

106TH CONGRESS  
1ST SESSION

# H. R. 1802

**[Report No. 106–182, Part I]**

To amend part E of title IV of the Social Security Act to provide States with more funding and greater flexibility in carrying out programs designed to help children make the transition from foster care to self-sufficiency, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 13, 1999

Mrs. JOHNSON of Connecticut (for herself and Mr. CARDIN) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, 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

JUNE 10, 1999

Reported from the Committee on Ways and Means with an amendment  
[Strike out all after the enacting clause and insert the part printed in *italic*]

JUNE 10, 1999

Referral to the Committee on Commerce extended for a period ending not later than June 25, 1999

[For text of introduced bill, see copy of bill as introduced on May 13, 1999]

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## A BILL

To amend part E of title IV of the Social Security Act to provide States with more funding and greater flexibility in carrying out programs designed to help children make the transition from foster care to self-sufficiency, 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 “Fos-*  
 5 *ter Care Independence Act of 1999”.*

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

*Sec. 1. Short title; table of contents.*

**TITLE I—IMPROVED INDEPENDENT LIVING PROGRAM**

*Subtitle A—Improved Independent Living Program*

*Sec. 101. Improved independent living program.*

*Subtitle B—Related Foster Care Provision*

*Sec. 111. Increase in amount of assets allowable for children in foster care.*

*Subtitle C—Medicaid Amendments*

*Sec. 121. State option of medicaid coverage for adolescents leaving foster care.*

**TITLE II—SSI FRAUD PREVENTION**

*Subtitle A—Fraud Prevention and Related Provisions*

*Sec. 201. Liability of representative payees for overpayments to deceased recipi-*  
*ents.*

*Sec. 202. Recovery of overpayments of SSI benefits from lump sum SSI benefit*  
*payments.*

*Sec. 203. Additional debt collection practices.*

*Sec. 204. Requirement to provide State prisoner information to Federal and fed-*  
*erally assisted benefit programs.*

*Sec. 205. Rules relating to collection of overpayments from individuals convicted*  
*of crimes.*

*Sec. 206. Treatment of assets held in trust under the SSI program.*

*Sec. 207. Disposal of resources for less than fair market value under the SSI pro-*  
*gram.*

*Sec. 208. Administrative procedure for imposing penalties for false or misleading*  
*statements.*

*Sec. 209. Exclusion of representatives and health care providers convicted of vio-*  
*lations from participation in social security programs.*

*Sec. 210. State data exchanges.*

*Sec. 211. Study on possible measures to improve fraud prevention and adminis-*  
*trative processing.*

*Sec. 212. Annual report on amounts necessary to combat fraud.*

*Sec. 213. Computer matches with medicare and medicaid institutionalization*  
*data.*

*Sec. 214. Access to information held by financial institutions.*

*Subtitle B—Benefits for Filipino Veterans of World War II*

*Sec. 251. Provision of reduced SSI benefit to certain individuals who provided service to the Armed Forces of the United States in the Philippines during World War II after they move back to the Philippines.*

*TITLE III—CHILD SUPPORT*

*Sec. 301. Elimination of hold harmless provision for State share of distribution of collected child support.*

*TITLE IV—TECHNICAL CORRECTIONS*

*Sec. 401. Technical corrections relating to amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.*

1 **TITLE I—IMPROVED INDE-**  
 2 **PENDENT LIVING PROGRAM**  
 3 **Subtitle A—Improved Independent**  
 4 **Living Program**

5 **SEC. 101. IMPROVED INDEPENDENT LIVING PROGRAM.**

6 (a) *FINDINGS.—The Congress finds the following:*

7 (1) *States are required to make reasonable efforts*  
 8 *to find adoptive families for all children, including*  
 9 *older children, for whom reunification with their bio-*  
 10 *logical family is not in the best interests of the child.*  
 11 *However, some older children will continue to live in*  
 12 *foster care. These children should be enrolled in an*  
 13 *Independent Living program designed and conducted*  
 14 *by State and local government to help prepare them*  
 15 *for employment, postsecondary education, and suc-*  
 16 *cessful management of adult responsibilities.*

1           (2) *About 20,000 adolescents leave the Nation's*  
2 *foster care system each year because they have reached*  
3 *18 years of age and are expected to support them-*  
4 *selves.*

5           (3) *Congress has received extensive information*  
6 *that adolescents leaving foster care have significant*  
7 *difficulty making a successful transition to adulthood;*  
8 *this information shows that children aging out of fos-*  
9 *ter care show high rates of homelessness, non-marital*  
10 *childbearing, poverty, and delinquent or criminal be-*  
11 *havior; they are also frequently the target of crime*  
12 *and physical assaults.*

13           (4) *The Nation's State and local governments,*  
14 *with financial support from the Federal Government,*  
15 *should offer an extensive program of education, train-*  
16 *ing, employment, and financial support for young*  
17 *adults leaving foster care, with participation in such*  
18 *program beginning several years before high school*  
19 *graduation and continuing, as needed, until the*  
20 *young adults emancipated from foster care establish*  
21 *independence or reach 21 years of age.*

22           (b) *IMPROVED INDEPENDENT LIVING PROGRAM.—Sec-*  
23 *tion 477 of the Social Security Act (42 U.S.C. 677) is*  
24 *amended to read as follows:*

1 **“SEC. 477. INDEPENDENT LIVING PROGRAM.**

2       “(a) *PURPOSE.*—*The purpose of this section is to pro-*  
3 *vide States with flexible funding that will enable programs*  
4 *to be designed and conducted—*

5               “(1) *to identify children who are likely to re-*  
6 *main in foster care until 18 years of age and to de-*  
7 *sign programs that help these children make the tran-*  
8 *sition to self-sufficiency by providing services such as*  
9 *assistance in obtaining a high school diploma, career*  
10 *exploration, vocational training, job placement and*  
11 *retention, training in daily living skills, training in*  
12 *budgeting and financial management skills, substance*  
13 *abuse prevention, and preventive health activities (in-*  
14 *cluding smoking avoidance, nutrition education, and*  
15 *pregnancy prevention);*

16               “(2) *to help children who are likely to remain in*  
17 *foster care until 18 years of age receive the education,*  
18 *training, and services necessary to obtain employ-*  
19 *ment;*

20               “(3) *to help children who are likely to remain in*  
21 *foster care until 18 years of age prepare for and enter*  
22 *postsecondary training and education institutions;*

23               “(4) *to provide personal and emotional support*  
24 *to children aging out of foster care, through mentors*  
25 *and the promotion of interactions with dedicated*  
26 *adults; and*

1           “(5) to provide financial, housing, counseling,  
2           employment, education, and other appropriate sup-  
3           port and services to former foster care recipients be-  
4           tween 18 and 21 years of age to complement their  
5           own efforts to achieve self-sufficiency and to assure  
6           that program participants recognize and accept their  
7           personal responsibility for preparing for and then  
8           making the transition from adolescence to adulthood.

9           “(b) *APPLICATIONS.*—

10           “(1) *IN GENERAL.*—A State may apply for funds  
11           from its allotment under subsection (c) for a period  
12           of 5 consecutive fiscal years by submitting to the Sec-  
13           retary, in writing, a plan that meets the requirements  
14           of paragraph (2) and the certifications required by  
15           paragraph (3) with respect to the plan.

16           “(2) *STATE PLAN.*—A plan meets the require-  
17           ments of this paragraph if the plan specifies which  
18           State agency or agencies will administer, supervise,  
19           or oversee the programs carried out under the plan,  
20           and describes how the State intends to do the fol-  
21           lowing:

22           “(A) Design and deliver programs to  
23           achieve the purposes of this section.

1           “(B) Ensure that all political subdivisions  
2 in the State are served by the program, though  
3 not necessarily in a uniform manner.

4           “(C) Ensure that the programs serve chil-  
5 dren of various ages and at various stages of  
6 achieving independence.

7           “(D) Involve the public and private sectors  
8 in helping adolescents in foster care achieve  
9 independence.

10          “(E) Use objective criteria for determining  
11 eligibility for benefits and services under the pro-  
12 grams, and for ensuring fair and equitable treat-  
13 ment of benefit recipients.

14          “(F) Cooperate in national evaluations of  
15 the effects of the programs in achieving the pur-  
16 poses of this section.

17          “(3) CERTIFICATIONS.—The certifications re-  
18 quired by this paragraph with respect to a plan are  
19 the following:

20               “(A) A certification by the chief executive  
21 officer of the State that the State will provide as-  
22 sistance and services to children who have left  
23 foster care but have not attained 21 years of age.

24               “(B) A certification by the chief executive  
25 officer of the State that not more than 30 percent

1           *of the amounts paid to the State from its allot-*  
2           *ment under subsection (c) for a fiscal year will*  
3           *be expended for room or board for children who*  
4           *have left foster care and have attained 18 years*  
5           *of age but not 21 years of age.*

6           “(C) A certification by the chief executive  
7           officer of the State that none of the amounts paid  
8           to the State from its allotment under subsection  
9           (c) will be expended for room or board for any  
10          child who has not attained 18 years of age.

11          “(D) A certification by the chief executive  
12          officer of the State that the State will use train-  
13          ing funds provided under the program of Federal  
14          payments for foster care and adoption assistance  
15          to provide training to help foster parents, work-  
16          ers in group homes, and case managers under-  
17          stand and address the issues confronting adoles-  
18          cents preparing for independent living, and will,  
19          to the extent possible, coordinate such training  
20          with the independent living program conducted  
21          for adolescents.

22          “(E) A certification by the chief executive  
23          officer of the State that the State has consulted  
24          widely with public and private organizations in  
25          developing the plan and that the State has given

1           *all interested members of the public at least 30*  
2           *days to submit comments on the plan.*

3           “(F) *A certification by the chief executive*  
4           *officer of the State that the State will make every*  
5           *effort to coordinate the State programs receiving*  
6           *funds provided from an allotment made to the*  
7           *State under subsection (c) with other Federal*  
8           *and State programs for youth (especially transi-*  
9           *tional living youth projects funded under part B*  
10           *of title III of the Juvenile Justice and Delin-*  
11           *quency Prevention Act of 1974), abstinence edu-*  
12           *cation programs, local housing programs, pro-*  
13           *grams for disabled youth (especially sheltered*  
14           *workshops), and school-to-work programs offered*  
15           *by high schools or local workforce agencies.*

16           “(G) *A certification by the chief executive*  
17           *officer of the State that each Indian tribe in the*  
18           *State has been consulted about the programs to*  
19           *be carried out under the plan; that there have*  
20           *been efforts to coordinate the programs with such*  
21           *tribes; and that benefits and services under the*  
22           *programs will be made available to Indian chil-*  
23           *dren in the State on the same basis as to other*  
24           *children in the State.*

1           “(H) A certification by the chief executive  
2 officer of the State that the State will ensure that  
3 adolescents participating in the program under  
4 this section participate directly in designing  
5 their own program activities that prepare them  
6 for independent living and that the adolescents  
7 accept personal responsibility for living up to  
8 their part of the program.

9           “(I) A certification by the chief executive of-  
10 ficer of the State that the State has established  
11 and will enforce standards and procedures to  
12 prevent fraud and abuse in the programs carried  
13 out under the plan.

14           “(4) APPROVAL.—The Secretary shall approve  
15 an application submitted by a State pursuant to  
16 paragraph (1) for a period if—

17           “(A) the application is submitted on or be-  
18 fore June 30 of the calendar year in which such  
19 period begins; and

20           “(B) the Secretary finds that the applica-  
21 tion contains the material required by para-  
22 graph (1).

23           “(5) AUTHORITY TO IMPLEMENT CERTAIN  
24 AMENDMENTS; NOTIFICATION.—A State with an ap-  
25 plication approved under paragraph (4) may imple-

1        *ment any amendment to the plan contained in the*  
2        *application if the application, incorporating the*  
3        *amendment, would be approvable under paragraph*  
4        *(4). Within 30 days after a State implements any*  
5        *such amendment, the State shall notify the Secretary*  
6        *of the amendment.*

7                *“(6) AVAILABILITY.—The State shall make avail-*  
8        *able to the public any application submitted by the*  
9        *State pursuant to paragraph (1), and a brief sum-*  
10        *mary of the plan contained in the application.*

11                *“(c) ALLOTMENTS TO STATES.—*

12                *“(1) IN GENERAL.—From the amount specified*  
13        *in subsection (h) that remains after applying sub-*  
14        *section (g)(2) for a fiscal year, the Secretary shall*  
15        *allot to each State with an application approved*  
16        *under subsection (b) for the fiscal year the amount*  
17        *which bears the same ratio to such remaining amount*  
18        *as the number of children in foster care under a pro-*  
19        *gram of the State in the most recent fiscal year for*  
20        *which such information is available bears to the total*  
21        *number of children in foster care in all States for*  
22        *such most recent fiscal year.*

23                *“(2) HOLD HARMLESS PROVISION.—The Sec-*  
24        *retary shall ratably reduce the allotments made to*  
25        *States pursuant to paragraph (1) for a fiscal year to*

1     *the extent necessary to ensure that the amount allot-*  
2     *ted to each State under paragraph (1) and this para-*  
3     *graph for the fiscal year is not less than the amount*  
4     *payable to the State under this section (as in effect*  
5     *before the enactment of the Foster Care Independence*  
6     *Act of 1999) for fiscal year 1998.*

7             “(3) *REALLOTMENT OF UNUSED FUNDS.—The*  
8     *Secretary shall use the formula provided in para-*  
9     *graph (1) of this subsection to reallocate among the*  
10    *States with applications approved under subsection*  
11    *(b) for a fiscal year any amount allotted to a State*  
12    *under this subsection for the preceding year that is*  
13    *not payable to the State for the preceding year.*

14            “(d) *USE OF FUNDS.—*

15            “(1) *IN GENERAL.—A State to which an amount*  
16    *is paid from its allotment under subsection (c) may*  
17    *use the amount in any manner that is reasonably cal-*  
18    *culated to accomplish the purposes of this section.*

19            “(2) *NO SUPPLANTATION OF OTHER FUNDS*  
20    *AVAILABLE FOR SAME GENERAL PURPOSES.—The*  
21    *amounts paid to a State from its allotment under*  
22    *subsection (c) shall be used to supplement and not*  
23    *supplant any other funds which are available for the*  
24    *same general purposes in the State.*

25            “(e) *PENALTIES.—*

1           “(1) *USE OF GRANT IN VIOLATION OF THIS*  
2 *PART.—If the Secretary is made aware, by an audit*  
3 *conducted under chapter 75 of title 31, United States*  
4 *Code, or by any other means, that a program receiv-*  
5 *ing funds from an allotment made to a State under*  
6 *subsection (c) has been operated in a manner that is*  
7 *inconsistent with, or not disclosed in the State appli-*  
8 *cation approved under subsection (b), the Secretary*  
9 *shall assess a penalty against the State in an amount*  
10 *equal to not less than 1 percent and not more than*  
11 *5 percent of the amount of the allotment.*

12           “(2) *FAILURE TO COMPLY WITH DATA REPORT-*  
13 *ING REQUIREMENT.—The Secretary shall assess a*  
14 *penalty against a State that fails during a fiscal year*  
15 *to comply with an information collection plan imple-*  
16 *mented under subsection (f) in an amount equal to*  
17 *not less than 1 percent and not more than 5 percent*  
18 *of the amount allotted to the State for the fiscal year.*

19           “(3) *PENALTIES BASED ON DEGREE OF NON-*  
20 *COMPLIANCE.—The Secretary shall assess penalties*  
21 *under this subsection based on the degree of non-*  
22 *compliance.*

23           “(f) *DATA COLLECTION AND PERFORMANCE MEASURE-*  
24 *MENT.—*

1           “(1) *IN GENERAL.*—*The Secretary, in consulta-*  
2           *tion with State and local public officials responsible*  
3           *for administering independent living and other child*  
4           *welfare programs, child welfare advocates, members of*  
5           *Congress, youth service providers, and researchers,*  
6           *shall—*

7                   “(A) *develop outcome measures (including*  
8                   *measures of educational attainment, employ-*  
9                   *ment, avoidance of dependency, homelessness,*  
10                  *nonmarital childbirth, and high-risk behaviors)*  
11                  *that can be used to assess the performance of*  
12                  *States in operating independent living pro-*  
13                  *grams;*

14                  “(B) *identify data elements needed to*  
15                  *track—*

16                          “(i) *the number and characteristics of*  
17                          *children receiving services under this sec-*  
18                          *tion;*

19                          “(ii) *the type and quantity of services*  
20                          *being provided; and*

21                          “(iii) *State performance on the out-*  
22                          *come measures; and*

23                          “(C) *develop and implement a plan to col-*  
24                          *lect the needed information beginning with the*

1           *2nd fiscal year beginning after the date of the*  
2           *enactment of this section.*

3           “(2) *REPORT TO THE CONGRESS.*—*Within 12*  
4           *months after the date of the enactment of this section,*  
5           *the Secretary shall submit to the Committee on Ways*  
6           *and Means of the House of Representatives and the*  
7           *Committee on Finance of the Senate a report detail-*  
8           *ing the plans and timetable for collecting from the*  
9           *States the information described in paragraph (1).*

10          “(g) *EVALUATIONS.*—

11           “(1) *IN GENERAL.*—*The Secretary shall conduct*  
12           *evaluations of such State programs funded under this*  
13           *section as the Secretary deems to be innovative or of*  
14           *potential national significance. The evaluation of any*  
15           *such program shall include information on the effects*  
16           *of the program on education, employment, and per-*  
17           *sonal development. To the maximum extent prac-*  
18           *ticable, the evaluations shall be based on rigorous sci-*  
19           *entific standards including random assignment to*  
20           *treatment and control groups. The Secretary is en-*  
21           *couraged to work directly with State and local gov-*  
22           *ernments to design methods for conducting the evalua-*  
23           *tions, directly or by grant, contract, or cooperative*  
24           *agreement.*

1           “(2) *FUNDING OF EVALUATIONS.*—*The Secretary*  
2           *shall reserve 1.5 percent of the amount specified in*  
3           *subsection (h) for a fiscal year to carry out, during*  
4           *the fiscal year, evaluation, technical assistance, per-*  
5           *formance measurement, and data collection activities*  
6           *related to this section, directly or through grants, con-*  
7           *tracts, or cooperative agreements with appropriate en-*  
8           *tities.*

9           “(h) *LIMITATIONS ON AUTHORIZATION OF APPROPRIA-*  
10          *TIONS.*—*To carry out this section and for payments to*  
11          *States under section 474(a)(4), there are authorized to be*  
12          *appropriated to the Secretary \$140,000,000 for each fiscal*  
13          *year.”.*

14          “(c) *PAYMENTS TO STATES.*—*Section 474(a)(4) of such*  
15          *Act (42 U.S.C. 674(a)(4)) is amended to read as follows:*

16                 “(4) *the lesser of—*

17                         “(A) *80 percent of the amount (if any) by*  
18                         *which—*

19                                 “(i) *the total amount expended by the*  
20                                 *State during the fiscal year in which the*  
21                                 *quarter occurs to carry out programs in ac-*  
22                                 *cordance with the State application ap-*  
23                                 *proved under section 477(b) for the period*  
24                                 *in which the quarter occurs (including any*

1           *amendment that meets the requirements of*  
2           *section 477(b)(5)); exceeds*

3           *“(ii) the total amount of any penalties*  
4           *assessed against the State under section*  
5           *477(e) during the fiscal year in which the*  
6           *quarter occurs; or*

7           *“(B) the amount allotted to the State under*  
8           *section 477 for the fiscal year in which the quar-*  
9           *ter occurs, reduced by the total of the amounts*  
10          *payable to the State under this paragraph for all*  
11          *prior quarters in the fiscal year.”.*

12          *(d) REGULATIONS.—Not later than 12 months after the*  
13          *date of the enactment of this Act, the Secretary of Health*  
14          *and Human Services shall issue such regulations as may*  
15          *be necessary to carry out the amendments made by this sec-*  
16          *tion.*

17          *(e) SENSE OF THE CONGRESS.—It is the sense of the*  
18          *Congress that States should provide medical assistance*  
19          *under the State plan approved under title XIX of the Social*  
20          *Security Act to 18-, 19-, and 20-year-olds who have been*  
21          *emancipated from foster care.*

1       ***Subtitle B—Related Foster Care***  
 2                               ***Provision***

3       ***SEC. 111. INCREASE IN AMOUNT OF ASSETS ALLOWABLE***  
 4                               ***FOR CHILDREN IN FOSTER CARE.***

5               *Section 472(a) of the Social Security Act (42 U.S.C.*  
 6 *672(a)) is amended by adding at the end the following: “In*  
 7 *determining whether a child would have received aid under*  
 8 *a State plan approved under section 402 (as in effect on*  
 9 *July 16, 1996), a child whose resources (determined pursu-*  
 10 *ant to section 402(a)(7)(B), as so in effect) have a combined*  
 11 *value of not more than \$10,000 shall be considered to be*  
 12 *a child whose resources have a combined value of not more*  
 13 *than \$1,000 (or such lower amount as the State may deter-*  
 14 *mine for purposes of such section 402(a)(7)(B)).”.*

15       ***Subtitle C—Medicaid Amendments***

16       ***SEC. 121. STATE OPTION OF MEDICAID COVERAGE FOR***  
 17                               ***ADOLESCENTS LEAVING FOSTER CARE.***

18               *(a) IN GENERAL.—Title XIX of the Social Security*  
 19 *Act is amended—*

20                       *(1) in section 1902(a)(10)(A)(ii) (42 U.S.C.*  
 21 *1396a(a)(10)(A)(ii))—*

22                               *(A) by striking “or” at the end of subclause*  
 23 *(XIII);*

24                               *(B) by adding “or” at the end of subclause*  
 25 *(XIV); and*

1           (C) by adding at the end the following new  
2           subclause:

3                           “(XV) who are independent foster  
4                           care adolescents (as defined in (section  
5                           1905(v)(1)), or who are within any  
6                           reasonable categories of such adoles-  
7                           cents specified by the State;” and

8           (2) by adding at the end of section 1905 (42  
9           U.S.C. 1396d) the following new subsection:

10           “(v)(1) For purposes of this title, the term ‘inde-  
11           pendent foster care adolescent’ means an individual—

12                           “(A) who is under 21 years of age;

13                           “(B) who, on the individual’s 18th birthday, was  
14                           in foster care under the responsibility of a State; and

15                           “(C) whose assets, resources, and income do not  
16                           exceed such levels (if any) as the State may establish  
17                           consistent with paragraph (2).

18           “(2) The levels established by a State under paragraph  
19           (1)(C) may not be less than the corresponding levels applied  
20           by the State under section 1931(b).

21           “(3) A State may limit the eligibility of independent  
22           foster care adolescents under section 1902(a)(10)(A)(ii)(XV)  
23           to those individuals with respect to whom foster care main-  
24           tenance payments or independent living services were fur-

1 nished under a program funded under part E of title IV  
2 before the date the individuals attained 18 years of age.”.

3 (b) *EFFECTIVE DATE.*—The amendments made by sub-  
4 section (a) apply to medical assistance for items and serv-  
5 ices furnished on or after October 1, 1999.

## 6 **TITLE II—SSI FRAUD**

### 7 **PREVENTION**

#### 8 **Subtitle A—Fraud Prevention and** 9 **Related Provisions**

##### 10 **SEC. 201. LIABILITY OF REPRESENTATIVE PAYEES FOR** 11 **OVERPAYMENTS TO DECEASED RECIPIENTS.**

12 (a) *AMENDMENT TO TITLE II.*—Section 204(a)(2) of  
13 the Social Security Act (42 U.S.C. 404(a)(2)) is amended  
14 by adding at the end the following new sentence: “If any  
15 payment of more than the correct amount is made to a rep-  
16 resentative payee on behalf of an individual after the indi-  
17 vidual’s death, the representative payee shall be liable for  
18 the repayment of the overpayment, and the Commissioner  
19 of Social Security shall establish an overpayment control  
20 record under the social security account number of the rep-  
21 resentative payee.”.

22 (b) *AMENDMENT TO TITLE XVI.*—Section 1631(b)(2)  
23 of such Act (42 U.S.C. 1383(b)(2)) is amended by adding  
24 at the end the following new sentence: “If any payment of  
25 more than the correct amount is made to a representative

1 payee on behalf of an individual after the individual's  
2 death, the representative payee shall be liable for the repay-  
3 ment of the overpayment, and the Commissioner of Social  
4 Security shall establish an overpayment control record  
5 under the social security account number of the representa-  
6 tive payee.”.

7 (c) *EFFECTIVE DATE.*—The amendments made by this  
8 section shall apply to overpayments made 12 months or  
9 more after the date of the enactment of this Act.

10 **SEC. 202. RECOVERY OF OVERPAYMENTS OF SSI BENEFITS**  
11 **FROM LUMP SUM SSI BENEFIT PAYMENTS.**

12 (a) *IN GENERAL.*—Section 1631(b)(1)(B)(ii) of the So-  
13 cial Security Act (42 U.S.C. 1383(b)(1)(B)(ii)) is  
14 amended—

15 (1) by inserting “monthly” before “benefit pay-  
16 ments”; and

17 (2) by inserting “and in the case of an indi-  
18 vidual or eligible spouse to whom a lump sum is pay-  
19 able under this title (including under section 1616(a)  
20 of this Act or under an agreement entered into under  
21 section 212(a) of Public Law 93–66) shall, as at least  
22 one means of recovering such overpayment, make the  
23 adjustment or recovery from the lump sum payment  
24 in an amount equal to not less than the lesser of the

1        *amount of the overpayment or 50 percent of the lump*  
2        *sum payment,” before “unless fraud”.*

3        *(b) EFFECTIVE DATE.—The amendments made by this*  
4        *section shall take effect 12 months after the date of the en-*  
5        *actment of this Act and shall apply to amounts incorrectly*  
6        *paid which remain outstanding on or after such date.*

7        **SEC. 203. ADDITIONAL DEBT COLLECTION PRACTICES.**

8        *(a) IN GENERAL.—Section 1631(b) of the Social Secu-*  
9        *rity Act (42 U.S.C. 1383(b)) is amended—*

10            *(1) by redesignating paragraphs (4) and (5) as*  
11            *paragraphs (5) and (6), respectively; and*

12            *(2) by inserting after paragraph (3) the fol-*  
13            *lowing:*

14            *“(4)(A) With respect to any delinquent amount, the*  
15            *Commissioner of Social Security may use the collection*  
16            *practices described in sections 3711(f), 3716, 3717, and*  
17            *3718 of title 31, United States Code, and in section 5514*  
18            *of title 5, United States Code, all as in effect immediately*  
19            *after the enactment of the Debt Collection Improvement Act*  
20            *of 1996.*

21            *“(B) For purposes of subparagraph (A), the term ‘de-*  
22            *linquent amount’ means an amount—*

23            *“(i) in excess of the correct amount of payment*  
24            *under this title;*

1           “(ii) paid to a person after such person has at-  
2           tained 18 years of age; and

3           “(iii) determined by the Commissioner of Social  
4           Security, under regulations, to be otherwise unre-  
5           coverable under this section after such person ceases  
6           to be a beneficiary under this title.”.

7           (b) *CONFORMING AMENDMENTS.*—Section 3701(d)(2)  
8           of title 31, United States Code, is amended by striking “sec-  
9           tion 204(f)” and inserting “sections 204(f) and 1631(b)(4)”.

10          (c) *TECHNICAL AMENDMENTS.*—Section 204(f) of the  
11          Social Security Act (42 U.S.C. 404(f)) is amended—

12                 (1) by striking “3711(e)” and inserting  
13                 “3711(f)”; and

14                 (2) by inserting “all” before “as in effect”.

15          (d) *EFFECTIVE DATE.*—The amendments made by this  
16          section shall apply to debt outstanding on or after the date  
17          of the enactment of this Act.

18          **SEC. 204. REQUIREMENT TO PROVIDE STATE PRISONER IN-**  
19                                 **FORMATION TO FEDERAL AND FEDERALLY**  
20                                 **ASSISTED BENEFIT PROGRAMS.**

21          Section 1611(e)(1)(I)(ii)(II) of the Social Security Act  
22          (42 U.S.C. 1382(e)(1)(I)(ii)(II)) is amended by striking “is  
23          authorized to” and inserting “shall”.

1 **SEC. 205. RULES RELATING TO COLLECTION OF OVERPAY-**  
2 **MENTS FROM INDIVIDUALS CONVICTED OF**  
3 **CRIMES.**

4 (a) *WAIVERS INAPPLICABLE TO OVERPAYMENTS BY*  
5 *REASON OF PAYMENT IN MONTHS IN WHICH BENEFICIARY*  
6 *IS A PRISONER OR A FUGITIVE.—*

7 (1) *AMENDMENT TO TITLE II.—Section 204(b) of*  
8 *the Social Security Act (42 U.S.C. 404(b)) is*  
9 *amended—*

10 (A) *by inserting “(1)” after “(b)”;* and

11 (B) *by adding at the end the following:*

12 “(2) *Paragraph (1) shall not apply with respect to any*  
13 *payment to any person made during a month in which such*  
14 *benefit was not payable under section 202(x).”.*

15 (2) *AMENDMENT TO TITLE XVI.—Section*  
16 *1631(b)(1)(B)(i) of such Act (42 U.S.C.*  
17 *1383(b)(1)(B)(i)) is amended by inserting “unless (I)*  
18 *section 1611(e)(1) prohibits payment to the person of*  
19 *a benefit under this title for the month by reason of*  
20 *confinement of a type described in clause (i) or (ii)*  
21 *of section 202(x)(1)(A), or (II) section 1611(e)(5) pro-*  
22 *hibits payment to the person of a benefit under this*  
23 *title for the month,” after “administration of this*  
24 *title.”.*

25 (b) *10-YEAR PERIOD OF INELIGIBILITY FOR PERSONS*  
26 *FAILING TO NOTIFY COMMISSIONER OF OVERPAYMENTS IN*

1 MONTHS IN WHICH BENEFICIARY IS A PRISONER OR A FUGITIVE OR FAILING TO COMPLY WITH REPAYMENT SCHEDULE FOR SUCH OVERPAYMENTS.—

4 (1) AMENDMENT TO TITLE II.—Section 202(x) of such Act (42 U.S.C. 402(x)) is amended by adding at the end the following:

7 “(4)(A) No person shall be considered entitled to 8 monthly insurance benefits under this section based on the 9 person’s disability or to disability insurance benefits under 10 section 223 otherwise payable during the 10-year period 11 that begins on the date the person—

12 “(i) knowingly fails to timely notify the Commissioner of Social Security, in connection with any 13 application for benefits under this title, of any prior 14 receipt by such person of any benefit under this title 15 or title XVI in any month in which such benefit was 16 not payable under the preceding provisions of this 17 subsection, or

18 “(ii) knowingly fails to comply with any schedule imposed by the Commissioner which is for repayment of overpayments comprised of payments described in subparagraph (A) and which is in compliance with section 204.

24 “(B) The Commissioner of Social Security shall, in 25 addition to any other relevant factors, take into account

1 *any mental or linguistic limitations of a person (including*  
 2 *any lack of facility with the English language) in deter-*  
 3 *mining whether the person has knowingly failed to comply*  
 4 *with a requirement of clause (i) or (ii) of subparagraph*  
 5 *(A).”.*

6           (2) *AMENDMENT TO TITLE XVI.—Section*  
 7 *1611(e)(1) of such Act (42 U.S.C. 1382(e)(1)) is*  
 8 *amended by adding at the end the following:*

9           “(J)(i) *A person shall not be considered an eligible in-*  
 10 *dividual or eligible spouse for purposes of benefits under*  
 11 *this title by reason of disability, during the 10-year period*  
 12 *that begins on the date the person—*

13           *“(I) knowingly fails to timely notify the Com-*  
 14 *missioner of Social Security, in an application for*  
 15 *benefits under this title, of any prior receipt by the*  
 16 *person of a benefit under this title or title II in a*  
 17 *month in which payment to the person of a benefit*  
 18 *under this title was prohibited by—*

19           *“(aa) the preceding provisions of this para-*  
 20 *graph by reason of confinement of a type de-*  
 21 *scribed in clause (i) or (ii) of section*  
 22 *202(x)(1)(A); or*

23           *“(bb) section 1611(e)(4); or*

24           *“(II) knowingly fails to comply with any sched-*  
 25 *ule imposed by the Commissioner which is for repay-*

1        *ment of overpayments comprised of payments de-*  
2        *scribed in clause (i) of this subparagraph and which*  
3        *is in compliance with section 1631(b).*

4        *“(ii) The Commissioner of Social Security shall, in ad-*  
5        *dition to any other relevant factors, take into account any*  
6        *mental or linguistic limitations of a person (including any*  
7        *lack of facility with the English language) in determining*  
8        *whether the person has knowingly failed to comply with a*  
9        *requirement of subclause (I) or (II) of clause (i).”.*

10        *(c) CONTINUED COLLECTION EFFORTS AGAINST PRIS-*  
11        *ONERS.—*

12                *(1) AMENDMENT TO TITLE II.—Section 204(b) of*  
13        *such Act (42 U.S.C. 404(b)), as amended by sub-*  
14        *section (a)(1) of this section, is amended further by*  
15        *adding at the end the following new paragraph:*

16        *“(3) The Commissioner shall not refrain from recov-*  
17        *ering overpayments from resources currently available to*  
18        *any overpaid person or to such person’s estate solely because*  
19        *such individual is confined as described in clause (i) or (ii)*  
20        *of section 202(x)(1)(A).”.*

21                *(2) AMENDMENT TO TITLE XVI.—Section*  
22        *1631(b)(1)(A) of such Act (42 U.S.C. 1383(b)(1)(A))*  
23        *is amended by adding after and below clause (ii) the*  
24        *following flush left sentence:*

1 “The Commissioner shall not refrain from recovering over-  
2 payments from resources currently available to any indi-  
3 vidual solely because the individual is confined as described  
4 in clause (i) or (ii) of section 202(x)(1)(A).”.

5 (d) *EFFECTIVE DATE.*—The amendments made by this  
6 section shall apply to overpayments made in, and to bene-  
7 fits payable for, months beginning 24 months or more after  
8 the date of the enactment of this Act.

9 **SEC. 206. TREATMENT OF ASSETS HELD IN TRUST UNDER**  
10 **THE SSI PROGRAM.**

11 (a) *TREATMENT AS RESOURCE.*—Section 1613 of the  
12 Social Security Act (42 U.S.C. 1382b) is amended by add-  
13 ing at the end the following:

14 “Trusts

15 “(e)(1) In determining the resources of an individual,  
16 paragraph (3) shall apply to a trust (other than a trust  
17 described in paragraph (5)) established by the individual.

18 “(2)(A) For purposes of this subsection, an individual  
19 shall be considered to have established a trust if any assets  
20 of the individual (or of the individual’s spouse) are trans-  
21 ferred to the trust other than by will.

22 “(B) In the case of an irrevocable trust to which are  
23 transferred the assets of an individual (or of the individ-  
24 ual’s spouse) and the assets of any other person, this sub-

1 *section shall apply to the portion of the trust attributable*  
2 *to the assets of the individual (or of the individual's spouse).*

3 *“(C) This subsection shall apply to a trust without re-*  
4 *gard to—*

5 *“(i) the purposes for which the trust is estab-*  
6 *lished;*

7 *“(ii) whether the trustees have or exercise any*  
8 *discretion under the trust;*

9 *“(iii) any restrictions on when or whether dis-*  
10 *tributions may be made from the trust; or*

11 *“(iv) any restrictions on the use of distributions*  
12 *from the trust.*

13 *“(3)(A) In the case of a revocable trust established by*  
14 *an individual, the corpus of the trust shall be considered*  
15 *a resource available to the individual.*

16 *“(B) In the case of an irrevocable trust established by*  
17 *an individual, if there are any circumstances under which*  
18 *payment from the trust could be made to or for the benefit*  
19 *of the individual or the individual's spouse, the portion of*  
20 *the corpus from which payment to or for the benefit of the*  
21 *individual or the individual's spouse could be made shall*  
22 *be considered a resource available to the individual.*

23 *“(4) The Commissioner of Social Security may waive*  
24 *the application of this subsection with respect to an indi-*  
25 *vidual if the Commissioner determines that such applica-*

1 *tion would work an undue hardship (as determined on the*  
2 *basis of criteria established by the Commissioner) on the*  
3 *individual.*

4 “(5) *This subsection shall not apply to a trust de-*  
5 *scribed in subparagraph (A) or (C) of section 1917(d)(4).*

6 “(6) *For purposes of this subsection—*

7 “(A) *the term ‘trust’ includes any legal instru-*  
8 *ment or device that is similar to a trust;*

9 “(B) *the term ‘corpus’ means, with respect to a*  
10 *trust, all property and other interests held by the*  
11 *trust, including accumulated earnings and any other*  
12 *addition to the trust after its establishment (except*  
13 *that such term does not include any such earnings or*  
14 *addition in the month in which the earnings or addi-*  
15 *tion is credited or otherwise transferred to the trust);*  
16 *and*

17 “(C) *the term ‘asset’ includes any income or re-*  
18 *source of the individual or of the individual’s spouse,*  
19 *including—*

20 “(i) *any income excluded by section*  
21 *1612(b);*

22 “(ii) *any resource otherwise excluded by*  
23 *this section; and*

24 “(iii) *any other payment or property to*  
25 *which the individual or the individual’s spouse*

1           *is entitled but does not receive or have access to*  
2           *because of action by—*

3                     *“(I) the individual or spouse;*

4                     *“(II) a person or entity (including a*  
5                     *court) with legal authority to act in place*  
6                     *of, or on behalf of, the individual or spouse;*  
7                     *or*

8                     *“(III) a person or entity (including a*  
9                     *court) acting at the direction of, or on the*  
10                    *request of, the individual or spouse.”.*

11           ***(b) TREATMENT AS INCOME.***—*Section 1612(a)(2) of*  
12 *such Act (42 U.S.C. 1382a(a)(2)) is amended—*

13                    *(1) by striking “and” at the end of subpara-*  
14 *graph (E);*

15                    *(2) by striking the period at the end of subpara-*  
16 *graph (F) and inserting “; and”; and*

17                    *(3) by adding at the end the following:*

18                    *“(G) any earnings of, and additions to, the cor-*  
19 *pus of a trust established by an individual (within*  
20 *the meaning of section 1613(e)), of which the indi-*  
21 *vidual is a beneficiary, to which section 1613(e) ap-*  
22 *plies, and, in the case of an irrevocable trust, with re-*  
23 *spect to which circumstances exist under which a*  
24 *payment from the earnings or additions could be*  
25 *made to or for the benefit of the individual.”.*

1           (c) *EFFECTIVE DATE.*—*The amendments made by this*  
2 *section shall take effect on January 1, 2000, and shall apply*  
3 *to trusts established on or after such date.*

4 **SEC. 207. DISPOSAL OF RESOURCES FOR LESS THAN FAIR**  
5 **MARKET VALUE UNDER THE SSI PROGRAM.**

6           (a) *IN GENERAL.*—*Section 1613(c) of the Social Secu-*  
7 *rity Act (42 U.S.C. 1382b(c)) is amended—*

8                   (1) *in the caption, by striking “Notification of*  
9 *Medicaid Policy Restricting Eligibility of Institu-*  
10 *tionalized Individuals for Benefits Based on”;*

11                   (2) *in paragraph (1)—*

12                           (A) *in subparagraph (A)—*

13                                   (i) *by inserting “paragraph (1) and”*  
14 *after “provisions of”;*

15                                   (ii) *by striking “title XIX” the first*  
16 *place it appears and inserting “this title*  
17 *and title XIX, respectively,”;*

18                                   (iii) *by striking “subparagraph (B)”*  
19 *and inserting “clause (ii)”;*

20                                   (iv) *by striking “paragraph (2)” and*  
21 *inserting “subparagraph (B)”;*

22                           (B) *in subparagraph (B)—*

23                                   (i) *by striking “by the State agency”;*

24 *and*

1                   (ii) by striking “section 1917(c)” and  
2                   all that follows and inserting “paragraph  
3                   (1) or section 1917(c).”; and  
4                   (C) by redesignating subparagraphs (A)  
5                   and (B) as clauses (i) and (ii), respectively;  
6                   (3) in paragraph (2)—  
7                   (A) by striking “(2)” and inserting “(B)”;  
8                   and  
9                   (B) by striking “paragraph (1)(B)” and in-  
10                  serting “subparagraph (A)(ii)”;  
11                  (4) by striking “(c)(1)” and inserting “(2)(A)”;  
12                  and  
13                  (5) by inserting before paragraph (2) (as so re-  
14                  designated by paragraph (4) of this subsection) the  
15                  following:  
16                  “(c)(1)(A)(i) If an individual or the spouse of an indi-  
17                  vidual disposes of resources for less than fair market value  
18                  on or after the look-back date described in clause (ii)(I),  
19                  the individual is ineligible for benefits under this title for  
20                  months during the period beginning on the date described  
21                  in clause (iii) and equal to the number of months calculated  
22                  as provided in clause (iv).  
23                  “(ii)(I) The look-back date described in this subclause  
24                  is a date that is 36 months before the date described in sub-  
25                  clause (II).

1       “(II) The date described in this subclause is the date  
2 on which the individual applies for benefits under this title  
3 or, if later, the date on which the individual (or the spouse  
4 of the individual) disposes of resources for less than fair  
5 market value.

6       “(iii) The date described in this clause is the first day  
7 of the first month in or after which resources were disposed  
8 of for less than fair market value and which does not occur  
9 in any other period of ineligibility under this paragraph.

10       “(iv) The number of months calculated under this  
11 clause shall be equal to—

12               “(I) the total, cumulative uncompensated value  
13 of all resources so disposed of by the individual (or  
14 the spouse of the individual) on or after the look-back  
15 date described in clause (ii)(I); divided by

16               “(II) the amount of the maximum monthly ben-  
17 efit payable under section 1611(b), plus the amount  
18 (if any) of the maximum State supplementary pay-  
19 ment corresponding to the State’s payment level ap-  
20 plicable to the individual’s living arrangement and  
21 eligibility category that would otherwise be payable to  
22 the individual by the Commissioner pursuant to an  
23 agreement under section 1616(a) of this Act or section  
24 212(b) of Public Law 93–66, for the month in which  
25 occurs the date described in clause (ii)(II),

1 rounded, in the case of any fraction, to the nearest whole  
2 number, but shall not in any case exceed 36 months.

3 “(B)(i) Notwithstanding subparagraph (A), this sub-  
4 section shall not apply to a transfer of a resource to a trust  
5 if the portion of the trust attributable to the resource is con-  
6 sidered a resource available to the individual pursuant to  
7 subsection (e)(3) (or would be so considered but for the ap-  
8 plication of subsection (e)(4)).

9 “(ii) In the case of a trust established by an individual  
10 or an individual’s spouse (within the meaning of subsection  
11 (e)), if from such portion of the trust, if any, that is consid-  
12 ered a resource available to the individual pursuant to sub-  
13 section (e)(3) (or would be so considered but for the applica-  
14 tion of subsection (e)(4)) or the residue of the portion on  
15 the termination of the trust—

16 “(I) there is made a payment other than to or  
17 for the benefit of the individual; or

18 “(II) no payment could under any circumstance  
19 be made to the individual,

20 then, for purposes of this subsection, the payment described  
21 in clause (I) or the foreclosure of payment described in  
22 clause (II) shall be considered a transfer of resources by the  
23 individual or the individual’s spouse as of the date of the  
24 payment or foreclosure, as the case may be.

1       “(C) *An individual shall not be ineligible for benefits*  
2 *under this title by reason of the application of this para-*  
3 *graph to a disposal of resources by the individual or the*  
4 *spouse of the individual, to the extent that—*

5               “(i) *the resources are a home and title to the*  
6 *home was transferred to—*

7                       “(I) *the spouse of the transferor;*

8                       “(II) *a child of the transferor who has not*  
9 *attained 21 years of age, or is blind or disabled;*

10                      “(III) *a sibling of the transferor who has an*  
11 *equity interest in such home and who was resid-*  
12 *ing in the transferor’s home for a period of at*  
13 *least 1 year immediately before the date the*  
14 *transferor becomes an institutionalized indi-*  
15 *vidual; or*

16                      “(IV) *a son or daughter of the transferor*  
17 *(other than a child described in subclause (II))*  
18 *who was residing in the transferor’s home for a*  
19 *period of at least 2 years immediately before the*  
20 *date the transferor becomes an institutionalized*  
21 *individual, and who provided care to the trans-*  
22 *feror which permitted the transferor to reside at*  
23 *home rather than in such an institution or facil-*  
24 *ity;*

25               “(ii) *the resources—*

1           “(I) were transferred to the transferor’s  
2 spouse or to another for the sole benefit of the  
3 transferor’s spouse;

4           “(II) were transferred from the transferor’s  
5 spouse to another for the sole benefit of the trans-  
6 feror’s spouse;

7           “(III) were transferred to, or to a trust (in-  
8 cluding a trust described in section 1917(d)(4))  
9 established solely for the benefit of, the trans-  
10 feror’s child who is blind or disabled; or

11           “(IV) were transferred to a trust (including  
12 a trust described in section 1917(d)(4)) estab-  
13 lished solely for the benefit of an individual who  
14 has not attained 65 years of age and who is dis-  
15 abled;

16           “(iii) a satisfactory showing is made to the Com-  
17 missioner of Social Security (in accordance with reg-  
18 ulations promulgated by the Commissioner) that—

19           “(I) the individual who disposed of the re-  
20 sources intended to dispose of the resources either  
21 at fair market value, or for other valuable con-  
22 sideration;

23           “(II) the resources were transferred exclu-  
24 sively for a purpose other than to qualify for  
25 benefits under this title; or

1           “(III) all resources transferred for less than  
2           fair market value have been returned to the  
3           transferor; or

4           “(iv) the Commissioner determines, under proce-  
5           dures established by the Commissioner, that the denial  
6           of eligibility would work an undue hardship as deter-  
7           mined on the basis of criteria established by the Com-  
8           missioner.

9           “(D) For purposes of this subsection, in the case of a  
10          resource held by an individual in common with another  
11          person or persons in a joint tenancy, tenancy in common,  
12          or similar arrangement, the resource (or the affected portion  
13          of such resource) shall be considered to be disposed of by  
14          the individual when any action is taken, either by the indi-  
15          vidual or by any other person, that reduces or eliminates  
16          the individual’s ownership or control of such resource.

17          “(E) In the case of a transfer by the spouse of an indi-  
18          vidual that results in a period of ineligibility for the indi-  
19          vidual under this subsection, the Commissioner shall appor-  
20          tion the period (or any portion of the period) among the  
21          individual and the individual’s spouse if the spouse becomes  
22          eligible for benefits under this title.

23          “(F) For purposes of this paragraph—

24                  “(i) the term ‘benefits under this title’ includes  
25                  payments of the type described in section 1616(a) of

1        *this Act and of the type described in section 212(b)*  
2        *of Public Law 93–66;*

3            *“(i) the term ‘institutionalized individual’ has*  
4        *the meaning given such term in section 1917(e)(3);*  
5        *and*

6            *“(iii) the term ‘trust’ has the meaning given*  
7        *such term in subsection (e)(6)(A) of this section.”.*

8        *(b) EFFECTIVE DATE.—The amendments made by this*  
9        *section shall be effective with respect to disposals made on*  
10       *or after the date of enactment of this Act.*

11    **SEC. 208. ADMINISTRATIVE PROCEDURE FOR IMPOSING**  
12                            **PENALTIES FOR FALSE OR MISLEADING**  
13                            **STATEMENTS.**

14        *(a) IN GENERAL.—Part A of title XI of the Social Se-*  
15        *curity Act (42 U.S.C. 1301 et seq.) is amended by inserting*  
16        *after section 1129 the following:*

17    **“SEC. 1129A. ADMINISTRATIVE PROCEDURE FOR IMPOSING**  
18                            **PENALTIES FOR FALSE OR MISLEADING**  
19                            **STATEMENTS.**

20        *“(a) IN GENERAL.—Any person who makes, or causes*  
21        *to be made, a statement or representation of a material fact*  
22        *for use in determining any initial or continuing right to*  
23        *or the amount of—*

24            *“(1) monthly insurance benefits under title II; or*

25            *“(2) benefits or payments under title XVI,*

1 *that the person knows or should know is false or misleading*  
2 *or knows or should know omits a material fact or makes*  
3 *such a statement with knowing disregard for the truth shall*  
4 *be subject to, in addition to any other penalties that may*  
5 *be prescribed by law, a penalty described in subsection (b)*  
6 *to be imposed by the Commissioner of Social Security.*

7       “(b) *PENALTY.*—*The penalty described in this sub-*  
8 *section is—*

9               “(1) *nonpayment of benefits under title II that*  
10 *would otherwise be payable to the person; and*

11               “(2) *ineligibility for cash benefits under title*  
12 *XVI,*

13 *for each month that begins during the applicable period de-*  
14 *scribed in subsection (c).*

15       “(c) *DURATION OF PENALTY.*—*The duration of the ap-*  
16 *plicable period, with respect to a determination by the Com-*  
17 *missioner under subsection (a) that a person has engaged*  
18 *in conduct described in subsection (a), shall be—*

19               “(1) *6 consecutive months, in the case of a first*  
20 *such determination with respect to the person;*

21               “(2) *12 consecutive months, in the case of a sec-*  
22 *ond such determination with respect to the person;*  
23 *and*

1           “(3) 24 consecutive months, in the case of a third  
2           or subsequent such determination with respect to the  
3           person.

4           “(d) *EFFECT ON OTHER ASSISTANCE.*—A person sub-  
5           ject to a period of nonpayment of benefits under title II  
6           or ineligibility for title XVI benefits by reason of this sec-  
7           tion nevertheless shall be considered to be eligible for and  
8           receiving such benefits, to the extent that the person would  
9           be receiving or eligible for such benefits but for the imposi-  
10          tion of the penalty, for purposes of—

11           “(1) determination of the eligibility of the person  
12          for benefits under titles XVIII and XIX; and

13           “(2) determination of the eligibility or amount of  
14          benefits payable under title II or XVI to another per-  
15          son.

16          “(e) *DEFINITION.*—In this section, the term ‘benefits  
17          under title XVI’ includes State supplementary payments  
18          made by the Commissioner pursuant to an agreement under  
19          section 1616(a) of this Act or section 212(b) of Public Law  
20          93–66.

21          “(f) *CONSULTATIONS.*—The Commissioner of Social  
22          Security shall consult with the Inspector General of the So-  
23          cial Security Administration regarding initiating actions  
24          under this section.”.

1           (b) *CONFORMING AMENDMENT PRECLUDING DELAYED*  
2 *RETIREMENT CREDIT FOR ANY MONTH TO WHICH A NON-*  
3 *PAYMENT OF BENEFITS PENALTY APPLIES.*—Section  
4 *202(w)(2)(B) of such Act (42 U.S.C. 402(w)(2)(B)) is*  
5 *amended—*

6           (1) *by striking “and” at the end of clause (i);*  
7           (2) *by striking the period at the end of clause*  
8 *(ii) and inserting “, and”; and*  
9           (3) *by adding at the end the following:*  
10                   *“(iii) such individual was not subject to a*  
11                   *penalty imposed under section 1129A.”.*

12           (c) *ELIMINATION OF REDUNDANT PROVISION.*—Sec-  
13 *tion 1611(e) of such Act (42 U.S.C. 1382(e)) is amended—*  
14           (1) *by striking paragraph (4);*  
15           (2) *in paragraph (6)(A)(i), by striking “(5)”*  
16 *and inserting “(4)”;* and  
17           (3) *by redesignating paragraphs (5) and (6) as*  
18 *paragraphs (4) and (5), respectively.*

19           (d) *REGULATIONS.*—*Within 6 months after the date of*  
20 *the enactment of this Act, the Commissioner of Social Secu-*  
21 *rity shall develop regulations that prescribe the administra-*  
22 *tive process for making determinations under section 1129A*  
23 *of the Social Security Act (including when the applicable*  
24 *period in subsection (c) of such section shall commence),*  
25 *and shall provide guidance on the exercise of discretion as*

1 *to whether the penalty should be imposed in particular*  
 2 *cases.*

3 *(e) EFFECTIVE DATE.—The amendments made by this*  
 4 *section shall apply to statements and representations made*  
 5 *on or after the date of the enactment of this Act.*

6 **SEC. 209. EXCLUSION OF REPRESENTATIVES AND HEALTH**  
 7 **CARE PROVIDERS CONVICTED OF VIOLA-**  
 8 **TIONS FROM PARTICIPATION IN SOCIAL SE-**  
 9 **CURITY PROGRAMS.**

10 *(a) IN GENERAL.—Part A of title XI of the Social Se-*  
 11 *curity Act (42 U.S.C. 1301–1320b–17) is amended by add-*  
 12 *ing at the end the following:*

13 *“EXCLUSION OF REPRESENTATIVES AND HEALTH CARE*  
 14 *PROVIDERS CONVICTED OF VIOLATIONS FROM PARTICI-*  
 15 *PATION IN SOCIAL SECURITY PROGRAMS*

16 *“SEC. 1148. (a) IN GENERAL.—The Commissioner of*  
 17 *Social Security shall exclude from participation in the so-*  
 18 *cial security programs any representative or health care*  
 19 *provider—*

20 *“(1) who is convicted of a violation of section*  
 21 *208 or 1632 of this Act,*

22 *“(2) who is convicted of any violation under title*  
 23 *18, United States Code, relating to an initial appli-*  
 24 *cation for or continuing entitlement to, or amount of,*  
 25 *benefits under title II of this Act, or an initial appli-*

1        *cation for or continuing eligibility for, or amount of,*  
2        *benefits under title XVI of this Act, or*

3            *“(3) who the Commissioner determines has com-*  
4        *mitted an offense described in section 1129(a)(1) of*  
5        *this Act.*

6            *“(b) NOTICE, EFFECTIVE DATE, AND PERIOD OF EX-*  
7        *CLUSION.—(1) An exclusion under this section shall be effec-*  
8        *tive at such time, for such period, and upon such reasonable*  
9        *notice to the public and to the individual excluded as may*  
10       *be specified in regulations consistent with paragraph (2).*

11           *“(2) Such an exclusion shall be effective with respect*  
12       *to services furnished to any individual on or after the effec-*  
13       *tive date of the exclusion. Nothing in this section may be*  
14       *construed to preclude, in determining disability under title*  
15       *II or title XVI, consideration of any medical evidence de-*  
16       *rived from services provided by a health care provider before*  
17       *the effective date of the exclusion of the health care provider*  
18       *under this section.*

19           *“(3)(A) The Commissioner shall specify, in the notice*  
20       *of exclusion under paragraph (1), the period of the exclu-*  
21       *sion.*

22           *“(B) Subject to subparagraph (C), in the case of an*  
23       *exclusion under subsection (a), the minimum period of ex-*  
24       *clusion shall be five years, except that the Commissioner*  
25       *may waive the exclusion in the case of an individual who*

1 *is the sole source of essential services in a community. The*  
2 *Commissioner’s decision whether to waive the exclusion*  
3 *shall not be reviewable.*

4       “(C) *In the case of an exclusion of an individual under*  
5 *subsection (a) based on a conviction or a determination de-*  
6 *scribed in subsection (a)(3) occurring on or after the date*  
7 *of the enactment of this section, if the individual has (before,*  
8 *on, or after such date of enactment) been convicted, or if*  
9 *such a determination has been made with respect to the*  
10 *individual—*

11               “(i) *on one previous occasion of one or more of-*  
12 *ferences for which an exclusion may be effected under*  
13 *such subsection, the period of the exclusion shall be*  
14 *not less than 10 years, or*

15               “(ii) *on 2 or more previous occasions of one or*  
16 *more offenses for which an exclusion may be effected*  
17 *under such subsection, the period of the exclusion*  
18 *shall be permanent.*

19       “(c) *NOTICE TO STATE AGENCIES.—The Commis-*  
20 *sioner shall promptly notify each appropriate State agency*  
21 *employed for the purpose of making disability determina-*  
22 *tions under section 221 or 1633(a)—*

23               “(1) *of the fact and circumstances of each exclu-*  
24 *sion effected against an individual under this section,*  
25 *and*

1           “(2) of the period (described in subsection (b)(3))  
2           for which the State agency is directed to exclude the  
3           individual from participation in the activities of the  
4           State agency in the course of its employment.

5           “(d) NOTICE TO STATE LICENSING AGENCIES.—The  
6           Commissioner shall—

7           “(1) promptly notify the appropriate State or  
8           local agency or authority having responsibility for the  
9           licensing or certification of an individual excluded  
10          from participation under this section of the fact and  
11          circumstances of the exclusion,

12          “(2) request that appropriate investigations be  
13          made and sanctions invoked in accordance with ap-  
14          plicable State law and policy, and

15          “(3) request that the State or local agency or au-  
16          thority keep the Commissioner and the Inspector Gen-  
17          eral of the Social Security Administration fully and  
18          currently informed with respect to any actions taken  
19          in response to the request.

20          “(e) NOTICE, HEARING, AND JUDICIAL REVIEW.—(1)  
21          Any individual who is excluded (or directed to be excluded)  
22          from participation under this section is entitled to reason-  
23          able notice and opportunity for a hearing thereon by the  
24          Commissioner to the same extent as is provided in section

1 205(b), and to judicial review of the Commissioner's final  
2 decision after such hearing as is provided in section 205(g).

3       “(2) The provisions of section 205(h) shall apply with  
4 respect to this section to the same extent as it is applicable  
5 with respect to title II.

6       “(f) *APPLICATION FOR TERMINATION OF EXCLU-*  
7 *SION.—(1) An individual excluded from participation*  
8 *under this section may apply to the Commissioner, in the*  
9 *manner specified by the Commissioner in regulations and*  
10 *at the end of the minimum period of exclusion provided*  
11 *under subsection (b)(3) and at such other times as the Com-*  
12 *missioner may provide, for termination of the exclusion ef-*  
13 *fected under this section.*

14       “(2) The Commissioner may terminate the exclusion  
15 if the Commissioner determines, on the basis of the conduct  
16 of the applicant which occurred after the date of the notice  
17 of exclusion or which was unknown to the Commissioner  
18 at the time of the exclusion, that—

19               “(A) there is no basis under subsection (a) for a  
20 continuation of the exclusion, and

21               “(B) there are reasonable assurances that the  
22 types of actions which formed the basis for the origi-  
23 nal exclusion have not recurred and will not recur.

24       “(3) The Commissioner shall promptly notify each  
25 State agency employed for the purpose of making disability

1 *determinations under section 221 or 1633(a) of the fact and*  
2 *circumstances of each termination of exclusion made under*  
3 *this subsection.*

4       “(g) *AVAILABILITY OF RECORDS OF EXCLUDED REP-*  
5 *RESENTATIVES AND HEALTH CARE PROVIDERS.*—*Nothing*  
6 *in this section shall be construed to have the effect of lim-*  
7 *iting access by any applicant or beneficiary under title II*  
8 *or XVI, any State agency acting under section 221 or*  
9 *1633(a), or the Commissioner to records maintained by any*  
10 *representative or health care provider in connection with*  
11 *services provided to the applicant or beneficiary prior to*  
12 *the exclusion of such representative or health care provider*  
13 *under this section.*

14       “(h) *REPORTING REQUIREMENT.*—*Any representative*  
15 *or health care provider participating in, or seeking to par-*  
16 *ticipate in, a social security program shall inform the Com-*  
17 *missioner, in such form and manner as the Commissioner*  
18 *shall prescribe by regulation, whether such representative*  
19 *or health care provider has been convicted of a violation*  
20 *described in subsection (a).*

21       “(i) *DELEGATION OF AUTHORITY.*—*The Commissioner*  
22 *may delegate authority granted by this section to the In-*  
23 *spector General.*

24       “(j) *DEFINITIONS.*—*For purposes of this section:*

1           “(1) *EXCLUDE.*—*The term ‘exclude’ from par-*  
2           *ticipation means—*

3                   “(A) *in connection with a representative, to*  
4                   *prohibit from engaging in representation of an*  
5                   *applicant for, or recipient of, benefits, as a rep-*  
6                   *resentative payee under section 205(j) or*  
7                   *1631(a)(2)(A)(ii), or otherwise as a representa-*  
8                   *tive, in any hearing or other proceeding relating*  
9                   *to entitlement to benefits, and*

10                   “(B) *in connection with a health care pro-*  
11                   *vider, to prohibit from providing items or serv-*  
12                   *ices to an applicant for, or recipient of, benefits*  
13                   *for the purpose of assisting such applicant or re-*  
14                   *ipient in demonstrating disability.*

15           “(2) *SOCIAL SECURITY PROGRAM.*—*The term ‘so-*  
16           *cial security programs’ means the program providing*  
17           *for monthly insurance benefits under title II, and the*  
18           *program providing for monthly supplemental security*  
19           *income benefits to individuals under title XVI (in-*  
20           *cluding State supplementary payments made by the*  
21           *Commissioner pursuant to an agreement under sec-*  
22           *tion 1616(a) of this Act or section 212(b) of Public*  
23           *Law 93–66).*

24           “(3) *CONVICTED.*—*An individual is considered*  
25           *to have been ‘convicted’ of a violation—*

1           “(A) when a judgment of conviction has  
2           been entered against the individual by a Federal,  
3           State, or local court, except if the judgment of  
4           conviction has been set aside or expunged;

5           “(B) when there has been a finding of guilt  
6           against the individual by a Federal, State, or  
7           local court;

8           “(C) when a plea of guilty or nolo  
9           contendere by the individual has been accepted  
10          by a Federal, State, or local court; or

11          “(D) when the individual has entered into  
12          participation in a first offender, deferred adju-  
13          dication, or other arrangement or program where  
14          judgment of conviction has been withheld.”.

15          (b) *EFFECTIVE DATE.*—The amendment made by this  
16          section shall apply with respect to convictions of violations  
17          described in paragraphs (1) and (2) of section 1148(a) of  
18          the Social Security Act and determinations described in  
19          paragraph (3) of such section occurring on or after the date  
20          of the enactment of this Act.

21          **SEC. 210. STATE DATA EXCHANGES.**

22          Whenever the Commissioner of Social Security requests  
23          information from a State for the purpose of ascertaining  
24          an individual’s eligibility for benefits (or the correct  
25          amount of such benefits) under title II or XVI of the Social

1 *Security Act, the standards of the Commissioner promul-*  
2 *gated pursuant to section 1106 of such Act or any other*  
3 *Federal law for the use, safeguarding, and disclosure of in-*  
4 *formation are deemed to meet any standards of the State*  
5 *that would otherwise apply to the disclosure of information*  
6 *by the State to the Commissioner.*

7 **SEC. 211. STUDY ON POSSIBLE MEASURES TO IMPROVE**  
8 **FRAUD PREVENTION AND ADMINISTRATIVE**  
9 **PROCESSING.**

10 (a) *STUDY.*—As soon as practicable after the date of  
11 the enactment of this Act, the Commissioner of Social Secu-  
12 rity, in consultation with the Inspector General of the So-  
13 cial Security Administration and the Attorney General,  
14 shall conduct a study of possible measures to improve—

15 (1) *prevention of fraud on the part of individ-*  
16 *uals entitled to disability benefits under section 223*  
17 *of the Social Security Act or benefits under section*  
18 *202 of such Act based on the beneficiary's disability,*  
19 *individuals eligible for supplemental security income*  
20 *benefits under title XVI of such Act, and applicants*  
21 *for any such benefits; and*

22 (2) *timely processing of reported income changes*  
23 *by individuals receiving such benefits.*

24 (b) *REPORT.*—Not later than 1 year after the date of  
25 the enactment of this Act, the Commissioner shall submit

1 *to the Committee on Ways and Means of the House of Rep-*  
2 *resentatives and the Committee on Finance of the Senate*  
3 *a written report that contains the results of the Commis-*  
4 *sioner's study under subsection (a). The report shall contain*  
5 *such recommendations for legislative and administrative*  
6 *changes as the Commissioner considers appropriate.*

7 **SEC. 212. ANNUAL REPORT ON AMOUNTS NECESSARY TO**  
8 **COMBAT FRAUD.**

9 *(a) IN GENERAL.—Section 704(b)(1) of the Social Se-*  
10 *curity Act (42 U.S.C. 904(b)(1)) is amended—*

11 *(1) by inserting “(A)” after “(b)(1)”;* and

12 *(2) by adding at the end the following new sub-*  
13 *paragraph:*

14 *“(B) The Commissioner shall include in the annual*  
15 *budget prepared pursuant to subparagraph (A) an*  
16 *itemization of the amount of funds required by the Social*  
17 *Security Administration for the fiscal year covered by the*  
18 *budget to support efforts to combat fraud committed by ap-*  
19 *plicants and beneficiaries.”.*

20 *(b) EFFECTIVE DATE.—The amendments made by this*  
21 *section shall apply with respect to annual budgets prepared*  
22 *for fiscal years after fiscal year 1999.*

1 **SEC. 213. COMPUTER MATCHES WITH MEDICARE AND MED-**  
2 **ICAID INSTITUTIONALIZATION DATA.**

3 (a) *IN GENERAL.*—Section 1611(e)(1) of the Social Se-  
4 curity Act (42 U.S.C. 1382(e)(1)), as amended by section  
5 205(b)(2) of this Act, is further amended by adding at the  
6 end the following:

7 “(K) For the purpose of carrying out this paragraph,  
8 the Commissioner of Social Security shall conduct periodic  
9 computer matches with data maintained by the Secretary  
10 of Health and Human Services under title XVIII or XIX.  
11 The Secretary shall furnish to the Commissioner, in such  
12 form and manner and under such terms as the Commis-  
13 sioner and the Secretary shall mutually agree, such infor-  
14 mation as the Commissioner may request for this purpose.  
15 Information obtained pursuant to such a match may be  
16 substituted for the physician’s certification otherwise re-  
17 quired under subparagraph (G)(i).”.

18 (b) *CONFORMING AMENDMENT.*—Section  
19 1611(e)(1)(G) of such Act (42 U.S.C. 1382(e)(1)(G)) is  
20 amended by striking “subparagraph (H)” and inserting  
21 “subparagraph (H) or (K)”.

22 **SEC. 214. ACCESS TO INFORMATION HELD BY FINANCIAL**  
23 **INSTITUTIONS.**

24 Section 1631(e)(1)(B) of the Social Security Act (42  
25 U.S.C. 1383(e)(1)(B)) is amended—

1           (1) by striking “(B) The” and inserting “(B)(i)  
2           The”; and

3           (2) by adding at the end the following new  
4           clause:

5           “(ii)(I) The Commissioner of Social Security may re-  
6           quire each applicant for, or recipient of, benefits under this  
7           title to provide authorization by the applicant or recipient  
8           (or by any other person whose income or resources are mate-  
9           rial to the determination of the eligibility of the applicant  
10          or recipient for such benefits) for the Commissioner to ob-  
11          tain (subject to the cost reimbursement requirements of sec-  
12          tion 1115(a) of the Right to Financial Privacy Act) from  
13          any financial institution (within the meaning of section  
14          1101(1) of such Act) any financial record (within the mean-  
15          ing of section 1101(2) of such Act) held by the institution  
16          with respect to the applicant or recipient (or any such other  
17          person) whenever the Commissioner determines the record  
18          is needed in connection with a determination with respect  
19          to such eligibility or the amount of such benefits.

20          “(II) Notwithstanding section 1104(a)(1) of the Right  
21          to Financial Privacy Act, an authorization provided by an  
22          applicant or recipient (or any other person whose income  
23          or resources are material to the determination of the eligi-  
24          bility of the applicant or recipient) pursuant to subclause

1 *(I) of this clause shall remain effective until the earliest*  
2 *of—*

3           *“(aa) the rendering of a final adverse decision*  
4           *on the applicant’s application for eligibility for bene-*  
5           *fits under this title;*

6           *“(bb) the cessation of the recipient’s eligibility*  
7           *for benefits under this title; or*

8           *“(cc) the express revocation by the applicant or*  
9           *recipient (or such other person referred to in sub-*  
10           *clause (I)) of the authorization, in a written notifica-*  
11           *tion to the Commissioner.*

12           *“(III)(aa) An authorization obtained by the Commis-*  
13           *sioner of Social Security pursuant to this clause shall be*  
14           *considered to meet the requirements of the Right to Finan-*  
15           *cial Privacy Act for purposes of section 1103(a) of such Act,*  
16           *and need not be furnished to the financial institution, not-*  
17           *withstanding section 1104(a) of such Act.*

18           *“(bb) The certification requirements of section 1103(b)*  
19           *of the Right to Financial Privacy Act shall not apply to*  
20           *requests by the Commissioner of Social Security pursuant*  
21           *to an authorization provided under this clause.*

22           *“(cc) A request by the Commissioner pursuant to an*  
23           *authorization provided under this clause is deemed to meet*  
24           *the requirements of section 1104(a)(3) of the Right to Fi-*

1 *financial Privacy Act and the flush language of section 1102*  
 2 *of such Act.*

3       “(IV) *The Commissioner shall inform any person who*  
 4 *provides authorization pursuant to this clause of the dura-*  
 5 *tion and scope of the authorization.*

6       “(V) *If an applicant for, or recipient of, benefits under*  
 7 *this title (or any such other person referred to in subclause*  
 8 *(I)) refuses to provide, or revokes, any authorization made*  
 9 *by the applicant or recipient for the Commissioner of Social*  
 10 *Security to obtain from any financial institution any fi-*  
 11 *nancial record, the Commissioner may, on that basis, deter-*  
 12 *mine that the applicant or recipient is ineligible for benefits*  
 13 *under this title.”.*

14       ***Subtitle B—Benefits for Filipino***  
 15       ***Veterans of World War II***

16 ***SEC. 251. PROVISION OF REDUCED SSI BENEFIT TO CER-***  
 17       ***TAIN INDIVIDUALS WHO PROVIDED SERVICE***  
 18       ***TO THE ARMED FORCES OF THE UNITED***  
 19       ***STATES IN THE PHILIPPINES DURING WORLD***  
 20       ***WAR II AFTER THEY MOVE BACK TO THE***  
 21       ***PHILIPPINES.***

22       (a) *IN GENERAL.—Notwithstanding sections*  
 23 *1611(f)(1) and 1614(a)(1)(B)(i) of the Social Security Act*  
 24 *and sections 401 and 402 of the Personal Responsibility*  
 25 *and Work Opportunity Reconciliation Act of 1996, the eli-*

1 *gibility of a qualified individual for benefits under the sup-*  
2 *plemental security income program under title XVI of the*  
3 *Social Security Act shall not terminate by reason of a*  
4 *change in the place of residence of the individual to the*  
5 *Philippines.*

6 (b) *BENEFIT AMOUNT.*—*Notwithstanding subsections*  
7 *(a) and (b) of section 1611 of the Social Security Act, the*  
8 *benefit payable under the supplemental security income*  
9 *program to a qualified individual for any month through-*  
10 *out which the individual resides in the Philippines shall*  
11 *be in an amount equal to 75 percent of the Federal benefit*  
12 *rate under title XVI of such Act for the month, reduced*  
13 *(after disregard of the amount specified in section*  
14 *1612(b)(2)(A) of such Act) by the amount of the qualified*  
15 *individual's benefit income for the month.*

16 (c) *DEFINITIONS.*—*In this section:*

17 (1) *QUALIFIED INDIVIDUAL.*—*The term “quali-*  
18 *fied individual” means an individual who—*

19 (A) *as of the date of the enactment of this*  
20 *Act, is eligible for benefits under the supple-*  
21 *mental security income program under title XVI*  
22 *of the Social Security Act on the basis of an ap-*  
23 *plication filed before such date;*

24 (B) *before December 31, 1946, served in the*  
25 *organized military forces of the Government of*

1           *the Commonwealth of the Philippines while such*  
2           *forces were in the service of the Armed Forces*  
3           *of the United States pursuant to the military*  
4           *order of the President dated July 26, 1941, in-*  
5           *cluding among such military forces organized*  
6           *guerrilla forces under commanders appointed,*  
7           *designated, or subsequently recognized by the*  
8           *Commander in Chief, Southwest Pacific Area, or*  
9           *other competent military authority in the Army*  
10          *of the United States; and*

11                   *(C) has not been removed from the United*  
12          *States pursuant to section 237(a) of the Immi-*  
13          *gration and Nationality Act.*

14                   (2) *FEDERAL BENEFIT RATE.*—*The term “Fed-*  
15          *eral benefit rate” means, with respect to a month, the*  
16          *amount of the cash benefit (not including any State*  
17          *supplementary payment which is paid by the Com-*  
18          *missioner of Social Security pursuant to an agree-*  
19          *ment under section 1616(a) of the Social Security Act*  
20          *or section 212(b) of Public Law 93–66) payable for*  
21          *the month to an eligible individual with no income.*

22                   (3) *BENEFIT INCOME.*—*The term “benefit in-*  
23          *come” means any recurring payment received by a*  
24          *qualified individual as an annuity, pension, retire-*  
25          *ment, or disability benefit (including any veterans’*

1       *compensation or pension, workmen's compensation*  
 2       *payment, old-age, survivors, or disability insurance*  
 3       *benefit, railroad retirement annuity or pension, and*  
 4       *unemployment insurance benefit), but only if a simi-*  
 5       *lar payment was received by the individual from the*  
 6       *same (or a related) source during the 12-month pe-*  
 7       *riod preceding the month in which the individual*  
 8       *changes his place of residence from the United States*  
 9       *to the Philippines.*

10       *(d) EFFECTIVE DATE.—This section shall be effective*  
 11       *with respect to supplemental security income benefits pay-*  
 12       *able for months beginning after the date that is 1 year after*  
 13       *the date of the enactment of this Act, or such earlier date*  
 14       *that the Commissioner of Social Security determines is ad-*  
 15       *ministratively feasible.*

## 16       **TITLE III—CHILD SUPPORT**

### 17       **SEC. 301. ELIMINATION OF HOLD HARMLESS PROVISION**

#### 18                       **FOR STATE SHARE OF DISTRIBUTION OF COL-**

#### 19                       **LECTED CHILD SUPPORT.**

20       *(a) IN GENERAL.—Section 457 of the Social Security*  
 21       *Act (42 U.S.C. 657) is amended—*

22               *(1) in subsection (a), by striking “subsections (e)*  
 23               *and (f)” and inserting “subsections (d) and (e)”;*

24               *(2) by striking subsection (d);*

1           (3) *in subsection (e), by striking the 2nd sen-*  
2           *tence; and*

3           (4) *by redesignating subsections (e) and (f) as*  
4           *subsections (d) and (e), respectively.*

5           (b) *EFFECTIVE DATE.—The amendments made by this*  
6           *section shall be effective with respect to calendar quarters*  
7           *beginning on or after October 1, 1999.*

8                                   **TITLE IV—TECHNICAL**  
9                                   **CORRECTIONS**

10 **SEC. 401. TECHNICAL CORRECTIONS RELATING TO AMEND-**  
11                                   **MENTS MADE BY THE PERSONAL RESPONSI-**  
12                                   **BILITY AND WORK OPPORTUNITY RECONCILI-**  
13                                   **ATION ACT OF 1996.**

14           (a) *Section 402(a)(1)(B)(iv) of the Social Security Act*  
15           *(42 U.S.C. 602(a)(1)(B)(iv)) is amended by striking “Act”*  
16           *and inserting “section”.*

17           (b) *Section 409(a)(7)(B)(i)(II) of the Social Security*  
18           *Act (42 U.S.C. 609(a)(7)(B)(i)(II)) is amended by striking*  
19           *“part” and inserting “section”.*

20           (c) *Section 413(g)(1) of the Social Security Act (42*  
21           *U.S.C. 613(g)(1)) is amended by striking “Act” and insert-*  
22           *ing “section”.*

23           (d) *Section 416 of the Social Security Act (42 U.S.C.*  
24           *616) is amended by striking “Opportunity Act” and insert-*

1 *ing “Opportunity Reconciliation Act” each place such term*  
2 *appears.*

3 *(e) Section 431(a)(6) of the Social Security Act (42*  
4 *U.S.C. 629a(a)(6)) is amended—*

5 *(1) by inserting “, as in effect before August 22,*  
6 *1986” after “482(i)(5)”;* and

7 *(2) by inserting “, as so in effect” after*  
8 *“482(i)(7)(A)”.*

9 *(f) Sections 452(a)(7) and 466(c)(2)(A)(i) of the Social*  
10 *Security Act (42 U.S.C. 652(a)(7) and 666(c)(2)(A)(i)) are*  
11 *each amended by striking “Social Security” and inserting*  
12 *“social security”.*

13 *(g) Section 454 of the Social Security Act (42 U.S.C.*  
14 *654) is amended—*

15 *(1) by striking “, or” at the end of each of para-*  
16 *graphs (6)(E)(i) and (19)(B)(i) and inserting “; or”;*

17 *(2) in paragraph (9), by striking the comma at*  
18 *the end of each of subparagraphs (A), (B), (C) and*  
19 *inserting a semicolon; and*

20 *(3) by striking “, and” at the end of each of*  
21 *paragraphs (19)(A) and (24)(A) and inserting “;*  
22 *and”.*

23 *(h) Section 454(24)(B) of the Social Security Act (42*  
24 *U.S.C. 654(24)(B)) is amended by striking “Opportunity*  
25 *Act” and inserting “Opportunity Reconciliation Act”.*

1           (i) *Section 344(b)(1)(A) of the Personal Responsibility*  
2 *and Work Opportunity Reconciliation Act of 1996 (110*  
3 *Stat. 2236) is amended to read as follows:*

4                     “(A) *in paragraph (1), by striking subpara-*  
5 *graph (B) and inserting the following:*

6                     “(B) *equal to the percent specified in para-*  
7 *graph (3) of the sums expended during such*  
8 *quarter that are attributable to the planning, de-*  
9 *sign, development, installation or enhancement*  
10 *of an automatic data processing and informa-*  
11 *tion retrieval system (including in such sums the*  
12 *full cost of the hardware components of such sys-*  
13 *tem); and; and”.*

14           (j) *Section 457(a)(2)(B)(i)(I) of the Social Security*  
15 *Act (42 U.S.C. 657(a)(2)(B)(i)(I)) is amended by striking*  
16 *“Act Reconciliation” and inserting “Reconciliation Act”.*

17           (k) *Section 457 of the Social Security Act (42 U.S.C.*  
18 *657) is amended by striking “Opportunity Act” each place*  
19 *it appears and inserting “Opportunity Reconciliation Act”.*

20           (l) *Effective on the date of the enactment of this Act,*  
21 *section 404(e) of the Social Security Act (42 U.S.C. 604(e))*  
22 *is amended by inserting “or tribe” after “State” the first*  
23 *and second places it appears, and by inserting “or tribal”*  
24 *after “State” the third place it appears.*

1       (m) Section 466(a)(7) of the Social Security Act (42  
2 U.S.C. 666(a)(7)) is amended by striking “1681a(f)” and  
3 inserting “1681a(f))”.

4       (n) Section 466(b)(6)(A) of the Social Security Act (42  
5 U.S.C. 666(b)(6)(A)) is amended by striking “state” and  
6 inserting “State”.

7       (o) Section 471(a)(8) of the Social Security Act (42  
8 U.S.C. 671(a)(8)) is amended by striking “(including ac-  
9 tivities under part F)”.

10       (p) Section 1137(a)(3) of the Social Security Act (42  
11 U.S.C. 1320b-7(a)(3)) is amended by striking  
12 “453A(a)(2)(B)(iii)” and inserting “453A(a)(2)(B)(ii))”.

13       (q) Except as provided in subsection (l), the amend-  
14 ments made by this section shall take effect as if included  
15 in the enactment of the Personal Responsibility and Work  
16 Opportunity Reconciliation Act of 1996.