

113TH CONGRESS  
1ST SESSION

# H. R. 3205

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IN THE SENATE OF THE UNITED STATES

OCTOBER 28, 2013

Received; read twice and referred to the Committee on Finance

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## AN ACT

To reauthorize and restructure the adoption incentives grant program, 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.**

2 This Act may be cited as the “Promoting Adoption  
3 and Legal Guardianship for Children in Foster Care Act”.

4 **SEC. 2. TABLE OF CONTENTS.**

5 The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—ADOPTION INCENTIVES GRANT PROGRAM

Sec. 101. Extension of program through fiscal year 2016.

Sec. 102. Improvements to award structure.

Sec. 103. Renaming of program.

Sec. 104. Limitation on use of incentive payments.

Sec. 105. Increase in period for which incentive payments are available for ex-  
penditure.

Sec. 106. State report on calculation and use of savings resulting from the  
phase-out of eligibility requirements for adoption assistance; re-  
quirement to spend 20 percent of savings on post-adoption  
services.

Sec. 107. Preservation of eligibility for kinship guardianship assistance pay-  
ments with a successor guardian.

Sec. 108. Effective dates.

TITLE II—EXTENSION OF FAMILY CONNECTION GRANT  
PROGRAM

Sec. 201. Extension of family connection grant program.

TITLE III—UNEMPLOYMENT COMPENSATION

Sec. 301. Improving the collection of unemployment insurance overpayments  
through tax refund offset.

6 **TITLE I—ADOPTION INCENTIVES**  
7 **GRANT PROGRAM**

8 **SEC. 101. EXTENSION OF PROGRAM THROUGH FISCAL**  
9 **YEAR 2016.**

10 Section 473A of the Social Security Act (42 U.S.C.  
11 673b) is amended—

1 (1) in subsection (b)(5), by striking “2008  
2 through 2012” and inserting “2013 through 2015”;  
3 and

4 (2) in each of paragraphs (1)(D) and (2) of  
5 subsection (h), by striking “2013” and inserting  
6 “2016”.

7 **SEC. 102. IMPROVEMENTS TO AWARD STRUCTURE.**

8 (a) **ELIGIBILITY FOR AWARD.**—Section 473A(b) of  
9 the Social Security Act (42 U.S.C. 673b(b)) is amended  
10 by striking paragraph (2) and redesignating paragraphs  
11 (3) through (5) as paragraphs (2) through (4), respec-  
12 tively.

13 (b) **DATA REQUIREMENTS.**—Section 473A(c)(2) of  
14 such Act (42 U.S.C. 673b(c)(2)) is amended—

15 (1) in the paragraph heading, by striking  
16 “NUMBERS OF ADOPTIONS” and inserting “RATES  
17 OF ADOPTIONS AND GUARDIANSHIPS”; and

18 (2) by striking “the numbers” and all that fol-  
19 lows through “section,” and inserting “each of the  
20 rates required to be determined under this section  
21 with respect to a State and a fiscal year,”.

22 (c) **AWARD AMOUNT.**—Section 473A(d) of such Act  
23 (42 U.S.C. 673b(d)) is amended—

24 (1) in paragraph (1)—

1 (A) by striking “paragraphs (2) and (3)”  
2 and inserting “paragraph (2)”; and

3 (B) by striking subparagraphs (A) through  
4 (C) and inserting the following:

5 “(A) \$2,000, multiplied by the amount (if  
6 any) by which—

7 “(i) the number of foster child adop-  
8 tions in the State during the fiscal year;  
9 exceeds

10 “(ii) the product (rounded to the  
11 nearest whole number) of—

12 “(I) the base rate of foster child  
13 adoptions for the State for the fiscal  
14 year; and

15 “(II) the number of children in  
16 foster care under the supervision of  
17 the State on the last day of the pre-  
18 ceding fiscal year;

19 “(B) \$4,000, multiplied by the amount (if  
20 any) by which—

21 “(i) the number of pre-adolescent  
22 child adoptions in the State during the fis-  
23 cal year; exceeds

24 “(ii) the product (rounded to the  
25 nearest whole number) of—

1                   “(I) the base rate of pre-adoles-  
2                   cent child adoptions for the State for  
3                   the fiscal year; and

4                   “(II) the number of children in  
5                   foster care under the supervision of  
6                   the State on the last day of the pre-  
7                   ceding fiscal year who have attained 9  
8                   years of age but not 14 years of age;  
9                   and

10                   “(C) \$8,000, multiplied by the amount (if  
11                   any) by which—

12                   “(i) the number of older child adop-  
13                   tions in the State during the fiscal year;  
14                   exceeds

15                   “(ii) the product (rounded to the  
16                   nearest whole number) of—

17                   “(I) the base rate of older child  
18                   adoptions for the State for the fiscal  
19                   year; and

20                   “(II) the number of children in  
21                   foster care under the supervision of  
22                   the State on the last day of the pre-  
23                   ceding fiscal year who have attained  
24                   14 years of age; and

1           “(D) \$1,000, multiplied by the amount (if  
2 any) by which—

3           “(i) the number of foster child  
4 guardianships in the State during the fis-  
5 cal year; exceeds

6           “(ii) the product (rounded to the  
7 nearest whole number) of—

8           “(I) the base rate of foster child  
9 guardianships for the State for the  
10 fiscal year; and

11           “(II) the number of children in  
12 foster care under the supervision of  
13 the State on the last day of the pre-  
14 ceding fiscal year.”; and

15           (2) by striking paragraph (3).

16           (d) DEFINITIONS.—Section 473A(g) of such Act (42  
17 U.S.C. 673b(g)) is amended by striking paragraphs (1)  
18 through (8) and inserting the following:

19           “(1) FOSTER CHILD ADOPTION RATE.—The  
20 term ‘foster child adoption rate’ means, with respect  
21 to a State and a fiscal year, the percentage deter-  
22 mined by dividing—

23           “(A) the number of foster child adoptions  
24 finalized in the State during the fiscal year; by

1           “(B) the number of children in foster care  
2           under the supervision of the State on the last  
3           day of the preceding fiscal year.

4           “(2) BASE RATE OF FOSTER CHILD ADOPT-  
5           TIONS.—The term ‘base rate of foster child adop-  
6           tions’ means, with respect to a State and a fiscal  
7           year, the lesser of—

8                   “(A) the foster child adoption rate for the  
9                   State for fiscal year 2007; or

10                   “(B) the foster child adoption rate for the  
11                   State for the then preceding fiscal year.

12           “(3) FOSTER CHILD ADOPTION.—The term  
13           ‘foster child adoption’ means the final adoption of a  
14           child who, at the time of adoptive placement, was in  
15           foster care under the supervision of the State.

16           “(4) PRE-ADOLESCENT CHILD ADOPTION  
17           RATE.—The term ‘pre-adolescent child adoption  
18           rate’ means, with respect to a State and a fiscal  
19           year, the percentage determined by dividing—

20                   “(A) the number of pre-adolescent child  
21                   adoptions finalized in the State during the fis-  
22                   cal year; by

23                   “(B) the number of children in foster care  
24                   under the supervision of the State on the last

1 day of the preceding fiscal year, who have at-  
2 tained 9 years of age but not 14 years of age.

3 “(5) BASE RATE OF PRE-ADOLESCENT CHILD  
4 ADOPTIONS.—The term ‘base rate of pre-adolescent  
5 child adoptions’ means, with respect to a State and  
6 a fiscal year, the lesser of—

7 “(A) the pre-adolescent child adoption rate  
8 for the State for fiscal year 2007; or

9 “(B) the pre-adolescent child adoption rate  
10 for the State for the then preceding fiscal year.

11 “(6) PRE-ADOLESCENT CHILD ADOPTION.—The  
12 term ‘pre-adolescent child adoption’ means the final  
13 adoption of a child who has attained 9 years of age  
14 but not 14 years of age if—

15 “(A) at the time of the adoptive placement,  
16 the child was in foster care under the super-  
17 vision of the State; or

18 “(B) an adoption assistance agreement  
19 was in effect under section 473 with respect to  
20 the child.

21 “(7) OLDER CHILD ADOPTION RATE.—The  
22 term ‘older child adoption rate’ means, with respect  
23 to a State and a fiscal year, the percentage deter-  
24 mined by dividing—



1           “(A) the number of older child adoptions  
2           finalized in the State during the fiscal year; by

3           “(B) the number of children in foster care  
4           under the supervision of the State on the last  
5           day of the preceding fiscal year, who have at-  
6           tained 14 years of age.

7           “(8) BASE RATE OF OLDER CHILD ADOPT-  
8           TIONS.—The term ‘base rate of older child adop-  
9           tions’ means, with respect to a State and a fiscal  
10          year, the lesser of—

11           “(A) the older child adoption rate for the  
12          State for fiscal year 2007; or

13           “(B) the older child adoption rate for the  
14          State for the then preceding fiscal year.

15          “(9) OLDER CHILD ADOPTION.—The term  
16          ‘older child adoption’ means the final adoption of a  
17          child who has attained 14 years of age if—

18           “(A) at the time of the adoptive placement,  
19          the child was in foster care under the super-  
20          vision of the State; or

21           “(B) an adoption assistance agreement  
22          was in effect under section 473 with respect to  
23          the child.

24          “(10) FOSTER CHILD GUARDIANSHIP RATE.—  
25          The term ‘foster child guardianship rate’ means,

1 with respect to a State and a fiscal year, the per-  
2 centage determined by dividing—

3 “(A) the number of foster child guardian-  
4 ships occurring in the State during the fiscal  
5 year; by

6 “(B) the number of children in foster care  
7 under the supervision of the State on the last  
8 day of the preceding fiscal year.

9 “(11) BASE RATE OF FOSTER CHILD  
10 GUARDIANSHIPS.—The term ‘base rate of foster  
11 child guardianships’ means, with respect to a State  
12 and a fiscal year, the lesser of—

13 “(A) the foster child guardianship rate for  
14 the State for fiscal year 2007; or

15 “(B) the foster child guardianship rate for  
16 the State for the then preceding fiscal year.

17 “(12) FOSTER CHILD GUARDIANSHIP.—The  
18 term ‘foster child guardianship’ means, with respect  
19 to a State, the exit of a child from foster care under  
20 the responsibility of the State to live with a legal  
21 guardian, if the State has reported to the Sec-  
22 retary—

23 “(A) that the State agency has determined  
24 that—

1           “(i) the child has been removed from  
2 his or her home pursuant to a voluntary  
3 placement agreement or as a result of a ju-  
4 dicial determination to the effect that con-  
5 tinuation in the home would be contrary to  
6 the welfare of the child;

7           “(ii) being returned home or adopted  
8 are not appropriate permanency options  
9 for the child;

10           “(iii) the child demonstrates a strong  
11 attachment to the prospective legal guard-  
12 ian, and the prospective legal guardian has  
13 a strong commitment to caring perma-  
14 nently for the child; and

15           “(iv) if the child has attained 14 years  
16 of age, the child has been consulted re-  
17 garding the legal guardianship arrange-  
18 ment; or

19           “(B) the alternative procedures used by  
20 the State to determine that legal guardianship  
21 is the appropriate option for the child.”.

22 **SEC. 103. RENAMING OF PROGRAM.**

23           (a) IN GENERAL.—The section heading of section  
24 473A of the Social Security Act (42 U.S.C. 673b) is  
25 amended to read as follows:

1 **“SEC. 473A. ADOPTION AND LEGAL GUARDIANSHIP INCEN-**  
2 **TIVE PAYMENTS.”.**

3 (b) CONFORMING AMENDMENTS.—

4 (1) Section 473A of such Act is amended in  
5 each of subsections (a), (d)(1), (d)(2)(A), and  
6 (d)(2)(B) (42 U.S.C. 673b(a), (d)(1), (d)(2)(A), and  
7 (d)(2)(B)) by inserting “and legal guardianship”  
8 after “adoption” each place it appears.

9 (2) The heading of section 473A(d) of such Act  
10 (42 U.S.C. 673b(d)) is amended by inserting “AND  
11 LEGAL GUARDIANSHIP” after “ADOPTION”.

12 **SEC. 104. LIMITATION ON USE OF INCENTIVE PAYMENTS.**

13 Section 473A(f) of the Social Security Act (42 U.S.C.  
14 673b(f)) is amended in the 1st sentence by inserting “,  
15 and shall use the amount to supplement, and not supplant,  
16 any Federal or non-Federal funds used to provide any  
17 service under part B or E” before the period.

18 **SEC. 105. INCREASE IN PERIOD FOR WHICH INCENTIVE**  
19 **PAYMENTS ARE AVAILABLE FOR EXPENDI-**  
20 **TURE.**

21 Section 473A(e) of the Social Security Act (42 U.S.C.  
22 673b(e)) is amended—

23 (1) in the subsection heading, by striking “24-  
24 MONTH” and inserting “36-MONTH”; and

25 (2) by striking “24-month” and inserting “36-  
26 month”.

1 **SEC. 106. STATE REPORT ON CALCULATION AND USE OF**  
2 **SAVINGS RESULTING FROM THE PHASE-OUT**  
3 **OF ELIGIBILITY REQUIREMENTS FOR ADOPTI-**  
4 **ON ASSISTANCE; REQUIREMENT TO SPEND**  
5 **20 PERCENT OF SAVINGS ON POST-ADOPTION**  
6 **SERVICES.**

7 Section 473(a)(8) of the Social Security Act (42  
8 U.S.C. 673(a)(8)) is amended to read as follows:

9 “(8)(A) A State shall calculate the savings (if any)  
10 resulting from the application of paragraph (2)(A)(ii) to  
11 all applicable children for a fiscal year, using a method-  
12 ology specified by the Secretary or an alternate method-  
13 ology proposed by the State and approved by the Sec-  
14 retary.

15 “(B) A State shall annually report to the Secretary—

16 “(i) the methodology used to make the calcula-  
17 tion described in subparagraph (A), without regard  
18 to whether any savings are found;

19 “(ii) the amount of any savings referred to in  
20 subparagraph (A); and

21 “(iii) how any such savings are spent, account-  
22 ing for and reporting the spending separately from  
23 any other spending reported to the Secretary under  
24 part B or E.

25 “(C) The Secretary shall make all information re-  
26 ported pursuant to subparagraph (B) available on the

1 website of the Department of Health and Human Services  
2 in a location easily accessible to the public.

3 “(D) A State shall spend an amount equal to the  
4 amount of the savings (if any) in State expenditures under  
5 this part resulting from the application of paragraph  
6 (2)(A)(ii) to all applicable children for a fiscal year, to  
7 provide to children of families any service that may be pro-  
8 vided under this part or part B, and shall spend not less  
9 than 20 percent of any such savings on post-adoption serv-  
10 ices. Any such spending shall be used to supplement, and  
11 not supplant, any Federal or non-Federal funds used to  
12 provide any service under part B or E.”.

13 **SEC. 107. PRESERVATION OF ELIGIBILITY FOR KINSHIP**  
14 **GUARDIANSHIP ASSISTANCE PAYMENTS**  
15 **WITH A SUCCESSOR GUARDIAN.**

16 Section 473(d)(3) of the Social Security Act (42  
17 U.S.C. 673(d)(3)) is amended by adding at the end the  
18 following:

19 “(C) ELIGIBILITY NOT AFFECTED BY RE-  
20 PLACEMENT OF GUARDIAN WITH A SUCCESSOR  
21 GUARDIAN.—In the event of the death or inca-  
22 pacity of the relative guardian, the eligibility of  
23 a child for a kinship guardianship assistance  
24 payment under this subsection shall not be af-  
25 fected by reason of the replacement of the rel-

1           ative guardian with a successor legal guardian  
2           named in the kinship guardianship assistance  
3           agreement referred to in paragraph (1) (includ-  
4           ing in any amendment to the agreement), not-  
5           withstanding subparagraph (A) of this para-  
6           graph and section 471(a)(28).”.

7 **SEC. 108. EFFECTIVE DATES.**

8           (a) IN GENERAL.—Except as otherwise provided in  
9           this section, the amendments made by this Act shall take  
10          effect on October 1, 2013.

11          (b) RESTRUCTURING AND RENAMING OF PRO-  
12          GRAM.—

13               (1) IN GENERAL.—The amendments made by  
14               sections 102 and 103 shall take effect on October 1,  
15               2014, subject to paragraph (2).

16               (2) TRANSITION RULE.—Notwithstanding any  
17               other provision of law, the total amount payable to  
18               a State under section 473A of the Social Security  
19               Act for fiscal year 2014 shall be an amount equal  
20               to  $\frac{1}{2}$  of the sum of—

21                       (A) the total amount that would be payable  
22                       to the State under such section for fiscal year  
23                       2014 if the amendments made by section 102  
24                       of this Act had not taken effect; and

1 (B) the total amount that would be pay-  
2 able to the State under such section for fiscal  
3 year 2014 in the absence of this paragraph.

4 (c) PRESERVATION OF ELIGIBILITY FOR KINSHIP  
5 GUARDIANSHIP ASSISTANCE PAYMENTS WITH A SUC-  
6 CESSOR GUARDIAN.—The amendment made by section  
7 107 shall take effect on the date of the enactment of this  
8 Act.

9 **TITLE II—EXTENSION OF FAM-**  
10 **ILY CONNECTION GRANT**  
11 **PROGRAM**

12 **SEC. 201. EXTENSION OF FAMILY CONNECTION GRANT**  
13 **PROGRAM.**

14 Section 427(h) of the Social Security Act (42 U.S.C.  
15 627(h)) is amended by striking “2013” and inserting  
16 “2016”.

17 **TITLE III—UNEMPLOYMENT**  
18 **COMPENSATION**

19 **SEC. 301. IMPROVING THE COLLECTION OF UNEMPLOY-**  
20 **MENT INSURANCE OVERPAYMENTS**  
21 **THROUGH TAX REFUND OFFSET.**

22 (a) IN GENERAL.—Section 303 of the Social Security  
23 Act (42 U.S.C. 503) is amended by adding at the end the  
24 following:



1       “(m) In the case of a covered unemployment com-  
2       pensation debt (as defined under section 6402(f)(4) of the  
3       Internal Revenue Code of 1986) that remains uncollected  
4       as of the date that is 2 years after the date when such  
5       debt was first incurred, the State to which such debt is  
6       owed shall take action to recover such debt under section  
7       6402(f) of the Internal Revenue Code of 1986.”.

8       (b) EFFECTIVE DATE.—The amendment made by  
9       subsection (a) shall take effect on October 1, 2015.

      Passed the House of Representatives October 22,  
2013.

Attest:

KAREN L. HAAS,

*Clerk.*