

108TH CONGRESS  
1ST SESSION

# H. R. 3415

To improve the program of temporary Federal fiscal assistance to States.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 30, 2003

Mr. KING of Iowa (for himself, Mr. SHADEGG, Mr. SESSIONS, Mr. GUTKNECHT, Mrs. MUSGRAVE, Mr. PITTS, Mr. JONES of North Carolina, Mr. GOODE, Mr. BARTLETT of Maryland, Mr. AKIN, Mr. DOOLITTLE, Mr. FRANKS of Arizona, Mr. HOEKSTRA, Mr. BEAUPREZ, Mr. CHOCOLA, Mr. RYUN of Kansas, Mr. TERRY, Mr. CRANE, Mr. HENSARLING, Mr. MILLER of Florida, Mr. RYAN of Wisconsin, Mr. WILSON of South Carolina, Mr. HOSTETTLER, Mr. PENCE, Mr. TANCREDO, Mr. GARRETT of New Jersey, and Mr. BARRETT of South Carolina) introduced the following bill; which was referred to the Committee on Government Reform

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## A BILL

To improve the program of temporary Federal fiscal assistance to States.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “State Assistance Ac-  
5       countability Act”.

1 **SEC. 2. FUNDING LIMITATIONS AND CRITERIA.**

2 Section 601(d)(2) of the Social Security Act (42  
3 U.S.C. 801(d)(2)) is amended to read as follows:

4 “(2) LIMITATION.—A State may use funds pro-  
5 vided under this section only for types of expendi-  
6 tures authorized under—

7 “(A) the budget of the State for the fiscal  
8 year for which the funds are to be expended  
9 that, as of May 28, 2003, was most recently ap-  
10 proved by the State legislature; or

11 “(B) in the absence of such a budget, the  
12 budget of the State for the fiscal year for which  
13 the funds are to be expended that, as of May  
14 28, 2003, was at the furthest stage of develop-  
15 ment by the State legislature.”.

16 **SEC. 3. STATE CERTIFICATION.**

17 Section 601(e) of the Social Security Act (42 U.S.C.  
18 801(e)) is amended to read as follows:

19 “(e) CERTIFICATION.—In order to receive a payment  
20 under this section for a fiscal year, the State shall provide  
21 the Secretary of the Treasury with a certification that the  
22 State will use the payment in accordance with subsection  
23 (d). The certification shall include a detailed report on  
24 how the payment will be expended.”.

1 **SEC. 4. AUDIT AND REMITTANCE.**

2 Section 601 of the Social Security Act (42 U.S.C.  
3 801) is amended by redesignating subsections (f) and (g)  
4 as subsections (i) and (j), respectively, and by inserting  
5 after subsection (e) the following:

6 “(f) **AUDIT.**—At the end of any State fiscal year for  
7 which a State expends funds provided under this section,  
8 the Secretary of the Treasury shall conduct an audit to  
9 ensure that the funds were spent in accordance with sub-  
10 section (d) and the certification required by subsection (e).

11 “(g) **REMITTANCE OF IMPROPERLY EXPENDED**  
12 **FUNDS.**—If the Secretary of the Treasury determines that  
13 a State has expended funds provided under this section,  
14 in a manner inconsistent with subsection (d) or the certifi-  
15 cation required by subsection (e), the State shall remit to  
16 the Treasury of the United States an amount equal to the  
17 amount so determined to have been inappropriately ex-  
18 pended plus a 10 percent penalty, plus interest at a rate  
19 of 10 percent per annum.

20 “(h) **GUIDANCE ON ESSENTIAL GOVERNMENT SERV-**  
21 **ICE.**—In making a determination as to whether a State  
22 has expended funds provided under this section on an es-  
23 sential government service, the Secretary of the Treasury  
24 shall take into consideration whether the service—

1 “(1) appears on any list of essential government  
2 services most recently issued by the State before  
3 May 28, 2003;

4 “(2) is similar to a service provided by the Fed-  
5 eral Government in the absence of appropriations as  
6 listed in the Office of Management and Budget  
7 Memorandum to the Heads of Executive Depart-  
8 ments and Agencies dated September 30, 1980; or

9 “(3) is a service continued by the State in the  
10 absence of appropriations.”.

11 **SEC. 5. DEFINITION OF ESSENTIAL GOVERNMENT SERVICE.**

12 Section 601 of the Social Security Act (42 U.S.C.  
13 801), as amended by section 4 of this Act, is amended  
14 by redesignating subsection (j) as subsection (k) and by  
15 inserting after subsection (i) the following:

16 “(j) **ESSENTIAL GOVERNMENT SERVICE.**—In this  
17 section, the term ‘essential government service’, with re-  
18 spect to a State, includes reduction in the amount of debt  
19 held or planned to be held by the State, and does not in-  
20 clude any activity that was not funded by the State in  
21 the preceding fiscal year of the State.”.

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