

108TH CONGRESS
2D SESSION

S. 2759

To amend title XXI of the Social Security Act to modify the rules relating to the availability and method of redistribution of unexpended SCHIP allotments, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 22, 2004

Mr. ROCKEFELLER (for himself, Mr. CHAFEE, Mr. KENNEDY, and Ms. SNOWE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XXI of the Social Security Act to modify the rules relating to the availability and method of redistribution of unexpended SCHIP allotments, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Children’s Health Pro-
5 tection and Improvement Act of 2004”.

1 **SEC. 2. CHANGES TO RULES FOR REDISTRIBUTION AND EX-**
 2 **TENDED AVAILABILITY OF 1998 THROUGH**
 3 **2004 SCHIP ALLOTMENTS.**

4 Section 2104(g) of the Social Security Act (42 U.S.C.
 5 1397dd(g)), as amended by Public Law 108–74 (117 Stat.
 6 892), is amended—

7 (1) in the subsection heading by striking “,
 8 1999, 2000, AND 2001” and inserting “THROUGH
 9 2004”; and

10 (2) in paragraph (1)—

11 (A) in subparagraph (A)—

12 (i) in the matter preceding clause

13 (i)—

14 (I) by inserting “or for fiscal
 15 year 2002 by the end of fiscal year
 16 2004, or for fiscal year 2003 by the
 17 end of fiscal year 2005, or for fiscal
 18 year 2004 by the end of fiscal year
 19 2006,” after “fiscal year 2003,”; and

20 (II) by striking “or 2001” and
 21 inserting “2001, 2002, 2003, or
 22 2004”;

23 (ii) in clause (i)—

24 (I) in subclause (III), by striking
 25 “or” at the end;

1 (II) in subclause (IV), by striking
2 the period at the end and inserting a
3 semicolon; and

4 (III) by adding at the end the
5 following:

6 “(V) the fiscal year 2002 allot-
7 ment, the amount specified in sub-
8 paragraph (E)(i) (less the total of the
9 amounts under clause (ii) for such fis-
10 cal year), multiplied by the ratio of
11 the amount specified in subparagraph
12 (E)(ii) for the State to the amount
13 specified in subparagraph (E)(iii);

14 “(VI) the fiscal year 2003 allot-
15 ment, the amount specified in sub-
16 paragraph (F)(i) (less the total of the
17 amounts under clause (ii) for such fis-
18 cal year), multiplied by the ratio of
19 the amount specified in subparagraph
20 (F)(ii) for the State to the amount
21 specified in subparagraph (F)(iii); or

22 “(VII) the fiscal year 2004 allot-
23 ment, the amount specified in sub-
24 paragraph (G)(i) (less the total of the
25 amounts under clause (ii) for such fis-

1 cal year), multiplied by the ratio of
 2 the amount specified in subparagraph
 3 (G)(ii) for the State to the amount
 4 specified in subparagraph (G)(iii).”;
 5 and

6 (iii) in clause (ii), by striking “or
 7 2001” and inserting “2001, 2002, 2003,
 8 or 2004”;

9 (B) in subparagraph (B)—

10 (i) in clause (ii), by inserting “but
 11 subject to paragraph (4)” after “sub-
 12 section (e)”;

13 (ii) in clause (iii)—

14 (I) by inserting “but subject to
 15 paragraph (4)” after “subsection (e)”;
 16 and

17 (II) by striking “and” at the end;

18 (iii) by redesignating clause (iv) as
 19 clause (vii); and

20 (iv) by inserting after clause (iii), the
 21 following:

22 “(iv) notwithstanding subsection (e)
 23 but subject to paragraph (4), with respect
 24 to fiscal year 2002, shall remain available

for expenditure by the State through the end of fiscal year 2006;

“(v) notwithstanding subsection (e), with respect to fiscal year 2003, shall remain available for expenditure by the State through the end of fiscal year 2007; and

“(vi) with respect to fiscal year 2004, subsection (e) shall apply; and”;

(C) by adding at the end the following:

“(E) AMOUNTS USED IN COMPUTING REDISTRIBUTIONS FOR FISCAL YEAR 2002.—For purposes of subparagraph (A)(i)(V)—

“(i) the amount specified in this clause is the amount specified in paragraph (2)(B)(i)(I) for fiscal year 2002, less the total amount remaining available pursuant to paragraph (2)(A)(v);

“(ii) the amount specified in this clause for a State is the amount by which the State’s expenditures under this title in fiscal years 2002, 2003, and 2004 exceed the State’s allotment for fiscal year 2002 under subsection (b); and

“(iii) the amount specified in this clause is the sum, for all States entitled to

1 a redistribution under subparagraph (A)
 2 from the allotments for fiscal year 2002, of
 3 the amounts specified in clause (ii).

4 “(F) AMOUNTS USED IN COMPUTING RE-
 5 DISTRIBUTIONS FOR FISCAL YEAR 2003.—For
 6 purposes of subparagraph (A)(i)(VI)—

7 “(i) the amount specified in this
 8 clause is the amount specified in para-
 9 graph (2)(B)(i)(I) for fiscal year 2003, less
 10 the total amount remaining available pur-
 11 suant to paragraph (2)(A)(vi);

12 “(ii) the amount specified in this
 13 clause for a State is the amount by which
 14 the State’s expenditures under this title in
 15 fiscal years 2003, 2004, and 2005 exceed
 16 the State’s allotment for fiscal year 2003
 17 under subsection (b); and

18 “(iii) the amount specified in this
 19 clause is the sum, for all States entitled to
 20 a redistribution under subparagraph (A)
 21 from the allotments for fiscal year 2003, of
 22 the amounts specified in clause (ii).

23 “(G) AMOUNTS USED IN COMPUTING RE-
 24 DISTRIBUTIONS FOR FISCAL YEAR 2004.—For
 25 purposes of subparagraph (A)(i)(VII)—

1 “(i) the amount specified in this
 2 clause is the amount specified in para-
 3 graph (2)(B)(i)(I) for fiscal year 2004, less
 4 the total amount remaining available pur-
 5 suant to paragraph (2)(A)(vii);

6 “(ii) the amount specified in this
 7 clause for a State is the amount by which
 8 the State’s expenditures under this title in
 9 fiscal years 2004, 2005, and 2006 exceed
 10 the State’s allotment for fiscal year 2004
 11 under subsection (b); and

12 “(iii) the amount specified in this
 13 clause is the sum, for all States entitled to
 14 a redistribution under subparagraph (A)
 15 from the allotments for fiscal year 2004, of
 16 the amounts specified in clause (ii).”;

17 (3) in paragraph (2)—

18 (A) in the paragraph heading by striking
 19 “2001” and inserting “2004”; and

20 (B) in subparagraph (A)—

21 (i) in clause (i), by striking “Of” and
 22 inserting “Subject to paragraph (4), of”;

23 (ii) in clause (ii), by striking “Of”
 24 and inserting “Subject to paragraph (4),
 25 of”;

(iii) in clause (iii), by striking “Of” and inserting “Subject to paragraph (4), of”;

(iv) in clause (iv), by striking “Of” and inserting “Subject to paragraph (4), of”; and

(v) by adding at the end the following:

“(v) FISCAL YEAR 2002 ALLOTMENT.—Subject to paragraph (4), of the amounts allotted to a State pursuant to this section for fiscal year 2002 that were not expended by the State by the end of fiscal year 2004, 50 percent of that amount shall remain available for expenditure by the State through the end of fiscal year 2006.

“(vi) FISCAL YEAR 2003 ALLOTMENT.—Of the amounts allotted to a State pursuant to this section for fiscal year 2001 that were not expended by the State by the end of fiscal year 2005, 50 percent of that amount shall remain available for expenditure by the State through the end of fiscal year 2007.

1 “(vii) FISCAL YEAR 2004 ALLOT-
 2 MENT.—Of the amounts allotted to a State
 3 pursuant to this section for fiscal year
 4 2004 that were not expended by the State
 5 by the end of fiscal year 2006, 50 percent
 6 of that amount shall remain available for
 7 expenditure by the State through the end
 8 of fiscal year 2007.”;

9 (4) in paragraph (3)—

10 (A) by striking “or fiscal year 2001” and
 11 inserting “fiscal year 2001, fiscal year 2002,
 12 fiscal year 2003, or fiscal year 2004,”; and

13 (B) by striking “or November 30, 2003,”
 14 and inserting “November 30, 2003, November
 15 30, 2004, November 30, 2005, or November 30,
 16 2006,”; and

17 (5) by adding at the end the following:

18 “(4) ADDITIONAL EXTENDED AVAILABILITY OF
 19 FISCAL YEARS 1998 THROUGH 2002 ALLOTMENTS.—

20 “(A) FISCAL YEAR 1998, 1999, AND 2000 AL-
 21 LOTMENTS.—With respect to any amounts al-
 22 lotted to a State pursuant to this section for
 23 fiscal years 1998, 1999, or 2000 that were re-
 24 distributed to a State under paragraph (1), or
 25 whose availability to a State was extended

1 through the end of fiscal year 2004 under para-
2 graph (2), that were not expended by the State
3 by the end of fiscal year 2004, the following
4 rules shall apply:

5 “(i) 30 percent of such amounts shall
6 remain available for expenditure by the
7 State through the end of fiscal year 2007.

8 “(ii) The remainder of such amounts
9 shall be redistributed to States that have
10 fully expended the amount of their fiscal
11 year 2002 allotments under this section in
12 the same ratio as unexpended fiscal year
13 2002 allotments are redistributed under
14 paragraph (1)(A)(i)(V) to such States and
15 the amounts redistributed under this
16 clause shall remain available for expendi-
17 ture through the end of fiscal year 2007.

18 “(B) FISCAL YEAR 2001 ALLOTMENTS.—

19 With respect to any amounts allotted to a State
20 pursuant to this section for fiscal year 2001
21 that were redistributed to a State under para-
22 graph (1), or whose availability to a State was
23 extended through the end of fiscal year 2005
24 under paragraph (2), that were not expended by

1 the State by the end of fiscal year 2005, the
2 following rules shall apply:

3 “(i) 30 percent of such amounts shall
4 remain available for expenditure by the
5 State through the end of fiscal year 2007.

6 “(ii) The remainder of such amounts
7 shall be redistributed to States that have
8 fully expended the amount of their fiscal
9 year 2003 allotments in the same ratio as
10 unexpended fiscal year 2003 allotments are
11 redistributed under paragraph
12 (1)(A)(i)(VI) to such States and the
13 amounts redistributed under this clause
14 shall remain available for expenditure
15 through the end of fiscal year 2007.

16 “(C) FISCAL YEAR 2002 ALLOTMENTS.—
17 With respect to any amounts allotted to a State
18 pursuant to this section for fiscal year 2002
19 that were redistributed to a State under para-
20 graph (1), or whose availability to a State was
21 extended through the end of fiscal year 2006
22 under paragraph (2), that were not expended by
23 the State by the end of such fiscal year, the fol-
24 lowing rules shall apply:

1 “(i) 30 percent of those amounts shall
 2 remain available for expenditure by the
 3 State through the end of fiscal year 2007.

4 “(ii) The remainder of such amounts
 5 shall be redistributed to States that have
 6 fully expended the amount of their fiscal
 7 year 2004 allotments in the same ratio as
 8 unexpended fiscal year 2004 allotments are
 9 redistributed under paragraph
 10 (1)(A)(i)(VII) to such States and the
 11 amounts redistributed under this clause
 12 shall remain available for expenditure
 13 through the end of fiscal year 2007.”.

14 **SEC. 3. CONTINUED AUTHORITY FOR QUALIFYING STATES**
 15 **TO USE CERTAIN FUNDS FOR MEDICAID EX-**
 16 **PENDITURES.**

17 Section 2105(g)(1)(A) of the Social Security Act (42
 18 U.S.C. 1397ee(g)(1)(A)), as added by Public Law 108–
 19 74 (117 Stat. 895) and amended by Public Law 108–127
 20 (117 Stat. 134), is amended by striking “or 2001” and
 21 inserting “2001, 2002, 2003 or 2004”.

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