 **Subtitle B—Welfare Block Grant**  
6 **Program**

7 **SEC. 111. ESTABLISHMENT OF WELFARE BLOCK GRANT**  
8 **PROGRAM.**

9 (a) GRANTS AUTHORIZED.—

10 (1) IN GENERAL.—For fiscal year 1996 and  
11 each fiscal year thereafter, the Secretary of Health  
12 and Human Services shall make grants to the States  
13 in accordance with this section.

14 (2) LIMIT ON TOTAL AMOUNT OF GRANTS.—

15 (A) IN GENERAL.—The aggregate amount  
16 of grants made to States under this section for  
17 a fiscal year shall not exceed the total Federal  
18 spending permitted under section 101(a) for the  
19 fiscal year reduced by the sum of the amount  
20 to be expended by the Federal Government for  
21 the fiscal year, as estimated by the Congres-  
22 sional Budget Office, for—

23 (i) the refundable portion of the  
24 earned income credit under section 32 of  
25 the Internal Revenue Code of 1986;

1 (ii) the head start programs carried  
2 out under the Head Start Act;

3 (iii) cash, medical, and social services  
4 assistance furnished to refugees and en-  
5 trants under title IV of the Immigration  
6 and Nationality Act and section 501 of the  
7 Refugee Education Assistance Act of 1980;  
8 and

9 (iv) the special supplemental food pro-  
10 gram for women, infants, and children car-  
11 ried out under section 17 of the Child Nu-  
12 trition Act of 1966.

13 (B) ADJUSTMENTS.—If the programs list-  
14 ed in clause (i) or (ii) of subparagraph (A) is  
15 amended by law after the Congressional Budget  
16 Office has completed the estimates required  
17 under such subparagraph, the aggregate  
18 amount of grants made to States under this  
19 section (as determined under subparagraph  
20 (A)) shall be reduced by the amount by which  
21 the total Federal spending on such programs,  
22 as amended, will exceed the amount determined  
23 under such estimates.

24 (3) ALLOCATION TO THE STATES.—

1 (A) IN GENERAL.—Except as provided in  
2 subparagraph (B), a State shall, subject to ap-  
3 propriations Acts, receive a grant under this  
4 section for a fiscal year equal to the amount  
5 which bears the same ratio to the total amount  
6 appropriated for grants under this section for  
7 the fiscal year as the total amount of Federal  
8 funds received by the State and residents of the  
9 State under the programs repealed or termi-  
10 nated in section 112 for fiscal year 1995 bears  
11 to the total amount of Federal funds received  
12 by all States and the residents of all States  
13 under the programs repealed or terminated in  
14 section 112 for fiscal year 1995.

15 (B) ADJUSTMENT IN ALLOCATION BASED  
16 ON STATEWIDE ILLEGITIMACY RATIO.—

17 (i) IN GENERAL.—Subject to appro-  
18 priations Acts, beginning in fiscal year  
19 1997 and each fiscal year thereafter, the  
20 grant amount otherwise determined under  
21 this paragraph for the applicable fiscal  
22 year for a State shall—

23 (I) be increased by 4 percent if  
24 the adjusted illegitimacy ratio in the  
25 State for the applicable fiscal year is

1 at least 2 percentage points less than  
2 the illegitimacy ratio in the State for  
3 fiscal year 1995;

4 (II) be increased by 2 percent if  
5 the adjusted illegitimacy ratio in the  
6 State for the applicable fiscal year is  
7 between 0.5 percentage point and 2  
8 percentage points less than the illegit-  
9 imacy ratio for fiscal year 1995; or

10 (III) be decreased by 2 percent if  
11 the adjusted illegitimacy ratio in the  
12 State for the applicable fiscal year is  
13 at least 2 full percentage points more  
14 than the illegitimacy ratio in the State  
15 for fiscal year 1995.

16 (ii) ADJUSTED ILLEGITIMACY  
17 RATIO.—For purposes of clause (i), the ad-  
18 justed illegitimacy ratio for an applicable  
19 fiscal year is the ratio, expressed as a per-  
20 centage, equal to—

21 (I) the sum of—

22 (aa) the total number of  
23 out-of-wedlock births that oc-  
24 curred in the State (as deter-  
25 mined by the Secretary) during

1 the most recent fiscal year for  
2 which information is available,  
3 and

4 (bb) the amount (if any) by  
5 which the number of abortions  
6 performed in the State during  
7 the most recent fiscal year for  
8 which information is available ex-  
9 ceeds the number of abortions  
10 performed in the State during  
11 the fiscal year that precedes such  
12 most recent fiscal year; divided  
13 by

14 (II) the total number of births in  
15 the State (as determined by the Sec-  
16 retary) in the most recent fiscal year  
17 for which information is available.

18 (iii) ILLEGITIMACY RATIO FOR FISCAL  
19 YEAR 1995.—For purposes of clause (i), the  
20 illegitimacy ratio for fiscal year 1995 is the  
21 ratio, expressed as a percentage, equal  
22 to—

23 (I) the total number of out-of-  
24 wedlock births that occurred in the  
25 State (as determined by the Sec-

1           retary) during fiscal year 1995; di-  
2           vided by

3                   (II) the total number of births in  
4           the State (as determined by the Sec-  
5           retary) during fiscal year 1995.

6           (iv) DETERMINATION OF NUMBER OF  
7           ABORTIONS.—Each State receiving a grant  
8           under this section shall establish and oper-  
9           ate a system for determining the total  
10          number of abortions performed in the  
11          State.

12          (v) DETERMINATION OF THE SEC-  
13          RETARY.—The Secretary shall not adjust  
14          the grant amount under this subparagraph  
15          if the Secretary determines that the ad-  
16          justed illegitimacy ratio determined for an  
17          applicable fiscal year differs from the ad-  
18          justed illegitimacy ratio determined during  
19          a prior year due to a change in data re-  
20          porting methods by the State.

21          (vi) LIMITATION.—The grant amount  
22          received by a State under this paragraph  
23          shall not be adjusted under this subpara-  
24          graph if the most recent information relat-  
25          ing to out-of-wedlock births, total births,

1 and abortions that is available in the State  
2 for determining the adjusted illegitimacy  
3 ratio for an applicable fiscal year is for a  
4 fiscal year prior to fiscal year 1996.

5 (vii) AUTHORIZATION OF APPROPRIA-  
6 TIONS.—There are authorized to be appro-  
7 priated such sums as may be necessary to  
8 carry out the purposes of this subpara-  
9 graph.

10 (b) USE OF FUNDS.—

11 (1) IN GENERAL.—A State shall use the  
12 amounts received under this section to—

13 (A) provide aid to low-income households  
14 located in the State; and

15 (B) provide—

16 (i) such services and activities as the  
17 State deems appropriate to discourage out-  
18 of-wedlock pregnancies; and

19 (ii) care for children born out-of-wed-  
20 lock.

21 (2) PROVISION OF AID.—

22 (A) LOW-INCOME HOUSEHOLDS.—Except  
23 as provided in subsection (c), a State shall have  
24 the authority to provide aid to low-income  
25 households in any manner determined appro-

1           priate by the State, including the authority to  
2           determine—

3                   (i) the type of benefits constituting  
4                   such aid;

5                   (ii) the level of benefits constituting  
6                   such aid; and

7                   (iii) the eligibility criteria for such  
8                   aid.

9           (B) ACTIVITIES TO DISCOURAGE OUT-OF-  
10          WEDLOCK PREGNANCIES AND PROVISION OF  
11          CARE FOR CHILDREN BORN OUT-OF-WED-  
12          LOCK.—Except as provided subsection (c), a  
13          State shall have the authority to provide the  
14          services, activities, and care described in para-  
15          graph (1)(B), in any manner determined appro-  
16          priate by the State, including—

17                   (i) establishing or expanding pro-  
18                   grams to reduce out-of-wedlock preg-  
19                   nancies;

20                   (ii) programs to promote adoption;  
21                   and

22                   (iii) the establishment and operation  
23                   of closely supervised residential group  
24                   homes for unwed mothers and their chil-  
25                   dren.



1           (3) DEFINITION OF LOW-INCOME HOUSE-  
2           HOLD.—For purposes of this section, the term “low-  
3           income household” means a household with an an-  
4           nual income that is less than 175 percent of the  
5           Federal poverty income guidelines issued by the De-  
6           partment of Health and Human Services for a  
7           household of the same size.

8           (c) SPECIAL RULES REGARDING USE OF FUNDS.—

9           (1) NO FUNDS USED FOR ABORTION.—A State  
10          shall not use grant funds received under this section  
11          for making abortion available as a method of family  
12          planning or for any counseling or advising with re-  
13          spect to abortion.

14          (2) REQUIREMENTS RELATING TO AID FOR  
15          NONCITIZENS.—A State shall not use grant funds  
16          received under this section for providing aid to an  
17          individual who is not a United States citizen.

18          (3) CIVIL RIGHTS LAWS.—A State shall not vio-  
19          late any requirement established by statute or regu-  
20          lation under the following Acts in providing aid  
21          using grant funds received under this section:

22                  (A) Title VI of the Civil Rights Act of  
23                  1965.

24                  (B) Section 504 of the Rehabilitation Act  
25                  of 1973.

1 (C) Title IX of the Education Amendments  
2 of 1972.

3 (D) The Age Discrimination Act of 1975.

4 (E) The Americans With Disabilities Act  
5 of 1990.

6 (4) CHILD SUPPORT AND PATERNITY ESTAB-  
7 LISHMENT.—A State receiving grant funds under  
8 this section shall conduct child support and pater-  
9 nity establishment activities in accordance with part  
10 D of title IV of the Social Security Act.

11 (5) NO LITIGATION.—A State shall not use  
12 grant funds received under this section for litigation  
13 or the provision of legal services.

14 (6) AID DENIED TO FUGITIVE FELONS AND  
15 PROBATION OR PAROLE VIOLATORS.—

16 (A) IN GENERAL.—A State shall not use  
17 grant funds received under this section for pro-  
18 viding aid to an individual during any period  
19 during which the individual—

20 (i) is taking an action described in  
21 section 1073(1) of title 18, United States  
22 Code, or

23 (ii) is violating a condition of proba-  
24 tion or parole imposed under Federal or  
25 State law.

1 (B) EXCHANGE OF INFORMATION WITH  
2 LAW ENFORCEMENT AGENCIES.—A State re-  
3 ceiving grant funds under this section shall fur-  
4 nish to a Federal, State, or local law enforce-  
5 ment officer, upon such officer's request, the  
6 current address of any individual receiving aid  
7 under this section if the officer furnishes the  
8 State with such individual's name and notifies  
9 the State that—

10 (i) such individual—

11 (I) is taking an action described  
12 in section 1073(1) of title 18, United  
13 States Code or violating a condition of  
14 probation or parole imposed under  
15 Federal or State law; or

16 (II) has information that is nec-  
17 essary for the officer to conduct the  
18 officer's official duties;

19 (ii) the location or apprehension of  
20 such recipient is within the officer's official  
21 duties; and

22 (iii) the request is made in the proper  
23 exercise of those duties.

24 (d) DISTRIBUTION OF FOOD COMMODITIES.—

1           (1) IN GENERAL.—To the extent that the State  
2           expends grant funds received under this subtitle to  
3           provide food assistance, the Congress strongly en-  
4           courages State governments—

5                   (A) to provide such assistance through the  
6                   direct distribution of a nutritionally balanced  
7                   selection of food commodities directly purchased  
8                   by the State; and

9                   (B) not to provide such assistance through  
10                  cash aid, food coupons, or the electronic trans-  
11                  fer of funds.

12           (2) ASSISTANCE BY FEDERAL GOVERNMENT.—  
13           The Department of Agriculture may assist State  
14           governments in the purchase of food commodities for  
15           purposes of subsection (a) by—

16                   (A) entering into agreements with individ-  
17                   ual States for the purchase of food commod-  
18                   ities;

19                   (B) serving as a bulk purchaser of food  
20                   commodities that will be provided to States in  
21                   accordance with any agreements reached with  
22                   individual States; and

23                   (C) receiving reimbursement from the ap-  
24                   plicable State for such purchases.

1           (3) DISTRIBUTION BY PARTICIPANTS IN WORK  
2 PROGRAMS.—Each State that distributes commod-  
3 ities to households under this subsection is encour-  
4 aged to utilize members of households who are par-  
5 ticipating in work programs in accordance with title  
6 II of this Act to assist in the distribution of such  
7 commodities.

8           (e) SPECIAL PROVISIONS RELATING TO USE OF  
9 FUNDS WITH RESPECT TO CERTAIN POPULATIONS.—A  
10 State shall comply with the provisions of title II and sub-  
11 title A of title III with respect to providing certain cat-  
12 egories of aid to certain individuals in low-income house-  
13 holds.

14           (f) TREATMENT OF INTERSTATE IMMIGRANTS.—It is  
15 the sense of the Congress that a State may provide a lower  
16 level of aid to low-income households to an interstate im-  
17 migrant than the State provides to a long-term resident  
18 of the State.

19           (g) NO ENTITLEMENT TO RECEIVE AID.—An indi-  
20 vidual shall not be entitled to receive aid out of grant  
21 funds received by a State under this section.

22           (h) DEFINITION OF STATE.—

23           (1) IN GENERAL.—For purposes of this section,  
24 the term “State” means each of the several States  
25 of the United States, the District of Columbia, the

1 Commonwealth of Puerto Rico, the Virgin Islands,  
2 Guam, American Samoa, the Commonwealth of the  
3 Northern Mariana Islands, and Indian tribes.

4 (2) INDIAN TRIBE.—For purposes of paragraph  
5 (1), the term “Indian tribe” means any Indian tribe,  
6 band, nation, or other organized group or commu-  
7 nity, including any Alaska Native village or regional  
8 or village corporation as defined in or established  
9 pursuant to the Alaska Native Claims Settlement  
10 Act (43 U.S.C. 1601 et seq.) which is recognized as  
11 eligible for the special programs and services pro-  
12 vided by the United States to Indians because of  
13 their status as Indians.

14 **SEC. 112. REPEAL OF CERTAIN WELFARE PROGRAMS.**

15 (a) REPEALS.—

16 (1) CASH AID.—

17 (A) Part A of title IV of the Social Secu-  
18 rity Act (42 U.S.C. 601 et seq.) (relating to the  
19 program of aid to families with dependent chil-  
20 dren and emergency assistance to needy fami-  
21 lies with children), other than section 402(g), is  
22 repealed.

23 (B) Part B of title IV of the Social Secu-  
24 rity Act (42 U.S.C. 620 et seq.) (relating to  
25 child and family services) is repealed.

1 (C) Title XVI of the Social Security Act  
2 (42 U.S.C. 1381 et seq.) (relating to the sup-  
3 plemental security income program) is repealed.

4 (D) Part E of title IV of the Social Secu-  
5 rity Act (42 U.S.C. 670 et seq.) (relating to the  
6 foster care and adoption assistance program) is  
7 repealed.

8 (E) Notwithstanding the Act of November  
9 2, 1921 (42 Stat. 208, chapter 115; 25 U.S.C.  
10 13) (popularly known as the “Snyder Act”), or  
11 any other provision of law, the Bureau of In-  
12 dian Affairs shall not provide BIA general as-  
13 sistance (as defined in section 20.1(m) of title  
14 25, Code of Federal Regulations) (relating to  
15 general assistance in the form of direct finan-  
16 cial assistance to Indians) pursuant to a pro-  
17 gram under part 20 of such title, or by any  
18 other regulation or order.

19 (2) MEDICAL AID.—

20 (A) The Indian Health Care Improvement  
21 Act (25 U.S.C. 1601 et seq.) (relating to Indian  
22 health services) is repealed.

23 (B) Title V of the Social Security Act (42  
24 U.S.C. 701 et seq.) (relating to the Maternal

1 and Child Health Services Block Grant Pro-  
2 gram) is repealed.

3 (C) Section 329 of the Public Health Serv-  
4 ice Act (42 U.S.C. 254b) (relating to migrant  
5 health centers) is repealed.

6 (D) Section 330 of the Public Health Serv-  
7 ice Act (42 U.S.C. 254c) (relating to commu-  
8 nity health centers) is repealed.

9 (3) FOOD AID.—

10 (A) The Food Stamp Act of 1977 (7  
11 U.S.C. 2011 et seq.) (relating to the food stamp  
12 program and the needy families food distribu-  
13 tion program) is repealed.

14 (B) The National School Lunch Act (42  
15 U.S.C. 1751 et seq.) (relating to the school  
16 lunch program, the child and adult care food  
17 program, and the summer food service pro-  
18 gram) is repealed.

19 (C) The Emergency Food Assistance Act  
20 of 1983 (Public Law 98–8; 7 U.S.C. 612c note)  
21 (relating to the emergency food assistance pro-  
22 gram) is repealed.

23 (D) Part C of title III of the Older Ameri-  
24 cans Act of 1965 (42 U.S.C. 3030e et seq.) (re-  
25 lating to nutrition services) is repealed.



1 (E) The Child Nutrition Act of 1966 (42  
2 U.S.C. 1771 et seq.) (relating to the school  
3 breakfast program and the special milk pro-  
4 gram) is repealed.

5 (F) The Agriculture and Consumer Protec-  
6 tion Act of 1973 (Public Law 93–86; 7 U.S.C.  
7 612c note) (relating to the commodity supple-  
8 mental food program for children and elderly  
9 persons) is repealed.

10 (4) HOUSING ASSISTANCE.—

11 (A) PUBLIC HOUSING, SECTION 8 PRO-  
12 GRAMS, ASSISTED HOUSING, AND INDIAN HOUS-  
13 ING.—The United States Housing Act of 1937  
14 (42 U.S.C. 1437 et seq.) (relating to public  
15 housing, section 8 programs, assisted housing,  
16 and Indian housing) is repealed.

17 (B) RURAL HOUSING ASSISTANCE.—

18 (i) Section 502 of the Housing Act of  
19 1949 (42 U.S.C. 1472) (relating to rural  
20 housing loans for low-income families) is  
21 repealed.

22 (ii) Section 504 of the Housing Act of  
23 1949 (42 U.S.C. 1474) (relating to rural  
24 housing repair loan grants for very low-in-  
25 come rural homeowners) is repealed.

1 (iii) Section 514 of the Housing Act  
2 of 1949 (42 U.S.C. 1484) (relating to  
3 farm labor housing loans) is repealed.

4 (iv) Section 515 of the Housing Act of  
5 1949 (42 U.S.C. 1485) (relating to rural  
6 rental housing loans) is repealed.

7 (v) Section 516 of the Housing Act of  
8 1949 (42 U.S.C. 1486) (relating to farm  
9 labor housing assistance) is repealed.

10 (vi) Section 521 of the Housing Act of  
11 1949 (42 U.S.C. 1490a) (relating to rural  
12 rental assistance) is repealed.

13 (vii) Section 523 of the Housing Act  
14 of 1949 (42 U.S.C. 1490c) (relating to  
15 rural housing mutual and self-help tech-  
16 nical assistance grants) is repealed.

17 (viii) Section 533 of the Housing Act  
18 of 1949 (42 U.S.C. 1490m) (relating to  
19 rural housing preservation grants) is re-  
20 pealed.

21 (C) OTHER HOUSING ASSISTANCE.—

22 (i) Section 235 of the National Hous-  
23 ing Act (12 U.S.C. 1715z) (relating to  
24 homeownership assistance for lower income  
25 families) is repealed.

1 (ii) Section 236 of the National Hous-  
2 ing Act (12 U.S.C. 1715z-1) (relating to  
3 interest reduction payments) is repealed.

4 (iii) Section 101 of the Housing and  
5 Urban Development Act of 1965 (12  
6 U.S.C. 1701s) (relating to rent supple-  
7 ments) is repealed.

8 (iv) Part 256 of title 25, Code of Fed-  
9 eral Regulations (relating to Indian hous-  
10 ing improvement grants) is repealed.

11 (5) ENERGY AID.—

12 (A) The Low-Income Home Energy Assist-  
13 ance Act of 1981 (42 U.S.C. 8621 et seq.) (re-  
14 lating to home energy assistance activities) is  
15 repealed.

16 (B) Part A of title IV of the Energy Con-  
17 servation and Production Act (42 U.S.C. 6861  
18 et seq.) (relating to weatherization assistance  
19 for low-income persons) is repealed.

20 (6) EDUCATION AID.—

21 (A) Subpart 1 of part A of title IV of the  
22 Higher Education Act of 1965 (20 U.S.C.  
23 1070a et seq.) (relating to Federal Pell Grants)  
24 is repealed.

1 (B) Part A of title I of the Elementary  
2 and Secondary Education Act of 1965 (20  
3 U.S.C. 6311 et seq.) (relating to grants for im-  
4 proving basic programs operated by local edu-  
5 cational agencies) is repealed.

6 (C) Subpart 3 of part A of title IV of the  
7 Higher Education Act of 1965 (20 U.S.C.  
8 1070b et seq.) (relating to Federal Supple-  
9 mental Educational Opportunity Grants) is re-  
10 pealed.

11 (D) Part C of title I of the Elementary  
12 and Secondary Education Act of 1965 (20  
13 U.S.C. 6391 et seq.) (relating to the education  
14 of migratory children) is repealed.

15 (E) Chapter 1 of subpart 2 of part A of  
16 title IV of the Higher Education Act of 1965  
17 (20 U.S.C. 1070a-11 et seq.) (relating to Fed-  
18 eral TRIO programs) is repealed.

19 (F) Subpart 4 of part A of title IV of the  
20 Higher Education Act of 1965 (20 U.S.C.  
21 1070c et seq.) (relating to Grants to States for  
22 State Student Incentives) is repealed.

23 (G) Part A of title IX of the Higher Edu-  
24 cation Act of 1965 (20 U.S.C. 1134a et seq.)  
25 (relating to Grants to Institutions and Consor-

1           tia to Encourage Women and Minority Partici-  
2           pation in Graduate Education) is repealed.

3           (7) JOBS AND TRAINING AID.—

4           (A) Part A of title II of the Job Training  
5           Partnership Act (29 U.S.C. 1601 et seq.) (re-  
6           lating to an adult training program) is repealed.

7           (B) Part B of title II of the Job Training  
8           Partnership Act (29 U.S.C. 1630 et seq.) (re-  
9           lating to a summer youth employment and  
10          training program) is repealed.

11          (C) Part B of title IV of the Job Training  
12          Partnership Act (29 U.S.C. 1691 et seq.) (re-  
13          lating to the Job Corps) is repealed.

14          (D) Title V of the Older Americans Act of  
15          1965 (42 U.S.C. 3056 et seq.) (relating to an  
16          older American community service employment  
17          program) is repealed.

18          (E) Part F of title IV of the Social Secu-  
19          rity Act (42 U.S.C. 681 et seq.) (relating to the  
20          JOBS program) is repealed.

21          (F) Part B of title II of the Domestic Vol-  
22          unteer Service Act of 1973 (42 U.S.C. 5011)  
23          (relating to a Foster Grandparent Program) is  
24          repealed.

1 (G) Part C of title II of the Domestic Vol-  
2 unteer Service Act of 1973 (42 U.S.C. 5013)  
3 (relating to a Senior Companion Program) is  
4 repealed.

5 (H) Part A of title IV of the Job Training  
6 Partnership Act (29 U.S.C. 1671 et seq.) (re-  
7 lating to employment and training programs for  
8 Native Americans and migrant and seasonal  
9 farmworkers) is repealed.

10 (I) The Secretary of Labor may not, dur-  
11 ing fiscal year 1996, or any fiscal year there-  
12 after, conduct or fund any employment and  
13 training program for Native Americans (as such  
14 term is used under section 401 of the Job  
15 Training Partnership Act (29 U.S.C. 1671))  
16 that is a program covered under item 16-0174-  
17 0-1-504 of the budget of the President for fis-  
18 cal year 1996 submitted to the Congress pursu-  
19 ant to section 1108 of title 31, United States  
20 Code.

21 (8) SOCIAL SERVICES.—

22 (A) Title XX of the Social Security Act  
23 (42 U.S.C. 1397 et seq.) (relating to the Social  
24 Services Block Grant) is repealed.

1           (B) The Community Services Block Grant  
2 Act (42 U.S.C. 9901 et seq.) (relating to com-  
3 munity service block grant programs) is re-  
4 pealed.

5           (C) The Legal Service Corporation Act (42  
6 U.S.C. 2996 et seq.) (relating to legal assist-  
7 ance in noncriminal proceedings or matters to  
8 persons financially unable to afford legal assist-  
9 ance) is repealed.

10          (D) Title III of the Stewart B. McKinney  
11 Homeless Assistance Act (42 U.S.C. 11331 et  
12 seq.) (relating to an emergency food and shelter  
13 program) is repealed.

14          (E) Title X of the Public Health Service  
15 Act (42 U.S.C. 300 et seq.) (relating to popu-  
16 lation research and voluntary family planning  
17 programs) is repealed.

18          (F) The Domestic Volunteer Service Act of  
19 1973 (42 U.S.C. 4950 et seq.) (relating to vol-  
20 unteer service activities), other than parts B  
21 and C of title II of such Act, is repealed.

22          (G) Part B of title III of the Older Ameri-  
23 cans Act of 1965 (42 U.S.C. 3030d) (relating  
24 to supportive services and senior centers) is re-  
25 pealed.

1 (H) Section 402(g) of the Social Security  
2 Act (42 U.S.C. 602(g)) (relating to day care as-  
3 sistance) is repealed.

4 (9) ASSISTANCE TO LOW-INCOME COMMUNITIES.—

5 (A) Title I of the Housing and Community  
6 Development Act of 1974 (42 U.S.C. 5301 et  
7 seq.) (relating to the community development  
8 block grants and urban development action  
9 grants) is repealed.

10 (B) The Public Works and Economic De-  
11 velopment Act of 1965 (42 U.S.C. 3121 et seq.)  
12 (relating to the Economic Development Admin-  
13 istration) is repealed.

14 (C) The Appalachian Regional Develop-  
15 ment Act of 1965 (40 U.S.C. App.) (relating to  
16 the Appalachian regional development program)  
17 is repealed.

18 (D) Section 204 of the Immigration Re-  
19 form and Control Act of 1986 (8 U.S.C. 1255a  
20 note) (relating to State legalization impact as-  
21 sistance grants) is repealed.

22 (b) REFERENCES IN OTHER LAWS.—Except as oth-  
23 erwise specifically provided in this Act, any reference in  
24 any law, regulation, document, paper, or other record of  
25 the United States to any provision that has been repealed



1 by reason of the amendments made in subsection (a) shall,  
2 unless the context otherwise requires, be considered to be  
3 a reference to such provision, as in effect immediately be-  
4 fore the date of the enactment of this Act.

5 (c) SECRETARIAL SUBMISSION OF LEGISLATIVE PRO-  
6 POSAL FOR TECHNICAL AND CONFORMING AMEND-  
7 MENTS.—The Secretary of Health and Human Services,  
8 the Secretary of Agriculture, the Secretary of Housing and  
9 Urban Development, the Secretary of Energy, the Sec-  
10 retary of Education, and the Secretary of Labor shall,  
11 within 90 days after the date of enactment of this Act,  
12 submit to the appropriate committees of Congress, a legis-  
13 lative proposal providing for such technical and conform-  
14 ing amendments in the law as are required by the provi-  
15 sions of this section.

16 **SEC. 113. RAINY DAY FUND.**

17 A State that receives a grant under this subtitle for  
18 a fiscal year may expend such grant funds (in accordance  
19 with this subtitle) in such fiscal year or in any succeeding  
20 fiscal year.

21 **SEC. 114. NO LIMITATION ON USE OF NON-FEDERAL FUNDS.**

22 Nothing in this Act shall be construed as limiting a  
23 State from expending non-Federal funds in any manner  
24 that the State deems appropriate.

1 **SEC. 115. SUBSTANTIAL NONCOMPLIANCE.**

2 If the Secretary of Health and Human Services  
3 (hereafter in this section referred to as the “Secretary”)  
4 determines that a State is in substantial noncompliance  
5 with the requirements of this subtitle in a fiscal year, the  
6 Secretary shall reduce the amount to be paid to such State  
7 under this subtitle for the succeeding fiscal year by an  
8 amount equal to one-half of the amount that the State  
9 received in the fiscal year in which the State failed to sub-  
10 stantially comply.

11 **SEC. 116. REPORTING REQUIREMENTS.**

12 Not later than January 1, 1997, and each January  
13 1 thereafter, each State receiving a grant under this sub-  
14 title shall submit to the Secretary a report including—

15 (1) an accurate estimate of total State expendi-  
16 tures on all State programs providing means-tested  
17 assistance in the preceding fiscal year; and

18 (2) the average monthly number of individuals  
19 in the State receiving assistance under one or more  
20 of the following programs in the preceding fiscal  
21 year:

22 (A) The medicaid program operated in ac-  
23 cordance with the State plan approved under  
24 title XIX of the Social Security Act.

1 (B) Any program operated by the State  
2 that uses grant funds received by the State  
3 under this subtitle.

4 (C) Any other means-tested program oper-  
5 ated by the State that receives Federal or State  
6 funds.

7 **SEC. 117. ELIGIBILITY UNDER THE MEDICAID PROGRAM.**

8 (a) IN GENERAL.—Section 1902(a)(10)(A)(i)(I) of  
9 the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)(I))  
10 is amended to read as follows:

11 “(I)(aa) who are receiving aid or  
12 assistance under any plan of the State  
13 approved under title I, X, or XIV, or

14 “(bb) who would be eligible to re-  
15 ceive aid or assistance under the  
16 State’s plan under title XVI or part A  
17 or E of title IV, as approved on the  
18 day before the date of the enactment  
19 of the Real Welfare Reform Act of  
20 1995, if such plan were in effect.”.

21 (b) STATE WAIVER.—A State may request a waiver  
22 from the Secretary of Health and Human Services to sim-  
23 plify the medicaid program eligibility criteria set forth in  
24 section 1902(a)(10)(A)(i)(I)(bb) of the Social Security Act  
25 (42 U.S.C. 1396a(a)(10)(A)(i)(I)(bb)). The Secretary

1 shall review any such waiver request and grant approval  
2 only if Federal expenditures under the medicaid program  
3 will not be increased as a result of such approval.

4 **TITLE II—WORK PROGRAM-RE-**  
5 **LATED REQUIREMENTS ON**  
6 **STATES IN EXPENDING CER-**  
7 **TAIN BLOCK GRANT FUNDS**

8 **SEC. 201. DEFINITIONS.**

9 For purposes of this title and titles III and IV:

10 (1) AFDC EQUIVALENT DEPENDENT CHILD.—

11 The term “AFDC equivalent dependent child”  
12 means a dependent child member of a family that  
13 would have been eligible to receive aid to families  
14 with dependent children under the State plan under  
15 part A of title IV of the Social Security Act (42  
16 U.S.C. 601 et seq.) (as in effect on the day before  
17 the date of the enactment of this Act).

18 (2) AFDC EQUIVALENT FAMILY.—The term  
19 “AFDC equivalent family” means a family that  
20 would have been eligible to receive aid to families  
21 with dependent children under the State plan under  
22 part A of title IV of the Social Security Act (42  
23 U.S.C. 601 et seq.) (as in effect on the day before  
24 the date of the enactment of this Act).

1           (3) AFDC-UP EQUIVALENT FAMILY.—The  
2 term “AFDC-UP equivalent family” means a family  
3 that would have been eligible to receive aid to fami-  
4 lies with dependent children under the State plan  
5 under part A of title IV of the Social Security Act  
6 (42 U.S.C. 601 et seq.) (as in effect on the day be-  
7 fore the date of the enactment of this Act) by reason  
8 of the unemployment of the parent who is the prin-  
9 cipal earner.

10           (4) DIRECT FOOD ASSISTANCE.—The term “di-  
11 rect food assistance”—

12           (A) includes—

13           (i) cash aid intended for the purchase  
14 of food;

15           (ii) food coupons; and

16           (iii) electronic transfer of funds; and

17           (B) does not include—

18           (i) any food assistance provided to a  
19 child in connection with school attendance;  
20 or

21           (ii) directly distributed food commod-  
22 ities.

23           (5) FOOD STAMP EQUIVALENT HOUSEHOLD.—

24           The term “food stamp equivalent household” means  
25 a household that would have been eligible to receive

1 food stamps under the food stamp program estab-  
2 lished under section 4 of the Food Stamp Act of  
3 1977 (42 U.S.C. 2013) (as in effect on the day be-  
4 fore the date of the enactment of this Act).

5 (6) PUBLIC HOUSING EQUIVALENT FAMILY.—  
6 The term “public housing equivalent family” means  
7 a family that would have been eligible to receive as-  
8 sistance under title I of the United States Housing  
9 Act of 1937 (42 U.S.C. 1437 et seq.) (as in effect  
10 on the day before the date of the enactment of this  
11 Act).

12 (7) SSI EQUIVALENT INDIVIDUAL.—The term  
13 “SSI equivalent individual” means an individual who  
14 would have been eligible to receive supplemental se-  
15 curity income under title XVI of the Social Security  
16 Act (42 U.S.C. 1381 et seq.) (as in effect on the day  
17 before the date of the enactment of this Act).

## 18 **Subtitle A—Workfare and** 19 **Dependency Reduction Program**

### 20 **SEC. 211. PURPOSE OF PROGRAM.**

21 It is the purpose of a program operated in accordance  
22 with this subtitle to reduce welfare dependence and ensure  
23 that individuals who are receiving welfare assistance con-  
24 tribute services to their communities in exchange for such  
25 assistance.

1 **SEC. 212. REQUIREMENT TO OPERATE A WORKFARE AND**  
2 **DEPENDENCY REDUCTION PROGRAM.**

3 (a) AFDC EQUIVALENT POPULATIONS.—

4 (1) ESTABLISHMENT OF PROGRAM.—If a State  
5 uses grant funds received under subtitle B of title I  
6 of this Act to provide direct cash assistance to a  
7 population that is described under subparagraph (A)  
8 or (B) of paragraph (2), the State shall establish  
9 and operate a workfare and dependency reduction  
10 program (in this subtitle referred to as the “pro-  
11 gram”) in accordance with this subtitle, and shall  
12 apply the requirements of this subtitle with respect  
13 to each such population.

14 (2) POPULATIONS DESCRIBED.—The popu-  
15 lations described in this paragraph are—

16 (A) parents in an AFDC–UP equivalent  
17 family; and

18 (B) adult recipients in a single adult  
19 AFDC equivalent family.

20 (3) DEFINITIONS.—For purposes of this sub-  
21 title:

22 (A) ADULT RECIPIENT.—

23 (i) IN GENERAL.—Except as provided  
24 in clause (ii), the term “adult recipient”  
25 means an individual who is a member of a  
26 single adult AFDC equivalent family.

1 (ii) INDIVIDUALS EXCLUDED.—The  
2 term “adult recipient” shall not include—

3 (I) a dependent child (unless  
4 such child is the custodial parent of  
5 another dependent child); or

6 (II) any parent who is described  
7 in paragraph (2)(A).

8 (B) SINGLE-ADULT AFDC EQUIVALENT  
9 FAMILY.—The term “single-adult AFDC equiv-  
10 alent family” means an AFDC equivalent fam-  
11 ily which includes one adult recipient and at  
12 least one dependent child.

13 (b) NONCUSTODIAL PARENTS.—

14 (1) ESTABLISHMENT OF PROGRAM.—If a State  
15 uses grant funds received under subtitle B of title I  
16 of this Act to provide direct cash or food assistance  
17 to a population of AFDC equivalent dependent chil-  
18 dren, the State shall establish and operate a pro-  
19 gram in accordance with this subtitle, and shall  
20 apply the requirements of this subtitle with respect  
21 to the population described in paragraph (2).

22 (2) NONCUSTODIAL PARENT POPULATION.—  
23 The population described in this paragraph is the  
24 population of individuals—



1 (A) who are the noncustodial parents of  
2 AFDC equivalent dependent children;

3 (B) who reside in the State;

4 (C) whose place of residence or employ-  
5 ment is known by the State; and

6 (D) who are known by the State to have  
7 failed to pay required child support on behalf of  
8 such a child.

9 **SEC. 213. PROGRAM PARTICIPATION REQUIREMENTS.**

10 (a) PARTICIPATION REQUIREMENTS FOR UNEM-  
11 PLOYED PARENTS.—

12 (1) PARTICIPATION REQUIREMENT FOR INDI-  
13 VIDUALS.—

14 (A) IN GENERAL.—In the case of any  
15 AFDC–UP equivalent family, the State shall  
16 require one parent to participate in one or a  
17 combination of the activities described in sub-  
18 paragraph (B) for at least 40 hours per week.

19 (B) ACTIVITIES DESCRIBED.—The activi-  
20 ties described in this subparagraph include—

21 (i) the community work service pro-  
22 gram described in section 214;

23 (ii) the benefits to wages program de-  
24 scribed in section 215;

1 (iii) nonsubsidized employment as de-  
2 scribed in subsection (c)(5)(B); and

3 (iv) supervised job search for not  
4 more than 8 hours per week.

5 (2) PARTICIPATION RATE REQUIREMENT FOR  
6 STATES.—With respect to individuals described in  
7 paragraph (1), each State shall maintain a partici-  
8 pation rate (as determined under subsection (d)(1))  
9 of 95 percent for quarters during fiscal year 1996  
10 and each fiscal year thereafter.

11 (b) PARTICIPATION REQUIREMENT FOR CERTAIN  
12 NONCUSTODIAL PARENTS.—

13 (1) PARTICIPATION REQUIREMENT FOR INDI-  
14 VIDUALS.—

15 (A) IN GENERAL.—A State shall require  
16 any individual described in section 212(b)(2) to  
17 participate in a State community work service  
18 program described in section 214 in accordance  
19 with subparagraph (B).

20 (B) PARTICIPATION REQUIREMENTS.—If  
21 an individual described in section 212(b)(2)—

22 (i) is employed, such individual shall  
23 be required to work under the State com-  
24 munity work service program for not less  
25 than 16 hours per week; or

1 (ii) is unemployed, such individual  
2 shall be required to—

3 (I) work under the State commu-  
4 nity work service program for not less  
5 than 24 hours per week; and

6 (II) conduct job search activities  
7 for not less than 16 hours per week.

8 (2) PARTICIPATION REQUIREMENT FOR  
9 STATES.—With respect to individuals described in  
10 paragraph (1), each State shall maintain a partici-  
11 pation rate (as determined under subsection (d)(2))  
12 of 50 percent for quarters during fiscal year 1996  
13 and each fiscal year thereafter.

14 (c) PARTICIPATION REQUIREMENT FOR ADULT RE-  
15 CIPIENTS IN SINGLE-ADULT FAMILIES.—

16 (1) PARTICIPATION REQUIREMENT FOR INDI-  
17 VIDUALS.—Except as provided in subsection (a), the  
18 State shall require each individual described in sec-  
19 tion 212(a)(2)(B) to participate in—

20 (A) the State community work service pro-  
21 gram described in section 214 for not less than  
22 30 hours per week;

23 (B) the benefits to wages program de-  
24 scribed in section 215 for not less than 30  
25 hours per week; or

1 (C) any combination of the community  
2 work service program described in section 214,  
3 the benefits to wages program described in sec-  
4 tion 215, or nonsubsidized employment de-  
5 scribed in paragraph (5)(B) for not less than  
6 30 hours per week.

7 (2) PARTICIPATION REQUIREMENT ON  
8 STATES.—With respect to individuals described in  
9 paragraph (1), each State shall maintain a partici-  
10 pation rate (as determined under subsection (d)(3))  
11 of—

12 (A) 25 percent for calendar quarters dur-  
13 ing fiscal years 1996 and 1997; and

14 (B) 50 percent for calendar quarters dur-  
15 ing fiscal year 1998 and each fiscal year there-  
16 after.

17 (3) WORK PRIORITY FOR FAMILIES WITH  
18 OLDER CHILDREN.—

19 (A) IN GENERAL.—If a single-adult family  
20 includes at least one dependent child under age  
21 5, the adult recipient in such family shall not  
22 be required to participate in the program under  
23 paragraph (1) unless at least 80 percent of all  
24 adult recipients in single-adult families which  
25 do not include children under age 5 are partici-

1           pating in the program. The previous sentence  
2           shall not apply with respect to an individual to  
3           whom the State has applied educational re-  
4           quirements in accordance with the recommenda-  
5           tion under section 401.

6           (B) FAMILY STATUS.—Beginning on the  
7           date which is 10 months after the date of the  
8           enactment of this Act, a family that has re-  
9           ceived direct cash or food assistance from grant  
10          funds received by the State under subtitle B of  
11          title I of this Act and which after the date  
12          which is 10 months after the date of the enact-  
13          ment of this Act is classified by a State as a  
14          single-adult family that does not include any  
15          children under age 5 shall continue to be so  
16          classified regardless of whether an additional  
17          child under age 5 becomes a member of the  
18          family.

19          (4) STATE OPTION TO PROVIDE EDUCATIONAL  
20          ACTIVITIES OR JOB SKILLS TRAINING PROGRAM.—A  
21          State may require not more than 30 percent of the  
22          adult recipients required to participate in the pro-  
23          gram under paragraph (2), on average during any  
24          quarter, to engage in educational or job skills train-  
25          ing.

1           (5) NONSUBSIDIZED EMPLOYMENT COUNTABLE  
2 AS PARTICIPATION.—

3           (A) IN GENERAL.—An adult recipient may  
4 satisfy part or all of the 30-hour per week work  
5 requirement under paragraph (1)(A) by work-  
6 ing in nonsubsidized employment.

7           (B) NONSUBSIDIZED EMPLOYMENT.—For  
8 purposes of subparagraph (A), the term  
9 “nonsubsidized employment” means employ-  
10 ment with a private employer for wages.

11 (d) DETERMINATION OF PARTICIPATION RATES.—

12           (1) UNEMPLOYED PARENTS.—A State’s partici-  
13 pation rate for purposes of subsection (a)(2) shall be  
14 the number, expressed as a percentage, equal to—

15           (A) the average weekly number of individ-  
16 uals described in subsection (a)(1) who partici-  
17 pated in the program under this subtitle during  
18 such quarter, divided by

19           (B) the average weekly number of AFDC-  
20 UP equivalent families who received direct cash  
21 assistance from grant funds received by the  
22 State under subtitle B of title I of this Act dur-  
23 ing such quarter.

24           (2) NONCUSTODIAL PARENTS.—A State’s par-  
25 ticipation rate for purposes of subsection (b)(2) shall

1 be the number, expressed as a percentage, equal  
2 to—

3 (A) the average weekly number of individ-  
4 uals described in subsection (b)(1) who partici-  
5 pated in the program under this subtitle during  
6 such quarter, divided by

7 (B) the average weekly number of individ-  
8 uals described in section 212(b)(2) who are the  
9 parents of AFDC equivalent children who re-  
10 ceived direct cash or food assistance from grant  
11 funds received by the State under subtitle B of  
12 title I of this Act during such quarter.

13 (3) ADULT RECIPIENTS IN SINGLE-ADULT FAM-  
14 ILIES.—

15 (A) IN GENERAL.—A State's participation  
16 rate for purposes of subsection (c)(2) shall be  
17 the number, expressed as a percentage, equal to  
18 the sum of—

19 (i) the percentage determined under  
20 subparagraph (B), and

21 (ii) in calendar quarters beginning in  
22 fiscal year 1997 and each calendar quarter  
23 thereafter, the percentage determined  
24 under subparagraph (C).

1 (B) PARTICIPATION IN PROGRAM.—The  
2 percentage determined under this subparagraph  
3 is the number, expressed as a percentage, equal  
4 to—

5 (i) the average weekly number of indi-  
6 viduals described in subsection (c)(1) who  
7 participated in the program under this  
8 subtitle during such quarter, divided by

9 (ii) the average weekly number of  
10 adult recipients in single adult AFDC  
11 equivalent families who received direct cash  
12 assistance from grant funds received by  
13 the State under subtitle B of title I of this  
14 Act.

15 (C) REDUCTION IN CASELOAD.—

16 (i) IN GENERAL.—The percentage de-  
17 termined under this subparagraph is the  
18 number, expressed as a percentage, equal  
19 to 100 percent minus the reduction per-  
20 centage determined under clause (ii).

21 (ii) REDUCTION PERCENTAGE.—The  
22 reduction percentage determined under  
23 this clause is the number, expressed as a  
24 percentage, equal to—



1 (I) the average weekly number of  
2 single-adult AFDC equivalent families  
3 who received direct cash assistance  
4 from grant funds received by the  
5 State under subtitle B of title I of  
6 this Act during such quarter, divided  
7 by

8 (II) the average weekly number  
9 of single-adult AFDC equivalent fami-  
10 lies who received aid to families with  
11 dependent children under the State  
12 plan under title IV of the Social Secu-  
13 rity Act in the 24-month period end-  
14 ing on the day before the date of the  
15 enactment of this Act.

16 (iii) NO PENALTY FOR INCREASE IN  
17 CASELOAD.—Notwithstanding any other  
18 provision of this paragraph, if the number  
19 described under subclause (I) of clause (ii)  
20 is greater than the number described in  
21 subclause (II) of such clause, the percent-  
22 age under this subparagraph shall be zero.

23 (iv) CERTAIN REDUCTION IN CASE-  
24 LOAD NOT COUNTED.—Notwithstanding  
25 any other provision of this paragraph, a

1 State's reduction percentage determined  
2 under clause (ii) shall not take into ac-  
3 count any difference between the number  
4 determined under subclause (I) of such  
5 clause and the number determined under  
6 subclause (II) of such clause if such dif-  
7 ference is attributable to—

8 (I) the application of section 311  
9 to certain AFDC equivalent families;  
10 or

11 (II) any other provision of Fed-  
12 eral law which has the effect of mak-  
13 ing an AFDC equivalent family ineli-  
14 gible for direct cash assistance from  
15 grant funds received by the State  
16 under subtitle B of title I of this Act.

17 **SEC. 214. COMMUNITY WORK SERVICE PROGRAM.**

18 (a) IN GENERAL.—Each State that is required to op-  
19 erate a workfare and dependency reduction program under  
20 this subtitle shall establish a community work service pro-  
21 gram.

22 (b) PROGRAM DESCRIBED.—An individual participat-  
23 ing in a State community work service program shall—

1           (1) work for a public or nonprofit private sector  
2           organization performing such tasks as determined  
3           appropriate by such organization; or

4           (2) perform work which serves the general pub-  
5           lic interest in a for-profit private sector organization.

6           (c) BENEFITS BASED ON PERFORMANCE.—If an in-  
7           dividual fails to meet the participation requirements im-  
8           posed on such individual under section 213 with respect  
9           to a State community work service program due to an un-  
10          excused absence, the amount of direct cash and food as-  
11          sistance from grant funds received by the State under sub-  
12          title B of title I of this Act under the program to be re-  
13          ceived by the family of the individual participating in the  
14          program shall be reduced at least pro rata by the number  
15          of hours of uncompleted work or job search under such  
16          program.

17          (d) JOB SEARCH.—At the option of the State, an in-  
18          dividual participating in the State community work service  
19          program may satisfy the applicable participation require-  
20          ment under subsections (a)(1), (b)(1), or (c)(1) of section  
21          213 during the 6-week period beginning on the date that  
22          an individual begins participation in the program if the  
23          individual engages in intensive supervised job search or  
24          supervised activities to improve job search and job readi-  
25          ness skills during such period.

1 (e) ENCOURAGEMENT TO PROVIDE CHILD CARE  
2 SERVICES.—An individual participating in a State com-  
3 munity work service program may satisfy the applicable  
4 participation requirement under subsection (c)(1)(A) of  
5 section 213 if such individual provides child care services  
6 to other individuals participating in the program in the  
7 manner, and for the period of time each week, determined  
8 appropriate by the State.

9 (f) MODIFICATION TO PAYMENT SCHEDULE FOR  
10 PARTICIPANTS.—States are encouraged to provide pay-  
11 ments of aid under the program to the family of an indi-  
12 vidual participating in a State community work service  
13 program on a biweekly basis.

14 **SEC. 215. BENEFITS TO WAGES PROGRAM.**

15 (a) IN GENERAL.—Each State that is required to op-  
16 erate a workfare and dependency reduction program under  
17 this subtitle shall establish a benefits to wages program  
18 in accordance with this section.

19 (b) PROGRAM DESCRIBED.—

20 (1) IN GENERAL.—Under a State benefits to  
21 wages program, an individual described in paragraph  
22 (2) shall work for a qualified employer (as defined  
23 in subsection (d)) and the State shall pay a wage  
24 subsidy in the amount determined by the State to  
25 such employer on behalf of such individual. Such

1 wage subsidy shall be in lieu of all or part of any  
2 direct cash assistance and food assistance that the  
3 individual would receive from grant funds received  
4 by the State under subtitle B of title I of this Act  
5 which the individual would otherwise be eligible to  
6 receive.

7 (2) INDIVIDUAL DESCRIBED.—An individual de-  
8 scribed in this paragraph is an individual who—

9 (A) is a parent in an AFDC–UP equiva-  
10 lent family (described in section 211(a)(2)(A));  
11 or

12 (B) is an adult recipient in a single adult  
13 AFDC equivalent family (described in section  
14 211(a)(2)(B)).

15 (c) WAGE SUBSIDY.—

16 (1) AMOUNT.—The amount of the wage subsidy  
17 for an individual for a month shall be any amount  
18 determined appropriate by the State.

19 (2) USE OF BLOCK GRANT FUNDS.—The wage  
20 subsidy may be paid from the grant funds received  
21 by the State under subtitle B of title I of this Act.

22 (d) QUALIFIED EMPLOYER.—

23 (1) IN GENERAL.—For purposes of this section,  
24 an employer is qualified to receive a wage subsidy  
25 under this subsection if—

1 (A) the employer is a public or private en-  
2 tity; and

3 (B) the employer is approved by the State  
4 to participate in its benefits to wages program.

5 (2) WAGE AMOUNT.—A qualified employer shall  
6 pay an individual participating in the benefits to  
7 wages program an amount equal to the sum of—

8 (A) the wage subsidy determined under  
9 subsection (c); and

10 (B) at the option of the employer, an addi-  
11 tional amount to be determined by the em-  
12 ployer.

13 (e) TREATMENT OF WAGES.—Under the State bene-  
14 fits to wages program, wages paid to an individual by a  
15 qualified employer shall be considered earned income for  
16 purposes of any provision of law, except that such wages  
17 shall not be taken into account in determining the eligi-  
18 bility of such individual for medical assistance under a  
19 State plan under title XIX (42 U.S.C. 1396 et seq.).

20 (f) INDIVIDUAL OPTION TO USE VOUCHERS.—

21 (1) IN GENERAL.—

22 (A) OPTION PERMITTED.—If an unem-  
23 ployed parent described in section 211(a)(2)(A)  
24 or an adult parent in a single adult family de-  
25 scribed in section 211(a)(2)(B) is required by a

1 State to participate in the State benefits to  
2 wages program such individual shall have an  
3 option to participate in such program using a  
4 voucher (in the amount determined under sub-  
5 paragraph (B)) that is payable to an employer  
6 selected by the individual which employs the in-  
7 dividual.

8 (B) AMOUNT OF VOUCHER.—For purposes  
9 of subparagraph (A), the amount of a voucher  
10 shall be an amount equivalent to the amount of  
11 the wage subsidy described in subsection (c).

12 (2) STATE OPTION REGARDING PLACEMENT OF  
13 INDIVIDUALS IN BENEFITS TO WAGES PROGRAM.—  
14 States are encouraged to conduct a job placement  
15 program under which the State contracts with pri-  
16 vate entities to place individuals described in para-  
17 graph (1) with qualified employers under the bene-  
18 fits to wages program.

19 (g) SUPPLEMENTAL PAYMENT.—

20 (1) IN GENERAL.—The Secretary of Health and  
21 Human Services shall, subject to appropriations  
22 Acts, make quarterly payments to in the amount de-  
23 termined under paragraph (2) to each State operat-  
24 ing a benefits to wages program in accordance with  
25 this subsection.

1           (2) AMOUNT DETERMINED.—The amount de-  
2           termined under this paragraph is a dollar amount  
3           equal to the product of—

4                   (A) the average quarterly number of indi-  
5                   viduals enrolled in the State’s benefits to wages  
6                   program; and

7                   (B) \$100.

8           (3) USED FOR LOW-INCOME ASSISTANCE.—A  
9           State shall use any payment received under this sub-  
10          section to provide aid to low-income households (as  
11          defined in section 111(b)(2)).

12          (4) AUTHORIZATION OF APPROPRIATIONS.—  
13          There are authorized to be appropriated such sums  
14          as may be necessary to carry out the provisions of  
15          this subsection.

16          (h) AMENDMENTS REGARDING EARNED INCOME TAX  
17          CREDIT.—

18                (1) IN GENERAL.—Subsection (e) of section  
19                3507 of the Internal Revenue Code of 1986 (relating  
20                to earned income eligibility certificates) is amended  
21                by adding at the end the following new paragraph:

22                   “(6) SPECIAL RULE WITH RESPECT TO CER-  
23                   TAIN EMPLOYEES.—An employer shall obtain an  
24                   earned income eligibility certificate from each em-  
25                   ployee who is employed by such employer under the



1 benefits to wages program operated in accordance  
2 with section 215 of the Real Welfare Reform Act of  
3 1995.’’.

4 (2) EFFECTIVE DATE.—The amendment made  
5 by paragraph (1) shall apply to taxable years begin-  
6 ning after December 31, 1995.

7 **SEC. 216. PENALTIES RELATING TO NONCUSTODIAL PAR-**  
8 **ENTS.**

9 (a) PENALTY FOR CERTAIN NONCUSTODIAL PAR-  
10 ENTS.—

11 (1) IN GENERAL.—If an individual described in  
12 section 213(b)(1) knowingly and willfully fails to  
13 participate in a State community work service pro-  
14 gram in accordance with such section, such individ-  
15 ual shall be subject to imprisonment in accordance  
16 with State law.

17 (2) STATE ASSURANCES.—Each State operating  
18 a program under this subtitle shall provide assur-  
19 ances satisfactory to the Secretary of Health and  
20 Human Services that the State has in effect laws  
21 providing for the imprisonment of any individual  
22 who fails to comply with section 213(b)(1) for a  
23 term determined appropriate by the State.

24 (b) NO PENALTIES AGAINST FAMILY FOR NON-  
25 COMPLIANCE OF NONCUSTODIAL PARENT.—No penalty

1 shall be imposed under section 214(e) against a family re-  
2 ceiving direct cash assistance from grant funds received  
3 by the State under subtitle B of title I of this Act in the  
4 case of a noncustodial parent's failure to comply with sec-  
5 tion 213(b).

6 **SEC. 217. WORK REQUIREMENTS ELIMINATED FOR GROUPS**  
7 **WHICH NO LONGER RECEIVE BENEFITS.**

8 (a) IN GENERAL.—If a State ceases to provide direct  
9 cash assistance to a subgroup of a population that is de-  
10 scribed in section 211(a)(2), the State shall not be re-  
11 quired to apply the requirements of this subtitle to such  
12 subgroup.

13 (b) NONCUSTODIAL PARENTS.—If a State ceases to  
14 provide direct cash assistance to a subgroup of a popu-  
15 lation that is described in section 201(1), the State shall  
16 not be required to apply the requirements of the subtitle  
17 with respect to the applicable subgroups of the population  
18 described in section 211(b)(2).

1 **Subtitle B—Work Requirement for**  
2 **Food Stamp Equivalent House-**  
3 **holds**

4 **SEC. 221. WORK REQUIREMENT FOR ABLE-BODIED**  
5 **NONPARENTS IN FOOD STAMP EQUIVALENT**  
6 **HOUSEHOLDS.**

7 (a) IN GENERAL.—If a State uses grant funds re-  
8 ceived under subtitle B of title I of this Act to provide  
9 direct food assistance during a fiscal year to a population  
10 of food stamp equivalent households, the State shall re-  
11 quire members of such a population to perform success-  
12 fully at least 32 hours of work per month on behalf of  
13 a State or a political subdivision of a State through a pro-  
14 gram established by the State or political subdivision prior  
15 to the furnishing of direct food assistance for such month.

16 (b) EXEMPTIONS FROM REQUIREMENT.—A member  
17 of a population described in subsection (a) shall be exempt  
18 from the requirements of subsection (a) if the member  
19 is—

20 (1) a parent residing with a dependent child  
21 under 18 years of age;

22 (2) a member of a household with responsibility  
23 for the care of an incapacitated person;

24 (3) mentally or physically unfit;

25 (4) under 18 years of age; or

1 (5) 63 years of age or older.

2 **SEC. 222. WORK REQUIREMENTS ELIMINATED FOR GROUPS**  
 3 **WHICH NO LONGER RECEIVE BENEFITS.**

4 If a State ceases to provide direct food assistance to  
 5 a subgroup of a population that is a subgroup of the food  
 6 stamp equivalent household population, the State shall not  
 7 be required to apply the requirements of this subtitle with  
 8 respect to such subgroup.

9 **Subtitle C—Evaluation of Training**  
 10 **Programs**

11 **SEC. 231. EVALUATION OF TRAINING PROGRAMS.**

12 A State that uses grant funds received under subtitle  
 13 B of title I of this Act to provide assistance to low-income  
 14 households shall conduct ongoing evaluations of job train-  
 15 ing programs. Such evaluations shall—

16 (1) be conducted through experiments using  
 17 control groups chosen by scientific random assign-  
 18 ment; and

19 (2) determine whether job training programs ef-  
 20 fectively raise the hourly wage rates of individuals  
 21 receiving training through such programs.

22 **TITLE III—PROMOTING**  
 23 **FAMILIES**

24 **SEC. 301. SENSE OF THE CONGRESS.**

25 It is the sense of the Congress that—

1           (1) marriage is the foundation of a successful  
2 society;

3           (2) marriage is an essential social institution  
4 which promotes the interests of children and society  
5 at large;

6           (3) the negative consequences of an out-of-wed-  
7 lock birth on the child, the mother, and society are  
8 well documented as follows:

9           (A) the illegitimacy rate among black  
10 Americans was 26 percent in 1965, but today  
11 the rate is 68 percent and climbing;

12           (B) the illegitimacy rate among white  
13 Americans has risen tenfold, from 2.29 percent  
14 in 1960 to 22 percent today;

15           (C) the total of all out-of-wedlock births  
16 between 1970 and 1991 has risen from 10 per-  
17 cent to 30 percent and if the current trend con-  
18 tinues, 50 percent of all births by the year 2015  
19 will be out-of-wedlock;

20           (D) 82 percent of illegitimate births among  
21 whites are to women with a high school edu-  
22 cation or less;

23           (E) the one-parent family is six times more  
24 likely to be poor than the two-parent family;

1 (F) children born into families receiving  
2 welfare assistance are three times more likely to  
3 be on welfare when they reach adulthood;

4 (G) teenage single parent mothering is the  
5 single biggest contributor to low birth weight  
6 babies;

7 (H) children born out-of-wedlock are more  
8 likely to experience low verbal cognitive attain-  
9 ment, child abuse, and neglect;

10 (I) young people from single parent or  
11 stepparent families are two-to-three times more  
12 likely to have emotional or behavioral problems  
13 than those from intact families;

14 (J) young white women who were raised in  
15 a single parent family are 164 percent more  
16 likely to have children out-of-wedlock, 111 per-  
17 cent more likely to become parents as teen-  
18 agers, and 92 percent more likely to have their  
19 marriages end in divorce;

20 (K) the younger the single parent mother,  
21 the less likely she is to finish high school;

22 (L) young women who have children before  
23 finishing high school are more likely to receive  
24 welfare assistance for a longer period of time;

1 (M) between 1985 and 1990, the public  
2 cost of births to teenage mothers under the aid  
3 to families with dependent children program,  
4 the food stamp program, and the medicaid pro-  
5 gram has been estimated at \$120,000,000,000;

6 (N) the absence of a father in the life of  
7 a child has a negative effect on school perform-  
8 ance and peer adjustment;

9 (O) the likelihood that a young black man  
10 will engage in criminal activities doubles if he  
11 is raised without a father and triples if he lives  
12 in a neighborhood with a high concentration of  
13 single parent families; and

14 (P) the greater the incidence of single par-  
15 ent families in a neighborhood, the higher the  
16 incidence of violent crime and burglary; and

17 (4) in light of this demonstration of the crisis  
18 in our Nation, the reduction of out-of-wedlock births  
19 is an important government interest and the policy  
20 contained in provisions of this title addresses the cri-  
21 sis.

1     **Subtitle A—Eligibility for Certain**  
2             **Welfare Block Grant Funds**

3     **SEC. 311. DENIAL OF CERTAIN ASSISTANCE FOR CERTAIN**  
4                     **YOUNG UNWED PARENTS AND THEIR CHIL-**  
5                     **DREN.**

6             (a) DENIAL OF CERTAIN ASSISTANCE.—

7                 (1) IN GENERAL.—Except as provided in sub-  
8             section (b), if a child is born to an individual who  
9             is a member of the population described in para-  
10            graph (2), a State shall not provide direct cash as-  
11            sistance, direct food assistance, or direct housing as-  
12            sistance from grant funds received by the State  
13            under subtitle B of title I of this Act with respect  
14            to the child, the custodial parent of the child, and  
15            subsequent children born out-of-wedlock to the cus-  
16            todial parent of the child.

17                 (2) POPULATION DESCRIBED.—The population  
18             described in this paragraph is the population of indi-  
19             viduals who are unmarried and who have not ex-  
20             ceeded age 21 (or another age that is greater than  
21             21, as determined appropriate by the State).

22             (b) EXCEPTIONS.—Subsection (a) shall not apply—

23                 (1) if, after the birth of the child—

24                     (A) the custodian of the child marries an  
25             individual who assumes lawful paternity or per-



1           manent legal guardianship and financial respon-  
2           sibility for the child; or

3           (B) the child is legally adopted;

4           (2) if the parents of the dependent child were  
5           married during the 10-month period preceding the  
6           birth of the child and 1 parent died prior to the  
7           birth of the child; or

8           (3) with respect to the child after the child has  
9           attained age 18.

10          (c) EFFECTIVE DATE.—This section shall apply with  
11         respect to children born on or after the date that is 1 year  
12         after the date of the enactment of this Act.

13         **SEC. 312. BENEFIT PROVISIONS REGARDING ADDITIONAL**  
14                 **CHILDREN.**

15          (a) ELIMINATION OF CERTAIN ASSISTANCE TO CER-  
16         TAIN INDIVIDUALS.—If a State provides direct cash as-  
17         sistance or food assistance to a population of AFDC equiv-  
18         alent families from grant funds received by the State  
19         under subtitle B of title I of this Act, such assistance shall  
20         not be payable with respect to a child in such population  
21         if the custodial parent of the child was, at the time of  
22         the child's birth—

23                 (1) a recipient of such assistance; or

1           (2) an individual who received such assistance  
2           anytime during the 10-month period ending with the  
3           birth of the child.

4           (b) EXCEPTION.—Subsection (a) shall not apply with  
5           respect to a child after the child has attained age 18.

6           (c) EFFECTIVE DATE.—This section shall apply with  
7           respect to children born on or after the date that is 1 year  
8           after the date of the enactment of this Act.

9   **SEC. 313. PROVISIONS RELATING TO PATERNITY ESTAB-**  
10                                   **LISHMENT.**

11           (a) IN GENERAL.—

12                   (1) PATERNITY NOT ESTABLISHED.—Except as  
13                   provided in subsection (b), if a State provides the  
14                   assistance described in paragraph (2), the State  
15                   shall provide that if a family applying for such as-  
16                   sistance includes a child who has not attained age  
17                   18 and who was born on or after January 1, 1995,  
18                   with respect to whom paternity has not been estab-  
19                   lished, such assistance shall not be available for—

20                           (A) such child (until the child attains age  
21                           18); and

22                           (B) the parent or caretaker relative of such  
23                           child if the parent or caretaker relative of such  
24                           child is not the parent or caretaker relative of  
25                           another child for whom aid is available.

1           (2) ASSISTANCE DESCRIBED.—The assistance  
2 described in this paragraph is direct cash assistance,  
3 direct food assistance, or direct housing assistance  
4 from grant funds received by the State under sub-  
5 title B of title I of this Act.

6           (b) EXCEPTIONS.—Notwithstanding subsection (a)—

7           (1) the State may use grant funds received by  
8 the State under subtitle B of title I of this Act to  
9 provide direct cash assistance, direct food assistance,  
10 and direct housing assistance to a dependent child  
11 who is up to 6 months of age for whom paternity  
12 has not been established if the parent or caretaker  
13 relative of the child provides the name, address, and  
14 such other identifying information as the State may  
15 require of an individual who may be the father of  
16 the child; and

17           (2) the State may exempt up to 15 percent of  
18 all families in the population described in subsection  
19 (a) applying for direct cash assistance, direct food  
20 assistance, and direct housing assistance from grant  
21 funds received by the State under subtitle B of title  
22 I of this Act which include a child who was born on  
23 or after January 1, 1995, and with respect to whom  
24 paternity has not been established, from the reduc-  
25 tion imposed under subsection (a).

1 (c) PROVISION OF AID IN VIOLATION OF PATERNITY  
 2 ESTABLISHMENT REQUIREMENTS.—If a State expends  
 3 funds in violation of the requirements of subsection (a)  
 4 in any fiscal year but such expenditures do not constitute  
 5 a failure to comply substantially with the requirements of  
 6 this Act, the Secretary of Health and Human Services  
 7 shall reduce the amount to be paid to such State under  
 8 subtitle B of title I of this Act for the succeeding fiscal  
 9 year by an amount equal to the amount of funds misused  
 10 by such State.

11 **Subtitle B—Additional Earned In-**  
 12 **come Tax Credit for Married In-**  
 13 **dividuals**

14 **SEC. 321. ADDITIONAL EARNED INCOME CREDIT FOR MAR-**  
 15 **RIED INDIVIDUALS.**

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

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

22 “(A) in the case of an eligible individual,  
 23 an amount equal to the credit percentage of so  
 24 much of the taxpayer’s earned income for the

1 taxable year as does not exceed the earned in-  
2 come amount, and

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

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

9 “(3) APPLICABLE PERCENTAGE.—The applica-  
10 ble percentage for any taxable year is equal to 100  
11 percent reduced (but not below zero percent) by 10  
12 percentage points for each \$1,000 (or fraction there-  
13 of) by which the taxpayer’s earned income for such  
14 taxable year exceeds \$16,000.”

15 (c) ELIGIBLE MARRIED INDIVIDUALS.—Section  
16 32(c) of the Internal Revenue Code of 1986 (relating to  
17 definitions and special rules) is amended by adding at the  
18 end the following new paragraph:

19 “(4) ELIGIBLE MARRIED INDIVIDUAL.—The  
20 term ‘eligible married individual’ means an eligible  
21 individual (determined without regard to paragraph  
22 (1)(A)(ii))—

23 “(A) who is married (as defined in section  
24 7703) and who has lived together with the indi-

1           vidual's spouse at all times during such mar-  
2           riage during the taxable year, and

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

5           (d) CONFORMING AMENDMENTS.—

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

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

11          “(i) INFLATION ADJUSTMENTS.—

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

16                           “(A) such dollar amount, multiplied by

17                                   “(B) the cost-of-living adjustment deter-  
18          mined under section 1(f)(3), for the calendar  
19          year in which the taxable year begins, by sub-  
20          stituting for ‘calendar year 1992’ in subpara-  
21          graph (B) thereof—

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

1           “(ii) ‘calendar year 1995’ in the case  
2           of the dollar amounts referred to in para-  
3           graph (2)(B)(ii).

4           “(2) DEFINITIONS, ETC.—For purposes of  
5           paragraph (1)—

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

8           “(i) 1994 in the case of the dollar  
9           amounts referred to in paragraph  
10          (2)(B)(i), and

11          “(ii) 1996 in the case of the dollar  
12          amounts referred to in paragraph  
13          (2)(B)(ii).

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

16          “(i) each dollar amount contained in  
17          subsection (b)(2)(A), and

18          “(ii) the \$16,000 amount contained in  
19          subsection (b)(3) and the dollar amount  
20          contained in subsection (c)(4)(B).

21          “(3) ROUNDING.—If any dollar amount after  
22          being increased under paragraph (1) is not a mul-  
23          tiple of \$10, such dollar amount shall be rounded to  
24          the nearest multiple of \$10 (or, if such dollar

1 amount is a multiple of \$5, such dollar amount shall  
2 be increased to the next higher multiple of \$10).”

3 (e) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to taxable years beginning after  
5 December 31, 1995.

## 6 **Subtitle C—Expansion of** 7 **Abstinence Education**

### 8 **SEC. 331. ABSTINENCE EDUCATION GRANTS.**

9 (a) EDUCATIONAL PROGRAMS.—

10 (1) IN GENERAL.—The Secretary of Health and  
11 Human Services shall make grants to States and  
12 public and private entities for the purpose of estab-  
13 lishing educational programs beginning in the sixth  
14 grade or later that emphasize the social, psycho-  
15 logical, and health gains to be derived by abstaining  
16 from sexual activity while unmarried.

17 (2) AT-RISK PROGRAMS.—In establishing pro-  
18 grams in accordance with paragraph (1), States are  
19 encouraged to experiment with programs which pro-  
20 vide young women at high risk of teenage pregnancy  
21 with rewards for avoiding pregnancy.

22 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
23 are authorized to be appropriated \$100,000,000 in fiscal  
24 year 1996, and \$100,000,000 in each fiscal year there-  
25 after to carry out the provisions of this section.



1 **TITLE IV—RECOMMENDATIONS**

2 **SEC. 401. EDUCATIONAL ACTIVITIES FOR CUSTODIAL PAR-**  
3 **ENTS UNDER 19 YEARS OF AGE.**

4 (a) IN GENERAL.—The Congress recommends that if  
5 a State provides direct cash assistance to an individual  
6 described in subsection (b) from grant funds received by  
7 the State under subtitle B of title I of this Act—

8 (1) the State require such individual to partici-  
9 pate in an educational activity; and

10 (2) at the State’s option, the State may re-  
11 quire—

12 (A) the individual described in subsection  
13 (b) to participate in educational activities di-  
14 rected toward the attainment of a high school  
15 diploma or its equivalent on a full-time basis  
16 (as defined by the educational provider); or

17 (B) the individual described in subsection  
18 (b) to participate in training or work activities  
19 (in lieu of the educational activities referred to  
20 in paragraph (1)) if such parent fails to make  
21 good progress in successfully completing such  
22 educational activities, or if it is determined  
23 (prior to any assignment of the individual to  
24 such educational activities) pursuant to an edu-  
25 cational assessment that participation in such

1 educational activities is inappropriate for such  
2 parent.

3 (b) INDIVIDUAL DESCRIBED.—An individual de-  
4 scribed in this subsection is an individual who—

5 (1) is a member of an AFDC equivalent family;

6 (2) is a custodial parent;

7 (3) has not attained 19 years of age; and

8 (4) has not successfully completed a high school  
9 education (or its equivalent).

10 **SEC. 402. RECOMMENDATION THAT CERTAIN APPLICANTS**

11 **FOR ASSISTANCE CONDUCT JOB SEARCH AC-**

12 **TIVITIES.**

13 (a) DELAY IN BENEFIT FOR CERTAIN FAMILIES.—

14 (1) IN GENERAL.—The Congress recommends  
15 that if a State provides direct cash assistance to a  
16 family described in paragraph (2) from grant funds  
17 received by the State under subtitle B of title I of  
18 this Act, such family not receive such assistance  
19 until any member of the family who has attained age  
20 18 has conducted job search activities determined  
21 appropriate by the State for a 1-month period begin-  
22 ning on the date that the family applies for direct  
23 cash assistance.

24 (2) FAMILY DESCRIBED.—A family described in  
25 this paragraph is a family that—

1 (A) is an AFDC equivalent family;

2 (B) has sufficient liquid assets (as deter-  
3 mined by the State) to meet the basic needs of  
4 the family for the 1-month period referred to in  
5 paragraph (1); and

6 (C) does not include any children under 5  
7 years of age.

8 (b) JOB SEARCH REQUIREMENT FOR CERTAIN INDI-  
9 VIDUALS.—

10 (1) IN GENERAL.—The Congress recommends  
11 that if a State provides direct cash assistance to a  
12 family described in paragraph (2) from grant funds  
13 received by the State under subtitle B of title I of  
14 this Act, the State require a member of the family  
15 who has attained age 18 to conduct job search ac-  
16 tivities (as determined appropriate by the State)  
17 during the first 1-month period in which the family  
18 receives such aid.

19 (2) FAMILY DESCRIBED.—A family described in  
20 this subsection is a family—

21 (A) that is an AFDC equivalent family  
22 that is not described in subsection (a)(2); and

23 (B) does not include any children under 5  
24 years of age.

1 **SEC. 403. REDUCTION OF BENEFITS TO FAMILIES WHO**  
2 **ALSO RECEIVE HOUSING ASSISTANCE.**

3 (a) IN GENERAL.—The Congress recommends that if  
4 a State provides direct cash assistance to an AFDC equiv-  
5 alent family from grant funds received by the State under  
6 subtitle B of title I of this Act, the State, in determining  
7 eligibility for such assistance, consider as income of the  
8 family applying to receive such assistance, any rent or  
9 housing subsidy provided to such family by the State, to  
10 the extent that the value of such subsidy is equivalent to  
11 the amount for housing included in the maximum amount  
12 that would be payable by the State to a family of the same  
13 composition with no other income.

14 (b) REDUCTION OF PAYMENTS TO FAMILIES WHO  
15 RECEIVE PUBLIC HOUSING BENEFITS.—The Congress  
16 recommends that if a State provides direct cash assistance  
17 to an AFDC equivalent family from grant funds received  
18 by the State under subtitle B of title I of this Act, the  
19 State reduce by 25 percent each month the payment of  
20 such direct cash assistance to any family that occupies a  
21 unit in housing that is subsidized by the State.

1           **TITLE V—CHILD SUPPORT**  
2                           **ENFORCEMENT**

3   **SEC. 501. NATIONAL REPORTING OF INFORMATION RELAT-**  
4                           **ING TO CHILD SUPPORT WITH RESPECT TO**  
5                           **CERTAIN EMPLOYEES.**

6           (a) MODIFIED W-4 REPORTING.—

7                 (1) ESTABLISHMENT OF REPORTING SYSTEM.—

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

13                (2) EMPLOYEE OBLIGATIONS.—

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

21                           (i) the existence of the obligation;

22                           (ii) the amount of the obligation;

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

1 (iv) whether health care insurance is  
2 available through the employer to the fam-  
3 ily of the employee.

4 (B) EMPLOYEES IN DESIGNATED INDUS-  
5 TRIES.—The system shall require each em-  
6 ployee, who is employed in a State in an indus-  
7 try that the State has designated pursuant to  
8 section 466(a)(13)(A) of the Social Security Act  
9 as one with respect to which universal employ-  
10 ment reporting would improve child support en-  
11 forcement in a cost-effective manner, to annu-  
12 ally file with the employer a W-4 form indicat-  
13 ing—

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

16 (ii) if so—

17 (I) the amount of the obligation;

18 (II) the name and address of the  
19 person to whom the obligation is  
20 owed; and

21 (III) whether health care insur-  
22 ance is available through the employer  
23 to the family of the employee.

24 (C) ONE-TIME UPDATING OF W-4 INFOR-  
25 MATION OF ALL EMPLOYEES.—The system shall

1           require each employee to file with the employer,  
2           during a period that the State in which the em-  
3           ployee is employed has prescribed pursuant to  
4           section 466(a)(13)(B) of the Social Security  
5           Act, a W-4 form indicating—

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

8                   (ii) if so—

9                           (I) the amount of each such obli-  
10                          gation;

11                           (II) the name and address of  
12                          each person to whom the obligation is  
13                          owed; and

14                           (III) whether health care insur-  
15                          ance is available through the employer  
16                          to the family of the employee.

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

1 of an administrative process established under  
2 the law of any State.

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

6 (A) not later than the later of—

7 (i) 15 days after receipt of such infor-  
8 mation; or

9 (ii) the date the employee next re-  
10 ceives wages or other compensation from  
11 the employer,

12 forward the information to the agency des-  
13 igned pursuant to section 466(a)(12)(A) of  
14 the Social Security Act of the State in which  
15 the employee is employed by the employer; and

16 (B) withhold from the income of the em-  
17 ployee the amount indicated on the W-4 form  
18 (or, if the employer has received from the State  
19 a notice that the amount is incorrect, such  
20 other amount as the State indicates is to be so  
21 withheld), in the manner described in section  
22 466(b)(6)(A)(i) of such Act.

23 (4) NEW HIRES IN CERTAIN STATES EX-  
24 CEPTED.—This subsection shall not apply with re-  
25 spect to the employment in a State of any employee



1 not described in paragraph (2)(B) if the Secretary  
2 of Health and Human Services determines that the  
3 State—

4 (A) requires all employers in the State to  
5 report to the State all basic employment infor-  
6 mation on new hires;

7 (B) requires such information to be com-  
8 pared with information in the State registry of  
9 child support orders established pursuant to  
10 section 466(a)(14) of the Social Security Act  
11 and with requests from other States for infor-  
12 mation on the location of noncustodial parents;

13 (C) maintains updated employment infor-  
14 mation on all individuals employed in the State  
15 in a manner that enables the State to effec-  
16 tively respond to such requests; and

17 (D) requires all employers in the State, on  
18 receipt of a notice from the State that an em-  
19 ployee owes a qualified child support obligation,  
20 to begin withholding from the income of the  
21 employee the amount of the obligation, in the  
22 manner described in section 466(b)(6)(A)(i) of  
23 the Social Security Act.

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

4           “(12) Procedures under which the State shall  
5 designate a public agency to—

6           “(A) maintain the information provided by  
7 employers pursuant to section 501(a)(3) of the  
8 Real Welfare Reform Act of 1995 in accordance  
9 with regulations prescribed by the Secretary  
10 which allow other States easy access to the in-  
11 formation through the Interstate Locate Net-  
12 work established under section 453(g); and

13           “(B) determine whether or not the infor-  
14 mation described in subparagraph (A) provided  
15 by an employer with respect to an employee is  
16 accurate by comparing the information with the  
17 information on file in the State registry of child  
18 support orders established pursuant to section  
19 466(a)(14), and—

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

1 to provide child support, of such informa-  
2 tion;

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

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

18 “(13) Procedures under which the State shall—

19 “(A) designate at least 1 industry, for pur-  
20 poses of section 501(a)(2)(B) of the Real Wel-  
21 fare Reform Act of 1995, as an industry with  
22 respect to which universal employment report-  
23 ing would improve child support enforcement in  
24 a cost-effective manner;

1           “(B) prescribe the period during which  
2 individuals employed in the State are to be  
3 required to file with their employers updated  
4 W-4 forms as required by section 501(a)(2)(C)  
5 of such Act; and

6           “(C) impose a fine—

7           “(i) against any individual employed  
8 in the State who is required by section  
9 501(a)(2) of such Act to file a W-4 form  
10 with any employer of the individual and  
11 fails to do so; and

12           “(ii) in an amount equal to the aver-  
13 age cost of noncompliance (as determined  
14 by the State) or \$25, whichever is the less-  
15 er, on any employer who fails to comply  
16 with section 501(a)(3) of such Act for any  
17 month.”.

18 **SEC. 502. STATE INFORMATION SYSTEMS.**

19       (a) STATE REGISTRIES OF CHILD SUPPORT OR-  
20 DERS.—Section 466(a) of the Social Security Act (42  
21 U.S.C. 666(a)), as amended by section 501(b), is amended  
22 by inserting after paragraph (13) the following new para-  
23 graph:

1           “(14) Procedures requiring the State agency  
2           designated pursuant to paragraph (17) to maintain  
3           a child support order registry, which must include—

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

6                   “(B) at the request of an individual who  
7                   has or is owed a legal obligation to provide child  
8                   support (within the meaning of section 462(b)),  
9                   a copy of the order that imposes the obliga-  
10                  tion.”.

11           (b) ACCESSIBILITY OF STATE INFORMATION RELAT-  
12           ED TO CHILD SUPPORT.—

13                   (1) TO OTHER STATES.—Section 466(a) of the  
14                   Social Security Act (42 U.S.C. 666(a)), as amended  
15                   by section 501(b) and subsection (a) of this section,  
16                   is amended by inserting after paragraph (14) the  
17                   following new paragraph:

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

1       tion if the release might jeopardize the safety of any  
2       individual.

3           “(B) The State may impose reasonable fees for  
4       access to State records provided pursuant to sub-  
5       paragraph (A).”.

6           (2) TO PRIVATE PARTIES.—Section 466(a) of  
7       the Social Security Act (42 U.S.C. 666(a)), as  
8       amended by section 501(b), subsection (a) of this  
9       section, and paragraph (1) of this subsection, is  
10      amended by inserting after paragraph (15) the fol-  
11      lowing new paragraph:

12           “(16) Procedures under which—

13           “(A) noncustodial parents (and their des-  
14           ignees) must be given access to State parent lo-  
15           cator services to aid in the establishment or en-  
16           forcement of visitation rights, in accordance  
17           with safeguards established to prevent release  
18           of information if the release might jeopardize  
19           the safety of any individual; and

20           “(B) custodial parents (and their des-  
21           ignees) must be given access to State parent lo-  
22           cator services to aid in the establishment and  
23           enforcement of child support obligations against  
24           noncustodial parents.”.

1 **SEC. 503. NATIONAL INFORMATION SYSTEMS.**

2 (a) EXPANSION OF PARENT LOCATOR SERVICE.—

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

5 (1) in subsection (a)—

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

7 and

8 (B) by striking “enforcing support obliga-  
9 tions against such parent” and inserting “es-  
10 tablishing parentage, establishing, modifying,  
11 and enforcing child support obligations, and (2)  
12 to any noncustodial parent (or the designee of  
13 the noncustodial parent) information as to the  
14 whereabouts of the custodial parent when such  
15 information is to be used to locate such parent  
16 for the purpose of enforcing child visitation  
17 rights and obligations”;

18 (2) in subsection (b), by inserting after the sec-  
19 ond sentence the following: “Information shall not  
20 be disclosed to a custodial parent or a noncustodial  
21 parent if the disclosure would jeopardize the safety  
22 of the child or either of such parents.”;

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

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

1 (b) ESTABLISHMENT OF INTERSTATE LOCATE NET-  
2 WORK.—Section 453 of the Social Security Act (42 U.S.C.  
3 653) is amended by adding at the end the following new  
4 subsection:

5 “(g) The Secretary shall establish an Interstate Lo-  
6 cate Network linking the Parent Locator Service and all  
7 State databases relating to child support enforcement,  
8 which—

9 “(1) any State may use to—

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

19 “(B) direct a locate request to another  
20 State or a Federal agency, or, if the source of  
21 locate information is unknown, broadcast such  
22 a request to selected States or to all States;

23 “(2) allows on-line and batch processing of lo-  
24 cate requests, with on-line access restricted to cases  
25 in which the information is needed immediately



1 (such as for court appearances), and batch process-  
2 ing used to ‘troll’ data bases to locate individuals or  
3 update information periodically; and

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

7 (c) INFORMATION SHARING REGULATIONS.—Section  
8 452(a) of the Social Security Act (42 U.S.C. 652(a)) is  
9 amended—

10 (1) by striking “and” at the end of paragraph  
11 (9);

12 (2) by striking the period at the end of the sec-  
13 ond sentence of paragraph (10) and inserting “;  
14 and”; and

15 (3) by inserting after paragraph (10) the fol-  
16 lowing new paragraph:

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

20 “(A) to ensure that a State may broadcast  
21 a request for information for the purpose of lo-  
22 cating a noncustodial parent or collecting child  
23 support, and receive a response to the request  
24 in not more than 48 hours; and

1           “(B) to require a State that is attempting  
2           to locate a noncustodial parent—

3                   “(i) to compare all outstanding cases  
4                   with information in the employment  
5                   records of the State; and

6                   “(ii) if, after complying with clause  
7                   (i), the State is unable to locate the  
8                   noncustodial parent, then—

9                           “(I) if the State has reason to  
10                           believe that the noncustodial parent is  
11                           in another particular State or States,  
12                           to request such State or States for in-  
13                           formation on the noncustodial parent;  
14                           and

15                           “(II) if not, to broadcast to all  
16                           States a request for such informa-  
17                           tion.”.

18 **SEC. 504. INCOME WITHHOLDING.**

19           (a) STATE ROLE.—Section 466(a) of the Social Secu-  
20           rity Act (42 U.S.C. 666(a)), as amended by sections  
21           501(b) and 502, is amended by inserting after paragraph  
22           (16) the following new paragraphs:

23                   “(17) Procedures under which the State shall  
24                   designate a public agency to—

1           “(A) collect child support pursuant to the  
2           State plan; and

3           “(B) distribute, in accordance with section  
4           457 and with all due deliberate speed, the  
5           amounts collected as child support.

6           “(18) Procedures under which the State shall  
7           require any court of the State that establishes or  
8           modifies a child support order to transmit a copy of  
9           the order to the State agency designated pursuant to  
10          paragraph (19), unless the order does not provide  
11          for income withholding, and the noncustodial parent  
12          and the custodial parent object.

13          “(19) Procedures under which the State shall  
14          designate a State agency to use the uniform income  
15          withholding order developed under section  
16          452(a)(12) to notify the agency administering the  
17          State plan, any employer of an individual required to  
18          pay child support through income withholding pursu-  
19          ant to an order issued or modified in the State, and  
20          the agency designated pursuant to paragraph (17) of  
21          this subsection of each State in which such an em-  
22          ployer is located, of—

23                  “(A) the identity of the individual;

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

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

3           (b) UNIFORM WITHHOLDING ORDER.—Section  
4 452(a) of the Social Security Act (42 U.S.C. 652(a)), as  
5 amended by section 503(c), is amended—

6           (1) by striking “and” at the end of paragraph  
7           (10);

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

10           (3) by inserting after paragraph (11) the fol-  
11           lowing new paragraph:

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

15           “(A) contain the name of the individual  
16           whose income is to be withheld, the number of  
17           children covered by the order, and the individ-  
18           ual or State to whom the withheld income is to  
19           be paid; and

20           “(B) be in the form necessary to allow for  
21           the service of the order on all sources of in-  
22           come.”.

23           (c) STATES REQUIRED TO HAVE LAWS REQUIRING  
24 EMPLOYERS TO WITHHOLD CHILD SUPPORT PURSUANT  
25 TO UNIFORM INCOME WITHHOLDING ORDERS.—Section

1 466(b) of the Social Security Act (42 U.S.C. 666(b)) is  
2 amended—

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

6 (2) in paragraph (6)(C), by inserting “and  
7 paragraph (9)(B)” after “(A)”; and

8 (3) in paragraph (9)—

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

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

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

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

17 “(II) notwithstanding paragraph (4), with-  
18 hold, within 10 days after receipt of the order,  
19 income from the employee in the manner de-  
20 scribed in paragraph (6)(A)(i).

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

24 “(iii) Any individual or entity who complies  
25 with a valid income withholding order may not be

1 held liable for wrongful withholding of income from  
2 the employee subject to the order.

3 “(iv) The State shall impose a civil fine in an  
4 amount equal to the average cost of noncompliance  
5 (as determined by the State) or \$25, whichever is  
6 the lesser, on any such individual or entity who re-  
7 ceives a valid income withholding order with respect  
8 to an employee of the individual or entity, and who,  
9 due to negligence, fails to comply with the order  
10 within 10 days after receipt.

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

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

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

22 Section 452(a) of the Social Security Act (42 U.S.C.  
23 652(a)), as amended by sections 503(c) and 504(b), is  
24 amended—

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

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

6           (3) by adding at the end the following new  
7 paragraph:

8           “(13) develop, in conjunction with State execu-  
9 tive and judicial organizations, a uniform abstract of  
10 a child support order, for use by all State courts to  
11 record, with respect to each child support order in  
12 the child support order registry established under  
13 section 466(a)(14)—

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

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

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

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

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

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

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

7           “(H) the Social Security account numbers  
8 of the parents;

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

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

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

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

18 **SEC. 506. IMPROVEMENTS IN PATERNITY ESTABLISHMENT.**

19           Section 466(a)(5)(C) of the Social Security Act (42  
20 U.S.C. 666(a)(5)(C)) is amended to read as follows:

21           “(C) Procedures under which—

22           “(i) the opportunity to establish paternity  
23 voluntarily and by simple affidavit is available  
24 to the unmarried parents of a child at the time  
25 of the child’s birth by requiring hospitals and



1 birthing facilities to make explanatory materials  
2 and forms available to the parents as part of  
3 the birth certificate process;

4 “(ii) a simple, civil consent procedure is  
5 available at any time for individuals who agree  
6 to acknowledge parentage of a child;

7 “(iii) an acknowledgment of parentage may  
8 be incorporated in a witnessed, written state-  
9 ment that includes a statement that—

10 “(I) the individual signing such state-  
11 ment understands the consequences of ac-  
12 knowledging paternity;

13 “(II) such individual is signing the  
14 statement voluntarily;

15 “(III) such individual does not object  
16 to the court entering an order for parent-  
17 age, based on the acknowledgment, without  
18 notice prior to the entry of the order and  
19 without the requirement of pleadings, serv-  
20 ice, summons, testimony, or a hearing; and

21 “(IV) such individual understands  
22 that signing such statement may create an  
23 obligation to provide child support; and

24 “(iv) if under State law a court order is re-  
25 quired to establish paternity, an acknowledg-

1           ment of parentage as provided for under clause  
2           (iii) shall be filed with a State court of appro-  
3           priate jurisdiction within 10 days and a pater-  
4           nity order based on such acknowledgment shall  
5           be established without the requirement of plead-  
6           ings, service, summons, testimony, or a hear-  
7           ing.”.

8   **SEC. 507. WAIVER OF FEE FOR CERTAIN INDIVIDUALS RE-**  
9                           **CEIVING CHILD SUPPORT COLLECTION OR**  
10                          **PATERNITY DETERMINATION SERVICES.**

11           Section 454 of the Social Security Act (42 U.S.C.  
12 654) is amended—

13           (1) in paragraph (23), by striking “and” at the  
14           end;

15           (2) in paragraph (24), by striking the period  
16           and inserting “; and”; and

17           (3) by inserting after paragraph (24) the fol-  
18           lowing new paragraph:

19           “(25) notwithstanding subparagraphs (B), (C),  
20           and (D) of paragraph (6), provide that no fee shall  
21           be imposed for child support collection or paternity  
22           determination services provided with respect to an  
23           individual who is denied aid to low-income house-  
24           holds located in a State as a result of the require-  
25           ments of the Real Welfare Reform Act of 1995.”.

1 **SEC. 508. EFFECTIVE DATE.**

2 (a) IN GENERAL.—Except as provided in subsection  
3 (b), the amendments made by this title shall take effect  
4 on the first day of the first fiscal year beginning after the  
5 date of the enactment of this Act.

6 (b) DELAY IF STATE LEGISLATION REQUIRED.—In  
7 the case of a State which the Secretary of Health and  
8 Human Services determines requires State legislation  
9 (other than legislation authorizing or appropriating funds)  
10 in order to comply with the amendments made by this  
11 title, the State shall not be regarded as failing to comply  
12 with such amendments solely on the basis of its failure  
13 to meet the requirements of such amendments before the  
14 first day of the first calendar quarter beginning after the  
15 close of the first regular session of the State legislature  
16 that begins after the date of the enactment of this Act.  
17 For purposes of the preceding sentence, in the case of a  
18 State that has a 2-year legislative session, each year of  
19 such session shall be deemed to be a separate regular ses-  
20 sion of the State legislature.

21 **TITLE VI—MISCELLANEOUS**  
22 **PROVISIONS**

23 **SEC. 601. REPEAL OF THE DAVIS-BACON ACT.**

24 (a) IN GENERAL.—The Act of March 31, 1931 (com-  
25 monly known as the Davis-Bacon Act; 40 U.S.C. 276a et  
26 seq.), is repealed.

1 (b) REDUCTION IN BUDGET CAPS.—

2 (1) DISCRETIONARY SPENDING.—Upon the en-  
3 actment of this section, the Director of the Office of  
4 Management and Budget shall make downward ad-  
5 justments in the discretionary spending limits (new  
6 budget authority and outlays), as adjusted, set forth  
7 in section 601(a)(2) of the Congressional Budget  
8 Act of 1974 for each of fiscal years 1996 through  
9 2000, by an amount equal to the discretionary sav-  
10 ings resulting from the enactment of this section at-  
11 tributable to each such fiscal year.

12 (2) SECTION 602 ALLOCATIONS.—

13 (A) HOUSE APPROPRIATIONS COMMIT-  
14 TEE.—The allocations in effect under section  
15 602(a)(1) of the Congressional Budget Act of  
16 1974 for fiscal year 1996 for the Committee on  
17 Appropriations of the House of Representatives  
18 are reduced by the amount of discretionary sav-  
19 ings in outlays and budget authority determined  
20 under paragraph (1).

21 (B) SENATE APPROPRIATIONS COMMIT-  
22 TEE.—The allocations in effect under section  
23 602(a)(2) of the Congressional Budget Act of  
24 1974 for fiscal year 1996 for the Committee on  
25 Appropriations of the Senate are reduced by the

1 amount of discretionary savings in outlays and  
2 budget authority determined under paragraph  
3 (1).

4 (C) SUBALLOCATIONS.—Each Committee  
5 on Appropriations is authorized and directed to  
6 immediately adjust its suballocations among its  
7 subcommittees for fiscal year 1996 to reflect  
8 the lower allocations provided by this paragraph  
9 in a manner that accurately reflects the  
10 changes in law made by this Act and promptly  
11 report to its House of Congress suballocations  
12 revised under this paragraph.

13 (D) EFFECT.—The allocations and  
14 suballocations as adjusted by this paragraph  
15 shall be deemed to be allocations made under  
16 section 602(a)(1) and suballocations made  
17 under section 602(b)(1) of the Congressional  
18 Budget Act of 1974.

19 (3) SECTION 601.—Section 601(a)(2) of the  
20 Congressional Budget Act of 1974 is amended by in-  
21 serting “or as adjusted pursuant to subsection (b) of  
22 section 601 of the Real Welfare Reform Act of  
23 1995” before the period at the end.

1 **SEC. 602. ELIMINATION OF MEDICAID BENEFITS WITH RE-**  
2 **SPECT TO FUGITIVE FELONS AND PROBA-**  
3 **TION AND PAROLE VIOLATORS.**

4 (a) INELIGIBILITY FOR MEDICAL ASSISTANCE.—Sec-  
5 tion 1902(a) (42 U.S.C. 1396a(a)) of the Social Security  
6 Act is amended—

7 (1) by striking “and” at the end of paragraph  
8 (61);

9 (2) by striking the period at the end of para-  
10 graph (62) and inserting “; and”; and

11 (3) by adding at the end the following new  
12 paragraph:

13 “(63) provide that no medical assistance shall  
14 be available under the plan to any individual during  
15 any period during which the individual—

16 “(A) is taking an action described in sec-  
17 tion 1073(1) of title 18, United States Code, or

18 “(B) is violating a condition of probation  
19 or parole imposed under Federal or State law.”.

20 (b) EXCHANGE OF INFORMATION WITH LAW EN-  
21 FORCEMENT AGENCIES.—Section 1902(a)(7) of the Social  
22 Security Act (42 U.S.C. 1396a(a)(7)) is amended by in-  
23 serting the following after the semicolon: “but such safe-  
24 guards shall not prevent the State agency from furnishing  
25 a Federal, State, or local law enforcement officer, upon  
26 such officer’s request, with the current address of any re-

1 recipient if the officer furnishes the agency with such recipi-  
 2 ent's name and notifies the agency that—

3           “(A) such recipient—

4                   “(i) is taking an action described in  
 5 section 1073(1) of title 18, United States  
 6 Code or violating a condition of probation  
 7 or parole imposed under Federal or State  
 8 law; or

9                   “(ii) has information that is necessary  
 10 for the officer to conduct the officer's offi-  
 11 cial duties;

12           “(B) the location or apprehension of such  
 13 recipient is within the officer's official duties;  
 14 and

15           “(C) the request is made in the proper ex-  
 16 ercise of those duties;”.

17 **SEC. 603. RESTRICTION OF CERTAIN LEGAL CHALLENGES.**

18       (a) IN GENERAL.—No legal aid organization or other  
 19 entity that provides legal services and which receives Fed-  
 20 eral funds or IOLTA funds may challenge (or act as an  
 21 attorney on behalf of any party who seeks to challenge)  
 22 in any legal proceeding—

23           (1) the legal validity—

24                   (A) under the United States Constitu-  
 25 tion—

1 (i) of this Act or any regulations pro-  
2 mulgated under this Act; and

3 (ii) of any law or regulation enacted  
4 or promulgated by a State pursuant to this  
5 Act;

6 (B) under this Act or any regulation  
7 adopted under this Act of any State law or reg-  
8 ulation; and

9 (C) under any State Constitution of any  
10 law or regulation enacted or promulgated by a  
11 State pursuant to this Act; and

12 (2) the conflict—

13 (A) of this Act or any regulations promul-  
14 gated under this Act with any other law or reg-  
15 ulation of the United States; and

16 (B) of any law or regulation enacted or  
17 promulgated by a State pursuant to this Act  
18 with any law or regulation of the United States.

19 (b) IOLTA FUNDS DEFINED.—For purposes of this  
20 section, the term “IOLTA funds” means interest on law-  
21 yers trust account funds that—

22 (1) are generated when attorneys are required  
23 by State court or State bar rules to deposit other-  
24 wise noninterest-bearing client funds into an inter-



1 est-bearing account while awaiting the outcome of a  
2 legal proceeding; and

3 (2) are pooled and distributed by a subdivision  
4 of a State bar association or the State court system  
5 to organizations selected by the State courts admin-  
6 istration.

7 (c) LEGAL PROCEEDING DEFINED.—For purposes of  
8 this section, the term “legal proceeding” includes—

9 (1) a proceeding—

10 (A) in a court of the United States;

11 (B) in a court of a State; and

12 (C) in an administrative hearing in a Fed-  
13 eral or State agency; and

14 (2) any activities related to the commencement  
15 of a proceeding described in subparagraph (A).

16 **SEC. 604. COMMODITY DISTRIBUTION IN LIEU OF VOUCH-**  
17 **ERS UNDER THE WIC PROGRAM.**

18 Section 17(f) of the Child Nutrition Act of 1966 (42  
19 U.S.C. 1786(f)) is amended by adding at the end the fol-  
20 lowing:

21 “(25)(A) In this paragraph, the term ‘poverty line’  
22 means the income official poverty line (as defined by the  
23 Office of Management and Budget, and revised annually  
24 in accordance with section 673(2) of the Community Serv-

1 ices Block Grant Act (42 U.S.C. 9902(2))) applicable to  
2 a family of the size involved.

3 “(B) If a State agency elects to provide supplemental  
4 foods to participants under the program in the form of  
5 commodities (rather than vouchers), the State agency may  
6 use any savings derived from providing supplemental foods  
7 in the form of commodities (rather than vouchers) to pro-  
8 vide assistance or services under any law to individuals  
9 who have an income that is less than 175 percent of the  
10 poverty line.

11 “(C) The Secretary shall ensure that the amount of  
12 funds allocated to a State agency described in subpara-  
13 graph (B) for a fiscal year to carry out the program au-  
14 thorized by this section is not reduced because the State  
15 agency elects to provide supplemental foods in the form  
16 of commodities.”.

## 17 **TITLE VII—SEVERABILITY AND** 18 **EFFECTIVE DATE**

### 19 **SEC. 701. SEVERABILITY.**

20 If any provision of this Act, an amendment made by  
21 this Act, or the application of such provision or amend-  
22 ment to any person or circumstance is held to be unconsti-  
23 tutional, the remainder of this Act, the amendments made  
24 by this Act, and the application of the provisions of such

1 to any person or circumstance shall not be affected there-  
2 by.

3 **SEC. 702. EFFECTIVE DATE.**

4 Except as otherwise provided in this Act, this Act and  
5 the amendments made by this Act shall take effect on Oc-  
6 tober 1, 1995.



S 834 IS—2

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S 834 IS—6

S 834 IS—7

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