

CHILD AND FAMILY SERVICES IMPROVEMENT ACT OF
2006

JULY 12, 2006.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. THOMAS, from the Committee on Ways and Means,
submitted the following

R E P O R T

[To accompany H.R. 5640]

[Including cost estimate of the Congressional Budget Office]

The Committee on Ways and Means, to whom was referred the bill (H.R. 5640) to amend part B of title IV of the Social Security Act to reauthorize the safe and stable families program, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Child and Family Services Improvement Act of 2006”.

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) For Federal fiscal year 2004, child protective services (CPS) staff nationwide reported investigating or assessing an estimated 3,000,000 allegations of child maltreatment, and determined that 872,000 children had been abused or neglected by their parents or other caregivers.

(2) Combined, the Child Welfare Services (CWS) and Promoting Safe and Stable Families (PSSF) programs provide States about \$700,000,000 per year for services intended to ensure the safety, permanency, and well-being of children. These programs are considered the largest source of targeted Federal funding in the child protection system for prevention—that is, for services to ensure that children are not abused or neglected and, whenever possible, help children remain safely with their families.

(3) States have broad flexibility in directing CWS dollars to protect children from abuse and neglect. Under the PSSF program, States must invest significant portions of program funds in family preservation services, family support services, time-limited reunification services, and post-adoption support services.

(4) However, a 2003 report by the Government Accountability Office (GAO) reported that little research is available on the effectiveness of activities supported by CWS funds—evaluations of services supported by PSSF funds have generally shown little or no effect.

(5) Further, the Department of Health and Human Services recently completed initial Child and Family Service Reviews (CFSRs) in each State. No State was in full compliance with all measures of the CFSRs. The CFSRs also revealed that States need to work to prevent repeat abuse and neglect of children, improve services provided to families to reduce the risk of future harm (including by better monitoring the participation of families in services), and strengthen upfront services provided to families to prevent unnecessary family break-up and protect children who remain at home.

(6) Federal policy should ensure that States are appropriately targeting CWS and PSSF funds to assist at-risk families and protect abused and neglected children to address issues found in the CFSRs. Encouraging States to invest their CWS and PSSF funds in services that promote and protect the welfare of children, support strong, healthy families, and reduce the reliance on out-of-home care, will help ensure all children are raised in safe, loving families.

(7) CFSRs also found a strong correlation between frequent caseworker visits with children and positive outcomes for these children, such as timely achievement of permanency and other indicators of child well-being.

(8) However, a December 2005 report by the Department of Health and Human Services Office of Inspector General found that only 20 States were able to produce reports to show whether caseworkers actually visited children in foster care on at least a monthly basis, despite the fact that nearly all States had written standards suggesting monthly visits were State policy. In fact, 7 of these 20 States indicated that fewer than half of the children in foster care were visited on a monthly basis.

(9) The Deficit Reduction Act of 2005 provided \$40,000,000 in fiscal year 2006 for the PSSF program which this Act ensures will be available and which the Congressional Budget Office estimates will increase mandatory budget authority by \$40,000,000 each year from 2006 through 2015, for a total of \$400,000,000.

(10) A 2003 GAO report found that the average tenure for a child welfare caseworker is less than 2 years and this level of turnover negatively affects safety and permanency for children.

(11) Targeting additional PSSF funds to ensure children in foster care are visited on at least a monthly basis will promote better outcomes for vulnerable children, including by preventing further abuse and neglect.

SEC. 3. REAUTHORIZATION OF THE SAFE AND STABLE FAMILIES PROGRAM.

(a) **ELIMINATION OF FINDINGS.**—Section 430 of the Social Security Act (42 U.S.C. 629) is amended by striking all through “(b) PURPOSE.—The purpose” and inserting the following:

“**SEC. 430. PURPOSE.**

“The purpose”.

(b) **LIMITATION ON ADMINISTRATIVE COST REIMBURSEMENT.**—Section 434 of such Act (42 U.S.C. 629d) is amended—

(1) in subsection (a), by inserting “, subject to subsection (d),” after “shall”; and

(2) by adding at the end the following:

“(d) LIMITATION ON REIMBURSEMENT FOR ADMINISTRATIVE COSTS.—The Secretary shall not make a payment to a State under this section with respect to expenditures for administrative costs during a fiscal year, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year under the State plan approved under section 432.”

(c) FUNDING OF MANDATORY GRANTS AT \$345 MILLION PER FISCAL YEAR.—Section 436(a) of such Act (42 U.S.C. 629f(a)) is amended by striking “for fiscal year 2006.” and all that follows and inserting “for each of fiscal years 2007 through 2011.”

(d) FUNDING OF DISCRETIONARY GRANTS.—Section 437(a) of such Act (42 U.S.C. 629g(a)) is amended by striking “2002 through 2006” and inserting “2007 through 2011”.

(e) INCREASE IN SET-ASIDES FOR INDIAN TRIBES.—

(1) MANDATORY GRANTS.—Section 436(b)(3) of such Act (42 U.S.C. 629f(b)(3)) is amended by striking “1” and inserting “3”.

(2) DISCRETIONARY GRANTS.—Section 437(b)(3) of such Act (42 U.S.C. 629g(b)(3)) is amended by striking “2” and inserting “3”.

(f) COLLECTION OF DATA ON TRIBAL PROMOTING SAFE AND STABLE FAMILIES PLANS.—Section 432(b)(2) of such Act (42 U.S.C. 629b(b)(2)) is amended—

(1) by striking subparagraph (A); and

(2) in subparagraph (B), by striking “Notwithstanding subparagraph (A) of this paragraph, the” and inserting “The”.

(g) AUTHORITY OF INTERTRIBAL CONSORTIA TO APPLY FOR GRANTS.—Section 432(b)(2) of such Act (42 U.S.C. 629b(b)(2)), as amended by subsection (f) of this section, is amended—

(1) by inserting before subparagraph (B) the following:

“(A) INTERTRIBAL CONSORTIA.—This subpart shall not be interpreted to preclude the development and submission of a single tribal plan under this subpart by the participating tribes of an intertribal consortium.”; and

(2) in subparagraph (B)—

(A) by inserting “or tribal consortium” after “Indian tribe”; and

(B) by inserting “and tribal consortia” after “Indian tribes”.

(h) TECHNICAL CORRECTION.—Section 431(a)(6) of such Act (42 U.S.C. 629a(a)(6)) is amended by striking “1986” and inserting “1996”.

SEC. 4. TARGETING OF INCREASED SAFE AND STABLE FAMILIES PROGRAM RESOURCES TO SUPPORT MONTHLY CASEWORKER VISITS.

(a) RESERVATION AND USE OF FUNDS.—

(1) IN GENERAL.—Section 436(b) of the Social Security Act (42 U.S.C. 629f(b)) is amended by adding at the end the following:

“(4) SUPPORT FOR MONTHLY CASEWORKER VISITS.—

“(A) RESERVATION.—In the case of each of fiscal years 2006 through 2011, the Secretary shall reserve \$40,000,000 for allotment in accordance with section 433(e).

“(B) USE OF FUNDS.—

“(i) IN GENERAL.—A State to which an amount is paid from amounts reserved under subparagraph (A) shall use the amount to support monthly caseworker visits with children who are in foster care under the responsibility of the State, with a primary emphasis on activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology.

“(ii) NONSUPPLANTATION.—A State to which an amount is paid from amounts reserved pursuant to subparagraph (A) shall not use the amount to supplant any Federal funds paid to the State under part E that could be used as described in clause (i).”

(2) EFFECT ON AMOUNTS RESERVED FOR INDIAN TRIBES.—Section 436(b)(3) of such Act (42 U.S.C. 629b(b)(3)) is amended by striking “The” and inserting “After applying paragraph (4) (but before applying paragraphs (1) or (2)), the”.

(b) ALLOTMENT OF FUNDS.—Section 433 of such Act (42 U.S.C. 629c) is amended—

(1) in subsection (d), by inserting “subsection (a), (b), or (c) of” before “this section” the 1st and 2nd places it appears; and

(2) by adding at the end the following:

“(e) SPECIAL RULES APPLICABLE TO FUNDS RESERVED TO SUPPORT MONTHLY CASEWORKER VISITS.—

“(1) ALLOTMENTS.—

“(A) TERRITORIES.—From the amount reserved pursuant to section 436(b)(4)(A) for fiscal year 2006 or any succeeding fiscal year, the Secretary shall allot to each jurisdiction specified in subsection (b) of this section that

meets the requirements of paragraph (2) of this subsection for the fiscal year an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 423 (without regard to the initial allotment of \$70,000 to each State).

“(B) OTHER STATES.—From the amount reserved pursuant to section 436(b)(4)(A) for fiscal year 2006 or any succeeding fiscal year that remains after applying subparagraph (A) of this paragraph for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) not specified in subsection (b) of this section that meets the requirements of paragraph (2) of this subsection for the fiscal year an amount equal to such remaining amount multiplied by the food stamp percentage of the State (as defined in subsection (c)(2) of this section) for the fiscal year, except that in applying subsection (c)(2)(A) of this section, ‘subsection (e)(1)(B)’ shall be substituted for ‘such paragraph (1)’.

“(2) REQUIREMENTS.—The requirements of this paragraph are the following:

“(A) AMOUNTS ALLOTTED FOR FISCAL YEAR 2007.—In the case of amounts reserved pursuant to section 436(b)(4)(A) for fiscal year 2007, the State has provided to the Secretary data which shows, for the most recent fiscal year for which such information is available—

“(i) the percentage of children in foster care under the responsibility of the State who were visited by the caseworker handling the case of the child at least once each month while the child was in such care; and

“(ii) the percentage of the visits that occurred in the residence of the child.

“(B) AMOUNTS ALLOTTED FOR SUCCEEDING FISCAL YEARS.—In the case of amounts reserved pursuant to section 436(b)(4)(A) for fiscal year 2008 or any succeeding fiscal year:

“(i) DATA SHOWING FREQUENCY AND LOCATION OF CASEWORKER VISITS.—The State has provided to the Secretary data which shows, for the preceding fiscal year, that—

“(I) for at least 90 percent of the children in foster care under the responsibility of the State—

“(aa) the caseworker handling the case of the child visited the child at least once each month while the child was in such care; and

“(bb) the majority of the visits occurred in the residence of the child; or

“(II) the State made the requisite annual progress, as determined by the Secretary, to comply with subclause (I) by October 1, 2011.

“(ii) STATE ABILITY TO VERIFY FREQUENCY OF CASEWORKER VISITS.—The Secretary has verified that the State has in effect such policies and standards as may be necessary to enable the State to determine whether, for at least 90 percent of the children in foster care under the responsibility of the State, a caseworker visited the child at least once each month during the fiscal year.

“(iii) VERIFICATION OF NONSUPPLANTATION COMPLIANCE.—The State has provided to the Secretary such documentation as may be necessary to verify that the State has complied with section 436(b)(4)(B)(ii) during the fiscal year.”.

(c) PAYMENTS TO STATES.—Section 434(a) of such Act (42 U.S.C. 629d(a)), as amended by section 3(b)(1) of this Act, is amended by striking “the lesser of—” and all that follows and inserting the following: “the sum of—

“(1) the lesser of—

“(A) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

“(B) the allotment of the State under subsection (a), (b), or (c) of section 433, whichever is applicable, for the fiscal year; and

“(2) the lesser of—

“(A) 75 percent of the total expenditures by the State in accordance with section 436(b)(4)(B) during the fiscal year or the immediately succeeding fiscal year; or

“(B) the allotment of the State under section 433(e) for the fiscal year.”.

SEC. 5. IMPROVEMENTS TO THE CHILD WELFARE SERVICES PROGRAM.

(a) FUNDING.—Subpart 1 of part B of title IV of the Social Security Act (42 U.S.C. 620–628b) is amended by striking sections 420 and 425 and inserting after section 424 the following:

“LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS

“SEC. 425. To carry out this subpart, there are authorized to be appropriated to the Secretary not more than \$325,000,000 for each of fiscal years 2007 through 2011.”

(b) PURPOSE OF PROGRAM.—Such subpart is further amended—

- (1) by striking section 424;
- (2) by redesignating sections 421 and 423 as sections 423 and 424, respectively, and by transferring section 423 (as so redesignated) so that it appears after section 422; and
- (3) by inserting after the subpart heading the following:

“PURPOSE

“SEC. 421. The purpose of this subpart is to promote State flexibility in the development and expansion of a coordinated child and family services program that utilizes community-based agencies and ensures all children are raised in safe, loving families, by—

- “(1) protecting and promoting the welfare of all children;
- “(2) preventing the neglect, abuse, or exploitation of children;
- “(3) supporting at-risk families through services which allow children, where appropriate, to remain safely with their families or return to their families in a timely manner;
- “(4) promoting the safety, permanence, and well-being of children in foster care; and
- “(5) providing training, professional development and support to ensure a well-qualified child welfare workforce.”

(c) MODIFICATION OF STATE PLAN REQUIREMENTS.—Section 422 of such Act (42 U.S.C. 622) is amended—

(1) in subsection (b)—

(A) by striking paragraphs (3) through (5) and inserting the following:
“(3) include a description of the services and activities which the State will fund under the State program carried out pursuant to this subpart, and how the services and activities will achieve the purpose of this subpart;”;

(B) by striking paragraph (6) and inserting after paragraph (3) (as added by subparagraph (A) of this paragraph) the following:

“(4) contain a description of—

“(A) the steps the State will take to provide child welfare services statewide and to expand and strengthen the range of existing services and develop and implement services to improve child outcomes; and

“(B) the child welfare services staff development and training plans of the State;”;

(C) by redesignating paragraphs (7) through (9) as paragraphs (5) through (7), respectively;

(D) in paragraph (10)—

(i) by striking subparagraph (A);

(ii) in subparagraph (B)(iii)(II), by inserting “, which may include a residential educational program” after “in some other planned, permanent living arrangement”;

(iii) by redesignating subparagraph (B) as subparagraph (A); and

(iv) by striking subparagraph (C) and inserting after subparagraph

(A) the following:

“(B) has in effect policies and administrative and judicial procedures for children abandoned at or shortly after birth which enable permanent decisions to be made expeditiously with respect to the placement of the children;”;

(E) in paragraph (14), by striking “and” at the end;

(F) in paragraph (15), by striking the period and inserting a semicolon;

(G) by redesignating paragraphs (10) through (15) as paragraphs (8) through (13), respectively; and

(H) by adding at the end the following:

“(14) include assurances that not more than 10 percent of the expenditures of the State with respect to activities funded from amounts provided under this subpart will be for administrative costs; and

“(15) outlines how the State will ensure that physicians or other appropriate medical professionals are actively consulted and involved in—

“(A) assessing the health and well-being of children in foster care under the responsibility of the State; and

“(B) determining appropriate medical treatment for the children.”; and

(2) by adding at the end the following:

“(c) DEFINITIONS.—In this subpart:

“(1) ADMINISTRATIVE COSTS.—The term ‘administrative costs’ means costs for the following, but only to the extent incurred in administering the State plan developed pursuant to this subpart: procurement, payroll management, personnel functions (other than the portion of the salaries of supervisors attributable to time spent directly supervising the provision of services by caseworkers), management, maintenance and operation of space and property, data processing and computer services, accounting, budgeting, auditing, and travel expenses (except those related to the provision of services by caseworkers or the oversight of programs funded under this subpart).

“(2) OTHER TERMS.—For definitions of other terms used in this part, see section 475.”

(d) PROVISIONS RELATING TO STATE ALLOTMENTS.—Section 423 of such Act, as so redesignated by subsection (b)(2) of this section, is amended—

(1) in subsection (a)—

(A) by inserting “IN GENERAL.—” after “(a)”; and

(B) by striking “420” and inserting “425”; and

(C) by striking “He” and inserting “The Secretary”;

(2) in subsection (b)—

(A) by inserting “DETERMINATION OF STATE ALLOTMENT PERCENTAGES.—” after “(b)”; and

(B) by striking “per centum” each place it appears and inserting “percent”;

(3) in subsection (c), by inserting “PROMULGATION OF STATE ALLOTMENT PERCENTAGES.—” after “(c)”; and

(4) in subsection (d)—

(A) by inserting “UNITED STATES DEFINED.—” after “(d)”; and

(B) by striking “fifty” and inserting “50”; and

(5) by adding at the end the following:

“(e) REALLOTMENT OF FUNDS.—

“(1) IN GENERAL.—The amount of any allotment to a State for a fiscal year under the preceding provisions of this section which the State certifies to the Secretary will not be required for carrying out the State plan developed as provided in section 422 shall be available for reallocation from time to time, on such dates as the Secretary may fix, to other States which the Secretary determines—

“(A) need sums in excess of the amounts allotted to such other States under the preceding provisions of this section, in carrying out their State plans so developed; and

“(B) will be able to so use such excess sums during the fiscal year.

“(2) CONSIDERATIONS.—The Secretary shall make the reallocations on the basis of the State plans so developed, after taking into consideration—

“(A) the population under 21 years of age;

“(B) the per capita income of each of such other States as compared with the population under 21 years of age; and

“(C) the per capita income of all such other States with respect to which such a determination by the Secretary has been made.

“(3) AMOUNTS REALLOTTED TO A STATE AMOUNTS DEEMED PART OF STATE ALLOTMENT.—Any amount so reallocated to a State is deemed part of the allotment of the State under this section.”

(e) PAYMENTS TO STATES.—

(1) EXCLUSION OF EXPENDITURES FOR CHILD DAY CARE, FOSTER CARE MAINTENANCE PAYMENTS, AND ADOPTION ASSISTANCE PAYMENTS FROM ALLOWABLE EXPENDITURES.—Section 424 of such Act, as so redesignated by subsection (b)(2) of this section, is amended—

(A) in subsection (c)—

(i) in paragraph (1)—

(I) by striking “No” and inserting “Except as provided in paragraph (2), no”;

(II) by striking “, for any fiscal year beginning after September 30, 1979,”;

(III) in subparagraph (A), by striking “necessary” and all that follows through “living”; and

(IV) in subparagraph (C), by striking “, to the extent” and all that follows through “1979”; and

(ii) by striking paragraph (2) and inserting the following:

“(2) In the case of a State which demonstrates to the Secretary that the State made an expenditure described in paragraph (1) in fiscal year 2005, the Secretary shall not make a payment to the State under this part for any fiscal year beginning

after September 30, 2006, with respect to the State expenditures so described, to the extent that the Federal payment with respect to the expenditures so described for the fiscal year exceeds the lesser of—

“(A) the total amount of the Federal payment under this part for fiscal year 1979; or

“(B) the total amount of the Federal payment with respect to the expenditures so described for fiscal year 2005.”; and

(B) in subsection (d)—

(i) by striking “(excluding expenditures for activities specified in subsection (c)(1))”; and

(ii) by striking “such activities” and inserting “activities specified in subsection (c)(1)”.

(2) **LIMITATION ON ADMINISTRATIVE COST REIMBURSEMENT.**—Section 424 of such Act (42 U.S.C. 623), as so redesignated by subsection (b)(2) of this section, is amended by adding at the end the following:

“(e) **LIMITATION ON REIMBURSEMENT FOR ADMINISTRATIVE COSTS.**—The Secretary shall not make a payment to a State under this section with respect to expenditures during a fiscal year for administrative costs, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year for activities funded from amounts provided under this subpart.”.

(3) **TECHNICAL AMENDMENT.**—Section 424(a) of such Act, as so redesignated by subsection (b)(2) of this section, is amended by striking “per centum” and inserting “percent”.

(f) **ELIMINATION OF OBSOLETE PROVISION.**—Section 426 of such Act (42 U.S.C. 626) is amended by striking subsection (b) and redesignating subsection (c) as subsection (b).

(g) **CONFORMING AMENDMENTS.**—

(1) Section 428(b) of such Act (42 U.S.C. 628(b)) is amended by striking “421” and inserting “423”.

(2) Section 429 of such Act (42 U.S.C. 628a) is amended—

(A)(i) by striking the following:

“CHILD WELFARE TRAINEESHIPS

“SEC. 429. The Secretary”; and

(ii) inserting the following:

“(c) **CHILD WELFARE TRAINEESHIPS.**—The Secretary”; and

(B) by transferring the provision to the end of section 426 (as amended by subsection (f) of this section).

(3) Section 429A of such Act (42 U.S.C. 628b) is redesignated as section 429.

(4) Section 433(b) of such Act (42 U.S.C. 629c(b)) is amended by striking “421” and inserting “423”.

(5) Section 437(c)(2) of such Act (42 U.S.C. 629g(c)(2)) is amended by striking “421” and inserting “423”.

SEC. 6. REAUTHORIZATION OF THE COURT IMPROVEMENT PROGRAM.

Section 438 of the Social Security Act (42 U.S.C. 629h) is amended in each of subsections (c)(1)(A) and (d) by striking “2006” and inserting “2011”.

SEC. 7. REAUTHORIZATION OF PROGRAM FOR MENTORING CHILDREN OF PRISONERS.

Section 439 of the Social Security Act (42 U.S.C. 629i) is amended—

(1) in subsection (c), by striking “2002 through 2006” and inserting “2007 through 2011”; and

(2) in subsection (h), by striking paragraph (1) and inserting the following:

“(1) **LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.**—To carry out this section, there are authorized to be appropriated to the Secretary such sums as may be necessary for fiscal years 2007 through 2011.”.

SEC. 8. AVAILABILITY OF ADDITIONAL PROMOTING SAFE AND STABLE FAMILIES RESOURCES FOR FISCAL YEAR 2006.

(a) **APPROPRIATION.**—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary of Health and Human Services \$40,000,000 for fiscal year 2006 to carry out subpart 2 of part B of title IV of the Social Security Act, in addition to any amount otherwise made available for fiscal year 2006 to carry out such subpart.

(b) **AVAILABILITY OF FUNDS.**— Notwithstanding section 434(b)(2) of such Act, the amounts paid to States from the amount appropriated under subsection (a) of this section shall remain available for expenditure by the States through fiscal year 2008.

SEC. 9. REPORTS.

Section 435 of the Social Security Act (42 U.S.C. 629e) is amended by adding at the end the following:

“(e) REPORTS.—

“(1) CONTENT.—The Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate biennial reports on—

“(A) the level of expenditures, and the programs and activities funded, under subpart 1 and this subpart by each State, territory, and Indian tribe to which funds are paid under this part;

“(B) the number of children and families served by each such State, territory, and Indian tribe under the programs; and

“(C) how spending under the programs has helped achieve the goals identified by each such State, territory, and Indian tribe as part of the annual planning process undertaken in developing plans pursuant to this part.

“(2) TIMING.—The Secretary shall submit the biennial reports required by paragraph (1) not later than July 1, 2008, and not later than July 1 of every other calendar year thereafter.”.

SEC. 10. EFFECTIVE DATES.

(a) **IN GENERAL.—**Except as otherwise provided in this section, the amendments made by this Act shall take effect on October 1, 2006, and shall apply to payments under part B of title IV of the Social Security Act for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

(b) **DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—**If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan developed pursuant to subpart 1 of part B, or a State plan approved under subpart 2 of part B, of title IV of the Social Security Act to meet the additional requirements imposed by the amendments made by this Act, the plan shall not be regarded as failing to meet any of the additional requirements before the 1st day of the 1st calendar quarter beginning after the first regular session of the State legislature that begins after the date of the enactment of this Act. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.

(c) **AVAILABILITY OF ADDITIONAL PROMOTING SAFE AND STABLE FAMILIES RESOURCES FOR FISCAL YEAR 2006.—**Section 8 shall take effect on the date of the enactment of this Act.

I. INTRODUCTION**A. PURPOSE AND SUMMARY**

The Committee bill, H.R. 5640, as amended, includes provisions to (1) reauthorize the Promoting Safe and Stable Families (PSSF) program, (2) target resources towards ensuring children in foster care are visited on a monthly basis by caseworkers, (3) improve the Child Welfare Services (CWS) program, (4) reauthorize the Court Improvement Program, (5) reauthorize the Mentoring Children of Prisoners Program, and (6) appropriate for fiscal year (FY) 2006 the additional \$40 million in mandatory funding provided under the Deficit Reduction Act of 2005 (P.L. 109–171) for the PSSF program.

Section 1 provides the short title of the bill. Section 2 includes a set of findings to the underlying bill which describe what is known about how States spend child protective services funds, and refer to research suggesting the changes included in this legislation will better protect children.

Section 3 extends the authorization of mandatory funding for the PSSF program at the current \$345 million level for each of fiscal years (FYs) 2007 through 2011 and also extends the authorization of discretionary appropriations at the current \$200 million level for each of FYs 2007 through 2011. It also seeks to focus program

spending on services to families, increases the share of program funds set aside for Indian tribes, and allows tribal consortia to seek PSSF program funds.

Section 4 of the bill targets the recent \$40 million increase in PSSF funds to support monthly caseworker visits with children in foster care, with a primary emphasis on activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology.

Section 5 makes several technical changes and other improvements to the CWS program, generally conforming this program more closely to the PSSF program, which shares many of the same goals.

Sections 6 and 7 reauthorize the current Court Improvement and Mentoring Children of Prisoners programs at their current funding levels, for each of FYs 2007 through 2011.

Section 8 appropriates for FY 2006 only the additional \$40 million in PSSF funds provided under the Deficit Reduction Act of 2005 (P.L. 109–171).

Section 9 provides for certain biennial reports to the House Committee on Ways and Means and the Senate Committee on Finance on programs and activities funded by the CWS and PSSF programs.

Section 10 provides for effective dates.

B. BACKGROUND AND NEED FOR LEGISLATION

The bill approved by the Committee reauthorizes and improves important child protection programs. It reauthorizes the PSSF program for five years and targets new resources to ensure children in foster care are visited on a monthly basis by their caseworkers, responding to research showing a strong correlation between frequent caseworker visits and positive outcomes for children.

The bill improves and updates the CWS program, better aligning the services intended to ensure the safety, permanency, and well-being of children provided through this program and the PSSF program. It also continues the Court Improvement Program, the Mentoring Children of Prisoners program and ensures the availability of the additional \$40 million provided for the PSSF program in FY 2006 by the Deficit Reduction Act of 2005 (P.L. 109–171).

C. LEGISLATIVE HISTORY

H.R. 5640 was introduced on June 20, 2006 and was referred to the Committee on Ways and Means. The Committee on Ways and Means marked up the bill on June 29, 2006 and ordered the bill, as amended, favorably reported.

The Committee on Ways and Means Subcommittee on Human Resources held a hearing on May 23, 2006 on proposals to improve child protective services such as those supported by the PSSF and CWS programs. Witnesses at this hearing provided comments on draft legislation reflecting provisions subsequently introduced by Subcommittee on Human Resources Chairman Wally Herger (R-CA) and Ranking Member Jim McDermott (D-WA) as H.R. 5640. In recent years, the Subcommittee on Human Resources also has conducted a series of oversight hearings on various aspects of the

child protection system, which generally indicated a need for improved oversight and accountability throughout these programs.

II. EXPLANATION OF PROVISIONS

SECTION 1. SHORT TITLE

Present Law

No provision.

Explanation of Provision

The Act is named the “Child and Family Services Improvement Act of 2006.”

Reason for Change

Not applicable.

SECTION 2. FINDINGS

Present Law

No provision.

Explanation of Provision

The legislation includes a series of findings that (1) describe what is known about how States spend child protective services funds, (2) outline what measures research suggests are effective to combat child abuse and ensure child safety, and (3) highlight the goals and objectives for the approximately \$700 million provided each year for the Child Welfare Services (CWS) and Promoting Safe and Stable Families (PSSF) programs.

Reason for Change

The findings highlight noteworthy changes made in this legislation that will improve and strengthen child protection programs and encourage States to invest Federal resources in up-front prevention activities to better ensure children are raised in safe, loving families.

SECTION 3. REAUTHORIZATION OF THE SAFE AND STABLE FAMILIES PROGRAM

Present Law

The Promoting Safe and Stable Families Amendments of 2001 (P.L. 107–133) made a series of findings describing (1) the effectiveness of family support programs directed at specific vulnerable populations, (2) the purpose of family preservation programs, (3) the importance of making available in a timely manner services that address family problems (in particular, services and treatment addressing substance abuse), and (4) how the rapid increase in the number of adoptions since enactment of the Adoption and Safe Families Act of 1997 has created a need for post-adoption services and for knowledgeable post-adoption service providers.

As a condition of approval of their State plan for the PSSF program, States must assure that they will spend no more than 10 percent of the Federal funds they receive for the PSSF program on administrative costs.

For fiscal year (FY) 2006, \$345 million in mandatory funding is authorized for the PSSF program. For each of FYs 2002 through 2006, discretionary appropriations of up to \$200 million are authorized for the PSSF program.

For each of fiscal years (FYs) 2002 through 2006, present law provides that one percent of the mandatory funds authorized and two percent of any discretionary funds appropriated for the PSSF program must be set-aside for tribal child and family services programs. Therefore, the minimum funding available per year for tribal programs is \$3.45 million and the maximum is \$7.45 million.

To receive PSSF funding, tribes must meet the same plan requirements that States must meet, which are generally related to planning and reporting on the planned use of the funds, providing services, and administering the funds received. However, the Secretary of the U.S. Department of Health and Human Services (the Secretary) may exempt an Indian tribe from any of the plan requirements that it determines is inappropriate for that tribe, after taking into account the resources, needs, and other circumstances of the tribe.

Out of the funds reserved for tribal child and family services programs from the PSSF appropriations, allotments are made to each eligible tribe based on the tribe's relative share of individuals under the age of 21 (among all eligible tribes). However, no tribe may have an approved program plan (i.e. be eligible for PSSF funding) if its allotment under this formula would be less than \$10,000.

For the purposes of the PSSF program, present law defines "Indian tribe" as any Indian tribe and any Alaska native organization as they were defined in a certain section of the Job Opportunities and Basic Skills (JOBS) program (Title IV-F) of the Social Security Act as that section was in effect on August 22, 1986. The JOBS program was repealed as of the enactment (on August 22, 1996) of the Personal Responsibility and Work Opportunity Reconciliation Act (P.L. 104-193) of 1996.

Explanation of Provision

The legislation removes the findings subsection from present law.

It prohibits the Secretary from making any payment of PSSF funds to a State for administrative costs that exceed 10 percent of total program expenditures (Federal and non-Federal) of a State.

The legislation extends the authorization of mandatory funding for the PSSF program at the current \$345 million level for each of FYs 2007 through 2011. It also extends the authorization of discretionary appropriations for the PSSF program at the current \$200 million level for each of FYs 2007 through 2011.

The legislation increases the set-aside for tribal programs to 3 percent of any discretionary funds appropriated. It also increases the set-aside for tribal programs to 3 percent of the mandatory funds authorized and which remain after the separate reservation of funds for monthly caseworker visits is made (see additional provisions in Section 4 of the legislation described below). Therefore, the minimum funding available per year for tribal programs would be \$9.15 million and the maximum funding would be \$15.15 million. The legislation eliminates the ability of the Secretary to exempt tribes from any of the PSSF plan requirements. It permits an intertribal consortium (a group of tribes) to submit a single PSSF

program plan for approval and clarifies that tribes can form consortia in order to meet the \$10,000 minimum funding threshold required to be eligible to receive tribal PSSF funds.

The legislation makes a technical correction by striking the incorrect reference to “1986” and replacing it with “1996.”

Reason for Change

The PSSF program supports four categories of services provided to children and families: family preservation services, community-based family support services, time-limited reunification services, and adoption promotion and support services. The legislation recognizes the importance of encouraging States to invest in these activities. Thus the legislation provides for a \$200 million increase in mandatory PSSF funds over the next five years, as made possible by the Deficit Reduction Act of 2005 (P.L. 109–171). In total \$345 million in mandatory funding (the recent \$305 million allotment of annual mandatory funds, plus a \$40 million annual increase provided under the Deficit Reduction Act of 2005) will be provided in each of FYs 2007 through 2011. The legislation also maintains the current level of discretionary appropriations by also authorizing \$200 million for each of FYs 2007 through 2011.

To ensure that the vast majority of these funds are invested in up-front prevention activities intended to protect children and support families, thereby preventing the unnecessary placement or lingering of children in foster care, this legislation prohibits the Secretary from making any payment of PSSF funds to a State for administrative costs that exceed 10 percent of the total (Federal and non-Federal) PSSF expenditures of the State.

The legislation also recognizes the importance of assisting tribes in their efforts to assist abused and neglected children. The legislation significantly increases the amount of funds provided to tribes and allows tribal consortia to apply for PSSF funds. To collect additional data and ensure proper oversight of these funds, tribes and tribal consortia interested in applying for this substantial increase in PSSF funds will be required to adhere to the same plan requirements as States. The Committee looks forward to examining this additional data to learn how these funds have helped the tribes better ensure the safety, permanency, and well-being of tribal children.

SECTION 4. TARGETING OF INCREASED SAFE AND STABLE FAMILIES PROGRAM RESOURCES TO SUPPORT MONTHLY CASEWORKER VISITS

Present Law

Out of the total annual mandatory funds authorized for the PSSF program, one percent is reserved for tribal funding, \$10 million is reserved for the Court Improvement Program, and \$6 million is reserved for research, evaluation, training and technical assistance related to the PSSF program. The remaining funds are then allotted to the States and territories.

A State, tribe, or territory is entitled to receive its full allotment of mandatory PSSF funds or an amount equal to 75 percent of its total expenditures for activities under the PSSF plan (whichever is less). Each State’s allotment of mandatory (and any discretionary) funding is determined by each State’s average relative share of

children receiving food stamps (based on the most recent 3 years of data). Allotments for the five territories (American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the Virgin Islands) are based on the formula that is used to distribute CWS funds. Each territory receives a minimum allotment of \$70,000 and the remaining funds are distributed based on the assumption that each territory has low per capita income and on the relative share of the population under age 21 in the territory.

A State, tribe, or territory may certify that it will not need some or all of the PSSF funds allotted to it for a given fiscal year and the Secretary must re-allot those funds (using the regular program allotment methodology) to the other States, tribes, or territories.

Explanation of Provision

The legislation provides that out of the \$345 million in mandatory funds authorized for the PSSF program in each of FYs 2006 through 2011, \$40 million must be reserved annually to support monthly caseworker visits of children in foster care under the responsibility of the State, with a primary emphasis on activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology. (Note: Funds for FY 2006 were authorized under the Deficit Reduction Act of 2005 (P.L. 109–171), but are appropriated under Section 8 of this legislation; see below.)

States receiving an allotment of the \$40 million reserved from PSSF funds to support monthly caseworker visits of children in foster care cannot use these funds to supplant any Federal funds already paid to the State under the Title IV-E program that could be used for the purposes outlined above.

As provided in Section 3 of the legislation, 3 percent of mandatory PSSF funds would be set aside for tribal programs. This legislation provides that the determination of the tribal set-aside amount would be made after the set-aside of \$40 million to support monthly caseworker visits, but before any other reservations or allotments of PSSF funds are made.

The re-allotment provisions do not apply to the allotment of funds made out of the \$40 million in funding that is reserved for support of monthly caseworker visits.

For FY 2006 and any succeeding fiscal year, funds reserved to support monthly caseworker visits are to be distributed to each territory or State that meets the specific requirements to receive funding provided for that fiscal year. PSSF funds to support monthly caseworker visits would be allotted first to eligible territories as they are currently allotted for the CWS program, except that there would be no minimum allotment of \$70,000. The remaining reserved funds to support monthly caseworker visits would be allotted to each eligible State (including the District of Columbia) that meets the specific requirements for the funding. Each State's allotment from the \$40 million set-aside would be based on the State's relative share of the average monthly number of children receiving food stamps (based on the most recent 3 years of data), among all States who meet the requirements to receive these funds.

There would be no specific requirements for a State or territory to receive its allotment out of this \$40 million provided in FY 2006, although States and territories would need to adhere to the general

rules related to PSSF program funds. These rules require that these funds may not be used to supplant Federal Title IV-E funds available for the same purposes. Also, to receive its full allotment of the funds, a State or territory must provide at least 25 percent of the total expenditures for activities to support monthly caseworker visits.

To receive its allotment from the \$40 million provided for FY 2007, the legislation requires a State or territory to provide data to the Secretary that show, for the most recent fiscal year that the information is available, the percentage of children in its foster care caseload that received at least one visit per month from their assigned caseworker and the percentage of those visits that occurred in the child's residence.

To receive its allotment from the \$40 million provided for FY 2008 and every fiscal year that follows, each State and territory would be held accountable for their efforts to monitor foster children. In order to continue to receive their share of these funds in FY 2008 and subsequent years, the legislation requires a State or territory to provide data to the Secretary showing that in the preceding fiscal year, (1) at least 90 percent of its children in foster care were visited by their assigned caseworkers at least once each month, and the majority of those visits occurred at the children's residences, or (2) that the State or territory is making the "requisite annual progress," as determined by the Secretary, to assure these visits occur for at least 90 percent of their foster children no later than October 1, 2011. In addition, a State or territory must have in effect policies and standards, as determined by the Secretary, to know whether for at least 90 percent of their foster children the caseworker visited the child at least once each month during the fiscal year. Finally, the State or territory also must provide to the Secretary whatever documentation is necessary to demonstrate that it has not used these PSSF funds to supplant any Federal Title IV-E funding available for the same purposes.

The legislation entitles a State, tribe, or territory to receive the lesser of its full allotment of the mandatory PSSF funds which are not provided to support monthly caseworker visits, or an amount equal to 75 percent of its total expenditures for activities under the PSSF plan. Separately, the legislation also entitles a State or territory to receive the lesser of its full allotment of mandatory PSSF funds to support monthly caseworker visits, or an amount equal to 75 percent of its total expenditures for activities designed to support these visits.

Reason for Change

This legislation targets the additional \$40 million in mandatory PSSF funds provided through the Deficit Reduction Act of 2005 (P.L. 109-171) to support monthly caseworker visits with children in foster care, with a primary emphasis on activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology. In order to be eligible to receive these funds in FY 2007, States and territories would need to provide data to the Secretary on the percentage of foster children visited by their assigned caseworker at least once each month and the percentage of these visits that occurred in the child's residence. Beginning with FY 2008, States and territories would remain eligible

for a share of this \$40 million set-aside from mandatory PSSF funds only if they can document that, for at least 90 percent of children in foster care under the responsibility of the State, either (1) the foster children are visited on a monthly basis by their assigned caseworker and the majority of these visits occurred in the child's residence, or (2) the State or territory is making progress necessary to achieve this 90 percent standard by October 1, 2011, as determined by the Secretary.

The targeting of these funds responds to research highlighting how monthly visits of foster children leads to better outcomes. The U.S. Department of Health and Human Services (HHS) recently completed initial Child and Family Service Reviews (CFSRs) in each State. No State was in full compliance with all measures identified in their CFSRs. The CFSRs revealed that States need to work to prevent repeat abuse and neglect of children, improve services provided to families to reduce the risk of future harm including by better monitoring the participation of families in services, and to strengthen up-front services provided to families to prevent unnecessary family break-up and protect children who remain at home. The CFSRs also found a strong correlation between frequent caseworker visits with children and positive outcomes for children, such as timely achievement of permanency and other indicators of child well-being.

Even though such research links positive results with frequent caseworker visits, and despite the fact nearly all States had written standards suggesting monthly visits were State policy, a December 2005 report completed by the HHS Office of the Inspector General found that only 20 States were able to produce reports showing whether caseworkers actually visited children in foster care on at least a monthly basis. Further, seven of these 20 States indicated that fewer than half of the children in foster care were visited on a monthly basis. A 2003 report by the Government Accountability Office (GAO, formerly the General Accounting Office) also found that the average tenure for a child welfare caseworker is less than two years and that this level of turnover negatively affects safety and permanency for children. Targeting the additional \$40 million in PSSF funds to ensure children in foster care are visited on at least a monthly basis will promote better outcomes for vulnerable children, including by preventing further abuse and neglect.

Under the legislation, States and territories retain the flexibility to determine what activities will best assist them as they work to achieve monthly caseworker visits for at least 90 percent of children in foster care under the responsibility of the State. The legislation specifies that these additional funds are to support monthly caseworker visits, with a primary emphasis on activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology. However, amounts spent by States for these activities may not supplant what States already spend from their Title IV-E programs for these activities. The resources provided from this set-aside are intended to increase State investment in these important areas.

Some examples of the types of activities these funds may support include bonuses to caseworkers to support retention, increased training to assist caseworkers in their efforts to better protect children in care, better technology (i.e. laptop computers, cell phones,

etc.) to ease administration and improve oversight of children in care, and loan forgiveness programs for child welfare caseworkers. However, States and territories should remain cognizant that continued receipt of these funds beyond FY 2007 will be contingent on their ability to document foster children are being visited on at least a monthly basis and that the majority of these visits occur in the child's residence, and that these funds cannot supplant what the State is already investing in these activities and for which the State is being reimbursed under the Title IV–E program. The Committee encourages States to invest in those activities with proven effectiveness in supporting monthly caseworker visits of foster children.

SECTION 5. IMPROVEMENTS TO THE CHILD WELFARE SERVICES
PROGRAM

Present Law

Section 420 authorizes discretionary appropriations of up to \$325 million per year for the CWS program on an indefinite basis. It also provides that funding for this program must be made in advance appropriations—that is, provided in the appropriation cycle immediately before the year in which States are allotted the funds—and includes language permitting two years of appropriations for this program in one appropriations bill to permit a transition to an advance appropriation.

Section 420 further specifies that the purpose of the CWS program is to enable the United States, through the Secretary, to cooperate with State public welfare agencies to establish, extend and strengthen child welfare services.

Section 425 defines child welfare services for all of Title IV–B of the Social Security Act as public social services that aim to achieve the following purposes: (1) protecting and promoting the welfare of all children, including handicapped, homeless, dependent, or neglected children; (2) preventing or remedying, or assisting in the solution of problems which may result in the neglect, abuse, exploitation, or delinquency of children; (3) preventing the unnecessary separation of children from their families by identifying family problems, assisting families in resolving their problems, and preventing breakup of the family where the prevention of child removal is desirable and possible; (4) restoring to their families children who have been removed, by the provision of services to the child and the families; (5) placing children in suitable adoptive homes, in cases where restoration to the biological family is not possible or appropriate; and (6) assuring adequate care of children away from their homes, in cases where the child cannot be returned home or cannot be placed for adoption.

Section 425 further specifies that money spent by States to comply with certain child protections and certain reporting requirements, or to provide reimbursement to families for non-recurring expenses related to the adoption of children (who meet the Federal eligibility criteria of Title IV–E) are to be understood as having been spent on child welfare services (as defined).

To be eligible for CWS funding, States are required to develop a plan that meets a number of requirements as specified in Section 422. Among other things, States are required to: (1) assure that

standards and requirements imposed for child day care provided under Title XX (Social Services Block Grant) are applied to day care provided under this program (except for eligibility requirements); (2) assure that the State will train and make effective use of paid paraprofessional staff in administering the program (with particular emphasis on the full or part-time employment of low income individuals as community services aides), and of volunteers (unpaid or partially paid) to provide services and assist any advisory committees established by the State agency; (3) describe the services to be provided with CWS funds and the geographic areas where the services will be available; (4) describe the steps the State will take to provide these services and to make progress in covering additional political subdivisions and to expand and strengthen the range of existing services; and (5) describe the State's child welfare services staff development and training plan.

To be eligible for CWS funding, a State also must (since June 17, 1980) have completed an inventory of all children who had been in foster care for at least six months. Further, it must have reviewed State policies and judicial procedures regarding children abandoned shortly after birth (including policies related to legal representation of these children) and must be implementing policies and procedures determined (based on this review) to enable permanency decisions to be made expeditiously for abandoned children.

Section 425 provides that other definitions related to Title IV-B are included in Section 475. There is no statutory definition of administrative costs for purposes of the CWS program.

Funds appropriated for CWS are allotted to States (including territories) based on a statutory formula specified in Section 421.

Section 424 specifies that if a State certifies that it will not need all of its allotment of CWS funding to carry out its plan, those funds must be available for re-allotment to other States by the Secretary. However, CWS funds that are withheld or recovered because of a State's failure to meet the State plan requirements outlined in Section 422(b)(10), commonly referred to as the foster child protection requirements, may not be re-allotted by the Secretary.

Under Section 423, States are limited in the amount of Federal CWS funds that they may spend for foster care maintenance payments, adoption assistance payments and child day care necessary solely to allow the training or employment of a parent or relative with whom the child is living. No State may spend more of its Federal CWS funds for these purposes than the amount of the Federal funds it received for the CWS program in FY 1979 (when total Federal funding was \$56.5 million). However, State expenditures on foster care maintenance payments may be counted as child welfare services for purposes of a State's satisfying the 25 percent match required to receive its full allotment of CWS funds.

Section 423 further specifies that a State may not receive more Federal funding for the CWS program than it received in FY 1979 unless the State maintains at least the level of non-Federal (State and local) expenditures it spent for these services in FY 1979. In determining both what the State's FY 1979 expenditure level was and what the State's current spending level is, States are to exclude all spending for foster care maintenance payments, adoption assistance payments, and child day care necessary solely to allow

the training or employment of a parent or relative with whom the child is living.

Section 426(b) authorizes \$4 million for each of FYs 1988 through 1990 to enable the Secretary to make grants to public or private non-profit entities to conduct demonstration projects to develop alternative care arrangements for healthy infants who would otherwise remain in inappropriate hospital settings.

Section 429 authorizes the Secretary to provide grants to a public or non-profit institution of higher learning to provide stipends for child welfare worker traineeships.

Explanation of Provision

The legislation maintains the annual discretionary authorization level of \$325 million per year but limits the funding authorization to each of FYs 2007 through 2011 and moves this provision to Section 424. It eliminates the provision in Section 420 related to advance appropriations, including the provision related to making the transition from regular to advance appropriations.

The legislation strikes the “purpose” provision contained in Section 420 and the provisions in Section 425 that (1) define child welfare services and (2) specify that money spent for certain activities is understood as spent for child welfare services. It creates a new Section 421 stating that the purpose of the CWS program is to promote State flexibility in the development and expansion of a coordinated child and family services program that utilizes community-based agencies and that ensures all children are raised in safe, loving families, by: (1) protecting and promoting the welfare of all children; (2) preventing the neglect, abuse, or exploitation of children; (3) supporting at-risk families through services which allow children, where appropriate, to remain safely with their families or return to their families in a timely manner; (4) promoting the safety, permanence and well-being of children in foster care; and (5) providing training, professional development and support to ensure a well-qualified child welfare workforce.

The legislation eliminates the plan requirements in Section 422 related to child day care standards and those related to the use of paraprofessionals or volunteers. It restates and renumbers the remaining provisions with generally the same intent. The legislation provides that States must describe the services and activities to be funded under the CWS program and how those services will achieve the purposes of the CWS program. It also requires a State to describe the steps it will take to provide child welfare services Statewide, to expand and strengthen the range of its existing services, and to develop and implement services to improve child outcomes. It requires the State to describe its child welfare services staff development and training plan.

The legislation deletes the provision related to having completed an inventory of children in foster care. It clarifies that the State may include residential educational programs as a living arrangement for children for whom reunification, adoption, or guardianship have been ruled out as permanency goals, and rewrites the provision concerning policies and procedures for children abandoned shortly after birth to assert that a State must have in effect administrative and judicial procedures for children who are abandoned

(at or shortly after birth) to ensure expeditious decisions can be made for their permanent placement.

The legislation includes two new State plan requirements for the CWS program: (1) requiring a State to assure that no more than 10 percent of the expenditures (Federal and non-Federal) made under the CWS program will be for administrative costs; and (2) outlining how the State will ensure that physicians or other appropriate medical professionals are actively consulted and involved in assessing the health and well-being of foster children and in determining appropriate medical treatment for these children.

The legislation restates that other definitions related to Title IV-B are included in Section 475. It defines administrative costs as those costs that the State incurs as part of administering the CWS program, provided those costs are for procurement, payroll management, management, personnel functions (other than the portion of salaries of supervisors attributable to time spent directly supervising the provision of services by caseworkers), maintenance and operation of space and property, data processing and computer services, accounting, budgeting, auditing and travel expenses (other than those related to caseworker provision of services or oversight of programs funded under CWS).

The legislation maintains the current allotment method while restating all of the allotment provisions to make stylistic changes, including adding subsection headings to describe subject matter and replacing “per centum” with “percentage.” It also makes conforming changes related to proposed changes.

The legislation maintains the basic allotment provisions but reorganizes them and includes subject headings. It deletes the provision prohibiting re-allotment of funds based on failure of a State to maintain the foster child protections required in the CWS State plan.

The legislation generally prohibits use of CWS funds for child day care, foster care maintenance payments, or adoption assistance payments. However, it permits States that can document to the Secretary that they spent CWS funds for those purposes in FY 2005 to continue to do so, but limits the amounts for these types of expenditures to the lesser of the State’s cap for these expenditures under current law or the total amount of Federal funds they received for these expenditures from CWS in FY 2005. Thus States are permitted to maintain current spending for these purposes, subject to the current law cap on such spending.

The legislation deletes a provision allowing States to count spending on foster care maintenance payments for purposes of providing matching funds under the CWS program. It provides that in establishing what the required maintenance of effort level is, the State must include the funds it spent in FY 1979 (under this program) for foster care maintenance payments, adoption assistance payments and child day care. At the same time, for the purpose of determining whether a State is meeting that maintenance of effort requirement in FY 2007 and subsequent fiscal years, the State must continue to exclude costs for expenditures related to those same activities.

The legislation prohibits the Secretary from making any payment of CWS funds to a State for administrative costs that exceed 10

percent of the total (Federal and non-Federal) expenditures for the program.

The legislation deletes Section 426(b) which authorized funding of certain demonstration projects in FY 1998, FY 1999 and FY 1990.

It moves all of the language in Section 429 to a new subsection of Section 426, and makes other changes to Title IV–B related to the reordering or renumbering of provisions in the CWS program.

Reason for Change

The legislation essentially reorganizes and updates the CWS program.

Funding for CWS was first authorized in 1935 as part of the original Social Security Act (P.L. 74–271). Relatively few changes to this program have been made since 1980; thus provisions and changes included in this legislation are designed to ensure the focus of this program is on up-front prevention activities and services that support caseworkers in their efforts to protect children. For example, several provisions are meant to ensure that CWS program funds are spent on providing services to children and families, as opposed to foster care and adoption payments and child care expenses for which separate, and far larger, open-ended entitlement funds may be available each year. Especially given the limited amount of funds available for child protective services, and the significantly increased mandatory funding provided for those other purposes in recent years, this targeting of the CWS funds make sense.

Finally, several provisions seek to better coordinate the CWS program with the PSSF program, which combined make available approximately \$700 million per year for activities that promote safety and ensure children are not needlessly lingering in foster care. For example, the legislation provides for the authorization of the CWS program through FY 2011—i.e. the same duration as the reauthorization it provides for the PSSF program—anticipating that future Congresses will examine these related programs together and make decisions about whether each is satisfying its intended purposes or needs further improvement or other modification.

SECTION 6. REAUTHORIZATION OF THE COURT IMPROVEMENT PROGRAM

Present Law

For each of FYs 2002 through 2006, an eligible highest State court (with an approved application) is entitled to a share of funds to assess and make improvements to its handling of child welfare procedures. A set-aside of \$10 million from the mandatory funds authorized and 3.3 percent of any discretionary appropriation is provided from the PSSF program to support the Court Improvement Program. To receive its full allotment of these funds the court, in each of FYs 2002 through 2006, is required to provide at least 25 percent of the expenditures for this purpose.

Explanation of Provision

The legislation extends both the entitlement to payment out of the PSSF set-asides and the related matching requirement for the

courts to receive their share of these funds for each of FYs 2007 through 2011.

Reason for Change

The Court Improvement Program has played an important role in assisting State courts in their efforts to expedite judicial proceedings for at-risk children. The legislation will ensure these funds continue to remain available, and is in addition to the \$100 million provided over FYs 2006 through 2010 under the Deficit Reduction Act of 2005 (P.L. 109–171) to support training and data collection efforts of State courts.

SECTION 7. REAUTHORIZATION OF PROGRAM FOR MENTORING
CHILDREN OF PRISONERS

Present Law

For each of FYs 2002 through 2006, present law authorizes the Secretary to make grants to support programs that provide mentoring services to children of prisoners. The law provides an indefinite authorization of appropriation of “such sums as may be necessary” for the Mentoring Children of Prisoners program.

Explanation of Provision

The legislation extends the authority of the Secretary to make these grants for each of FYs 2007 through 2011 and limits the program’s funding authorization of “such sums as may be necessary” to five years (FY 2007 through FY 2011).

Reason for Change

Research indicates that children with incarcerated parents are seven times more likely than the general population to become incarcerated themselves, and are more likely to display a variety of behavioral, emotional, health, and educational problems. The continuation of this program will enable public and private organizations to establish or expand projects that provide one-on-one mentoring for children of incarcerated parents and those recently released from prison.

SECTION 8. AVAILABILITY OF ADDITIONAL PROMOTING SAFE AND
STABLE FAMILIES RESOURCES FOR FISCAL YEAR 2006

Present Law

In December 2005, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 2006 (P.L. 109–149) appropriated what was then the full mandatory funding authorization of \$305 million for the PSSF program for FY 2006. Enacted in February 2006, the Deficit Reduction Act of 2005 (P.L. 109–171) raised the mandatory funding authorization for this program to \$345 million for FY 2006.

States may expend PSSF program funds in the fiscal year for which they were appropriated and in the immediately following fiscal year (i.e. funds appropriated for FY 2006 may be spent in FY 2006 and in FY 2007).

Explanation of Provision

The legislation provides the full FY 2006 mandatory funding authorization for the PSSF program by appropriating an additional \$40 million in FY 2006 funds for the program. It allows a State to expend its allotment of this \$40 million in FY 2006 PSSF funds in any of FY 2006, FY 2007 or FY 2008.

Reason for Change

The legislation makes available the full \$345 million in mandatory funding provided for FY 2006 for the PSSF program.

SECTION 9. REPORTS

Present Law

States are required to develop a five-year plan for their use of PSSF funds, including goals established and services to be provided (in a given geographic area and to how many people). In addition, each State must annually review the services offered and any progress made toward achieving the goals established. The five-year plan, and annual review of services and progress, must be provided to the Secretary and made available to the public. As part of this same planning and review process, States also must submit some information related to their use of CWS funds.

Explanation of Provision

The legislation requires the Secretary to prepare a biennial report showing by State, territory, and tribe: (1) the level of expenditures and the programs and activities funded under the PSSF and CWS programs; and (2) the number of children and families served under the programs. In addition, it requires the Secretary to report on how spending under these programs has helped achieve the child and family services goals established by each State, tribe, and territory, in the required planning processes for these programs.

The legislation requires the Secretary to submit the first such biennial report to the House Committee on Ways and Means and the Senate Committee on Finance no later than July 1, 2008. Subsequent reports must be submitted not later than July 1 of every other year.

Reason for Change

The Committee is interested in learning about the services and activities funded by the PSSF and CWS programs, and the populations served by these child protection programs.

SECTION 10. EFFECTIVE DATES

Present Law

Not applicable.

Explanation of Provision

The amendments made by this act take effect as of the first day of FY 2007—except that the appropriation of FY 2006 funds for the PSSF program is effective immediately upon the legislation's enactment. In addition, if the Secretary determines that State legislation is required in order for a State to meet any new requirement under

this act, the State has until the completion of the first State legislative session after enactment of this act to comply with such new requirements.

Reason for Change

The legislation provides for the effective date of these changes, while allowing States ample time to make any necessary changes to State laws.

III. VOTES OF THE COMMITTEE

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statements are made concerning the vote of the Committee on Ways and Means in its consideration of the bill, H.R. 5640.

MOTION TO REPORT THE BILL

The bill, H.R. 5640, as amended, was ordered favorably reported by a voice vote (with a quorum being present).

IV. BUDGET EFFECTS OF THE BILL

A. COMMITTEE ESTIMATE OF BUDGETARY EFFECTS

In compliance with clause 3(d)(2) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of this bill, H.R. 5640, as reported: The Committee agrees with the estimate prepared by the Congressional Budget Office (CBO) which is included below.

B. STATEMENT REGARDING NEW BUDGET AUTHORITY AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee states that the Committee bill increases authorization levels by \$1 billion over the 2007–2011 period. Certain child welfare programs categorized as direct spending also would be reauthorized by the bill, but the costs of extending these programs are already included in CBO's baseline. Therefore, this bill would not result in an estimated change in direct spending relative to baseline projections.

C. COST ESTIMATE PREPARED BY THE CONGRESSIONAL BUDGET OFFICE

In compliance with clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, the following report prepared by the CBO is provided.

JULY 10, 2006.

Hon. WILLIAM "BILL" M. THOMAS,
*Chairman, Committee on Ways and Means,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 5640, the Child and Family Services Improvement Act of 2006.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Christina Hawley Anthony.

Sincerely,

DONALD B. MARRON,
Acting Director.

Enclosure.

H.R. 5640—Child and Family Services Improvement Act of 2006

Summary: H.R. 5640 would amend part B of title IV of the Social Security Act to reauthorize various child welfare programs and to direct funding to support monthly casework visits for foster children. The bill would increase authorization levels by \$1 billion over the 2007–2011 period, and, assuming the appropriation of the authorized amounts, would result in additional outlays of \$780 million over the same period.

Certain child welfare programs categorized as direct spending also would be reauthorized by the bill. As required by the Deficit Control Act, the costs of extending those mandatory programs—\$1.4 billion over the 2007–2011 period—are already included in CBO’s baseline. Therefore, enacting H.R. 5640 would not result in an estimated change in direct spending relative to those baseline projections.

H.R. 5640 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would benefit state, local, and tribal governments and any costs they incur would result from complying with conditions of federal assistance.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 5640 is shown in the following table. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

	By fiscal year, in millions of dollars—					
	2006	2007	2008	2009	2010	2011
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law:						
Estimated Authorization Level ¹	425	375	376	377	378	379
Estimated Outlays	424	430	390	380	377	378
Proposed Changes:						
Authorization Level	0	200	200	200	200	200
Estimated Outlays	0	40	150	190	200	200
Spending Under H.R. 5640:						
Estimated Authorization Level ¹	425	575	576	577	578	579
Estimated Outlays	424	470	540	570	577	578
Memorandum:						
Direct Spending from Program Extensions Assumed in CBO’s Baseline:						
Estimated Budget Authority	n.a.	345	345	345	345	345
Estimated Outlays	n.a.	93	283	328	345	345

¹The 2006 level is the amount appropriated for that year for Promoting Safe and Stable Families, Child Welfare Services, and Mentoring Children of Prisoners.
NOTE: n.a.= not applicable.

Basis of estimate

For this estimate, CBO assumes that the legislation will be enacted near the end of fiscal year 2006, and that the authorized amounts will be appropriated for fiscal year 2007 and subsequent

years. The estimated outlays reflect historical spending patterns for these programs.

The bill would amend and reauthorize the Promoting Safe and Stable Families (PSSF) program, Child Welfare Services (CWS), and the Mentoring Children of Prisoners program. PSSF is currently authorized through fiscal year 2006, and receives both mandatory and discretionary funding. Funding for the mandatory part of PSSF is \$345 million for fiscal year 2006; the discretionary portion received an appropriation of \$89 million for this year. Reauthorization of PSSF would have no effect on direct spending relative to CBO's baseline because those mandatory costs are already assumed in the baseline.

The other two programs affected by this bill—Child Welfare Services and the Mentoring Children of Prisoners program—are permanently authorized. CWS is authorized at \$325 million per year, while the Mentoring Children of Prisoners program is authorized at “such sums as may be necessary.” The programs received funding of \$287 million and \$49 million, respectively, for 2006.

Spending subject to appropriation

The bill would reauthorize discretionary grants under Title IV-B of the Social Security Act, including the PSSF program, CWS, and the program for mentoring children of prisoners. PSSF currently is authorized through fiscal year 2006. The other programs are permanently authorized.

Promoting Safe and Stable Families. Discretionary appropriations for PSSF totaled \$89 million for 2006. H.R. 5640 would authorize appropriations for the discretionary PSSF grants at \$200 million annually from 2007 through 2011, for a total of \$1 billion over that five-year period. Based on historical spending rates for the program, CBO estimates that resulting outlays would total \$780 million over the 2007–2011 period.

Child Welfare Services. The bill would authorize the appropriation of \$325 million for fiscal years 2007 through 2011 for grants to states for child welfare services. Such grants are permanently authorized at that level under current law. Thus, the proposed change would not alter authorizations over the next five years for CWS.

Mentoring Children of Prisoners. H.R. 5640 would authorize the appropriation of such sums as may be necessary for the Mentoring Children of Prisoners program from 2007 through 2011. The program, which is permanently authorized, received an appropriation of \$49 million for fiscal year 2006. For the purpose of this estimate, CBO estimates the “such sums” authorizations under current law by adjusting the 2006 appropriation for inflation. Because the bill would not change the current-law authorization for this program, CBO estimates that its enactment would result in no change for the 2007–2011 period.

Direct spending

H.R. 5640 would reauthorize mandatory grants under the PSSF program at \$345 million each year for fiscal years 2007 through 2011. Those grants currently are authorized at \$345 million for fiscal year 2006. Under the procedures specified in section 257 of the Deficit Control Act, the costs of extending PSSF are assumed in

CBO's baseline. The bill would reserve \$40 million of those funds for grants to states to support monthly visits to foster children by caseworkers.

Provisions in section 5 of the bill could result in added costs for the federal program that provides federal matching funds to states for foster care and adoption assistance because it would restrict the amount of funds that could be spent under the CWS grants for foster care, adoption assistance, and child care activities. Although the vast majority of CWS funds that are spent on such activities go to expenses that would not be reimbursable under the federal program for foster care and adoption assistance, it is possible that the proposed restriction could result in increased claims under that program. The federal cost of any additional claims is likely to be less than \$500,000 each year, CBO estimates. (CBO estimates that this change would have no effect on mandatory spending for child care activities.)

Intergovernmental and private-sector impact: H.R. 5640 contains no intergovernmental or private-sector mandates as defined in UMRA. State, local, and tribal governments would benefit from grant funds authorized in the bill. Any costs they incur from increased reporting of data would result from complying with conditions of federal assistance.

Previous CBO estimate: On June 21, 2006, CBO transmitted a cost estimate for S. 3525, the Improving Outcomes for Children Affected by Meth Act of 2006, as ordered reported by the Senate Committee on Finance on June 8, 2006. That bill does not address the authorization of CWS, and would authorize the Mentoring Children of Prisoners program at \$67 million per year from 2007 through 2011, as compared with the authorization of such sums as may be necessary in H.R. 5640.

Estimate prepared by: Federal Costs: Christina Hawley Anthony and Jonathan Morancy; impact on state, local, and tribal governments: Lisa Ramirez-Branum; impact on the private sector: Molly Dahl.

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis.

V. OTHER MATTERS REQUIRED TO BE DISCUSSED UNDER THE RULES OF THE HOUSE

A. COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives (relating to oversight findings), the Committee, based on public hearing testimony and information from the Administration, concluded that it is appropriate and timely to consider the bill as reported.

B. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In compliance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee states that the Child and Family Services Improvement Act of 2006 reauthorizes and makes improvements to the PSSF and CWS programs and other programs within the Committee's jurisdiction. Through reporting require-

ments in the legislation, Congress and the Administration will be able to assess State achievement of specified program goals.

C. CONSTITUTIONAL AUTHORITY STATEMENT

With respect to clause 3(d)(1) of the rule XIII of the Rules of the House of Representatives (relating to Constitutional Authority), the Committee states that the Committee’s action in reporting this bill is derived from Article I of the Constitution, Section 8 (“The Congress shall have power to lay and collect taxes, duties, imposts and excises . . .”), and from the 16th Amendment to the Constitution.

D. INFORMATION RELATING TO UNFUNDED MANDATES

This information is provided in accordance with section 423 of the Unfunded Mandates Act of 1995 (P.L. 104-4).

The Committee has determined that the bill does not contain Federal mandates on the private sector. The Committee has determined that the bill does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

VI. CHANGES IN EXISTING LAWS MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SOCIAL SECURITY ACT

* * * * *

TITLE IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES

* * * * *

PART B—CHILD AND FAMILY SERVICES

Subpart 1—Child Welfare Services

【APPROPRIATION

【SEC. 420. (a) For the purpose of enabling the United States, through the Secretary, to cooperate with State public welfare agencies in establishing, extending, and strengthening child welfare services, there is authorized to be appropriated for each fiscal year the sum of \$325,000,000.

【(b) Funds appropriated for any fiscal year pursuant to the authorization contained in subsection (a) shall be included in the appropriation Act (or supplemental appropriation Act) for the fiscal year preceding the fiscal year for which such funds are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding the fact that its initial application will result in the

enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.】

PURPOSE

SEC. 421. *The purpose of this subpart is to promote State flexibility in the development and expansion of a coordinated child and family services program that utilizes community-based agencies and ensures all children are raised in safe, loving families, by—*

- (1) *protecting and promoting the welfare of all children;*
- (2) *preventing the neglect, abuse, or exploitation of children;*
- (3) *supporting at-risk families through services which allow children, where appropriate, to remain safely with their families or return to their families in a timely manner;*
- (4) *promoting the safety, permanence, and well-being of children in foster care; and*
- (5) *providing training, professional development and support to ensure a well-qualified child welfare workforce.*

STATE PLANS FOR CHILD WELFARE SERVICES

SEC. 422. (a) * * *

(b) Each plan for child welfare services under this subpart shall—

(1) * * *

* * * * *

【(3) provide that the standards and requirements imposed with respect to child day care under title XX shall apply with respect to day care services under this part, except insofar as eligibility for such services is involved;

【(4) provide for the training and effective use of paid paraprofessional staff, with particular emphasis on the full-time or part-time employment of persons of low income, as community service aides, in the administration of the plan, and for the use of nonpaid or partially paid volunteers in providing services and in assisting any advisory committees established by the State agency;

【(5) contain a description of the services to be provided and specify the geographic areas where such services will be available;

【(6) contain a description of the steps which the State will take to provide child welfare services and to make progress in—

- 【(A) covering additional political subdivisions,
 - 【(B) reaching additional children in need of services, and
 - 【(C) expanding and strengthening the range of existing services and developing new types of services,
- along with a description of the State’s child welfare services staff development and training plans;】

(3) *include a description of the services and activities which the State will fund under the State program carried out pursuant to this subpart, and how the services and activities will achieve the purpose of this subpart;*

(4) *contain a description of—*

(A) the steps the State will take to provide child welfare services statewide and to expand and strengthen the range of existing services and develop and implement services to improve child outcomes; and

(B) the child welfare services staff development and training plans of the State;

[(7)] (5) provide, in the development of services for children, for utilization of the facilities and experience of voluntary agencies in accordance with State and local programs and arrangements, as authorized by the State;

[(8)] (6) provide that the agency administering or supervising the administration of the plan will furnish such reports, containing such information, and participate in such evaluations, as the Secretary may require;

[(9)] (7) provide for the diligent recruitment of potential foster and adoptive families that reflect the ethnic and racial diversity of children in the State for whom foster and adoptive homes are needed;

[(10)] (8) provide assurances that the State—

[(A) since June 17, 1980, has completed an inventory of all children who, before the inventory, had been in foster care under the responsibility of the State for 6 months or more, which determined—

[(i) the appropriateness of, and necessity for, the foster care placement;

[(ii) whether the child could or should be returned to the parents of the child or should be freed for adoption or other permanent placement; and

[(iii) the services necessary to facilitate the return of the child or the placement of the child for adoption or legal guardianship;]

[(B)] (A) is operating, to the satisfaction of the Secretary—

(i) * * *

* * * * *

(iii) a service program designed to help children—

(I) * * *

(II) be placed for adoption, with a legal guardian, or if adoption or legal guardianship is determined not to be appropriate for a child, in some other planned, permanent living arrangement, which may include a residential educational program; and

* * * * *

[(C)(i) has reviewed (or within 12 months after the date of the enactment of this paragraph will review) State policies and administrative and judicial procedures in effect for children abandoned at or shortly after birth (including policies and procedures providing for legal representation of such children); and

[(ii) is implementing (or within 24 months after the date of the enactment of this paragraph will implement) such policies and procedures as the State determines, on the basis of the review described in clause (i), to be necessary

to enable permanent decisions to be made expeditiously with respect to the placement of such children;】

(B) has in effect policies and administrative and judicial procedures for children abandoned at or shortly after birth which enable permanent decisions to be made expeditiously with respect to the placement of the children;

【(11)】 (9) contain a description, developed after consultation with tribal organizations (as defined in section 4 of the Indian Self-Determination and Education Assistance Act) in the State, of the specific measures taken by the State to comply with the Indian Child Welfare Act;

【(12)】 (10) contain assurances that the State shall develop plans for the effective use of cross-jurisdictional resources to facilitate timely adoptive or permanent placements for waiting children;

【(13)】 (11) contain a description of the activities that the State has undertaken for children adopted from other countries, including the provision of adoption and post-adoption services;

【(14)】 (12) provide that the State shall collect and report information on children who are adopted from other countries and who enter into State custody as a result of the disruption of a placement for adoption or the dissolution of an adoption, including the number of children, the agencies who handled the placement or adoption, the plans for the child, and the reasons for the disruption or dissolution; 【and】

【(15)】 (13) demonstrate substantial, ongoing, and meaningful collaboration with State courts in the development and implementation of the State plan under subpart 1, the State plan approved under subpart 2, and the State plan approved under part E, and in the development and implementation of any program improvement plan required under section 1123A【.】;

(14) include assurances that not more than 10 percent of the expenditures of the State with respect to activities funded from amounts provided under this subpart will be for administrative costs; and

(15) outlines how the State will ensure that physicians or other appropriate medical professionals are actively consulted and involved in—

(A) assessing the health and well-being of children in foster care under the responsibility of the State; and

(B) determining appropriate medical treatment for the children.

(c) DEFINITIONS.—*In this subpart:*

(1) ADMINISTRATIVE COSTS.—*The term “administrative costs” means costs for the following, but only to the extent incurred in administering the State plan developed pursuant to this subpart: procurement, payroll management, personnel functions (other than the portion of the salaries of supervisors attributable to time spent directly supervising the provision of services by caseworkers), management, maintenance and operation of space and property, data processing and computer services, accounting, budgeting, auditing, and travel expenses (except those related to the provision of services by caseworkers or the oversight of programs funded under this subpart).*

(2) *OTHER TERMS.*—For definitions of other terms used in this part, see section 475.

ALLOTMENTS TO STATES

SEC. [421] 423. (a) *IN GENERAL.*—The sum appropriated pursuant to section [420] 425 for each fiscal year shall be allotted by the Secretary for use by cooperating State public welfare agencies which have plans developed jointly by the State agency and the Secretary as follows: [He] *The Secretary* shall first allot \$70,000 to each State, and shall then allot to each State an amount which bears the same ratio to the remainder of such sum as the product of (1) the population of the State under the age of twenty-one and (2) the allotment percentage of the State (as determined under this section) bears to the sum of the corresponding products of all the States.

(b) *DETERMINATION OF STATE ALLOTMENT PERCENTAGES.*—The “allotment percentage” for any State shall be 100 [per centum] percent less the State percentage; and the State percentage shall be the percentage which bears the same ratio to 50 [per centum] percent as the per capita income of such State bears to the per capita income of the United States; except that (1) the allotment percentage shall in no case be less than 30 [per centum] percent or more than 70 [per centum] percent, and (2) the allotment percentage shall be 70 [per centum] percent in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(c) *PROMULGATION OF STATE ALLOTMENT PERCENTAGES.*—The allotment percentage for each State shall be promulgated by the Secretary between October 1 and November 30 of each even-numbered year, on the basis of the average per capita income of each State and of the United States for the three most recent calendar years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning October 1 next succeeding such promulgation.

(d) *UNITED STATES DEFINED.*—For purposes of this section, the term “United States” means the [fifty] 50 States and the District of Columbia.

(e) *REALLOTMENT OF FUNDS.*—

(1) *IN GENERAL.*—*The amount of any allotment to a State for a fiscal year under the preceding provisions of this section which the State certifies to the Secretary will not be required for carrying out the State plan developed as provided in section 422 shall be available for reallocation from time to time, on such dates as the Secretary may fix, to other States which the Secretary determines—*

(A) *need sums in excess of the amounts allotted to such other States under the preceding provisions of this section, in carrying out their State plans so developed; and*

(B) *will be able to so use such excess sums during the fiscal year.*

(2) *CONSIDERATIONS.*—*The Secretary shall make the reallocations on the basis of the State plans so developed, after taking into consideration—*

(A) *the population under 21 years of age;*

(B) the per capita income of each of such other States as compared with the population under 21 years of age; and
 (C) the per capita income of all such other States with respect to which such a determination by the Secretary has been made.

(3) AMOUNTS REALLOTTED TO A STATE AMOUNTS DEEMED PART OF STATE ALLOTMENT.—Any amount so reallocated to a State is deemed part of the allotment of the State under this section.

PAYMENT TO STATES

SEC. [423] 424. (a) From the sums appropriated therefor and the allotment under this subpart, subject to the conditions set forth in this section, the Secretary shall from time to time pay to each State that has a plan developed in accordance with section 422 an amount equal to 75 [per centum] percent of the total sum expended under the plan (including the cost of administration of the plan) in meeting the costs of State, district, county, or other local child welfare services.

* * * * *

(c)(1) [No] Except as provided in paragraph (2), no payment may be made to a State under this part[, for any fiscal year beginning after September 30, 1979,] with respect to State expenditures made for (A) child day care [necessary solely because of the employment, or training to prepare for employment, of a parent or other relative with whom the child involved is living], (B) foster care maintenance payments, and (C) adoption assistance payments[, to the extent that the Federal payment with respect to those expenditures would exceed the total amount of the Federal payment under this part for fiscal year 1979].

[(2) Expenditures made by a State for any fiscal year which begins after September 30, 1979, for foster care maintenance payments shall be treated for purposes of making Federal payments under this part with respect to expenditures for child welfare services, as if such foster care maintenance payments constituted child welfare services of a type to which the limitation imposed by paragraph (1) does not apply; except that the amount payable to the State with respect to expenditures made for other child welfare services and for foster care maintenance payments during any such year shall not exceed 100 per centum of the amount of the expenditures made for child welfare services for which payment may be made under the limitation imposed by paragraph (1) as in effect without regard to this paragraph.]

(2) In the case of a State which demonstrates to the Secretary that the State made an expenditure described in paragraph (1) in fiscal year 2005, the Secretary shall not make a payment to the State under this part for any fiscal year beginning after September 30, 2006, with respect to the State expenditures so described, to the extent that the Federal payment with respect to the expenditures so described for the fiscal year exceeds the lesser of—

(A) the total amount of the Federal payment under this part for fiscal year 1979; or

(B) the total amount of the Federal payment with respect to the expenditures so described for fiscal year 2005.

(d) No payment may be made to a State under this part in excess of the payment made under this part for fiscal year 1979, for any fiscal year beginning after September 30, 1979, if for the latter fiscal year the total of the State's expenditures for child welfare services under this part [(excluding expenditures for activities specified in subsection (c)(1))] is less than the total of the State's expenditures under this part (excluding expenditures for [such activities] activities specified in subsection (c)(1)) for fiscal year 1979.

(e) *LIMITATION ON REIMBURSEMENT FOR ADMINISTRATIVE COSTS.*—*The Secretary shall not make a payment to a State under this section with respect to expenditures during a fiscal year for administrative costs, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year for activities funded from amounts provided under this subpart.*

【REALLOTMENT

【SEC. 424. (a) IN GENERAL.—Subject to subsection (b), the amount of any allotment to a State under section 421 for any fiscal year which the State certifies to the Secretary will not be required for carrying out the State plan developed as provided in section 422 shall be available for reallocation from time to time, on such dates as the Secretary may fix, to other States which the Secretary determines (1) have need in carrying out their State plans so developed for sums in excess of those previously allotted to them under section 421 and (2) will be able to use such excess amounts during such fiscal year. Such reallocations shall be made on the basis of the State plans so developed, after taking into consideration the population under the age of twenty-one, and the per capita income of each such State as compared with the population under the age of twenty-one, and the per capita income of all such States with respect to which such a determination by the Secretary has been made. Any amount so reallocated to a State shall be deemed part of its allotment under section 421.

【(b) EXCEPTION RELATING TO FOSTER CHILD PROTECTIONS.—The Secretary shall not reallocate under subsection (a) of this section any amount that is withheld or recovered from a State due to the failure of the State to meet the requirements of section 422(b)(10).

【DEFINITIONS

【Sec. 425. (a)(1) For purposes of this title, the term “child welfare services” means public social services which are directed toward the accomplishment of the following purposes: (A) protecting and promoting the welfare of all children, including handicapped, homeless, dependent, or neglected children; (B) preventing or remedying, or assisting in the solution of problems which may result in, the neglect, abuse, exploitation, or delinquency of children; (C) preventing the unnecessary separation of children from their families by identifying family problems, assisting families in resolving their problems, and preventing breakup of the family where the prevention of child removal is desirable and possible; (D) restoring to their families children who have been removed, by the provision of services to the child and the families; (E) placing children in suitable adoptive homes, in cases where restoration to the biological family is not possible or appropriate; and (F) assuring adequate care of

children away from their homes, in cases where the child cannot be returned home or cannot be placed for adoption.

[(2) Funds expended by a State for any calendar quarter to comply with section 422(b)(10) or 476(b), and funds expended with respect to nonrecurring costs of adoption proceedings in the case of children placed for adoption with respect to whom assistance is provided under a State plan for adoption assistance approved under part E of this title, shall be deemed to have been expended for child welfare services.

[(b) For other definitions relating to this part and to part E of this title, see section 475 of this Act.]

LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS

SEC. 425. To carry out this subpart, there are authorized to be appropriated to the Secretary not more than \$325,000,000 for each of fiscal years 2007 through 2011.

RESEARCH, TRAINING, OR DEMONSTRATION PROJECTS

*SEC. 426. (a) * * **

[(b)(1) There are authorized to be appropriated \$4,000,000 for each of the fiscal years 1988, 1989, and 1990 for grants by the Secretary to public or private nonprofit entities submitting applications under this subsection for the purpose of conducting demonstration projects under this subsection to develop alternative care arrangements for infants who do not have health conditions that require hospitalization and who would otherwise remain in inappropriate hospital settings.

[(2) The demonstration projects conducted under this section may include—

[(A) multidisciplinary projects designed to prevent the inappropriate hospitalization of infants and to allow infants described in paragraph (1) to remain with or return to a parent in a residential setting, where appropriate care for the infant and suitable treatment for the parent (including treatment for drug or alcohol addiction) may be assured, with the goal (where possible) of rehabilitating the parent and eliminating the need for such care for the infant;

[(B) multidisciplinary projects that assure appropriate, individualized care for such infants in a foster home or other non-medical residential setting in cases where such infant does not require hospitalization and would otherwise remain in inappropriate hospital settings, including projects to demonstrate methods to recruit, train, and retain foster care families; and

[(C) such other projects as the Secretary determines will best serve the interests of such infants and will serve as models for projects that agencies or organizations in other communities may wish to develop.

[(3) In the case of any project which includes the use of funds authorized under this subsection for the care of infants in foster homes or other non-medical residential settings away from their parents, there shall be developed for each such infant a case plan of the type described in section 475(1) (to the extent that such infant is not otherwise covered by such a plan), and each such project shall include a case review system of the type described in section

475(5) (covering each such infant who is not otherwise subject to such a system).

[(4) In evaluating applications from entities proposing to conduct demonstration projects under this subsection, the Secretary shall give priority to those projects that serve areas most in need of alternative care arrangements for infants described in paragraph (1).

[(5) No project may be funded unless the application therefor contains assurances that it will—

[(A) provide for adequate evaluation;

[(B) provide for coordination with local governments;

[(C) provide for community education regarding the inappropriate hospitalization of infants;

[(D) use, to the extent practical, other available private, local, State, and Federal sources for the provision of direct services; and

[(E) meet such other criteria as the Secretary may prescribe.

[(6) Grants may be used to pay the costs of maintenance and of necessary medical and social services (to the extent that these costs are not otherwise paid for under other titles of this Act), and for such other purposes as the Secretary may allow.

[(7) The Secretary shall provide training and technical assistance to grantees, as requested.]

[(c)] (b) Payments of grants or under contracts or cooperative arrangements under this section may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine; and shall be made on such conditions as the Secretary finds necessary to carry out the purposes of the grants, contracts, or other arrangements.

CHILD WELFARE TRAINEESHIPS

SEC. 429. The Secretary

(c) *CHILD WELFARE TRAINEESHIPS.*—*The Secretary may approve an application for a grant to a public or nonprofit institution for higher learning to provide traineeships with stipends under section 426(a)(1)(C) only if the application—*

(1) * * *

* * * * *

PAYMENTS TO INDIAN TRIBAL ORGANIZATIONS

SEC. 428. (a) * * *

(b) Amounts paid under subsection (a) shall be deemed to be a part of the allotment (as determined under section [421] 423) for the State in which such Indian tribal organization is located.

SEC. [429A] 429. NATIONAL RANDOM SAMPLE STUDY OF CHILD WELFARE.

(a) * * *

* * * * *

Subpart 2—Promoting Safe and Stable Families

ISEC. 430. FINDINGS AND PURPOSE.

[(a) FINDINGS.—The Congress finds that there is a continuing urgent need to protect children and to strengthen families as demonstrated by the following:

[(1) Family support programs directed at specific vulnerable populations have had positive effects on parents, children, or both. The vulnerable populations for which programs have been shown to be effective include teenage mothers with very young children and families that have children with special needs.

[(2) Family preservation programs have been shown to provide extensive and intensive services to families in crisis.

[(3) The time lines established by the Adoption and Safe Families Act of 1997 have made the prompt availability of services to address family problems (and in particular the prompt availability of appropriate services and treatment addressing substance abuse) an important factor in successful family reunification.

[(4) The rapid increases in the annual number of adoptions since the enactment of the Adoption and Safe Families Act of 1997 have created a growing need for postadoption services and for service providers with the particular knowledge and skills required to address the unique issues adoptive families and children may face.]

[(b) PURPOSE.—The purpose]

SEC. 430. PURPOSE.

The purpose of this program is to enable States to develop and establish, or expand, and to operate coordinated programs of community-based family support services, family preservation services, time-limited family reunification services, and adoption promotion and support services to accomplish the following objectives:

- (1) * * *
- * * * * *

SEC. 431. DEFINITIONS.

(a) IN GENERAL.—As used in this subpart:

- (1) * * *
- * * * * *

(6) INDIAN TRIBE.—The term “Indian tribe” means any Indian tribe (as defined in section 482(i)(5), as in effect before August 22, [1986] 1996) and any Alaska Native organization (as defined in section 482(i)(7)(A), as so in effect).

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SEC. 432. STATE PLANS.

(a) * * *

(b) APPROVAL OF PLANS.—

- (1) * * *
- (2) PLANS OF INDIAN TRIBES.—

[(A) EXEMPTION FROM INAPPROPRIATE REQUIREMENTS.—The Secretary may exempt a plan submitted by an Indian tribe from any requirement of this section that the Sec-

retary determines would be inappropriate to apply to the Indian tribe, taking into account the resources, needs, and other circumstances of the Indian tribe.】

(A) *INTERTRIBAL CONSORTIA.*—*This subpart shall not be interpreted to preclude the development and submission of a single tribal plan under this subpart by the participating tribes of an intertribal consortium.*

(B) *SPECIAL RULE.*—【Notwithstanding subparagraph (A) of this paragraph, the】 *The Secretary may not approve a plan of an Indian tribe or tribal consortium under this subpart to which (but for this subparagraph) an allotment of less than \$10,000 would be made under section 433(a) if allotments were made under section 433(a) to all Indian tribes and tribal consortia with plans approved under this subpart with the same or larger numbers of children.*

SEC. 433. ALLOTMENTS TO STATES.

(a) * * *

(b) *TERRITORIES.*—From the amount described in section 436(a) for any fiscal year that remains after applying section 436(b) for the fiscal year, the Secretary shall allot to each of the jurisdictions of Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 【421】 423.

* * * * *

(d) *REALLOTMENTS.*—The amount of any allotment to a State under subsection (a), (b), or (c) of this section for any fiscal year that the State certifies to the Secretary will not be required for carrying out the State plan under section 432 shall be available for reallocation using the allotment methodology specified in subsection (a), (b), or (c) of this section. Any amount so reallocated to a State is deemed part of the allotment of the State under the preceding provisions of this section.

(e) *SPECIAL RULES APPLICABLE TO FUNDS RESERVED TO SUPPORT MONTHLY CASEWORKER VISITS.*—

(1) *ALLOTMENTS.*—

(A) *TERRITORIES.*—*From the amount reserved pursuant to section 436(b)(4)(A) for fiscal year 2006 or any succeeding fiscal year, the Secretary shall allot to each jurisdiction specified in subsection (b) of this section that meets the requirements of paragraph (2) of this subsection for the fiscal year an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 423 (without regard to the initial allotment of \$70,000 to each State).*

(B) *OTHER STATES.*—*From the amount reserved pursuant to section 436(b)(4)(A) for fiscal year 2006 or any succeeding fiscal year that remains after applying subparagraph (A) of this paragraph for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) not specified in subsection (b) of this section that meets the requirements of paragraph (2) of this subsection for the fiscal year an amount equal to such remaining amount multiplied by the food stamp percentage of the State (as defined*

in subsection (c)(2) of this section) for the fiscal year, except that in applying subsection (c)(2)(A) of this section, “subsection (e)(1)(B)” shall be substituted for “such paragraph (1)”.

(2) **REQUIREMENTS.**—*The requirements of this paragraph are the following:*

(A) **AMOUNTS ALLOTTED FOR FISCAL YEAR 2007.**—*In the case of amounts reserved pursuant to section 436(b)(4)(A) for fiscal year 2007, the State has provided to the Secretary data which shows, for the most recent fiscal year for which such information is available—*

(i) the percentage of children in foster care under the responsibility of the State who were visited by the caseworker handling the case of the child at least once each month while the child was in such care; and

(ii) the percentage of the visits that occurred in the residence of the child.

(B) **AMOUNTS ALLOTTED FOR SUCCEEDING FISCAL YEARS.**—*In the case of amounts reserved pursuant to section 436(b)(4)(A) for fiscal year 2008 or any succeeding fiscal year:*

(i) DATA SHOWING FREQUENCY AND LOCATION OF CASEWORKER VISITS.—*The State has provided to the Secretary data which shows, for the preceding fiscal year, that—*

(I) for at least 90 percent of the children in foster care under the responsibility of the State—

(aa) the caseworker handling the case of the child visited the child at least once each month while the child was in such care; and

(bb) the majority of the visits occurred in the residence of the child; or

(II) the State made the requisite annual progress, as determined by the Secretary, to comply with subclause (I) by October 1, 2011.

(ii) STATE ABILITY TO VERIFY FREQUENCY OF CASEWORKER VISITS.—*The Secretary has verified that the State has in effect such policies and standards as may be necessary to enable the State to determine whether, for at least 90 percent of the children in foster care under the responsibility of the State, a caseworker visited the child at least once each month during the fiscal year.*

(iii) VERIFICATION OF NONSUPPLANTATION COMPLIANCE.—*The State has provided to the Secretary such documentation as may be necessary to verify that the State has complied with section 436(b)(4)(B)(ii) during the fiscal year.*

SEC. 434. PAYMENTS TO STATES.

(a) **ENTITLEMENT.**—*Each State that has a plan approved under section 432 shall, subject to subsection (d), be entitled to payment of [the lesser of—*

[(1) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

[(2) the allotment of the State under section 433 for the fiscal year.] *the sum of—*

(1) *the lesser of—*

(A) *75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or*

(B) *the allotment of the State under subsection (a), (b), or (c) of section 433, whichever is applicable, for the fiscal year; and*

(2) *the lesser of—*

(A) *75 percent of the total expenditures by the State in accordance with section 436(b)(4)(B) during the fiscal year or the immediately succeeding fiscal year; or*

(B) *the allotment of the State under section 433(e) for the fiscal year.*

* * * * *

(d) **LIMITATION ON REIMBURSEMENT FOR ADMINISTRATIVE COSTS.**—*The Secretary shall not make a payment to a State under this section with respect to expenditures for administrative costs during a fiscal year, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year under the State plan approved under section 432.*

SEC. 435. EVALUATIONS; RESEARCH; TECHNICAL ASSISTANCE.

(a) * * *

* * * * *

(e) **REPORTS.**—

(1) **CONTENT.**—*The Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate biennial reports on—*

(A) *the level of expenditures, and the programs and activities funded, under subpart 1 and this subpart by each State, territory, and Indian tribe to which funds are paid under this part;*

(B) *the number of children and families served by each such State, territory, and Indian tribe under the programs; and*

(C) *how spending under the programs has helped achieve the goals identified by each such State, territory, and Indian tribe as part of the annual planning process undertaken in developing plans pursuant to this part.*

(2) **TIMING.**—*The Secretary shall submit the biennial reports required by paragraph (1) not later than July 1, 2008, and not later than July 1 of every other calendar year thereafter.*

SEC. 436. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

(a) **AUTHORIZATION.**—*In addition to any amount otherwise made available to carry out this subpart, there are authorized to be appropriated to carry out this subpart \$345,000,000 [for fiscal year 2006. Notwithstanding the preceding sentence, the total amount authorized to be so appropriated for fiscal year 2006 under this subsection and under this subsection (as in effect before the date*

of the enactment of the Deficit Reduction Act of 2005) is \$345,000,000.] for each of fiscal years 2007 through 2011.

(b) RESERVATION OF CERTAIN AMOUNTS.—From the amount specified in subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

(1) * * *

* * * * *

(3) INDIAN TRIBES.—~~【The】~~ After applying paragraph (4) (but before applying paragraphs (1) or (2)), the Secretary shall reserve ~~【1】~~ 3 percent for allotment to Indian tribes in accordance with section 433(a).

(4) SUPPORT FOR MONTHLY CASEWORKER VISITS.—

(A) RESERVATION.—In the case of each of fiscal years 2006 through 2011, the Secretary shall reserve \$40,000,000 for allotment in accordance with section 433(e).

(B) USE OF FUNDS.—

(i) IN GENERAL.—A State to which an amount is paid from amounts reserved under subparagraph (A) shall use the amount to support monthly caseworker visits with children who are in foster care under the responsibility of the State, with a primary emphasis on activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology.

(ii) NONSUPPLANTATION.—A State to which an amount is paid from amounts reserved pursuant to subparagraph (A) shall not use the amount to supplant any Federal funds paid to the State under part E that could be used as described in clause (i).

SEC. 437. DISCRETIONARY GRANTS.

(a) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—In addition to any amount appropriated pursuant to section 436, there are authorized to be appropriated to carry out this section \$200,000,000 for each of fiscal years ~~【2002 through 2006】~~ 2007 through 2011.

(b) RESERVATION OF CERTAIN AMOUNTS.—From the amount (if any) appropriated pursuant to subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

(1) * * *

* * * * *

(3) INDIAN TRIBES.—The Secretary shall reserve ~~【2】~~ 3 percent for allotment to Indian tribes in accordance with subsection (c)(1).

(c) ALLOTMENTS.—

(1) * * *

(2) TERRITORIES.—From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) for the fiscal year, the Secretary shall allot to each of the jurisdictions of Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa an amount determined in the same manner as the

allotment to each of such jurisdictions is determined under section **[421] 423**.

* * * * *

SEC. 438. ENTITLEMENT FUNDING FOR STATE COURTS TO ASSESS AND IMPROVE HANDLING OF PROCEEDINGS RELATING TO FOSTER CARE AND ADOPTION.

(a) * * *

* * * * *

(c) ALLOTMENTS.—

(1) GRANTS TO ASSESS AND IMPROVE HANDLING OF COURT PROCEEDINGS RELATING TO FOSTER CARE AND ADOPTION.—

(A) IN GENERAL.—Each highest State court which has an application approved under subsection (b) of this section for a grant described in subsection (b)(2)(A) of this section, and is conducting assessment and improvement activities in accordance with this section, shall be entitled to payment, for each of fiscal years 2002 through **[2006] 2011**, from the amount reserved pursuant to section 436(b)(2) (and the amount, if any, reserved pursuant to section 437(b)(2)), of an amount equal to the sum of \$85,000 plus the amount described in subparagraph (B) of this paragraph for the fiscal year.

* * * * *

(d) FEDERAL SHARE.—Each highest State court which receives funds paid under this section may use such funds to pay not more than 75 percent of the cost of activities under this section in each of fiscal years 2002 through **[2006] 2011**.

* * * * *

SEC. 439. GRANTS FOR PROGRAMS FOR MENTORING CHILDREN OF PRISONERS.

(a) * * *

* * * * *

(c) PROGRAM AUTHORIZED.—From the amounts appropriated under subsection (h) for a fiscal year that remain after applying subsection (h)(2), the Secretary shall make grants under this section for each of fiscal years **[2002 through 2006] 2007 through 2011** to State or local governments, tribal governments or tribal consortia, faith-based organizations, and community-based organizations in areas that have significant numbers of children of prisoners and that submit applications meeting the requirements of this section, in amounts that do not exceed \$5,000,000 per grant.

* * * * *

(h) AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.—

[(1) AUTHORIZATION.—There are authorized to be appropriated to carry out this section \$67,000,000 for each of fiscal years 2002 and 2003, and such sums as may be necessary for each succeeding fiscal year.]

(1) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.—To carry out this section,

there are authorized to be appropriated to the Secretary such sums as may be necessary for fiscal years 2007 through 2011.

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