

Union Calendar No. 37

107TH CONGRESS
1ST SESSION

H. R. 586

[Report No. 107-66]

To amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 13, 2001

Mr. LEWIS of Kentucky (for himself, Mrs. JOHNSON of Connecticut, Mr. RAMSTAD, Mr. PITTS, Mr. WATKINS, Mr. ENGLISH, Mr. WATTS of Oklahoma, Mr. LARSON of Connecticut, Mr. CLYBURN, Mrs. MINK of Hawaii, Mr. PASCRELL, Mr. RYUN of Kansas, Mr. MOORE, Mr. MCINNIS, Mr. DAVIS of Illinois, Mr. CAMP, Mr. BOUCHER, Mr. BISHOP, Mr. SESSIONS, Mr. TERRY, Mr. SUNUNU, and Mr. PAUL) introduced the following bill; which was referred to the Committee on Ways and Means

MAY 15, 2001

Additional sponsors: Mr. KUCINICH, Mr. TANCREDO, Mr. CRENSHAW, Ms. PRYCE of Ohio, Mr. GILCHREST, Mr. WELDON of Florida, Mr. HAYWORTH, Mrs. MORELLA, Mr. PETERSON of Pennsylvania, Mr. CARDIN, Mr. BURTON of Indiana, Mr. CALVERT, Mr. OSBORNE, Mrs. CLAYTON, Mr. UDALL of Colorado, Mr. LANGEVIN, Mr. WAMP, Mr. WYNN, Mrs. NORTHUP, Mr. BEREUTER, Mr. MANZULLO, Mr. FOLEY, Mr. WALDEN of Oregon, Mr. RYAN of Wisconsin, Mr. SHAW, Mr. CRANE, Mr. ROGERS of Kentucky, and Mr. BROWN of South Carolina

MAY 15, 2001

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on February 13, 2001]

A BILL

To amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Fairness for Foster Care*
 5 *Families Act of 2001”.*

6 **SEC. 2. EXCLUSION FOR FOSTER CARE PAYMENTS TO**
 7 **APPLY TO PAYMENTS BY QUALIFIED PLACE-**
 8 **MENT AGENCIES.**

9 *(a) IN GENERAL.—The matter preceding subpara-*
 10 *graph (B) of section 131(b)(1) of the Internal Revenue Code*
 11 *of 1986 (defining qualified foster care payment) is amended*
 12 *to read as follows:*

13 *“(1) IN GENERAL.—The term ‘qualified foster*
 14 *care payment’ means any payment made pursuant to*
 15 *a foster care program of a State or political subdivi-*
 16 *sion thereof—*

17 *“(A) which is paid by—*

1 “(i) a State or political subdivision
2 thereof, or

3 “(ii) a qualified foster care placement
4 agency, and”.

5 (b) *QUALIFIED FOSTER INDIVIDUALS TO INCLUDE IN-*
6 *DIVIDUALS PLACED BY QUALIFIED PLACEMENT AGEN-*
7 *CIES.*—Subparagraph (B) of section 131(b)(2) of such Code
8 *(defining qualified foster individual) is amended to read*
9 *as follows:*

10 “(B) a qualified foster care placement agen-
11 cy.”

12 (c) *QUALIFIED FOSTER CARE PLACEMENT AGENCY*
13 *DEFINED.*—Subsection (b) of section 131 of such Code is
14 *amended by redesignating paragraph (3) as paragraph (4)*
15 *and by inserting after paragraph (2) the following new*
16 *paragraph:*

17 “(3) *QUALIFIED FOSTER CARE PLACEMENT*
18 *AGENCY.*—The term ‘qualified foster care placement
19 *agency’ means any placement agency which is li-*
20 *censed or certified by—*

21 “(A) a State or political subdivision thereof,

22 or

23 “(B) an entity designated by a State or po-
24 litical subdivision thereof,

1 *for the foster care program of such State or political*
2 *subdivision to make foster care payments to providers*
3 *of foster care.”*

4 *(d) EFFECTIVE DATE.—The amendments made by this*
5 *section shall apply to taxable years beginning after Decem-*
6 *ber 31, 2001.*

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