

106TH CONGRESS  
1ST SESSION

# S. 1036

To amend parts A and D of title IV of the Social Security Act to give States the option to pass through directly to a family receiving assistance under the temporary assistance to needy families program all child support collected by the State and the option to disregard any child support that the family receives in determining a family's eligibility for, or amount of, assistance under that program.

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IN THE SENATE OF THE UNITED STATES

MAY 13, 1999

Mr. KOHL (for himself, Mr. DODD, and Mr. ROCKEFELLER) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend parts A and D of title IV of the Social Security Act to give States the option to pass through directly to a family receiving assistance under the temporary assistance to needy families program all child support collected by the State and the option to disregard any child support that the family receives in determining a family's eligibility for, or amount of, assistance under that program.

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 “Children First Child  
3 Support Reform Act of 1999”.

4 **SEC. 2. DISTRIBUTION AND TREATMENT OF CHILD SUP-**  
5 **PORT COLLECTED BY THE STATE.**

6 (a) STATE OPTION TO PASS ALL CHILD SUPPORT  
7 COLLECTED DIRECTLY TO THE FAMILY.—

8 (1) IN GENERAL.—Section 457 of the Social  
9 Security Act (42 U.S.C. 657) is amended—

10 (A) in subsection (a), by striking “(e) and  
11 (f)” and inserting “(e), (f), and (g)”; and

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

13 “(g) STATE OPTION TO PASS THROUGH ALL SUP-  
14 PORT COLLECTED TO THE FAMILY.—

15 “(1) IN GENERAL.—At State option, subject to  
16 paragraph (2), and subsections (a)(4), (b), (e), (d),  
17 and (f), this section shall not apply to any amount  
18 collected on behalf of a family as support by the  
19 State and any amount so collected shall be distrib-  
20 uted to the family.

21 “(2) INCOME PROTECTION REQUIREMENT.—A  
22 State may not elect the option described in para-  
23 graph (1) unless the State ensures that any amount  
24 distributed to a family in accordance with that para-  
25 graph is not included in the income of the family for  
26 purposes of determining the eligibility of the family

1 for, or the amount of, assistance under the State  
2 program funded under part A until the family has  
3 actually received the amount.

4 “(3) OPTION TO PASS THROUGH AMOUNTS COL-  
5 LECTED PURSUANT TO A CONTINUED ASSIGN-  
6 MENT.—At State option, any amount collected pur-  
7 suant to an assignment continued under subsection  
8 (b) may be distributed to the family in accordance  
9 with paragraph (1).

10 “(4) RELEASE OF OBLIGATION TO PAY FED-  
11 ERAL SHARE.—If a State that elects the option de-  
12 scribed in paragraph (1) also elects to disregard  
13 under section 408(a)(12)(B) at least 50 percent (de-  
14 termined, at the option of the State, in the aggre-  
15 gate or on a case-by-case basis) of the total amount  
16 annually collected and distributed to all families in  
17 accordance with paragraph (1) for purposes of deter-  
18 mining the amount of assistance for such families  
19 under the State program funded under part A, the  
20 State is released from—

21 “(A) calculating the Federal share of the  
22 amounts so distributed and disregarded; and

23 “(B) paying such share to the Federal  
24 Government.”.

1           (2) AUTHORITY TO CLAIM PASSED THROUGH  
 2 AMOUNT FOR PURPOSES OF TANF MAINTENANCE  
 3 OF EFFORT REQUIREMENTS.—Section  
 4 409(a)(7)(B)(i)(I)(aa) of the Social Security Act (42  
 5 U.S.C. 609(a)(7)(B)(i)(I)(aa)) is amended by insert-  
 6 ing “, and, in the case of a State that elects under  
 7 section 457(g) to distribute any amount so collected  
 8 directly to the family, any amount so distributed (re-  
 9 gardless of whether the State also disregards that  
 10 amount under section 408(a)(12) in determining the  
 11 eligibility of the family for, or the amount of, such  
 12 assistance)” before the period.

13           (b) STATE OPTION TO DISREGARD CHILD SUPPORT  
 14 COLLECTED FOR PURPOSES OF DETERMINING ELIGI-  
 15 BILITY FOR, OR AMOUNT OF, TANF ASSISTANCE.—Sec-  
 16 tion 408(a) of the Social Security Act (42 U.S.C. 608(a))  
 17 is amended by adding at the end the following:

18           “(12) STATE OPTION TO DISREGARD CHILD  
 19 SUPPORT IN DETERMINING ELIGIBILITY FOR, OR  
 20 AMOUNT OF, ASSISTANCE.—

21           “(A) OPTION TO DISREGARD CHILD SUP-  
 22 PORT FOR PURPOSES OF DETERMINING ELIGI-  
 23 BILITY.—A State to which a grant is made  
 24 under section 403 may disregard any part of  
 25 any amount received by a family as a result of

1 a child support obligation in determining the  
2 family's income for purposes of determining the  
3 family's eligibility for assistance under the  
4 State program funded under this part.

5 “(B) OPTION TO DISREGARD CHILD SUP-  
6 PORT IN DETERMINING AMOUNT OF ASSIST-  
7 ANCE.—A State to which a grant is made under  
8 section 403 may disregard any part of any  
9 amount received by a family as a result of a  
10 child support obligation in determining the  
11 amount of assistance that the State will provide  
12 to the family under the State program funded  
13 under this part.”.

14 (c) MAINTENANCE OF EFFORT REQUIREMENT.—  
15 Section 454 of the Social Security Act (42 U.S.C. 654)  
16 is amended—

17 (1) in paragraph (32), by striking “and” at the  
18 end;

19 (2) in paragraph (33), by striking the period  
20 and inserting “; and”; and

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

22 “(34) provide that, if the State elects to dis-  
23 tribute support directly to a family in accordance  
24 with section 457(g), the State share of expenditures  
25 under this part for a fiscal year shall not be less

1 than an amount equal to the highest amount of such  
2 share expended for fiscal year 1995, 1996, 1997, or  
3 1998 (determined without regard to any amount ex-  
4 pended that was eligible for payment under section  
5 455(a)(3)).”.

6 (d) CONFORMING AMENDMENT.—Section 457(f) of  
7 the Social Security Act (42 U.S.C. 657(f)) is amended by  
8 striking “Notwithstanding” and inserting “AMOUNTS  
9 COLLECTED ON BEHALF OF CHILDREN IN FOSTER  
10 CARE.—Notwithstanding”.

11 (e) EFFECTIVE DATE.—The amendments made by  
12 this section take effect on October 1, 1999.

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