

106TH CONGRESS  
1ST SESSION

# H. R. 3073

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 16, 1999

Received

NOVEMBER 19, 1999

Read twice and referred to the Committee on Finance

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## AN ACT

To amend part A of title IV of the Social Security Act to provide for grants for projects designed to promote responsible fatherhood, and for other purposes.

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

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
3 “Fathers Count Act of 1999”.

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

Sec. 1. Short title; table of contents.

**TITLE I—FATHERHOOD GRANT PROGRAM**

Sec. 101. Fatherhood grants.

**TITLE II—FATHERHOOD PROJECTS OF NATIONAL SIGNIFICANCE**

Sec. 201. Fatherhood projects of national significance.

**TITLE III—WELFARE-TO-WORK PROGRAM ELIGIBILITY**

Sec. 301. Flexibility in eligibility for participation in welfare-to-work program.

Sec. 302. Limited vocational educational and job training included as allowable activity.

Sec. 303. Certain grantees authorized to provide employment services directly.

Sec. 304. Simplification and coordination of reporting requirements.

Sec. 305. Use of State information to aid administration of welfare-to-work formula grant funds.

**TITLE IV—ALTERNATIVE PENALTY PROCEDURE RELATING TO  
STATE DISBURSEMENT UNITS**

Sec. 401. Alternative penalty procedure relating to State disbursement units.

**TITLE V—FINANCING PROVISIONS**

Sec. 501. Use of new hire information to assist in collection of defaulted student loans and grants.

Sec. 502. Elimination of set-aside of portion of welfare-to-work funds for successful performance bonus.

**TITLE VI—MISCELLANEOUS**

Sec. 601. Change dates for evaluation.

Sec. 602. Report on undistributed child support payments.

Sec. 603. Sense of the Congress.

Sec. 604. Additional funding for welfare evaluation study.

Sec. 605. Training in child abuse and neglect proceedings.

Sec. 606. Use of new hire information to assist in administration of unemployment compensation programs.

Sec. 607. Immigration provisions.

1     **TITLE I—FATHERHOOD GRANT**  
2                     **PROGRAM**

3     **SEC. 101. FATHERHOOD GRANTS.**

4             (a) IN GENERAL.—Part A of title IV of the Social  
5 Security Act (42 U.S.C. 601–619) is amended by inserting  
6 after section 403 the following:

7     **“SEC. 403A. FATHERHOOD PROGRAMS.**

8             “(a) PURPOSE.—The purpose of this section is to  
9 make grants available to public and private entities for  
10 projects designed to—

11                 “(1) promote marriage through counseling,  
12 mentoring, disseminating information about the ad-  
13 vantages of marriage, enhancing relationship skills,  
14 teaching how to control aggressive behavior, and  
15 other methods;

16                 “(2) promote successful parenting through  
17 counseling, mentoring, disseminating information  
18 about good parenting practices including  
19 prepregnancy, family planning, training parents in  
20 money management, encouraging child support pay-  
21 ments, encouraging regular visitation between fa-  
22 thers and their children, and other methods; and

23                 “(3) help fathers and their families avoid or  
24 leave cash welfare provided by the program under  
25 part A and improve their economic status by pro-

1       viding work first services, job search, job training,  
2       subsidized employment, career-advancing education,  
3       job retention, job enhancement, and other methods.

4       “(b) FATHERHOOD GRANTS.—

5               “(1) APPLICATIONS.—An entity desiring a  
6       grant to carry out a project described in subsection  
7       (a) may submit to the Secretary an application that  
8       contains the following:

9               “(A) A description of the project and how  
10       the project will be carried out.

11              “(B) A description of how the project will  
12       address all three of the purposes of this section.

13              “(C) A written commitment by the entity  
14       that the project will allow an individual to par-  
15       ticipate in the project only if the individual is—

16               “(i) a father of a child who is, or  
17       within the past 24 months has been, a re-  
18       cipient of assistance or services under a  
19       State program funded under this part;

20               “(ii) a father, including an expectant  
21       or married father, whose income (net of  
22       court-ordered child support) is less than  
23       150 percent of the poverty line (as defined  
24       in section 673(2) of the Omnibus Budget  
25       Reconciliation Act of 1981, including any

1 revision required by such section, applica-  
2 ble to a family of the size involved); or

3 “(iii) a parent referred to in para-  
4 graph (3)(A)(iii).

5 “(D) A written commitment by the entity  
6 that the entity will provide for the project, from  
7 funds obtained from non-Federal sources,  
8 amounts (including in-kind contributions) equal  
9 in value to—

10 “(i) 20 percent of the amount of any  
11 grant made to the entity under this sub-  
12 section; or

13 “(ii) such lesser percentage as the  
14 Secretary deems appropriate (which shall  
15 be not less than 10 percent) of such  
16 amount, if the application demonstrates  
17 that there are circumstances that limit the  
18 ability of the entity to raise funds or ob-  
19 tain resources.

20 “(E) A written commitment by the entity  
21 that the entity will make available to each indi-  
22 vidual participating in the project education  
23 about alcohol, tobacco, and other drugs and the  
24 effects of abusing such substances, and infor-  
25 mation about HIV/AIDS and its transmission.

1           “(2) CONSIDERATION OF APPLICATIONS BY  
2 INTERAGENCY PANELS.—

3           “(A) FIRST PANEL.—

4           “(i) ESTABLISHMENT.—There is es-  
5 tablished a panel to be known as the ‘Fa-  
6 therhood Grants Recommendations Panel’  
7 (in this subparagraph referred to as the  
8 ‘Panel’).

9           “(ii) MEMBERSHIP.—

10           “(I) IN GENERAL.—The Panel  
11 shall be composed of 10 members, as  
12 follows:

13           “(aa) Two members of the  
14 Panel shall be appointed by the  
15 Secretary.

16           “(bb) Two members of the  
17 Panel shall be appointed by the  
18 Secretary of Labor.

19           “(cc) Two members of the  
20 Panel shall be appointed by the  
21 Chairman of the Committee on  
22 Ways and Means of the House of  
23 Representatives.

24           “(dd) One member of the  
25 Panel shall be appointed by the

1 ranking minority member of the  
2 Committee on Ways and Means  
3 of the House of Representatives.

4 “(ee) Two members of the  
5 Panel shall be appointed by the  
6 Chairman of the Committee on  
7 Finance of the Senate.

8 “(ff) One member of the  
9 Panel shall be appointed by the  
10 ranking minority member of the  
11 Committee on Finance of the  
12 Senate.

13 “(II) QUALIFICATIONS.—An indi-  
14 vidual shall not be eligible to serve on  
15 the Panel unless the individual has ex-  
16 perience in programs for fathers, pro-  
17 grams for the poor, programs for chil-  
18 dren, program administration, or pro-  
19 gram research.

20 “(III) CONFLICTS OF INTER-  
21 EST.—An individual shall not be eligi-  
22 ble to serve on the Panel if such serv-  
23 ice would pose a conflict of interest  
24 for the individual.

1                   “(IV)   TIMING    OF   APPOINT-  
2                   MENTS.—The appointment of mem-  
3                   bers to the Panel shall be completed  
4                   not later than March 1, 2000.

5                   “(iii) DUTIES.—

6                   “(I)   REVIEW   AND   MAKE   REC-  
7                   COMMENDATIONS ON PROJECT APPLI-  
8                   CATIONS.—The Panel shall review all  
9                   applications submitted pursuant to  
10                  paragraph (1), and make rec-  
11                  ommendations to the Secretary re-  
12                  garding which applicants should be  
13                  awarded grants under this subsection,  
14                  with due regard for the provisions of  
15                  paragraph (3), but shall not rec-  
16                  ommend that a project be awarded  
17                  such a grant if the application de-  
18                  scribing the project does not attempt  
19                  to meet the requirement of paragraph  
20                  (1)(B).

21                  “(II)   TIMING.—The Panel shall  
22                  make such recommendations not later  
23                  than September 1, 2000.



1                   “(iv) TERM OF OFFICE.—Each mem-  
2                   ber appointed to the Panel shall serve for  
3                   the life of the Panel.

4                   “(v) PROHIBITION ON COMPENSA-  
5                   TION.—Members of the Panel may not re-  
6                   ceive pay, allowances, or benefits by reason  
7                   of their service on the Panel.

8                   “(vi) TRAVEL EXPENSES.—Each  
9                   member of the Panel shall receive travel  
10                  expenses, including per diem in lieu of sub-  
11                  sistence, in accordance with sections 5702  
12                  and 5703 of title 5, United States Code.

13                  “(vii) MEETINGS.—The Panel shall  
14                  meet as often as is necessary to complete  
15                  the business of the Panel.

16                  “(viii) CHAIRPERSON.—The Chair-  
17                  person of the Panel shall be designated by  
18                  the Secretary at the time of appointment.

19                  “(ix) STAFF OF FEDERAL AGEN-  
20                  CIES.—The Secretary may detail any per-  
21                  sonnel of the Department of Health and  
22                  Human Services and the Secretary of  
23                  Labor may detail any personnel of the De-  
24                  partment of Labor to the Panel to assist

1 the Panel in carrying out its duties under  
2 this subparagraph.

3 “(x) OBTAINING OFFICIAL DATA.—  
4 The Panel may secure directly from any  
5 department or agency of the United States  
6 information necessary to enable it to carry  
7 out this subparagraph. On request of the  
8 Chairperson of the Panel, the head of the  
9 department or agency shall furnish that in-  
10 formation to the Panel.

11 “(xi) MAILS.—The Panel may use the  
12 United States mails in the same manner  
13 and under the same conditions as other de-  
14 partments and agencies of the United  
15 States.

16 “(xii) TERMINATION.—The Panel  
17 shall terminate on September 1, 2000.

18 “(B) SECOND PANEL.—

19 “(i) ESTABLISHMENT.—Effective Jan-  
20 uary 1, 2001, there is established a panel  
21 to be known as the ‘Fatherhood Grants  
22 Recommendations Panel’ (in this subpara-  
23 graph referred to as the ‘Panel’).

24 “(ii) MEMBERSHIP.—

1           “(I) IN GENERAL.—The Panel  
2 shall be composed of 10 members, as  
3 follows:

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11 Panel shall be appointed by the  
12 Chairman of the Committee on  
13 Ways and Means of the House of  
14 Representatives.

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23 Finance of the Senate.

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8 grams for the poor, programs for chil-  
9 dren, program administration, or pro-  
10 gram research.

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12 EST.—An individual shall not be eligi-  
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15 for the individual.

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18 bers to the Panel shall be completed  
19 not later than March 1, 2001.

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22 OMMENDATIONS ON PROJECT APPLI-  
23 CATIONS.—The Panel shall review all  
24 applications submitted pursuant to  
25 paragraph (1), and make rec-

1           ommendations to the Secretary re-  
2           garding which applicants should be  
3           awarded grants under this subsection,  
4           with due regard for the provisions of  
5           paragraph (3), but shall not rec-  
6           ommend that a project be awarded  
7           such a grant if the application de-  
8           scribing the project does not attempt  
9           to meet the requirement of paragraph  
10          (1)(B).

11           “(II) TIMING.—The Panel shall  
12           make such recommendations not later  
13           than September 1, 2001.

14           “(iv) TERM OF OFFICE.—Each mem-  
15           ber appointed to the Panel shall serve for  
16           the life of the Panel.

17           “(v) PROHIBITION ON COMPENSA-  
18           TION.—Members of the Panel may not re-  
19           ceive pay, allowances, or benefits by reason  
20           of their service on the Panel.

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25           and 5703 of title 5, United States Code.

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2 meet as often as is necessary to complete  
3 the business of the Panel.

4           “(viii) CHAIRPERSON.—The Chair-  
5 person of the Panel shall be designated by  
6 the Secretary at the time of appointment.

7           “(ix) STAFF OF FEDERAL AGEN-  
8 CIES.—The Secretary may detail any per-  
9 sonnel of the Department of Health and  
10 Human Services and the Secretary of  
11 Labor may detail any personnel of the De-  
12 partment of Labor to the Panel to assist  
13 the Panel in carrying out its duties under  
14 this subparagraph.

15           “(x) OBTAINING OFFICIAL DATA.—  
16 The Panel may secure directly from any  
17 department or agency of the United States  
18 information necessary to enable it to carry  
19 out this subparagraph. On request of the  
20 Chairperson of the Panel, the head of the  
21 department or agency shall furnish that in-  
22 formation to the Panel.

23           “(xi) MAILS.—The Panel may use the  
24 United States mails in the same manner  
25 and under the same conditions as other de-

1                   partments and agencies of the United  
2                   States.

3                   “(xii) TERMINATION.—The Panel  
4                   shall terminate on September 1, 2001.

5                   “(3) MATCHING GRANTS.—

6                   “(A) GRANT AWARDS.—

7                   “(i) IN GENERAL.—The Secretary  
8                   shall award matching grants, on a competi-  
9                   tive basis, among entities submitting appli-  
10                  cations therefor which meet the require-  
11                  ments of paragraph (1), in amounts that  
12                  take into account the written commitments  
13                  referred to in paragraph (1)(D).

14                  “(ii) TIMING.—

15                  “(I) FIRST ROUND.—On October  
16                  1, 2000, the Secretary shall award not  
17                  more than \$70,000,000 in matching  
18                  grants after considering the rec-  
19                  ommendations submitted pursuant to  
20                  paragraph (2)(A)(iii)(I).

21                  “(II) SECOND ROUND.—On Octo-  
22                  ber 1, 2001, the Secretary shall award  
23                  not more than \$70,000,000 in match-  
24                  ing grants after considering the rec-

1 ommendations submitted pursuant to  
2 paragraph (2)(B)(iii)(I).

3 “(iii) NONDISCRIMINATION.—The pro-  
4 visions of this section shall be applied and  
5 administered so as to ensure that mothers,  
6 expectant mothers, and married mothers  
7 are eligible for benefits and services under  
8 projects awarded grants under this section  
9 on the same basis as fathers, expectant fa-  
10 thers, and married fathers.

11 “(B) PREFERENCES.—In determining  
12 which entities to which to award grants under  
13 this subsection, the Secretary shall give pref-  
14 erence to an entity—

15 “(i) to the extent that the application  
16 submitted by the entity describes actions  
17 that the entity will take that are designed  
18 to encourage or facilitate the payment of  
19 child support, including but not limited  
20 to—

21 “(I) obtaining agreements with  
22 the State in which the project will be  
23 carried out under which the State will  
24 exercise its authority under the last  
25 sentence of section 457(a)(2)(B)(iv) in



1 every case in which such authority  
2 may be exercised;

3 “(II) obtaining a written commit-  
4 ment by the agency responsible for  
5 administering the State plan approved  
6 under part D for the State in which  
7 the project is to be carried out that  
8 the State will voluntarily cancel child  
9 support arrearages owed to the State  
10 by the father as a result of the father  
11 providing various supports to the fam-  
12 ily such as maintaining a regular child  
13 support payment schedule or living  
14 with his children;

15 “(III) obtaining a written com-  
16 mitment by the entity that the entity  
17 will help participating fathers who co-  
18 operate with the agency in improving  
19 their credit rating; and

20 “(IV) helping fathers arrange  
21 and maintain a consistent schedule of  
22 visits with their children;

23 “(ii) to the extent that the application  
24 includes written agreements of cooperation  
25 with other private and governmental agen-

1           cies, including the State or local program  
2           funded under this part, the local Work-  
3           force Investment Board, the State or local  
4           program funded under part D, and the  
5           State or local program funded under part  
6           E, which should include a description of  
7           the services each such agency will provide  
8           to fathers participating in the project de-  
9           scribed in the application;

10           “(iii) to the extent that the applica-  
11           tion describes a project that will enroll a  
12           high percentage of project participants  
13           within 6 months before or after the birth  
14           of the child; or

15           “(iv) to the extent that the application  
16           sets forth clear and practical methods by  
17           which fathers will be recruited to partici-  
18           pate in the project.

19           “(C) MINIMUM PERCENTAGE OF RECIPI-  
20           ENTS OF GRANT FUNDS TO BE NONGOVERN-  
21           MENTAL (INCLUDING FAITH-BASED) ORGANIZA-  
22           TIONS.—Not less than 75 percent of the enti-  
23           ties awarded grants under this subsection in  
24           each fiscal year (other than entities awarded  
25           such grants pursuant to the preferences re-

quired by subparagraph (B)) shall be awarded  
to—

“(i) nongovernmental (including faith-based) organizations; or

“(ii) governmental organizations that pass through to organizations referred to in clause (i) at least 50 percent of the amount of the grant.

“(D) DIVERSITY OF PROJECTS.—

“(i) IN GENERAL.—In determining which entities to which to award grants under this subsection, the Secretary shall attempt to achieve a balance among entities of differing sizes, entities in differing geographic areas, entities in urban versus rural areas, and entities employing differing methods of achieving the purposes of this section.

“(ii) REPORT TO THE CONGRESS.—Within 90 days after each award of grants under subclause (I) or (II) of subparagraph (A)(ii), the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a brief re-

port on the diversity of projectes selected to receive funds under the grant program. The report shall include a comparison of funding for projects located in urban areas, projects located in suburban areas, and projects located in rural areas.

“(E) PAYMENT OF GRANT IN FOUR EQUAL ANNUAL INSTALLMENTS.—During the fiscal year in which a grant is awarded under this subsection and each of the succeeding three fiscal years, the Secretary shall provide to the entity awarded the grant an amount equal to  $\frac{1}{4}$  of the amount of the grant.

“(4) USE OF FUNDS.—

“(A) IN GENERAL.—Each entity to which a grant is made under this subsection shall use grant funds provided under this subsection in accordance with the application requesting the grant, the requirements of this subsection, and the regulations prescribed under this subsection, and may use the grant funds to support community-wide initiatives to address the purposes of this section.

“(B) NONDISPLACEMENT.—

1 “(i) IN GENERAL.—An adult in a  
2 work activity described in section 407(d)  
3 which is funded, in whole or in part, by  
4 funds provided under this section shall not  
5 be employed or assigned—

6 “(I) when any other individual is  
7 on layoff from the same or any sub-  
8 stantially equivalent job; or

9 “(II) if the employer has termi-  
10 nated the employment of any regular  
11 employee or otherwise caused an in-  
12 voluntary reduction of its workforce in  
13 order to fill the vacancy so created  
14 with such an adult.

15 “(ii) GRIEVANCE PROCEDURE.—

16 “(I) IN GENERAL.—Complaints  
17 alleging violations of clause (i) in a  
18 State may be resolved—

19 “(aa) if the State has estab-  
20 lished a grievance procedure  
21 under section 403(a)(5)(I)(iv),  
22 pursuant to the grievance proce-  
23 dure; or

24 “(bb) otherwise, pursuant to  
25 the grievance procedure estab-

lished by the State under section  
407(f)(3).

“(II) FORFEITURE OF GRANT IF  
GRIEVANCE PROCEDURE NOT AVAIL-  
ABLE.—If a complaint referred to in  
subclause (I) is made against an enti-  
ty to which a grant has been made  
under this section with respect to a  
project, and the complaint cannot be  
brought to, or cannot be resolved  
within 90 days after being brought, by  
a grievance procedure referred to in  
subclause (I), then the entity shall im-  
mediately return to the Secretary all  
funds provided to the entity under  
this section for the project, and the  
Secretary shall immediately rescind  
the grant.

“(C) RULE OF CONSTRUCTION.—This sec-  
tion shall not be construed to require the par-  
ticipation of a father in a project funded under  
this section to be discontinued by the project on  
the basis of changed economic circumstances of  
the father.

1           “(D) RULE OF CONSTRUCTION ON MAR-  
2           RIAGE.—This section shall not be construed to  
3           authorize the Secretary to define marriage for  
4           purposes of this section.

5           “(E) PENALTY FOR MISUSE OF GRANT  
6           FUNDS.—If the Secretary determines that an  
7           entity to which a grant is made under this sub-  
8           section has used any amount of the grant in  
9           violation of subparagraph (A), the Secretary  
10          shall require the entity to remit to the Sec-  
11          retary an amount equal to the amount so used,  
12          plus all remaining grant funds, and the entity  
13          shall thereafter be ineligible for any grant  
14          under this subsection.

15          “(F) REMITTANCE OF UNUSED GRANT  
16          FUNDS.—Each entity to which a grant is  
17          awarded under this subsection shall remit to  
18          the Secretary all funds paid under the grant  
19          that remain at the end of the fifth fiscal year  
20          ending after the initial grant award.

21          “(5) AUTHORITY OF AGENCIES TO EXCHANGE  
22          INFORMATION.—Each agency administering a pro-  
23          gram funded under this part or a State plan ap-  
24          proved under part D may share the name, address,  
25          telephone number, and identifying case number in-

1 formation in the State program funded under this  
2 part, of fathers for purposes of assisting in deter-  
3 mining the eligibility of fathers to participate in  
4 projects receiving grants under this section, and in  
5 contacting fathers potentially eligible to participate  
6 in the projects, subject to all applicable privacy laws.

7 “(6) EVALUATION.—The Secretary, in consulta-  
8 tion with the Secretary of Labor, shall, directly or  
9 by grant, contract, or interagency agreement, con-  
10 duct an evaluation of projects funded under this sec-  
11 tion (other than under subsection (c)(1)). The eval-  
12 uation shall assess, among other outcomes selected  
13 by the Secretary, effects of the projects on marriage,  
14 parenting, employment, earnings, and payment of  
15 child support. In selecting projects for the evalua-  
16 tion, the Secretary should include projects that, in  
17 the Secretary’s judgment, are most likely to impact  
18 the matters described in the purposes of this section.  
19 In conducting the evaluation, random assignment  
20 should be used wherever possible.

21 “(7) REGULATIONS.—The Secretary shall pre-  
22 scribe such regulations as may be necessary to carry  
23 out this subsection.

24 “(8) LIMITATION ON APPLICABILITY OF OTHER  
25 PROVISIONS OF THIS PART.—Sections 404 through



1       410 shall not apply to this section or to amounts  
2       paid under this section, and shall not be applied to  
3       an entity solely by reason of receipt of funds pursu-  
4       ant to this section. A project shall not be considered  
5       a State program funded under this part solely by  
6       reason of receipt of funds paid under this section.

7               “(9) FUNDING.—

8                       “(A) IN GENERAL.—

9                               “(i) INTERAGENCY PANELS.—Of the  
10                               amounts made available pursuant to sec-  
11                               tion 403(a)(1)(E) to carry out this section  
12                               for fiscal years 2000 and 2001, a total of  
13                               \$150,000 shall be made available for the  
14                               interagency panels established by para-  
15                               graph (2) of this subsection.

16                               “(ii) GRANTS.—Of the amounts made  
17                               available pursuant to section 403(a)(1)(E)  
18                               to carry out this section, there shall be  
19                               made available for grants under this  
20                               subsection—

21                                       “(I) \$17,500,000 for fiscal year  
22                                       2001;

23                                       “(II) \$35,000,000 for each of fis-  
24                                       cal years 2002 through 2004; and

1 “(III) \$17,500,000 for fiscal year  
2 2005.

3 “(iii) EVALUATION.—Of the amounts  
4 made available pursuant to section  
5 403(a)(1)(E) to carry out this section for  
6 fiscal years 2000 through 2006, a total of  
7 \$6,000,000 shall be made available for the  
8 evaluation required by paragraph (6) of  
9 this subsection.

10 “(B) AVAILABILITY.—

11 “(i) GRANT FUNDS.—The amounts  
12 made available pursuant to subparagraph  
13 (A)(ii) shall remain available until the end  
14 of fiscal year 2005.

15 “(ii) EVALUATION FUNDS.—The  
16 amounts made available pursuant to sub-  
17 paragraph (A)(iii) shall remain available  
18 until the end of fiscal year 2007.”.

19 (b) FUNDING.—Section 403(a)(1)(E) of such Act (42  
20 U.S.C. 603(a)(1)(E)) is amended by inserting “, and for  
21 fiscal years 2000 through 2006, such sums as are nec-  
22 essary to carry out section 403A” before the period.

23 (c) AUTHORITY TO STATES TO PASS THROUGH  
24 CHILD SUPPORT ARREARAGES COLLECTED THROUGH  
25 TAX REFUND INTERCEPT TO FAMILIES WHO HAVE

1 CEASED TO RECEIVE CASH ASSISTANCE; FEDERAL REIM-  
 2 BURSEMENT OF STATE SHARE OF SUCH PASSED  
 3 THROUGH ARREARAGES.—Section 457(a)(2)(B)(iv) of  
 4 such Act (42 U.S.C. 657(a)(2)(B)(iv)) is amended—

5 (1) by inserting “(except the last sentence of  
 6 this clause)” after “this section”; and

7 (2) by adding at the end the following: “Not-  
 8 withstanding the preceding sentences of this clause,  
 9 if the amount is collected on behalf of a family that  
 10 includes a child of a participant in a project funded  
 11 under section 403A and that has ceased to receive  
 12 cash payments under a State program funded under  
 13 section 403, then the State may distribute the  
 14 amount collected pursuant to section 464 to the  
 15 family, and the aggregate of the amounts otherwise  
 16 required by this section to be paid by the State to  
 17 the Federal government shall be reduced by an  
 18 amount equal to the State share of the amount col-  
 19 lected pursuant to section 464 that would otherwise  
 20 be retained as reimbursement for assistance paid to  
 21 the family.”.

22 (d) APPLICABILITY OF CHARITABLE CHOICE PROVI-  
 23 SIONS OF WELFARE REFORM.—Section 104 of the Per-  
 24 sonal Responsibility and Work Opportunity Reconciliation

1 Act of 1996 (42 U.S.C. 604a) is amended by adding at  
2 the end the following:

3 “(l) Notwithstanding the preceding provisions of this  
4 section, this section shall apply to any entity to which  
5 funds have been provided under section 403A of the Social  
6 Security Act in the same manner in which this section ap-  
7 plies to States, and, for purposes of this section, any  
8 project for which such funds are so provided shall be con-  
9 sidered a program described in subsection (a)(2).”.

10 **TITLE II—FATHERHOOD PRO-**  
11 **JECTS OF NATIONAL SIGNIFI-**  
12 **CANCE**

13 **SEC. 201. FATHERHOOD PROJECTS OF NATIONAL SIGNIFI-**  
14 **CANCE.**

15 Section 403A of the Social Security Act, as added  
16 by title I of this Act, is amended by adding at the end  
17 the following:

18 “(c) FATHERHOOD PROJECTS OF NATIONAL SIG-  
19 NIFICANCE.—

20 “(1) NATIONAL CLEARINGHOUSE.—The Sec-  
21 retary shall award a \$5,000,000 grant to a nation-  
22 ally recognized, nonprofit fatherhood promotion or-  
23 ganization with at least 4 years of experience in de-  
24 signing and disseminating a national public edu-  
25 cation campaign, including the production and suc-

1        successful placement of television, radio, and print pub-  
2        lic service announcements which promote the impor-  
3        tance of responsible fatherhood, and with at least 4  
4        years experience providing consultation and training  
5        to community-based organizations interested in im-  
6        plementing fatherhood outreach, support, or skill de-  
7        velopment programs with an emphasis on promoting  
8        married fatherhood as the ideal, to—

9                “(A) develop, promote, and distribute to  
10              interested States, local governments, public  
11              agencies, and private nonprofit organizations,  
12              including charitable and religious organizations,  
13              a media campaign that encourages the appro-  
14              priate involvement of both parents in the life of  
15              any child of the parents, and encourages such  
16              organizations to develop or sponsor programs  
17              that specifically address the issue of responsible  
18              fatherhood and the advantages conferred on  
19              children by marriage;

20              “(B) develop a national clearinghouse to  
21              assist States, communities, and private entities  
22              in efforts to promote and support marriage and  
23              responsible fatherhood by collecting, evaluating,  
24              and making available (through the Internet and  
25              by other means) to all interested parties, infor-

1           mation regarding media campaigns and father-  
2           hood programs;

3           “(C) develop and distribute materials that  
4           are for use by entities described in subpara-  
5           graph (A) or (B) and that help young adults  
6           manage their money, develop the knowledge and  
7           skills needed to promote successful marriages,  
8           plan for future expenditures and investments,  
9           and plan for retirement;

10          “(D) develop and distribute materials that  
11          are for use by entities described in subpara-  
12          graphs (A) and (B) and that list all the sources  
13          of public support for education and training  
14          that are available to young adults, including  
15          government spending programs as well as bene-  
16          fits under Federal and State tax laws.

17          “(2) MULTICITY FATHERHOOD PROJECTS.—

18                 “(A) IN GENERAL.—The Secretary shall  
19                 award a \$5,000,000 grant to each of two na-  
20                 tionally recognized nonprofit fatherhood pro-  
21                 motion organizations which meet the require-  
22                 ments of subparagraph (B), at least one of  
23                 which organizations meets the requirement of  
24                 subparagraph (C).

1           “(B) REQUIREMENTS.—The requirements  
2 of this subparagraph are the following:

3           “(i) The organization must have sev-  
4 eral years of experience in designing and  
5 conducting programs that meet the pur-  
6 poses described in paragraph (1).

7           “(ii) The organization must have ex-  
8 perience in simultaneously conducting such  
9 programs in more than one major metro-  
10 politan area and in coordinating such pro-  
11 grams with local government agencies and  
12 private, nonprofit agencies, including State  
13 or local agencies responsible for conducting  
14 the program under part D and Workforce  
15 Investment Boards.

16           “(iii) The organization must submit to  
17 the Secretary an application that meets all  
18 the conditions applicable to the organiza-  
19 tion under this section and that provides  
20 for projects to be conducted in three major  
21 metropolitan areas.

22           “(C) USE OF MARRIED COUPLES TO DE-  
23 LIVER SERVICES IN THE INNER CITY.—The re-  
24 quirement of this subparagraph is that the or-  
25 ganization has extensive experience in using

1 married couples to deliver program services in  
2 the inner city.

3 “(3) PAYMENT OF GRANTS IN FOUR EQUAL AN-  
4 NUAL INSTALLMENTS.—During each of fiscal years  
5 2002 through 2005, the Secretary shall provide to  
6 each entity awarded a grant under this subsection  
7 an amount equal to  $\frac{1}{4}$  of the amount of the grant.

8 “(4) FUNDING.—

9 “(A) IN GENERAL.—Of the amounts made  
10 available pursuant to section 403(a)(1)(E) to  
11 carry out this section, \$3,750,000 shall be  
12 made available for grants under this subsection  
13 for each of fiscal years 2002 through 2005.

14 “(B) AVAILABILITY.—The amounts made  
15 available pursuant to subparagraph (A) shall  
16 remain available until the end of fiscal year  
17 2005.”.

## 18 **TITLE III—WELFARE-TO-WORK** 19 **PROGRAM ELIGIBILITY**

### 20 **SEC. 301. FLEXIBILITY IN ELIGIBILITY FOR PARTICIPATION** 21 **IN WELFARE-TO-WORK PROGRAM.**

22 (a) IN GENERAL.—Section 403(a)(5)(C)(ii) of the  
23 Social Security Act (42 U.S.C. 603(a)(5)(C)(ii)) is amend-  
24 ed to read as follows:



1           “(ii) GENERAL ELIGIBILITY.—An en-  
2           tity that operates a project with funds pro-  
3           vided under this paragraph may expend  
4           funds provided to the project for the ben-  
5           efit of recipients of assistance under the  
6           program funded under this part of the  
7           State in which the entity is located who—

8                   “(I) has received assistance  
9                   under the State program funded  
10                  under this part (whether in effect be-  
11                  fore or after the amendments made by  
12                  section 103 of the Personal Responsi-  
13                  bility and Work Opportunity Rec-  
14                  onciliation Act of 1996 first apply to  
15                  the State) for at least 30 months  
16                  (whether or not consecutive); or

17                  “(II) within 12 months, will be-  
18                  come ineligible for assistance under  
19                  the State program funded under this  
20                  part by reason of a durational limit on  
21                  such assistance, without regard to any  
22                  exemption provided pursuant to sec-  
23                  tion 408(a)(7)(C) that may apply to  
24                  the individual.”.

25           (b) NONCUSTODIAL PARENTS.—

1           (1) IN GENERAL.—Section 403(a)(5)(C) of such  
2    Act (42 U.S.C. 603(a)(5)(C)) is amended—

3                   (A) by redesignating clauses (iii) through  
4                   (viii) as clauses (iv) through (ix), respectively;  
5                   and

6                   (B) by inserting after clause (ii) the fol-  
7                   lowing:

8                   “(iii) NONCUSTODIAL PARENTS.—An  
9                   entity that operates a project with funds  
10                  provided under this paragraph may use the  
11                  funds to provide services in a form de-  
12                  scribed in clause (i) to noncustodial par-  
13                  ents with respect to whom the require-  
14                  ments of the following subclauses are met:

15                       “(I) The noncustodial parent is  
16                       unemployed, underemployed, or hav-  
17                       ing difficulty in paying child support  
18                       obligations.

19                       “(II) At least one of the following  
20                       applies to a minor child of the non-  
21                       custodial parent (with preference in  
22                       the determination of the noncustodial  
23                       parents to be provided services under  
24                       this paragraph to be provided by the  
25                       entity to those noncustodial parents

1 with minor children who meet, or who  
2 have custodial parents who meet, the  
3 requirements of item (aa)):

4 “(aa) The minor child or the  
5 custodial parent of the minor  
6 child meets the requirements of  
7 subclause (I) or (II) of clause  
8 (ii).

9 “(bb) The minor child is eli-  
10 gible for, or is receiving, benefits  
11 under the program funded under  
12 this part.

13 “(cc) The minor child re-  
14 ceived benefits under the pro-  
15 gram funded under this part in  
16 the 12-month period preceding  
17 the date of the determination but  
18 no longer receives such benefits.

19 “(dd) The minor child is eli-  
20 gible for, or is receiving, assist-  
21 ance under the Food Stamp Act  
22 of 1977, benefits under the sup-  
23 plemental security income pro-  
24 gram under title XVI of this Act,  
25 medical assistance under title

1 XIX of this Act, or child health  
2 assistance under title XXI of this  
3 Act.

4 “(III) In the case of a noncusto-  
5 dial parent who becomes enrolled in  
6 the project on or after the date of the  
7 enactment of this clause, the non-  
8 custodial parent is in compliance with  
9 the terms of an oral or written per-  
10 sonal responsibility contract entered  
11 into among the noncustodial parent,  
12 the entity, and (unless the entity dem-  
13 onstrates to the Secretary that the en-  
14 tity is not capable of coordinating  
15 with such agency) the agency respon-  
16 sible for administering the State plan  
17 under part D, which was developed  
18 taking into account the employment  
19 and child support status of the non-  
20 custodial parent, which was entered  
21 into not later than 30 (or, at the op-  
22 tion of the entity, not later than 90)  
23 days after the noncustodial parent  
24 was enrolled in the project, and which,  
25 at a minimum, includes the following:

1           “(aa) A commitment by the  
2 noncustodial parent to cooperate,  
3 at the earliest opportunity, in the  
4 establishment of the paternity of  
5 the minor child, through vol-  
6 untary acknowledgement or other  
7 procedures, and in the establish-  
8 ment of a child support order.

9           “(bb) A commitment by the  
10 noncustodial parent to cooperate  
11 in the payment of child support  
12 for the minor child, which may  
13 include a modification of an ex-  
14 isting support order to take into  
15 account the ability of the non-  
16 custodial parent to pay such sup-  
17 port and the participation of such  
18 parent in the project.

19           “(cc) A commitment by the  
20 noncustodial parent to participate  
21 in employment or related activi-  
22 ties that will enable the noncusto-  
23 dial parent to make regular child  
24 support payments, and if the  
25 noncustodial parent has not at-

1           tained 20 years of age, such re-  
2           lated activities may include com-  
3           pletion of high school, a general  
4           equivalency degree, or other edu-  
5           cation directly related to employ-  
6           ment.

7                     “(dd) A description of the  
8           services to be provided under this  
9           paragraph, and a commitment by  
10          the noncustodial parent to par-  
11          ticipate in such services, that are  
12          designed to assist the noncusto-  
13          dial parent obtain and retain em-  
14          ployment, increase earnings, and  
15          enhance the financial and emo-  
16          tional contributions to the well-  
17          being of the minor child.

18          In order to protect custodial parents  
19          and children who may be at risk of  
20          domestic violence, the preceding provi-  
21          sions of this subclause shall not be  
22          construed to affect any other provi-  
23          sion of law requiring a custodial par-  
24          ent to cooperate in establishing the  
25          paternity of a child or establishing or

1 enforcing a support order with respect  
2 to a child, or entitling a custodial par-  
3 ent to refuse, for good cause, to pro-  
4 vide such cooperation as a condition  
5 of assistance or benefit under any  
6 program, shall not be construed to re-  
7 quire such cooperation by the custo-  
8 dial parent as a condition of partici-  
9 tion of either parent in the program  
10 authorized under this paragraph, and  
11 shall not be construed to require a  
12 custodial parent to cooperate with or  
13 participate in any activity under this  
14 clause. The entity operating a project  
15 under this clause with funds provided  
16 under this paragraph shall consult  
17 with domestic violence prevention and  
18 intervention organizations in the de-  
19 velopment of the project.”.

20 (2) CONFORMING AMENDMENT.—Section  
21 412(a)(3)(C)(ii) of such Act (42 U.S.C.  
22 612(a)(3)(C)(ii)) is amended by striking “(vii)” and  
23 inserting “(viii)”.

1       (c) RECIPIENTS WITH CHARACTERISTICS OF LONG-  
2 TERM DEPENDENCY; CHILDREN AGING OUT OF FOSTER  
3 CARE.—

4           (1) IN GENERAL.—Section 403(a)(5)(C)(iv) of  
5 such Act (42 U.S.C. 603(a)(5)(C)(iv)), as so redes-  
6 ignated by subsection (b)(1)(A) of this section, is  
7 amended—

8           (A) by striking “or” at the end of sub-  
9 clause (I); and

10          (B) by striking subclause (II) and insert-  
11 ing the following:

12                   “(II) to children—

13                           “(aa) who have attained 18  
14 years of age but not 25 years of  
15 age; and

16                           “(bb) who, before attaining  
17 18 years of age, were recipients  
18 of foster care maintenance pay-  
19 ments (as defined in section  
20 475(4)) under part E or were in  
21 foster care under the responsi-  
22 bility of a State; or

23                           “(III) to recipients of assistance  
24 under the State program funded  
25 under this part, determined to have



1                   significant barriers to self-sufficiency,  
 2                   pursuant to criteria established by the  
 3                   local private industry council.”.

4           (2)   CONFORMING    AMENDMENTS.—Section  
 5   403(a)(5)(C)(iv)   of   such   Act   (42   U.S.C.  
 6   603(a)(5)(C)(iv)), as so redesignated by subsection  
 7   (b)(1)(A) of this section, is amended—

8                   (A) in the heading by inserting “HARD TO  
 9           EMPLOY” before “INDIVIDUALS”; and

10                   (B) in the last sentence by striking “clause  
 11           (ii)” and inserting “clauses (ii) and (iii) and, as  
 12           appropriate, clause (v)”.

13   (d) CUSTODIAL PARENTS WITH INCOME BELOW  
 14 POVERTY LINE WHO ARE NOT ON WELFARE.—

15           (1) IN GENERAL.—Section 403(a)(5)(C) of such  
 16   Act (42 U.S.C. 603(a)(5)(C)), as amended by sub-  
 17   section (b)(1) of this section, is amended—

18                   (A) by redesignating clauses (vi) through  
 19           (ix) as clauses (vii) through (x), respectively;  
 20           and

21                   (B) by inserting after clause (v) the fol-  
 22           lowing:

23                   “(vi) CUSTODIAL PARENTS WITH IN-  
 24           COME BELOW POVERTY LINE WHO ARE  
 25           NOT ON WELFARE.—An entity that oper-

1           ates a project with funds provided under  
2           this paragraph may use the funds to pro-  
3           vide assistance in a form described in  
4           clause (i) to custodial parents—

5                   “(I) whose income is less than  
6                   100 percent of the poverty line (as de-  
7                   fined in section 673(2) of the Omni-  
8                   bus Budget Reconciliation Act of  
9                   1981, including any revision required  
10                  by such section, applicable to a family  
11                  of the size involved); and

12                   “(II) who are not otherwise re-  
13                  cipients of assistance under a State  
14                  program funded under this part.”.

15           (2) CONFORMING AMENDMENTS.—

16                   (A) Section 403(a)(5)(C)(iv) of such Act  
17                   (42 U.S.C. 603(a)(5)(C)(iv)), as so redesign-  
18                   nated by subsection (b)(1)(A) of this section,  
19                   and as amended by subsection (c)(2) of this  
20                   section, is amended in the last sentence by  
21                   striking “clause (v)” and inserting “clauses (v)  
22                   and (vi)”.

23                   (B) Section 412(a)(3)(C)(ii) of such Act  
24                   (42 U.S.C. 612(a)(3)(C)(ii)), as amended by

1 subsection (b)(2) of this section, is amended by  
 2 striking “(viii)” and inserting “(ix)”.

3 (e) CONFORMING AMENDMENT.—Section  
 4 404(k)(1)(C)(iii) of such Act (42 U.S.C. 604(k)(1)(C)(iii))  
 5 is amended by striking “item (aa) or (bb) of section  
 6 403(a)(5)(C)(ii)(II)” and inserting “section  
 7 403(a)(5)(C)(iii)”.

8 **SEC. 302. LIMITED VOCATIONAL EDUCATIONAL AND JOB**  
 9 **TRAINING INCLUDED AS ALLOWABLE ACTIVITIES.**  
 10 **TIES.**

11 Section 403(a)(5)(C)(i) of the Social Security Act (42  
 12 U.S.C. 603(a)(5)(C)(i)) is amended by inserting after sub-  
 13 clause (VI) the following:

14 “(VII) Not more than 6 months  
 15 of vocational educational or job train-  
 16 ing.”.

17 **SEC. 303. CERTAIN GRANTEES AUTHORIZED TO PROVIDE**  
 18 **EMPLOYMENT SERVICES DIRECTLY.**

19 Section 403(a)(5)(C)(i)(IV) of the Social Security  
 20 Act (42 U.S.C. 603(a)(5)(C)(i)(IV)) is amended by insert-  
 21 ing “, or if the entity is not a private industry council  
 22 or workforce investment board, the direct provision of such  
 23 services” before the period.

1 **SEC. 304. SIMPLIFICATION AND COORDINATION OF RE-**  
2 **PORTING REQUIREMENTS.**

3 (a) **ELIMINATION OF CURRENT REQUIREMENTS.—**  
4 Section 411(a)(1)(A) of the Social Security Act (42 U.S.C.  
5 611(a)(1)(A)) is amended—

6 (1) in the matter preceding clause (i), by insert-  
7 ing “(except for information relating to activities  
8 carried out under section 403(a)(5))” after “part”;  
9 and

10 (2) by striking clause (xviii).

11 (b) **ESTABLISHMENT OF REPORTING REQUIRE-**  
12 **MENT.—**Section 403(a)(5)(C) of the Social Security Act  
13 (42 U.S.C. 603(a)(5)(C)), as amended by subsections  
14 (b)(1) and (d)(1) of section 301 of this Act, is amended  
15 by adding at the end the following:

16 “(xi) **REPORTING REQUIREMENTS.—**  
17 The Secretary of Labor, in consultation  
18 with the Secretary of Health and Human  
19 Services, States, and organizations that  
20 represent State or local governments, shall  
21 establish requirements for the collection  
22 and maintenance of financial and partici-  
23 pant information and the reporting of such  
24 information by entities carrying out activi-  
25 ties under this paragraph.”.

1 **SEC. 305. USE OF STATE INFORMATION TO AID ADMINIS-**  
2 **TRATION OF WELFARE-TO-WORK GRANT**  
3 **FUNDS.**

4 (a) AUTHORITY OF STATE AGENCIES TO DISCLOSE  
5 TO PRIVATE INDUSTRY COUNCILS THE NAMES,  
6 ADDRESSES, AND TELEPHONE NUMBERS OF POTENTIAL  
7 WELFARE-TO-WORK PROGRAM PARTICIPANTS.—

8 (1) STATE IV-D AGENCIES.—Section 454A(f) of  
9 the Social Security Act (42 U.S.C. 654a(f)) is  
10 amended by adding at the end the following:

11 “(5) PRIVATE INDUSTRY COUNCILS RECEIVING  
12 WELFARE-TO-WORK GRANTS.—Disclosing to a pri-  
13 vate industry council (as defined in section  
14 403(a)(5)(D)(ii)) to which funds are provided under  
15 section 403(a)(5) the names, addresses, telephone  
16 numbers, and identifying case number information  
17 in the State program funded under part A, of non-  
18 custodial parents residing in the service delivery area  
19 of the private industry council, for the purpose of  
20 identifying and contacting noncustodial parents re-  
21 garding participation in the program under section  
22 403(a)(5).”.

23 (2) STATE TANF AGENCIES.—Section 403(a)(5)  
24 of such Act (42 U.S.C. 603(a)(5)) is amended by  
25 adding at the end the following:

1           “(K) INFORMATION DISCLOSURE.—If a  
 2           State to which a grant is made under section  
 3           403 establishes safeguards against the use or  
 4           disclosure of information about applicants or re-  
 5           cipients of assistance under the State program  
 6           funded under this part, the safeguards shall not  
 7           prevent the State agency administering the pro-  
 8           gram from furnishing to a private industry  
 9           council the names, addresses, telephone num-  
 10          bers, and identifying case number information  
 11          in the State program funded under this part, of  
 12          noncustodial parents residing in the service de-  
 13          livery area of the private industry council, for  
 14          the purpose of identifying and contacting non-  
 15          custodial parents regarding participation in the  
 16          program under this paragraph.”.

17          (b) SAFEGUARDING OF INFORMATION DISCLOSED TO  
 18 PRIVATE           INDUSTRY           COUNCILS.—Section  
 19 403(a)(5)(A)(ii)(I) of such Act (42 U.S.C.  
 20 603(a)(5)(A)(ii)(I)) is amended—

- 21           (1) by striking “and” at the end of item (dd);
- 22           (2) by striking the period at the end of item
- 23           (ee) and inserting “; and”; and
- 24           (3) by adding at the end the following:

1 “(ff) describes how the State  
 2 will ensure that a private indus-  
 3 try council to which information  
 4 is disclosed pursuant to section  
 5 403(a)(5)(K) or 454A(f)(5) has  
 6 procedures for safeguarding the  
 7 information and for ensuring  
 8 that the information is used sole-  
 9 ly for the purpose described in  
 10 that section.”.

11 **TITLE IV—ALTERNATIVE PEN-**  
 12 **ALTY PROCEDURE RELATING**  
 13 **TO STATE DISBURSEMENT**  
 14 **UNITS**

15 **SEC. 401. ALTERNATIVE PENALTY PROCEDURE RELATING**  
 16 **TO STATE DISBURSEMENT UNITS.**

17 (a) IN GENERAL.—Section 455(a) of the Social Secu-  
 18 rity Act (42 U.S.C. 655(a)) is amended by adding at the  
 19 end the following:

20 “(5)(A)(i) If—

21 “(I) the Secretary determines that a State plan  
 22 under section 454 would (in the absence of this  
 23 paragraph) be disapproved for the failure of the  
 24 State to comply with subparagraphs (A) and (B)(i)  
 25 of section 454(27), and that the State has made and

1 is continuing to make a good faith effort to so com-  
2 ply; and

3 “(II) the State has submitted to the Secretary,  
4 not later than April 1, 2000, a corrective compliance  
5 plan that describes how, by when, and at what cost  
6 the State will achieve such compliance, which has  
7 been approved by the Secretary,  
8 then the Secretary shall not disapprove the State plan  
9 under section 454, and the Secretary shall reduce the  
10 amount otherwise payable to the State under paragraph  
11 (1)(A) of this subsection for the fiscal year by the penalty  
12 amount.

13 “(ii) All failures of a State during a fiscal year to  
14 comply with any of the requirements of section 454B shall  
15 be considered a single failure of the State to comply with  
16 subparagraphs (A) and (B)(i) of section 454(27) during  
17 the fiscal year for purposes of this paragraph.

18 “(B) In this paragraph:

19 “(i) The term ‘penalty amount’ means, with re-  
20 spect to a failure of a State to comply with subpara-  
21 graphs (A) and (B)(i) of section 454(27)—

22 “(I) 4 percent of the penalty base, in the  
23 case of the first fiscal year in which such a fail-  
24 ure by the State occurs (regardless of whether  
25 a penalty is imposed in that fiscal year under



1           this paragraph with respect to the failure), ex-  
2           cept as provided in subparagraph (C)(ii) of this  
3           paragraph;

4                 “(II) 8 percent of the penalty base, in the  
5           case of the second such fiscal year;

6                 “(III) 16 percent of the penalty base, in  
7           the case of the third such fiscal year;

8                 “(IV) 25 percent of the penalty base, in  
9           the case of the fourth such fiscal year; or

10                “(V) 30 percent of the penalty base, in the  
11           case of the fifth or any subsequent such fiscal  
12           year.

13                “(ii) The term ‘penalty base’ means, with re-  
14           spect to a failure of a State to comply with subpara-  
15           graphs (A) and (B)(i) of section 454(27) during a  
16           fiscal year, the amount otherwise payable to the  
17           State under paragraph (1)(A) of this subsection for  
18           the preceding fiscal year.

19                “(C)(i) The Secretary shall waive all penalties im-  
20           posed against a State under this paragraph for any failure  
21           of the State to comply with subparagraphs (A) and (B)(i)  
22           of section 454(27) if the Secretary determines that, before  
23           April 1, 2000, the State has achieved such compliance.

24                “(ii) If a State with respect to which a reduction is  
25           required to be made under this paragraph with respect

1 to a failure to comply with subparagraphs (A) and (B)(i)  
2 of section 454(27) achieves such compliance on or after  
3 April 1, 2000, and on or before September 30, 2000, then  
4 the penalty amount applicable to the State shall be 1 per-  
5 cent of the penalty base with respect to the failure in-  
6 volved.

7 “(D) The Secretary may not impose a penalty under  
8 this paragraph against a State for a fiscal year for which  
9 the amount otherwise payable to the State under para-  
10 graph (1)(A) of this subsection is reduced under para-  
11 graph (4) of this subsection for failure to comply with sec-  
12 tion 454(24)(A).”.

13 (b) INAPPLICABILITY OF PENALTY UNDER TANF  
14 PROGRAM.—Section 409(a)(8)(A)(i)(III) of such Act (42  
15 U.S.C. 609(a)(8)(A)(i)(III)) is amended by striking “sec-  
16 tion 454(24)” and inserting “paragraph (24), or subpara-  
17 graph (A) or (B)(i) of paragraph (27), of section 454”.

18 (c) EFFECTIVE DATE.—The amendments made by  
19 this section shall take effect on October 1, 1999.

## **TITLE V—FINANCING PROVISIONS**

### **SEC. 501. USE OF NEW HIRE INFORMATION TO ASSIST IN COLLECTION OF DEFAULTED STUDENT LOANS AND GRANTS.**

(a) IN GENERAL.—Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended by adding at the end the following:

“(6) INFORMATION COMPARISONS AND DISCLOSURE FOR ENFORCEMENT OF OBLIGATIONS ON HIGHER EDUCATION ACT LOANS AND GRANTS.—

“(A) FURNISHING OF INFORMATION BY THE SECRETARY OF EDUCATION.—The Secretary of Education shall furnish to the Secretary, on a quarterly basis or at such less frequent intervals as may be determined by the Secretary of Education, information in the custody of the Secretary of Education for comparison with information in the National Directory of New Hires, in order to obtain the information in such directory with respect to individuals who—

“(i) are borrowers of loans made under title IV of the Higher Education Act of 1965 that are in default; or

1                   “(ii) owe an obligation to refund an  
2                   overpayment of a grant awarded under  
3                   such title.

4                   “(B) REQUIREMENT TO SEEK MINIMUM  
5                   INFORMATION NECESSARY.—The Secretary of  
6                   Education shall seek information pursuant to  
7                   this section only to the extent essential to im-  
8                   proving collection of the debt described in sub-  
9                   paragraph (A).

10                  “(C) DUTIES OF THE SECRETARY.—

11                   “(i) INFORMATION COMPARISON; DIS-  
12                   CLOSURE TO THE SECRETARY OF EDU-  
13                   CATION.—The Secretary, in cooperation  
14                   with the Secretary of Education, shall  
15                   compare information in the National Di-  
16                   rectory of New Hires with information in  
17                   the custody of the Secretary of Education,  
18                   and disclose information in that Directory  
19                   to the Secretary of Education, in accord-  
20                   ance with this paragraph, for the purposes  
21                   specified in this paragraph.

22                   “(ii) CONDITION ON DISCLOSURE.—  
23                   The Secretary shall make disclosures in ac-  
24                   cordance with clause (i) only to the extent  
25                   that the Secretary determines that such

disclosures do not interfere with the effective operation of the program under this part. Support collection under section 466(b) shall be given priority over collection of any defaulted student loan or grant overpayment against the same income.

“(D) USE OF INFORMATION BY THE SECRETARY OF EDUCATION.—The Secretary of Education may use information resulting from a data match pursuant to this paragraph only—

“(i) for the purpose of collection of the debt described in subparagraph (A) owed by an individual whose annualized wage level (determined by taking into consideration information from the National Directory of New Hires) exceeds \$16,000; and

“(ii) after removal of personal identifiers, to conduct analyses of student loan defaults.

“(E) DISCLOSURE OF INFORMATION BY THE SECRETARY OF EDUCATION.—

“(i) DISCLOSURES PERMITTED.—The Secretary of Education may disclose infor-

1           mation resulting from a data match pursu-  
2           ant to this paragraph only to—

3                   “(I) a guaranty agency holding a  
4                   loan made under part B of title IV of  
5                   the Higher Education Act of 1965 on  
6                   which the individual is obligated;

7                   “(II) a contractor or agent of the  
8                   guaranty agency described in sub-  
9                   clause (I);

10                  “(III) a contractor or agent of  
11                  the Secretary; and

12                  “(IV) the Attorney General.

13                  “(ii) PURPOSE OF DISCLOSURE.—The  
14                  Secretary of Education may make a disclo-  
15                  sure under clause (i) only for the purpose  
16                  of collection of the debts owed on defaulted  
17                  student loans, or overpayments of grants,  
18                  made under title IV of the Higher Edu-  
19                  cation Act of 1965.

20                  “(iii) RESTRICTION ON REDISCLO-  
21                  SURE.—An entity to which information is  
22                  disclosed under clause (i) may use or dis-  
23                  close such information only as needed for  
24                  the purpose of collecting on defaulted stu-  
25                  dent loans, or overpayments of grants,

1                   made under title IV of the Higher Edu-  
2                   cation Act of 1965.

3                   “(F) REIMBURSEMENT OF HHS COSTS.—

4                   The Secretary of Education shall reimburse the  
5                   Secretary, in accordance with subsection (k)(3),  
6                   for the additional costs incurred by the Sec-  
7                   retary in furnishing the information requested  
8                   under this subparagraph.”.

9                   (b) PENALTIES FOR MISUSE OF INFORMATION.—

10                  Section 402(a) of the Child Support Performance and In-  
11                  centive Act of 1998 (112 Stat. 669) is amended in the  
12                  matter added by paragraph (2) by inserting “or any other  
13                  person” after “officer or employee of the United States”.

14                  (c) EFFECTIVE DATE.—The amendments made by  
15                  this section shall become effective October 1, 1999.

16                  **SEC. 502. ELIMINATION OF SET-ASIDE OF PORTION OF WEL-**  
17                                   **FARE-TO-WORK FUNDS FOR SUCCESSFUL**  
18                                   **PERFORMANCE BONUS.**

19                  (a) IN GENERAL.—Section 403(a)(5) of the Social  
20                  Security Act (42 U.S.C. 603(a)(5)) is amended by striking  
21                  subparagraph (E) and redesignating subparagraphs (F)  
22                  through (K) (as added by section 305(a)(2) of this Act)  
23                  as subparagraphs (E) through (J), respectively.

24                  (b) CONFORMING AMENDMENTS.—

1           (1) Section 403(a)(5)(A)(i) of such Act (42  
2       U.S.C. 603(a)(5)(A)(i)) is amended by striking  
3       “subparagraph (I)” and inserting “subparagraph  
4       (H)”.

5           (2) Subclause (I) of each of subparagraphs  
6       (A)(iv) and (B)(v) of section 403(a)(5) of such Act  
7       (42 U.S.C. 603(a)(5)(A)(iv)(I) and (B)(v)(I)) is  
8       amended—

9               (A) in item (aa)—

10                   (i) by striking “(I)” and inserting  
11                   “(H)”; and

12                   (ii) by striking “(G), and (H)” and  
13                   inserting “and (G)”; and

14               (B) in item (bb), by striking “(F)” and in-  
15       serting “(E)”.

16           (3) Section 403(a)(5)(B)(v) of such Act (42  
17       U.S.C. 603(a)(5)(B)) is amended in the matter pre-  
18       ceding subclause (I) by striking “(I)” and inserting  
19       “(H)”.

20           (4) Subparagraphs (E) and (F) of section  
21       403(a)(5) of such Act (42 U.S.C. 603(a)(5)(F) and  
22       (G)), as so redesignated by subsection (a) of this  
23       section, are each amended by striking “(I)” and in-  
24       serting “(H)”.



1           (5) Section 412(a)(3)(A) of such Act (42  
2       U.S.C. 612(a)(3)(A)) is amended by striking  
3       “403(a)(5)(I)” and inserting “403(a)(5)(H)”.

4       (c)           FUNDING           AMENDMENT.—Section  
5       403(a)(5)(H)(i) of such Act (42 U.S.C. 603(a)(5)(H)(i)),  
6       as so redesignated by subsection (a) of this section, is  
7       amended by striking “\$1,500,000,000” and all that fol-  
8       lows and inserting “for grants under this paragraph—  
9                               “(I) \$1,500,000,000 for fiscal  
10                              year 1998; and  
11                             “(II) \$1,400,000,000 for fiscal  
12                             year 1999.”.

## 13       **TITLE VI—MISCELLANEOUS**

### 14       **SEC. 601. CHANGE DATES FOR EVALUATION.**

15       (a) IN GENERAL.—Section 403(a)(5)(G)(iii) of the  
16       Social Security Act (42 U.S.C. 603(a)(5)(G)(iii)), as so  
17       redesignated by section 502(a) of this Act, is amended by  
18       striking “2001” and inserting “2005”.

19       (b)       INTERIM       REPORT       REQUIRED.—Section  
20       403(a)(5)(G) of such Act (42 U.S.C. 603(a)(5)(G)), as so  
21       redesignated, is amended by adding at the end the fol-  
22       lowing:

23                           “(iv) INTERIM REPORT.—Not later  
24                           than January 1, 2002, the Secretary shall

1 submit to the Congress a interim report on  
2 the evaluations referred to in clause (i).”.

3 **SEC. 602. REPORT ON UNDISTRIBUTED CHILD SUPPORT**  
4 **PAYMENTS.**

5 Not later than 6 months after the date of the enact-  
6 ment of this Act, the Secretary of Health and Human  
7 Services shall submit to the Committee on Ways and  
8 Means of the House of Representatives and the Committee  
9 on Finance of the Senate a report on the procedures that  
10 the States use generally to locate custodial parents for  
11 whom child support has been collected but not yet distrib-  
12 uted due to a change in address. The report shall include  
13 an estimate of the total amount of such undistributed  
14 child support and the average length of time it takes for  
15 such child support to be distributed. The Secretary shall  
16 include in the report recommendations as to whether addi-  
17 tional procedures should be established at the State or  
18 Federal level to expedite the payment of undistributed  
19 child support.

20 **SEC. 603. SENSE OF THE CONGRESS.**

21 It is the sense of the Congress that the States may  
22 use funds provided under the program of block grants for  
23 temporary assistance for needy families under part A of  
24 title IV of the Social Security Act to promote fatherhood

1 activities of the type described in section 403A of such  
 2 Act, as added by this Act.

3 **SEC. 604. ADDITIONAL FUNDING FOR WELFARE EVALUA-**  
 4 **TION STUDY.**

5 Section 414(b) of the Social Security Act (42 U.S.C.  
 6 614(b)) is amended by striking “appropriated  
 7 \$10,000,000” and all that follows and inserting  
 8 “appropriated—

9 “(1) \$10,000,000 for each of fiscal years 1996  
 10 through 1999;

11 “(2) \$12,300,000 for fiscal year 2000;

12 “(3) \$17,500,000 for fiscal year 2001;

13 “(4) \$15,500,000 for fiscal year 2002; and

14 “(5) \$4,000,000 for fiscal year 2003.”.

15 **SEC. 605. TRAINING IN CHILD ABUSE AND NEGLECT PRO-**  
 16 **CEEDINGS.**

17 (a) IN GENERAL—Section 474(a)(3) of the Social Se-  
 18 curity Act (42 U.S.C. 674(a)(3)) is amended—

19 (1) by redesignating subparagraphs (C), (D),  
 20 and (E) as subparagraphs (D), (E), and (F), respec-  
 21 tively; and

22 (2) by inserting after subparagraph (B) the fol-  
 23 lowing:

24 “(C) 75 percent of so much of such ex-  
 25 penditures as are for the short-term training

1 (including cross-training with personnel em-  
2 ployed by, or under contract with, the State or  
3 local agency administering the plan in the polit-  
4 ical subdivision, training on topics relevant to  
5 the legal representation of clients in proceedings  
6 conducted by or under the supervision of an  
7 abuse and neglect court, and training on related  
8 topics such as child development and the impor-  
9 tance of achieving safety, permanency, and well-  
10 being for a child) of judges, judicial personnel,  
11 law enforcement personnel, agency attorneys,  
12 attorneys representing a parent in proceedings  
13 conducted by, or under the supervision of, an  
14 abuse and neglect court, attorneys representing  
15 a child in such proceedings, guardians ad litem,  
16 and volunteers who participate in court-ap-  
17 pointed special advocate programs, to the extent  
18 the training is related to the court's role in ex-  
19 pediting adoption procedures, implementing  
20 reasonable efforts, and providing for timely per-  
21 manency planning and case reviews, except that  
22 any such training shall be offered by the State  
23 or local agency administering the plan, either  
24 directly or through contract, in collaboration

1 with the appropriate judicial governing body op-  
2 erating in the State,”.

3 (b) DEFINITIONS.—Section 475 of such Act (42  
4 U.S.C. 675) is amended by adding at the end the fol-  
5 lowing:

6 “(8) The term ‘abuse and neglect courts’ means  
7 the State and local courts that carry out State or  
8 local laws requiring proceedings (conducted by or  
9 under the supervision of the courts)—

10 “(A) that implement part B or this part,  
11 including preliminary disposition of such pro-  
12 ceedings;

13 “(B) that determine whether a child was  
14 abused or neglected;

15 “(C) that determine the advisability or ap-  
16 propriateness of placement in a family foster  
17 home, group home, or a special residential care  
18 facility; or

19 “(D) that determine any other legal dis-  
20 position of a child in the abuse and neglect  
21 court system.

22 “(9) The term ‘agency attorney’ means an at-  
23 torney or other individual, including any government  
24 attorney, district attorney, attorney general, State  
25 attorney, county attorney, city solicitor or attorney,

1 corporation counsel, or privately retained special  
2 prosecutor, who represents the State or local agency  
3 administering the programs under part B and this  
4 part in a proceeding conducted by, or under the su-  
5 pervision of, an abuse and neglect court, including a  
6 proceeding for termination of parental rights.

7 “(10) The term ‘attorney representing a child’  
8 means an attorney or a guardian ad litem who rep-  
9 resents a child in a proceeding conducted by, or  
10 under the supervision of, an abuse and neglect court.

11 “(11) The term ‘attorney representing a parent’  
12 means an attorney who represents a parent who is  
13 an official party to a proceeding conducted by, or  
14 under the supervision of, an abuse and neglect  
15 court.”.

16 (c) CONFORMING AMENDMENTS—

17 (1) Section 473(a)(6)(B) of such Act (42  
18 U.S.C. 673(a)(6)(B)) is amended by striking  
19 “474(a)(3)(E)” and inserting “474(a)(3)(F)”.

20 (2) Section 474(a)(3)(E) of such Act (42  
21 U.S.C. 674(a)(3)(E)) (as so redesignated by sub-  
22 section (a)(1) of this section) is amended by striking  
23 “subparagraph (C)” and inserting “subparagraph  
24 (D)”.

1           (3) Section 474(c) of such Act (42 U.S.C.  
2       674(c)) is amended by striking “subsection  
3       (a)(3)(C)” and inserting “subsection (a)(3)(D)”.

4       (d) SUNSET.—Effective on October 1, 2004—

5           (1) section 474(a)(3) of the Social Security Act  
6       (42 U.S.C. 674(a)(3)) is amended by striking sub-  
7       paragraph (C) and redesignating subparagraphs  
8       (D), (E), and (F) as subparagraphs (C), (D), and  
9       (E), respectively;

10          (2) section 475 of such Act (42 U.S.C. 675) is  
11       amended by striking paragraphs (8) through (11);

12          (3) section 473(a)(6)(B) of such Act (42 U.S.C.  
13       673(a)(6)(B)) is amended by striking  
14       “474(a)(3)(F)” and inserting “474(a)(3)(E)”.

15          (4) section 474(a)(3)(E) of such Act (42 U.S.C.  
16       674(a)(3)(E)) (as so redesignated by subsection  
17       (a)(1) of this section) is amended by striking “sub-  
18       paragraph (D)” and inserting “subparagraph (C)”;  
19       and

20          (5) section 474(c) of such Act (42 U.S.C.  
21       674(c)) is amended by striking “subsection  
22       (a)(3)(D)” and inserting “subsection (a)(3)(C)”.

1 **SEC. 606. USE OF NEW HIRE INFORMATION TO ASSIST IN**  
2 **ADMINISTRATION OF UNEMPLOYMENT COM-**  
3 **PENSATION PROGRAMS.**

4 (a) IN GENERAL.—Section 453(j) of the Social Secu-  
5 rity Act (42 U.S.C. 653(j)), as amended by section 501(a)  
6 of this Act, is further amended by adding at the end the  
7 following:

8 “(7) INFORMATION COMPARISONS AND DISCLO-  
9 SURE TO ASSIST IN ADMINISTRATION OF UNEMPLOY-  
10 MENT COMPENSATION PROGRAMS.—

11 “(A) IN GENERAL.—If a State agency re-  
12 sponsible for the administration of an unem-  
13 ployment compensation program under Federal  
14 or State law transmits to the Secretary the  
15 name and social security account number of an  
16 individual, the Secretary shall, if the informa-  
17 tion in the National Directory of New Hires in-  
18 dicates that the individual may be employed,  
19 disclose to the State agency the name and ad-  
20 dress of any putative employer of the individual,  
21 subject to this paragraph.

22 “(B) CONDITION ON DISCLOSURE.—The  
23 Secretary shall make a disclosure under sub-  
24 paragraph (A) only to the extent that the Sec-  
25 retary determines that the disclosure would not



1           interfere with the effective operation of the pro-  
2           gram under this part.

3           “(C) USE OF INFORMATION.—A State  
4           agency may use information provided under this  
5           paragraph only for purposes of administering a  
6           program referred to in subparagraph (A).”.

7           (b) EFFECTIVE DATE.—The amendment made by  
8           subsection (a) shall take effect on October 1, 1999.

9   **SEC. 607. IMMIGRATION PROVISIONS.**

10          (a) NONIMMIGRANT ALIENS INELIGIBLE TO RECEIVE  
11          VISAS AND EXCLUDED FROM ADMISSION FOR NON-  
12          PAYMENT OF CHILD SUPPORT.—

13               (1) IN GENERAL.—Section 212(a)(10) of the  
14          Immigration and Nationality Act (8 U.S.C.  
15          1182(a)(10)) is amended by adding at the end the  
16          following:

17               “(F) NONPAYMENT OF CHILD SUPPORT.—

18                       “(i) IN GENERAL.—Any non-  
19                       immigrant alien is inadmissible who is le-  
20                       gally obligated under a judgment, decree,  
21                       or order to pay child support (as defined in  
22                       section 459(i) of the Social Security Act),  
23                       and whose failure to pay such child sup-  
24                       port has resulted in an arrearage exceeding  
25                       \$5,000, until child support payments

1 under the judgment, decree, or order are  
2 satisfied or the nonimmigrant alien is in  
3 compliance with an approved payment  
4 agreement.

5 “(ii) WAIVER AUTHORIZED.—The At-  
6 torney General may waive the application  
7 of clause (i) in the case of an alien, if the  
8 Attorney General—

9 “(I) has received a request for  
10 the waiver from the court or adminis-  
11 trative agency having jurisdiction over  
12 the judgment, decree, or order obli-  
13 gating the alien to pay child support  
14 that is referred to in such clause; or

15 “(II) determines that there are  
16 prevailing humanitarian or public in-  
17 terest concerns.”.

18 (2) EFFECTIVE DATE.—The amendment made  
19 by this subsection shall take effect 180 days after  
20 the date of the enactment of this Act.

21 (b) AUTHORIZATION TO SERVE LEGAL PROCESS IN  
22 CHILD SUPPORT CASES ON CERTAIN ARRIVING  
23 ALIENS.—

1           (1) IN GENERAL.—Section 235(d) of the Immi-  
2           gration and Nationality Act (8 U.S.C. 1225(d)) is  
3           amended by adding at the end the following:

4           “(5) AUTHORITY TO SERVE PROCESS IN CHILD  
5           SUPPORT CASES.—

6           “(A) IN GENERAL.—To the extent con-  
7           sistent with State law, immigration officers are  
8           authorized to serve on any alien who is an ap-  
9           plicant for admission to the United States legal  
10          process with respect to any action to enforce or  
11          establish a legal obligation of an individual to  
12          pay child support (as defined in section 459(i)  
13          of the Social Security Act).

14          “(B) DEFINITION.—For purposes of sub-  
15          paragraph (A), the term ‘legal process’ means  
16          any writ, order, summons or other similar proc-  
17          ess, which is issued by—

18                 “(i) a court or an administrative  
19                 agency of competent jurisdiction in any  
20                 State, territory, or possession of the  
21                 United States; or

22                 “(ii) an authorized official pursuant to  
23                 an order of such a court or agency or pur-  
24                 suant to State or local law.”.

1           (2) EFFECTIVE DATE.—The amendment made  
2       by this subsection shall apply to aliens applying for  
3       admission to the United States on or after 180 days  
4       after the date of the enactment of this Act.

5       (c) AUTHORIZATION TO SHARE CHILD SUPPORT EN-  
6       FORCEMENT INFORMATION TO ENFORCE IMMIGRATION  
7       AND NATURALIZATION LAW.—

8           (1) SECRETARIAL RESPONSIBILITY.—Section  
9       452 of the Social Security Act (42 U.S.C. 652) is  
10      amended by adding at the end the following:

11      “(m) If the Secretary receives a certification by a  
12      State agency, in accordance with section 454(32), that an  
13      individual who is a nonimmigrant alien (as defined in sec-  
14      tion 101(a)(15) of the Immigration and Nationality Act)  
15      owes arrearages of child support in an amount exceeding  
16      \$5,000, the Secretary may, at the request of the State  
17      agency, the Secretary of State, or the Attorney General,  
18      or on the Secretary’s own initiative, provide such certifi-  
19      cation to the Secretary of State and the Attorney General  
20      information in order to enable them to carry out their re-  
21      sponsibilities under sections 212(a)(10) and 235(d) of  
22      such Act.”.

23           (2) STATE AGENCY RESPONSIBILITY.—Section  
24       454 of the Social Security Act (42 U.S.C. 654) is  
25      amended—

1 (A) by striking “and” at the end of para-  
2 graph (32);

3 (B) by striking the period at the end of  
4 paragraph (33) and inserting “; and”; and

5 (C) by inserting after paragraph (33) the  
6 following:

7 “(34) provide that the State agency will have in  
8 effect a procedure for certifying to the Secretary, in  
9 such format and accompanied by such supporting  
10 documentation as the Secretary may require, deter-  
11 minations for purposes of section 452(m) that non-  
12 immigrant aliens owe arrearages of child support in  
13 an amount exceeding \$5,000.”.

Passed the House of Representatives November 10,  
1999.

Attest:

JEFF TRANDAHL,  
*Clerk.*