

104TH CONGRESS
1ST SESSION

H. R. 1146

To reduce the Federal welfare bureaucracy and empower States to design and implement efficient welfare programs that promote personal responsibility, work, and stable families by replacing certain Federal welfare programs with a program of annual block grants to States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 1995

Mr. HASTINGS of Washington (for himself, Mr. FOX of Pennsylvania, Mr. SHADEGG, Mrs. CHENOWETH, Mr. DOOLITTLE, Mr. INGLIS of South Carolina, Mr. METCALF, Mr. SCARBOROUGH, and Mr. NEUMANN) introduced the following bill; which was referred to the Committee on Ways and Means and, in addition, to the Committees on Commerce, Agriculture, Resources, Economic and Educational Opportunities, Banking and Financial Services, the Judiciary, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To reduce the Federal welfare bureaucracy and empower States to design and implement efficient welfare programs that promote personal responsibility, work, and stable families by replacing certain Federal welfare programs with a program of annual block grants to States, 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 “State Flexibility, Indi-
3 vidual Empowerment, and Dependency Reduction Act”.

4 **SEC. 2. GRANTS TO STATES FOR AID TO LOW-INCOME INDI-**
5 **VIDUALS.**

6 (a) **AUTHORITY TO MAKE BLOCK GRANTS.**—The
7 Secretary of Health and Human Services shall make a
8 grant to each State for each of the fiscal years 1996
9 through 2015 in an amount equal to the allotment of the
10 State, determined in accordance with subsection (d) for
11 the fiscal year, if the State agrees to expend the grant
12 in accordance with subsection (c).

13 (b) **PRIOR APPROPRIATION REQUIRED.**—The author-
14 ity provided by subsection (a) shall be effective only to
15 such extent or in such amounts as are provided in advance
16 in appropriations Acts.

17 (c) **PROVISION OF AID TO LOW-INCOME INDIVID-**
18 **UALS.**—A State shall use funds paid to the State under
19 this section to provide aid to low-income individuals in
20 need of assistance to gain economic independence. A State
21 shall have the authority to provide such aid in any manner
22 determined appropriate by the State, including the author-
23 ity to determine—

- 24 (1) the type of benefits constituting such aid;
25 (2) the level of benefits constituting such aid;
26 and

1 (3) the eligibility criteria for such aid.

2 (d) ALLOTMENTS TO STATES.—

3 (1) IN GENERAL.—The allotment for a State
4 for a fiscal year specified in subsection (a) shall
5 equal the applicable percentage of the total amount
6 of Federal funds received by the State, or by any ad-
7 ditional recipient described in paragraph (2) with re-
8 spect to the State, for or during fiscal year 1995
9 under the programs eliminated by the amendments
10 and repeals made by section 3 (as such programs
11 were in effect immediately before the effective date
12 of such amendments and repeals).

13 (2) ADDITIONAL RECIPIENTS.—With respect to
14 a State, an additional recipient referred to in para-
15 graph (1) means any of the following:

16 (A) A governmental unit of the State.

17 (B) An individual who resides in the State
18 during fiscal year 1995.

19 (C) A person, other than an individual,
20 whose principal place of business is in the State
21 during fiscal year 1995.

22 (3) APPLICABLE PERCENTAGE.—For purposes
23 of paragraph (1), the term “applicable percentage”
24 means—

25 (A) for fiscal year 1996, 100 percent; and

1 (B) for fiscal years 1997 through 2015,
2 the applicable percentage for the immediately
3 preceding fiscal year reduced by 5 percentage
4 points.

5 (4) PROPORTIONATE REDUCTION UNDER CER-
6 TAIN CIRCUMSTANCES.—If the funds appropriated to
7 carry out this section for any fiscal year are not suf-
8 ficient to pay in full the total amount which other-
9 wise would be payable to the States under paragraph
10 (2) for such year, the allotment for each State for
11 such year shall bear the same proportion to the total
12 amount of such appropriated funds as such allot-
13 ment would have borne to the total amount which all
14 States would have received under this section for
15 such year if the funds appropriated had not been in-
16 sufficient. In a case where additional funds become
17 available for making grants under this section for
18 any fiscal year during which the preceding sentence
19 is applicable, the allotment for each State shall be
20 increased on the same basis as it was reduced.

21 (e) NO APPLICATION OR PERFORMANCE REPORT RE-
22 QUIREMENTS.—A State may not be required to submit an
23 application or periodic performance reports to the Sec-
24 retary in order to receive a grant under this section. The
25 3d sentence of section 6503(h) of title 31, United States

1 Code (relating to periodic authenticated reports), shall not
2 apply to a grant under this section. Records related to
3 funds received under this section shall be made available
4 to the Secretary, the Inspector General of the Department
5 of Health and Human Services, and the Comptroller Gen-
6 eral for necessary audits in accordance with such section.

7 (f) REPORTS TO THE CONGRESS.—If the Secretary
8 determines that a State has materially failed to comply
9 with any term of an award under this section, or has ex-
10 pended funds received under this section in a manner in-
11 consistent with Federal law, the Secretary shall report
12 such determination to the Congress. The Secretary may
13 not suspend or withhold for any period part or all of a
14 grant to a State under this section.

15 (g) AUTHORIZATION OF APPROPRIATIONS.—

16 (1) IN GENERAL.—There are authorized to be
17 appropriated to carry out this section such sums as
18 may be necessary for each of the fiscal years 1996
19 through 2015.

20 (2) ADVANCE NOTICE OF FUNDING.—For the
21 purpose of affording adequate notice of funding
22 available under this section, an appropriation to
23 carry out this section is authorized to be included in
24 an appropriation Act for the fiscal year preceding

1 the fiscal year for which such appropriation is avail-
2 able for obligation.

3 **SEC. 3. ELIMINATION OF CERTAIN WELFARE PROGRAMS.**

4 (a) CASH AID.—

5 (1) AFDC.—Part A of title IV of the Social Se-
6 curity Act, except sections 403(h) and 417 (42
7 U.S.C. 601–617) is repealed.

8 (2) SSI.—Title XVI of the Social Security Act,
9 as in effect pursuant to the amendment made by
10 section 301 of the Social Security Amendments of
11 1972, (42 U.S.C. 1381–1383d) is repealed.

12 (3) FOSTER CARE AND ADOPTION ASSISTANCE
13 PROGRAMS.—Part E of title IV of the Social Secu-
14 rity Act (42 U.S.C. 470–479) is repealed.

15 (4) GRANTS TO TERRITORIES FOR AID TO THE
16 AGED.—Title I of the Social Security Act (42 U.S.C.
17 301–306) is repealed.

18 (5) GRANTS TO TERRITORIES FOR AID TO THE
19 BLIND.—Title X of the Social Security Act (42
20 U.S.C. 1201–1206) is repealed.

21 (6) GRANTS TO TERRITORIES FOR AID TO THE
22 TOTALLY DISABLED.—Title XIV of the Social Secu-
23 rity Act (42 U.S.C. 1351–1355) is repealed.

24 (7) GRANTS TO TERRITORIES FOR AID TO THE
25 AGED, BLIND, OR DISABLED.—Title XVI of the So-

1 cial Security Act, as in effect without regard to the
2 amendment made by section 301 of the Social Secu-
3 rity Amendments of 1972, (42 U.S.C. 1381 note,
4 1382 note, and 1383 note, 1384 note, and 1385
5 note) is repealed.

6 (8) EXPENDITURES BY BUREAU OF INDIAN AF-
7 FAIRS.—The Act of November 2, 1921 (25 U.S.C.
8 13; commonly known as the “Snyder Act”) is re-
9 pealed.

10 (b) MEDICAL AID.—

11 (1) INDIAN HEALTH SERVICES.—The Indian
12 Health Care Improvement Act (25 U.S.C. 1601 et
13 seq.) is repealed.

14 (2) MATERNAL AND CHILD HEALTH SERVICES
15 BLOCK GRANT PROGRAM.—Title V of the Social Se-
16 curity Act (42 U.S.C. 701–709) is repealed.

17 (3) COMMUNITY HEALTH CENTERS.—Section
18 330 of the Public Health Service Act (42 U.S.C.
19 254c) is repealed.

20 (4) MIGRANT HEALTH CENTERS.—Section 329
21 of the Public Health Service Act (42 U.S.C. 254b)
22 is repealed.

23 (c) FOOD AID.—

24 (1) FOOD STAMP PROGRAM.—The Food Stamp
25 Act of 1977 (7 U.S.C. 2011 et seq.) is repealed.

1 (2) SCHOOL LUNCH PROGRAM.—Sections 4, 6,
2 and 11 of the National School Lunch Act (42 U.S.C.
3 1753, 1755, and 1759a) are repealed.

4 (3) EMERGENCY FOOD ASSISTANCE PRO-
5 GRAM.—The Emergency Food Assistance Act of
6 1983 (7 U.S.C. 612c note) is repealed.

7 (4) SCHOOL BREAKFAST PROGRAM.—Section 4
8 of the Child Nutrition Act of 1966 (42 U.S.C. 1773)
9 is repealed.

10 (5) CHILD AND ADULT CARE FOOD PROGRAM.—
11 Section 17 of the National School Lunch Act (42
12 U.S.C. 1766) is repealed.

13 (6) SUMMER FOOD SERVICE PROGRAM FOR
14 CHILDREN.—Section 13 of the National School
15 Lunch Act (42 U.S.C. 1761) is repealed.

16 (7) COMMODITY SUPPLEMENTAL FOOD PRO-
17 GRAM FOR CHILDREN AND THE ELDERLY.—Sections
18 4 and 5 of the Agriculture and Consumer Protection
19 Act of 1973 (7 U.S.C. 612c note) are repealed.

20 (8) SPECIAL MILK PROGRAM.—Section 3 of the
21 Child Nutrition Act of 1966 (42 U.S.C. 1772) is re-
22 pealed.

23 (d) HOUSING AID.—

1 (1) SECTION 8 RENTAL ASSISTANCE AND PUB-
2 LIC HOUSING.—Title I of the United States Housing
3 Act of 1937 (42 U.S.C. 1437 et seq.) is repealed.

4 (2) RURAL SINGLE FAMILY HOUSING LOANS.—
5 Section 502 of the Housing Act of 1949 (42 U.S.C.
6 1472) is repealed.

7 (3) SECTION 236 INTEREST REDUCTION ASSIST-
8 ANCE.—Section 236 of the National Housing Act
9 (12 U.S.C. 1715z-1) is repealed.

10 (4) RURAL RENTAL HOUSING ASSISTANCE.—
11 Section 515 of the Housing Act of 1949 (42 U.S.C.
12 1485) is repealed.

13 (5) RURAL RENTAL ASSISTANCE PAYMENTS.—
14 Paragraph (2) of section 521(a) of the Housing Act
15 of 1949 (42 U.S.C. 1490a(a)(2)) is repealed.

16 (6) SECTION 235 HOMEOWNERSHIP ASSIST-
17 ANCE.—Section 235 of the National Housing Act
18 (12 U.S.C. 1715z) is repealed.

19 (7) RENT SUPPLEMENT ASSISTANCE.—Section
20 101 of the Housing and Urban Development Act of
21 1968 (12 U.S.C. 1701s) is repealed.

22 (8) RURAL HOUSING REPAIR ASSISTANCE.—
23 Section 504 of the Housing Act of 1949 (42 U.S.C.
24 1474) is repealed.

1 (9) FARM LABOR HOUSING LOANS.—Section
2 514 of the Housing Act of 1949 (42 U.S.C. 1483)
3 is repealed.

4 (10) RURAL HOUSING SELF-HELP TECHNICAL
5 ASSISTANCE.—Section 523 of the Housing Act of
6 1949 (42 U.S.C. 1490c) is repealed.

7 (11) FARM LABOR HOUSING GRANTS.—Section
8 516 of the Housing Act of 1949 (42 U.S.C. 1486)
9 is repealed.

10 (12) RURAL HOUSING PRESERVATION
11 GRANTS.—Section 533 of the Housing Act of 1949
12 (42 U.S.C. 1490m) is repealed.

13 (e) ENERGY AID.—

14 (1) LOW-INCOME HOME ENERGY ASSISTANCE
15 PROGRAMS.—The Low-Income Home Energy Assist-
16 ance Act of 1981 (42 U.S.C. 8621–8629) is re-
17 pealed.

18 (2) WEATHERIZATION ASSISTANCE PROGRAM.—
19 Part A of title IV of the Energy Conservation and
20 Production Act (42 U.S.C. 6861–6872), and the
21 items relating thereto in the table of contents of
22 such Act, are repealed.

23 (f) JOBS, TRAINING, AND VOCATIONAL EDUCATION
24 AID.—

1 (1) JOB TRAINING.—The Job Training Partner-
2 ship Act (29 U.S.C. 1501 et seq.) is repealed.

3 (2) JOBS PROGRAM.—Part F of title IV of the
4 Social Security Act (42 U.S.C. 681–687) is repealed.

5 (3) INDIAN EMPLOYMENT, TRAINING, AND RE-
6 LATED SERVICES.—The Indian Employment, Train-
7 ing and Related Services Demonstration Act of 1992
8 (25 U.S.C. 3401–3417) is repealed.

9 (4) VOCATIONAL EDUCATION.—The Carl D.
10 Perkins Vocational and Applied Technology Edu-
11 cation Act (20 U.S.C. 2301 et seq.) is repealed.

12 (g) SOCIAL SERVICES.—

13 (1) BLOCK GRANTS TO STATES FOR SOCIAL
14 SERVICES.—Title XX of the Social Security Act (42
15 U.S.C. 1397–1397f) is repealed.

16 (2) COMMUNITY SERVICES BLOCK GRANT PRO-
17 GRAM.—The Community Services Block Grant Act
18 (42 U.S.C. 9901), other than sections 671 and 673
19 of such Act, is repealed.

20 (3) LEGAL SERVICES.—The Legal Services Cor-
21 poration Act of 1974 (42 U.S.C. 2996 et seq.) is re-
22 pealed.

23 (4) FEMA EMERGENCY FOOD AND SHELTER
24 PROGRAM.—Title III of the Stewart B. McKinney

1 Homeless Assistance Act (42 U.S.C. 11331 et seq.)
2 is repealed.

3 (5) RESEARCH REGARDING FAMILY PLANNING
4 AND POPULATION ISSUES.—Section 1004 of the
5 Public Health Service Act (42 U.S.C. 300a-2) is re-
6 pealed.

7 (6) VOLUNTARY FAMILY PLANNING
8 PROJECTS.—Section 1001 of the Public Health
9 Service Act (42 U.S.C. 300) is repealed.

10 (7) DOMESTIC VOLUNTEER SERVICE ACT.—The
11 Domestic Volunteer Service Act of 1973 (42 U.S.C.
12 4950 et seq.) is repealed.

13 (8) CHILD CARE ASSISTANCE.—The Child Care
14 and Development Block Grant Act of 1990 (42
15 U.S.C. 9858 et seq.) is repealed.

16 (9) CHILD AND FAMILY SERVICES.—Part B of
17 title IV of the Social Security Act (42 U.S.C. 420-
18 435) is repealed.

19 (10) CHILD DEVELOPMENT ASSOCIATE SCHOL-
20 ARSHIP ASSISTANCE ACT OF 1985.—Title VI of the
21 Human Services Reauthorization Act of 1986 (42
22 U.S.C. 10901-10905) is repealed.

23 (11) STATE DEPENDENT CARE DEVELOPMENT
24 GRANTS ACT.—Subchapter E of chapter 8 of subtitle

1 A of title VI of the Omnibus Budget Reconciliation
2 Act of 1981 (42 U.S.C. 9871–9877) is repealed.

3 (12) NATIVE HAWAIIAN FAMILY-BASED EDU-
4 CATION CENTERS.—Section 9205 of the Native Ha-
5 waiian Education Act (Public Law 103–382; 108
6 Stat. 3794) is repealed.

7 (13) PROGRAMS OF NATIONAL SIGNIFICANCE.—
8 Title X of the Elementary and Secondary Education
9 Act of 1965, as amended by Public Law 103–382
10 (108 Stat. 3809 et seq.), is amended—

11 (A) in section 10413(a) by striking para-
12 graph (4),

13 (B) in section 10963(b)(2) by striking sub-
14 paragraph (G), and

15 (C) in section 10974(a)(6) by striking sub-
16 paragraph (G).

17 (14) ABANDONED INFANTS ASSISTANCE.—The
18 Abandoned Infants Assistance Act of 1988 (42
19 U.S.C. 670 note) is repealed.

20 (15) CHILD ABUSE PREVENTION AND TREAT-
21 MENT.—The Child Abuse Prevention and Treatment
22 Act (42 U.S.C. 5101 et seq.) is repealed.

23 (16) FUNDING FOR INVESTIGATION AND PROS-
24 ECUTION OF CHILD ABUSE AND NEGLECT.—The

1 Victims of Crime Act of 1984 (42 U.S.C. 10601 et
2 seq.) is amended—

3 (A) in section 1402—

4 (i) in subsection (d)—

5 (I) by striking paragraph (2);

6 and

7 (II) by redesignating paragraphs

8 (3) and (4) as paragraphs (2) and

9 (3), respectively; and

10 (ii) by striking subsection (g); and

11 (B) by striking section 1404A.

12 (17) ADOPTION OPPORTUNITIES.—The Child
13 Abuse Prevention and Treatment and Adoption Re-
14 form Act of 1978 (42 U.S.C. 5111 et seq.) is re-
15 pealed.

16 (18) FAMILY VIOLENCE PREVENTION AND
17 TREATMENT.—The Family Violence Prevention and
18 Services Act (42 U.S.C. 10401–10418) is repealed.

19 (19) FAMILY SUPPORT CENTERS.—Subtitle F
20 of title VII of the Stewart B. McKinney Homeless
21 Assistance Act (42 U.S.C. 11481–11489) is re-
22 pealed.

23 (20) COOPERATIVE RESEARCH OR DEMONSTRA-
24 TION PROJECTS.—Section 1110 of the Social Secu-
25 rity Act (42 U.S.C. 1310) is repealed.

1 (21) MISSING CHILDREN'S ASSISTANCE ACT.—
2 The Missing Children's Assistance Act (42 U.S.C.
3 5771–5779) is repealed.

4 (22) INVESTIGATION AND PROSECUTION OF
5 CHILD ABUSE CASES.—Subtitle A of title II of the
6 Victims of Child Abuse Act of 1990 (42 U.S.C.
7 13001–13004) is repealed.

8 (h) AID TO LOW-INCOME COMMUNITIES.—

9 (1) COMMUNITY DEVELOPMENT BLOCK GRANTS
10 AND URBAN DEVELOPMENT ACTION GRANTS.—Title
11 I of the Housing and Community Development Act
12 of 1974 (42 U.S.C. 5301 et seq.) is repealed.

13 (2) ECONOMIC DEVELOPMENT ASSISTANCE.—
14 The Public Works and Economic Development Act
15 of 1965 (42 U.S.C. 3121 et seq.) is repealed.

16 (3) APPALACHIAN REGIONAL DEVELOPMENT
17 PROGRAM.—The Appalachian Regional Development
18 Commission is terminated and the Appalachian Re-
19 gional Development Act of 1965 (40 U.S.C. App. 1
20 et seq.) is repealed.

21 (4) STATE LEGALIZATION IMPACT-ASSISTANCE
22 GRANTS.—Section 204 of the Immigration Reform
23 and Control Act of 1986 (8 U.S.C. 1255a note) is
24 repealed.

1 **SEC. 4. ELIGIBILITY UNDER THE MEDICAID PROGRAM.**

2 (a) IN GENERAL.—Section 1902(a)(10)(A)(i)(I) of
3 the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)(I))
4 is amended to read as follows:

5 “(I)(aa) who are receiving aid or
6 assistance under any plan of the State
7 approved under title I, X, or XIV, or

8 “(bb) who would be eligible to re-
9 ceive aid or assistance under the
10 State’s plan under title XVI or part A
11 or E of title IV, as approved on the
12 day before the date of the enactment
13 of the State Flexibility, Individual
14 Empowerment, and Dependency Re-
15 duction Act, if such plan were in ef-
16 fect.”.

17 (b) REPEAL OF MEDICAID EXTENSION PROVI-
18 SIONS.—Section 1925 of the Social Security Act (42
19 U.S.C. 1396r–6) is repealed.

20 **SEC. 5. TRANSFER OF CERTAIN PROVISIONS.**

21 (a) PENALTIES FOR SUBSTANTIAL NONCOMPLIANCE
22 WITH STATE PLAN FOR CHILD AND SPOUSAL SUP-
23 PORT.—

24 (1) IN GENERAL.—Section 403(h) of the Social
25 Security Act (42 U.S.C. 603(h)) is hereby trans-
26 ferred to section 455 of such Act, inserted after sub-

1 section (b) of such section 455, and redesignated as
2 subsection (c).

3 (2) CONFORMING AMENDMENTS.—

4 (A) Section 455(c) of such Act (42 U.S.C.
5 655(c)), as added by paragraph (1) of this sub-
6 section, is amended—

7 (i) in paragraph (1)—

8 (I) by striking “Act” and insert-
9 ing “part”;

10 (II) by striking “part D” and in-
11 sserting “this part”; and

12 (III) by striking “such part” and
13 inserting “this part”; and

14 (ii) by striking paragraph (3).

15 (B) Section 452(a)(4) of such Act (42
16 U.S.C. 652(a)(4)) is amended—

17 (i) by striking “403(h)(1)” and insert-
18 ing “455(c)(1)”; and

19 (ii) by striking “403(h)(2)” and in-
20 sserting “455(c)(2)”.

21 (C) Section 452 of such Act (42 U.S.C.
22 652) is amended, in each of subsections (a)(4),
23 (d)(3)(A), (g)(1), and (g)(3)(A), by striking
24 “403(h)” and inserting “455(c)”.

25 (b) ASSISTANT SECRETARY FOR FAMILY SUPPORT.—

1 (1) IN GENERAL.—Section 417 of the Social
2 Security Act (42 U.S.C. 617) is hereby transferred
3 to section 452 of such Act, added at the end of such
4 section 452, and redesignated as subsection (j).

5 (2) CONFORMING AMENDMENT.—Section 452(j)
6 of such Act (42 U.S.C. 652(j)), as added by para-
7 graph (1) of this subsection, is amended—

8 (A) by striking “ASSISTANT SECRETARY
9 FOR FAMILY SUPPORT”; and

10 (B) by striking “programs under this part,
11 part D, and part F” and inserting “program
12 under this part”.

13 **SEC. 6. DEFINITIONS.**

14 For purposes of this Act:

15 (1) INDIAN TRIBE.—The term “Indian tribe”
16 means any Indian tribe, band, nation, or other orga-
17 nized group or community, including any Alaska Na-
18 tive village or regional corporation as defined in or
19 established pursuant to the Alaska Native Claims
20 Settlement Act, which is recognized as eligible for
21 the special programs and services provided by the
22 United States to Indians because of their status as
23 Indians.

24 (2) SECRETARY.—The term “Secretary” means
25 the Secretary of Health and Human Services.

1 (3) STATE.—The term “State” means any of
2 the several States, the District of Columbia, the
3 Commonwealth of Puerto Rico, Guam, the Virgin Is-
4 lands of the United States, American Samoa, the
5 Commonwealth of the Northern Mariana Islands,
6 the Republic of the Marshall Islands, the Federated
7 States of Micronesia, the Republic of Palau, or an
8 Indian tribe.

9 **SEC. 7. EFFECTIVE DATES.**

10 (a) GENERAL EFFECTIVE DATE.—Except as pro-
11 vided in subsection (b), this Act shall take effect on the
12 date of the enactment of this Act.

13 (b) SPECIAL EFFECTIVE DATE.—The amendments
14 and repeals made by section 3 and the amendments made
15 by section 4 shall not take effect until the first day of
16 the first fiscal year for which funds are appropriated more
17 than 180 days in advance of such fiscal year to carry out
18 section 2.

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