

115TH CONGRESS  
1ST SESSION

# H. R. 4547

To amend titles II, VIII, and XVI of the Social Security Act to improve and strengthen the representative payment program.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 5, 2017

Mr. SAM JOHNSON of Texas (for himself and Mr. LARSON of Connecticut) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend titles II, VIII, and XVI of the Social Security Act to improve and strengthen the representative payment program.

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 “Strengthening Protec-  
5 tions for Social Security Beneficiaries Act of 2017”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—STRENGTHENING OVERSIGHT AND BENEFICIARY  
PROTECTION

- Sec. 101. Stronger monitoring of representative payees.  
 Sec. 102. Reducing the burden on families.  
 Sec. 103. Protecting beneficiaries through information sharing.  
 Sec. 104. Clarifying overpayment liability for child in child welfare system.  
 Sec. 105. Reports.

TITLE II—IMPROVING PAYEE SELECTION AND QUALITY

- Sec. 201. Advance designation of representative payees.  
 Sec. 202. Prohibition on individuals convicted of certain crimes serving as representative payees.  
 Sec. 203. Prohibition on individuals with representative payees serving as representative payees.  
 Sec. 204. Reassessment of payee selection and replacement policies.

1 **TITLE I—STRENGTHENING**  
 2 **OVERSIGHT AND BENE-**  
 3 **FICIARY PROTECTION**

4 **SEC. 101. STRONGER MONITORING OF REPRESENTATIVE**  
 5 **PAYEES.**

6 (a) PROTECTION AND ADVOCACY FOR BENE-  
 7 FICIARIES WITH REPRESENTATIVE PAYEES.—Section  
 8 205(j)(6) of the Social Security Act (42 U.S.C. 405(j)(6))  
 9 is amended by adding at the end the following:

10 “(C)(i) The Commissioner of Social Security shall  
 11 make annual grants directly to the protection and advo-  
 12 cacy system serving each of the States and the American  
 13 Indian consortium for the purpose of conducting reviews  
 14 of representative payees in accordance with this subpara-  
 15 graph. The total amount used by the Commissioner for  
 16 such grants each year—

17 “(I) shall be an amount sufficient, as deter-  
 18 mined by the Commissioner in consultation with

1 each of the protection and advocacy systems, to  
2 carry out all of the activities described in clause (ii);  
3 and

4 “(II) shall not be less than \$25,000,000.

5 “(ii) A protection and advocacy system awarded a  
6 grant under this subparagraph shall use the grant funds  
7 to—

8 “(I) conduct all periodic onsite reviews pursu-  
9 ant to this paragraph and such other reviews of rep-  
10 resentative payees as the Commissioner may request,  
11 including reviews conducted in response to allega-  
12 tions or concerns about the performance or suit-  
13 ability of the payee;

14 “(II) conduct additional reviews that the pro-  
15 tection and advocacy system has reason to believe  
16 are warranted;

17 “(III) develop corrective action plans to assist  
18 representative payees in conforming to requirements  
19 specified by the Commissioner;

20 “(IV) submit a report to the Commissioner on  
21 each completed review containing such information  
22 as the Commissioner shall require; and

23 “(V) conduct an initial onsite assessment of any  
24 organization that begins collecting a fee for its serv-  
25 ices as a representative payee to ensure that such

1 organization is established as such a representative  
2 payee in accordance with requirements specified by  
3 the Commissioner.

4 A protection and advocacy system may refer beneficiaries  
5 to other programs or services as the protection and advo-  
6 cacy system considers appropriate.

7 “(iii) To be eligible to receive grants under this sec-  
8 tion, a protection and advocacy system shall submit an  
9 initial application to the Commissioner at such time, in  
10 such form and manner, and accompanied by such informa-  
11 tion and assurances as the Commissioner may require.

12 “(iv)(I) Subject to subclause (II), the Commissioner  
13 shall ensure that any funds used for grants under clause  
14 (i) shall be allocated to the protection and advocacy sys-  
15 tems serving each of the States and the American Indian  
16 consortium in a manner such that the amount provided  
17 to each protection and advocacy system bears the same  
18 ratio to the total of such funds as the number of rep-  
19 resented beneficiaries in the State or American Indian  
20 consortium in which such protection and advocacy system  
21 is located bears to the total number of represented bene-  
22 ficiaries.

23 “(II) The amount of an annual grant to a protection  
24 and advocacy system under clause (i) shall—

1           “(aa) in the case of a protection and advocacy  
2           system serving American Samoa, Guam, the United  
3           States Virgin Islands, or the Commonwealth of the  
4           Northern Mariana Islands, or the American Indian  
5           consortium, not be less than \$30,000; and

6           “(bb) in the case of a protection and advocacy  
7           system serving any other State, not be less than  
8           \$60,000.

9           “(III) Funds provided to a protection and advocacy  
10          system through a grant under clause (i) for a one-year  
11          period shall remain available through the end of the fol-  
12          lowing one-year period.

13          “(IV) For purposes of this clause, the term ‘rep-  
14          resented beneficiary’ means an individual—

15               “(aa) who is entitled to benefits under this title,  
16               title VIII, or title XVI; and

17               “(bb) whose benefits have been certified for  
18               payment to a representative payee.

19          “(v)(I) The Commissioner shall make annual grants,  
20          in an amount equal to 4 percent of the total amount of  
21          grants awarded each year under clause (i), to an eligible  
22          national association for the provision of training and tech-  
23          nical assistance, administrative support, and data collec-  
24          tion services to protection and advocacy systems in con-  
25          nection with grants awarded under clause (i).

1       “(II) In this clause, the term ‘eligible national asso-  
2 ciation’ means a national disability association with exten-  
3 sive knowledge and demonstrated experience in providing  
4 training, technical assistance, and administrative oversight  
5 to protection and advocacy systems that monitor rep-  
6 resentative payees.

7       “(vi) In conducting reviews under this section, a pro-  
8 tection and advocacy system shall have the same authori-  
9 ties, including access to records, facilities, and persons, as  
10 such system would have for purposes of providing services  
11 under subtitle C of title I of the Developmental Disabilities  
12 Assistance and Bill of Rights Act of 2000 (42 U.S.C.  
13 15041 et seq.).

14       “(vii) Whenever benefit amounts under this title are  
15 increased by any percentage effective with any month after  
16 November 2018 as a result of a determination made under  
17 section 215(i), each of the dollar amounts specified in  
18 clauses (i)(II) and (iv)(II) shall be increased by the same  
19 percentage.

20       “(viii) No additional funds are authorized to be ap-  
21 propriated to carry out the requirements of this subpara-  
22 graph. Such requirements shall be carried out using  
23 amounts otherwise authorized.

24       “(ix) In this subparagraph:

1           “(I) The term ‘American Indian consortium’  
2 means a consortium established under subtitle C of  
3 title I of the Developmental Disabilities Assistance  
4 and Bill of Rights Act of 2000 (42 U.S.C. 15041 et  
5 seq.).

6           “(II) The term ‘protection and advocacy sys-  
7 tem’ means a protection and advocacy system estab-  
8 lished under subtitle C of title I of the Develop-  
9 mental Disabilities Assistance and Bill of Rights Act  
10 of 2000 (42 U.S.C. 15041 et seq.).

11           “(III) The term ‘State’ means the several  
12 States of the United States, the District of Colum-  
13 bia, the Commonwealth of Puerto Rico, the United  
14 States Virgin Islands, Guam, American Samoa, and  
15 the Commonwealth of the Northern Mariana Is-  
16 lands.”.

17           (b) EXPANSION OF PERIODIC ONSITE REVIEW RE-  
18 QUIREMENTS.—Section 205(j)(6)(A) of the Social Secu-  
19 rity Act (42 U.S.C. 405(j)(6)(A)) is amended—

20           (1) in clause (ii), by striking “or”;

21           (2) in clause (iii), by striking the period and in-  
22 serting “; or”;

23           (3) by adding after clause (iii) the following:

24           “(iv) the representative payee collects a fee for  
25 its services.”; and

1           (4) by adding after clause (iv) (as added by  
2           paragraph (3)) the following flush text:

3           “The Commissioner shall also conduct periodic onsite re-  
4           views of individual and organizational payees, including  
5           payees who are related to the beneficiary and primarily  
6           reside in the same household, selected on the basis of risk-  
7           factors for potential misuse or unsuitability associated  
8           with such payees or beneficiaries.”.

9           (c) AVAILABILITY OF GRANT FUNDS.—

10           (1) PROTECTION AND ADVOCACY SYSTEM  
11           GRANTS.—Grants described under clause (i) of sub-  
12           paragraph (C) of section 205(j)(6) of the Social Se-  
13           curity Act (as added by subsection (a)) shall be  
14           awarded on August 1, 2018, and annually there-  
15           after, and funds provided by such grants to a protec-  
16           tion and advocacy system may be used to reimburse  
17           the protection and advocacy system for amounts ex-  
18           pended by the protection and advocacy system dur-  
19           ing the period beginning on May 1, 2018, and end-  
20           ing on such date for hiring and start-up costs in  
21           preparation to carry out reviews of representative  
22           payees in accordance with such subparagraph.

23           (2) NATIONAL ASSOCIATION GRANTS.—Grants  
24           described under clause (v) of such subparagraph

1 shall be awarded on May 1, 2018, and annually  
2 thereafter.

3 **SEC. 102. REDUCING THE BURDEN ON FAMILIES.**

4 (a) TITLE II.—Section 205(j)(3) of the Social Secu-  
5 rity Act (42 U.S.C. 405(j)(3)) is amended—

6 (1) by redesignating subparagraphs (D)  
7 through (G) as subparagraphs (E) through (H), re-  
8 spectively;

9 (2) by inserting after subparagraph (C) the fol-  
10 lowing:

11 “(D)(i) Subparagraph (A) shall not apply  
12 in any case where the other person to whom  
13 such payment is made is—

14 “(I) a parent, or other individual  
15 who is a legal guardian of, a minor  
16 child entitled to such payment who  
17 primarily resides in the same house-  
18 hold;

19 “(II) a parent of an individual  
20 entitled to such payment who is under  
21 a disability (as defined in section  
22 223(d)) who primarily resides in the  
23 same household; or

24 “(III) the spouse of the indi-  
25 vidual entitled to such payment.

1           “(ii) The Commissioner of Social Security  
2           shall establish and implement procedures as  
3           necessary for the Commissioner to determine  
4           the eligibility of such parties for the exemption  
5           provided in clause (i). The Commissioner shall  
6           prescribe such regulations as may be necessary  
7           to determine eligibility for such exemption.”;

8           (3) in subparagraph (E) (as so redesignated), by  
9           striking “and (C)” and inserting “(C), and (D)”;  
10          and

11          (4) in subparagraph (F) (as so redesignated),  
12          by striking “(D)” each place it appears and insert-  
13          ing “(E)”.

14          (b) TITLE VIII.—Section 807(h) of the Social Secu-  
15          rity Act (42 U.S.C. 1007(h)) is amended—

16                 (1) by redesignating paragraphs (3) through  
17                 (5) as paragraphs (4) through (6), respectively; and

18                 (2) by inserting after paragraph (2) the fol-  
19                 lowing:

20                         “(3)(A) Paragraph (1) shall not apply in any  
21                         case where the other person to whom such payment  
22                         is made is the spouse of the individual entitled to  
23                         such payment.

24                         “(B) The Commissioner of Social Security shall  
25                         establish and implement procedures as necessary for

1 the Commissioner to determine the eligibility of such  
2 parties for the exemption provided in subparagraph  
3 (A). The Commissioner shall prescribe such regula-  
4 tions as may be necessary to determine eligibility for  
5 such exemption.”.

6 (c) TITLE XVI.—Section 1631(a)(2)(C) of the Social  
7 Security Act (42 U.S.C. 1383(a)(2)(C)) is amended—

8 (1) by redesignating clauses (iv) and (v) as  
9 clauses (v) and (vi), respectively;

10 (2) by inserting after clause (iii) the following:

11 “(iv)(I) Clause (i) shall not apply in any case  
12 where the representative payee is—

13 “(aa) a parent, or other individual who is  
14 a legal guardian of, a minor child entitled to  
15 such payment who primarily resides in the same  
16 household;

17 “(bb) a parent of an individual entitled to  
18 such payment who is under a disability who pri-  
19 marily resides in the same household; or

20 “(cc) the spouse of the individual entitled  
21 to such payment.

22 “(II) The Commissioner of Social Security shall  
23 establish and implement procedures as necessary for  
24 the Commissioner to determine the eligibility of such  
25 parties for the exemption provided in subclause (I).

1 The Commissioner shall prescribe such regulations  
2 as may be necessary to determine eligibility for such  
3 exemption.”;

4 (3) in clause (v) (as so redesignated), by strik-  
5 ing “and (iii)” and inserting “(iii), and (iv)”; and

6 (4) in clause (vi) (as so redesignated), by strik-  
7 ing “(iv)” each time it appears and inserting “(v)”.

8 (d) EFFECTIVE DATE.—The amendments made by  
9 this section shall take effect on the date of the enactment  
10 of this Act.

11 **SEC. 103. PROTECTING BENEFICIARIES THROUGH INFOR-**  
12 **MATION SHARING.**

13 (a) INFORMATION SHARING TO DETERMINE STATE  
14 FOSTER CARE STATUS.—

15 (1) IN GENERAL.—Section 205(j) of the Social  
16 Security Act (42 U.S.C. 405(j)) is amended by add-  
17 ing at the end the following:

18 “(11)(A) The Commissioner of Social Security  
19 shall—

20 “(i) enter into agreements with each State with  
21 a plan approved under part E of title IV for the pur-  
22 pose of sharing and matching data, on an automated  
23 monthly basis, in the system of records of the Social  
24 Security Administration with each Statewide and  
25 Tribal Automated Child Welfare Information System

1 to identify represented minor beneficiaries who are  
2 in foster care under the responsibility of the State  
3 for such month; and

4 “(ii) in any case in which a represented minor  
5 beneficiary has entered or exited foster care or  
6 changed foster care placement in such month, rede-  
7 termine the appropriate representative payee for  
8 such individual.

9 “(B) For purposes of this paragraph—

10 “(i) the term ‘State’ has the meaning given  
11 such term for purposes of part E of title IV;

12 “(ii) the term ‘Statewide and Tribal Automated  
13 Child Welfare Information System’ means a state-  
14 wide mechanized data collection and information re-  
15 trieval system described in section 474(a)(3)(C); and

16 “(iii) the term ‘represented minor beneficiary’,  
17 with respect to an individual for a month, means a  
18 child (as defined for purposes of section 475(8)) en-  
19 titled to benefits under this title for such month  
20 whose benefits are certified for payment to a rep-  
21 resentative payee.”.

22 (2) CONFORMING CHANGE.—Section  
23 471(a)(8)(A) of the Social Security Act (42 U.S.C.  
24 671(a)(8)(A)) is amended by inserting “the program  
25 established by title II,” after “XX,”.

1 (3) GAO STUDY AND REPORT.—

2 (A) EVALUATION.—As soon as possible  
3 after the date of the enactment of this Act, the  
4 Comptroller General shall evaluate—

5 (i) the number of represented minor  
6 beneficiaries in foster care under the re-  
7 sponsibility of a State for each month dur-  
8 ing the previous year;

9 (ii) whether the representative payee  
10 for each represented minor beneficiary is—

11 (I) a governmental child welfare  
12 agency;

13 (II) an organizational payee that  
14 is not a governmental child welfare  
15 agency;

16 (III) a foster parent or child-care  
17 institution (within the meaning of  
18 part E of title IV); or

19 (IV) another individual; and

20 (iii) whether funds were conserved,  
21 used for direct expenses of the minor bene-  
22 ficiary, or used to reimburse the State for  
23 foster care maintenance costs.

24 (B) REPORT TO CONGRESS.—Not later  
25 than 36 months after the date of enactment of

1 this Act, the Comptroller General shall submit  
2 to Congress a report on the results of the eval-  
3 uation required under subparagraph (A).

4 (C) DEFINITIONS.—For purposes of this  
5 paragraph—

6 (i) the term “State” has the meaning  
7 given such term for purposes of part E of  
8 title IV of the Social Security Act; and

9 (ii) the term “represented minor bene-  
10 ficiary”, with respect to an individual for a  
11 month, means a child (as defined for pur-  
12 poses of section 475(8) of the Social Secu-  
13 rity Act) entitled to benefits under title II  
14 of such Act for such month whose benefits  
15 are certified for payment to a representa-  
16 tive payee.

17 (4) EFFECTIVE DATE.—

18 (A) IN GENERAL.—The amendments made  
19 by this subsection shall apply with respect to  
20 months beginning on or after the date that is  
21 1 year after the date of the enactment of this  
22 Act.

23 (B) EXCEPTION IF STATE LEGISLATION  
24 REQUIRED.—In the case of a State plan under  
25 part E of title IV of the Social Security Act

1 that the Secretary of Health and Human Serv-  
2 ices determines requires State legislation (other  
3 than legislation appropriating funds) in order  
4 for the plan to meet the additional requirement  
5 imposed by the amendments made under this  
6 subsection, such plan shall not be regarded as  
7 failing to comply with the requirements of such  
8 title solely on the basis of its failure to meet  
9 this additional requirement before the first day  
10 of the first calendar quarter beginning after the  
11 close of the first regular session of the State  
12 legislature that begins after the date of the en-  
13 actment of this Act. For purposes of the pre-  
14 vious sentence, in the case of a State that has  
15 a 2-year legislative session, each year of such  
16 session shall be deemed to be a separate regular  
17 session of the State legislature.

18 (b) IMPROVING COORDINATION WITH ADULT PRO-  
19 TECTIVE SERVICES.—

20 (1) IN GENERAL.—The Commissioner of Social  
21 Security shall study and test the administrative fea-  
22 sibility of improving information sharing, in partner-  
23 ship with State agencies that provide adult protec-  
24 tive services, with respect to—

1 (A) the assessment of an individual's need  
2 for a representative payee in connection with  
3 benefits to which the individual is entitled  
4 under title II or title XVI of the Social Security  
5 Act; and

6 (B) oversight of individuals and organiza-  
7 tions serving as representative payees.

8 (2) REPORT.—Not later than June 30, 2022,  
9 the Commissioner of Social Security shall conclude  
10 the study described in paragraph (1) and submit to  
11 the Committee on Ways and Means of the House of  
12 Representatives and the Committee on Finance of  
13 the Senate a report on the results of such study.

14 (c) STUDY ON POTENTIAL TO COORDINATE WITH  
15 STATE COURTS.—

16 (1) IN GENERAL.—The Commissioner of Social  
17 Security shall enter into an agreement with the Ad-  
18 ministrative Conference of the United States to con-  
19 duct a study that includes—

20 (A) an overview of potential opportunities  
21 for information sharing between the Social Se-  
22 curity Administration and State courts and rel-  
23 evant State agencies;

1 (B) a detailed analysis of the barriers to  
2 such information sharing, including any Federal  
3 or State statutory barriers;

4 (C) a description of how such information  
5 sharing would be implemented, including any  
6 additional infrastructure needed; and

7 (D) a description of any risks or other fac-  
8 tors that the Social Security Administration  
9 and the Congress should consider before imple-  
10 menting such information sharing.

11 (2) REPORT.—Not later than June 30, 2020,  
12 the Commissioner of Social Security shall submit to  
13 the Committee on Ways and Means of the House of  
14 Representatives and the Committee on Finance of  
15 the Senate and make publicly available a report on  
16 the results of the study conducted under paragraph  
17 (1).

18 **SEC. 104. CLARIFYING OVERPAYMENT LIABILITY FOR**  
19 **CHILD IN CHILD WELFARE SYSTEM.**

20 (a) AMENDMENT TO TITLE II.—Section 204(a) of  
21 the Social Security Act (42 U.S.C. 404(a)) is amended  
22 by adding at the end the following:

23 “(3)(A) When any payment of more than the correct  
24 amount is made on behalf of an individual who is a rep-  
25 resented minor beneficiary for a month in which such indi-

1 vidual is in foster care under the responsibility of a State  
2 and the State is the representative payee of such indi-  
3 vidual, the State shall be liable for the repayment of the  
4 overpayment, and there shall be no adjustment of pay-  
5 ments to, or recovery by the United States from, such in-  
6 dividual.

7 “(B) For purposes of this paragraph, the term ‘rep-  
8 resented minor beneficiary’ has the meaning given such  
9 term in subsection (j)(11)(B)(iii).”.

10 (b) AMENDMENT TO TITLE XVI.—Section 1631(b)  
11 of the Social Security Act (42 U.S.C. 1683(b)) is amend-  
12 ed—

13 (1) by redesignating paragraphs (3) through  
14 (7) as paragraphs (4) through (8), respectively; and

15 (2) by inserting after paragraph (2) the fol-  
16 lowing:

17 “(3)(A) When any payment of more than the correct  
18 amount is made on behalf of an individual who is a rep-  
19 resented minor beneficiary for a month in which such indi-  
20 vidual is in foster care under the responsibility of a State  
21 and the State is the representative payee of such indi-  
22 vidual, the State shall be liable for the repayment of the  
23 overpayment, and there shall be no adjustment of pay-  
24 ments to, or recovery by the United States from, such in-  
25 dividual.

1           “(B) For purposes of this paragraph, the term ‘rep-  
2   resented minor beneficiary’, with respect to an individual  
3   for a month, means a child (as defined for purposes of  
4   section 475(8)) entitled to benefits under this title for  
5   such month whose benefits are certified for payment to  
6   a representative payee.”.

7           (c) EFFECTIVE DATE.—The amendment made by  
8   subsection (a) shall apply with respect to overpayments  
9   made on or after the date of the enactment of this Act  
10   and to any other overpayments that have not been recov-  
11   ered as of such date.

12   **SEC. 105. REPORTS.**

13           (a) REPORT ON BENEFITS MISUSED.—Section  
14   205(j) of the Social Security Act (42 U.S.C. 405(j)), as  
15   amended by section 103(a), is further amended—

16           (1) in paragraph (6)—

17                   (A) by striking “(A) In addition to” and  
18                   inserting “In addition to”; and

19                   (B) by striking subparagraph (B); and

20           (2) by adding at the end the following:

21           “(12)(A) Not later than January 31 of each fiscal  
22   year, the Commissioner shall submit to the Committee on  
23   Ways and Means of the House of Representatives and the  
24   Committee on Finance of the Senate a report on the re-  
25   sults of all reviews of representative payees conducted dur-

1 ing the previous fiscal year in connection with benefits  
2 under this title, title VIII, or title XVI. Such report shall  
3 summarize problems identified in such reviews and correc-  
4 tive actions taken or planned to be taken to correct such  
5 problems, and shall include—

6           “(i) the number of such reviews;

7           “(ii) the results of such reviews;

8           “(iii) the number of cases in which the rep-  
9       representative payee was changed and why;

10          “(iv) the number of reviews conducted in re-  
11       sponse to allegations or concerns about the perform-  
12       ance or suitability of the payee;

13          “(v) the number of cases discovered in which  
14       there was a misuse of funds, and the total dollar  
15       amount of benefits determined by the Commissioner  
16       during such fiscal year to have been misused by a  
17       representative payee (regardless of the fiscal year in  
18       which such misuse occurred);

19          “(vi) the number of cases discovered in which  
20       such misuse of funds resulted from the negligent  
21       failure of the Commissioner to investigate or mon-  
22       itor a representative payee;

23          “(vii) the final disposition of such cases of mis-  
24       use of funds, including—

1           “(I) any criminal, civil, and administrative  
2 penalties imposed;

3           “(II) the total dollar amount of misused  
4 benefits repaid to beneficiaries and alternative  
5 representative payees under each of—

6                   “(aa) paragraph (5) (on the basis of  
7 a negligent failure of the Commissioner de-  
8 scribed in such paragraph);

9                   “(bb) paragraph (5) (on any other  
10 basis); and

11                   “(cc) paragraph (7); and

12           “(III) the total dollar amount of misused  
13 benefits recovered under each of—

14                   “(aa) paragraph (5); and

15                   “(bb) paragraph (7);

16                   “(viii) any updates to prior year reports nec-  
17 essary to reflect subsequent recoveries and repay-  
18 ments pertaining to misuse determinations made in  
19 prior years; and

20                   “(ix) such other information as the Commis-  
21 sioner deems appropriate.

22           “(B) Each report required under this paragraph for  
23 a fiscal year shall include the information described in  
24 clauses (i) through (ix) of subparagraph (A) with respect  
25 to—

1           “(i) all representative payees reviewed during  
2 such fiscal year;

3           “(ii) all such representative payees that are or-  
4 ganizations, separated by whether such organization  
5 collects a fee for its services as a representative  
6 payee;

7           “(iii) all such representative payees that are in-  
8 dividuals serving 15 or more individuals; and

9           “(iv) all such representative payees that are in-  
10 dividuals serving less than 15 individuals, separated  
11 by whether such representative payee is a family  
12 member.”.

13       (b) REPORT ON ELIMINATION OF THE ACCOUNTING  
14 FORM.—The Commissioner shall—

15           (1) conduct a study on the changes made by the  
16 amendments made by section 102 of the Strength-  
17 ening Protections for Social Security Beneficiaries  
18 Act of 2017, which shall include the impact of such  
19 changes on families, beneficiaries, and the operations  
20 of the Social Security Administration; and

21           (2) not later than January 1, 2021, submit a  
22 report on the results of such study to the Committee  
23 on Ways and Means of the House of Representatives  
24 and the Committee on Finance of the Senate.

1 (c) REPORT ON THE ADVANCED DESIGNATION POL-  
2 ICY.—The Commissioner shall—

3 (1) conduct a study on the changes made by the  
4 amendments made by section 201 of the Strength-  
5 ening Protections for Social Security Beneficiaries  
6 Act of 2017, which shall include the impact of such  
7 changes on beneficiaries and the operations of the  
8 Social Security Administration; and

9 (2) not later than January 1, 2025, submit a  
10 report on the results of such study to the Committee  
11 on Ways and Means of the House of Representatives  
12 and the Committee on Finance of the Senate.

13 **TITLE II—IMPROVING PAYEE**  
14 **SELECTION AND QUALITY**

15 **SEC. 201. ADVANCE DESIGNATION OF REPRESENTATIVE**  
16 **PAYEES.**

17 (a) IN GENERAL.—Section 205(j)(1) of the Social Se-  
18 curity Act (42 U.S.C. 405(j)(1)) is amended by adding  
19 at the end the following:

20 “(C)(i) An individual who is entitled to or is an appli-  
21 cant for a benefit under this title, title VIII, or title XVI,  
22 who has attained 18 years of age or is an emancipated  
23 minor, may, at any time, designate one or more other indi-  
24 viduals to serve as a representative payee for such indi-  
25 vidual in the event that the Commissioner of Social Secu-

1 rity determines under subparagraph (A) that the interest  
2 of such individual would be served by certification for pay-  
3 ment of such benefits to which the individual is entitled  
4 to a representative payee. If the Commissioner of Social  
5 Security makes such a determination with respect to such  
6 individual at any time after such designation has been  
7 made, the Commissioner shall—

8           “(I) certify payment of such benefits to the des-  
9           ignated individual, subject to the requirements of  
10          paragraph (2); or

11           “(II) if the Commissioner determines that cer-  
12          tification for payment of such benefits to the des-  
13          ignated individual would not satisfy the require-  
14          ments of paragraph (2), that the designated indi-  
15          vidual is unwilling or unable to serve as representa-  
16          tive payee, or that other good cause exists, certify  
17          payment of such benefits to another individual or or-  
18          ganization, in accordance with paragraph (1).

19           “(ii) An organization may not be designated to serve  
20 as a representative payee under this subparagraph.”.

21          (b) EFFECTIVE DATE.—The amendment made by  
22 subsection (a) shall take effect on the date that is 2 years  
23 after the date of the enactment of this section.

24          (c) REGULATIONS.—Not later than 18 months after  
25 the date of the enactment of this section, the Commis-

1 sioner of Social Security shall promulgate regulations  
2 specifying the information an individual is required to pro-  
3 vide to the Commissioner in order to designate another  
4 individual to serve as the individual’s representative payee  
5 under section 205(j)(1)(C) of the Social Security Act (as  
6 added by subsection (a)).

7 (d) NOTIFICATION TO BENEFICIARIES.—Not later  
8 than January 1, 2020, and annually thereafter, the Com-  
9 missioner of Social Security shall notify each individual  
10 entitled to a benefit under title II, VIII, or XVI of the  
11 Social Security Act of the name of any individual des-  
12 ignated to serve as the individual’s representative payee  
13 under section 205(j)(1)(C) of such Act (as added by sub-  
14 section (a)).

15 **SEC. 202. PROHIBITION ON INDIVIDUALS CONVICTED OF**  
16 **CERTAIN CRIMES SERVING AS REPRESENTA-**  
17 **TIVE PAYEES.**

18 (a) AMENDMENTS TO TITLE II.—Section 205(j)(2)  
19 of the Social Security Act (42 U.S.C. 405(j)(2)) is amend-  
20 ed—

21 (1) in subparagraph (B)—

22 (A) in clause (i)—

23 (i) in subclause (V), by striking “and”  
24 at the end;

1 (ii) in subclause (VI), by striking the  
2 period and inserting “, and”; and

3 (iii) by adding at the end the fol-  
4 lowing:

5 “(VII) determine whether such person has been  
6 convicted, under Federal or State law, of a felony  
7 provided under clause (iv), or of an attempt or a  
8 conspiracy to commit such a felony.”; and

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

10 “(iv) The felony crimes provided under this clause,  
11 whether an offense under State or Federal law, are the  
12 following:

13 “(I) Human trafficking, including as prohibited  
14 under sections 1590 and 1591 of title 18, United  
15 States Code.

16 “(II) False imprisonment, including as prohib-  
17 ited under section 1201 of title 18, United States  
18 Code.

19 “(III) Kidnapping, including as prohibited  
20 under section 1201 of title 18, United States Code.

21 “(IV) Rape and sexual assault, including as  
22 prohibited under sections 2241, 2242, 2243, and  
23 2244 of title 18, United States Code.

1           “(V) First-degree homicide, including as prohib-  
2           ited under section 1111 of title 18, United States  
3           Code.

4           “(VI) Robbery, including as prohibited under  
5           section 2111 of title 18, United States Code.

6           “(VII) Fraud to obtain access to government  
7           assistance, including as prohibited under sections  
8           287, 1001, and 1343 of title 18, United States  
9           Code.

10           “(VIII) Fraud by scheme, including as prohib-  
11           ited under section 1343 of title 18, United States  
12           Code.

13           “(IX) Theft of government funds or property,  
14           including as prohibited under section 641 of title 18,  
15           United States Code.

16           “(X) Abuse or neglect, including as prohibited  
17           under sections 111, 113, 114, 115, 116, or 117 of  
18           title 18, United States Code.

19           “(XI) Forgery, including as prohibited under  
20           section 642 and chapter 25 (except section 512) of  
21           title 18, United States Code.

22           “(XII) Identity theft or identity fraud, includ-  
23           ing as prohibited under sections 1028 and 1028A of  
24           title 18, United States Code.

1 The Commissioner of Social Security may promulgate reg-  
2 ulations to provide for additional felony crimes under this  
3 clause.

4 “(v)(I) For the purpose of carrying out the activities  
5 required under subparagraph (B)(i) as part of the inves-  
6 tigation under subparagraph (A)(i), the Commissioner  
7 may conduct a background check of any individual seeking  
8 to serve as a representative payee under this subsection  
9 and may disqualify from service as a representative payee  
10 any such individual who fails to grant permission for the  
11 Commissioner to conduct such a background check.

12 “(II) The Commissioner may revoke certification of  
13 payment of benefits under this subsection to any indi-  
14 vidual serving as a representative payee on or after Janu-  
15 ary 1, 2019, who fails to grant permission for the Commis-  
16 sioner to conduct such a background check.”; and

17 (2) in subparagraph (C)—

18 (A) in clause (i)—

19 (i) in subclause (IV), by striking “or”  
20 at the end;

21 (ii) in subclause (V), by striking the  
22 period at the end and inserting “, or”; and

23 (iii) by adding at the end the fol-  
24 lowing:

1           “(VI) except as provided in clause (vi), such  
2           person has previously been convicted as described in  
3           subparagraph (B)(i)(VII).”;

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

5           “(vi) The Commissioner of Social Security may grant  
6           an exemption from the provisions of clause (i)(VI), if the  
7           Commissioner determines that such exemption is in the  
8           best interest of the individual entitled to such benefits, to  
9           any person who—

10                       “(I) is the custodial parent of a minor child for  
11           whom the person applies to serve;

12                       “(II) is the custodial spouse of the beneficiary  
13           for whom the person applies to serve;

14                       “(III) is the custodial parent of a beneficiary  
15           who is under a disability (as defined in section  
16           223(d)) which began before the beneficiary attained  
17           the age of 22, for whom the person applies to serve;

18                       “(IV) is the custodial court appointed guardian  
19           of the beneficiary for whom the person applies to  
20           serve;

21                       “(V) is the custodial grandparent of a minor  
22           grandchild for whom the person applies to serve;

23                       “(VI) is the parent who was previously rep-  
24           resentative payee for his or her minor child who has

1 since turned 18 and continues to be eligible for such  
2 benefit; or

3 “(VII) received a presidential or gubernatorial  
4 pardon for the relevant conviction.”.

5 (b) AMENDMENTS TO TITLE VIII.—Section 807 of  
6 the Social Security Act (42 U.S.C. 1007) is amended—

7 (1) in subsection (b)—

8 (A) in paragraph (2)—

9 (i) in subparagraph (E), by striking  
10 “and” at the end;

11 (ii) in subparagraph (F), by striking  
12 the period and inserting “, and”; and

13 (iii) by adding at the end the fol-  
14 lowing:

15 “(G) determine whether such person has  
16 been convicted, under Federal or State law, of  
17 a felony provided under paragraph (4), or of an  
18 attempt or a conspiracy to commit such a fel-  
19 ony.”; and

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

21 “(4) The felony crimes provided under this  
22 paragraph, whether an offense under State or Fed-  
23 eral law, are the following:

1           “(A) Human trafficking, including as pro-  
2           hibited under sections 1590 and 1591 of title  
3           18, United States Code.

4           “(B) False imprisonment, including as  
5           prohibited under section 1201 of title 18,  
6           United States Code.

7           “(C) Kidnapping, including as prohibited  
8           under section 1201 of title 18, United States  
9           Code.

10          “(D) Rape and sexual assault, including as  
11          prohibited under sections 2241, 2242, 2243,  
12          and 2244 of title 18, United States Code.

13          “(E) First-degree homicide, including as  
14          prohibited under section 1111 of title 18,  
15          United States Code.

16          “(F) Robbery, including as prohibited  
17          under section 2111 of title 18, United States  
18          Code.

19          “(G) Fraud to obtain access to government  
20          assistance, including as prohibited under sec-  
21          tions 287, 1001, and 1343 of title 18, United  
22          States Code.

23          “(H) Fraud by scheme, including as pro-  
24          hibited under section 1343 of title 18, United  
25          States Code.

1           “(I) Theft of government funds or prop-  
2           erty, including as prohibited under section 641  
3           of title 18, United States Code.

4           “(J) Abuse or neglect, including as prohib-  
5           ited under sections 111, 113, 114, 115, 116, or  
6           117 of title 18, United States Code.

7           “(K) Forgery, including as prohibited  
8           under section 642 and chapter 25 (except sec-  
9           tion 512) of title 18, United States Code.

10           “(L) Identity theft or identity fraud, in-  
11           cluding as prohibited under sections 1028 and  
12           1028A of title 18, United States Code.

13           The Commissioner of Social Security may promul-  
14           gate regulations to provide for additional felony  
15           crimes under this clause.

16           “(5)(A) For the purpose of carrying out the activities  
17           required under paragraph (2) as part of the investigation  
18           under paragraph (1)(A), the Commissioner may conduct  
19           a background check of any individual seeking to serve as  
20           a representative payee under this subsection and may dis-  
21           qualify from service as a representative payee any such  
22           individual who fails to grant permission for the Commis-  
23           sioner to conduct such a background check.

24           “(B) The Commissioner may revoke certification of  
25           payment of benefits under this subsection to any indi-

1 vidual serving as a representative payee on or after Janu-  
2 ary 1, 2019 who fails to grant permission for the Commis-  
3 sioner to conduct such a background check.”; and

4 (2) in subsection (d)—

5 (A) in paragraph (1)—

6 (i) in subparagraph (D), by striking  
7 “or” at the end;

8 (ii) in subparagraph (E), by striking  
9 the period at the end and inserting “, or”;  
10 and

11 (iii) by adding at the end the fol-  
12 lowing:

13 “(F) except as provided in paragraph  
14 (2)(D), such person has previously been con-  
15 victed as described in subsection (b)(2)(G).”;  
16 and

17 (B) in paragraph (2), by adding at the end  
18 the following:

19 “(D) The Commissioner of Social Security  
20 may grant an exemption from the provisions of  
21 paragraph (1)(F), if the Commissioner deter-  
22 mines that such exemption is in the best inter-  
23 est of the individual entitled to such benefits, to  
24 any person who—

1 “(i) is the custodial spouse of the ben-  
2 eficiary for whom the person applies to  
3 serve;

4 “(ii) is the custodial court appointed  
5 guardian of the beneficiary for whom the  
6 person applies to serve; or

7 “(iii) received a presidential or guber-  
8 natorial pardon for the relevant convic-  
9 tion.”.

10 (c) AMENDMENTS TO TITLE XVI.—Section  
11 1631(a)(2)(B) of the Social Security Act (42 U.S.C.  
12 1383(a)(2)(B)) is amended—

13 (1) in clause (ii)—

14 (A) in subclause (V), by striking “and” at  
15 the end;

16 (B) in subclause (VI), by striking the pe-  
17 riod and inserting “, and”; and

18 (C) by adding at the end the following:

19 “(VII) determine whether such person has been  
20 convicted, under Federal or State law, of a felony  
21 provided under clause (xv), or of an attempt or a  
22 conspiracy to commit such a felony.”;

23 (2) in clause (iii)—

24 (A) in subclause (IV), by striking “or” at  
25 the end;

1 (B) in subclause (V), by striking the period  
2 at the end and inserting “, or”; and

3 (C) by adding at the end the following:

4 “(VI) except as provided in clause (xvii), such  
5 person has previously been convicted as described in  
6 clause (ii)(VII).”; and

7 (3) by adding at the end the following:

8 “(xv) The felony crimes provided under this clause,  
9 whether an offense under State or Federal law, are the  
10 following:

11 “(I) Human trafficking, including as prohibited  
12 under sections 1590 and 1591 of title 18, United  
13 States Code.

14 “(II) False imprisonment, including as prohib-  
15 ited under section 1201 of title 18, United States  
16 Code.

17 “(III) Kidnapping, including as prohibited  
18 under section 1201 of title 18, United States Code.

19 “(IV) Rape and sexual assault, including as  
20 prohibited under sections 2241, 2242, 2243, and  
21 2244 of title 18, United States Code.

22 “(V) First-degree homicide, including as prohib-  
23 ited under section 1111 of title 18, United States  
24 Code.

1           “(VI) Robbery, including as prohibited under  
2 section 2111 of title 18, United States Code.

3           “(VII) Fraud to obtain access to government  
4 assistance, including as prohibited under sections  
5 287, 1001, and 1343 of title 18, United States  
6 Code.

7           “(VIII) Fraud by scheme, including as prohib-  
8 ited under section 1343 of title 18, United States  
9 Code.

10           “(IX) Theft of government funds or property,  
11 including as prohibited under section 641 of title 18,  
12 United States Code.

13           “(X) Abuse or neglect, including as prohibited  
14 under sections 111, 113, 114, 115, 116, or 117 of  
15 title 18, United States Code.

16           “(XI) Forgery, including as prohibited under  
17 section 642 and chapter 25 (except section 512) of  
18 title 18, United States Code.

19           “(XII) Identity theft or identity fraud, includ-  
20 ing as prohibited under sections 1028 and 1028A of  
21 title 18, United States Code.

22 The Commissioner of Social Security may promulgate reg-  
23 ulations to provide for additional felony crimes under this  
24 clause.

1       “(xvi)(I) For the purpose of carrying out the activi-  
2 ties required under clause (ii) as part of the investigation  
3 under clause (i)(I), the Commissioner may conduct a back-  
4 ground check of any individual seeking to serve as a rep-  
5 resentative payee under this subsection and may disqualify  
6 from service as a representative payee any such individual  
7 who fails to grant permission for the Commissioner to con-  
8 duct such a background check.

9       “(II) The Commissioner may revoke certification of  
10 payment of benefits under this subsection to any indi-  
11 vidual serving as a representative payee on or after Janu-  
12 ary 1, 2019, who fails to grant permission for the Commis-  
13 sioner to conduct such a background check.

14       “(xvii) The Commissioner of Social Security may  
15 grant an exemption from the provisions of clause (iii)(VI),  
16 if the Commissioner determines that such exemption is in  
17 the best interest of the individual entitled to such benefits,  
18 to any person who—

19               “(I) is the custodial parent of a minor child for  
20 whom the person applies to serve;

21               “(II) is the custodial spouse of the beneficiary  
22 for whom the person applies to serve;

23               “(III) is the custodial parent of a beneficiary  
24 who is under a disability which began before the

1 beneficiary attained the age of 22, for whom the per-  
2 son applies to serve;

3 “(IV) is the custodial court appointed guardian  
4 of the beneficiary for whom the person applies to  
5 serve;

6 “(V) is the custodial grandparent of a minor  
7 grandchild for whom the person applies to serve;

8 “(VI) is the parent who was previously rep-  
9 resentative payee for his or her minor child who has  
10 since turned 18 and continues to be eligible for such  
11 benefit; or

12 “(VII) received a presidential or gubernatorial  
13 pardon for the relevant conviction.”.

14 (d) APPLICATION TO NEW APPOINTMENTS.—Subject  
15 to subsection (e), the amendments made by subsections  
16 (a), (b), and (c) shall apply with respect to any individual  
17 appointed to serve as a representative payee pursuant to  
18 section 205(j), 807, or 1631(a)(2) of the Social Security  
19 Act on or after January 1, 2019.

20 (e) APPLICATION TO PRIOR APPOINTMENTS.—

21 (1) IN GENERAL.—Not later than January 1,  
22 2024, the Commissioner of Social Security shall con-  
23 duct a review of each individual serving as a rep-  
24 resentative payee pursuant to 205(j), 807, or  
25 1631(a)(2) of the Social Security Act, to determine

1 whether such individual has been convicted of a fel-  
2 ony as described in section 205(j)(2)(B)(i)(VII),  
3 807(b)(2)(G), or 1631(a)(2)(B)(ii)(VII), respectively  
4 (as such provisions are added by this section). Ex-  
5 cept as provided in section 205(j)(2)(C)(vi),  
6 807(d)(2)(D), or 1631(a)(2)(B)(xvii) (as so added),  
7 any individual determined by the Commissioner to  
8 have been so convicted may not serve as a represent-  
9 ative payee on or after the date of such determina-  
10 tion.

11 (2) PRIORITY.—In conducting reviews under  
12 paragraph (1), the Commissioner shall prioritize re-  
13 views of the following categories of individuals, in  
14 the following order:

15 (A) An individual serving as representative  
16 payee for 15 or more individuals.

17 (B) An individual serving as representative  
18 payee for an individual who is not related to the  
19 representative payee.

20 (C) An individual serving as representative  
21 payee for an individual who has attained the  
22 age of 18 and is not the spouse of the rep-  
23 resentative payee.

24 (f) PERIODIC REVIEW.—Not later than 1 year after  
25 the date of enactment of this section, the Commissioner

1 of Social Security shall issue regulations to establish a  
2 process for reviewing each individual serving as a rep-  
3 resentative payee pursuant to section 205(j), 807, or  
4 1631(a)(2) of the Social Security Act not less than once  
5 every 5 years to determine whether any such individual  
6 has been convicted of a felony as described in subsection  
7 (e)(1) of this section and is not subject to an exemption  
8 as described in such subsection.

9 **SEC. 203. PROHIBITION ON INDIVIDUALS WITH REP-**  
10 **RESENTATIVE PAYEES SERVING AS REP-**  
11 **RESENTATIVE PAYEES.**

12 (a) AMENDMENT TO TITLE II.—Section  
13 205(j)(2)(C)(i) of the Social Security Act (42 U.S.C.  
14 405(j)(2)(C)(i)), as amended by section 202(a)(2), is fur-  
15 ther amended—

16 (1) in subclause (V), by striking “or” at the  
17 end;

18 (2) in subclause (VI), by striking the period  
19 and inserting “, or”; and

20 (3) by adding at the end the following:

21 “(VII) such person’s benefits under this title,  
22 title VIII, or title XVI are certified for payment to  
23 a representative payee during the period for which  
24 the individual’s benefits would be certified for pay-  
25 ment to another person.”.

1 (b) AMENDMENT TO TITLE VIII.—Section 807(d)(1)  
2 of the Social Security Act (42 U.S.C. 1007(d)(1)), as  
3 amended by section 202(b)(2), is further amended—

4 (1) in subparagraph (E), by striking “or” at  
5 the end;

6 (2) in subparagraph (F), by striking the period  
7 and inserting “, or”; and

8 (3) by adding at the end the following:

9 “(G) such person’s benefits under this  
10 title, title II, or title XVI are certified for pay-  
11 ment to a representative payee during the pe-  
12 riod for which the individual’s benefits would be  
13 certified for payment to another person.”.

14 (c) AMENDMENT TO TITLE XVI.—Section  
15 1631(a)(2)(B)(iii) of the Social Security Act (42 U.S.C.  
16 1383(a)(2)(B)(iii)), as amended by section 202(c)(2), is  
17 further amended—

18 (1) in subclause (V), by striking “or” at the  
19 end;

20 (2) in subclause (VI), by striking the period  
21 and inserting “, or”; and

22 (3) by adding at the end the following:

23 “(VII) such person’s benefits under this title,  
24 title II, or title VIII are certified for payment to a  
25 representative payee during the period for which the

1 individual's benefits would be certified for payment  
2 to another person.”.

3 (d) EFFECTIVE DATE.—

4 (1) NEW APPOINTMENTS.—Subject to para-  
5 graph (2), the amendments made by this section  
6 shall apply with respect to any individual appointed  
7 to serve as a representative payee under title II, title  
8 VIII, or title XVI of the Social Security Act on or  
9 after January 1, 2019.

10 (2) PRIOR APPOINTMENTS.—With respect to in-  
11 dividuals serving as a representative payee whose  
12 benefits under this title, title VIII, or title XVI are  
13 certified for payment to another representative payee  
14 as of January 1, 2019, the Commissioner shall take  
15 any steps necessary to terminate such individual's  
16 service as a representative payee as soon as possible,  
17 but no later than January 1, 2024.

18 **SEC. 204. REASSESSMENT OF PAYEE SELECTION AND RE-**  
19 **PLACEMENT POLICIES.**

20 (a) IN GENERAL.—The Commissioner of Social Secu-  
21 rity shall conduct, with opportunity for public comment,  
22 a review and reassessment of—

23 (1) the appropriateness of its order of pref-  
24 erence for selecting representative payees, including

1 payees who may be creditors of the beneficiary or  
2 who are private, for-profit institutions; and

3 (2) the effectiveness of its policy and oper-  
4 ational procedures in properly determining when to  
5 change a representative payee, including—

6 (A) from a payee that has a higher order  
7 of preference (such as a family member) to a  
8 payee that has a lower order of preference  
9 (such as a creditor); or

10 (B) when a request to change payees arises  
11 from someone other than the beneficiary.

12 (b) REPORT.—Not later than 18 months after the  
13 date of the enactment of this Act, the Commissioner of  
14 Social Security shall submit to the Committee on Ways  
15 and Means of the House of Representatives and the Com-  
16 mittee on Finance of the Senate and make publicly avail-  
17 able a report on the results of the review and reassessment  
18 under subsection (a).

○