

107TH CONGRESS
1ST SESSION

S. 916

To provide more child support money to families leaving welfare, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 21, 2001

Mr. KOHL (for himself, Ms. SNOWE, Mr. BAYH, Mr. GRAHAM, Mr. JOHNSON, Mr. LIEBERMAN, Mr. ROCKEFELLER, Mr. BREAUX, and Mrs. LINCOLN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide more child support money to families leaving welfare, 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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Children First Child Support Reform Act of 2001”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Modification of rule requiring assignment of support rights as a condition of receiving TANF.

Sec. 3. Increasing child support payments to families and simplifying child support distribution rules.

Sec. 4. State option to discontinue certain support assignments.

Sec. 5. Effective date.

1 **SEC. 2. MODIFICATION OF RULE REQUIRING ASSIGNMENT**
 2 **OF SUPPORT RIGHTS AS A CONDITION OF RE-**
 3 **CEIVING TANF.**

4 Section 408(a)(3) of the Social Security Act (42
 5 U.S.C. 608(a)(3)) is amended to read as follows:

6 “(3) NO ASSISTANCE FOR FAMILIES NOT AS-
 7 SIGNING CERTAIN SUPPORT RIGHTS TO THE
 8 STATE.—A State to which a grant is made under
 9 section 403 shall require, as a condition of paying
 10 assistance to a family under the State program
 11 funded under this part, that a member of the family
 12 assign to the State any rights the family member
 13 may have (on behalf of the family member or of any
 14 other person for whom the family member has ap-
 15 plied for or is receiving such assistance) to support
 16 from any other person, not exceeding the total
 17 amount of assistance so paid to the family, which ac-
 18 crues during the period that the family receives as-
 19 sistance under the program.”.

20 **SEC. 3. INCREASING CHILD SUPPORT PAYMENTS TO FAMI-**
 21 **LIES AND SIMPLIFYING CHILD SUPPORT DIS-**
 22 **TRIBUTION RULES.**

23 (a) DISTRIBUTION RULES.—

1 (1) IN GENERAL.—Section 457(a) of the Social
2 Security Act (42 U.S.C. 657(a)) is amended to read
3 as follows:

4 “(a) IN GENERAL.—Subject to subsections (e) and
5 (f), the amounts collected on behalf of a family as support
6 by a State under a plan approved under this part shall
7 be distributed as follows:

8 “(1) FAMILIES RECEIVING ASSISTANCE.—In the
9 case of a family receiving assistance from the State,
10 the State shall—

11 “(A) pay to the Federal Government the
12 Federal share of the amount collected, subject
13 to paragraph (3)(A);

14 “(B) retain, or pay to the family, the State
15 share of the amount collected, subject to para-
16 graph (3)(B); and

17 “(C) pay to the family any remaining
18 amount.

19 “(2) FAMILIES THAT FORMERLY RECEIVED AS-
20 SISTANCE.—In the case of a family that formerly re-
21 ceived assistance from the State:

22 “(A) CURRENT SUPPORT.—To the extent
23 that the amount collected does not exceed the
24 current support amount, the State shall pay the
25 amount to the family.

1 “(B) ARREARAGES.—Except as otherwise
2 provided in the State plan approved under sec-
3 tion 454, to the extent that the amount col-
4 lected exceeds the current support amount, the
5 State—

6 “(i) shall first pay to the family the
7 excess amount, to the extent necessary to
8 satisfy support arrearages not assigned
9 under section 408(a)(3);

10 “(ii) if the amount collected exceeds
11 the amount required to be paid to the fam-
12 ily under clause (i), shall—

13 “(I) pay to the Federal Govern-
14 ment, the Federal share of the excess
15 amount described in this clause, sub-
16 ject to paragraph (3)(A); and

17 “(II) retain, or pay to the family,
18 the State share of the excess amount
19 described in this clause, subject to
20 paragraph (3)(B); and

21 “(iii) shall pay to the family any re-
22 maining amount.

23 “(3) LIMITATIONS.—

24 “(A) FEDERAL REIMBURSEMENTS.—The
25 total of the amounts paid by the State to the

1 Federal Government under paragraphs (1) and
2 (2) with respect to a family shall not exceed the
3 Federal share of the amount assigned with re-
4 spect to the family under section 408(a)(3).

5 “(B) STATE REIMBURSEMENTS.—The
6 total of the amounts retained by the State
7 under paragraphs (1) and (2) with respect to a
8 family shall not exceed the State share of the
9 amount assigned with respect to the family
10 under section 408(a)(3).

11 “(4) FAMILIES THAT NEVER RECEIVED ASSIST-
12 ANCE.—In the case of any other family, the State
13 shall pay the amount collected to the family.

14 “(5) FAMILIES UNDER CERTAIN AGREE-
15 MENTS.—Notwithstanding paragraphs (1) through
16 (4), in the case of an amount collected for a family
17 in accordance with a cooperative agreement under
18 section 454(33), the State shall distribute the
19 amount collected under the terms of the agreement.

20 “(6) STATE FINANCING OPTIONS.—To the ex-
21 tent that the State share of the amount payable to
22 a family under paragraph (2)(B) exceeds the
23 amount that the State estimates (under procedures
24 approved by the Secretary) would have been payable
25 to the family under former section 457(a)(2)(B) (as

1 in effect for the State immediately before the date
 2 on which this subsection, as amended by the Chil-
 3 dren First Child Support Reform Act of 2001, first
 4 applies to the State) if such former section had re-
 5 mained in effect, the State may elect to use the
 6 grant made to the State under section 403(a) to pay
 7 the amount, or to have the payment considered a
 8 qualified State expenditure for purposes of section
 9 409(a)(7), but not both.

10 “(7) STATE OPTION TO PASS THROUGH ADDI-
 11 TIONAL SUPPORT WITH FEDERAL FINANCIAL PAR-
 12 TICIPATION.—

13 “(A) IN GENERAL.—Notwithstanding
 14 paragraphs (1) and (2), a State shall not be re-
 15 quired to pay to the Federal Government the
 16 Federal share of an amount collected on behalf
 17 of a family that is not a recipient of assistance
 18 under the State program funded under part A,
 19 to the extent that the State pays the amount to
 20 the family.

21 “(B) RECIPIENTS OF TANF FOR LESS
 22 THAN 5 YEARS.—

23 “(i) IN GENERAL.—Notwithstanding
 24 paragraphs (1) and (2), a State shall not
 25 be required to pay to the Federal Govern-

1 ment the Federal share of an amount col-
2 lected on behalf of a family that is a recipi-
3 ent of assistance under the State program
4 funded under part A and, if the family in-
5 cludes an adult, that has received the as-
6 sistance for not more than 5 years after
7 the date of enactment of this paragraph, to
8 the extent that—

9 “(I) the State pays the amount
10 to the family; and

11 “(II) subject to clause (ii), the
12 amount is disregarded in determining
13 the amount and type of the assistance
14 provided to the family.

15 “(ii) LIMITATION.—Of the amount
16 disregarded as described in clause (i)(II),
17 the maximum amount that may be taken
18 into account for purposes of clause (i) shall
19 not exceed \$400 per month, except that, in
20 the case of a family that includes 2 or
21 more children, the State may elect to in-
22 crease the maximum amount to not more
23 than \$600 per month.

24 “(8) STATES WITH DEMONSTRATION WAIV-
25 ERS.—Notwithstanding the preceding paragraphs, a

1 State with a waiver under section 1115 that became
2 effective on or before October 1, 1997, the terms of
3 which allow passthrough of child support payments,
4 may pass through such payments in accordance with
5 such terms with respect to families subject to the
6 waiver.”.

7 (2) STATE PLAN TO INCLUDE ELECTION AS TO
8 WHICH RULES TO APPLY IN DISTRIBUTING CHILD
9 SUPPORT ARREARAGES COLLECTED ON BEHALF OF
10 FAMILIES FORMERLY RECEIVING ASSISTANCE.—Sec-
11 tion 454 of the Social Security Act (42 U.S.C. 654)
12 is amended—

13 (A) by striking “and” at the end of para-
14 graph (32);

15 (B) by striking the period at the end of
16 paragraph (33) and inserting “; and”; and

17 (C) by inserting after paragraph (33) the
18 following:

19 “(34) include an election by the State to apply
20 section 457(a)(2)(B) or former section 457(a)(2)(B)
21 (as in effect for the State immediately before the
22 date this paragraph, as amended by the Children
23 First Child Support Reform Act of 2001, first ap-
24 plies to the State) to the distribution of the amounts
25 which are the subject of such sections, and for so

1 long as the State elects to so apply such former sec-
2 tion, the amendments made by section 2 of the Chil-
3 dren First Child Support Reform Act of 2001 shall
4 not apply with respect to the State, notwithstanding
5 section 6(a) of such Act.”.

6 (3) APPROVAL OF ESTIMATION PROCEDURES.—
7 Not later than October 1, 2002, the Secretary of
8 Health and Human Services, in consultation with
9 the States (as defined for purposes of part D of title
10 IV of the Social Security Act (42 U.S.C. 651 et
11 seq.)), shall establish the procedures to be used to
12 make the estimate described in section 457(a)(6) of
13 such Act (42 U.S.C. 657(a)(6)).

14 (b) CURRENT SUPPORT AMOUNT DEFINED.—Section
15 457(c) of the Social Security Act (42 U.S.C. 657(c)) is
16 amended by adding at the end the following:

17 “(5) CURRENT SUPPORT AMOUNT.—The term
18 ‘current support amount’ means, with respect to
19 amounts collected as support on behalf of a family,
20 the amount designated as the monthly support obli-
21 gation of the noncustodial parent in the order re-
22 quiring the support.”.

23 (c) CONFORMING AMENDMENTS.—

24 (1) Section 404(a) of the Social Security Act
25 (42 U.S.C. 604(a)) is amended—

1 (A) by striking “or” at the end of para-
2 graph (1);

3 (B) by striking the period at the end of
4 paragraph (2) and inserting “; or”; and

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

6 “(3) to fund payment of an amount under sec-
7 tion 457(a)(2)(B), but only to the extent that the
8 State properly elects under section 457(a)(6) to use
9 the grant to fund the payment.”.

10 (2) Section 409(a)(7)(B)(i) of the Social Secu-
11 rity Act (42 U.S.C. 609(a)(7)(B)(i)) is amended—

12 (A) in subclause (I)(aa), by striking
13 “457(a)(1)(B)” and inserting “457(a)(1)”; and

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

15 “(V) PORTIONS OF CERTAIN
16 CHILD SUPPORT PAYMENTS COL-
17 LECTED ON BEHALF OF AND DISTRIB-
18 UTED TO FAMILIES NO LONGER RE-
19 CEIVING ASSISTANCE.—Any amount
20 paid by a State under section
21 457(a)(2)(B), but only to the extent
22 that the State properly elects under
23 section 457(a)(6) to have the payment
24 considered a qualified State expendi-
25 ture.”.

1 **SEC. 4. STATE OPTION TO DISCONTINUE CERTAIN SUP-**
2 **PORT ASSIGNMENTS.**

3 Section 457(b) of the Social Security Act (42 U.S.C.
4 657(b)) is amended by striking “shall” and inserting
5 “may”.

6 **SEC. 5. EFFECTIVE DATE.**

7 (a) **IN GENERAL.**—The amendments made by this
8 section shall take effect on October 1, 2005, and shall
9 apply to payments under parts A and D of title IV of the
10 Social Security Act (42 U.S.C. 601 et seq. and 651 et
11 seq.) for calendar quarters beginning on or after such
12 date, and without regard to whether regulations to imple-
13 ment the amendments (in the case of State programs op-
14 erated under such part D) are promulgated by such date.

15 (b) **STATE OPTION TO ACCELERATE EFFECTIVE**
16 **DATE.**—In addition, a State may elect to have the amend-
17 ments made by section 2 or 3 apply to the State and to
18 amounts collected by the State, on and after such date
19 as the State may select that is after the date of enactment
20 of this Act, by including an election to that effect in the
21 State plan under part D of title IV of the Social Security
22 Act (42 U.S.C. 651 et seq.).

○