

110TH CONGRESS
1ST SESSION

H. R. 2608

IN THE SENATE OF THE UNITED STATES

JULY 16, 2007

Received; read twice and referred to the Committee on Finance

AN ACT

To amend section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide, in fiscal years 2008 through 2010, extensions of supplemental security income for refugees, asylees, and certain other humanitarian immigrants, and to amend the Internal Revenue Code to collect unemployment compensation debts resulting from fraud.

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 “SSI Extension for El-
 5 derly and Disabled Refugees Act”.

6 **SEC. 2. SSI EXTENSIONS FOR HUMANITARIAN IMMIGRANTS.**

7 Section 402(a)(2) of the Personal Responsibility and
 8 Work Opportunity Reconciliation Act of 1996 (8 U.S.C.
 9 1612(a)(2)) is amended by adding at the end the fol-
 10 lowing:

11 “(M) SSI EXTENSIONS THROUGH FISCAL
 12 YEAR 2010.—

13 “(i) TWO-YEAR EXTENSION.—

14 “(I) IN GENERAL.—Except as
 15 provided in clause (ii), with respect to
 16 eligibility for benefits for the specified
 17 Federal program described in para-
 18 graph (3)(A), the 7-year period de-
 19 scribed in subparagraph (A) shall be
 20 deemed to be a 9-year period during
 21 fiscal years 2008 through 2010.

22 “(II) ALIENS WHOSE BENEFITS
 23 CEASED IN PRIOR FISCAL YEARS.—

24 “(aa) IN GENERAL.—Begin-
 25 ning on the date of the enact-

1 ment of the SSI Extension for
2 Elderly and Disabled Refugees
3 Act, any qualified alien rendered
4 ineligible for the specified Fed-
5 eral program described in para-
6 graph (3)(A) during fiscal years
7 prior to fiscal year 2008 solely by
8 reason of the termination of the
9 7-year period described in sub-
10 paragraph (A) shall be eligible
11 for such program for an addi-
12 tional 2-year period in accord-
13 ance with this clause, if such
14 alien meets all other eligibility
15 factors under title XVI of the So-
16 cial Security Act.

17 “(bb) PAYMENT OF BENE-
18 FITS.—Benefits paid under item
19 (aa) shall be paid prospectively
20 over the duration of the qualified
21 alien’s renewed eligibility.

22 “(ii) PENDING NATURALIZATION AP-
23 PLICATION.—With respect to eligibility for
24 benefits for the specified program de-
25 scribed in paragraph (3)(A), subsection

1 (a)(1) shall not apply during fiscal years
2 2008 through 2010 to an alien described
3 in one of clauses (i) through (v) of sub-
4 paragraph (A), if the alien has submitted
5 an application for naturalization that is
6 pending before the Secretary of Homeland
7 Security, and such submission is verified
8 by the Commissioner of Social Security ei-
9 ther by receiving a receipt number from
10 the alien for such submitted application or
11 by receiving confirmation from the Sec-
12 retary of Homeland Security.”.

13 **SEC. 3. COLLECTION OF UNEMPLOYMENT COMPENSATION**
14 **DEBTS RESULTING FROM FRAUD.**

15 (a) IN GENERAL.—Section 6402 of the Internal Rev-
16 enue Code (relating to authority to make credits or re-
17 funds) is amended by redesignating subsections (f)
18 through (k) as subsections (g) through (l), respectively,
19 and by inserting after subsection (e) the following new
20 subsection:

21 “(f) COLLECTION OF UNEMPLOYMENT COMPENSA-
22 TION DEBTS RESULTING FROM FRAUD.—

23 “(1) IN GENERAL.—Upon receiving notice from
24 any State that a named person owes a covered un-
25 employment compensation debt to such State, the

1 Secretary shall, under such conditions as may be
2 prescribed by the Secretary—

3 “(A) reduce the amount of any overpay-
4 ment payable to such person by the amount of
5 such covered unemployment compensation debt;

6 “(B) pay the amount by which such over-
7 payment is reduced under subparagraph (A) to
8 such State and notify such State of such per-
9 son’s name, taxpayer identification number, ad-
10 dress, and the amount collected; and

11 “(C) notify the person making such over-
12 payment that the overpayment has been re-
13 duced by an amount necessary to satisfy a cov-
14 ered unemployment compensation debt.

15 If an offset is made pursuant to a joint return, the
16 notice under subparagraph (B) shall include the
17 names, taxpayer identification numbers, and ad-
18 dresses of each person filing such return and the no-
19 tice under subparagraph (C) shall include informa-
20 tion related to the rights of a spouse of a person
21 subject to such an offset.

22 “(2) PRIORITIES FOR OFFSET.—Any overpay-
23 ment by a person shall be reduced pursuant to this
24 subsection—

1 “(A) after such overpayment is reduced
2 pursuant to—

3 “(i) subsection (a) with respect to any
4 liability for any internal revenue tax on the
5 part of the person who made the overpay-
6 ment;

7 “(ii) subsection (c) with respect to
8 past-due support; and

9 “(iii) subsection (d) with respect to
10 any past-due, legally enforceable debt owed
11 to a Federal agency; and

12 “(B) before such overpayment is credited
13 to the future liability for any Federal internal
14 revenue tax of such person pursuant to sub-
15 section (b).

16 If the Secretary receives notice from a State or
17 States of more than one debt subject to paragraph
18 (1) or subsection (e) that is owed by a person to
19 such State or States, any overpayment by such per-
20 son shall be applied against such debts in the order
21 in which such debts acerued.

22 “(3) NOTICE; CONSIDERATION OF EVIDENCE.—
23 No State may take action under this subsection until
24 such State—

1 “(A) notifies the person owing the covered
2 unemployment compensation debt that the
3 State proposes to take action pursuant to this
4 section;

5 “(B) provides such person at least 60 days
6 to present evidence that all or part of such li-
7 ability is not legally enforceable or due to fraud;

8 “(C) considers any evidence presented by
9 such person and determines that an amount of
10 such debt is legally enforceable and due to
11 fraud; and

12 “(D) satisfies such other conditions as the
13 Secretary may prescribe to ensure that the de-
14 termination made under subparagraph (C) is
15 valid and that the State has made reasonable
16 efforts to obtain payment of such covered un-
17 employment compensation debt.

18 “(4) COVERED UNEMPLOYMENT COMPENSATION
19 DEBT.—For purposes of this subsection, the term
20 ‘covered unemployment compensation debt’ means—

21 “(A) a past-due debt for erroneous pay-
22 ment of unemployment compensation due to
23 fraud which has become final under the law of
24 a State certified by the Secretary of Labor pur-

1 suant to section 3304 and which remains uncol-
2 lected;

3 “(B) contributions due to the unemploy-
4 ment fund of a State for which the State has
5 determined the person to be liable due to fraud;
6 and

7 “(C) any penalties and interest assessed on
8 such debt.

9 “(5) REGULATIONS.—

10 “(A) IN GENERAL.—The Secretary may
11 issue regulations prescribing the time and man-
12 ner in which States must submit notices of cov-
13 ered unemployment compensation debt and the
14 necessary information that must be contained
15 in or accompany such notices. The regulations
16 may specify the minimum amount of debt to
17 which the reduction procedure established by
18 paragraph (1) may be applied.

19 “(B) FEE PAYABLE TO SECRETARY.—The
20 regulations may require States to pay a fee to
21 the Secretary, which may be deducted from
22 amounts collected, to reimburse the Secretary
23 for the cost of applying such procedure. Any fee
24 paid to the Secretary pursuant to the preceding
25 sentence shall be used to reimburse appropria-

1 tions which bore all or part of the cost of apply-
2 ing such procedure.

3 “(C) SUBMISSION OF NOTICES THROUGH
4 SECRETARY OF LABOR.—The regulations may
5 include a requirement that States submit no-
6 tices of covered unemployment compensation
7 debt to the Secretary via the Secretary of Labor
8 in accordance with procedures established by
9 the Secretary of Labor. Such procedures may
10 require States to pay a fee to the Secretary of
11 Labor to reimburse the Secretary of Labor for
12 the costs of applying this subsection. Any such
13 fee shall be established in consultation with the
14 Secretary of the Treasury. Any fee paid to the
15 Secretary of Labor may be deducted from
16 amounts collected and shall be used to reim-
17 burse the appropriation account which bore all
18 or part of the cost of applying this subsection.

19 “(6) ERRONEOUS PAYMENT TO STATE.—Any
20 State receiving notice from the Secretary that an er-
21 roneous payment has been made to such State under
22 paragraph (1) shall pay promptly to the Secretary,
23 in accordance with such regulations as the Secretary
24 may prescribe, an amount equal to the amount of
25 such erroneous payment (without regard to whether

1 any other amounts payable to such State under such
2 paragraph have been paid to such State).”.

3 (b) DISCLOSURE OF CERTAIN INFORMATION TO
4 STATES REQUESTING REFUND OFFSETS FOR LEGALLY
5 ENFORCEABLE STATE UNEMPLOYMENT COMPENSATION
6 DEBT RESULTING FROM FRAUD.—

7 (1) GENERAL RULE.—Paragraph (3) of section
8 6103(a) of such Code is amended by inserting
9 “(10),” after “(6),”.

10 (2) DISCLOSURE TO DEPARTMENT OF LABOR
11 AND ITS AGENT.—Paragraph (10) of section 6103(l)
12 of such Code is amended—

13 (A) by striking “(c), (d), or (e)” each place
14 it appears in the heading and text and inserting
15 “(c), (d), (e), or (f),”

16 (B) in subparagraph (A) by inserting “, to
17 officers and employees of the Department of
18 Labor and its agent for purposes of facilitating
19 the exchange of data in connection with a re-
20 quest made under subsection (f)(5) of section
21 6402,” after “section 6402”, and

22 (C) in subparagraph (B) by inserting “,
23 and any agents of the Department of Labor,”
24 after “agency” the first place it appears.

1 (3) SAFEGUARDS.—Paragraph (4) of section
2 6103(p) of such Code is amended—

3 (A) in the matter preceding subparagraph
4 (A), by striking “(l)(16),” and inserting
5 “(l)(10), (16),”;

6 (B) in subparagraph (F)(i), by striking
7 “(l)(16),” and inserting “(l)(10), (16),”;

8 (C) in the matter following subparagraph
9 (F)(iii)—

10 (i) in each of the first two places it
11 appears, by striking “(l)(16),” and insert-
12 ing “(l)(10), (16),”;

13 (ii) by inserting “(10),” after “para-
14 graph (6)(A),”;

15 (iii) in each of the last two places it
16 appears, by striking “(l)(16)” and insert-
17 ing “(l)(10) or (16)”.

18 (c) EXPENDITURES FROM STATE FUND.—Section
19 3304(a)(4) of such Code is amended—

20 (1) in subparagraph (E), by striking “and”
21 after the semicolon;

22 (2) in subparagraph (F), by inserting “and”
23 after the semicolon; and

24 (3) by adding at the end the following new sub-
25 paragraph:

1 “(G) with respect to amounts of covered
2 unemployment compensation debt (as defined in
3 section 6402(f)(4)) collected under section
4 6402(f)—

5 “(i) amounts may be deducted to pay
6 any fees authorized under such section;
7 and

8 “(ii) the penalties and interest de-
9 scribed in section 6402(f)(4)(B) may be
10 transferred to the appropriate State fund
11 into which the State would have deposited
12 such amounts had the person owing the
13 debt paid such amounts directly to the
14 State;”.

15 (d) CONFORMING AMENDMENTS.—

16 (1) Subsection (a) of section 6402 of such Code
17 is amended by striking “(c), (d), and (e),” and in-
18 serting “(c), (d), (e), and (f)”.

19 (2) Paragraph (2) of section 6402(d) of such
20 Code is amended by striking “and before such over-
21 payment is reduced pursuant to subsection (e)” and
22 inserting “and before such overpayment is reduced
23 pursuant to subsections (e) and (f)”.

1 (3) Paragraph (3) of section 6402(e) of such
2 Code is amended in the last sentence by inserting
3 “or subsection (f)” after “paragraph (1)”.

4 (4) Subsection (g) of section 6402 of such
5 Code, as redesignated by subsection (a), is amended
6 by striking “(c), (d), or (e)” and inserting “(c), (d),
7 (e), or (f)”.

8 (5) Subsection (i) of section 6402 of such Code,
9 as redesignated by subsection (a), is amended by
10 striking “subsection (c) or (e)” and inserting “sub-
11 section (c), (e), or (f)”.

12 (e) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to refunds payable under section
14 6402 of the Internal Revenue Code of 1986 on or after
15 the date of enactment of this Act.

Passed the House of Representatives July 11, 2007.

Attest: LORRAINE C. MILLER,
Clerk.