

113TH CONGRESS
1ST SESSION

H. R. 3205

IN THE SENATE OF THE UNITED STATES

OCTOBER 28, 2013

Received; read twice and referred to the Committee on Finance

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 expenditure.
- Sec. 106. State report on calculation and use of savings resulting from the phase-out of eligibility requirements for adoption assistance; requirement to spend 20 percent of savings on post-adoption services.
- Sec. 107. Preservation of eligibility for kinship guardianship assistance payments 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 ADOPT-**
4 **ION 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.