

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3576

To improve outcomes for vulnerable children by investing in families, improving accountability in the child welfare system, and finding safe, stable, and permanent homes for foster children.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2005

Mr. McDERMOTT (for himself, Mr. RANGEL, Mr. GEORGE MILLER of California, Mr. CARDIN, Mr. STARK, Mr. BECERRA, Mr. EMANUEL, and Mr. DAVIS of Illinois) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To improve outcomes for vulnerable children by investing in families, improving accountability in the child welfare system, and finding safe, stable, and permanent homes for foster children.

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 “Leave No Abused or  
5 Neglected Child Behind Act” .

1 **SEC. 2. CHILD AND FAMILY SERVICES PROGRAM.**

2 (a) CHILD AND FAMILY SERVICES COMPONENT OF  
3 STATE PLAN.—Section 471(a) of the Social Security Act  
4 (42 U.S.C. 671(a)) is amended—

5 (1) by striking “and” at the end of paragraph  
6 (23);

7 (2) by striking the period at the end of para-  
8 graph (24) and inserting “; and”; and

9 (3) by adding at the end the following:

10 “(25) at the option of the State, includes a  
11 child and family services component that describes  
12 in detail—

13 “(A) how the State intends to spend the  
14 funds provided under section 474(a)(5), and an  
15 assurance that the State will submit to the Sec-  
16 retary reports on annual spending of the funds  
17 in accordance with a detailed, uniform system  
18 which shall be developed by the Secretary;

19 “(B) the goals the State intends to achieve  
20 with the expenditure of the funds; and

21 “(C) the process by which the State in-  
22 tends to assess the effects of the expenditure of  
23 the funds on—

24 “(i) the goals referred to in subpara-  
25 graph (B); and

1                   “(ii) other indicators of child welfare  
2                   performance; and

3                   “(D) whether the State intends to spend  
4                   funds provided under section 474(a)(5) to im-  
5                   plement, in whole or in part, a corrective action  
6                   plan referred to in subsection (b)(2)(B) of this  
7                   section.”.

8           (b) APPROVAL OF CHILD AND FAMILY SERVICES  
9 COMPONENT.—Section 471(b) of such Act (42 U.S.C.  
10 671(b) is amended to read as follows:

11           “(b)(1) The Secretary shall approve any plan which  
12           complies with subsection (a).

13           “(2)(A) In considering the child and family services  
14           component of a plan submitted pursuant to this part, the  
15           Secretary shall consider any intention to expend funds  
16           pursuant to the plan for a specific purpose which is sub-  
17           stantially similar to a specific purpose for which the State  
18           expended funds pursuant to the State plan approved  
19           under this part in not less than 2 of the 5 most recently  
20           preceding fiscal years, if the prior spending failed to result  
21           in meaningful progress towards achieving the goals de-  
22           scribed in the plan pursuant to subsection (a)(25)(B), de-  
23           termined on the basis of the process referred to in sub-  
24           section (a)(25)(C).

1       “(B) The Secretary may not approve the child and  
2 family services component of a plan submitted pursuant  
3 to this part if there is in effect a final determination under  
4 section 1123A that a State program under part B or this  
5 part has failed to substantially conform with the require-  
6 ments, regulations, and plans referred to in subsection (a)  
7 of such section that apply to the program, unless the State  
8 is implementing a corrective action plan referred to in sub-  
9 section (b)(4)(A) of such section with respect to the fail-  
10 ure.”.

11       (c) PAYMENTS TO STATES.—Section 474(a) of such  
12 Act (42 U.S.C. 674(a)) is amended—

13           (1) by striking the period at the end of para-  
14 graph (4) and inserting “; plus”; and

15           (2) by adding at the end the following:

16           “(5)(A) an amount equal to the Federal med-  
17 ical assistance percentage (as defined in section  
18 1905(b)) of the total amount expended during such  
19 quarter to provide (and evaluate the provision of)  
20 services which seek to—

21           “(i) safely reduce the number of children  
22 in foster care;

23           “(ii) safely reduce the length of stay for  
24 children in foster care;

1           “(iii) increase the percentage of foster chil-  
2           dren who are cared for in family-like settings;  
3           and

4           “(iv) improve the well-being of children in  
5           foster care, in an adoption eligible for payments  
6           under section 473, or in a kinship guardianship  
7           arrangement eligible for payments under section  
8           473(d); and

9           “(B) such amount as the Secretary deems ap-  
10          propriate (which shall be not less than 10 percent  
11          and not more than 35 percent of the State expendi-  
12          tures referred to in subparagraph (A) of this para-  
13          graph) to reward the State for improvements in the  
14          performance of the State in pursuing the goals de-  
15          scribed in the provisions of the State plan submitted  
16          pursuant to section 471(a)(25)(B), as determined on  
17          the basis of an evaluation approved by the Secretary  
18          (and the Secretary shall attempt to ensure a re-  
19          asonable level of consistency in the design of the ap-  
20          proved evaluations and shall make the results of the  
21          approved evaluations broadly available), except that  
22          such amount may be paid on an annual or biennial  
23          basis.”.

24          (d) EXPENDITURES BY TERRITORIES UNDER CHILD  
25          AND FAMILY SERVICES COMPONENT NOT SUBJECT TO

1 LIMITATION.—Section 1108 of such Act (42 U.S.C. 1308)  
2 is amended in each of subsections (a)(1) and (b)(1) by  
3 striking “parts A and E” and inserting “part A”.

4 (e) APPLICABILITY TO INDIAN TRIBES.—Section  
5 479B(b)(2)(A)(i) of such Act, as added by section 3(e)(2)  
6 of this Act, is amended by striking “(1) and (2)” and in-  
7 serting “(1), (2), and (5)”.

8 (f) NONSUPPLANTATION.—Section 474 of such Act  
9 (42 U.S.C. 674) is amended by adding at the end the fol-  
10 lowing:

11 “(g) A State to which funds are paid under sub-  
12 section (a)(5) shall use those funds to supplement and not  
13 supplant any Federal, State or local funds used for serv-  
14 ices described in such subsection. ”.

15 **SEC. 3. EXPANDED ELIGIBILITY FOR FOSTER CARE AND**  
16 **ADOPTION ASSISTANCE.**

17 (a) FOSTER CARE.—

18 (1) ELIMINATION OF INCOME ELIGIBILITY RE-  
19 QUIREMENT.—

20 (A) IN GENERAL.—Section 472(a) of the  
21 Social Security Act (42 U.S.C. 672(a)) is  
22 amended—

23 (i) in the matter preceding paragraph  
24 (1), by striking “child” and all that follows  
25 through “if” and inserting “child, if”;

1 (ii) in paragraph (1)—

2 (I) by striking “from the home”  
3 and inserting “of the child from his or  
4 her home”; and

5 (II) by striking “(effective Octo-  
6 ber 1, 1983)”;

7 (iii) by adding “and” at the end of  
8 paragraph (2);

9 (iv) in paragraph (3), by striking “;  
10 and” and inserting a period; and

11 (v) by striking all that follows para-  
12 graph (3).

13 (B) CONFORMING AMENDMENT.—Section  
14 470 of such Act (42 U.S.C. 670) is amended by  
15 striking “who otherwise would have been eligi-  
16 ble for assistance under the State’s plan ap-  
17 proved under part A (as such plan was in effect  
18 on June 1, 1995)”.

19 (2) FOSTER CARE MAINTENANCE PAYMENTS  
20 MATCH RATE.—Section 474 (42 U.S.C. 674), as  
21 amended by section 2(f) of this Act, is amended—

22 (A) in subsection (a)(1), by inserting “,  
23 subject to subsection (h)(1)” before the semi-  
24 colon; and

25 (B) by adding at the end the following:

1           “(h)(1)(A) The Secretary shall reduce the percentage  
2 by which expenditures referred to in subsection (a)(1) are  
3 reimbursed, by such equal percentage for all States as may  
4 be necessary to ensure that—

5           “(i) the ratio, for any calendar quarter, of the  
6 total of the amounts payable to States under such  
7 subsection to the total of all amounts expended by  
8 the States as foster care maintenance payments  
9 (whether or not eligible for reimbursement under  
10 this part), excluding any expenditure made from  
11 other funds provided by the Federal Government or  
12 from State funds with respect to which matching  
13 funds are provided by the Federal Government;  
14 equals

15           “(ii) the average such ratio for the 12 quarters  
16 most recently preceding the effective date of this  
17 subsection.

18           “(B) The Secretary shall establish procedures to  
19 allow States to submit to the Secretary supplemental  
20 claims for reimbursement of expenditures referred to in  
21 subsection (a)(1) incurred during the 3-year period begin-  
22 ning with the effective date of this subsection.

23           “(C) The Secretary shall pay a claim submitted pur-  
24 suant to subparagraph (B) with respect to an expenditure,  
25 to the extent that, in the absence of this paragraph, an

1 amount would be payable under this part with respect to  
2 the expenditure.

3 “(D) For each State with respect to which a claim  
4 has been paid under subparagraph (B) of this paragraph,  
5 the Secretary shall—

6 “(i) calculate the overall rate at which the ex-  
7 penditures referred to in subsection (a)(2) have been  
8 reimbursed under this part during the 3-year period  
9 described in subparagraph (B) of this paragraph;  
10 and

11 “(ii) for each subsequent calendar quarter, re-  
12 imburse the expenditures at the overall rate.”.

13 (b) ADOPTION ASSISTANCE.—

14 (1) ELIMINATION OF INCOME ELIGIBILITY RE-  
15 QUIREMENT.—Section 473(a)(2) of such Act (42  
16 U.S.C. 673(a)(2)) is amended—

17 (A) by striking all through subparagraph  
18 (C) and inserting the following:

19 “(2)(A) For purposes of paragraph (1)(B)(ii), a  
20 child meets the requirements of this paragraph if the  
21 child—

22 “(i)(I) at the time adoption proceedings  
23 were initiated, had been removed from his or  
24 her home—

1           “(aa) pursuant to a voluntary place-  
2           ment agreement with respect to which  
3           Federal payments are provided under sec-  
4           tion 474; or

5           “(bb) as a result of a judicial deter-  
6           mination to the effect that continuation  
7           therein would be contrary to the welfare of  
8           the child;

9           “(II) is eligible for supplemental security  
10          income benefits under title XVI; or

11          “(III) is a child whose costs in a foster  
12          family home or child-care institution are cov-  
13          ered by the foster care maintenance payments  
14          being made with respect to the minor parent of  
15          the child as described in section 475(4)(B); and

16          “(ii) has been determined by the State,  
17          pursuant to subsection (c), to be a child with  
18          special needs.

19          “(B) A child who meets the requirements  
20          of subparagraph (A)(ii) of this paragraph, who  
21          was determined eligible for adoption assistance  
22          payments under this part with respect to a  
23          prior adoption, and who is available for adop-  
24          tion because the prior adoption has been dis-  
25          solved and the parental rights of the adoptive

1 parents have been terminated or because the  
2 child's adoptive parents have died, shall be  
3 treated as meeting the requirements of this  
4 paragraph for purposes of paragraph  
5 (1)(B)(ii).”;

6 (B) by striking the second sentence; and

7 (C) in the third sentence—

8 (i) by striking “(C)” and inserting  
9 “(B)”; and

10 (ii) by striking “subparagraphs (A)  
11 and (B)” and inserting “subparagraph  
12 (A)”.

13 (2) ADOPTION ASSISTANCE PAYMENTS MATCH  
14 RATE.—Section 474 of such Act (42 U.S.C. 674) is  
15 amended—

16 (A) in subsection (a)(2), by inserting “,  
17 subject to subsection (h)(2)” before the semi-  
18 colon; and

19 (B) by adding at the end of subsection (h)  
20 (as added by subsection (a)(2)(B) of this sec-  
21 tion) the following:

22 “(2)(A) The Secretary shall reduce the percentage by  
23 which the expenditures referred to in subsection (a)(2) are  
24 reimbursed, by such equal percentage for all States as may  
25 be necessary to ensure that—

1           “(i) the ratio, for any calendar quarter, of the  
2           total of the amounts payable to States under such  
3           subsection to the total of all amounts expended by  
4           the States as adoption assistance payments (whether  
5           or not eligible for reimbursement under this part),  
6           excluding any expenditure made from other funds  
7           provided by the Federal Government or from State  
8           funds with respect to which matching funds are pro-  
9           vided by the Federal Government; equals

10           “(ii) the average such ratio for the 12 quarters  
11           most recently preceding the effective date of this  
12           subsection.

13           “(B) The Secretary shall establish procedures to  
14           allow States to submit to the Secretary supplemental  
15           claims for reimbursement of expenditures referred to in  
16           subsection (a)(2) incurred during the 3-year period begin-  
17           ning with the effective date of this subsection.

18           “(C) The Secretary shall pay a claim submitted pur-  
19           suant to subparagraph (B) with respect to an expenditure,  
20           to the extent that, in the absence of this paragraph, an  
21           amount would be payable under this part with respect to  
22           the expenditure.

23           “(D) For each State with respect to which a claim  
24           has been paid under subparagraph (B) of this paragraph,  
25           the Secretary shall—

1           “(i) calculate the overall rate at which the ex-  
2           penditures referred to in subsection (a)(2) have been  
3           reimbursed under this part during the 3-year period  
4           described in subparagraph (B) of this paragraph;  
5           and

6           “(ii) for each subsequent calendar quarter, re-  
7           imburse the expenditures at the overall rate.”.

8           (c) ADMINISTRATIVE COSTS.—

9           (1) IN GENERAL.—Section 474 of such Act (42  
10          U.S.C. 674) is amended—

11           (A) in subsection (a)(3)(E), by inserting “,  
12           subject to subsection (h)(3)” after “expendi-  
13           tures”; and

14           (B) by adding at the end of subsection (h)  
15           (as added by subsection (a)(2)(B) of this sec-  
16           tion) the following:

17          “(3)(A) The Secretary shall reduce the percentage by  
18          which the expenditures referred to in subsection (a)(3)(E)  
19          are reimbursed, by such equal percentage for all States  
20          as may be necessary to ensure that—

21           “(i) the ratio, for any calendar quarter, of the  
22           total of the amounts payable to States under sub-  
23           section (a)(3)(E) to the total of all amounts ex-  
24           pended by the States for expenditures referred to in  
25           such subsection (whether or not eligible for reim-

1       bursement under this part), excluding any expendi-  
2       ture made from other funds provided by the Federal  
3       Government or from State funds with respect to  
4       which matching funds are provided by the Federal  
5       Government; equals

6               “(ii) the average such ratio for the 12 quarters  
7       most recently preceding the effective date of this  
8       subsection.

9       “(B) The Secretary shall establish procedures to  
10      allow States to submit to the Secretary supplemental  
11      claims for reimbursement of expenditures referred to in  
12      subsection (a)(3)(E) incurred during the 3-year period be-  
13      ginning with the effective date of this subsection.

14       “(C) The Secretary shall pay a claim submitted pur-  
15      suant to subparagraph (B) with respect to an expenditure,  
16      to the extent that, in the absence of this paragraph, an  
17      amount would be payable under this part with respect to  
18      the expenditure.

19       “(D) For each State with respect to which a claim  
20      has been paid under subparagraph (B) of this paragraph,  
21      the Secretary shall—

22               “(i) calculate the overall rate at which the ex-  
23      penditures referred to in subsection (a)(3)(E) have  
24      been reimbursed under this part during the 3-year

1 period described in subparagraph (B) of this para-  
2 graph; and

3 “(ii) for each subsequent calendar quarter, re-  
4 imburse the expenditures at the overall rate.”.

5 (2) LIMITATION ON EXPENDITURES NOT RE-  
6 LATED TO PLACEMENT OR CASE MANAGEMENT AC-  
7 TIVITIES.—Section 474 of such Act (42 U.S.C. 674),  
8 as amended by the preceding provisions of this sec-  
9 tion, is amended by adding at the end the following:

10 “(i) A State shall not use more than 15 percent of  
11 the amounts paid to the State under this part for expendi-  
12 tures relating to determining eligibility, setting rates for  
13 foster care homes and institutions, and the proportionate  
14 share of related agency overhead. ”.

15 (d) REMOVAL OF TITLE IV–E FROM FUNDING CAP  
16 FOR THE TERRITORIES.—Section 1108 of such Act (42  
17 U.S.C. 1308) is amended in each of subsections (a) and  
18 (b)(1), by striking “parts A and E” and inserting “part  
19 A”.

20 (e) AUTHORITY OF INDIAN TRIBES TO RECEIVE  
21 FEDERAL FUNDS FOR FOSTER CARE AND ADOPTION AS-  
22 SISTANCE.—

23 (1) CHILDREN PLACED IN TRIBAL CUSTODY EL-  
24 IGIBLE FOR FOSTER CARE FUNDING.—Section

1 472(a)(2) of such Act (42 U.S.C. 672(a)(2)) is  
2 amended—

3 (A) by striking “or (B)” and inserting  
4 “(B)”; and

5 (B) by inserting before the semicolon the  
6 following: “, or (C) an Indian tribe or tribal or-  
7 ganization (as defined in section 479B(e)) or an  
8 intertribal consortium if the Indian tribe, tribal  
9 organization, or consortium (i) is operating a  
10 program pursuant to section 479B, (ii) has a  
11 cooperative agreement with a State pursuant to  
12 section 479B(c), or (iii) submits to the Sec-  
13 retary a description of the arrangements (joint-  
14 ly developed or developed in consultation with  
15 the State) made by the Indian tribe, tribal or-  
16 ganization, or consortium for the payment of  
17 funds and the provision of the child welfare  
18 services and protections required by this title”.

19 (2) PROGRAMS OPERATED BY INDIAN TRIBAL  
20 ORGANIZATIONS.—Part E of title IV of such Act (42  
21 U.S.C. 670 et seq.) is amended by adding at the end  
22 the following:

1 **“SEC. 479B. PROGRAMS OPERATED BY INDIAN TRIBAL OR-**  
2 **GANIZATIONS.**

3 “(a) APPLICATION.—Except as provided in sub-  
4 section (b), this part shall apply to an Indian tribe or trib-  
5 al organization that elects to operate a program under this  
6 part in the same manner as this part applies to a State.

7 “(b) MODIFICATION OF PLAN REQUIREMENTS.—

8 “(1) SERVICE AREA; STANDARDS.—

9 “(A) IN GENERAL.—Subject to subpara-  
10 graph (B), in the case of an Indian tribe or  
11 tribal organization submitting a plan for ap-  
12 proval under section 471, the plan shall—

13 “(i) in lieu of the requirement of sec-  
14 tion 471(a)(3), identify the service area or  
15 areas and population to be served by the  
16 Indian tribe or tribal organization; and

17 “(ii) in lieu of the requirement of sec-  
18 tion 471(a)(10), provide for the approval  
19 of foster homes pursuant to tribal stand-  
20 ards and in a manner that ensures the  
21 safety of, and accountability for, children  
22 placed in foster care.

23 “(B) SPECIAL RULE.—With respect to an  
24 Indian tribe located in the State of Alaska—

25 “(i) subparagraph (A)(ii) of this para-  
26 graph shall not apply; and

1           “(ii) the requirement of section  
2           471(a)(10) shall apply to a plan submitted  
3           by the tribe.

4           “(2) DETERMINATION OF FEDERAL SHARE.—

5           “(A) PER CAPITA INCOME.—

6           “(i) IN GENERAL.—For purposes of  
7           determining the Federal medical assistance  
8           percentage applicable to an Indian tribe or  
9           tribal organization under paragraphs (1)  
10          and (2) of section 474(a), the calculation  
11          of an Indian tribe’s or tribal organization’s  
12          per capita income shall be based on the  
13          service population of the Indian tribe or  
14          tribal organization as defined in its plan in  
15          accordance with paragraph (1)(A) of this  
16          subsection.

17          “(ii) CONSIDERATION OF OTHER IN-  
18          FORMATION.—An Indian tribe or tribal or-  
19          ganization may submit to the Secretary  
20          such information as the Indian tribe or  
21          tribal organization considers relevant to  
22          the calculation of the per capita income of  
23          the Indian tribe or tribal organization, and  
24          the Secretary shall consider such informa-  
25          tion before making the calculation.

1           “(B) ADMINISTRATIVE EXPENDITURES.—  
2           The Secretary shall, by regulation, determine  
3           the proportions to be paid to Indian tribes and  
4           tribal organizations pursuant to section  
5           474(a)(3), except that in no case shall an In-  
6           dian tribe or tribal organization receive a lesser  
7           proportion than the corresponding amount spec-  
8           ified for a State in that section.

9           “(C) SOURCES OF NON-FEDERAL  
10          SHARE.—An Indian tribe or tribal organization  
11          may use Federal or State funds to match pay-  
12          ments for which the Indian tribe or tribal orga-  
13          nization is eligible under section 474.

14          “(3) MODIFICATION OF OTHER REQUIRE-  
15          MENTS.—Upon the request of an Indian tribe, tribal  
16          organization, or a consortia of tribes or tribal orga-  
17          nizations, the Secretary may modify any requirement  
18          under this part if, after consulting with the Indian  
19          tribe, tribal organization, or consortia of tribes or  
20          tribal organizations, the Secretary determines that  
21          modification of the requirement would advance the  
22          best interests and the safety of children served by  
23          the Indian tribe, tribal organization, or consortia of  
24          tribes or tribal organizations.

1           “(4) CONSORTIUM.—The participating Indian  
2           tribes or tribal organizations of an intertribal con-  
3           sortium may develop and submit a single plan under  
4           section 471 that meets the requirements of this sec-  
5           tion.

6           “(c) COOPERATIVE AGREEMENTS.—An Indian tribe,  
7           tribal organization, or intertribal consortium and a State  
8           may enter into a cooperative agreement for the adminis-  
9           tration or payment of funds pursuant to this part. In any  
10          case where an Indian tribe, tribal organization, or inter-  
11          tribal consortium and a State enter into a cooperative  
12          agreement that incorporates any of the provisions of this  
13          section, those provisions shall be valid and enforceable.  
14          Any such cooperative agreement that is in effect as of the  
15          date of enactment of this section, shall remain in full force  
16          and effect subject to the right of either party to the agree-  
17          ment to revoke or modify the agreement pursuant to the  
18          terms of the agreement.

19          “(d) REGULATIONS.—Not later than 1 year after the  
20          date of enactment of this section, the Secretary shall, in  
21          full consultation with Indian tribes and tribal organiza-  
22          tions, promulgate regulations to carry out this section.

23          “(e) DEFINITIONS OF INDIAN TRIBE; TRIBAL ORGA-  
24          NIZATION.—In this section, the terms ‘Indian tribe’ and  
25          ‘tribal organization’ have the meanings given those terms

1 in subsections (e) and (l) of section 4 of the Indian Self-  
2 Determination and Education Assistance Act (25 U.S.C.  
3 450b), respectively, except that, with respect to the State  
4 of Alaska, the term ‘Indian tribe’ has the meaning given  
5 that term in section 419(4)(B).”.

6 (f) CONFORMING CHANGES FOR FMAP FOR THE  
7 DISTRICT OF COLUMBIA.—Section 474(a) of such Act (42  
8 U.S.C. 674(a)) is amended in each of paragraphs (1) and  
9 (2) by striking “(as defined in section 1905(b) of this  
10 Act)” inserting “(which shall be as defined in section  
11 1905(b), in the case of a State other than the District  
12 of Columbia, or 70 percent, in the case of the District  
13 of Columbia)”.

14 **SEC. 4. KINSHIP GUARDIANSHIP ASSISTANCE PAYMENTS**  
15 **FOR CHILDREN.**

16 (a) IN GENERAL.—Section 473 of the Social Security  
17 Act (42 U.S.C. 670–679b) is amended by adding at the  
18 end the following:

19 “(d) KINSHIP GUARDIANSHIP ASSISTANCE PAY-  
20 MENTS FOR CHILDREN.—

21 “(1) IN GENERAL.—Each State with a plan ap-  
22 proved under this part may, at State option, enter  
23 into kinship guardianship assistance agreements to  
24 provide kinship guardianship assistance payments on  
25 behalf of children to grandparents and other rel-

1       atives who have assumed legal guardianship (as de-  
2       fined in section 475(7)) of the children for whom  
3       they have cared as foster parents and for whom they  
4       have committed to care for on a permanent basis.

5               “(2) KINSHIP GUARDIANSHIP ASSISTANCE  
6       AGREEMENT.—

7               “(A) IN GENERAL.—In order to receive  
8       payments under section 474(a)(6), a State  
9       shall—

10               “(i) negotiate and enter into a writ-  
11       ten, binding kinship guardianship assist-  
12       ance agreement with the prospective rel-  
13       ative guardian of a child who meets the re-  
14       quirements of this paragraph;

15               “(ii) provide the prospective relative  
16       guardian with a copy of the agreement;  
17       and

18               “(iii) certify that any child on whose  
19       behalf kinship guardianship assistance pay-  
20       ments are made under the agreement shall  
21       be provided medical assistance under title  
22       XIX in accordance with section  
23       1902(a)(10)(A)(i)(I).

24               “(B) MINIMUM REQUIREMENTS.—The  
25       agreement shall specify, at a minimum—

1           “(i) the amount of, and manner in  
2           which, each kinship guardianship assist-  
3           ance payment will be provided under the  
4           agreement;

5           “(ii) the additional services and assist-  
6           ance that the child and relative guardian  
7           will be eligible for under the agreement;

8           “(iii) the procedure by which the rel-  
9           ative guardian may apply for additional  
10          services as needed, provided the agency  
11          and relative guardian agree on the addi-  
12          tional services as specified in the case plan;  
13          and

14          “(iv) subject to subparagraph (D),  
15          that the State will pay the total cost of  
16          nonrecurring expenses associated with ob-  
17          taining legal guardianship of the child.

18          “(C) INTERSTATE APPLICATION.—The  
19          agreement shall provide—

20                 “(i) that the agreement shall remain  
21                 in effect without regard to the State resi-  
22                 dency of the kinship guardian; and

23                 “(ii) for the protection of the interests  
24                 of the child in any case where the kinship

1 guardian and the child move to another  
2 State while the agreement is in effect.

3 “(D) NO EFFECT ON FEDERAL REIM-  
4 BURSEMENT.—Nothing in subparagraph (B)(iv)  
5 shall be construed as affecting the ability of the  
6 State to obtain reimbursement from the Fed-  
7 eral Government for costs described in that  
8 subparagraph.

9 “(3) KINSHIP GUARDIANSHIP ASSISTANCE PAY-  
10 MENT.—

11 “(A) IN GENERAL.—The kinship guardian-  
12 ship assistance payment shall be based on con-  
13 sideration of the needs of the relative guardian  
14 and of the child and shall be at least equal to  
15 the amount of the foster care maintenance pay-  
16 ment for which the child would have been eligi-  
17 ble if the child had remained in foster care, or,  
18 at State option, the amount of the adoption as-  
19 sistance payment for which the child would  
20 have been eligible if the child had been adopted.  
21 The payment may be readjusted periodically  
22 based on relevant changes in such needs.

23 “(B) LIMITATION.—

24 “(i) IN GENERAL.—Except as pro-  
25 vided in clause (ii), no kinship guardian-

1 ship assistance payment may be made to a  
2 relative guardian for any child who has at-  
3 tained 18 years of age.

4 “(ii) EXCEPTIONS.—A kinship guard-  
5 ianship assistance payment may be made  
6 to a relative guardian with respect to a  
7 child who—

8 “(I) is a full-time student in a  
9 secondary school or in the equivalent  
10 level of a vocational or technical train-  
11 ing program and has not attained 19  
12 years of age; or

13 “(II) with respect to a child who  
14 the State determines has a mental or  
15 physical disability that warrants the  
16 continuation of assistance until the  
17 child attains 21 years of age.

18 “(4) CHILD’S ELIGIBILITY FOR A KINSHIP  
19 GUARDIANSHIP ASSISTANCE PAYMENT.—

20 “(A) IN GENERAL.—A child is eligible for  
21 a kinship guardianship assistance payment  
22 under this subsection if the State agency deter-  
23 mines the following:

24 “(i) The child has been—

1           “(I) removed from his or her  
2           home pursuant to a voluntary place-  
3           ment agreement or as a result of a ju-  
4           dicial determination to the effect that  
5           continuation in the home would be  
6           contrary to the welfare of the child;

7           “(II) under the care of the State  
8           agency for the 12-month period end-  
9           ing on the date of the agency deter-  
10          mination; and

11          “(III) eligible for foster care  
12          maintenance payments under section  
13          472.

14          “(ii) Being returned home or adopted  
15          are not appropriate permanency options  
16          for the child.

17          “(iii) The child demonstrates a strong  
18          attachment to the prospective relative  
19          guardian and the relative guardian has a  
20          strong commitment to caring permanently  
21          for the child.

22          “(iv) With respect to a child who has  
23          attained 14 years of age, the child has  
24          been consulted regarding the kinship  
25          guardianship arrangement.

1           “(B) TREATMENT OF SIBLINGS.—With re-  
2           spect to a child described in subparagraph (A)  
3           whose sibling or siblings are not so described—

4                   “(i) the child and any sibling of the  
5                   child may be placed in the same kinship  
6                   guardianship arrangement if the State  
7                   agency and the relative agree on the appro-  
8                   priateness of the arrangement for the sib-  
9                   lings; and

10                   “(ii) kinship guardianship assistance  
11                   payments may be paid for the child and  
12                   each sibling so placed.”.

13           (b) CONFORMING AMENDMENTS.—

14                   (1) STATE PLAN REQUIREMENT.—Section  
15                   471(a)(20) of such Act (42 U.S.C. 671(a)(20)) is  
16                   amended by striking “before the foster or adoptive  
17                   parent may be finally approved for placement of a  
18                   child on whose behalf foster care maintenance pay-  
19                   ments or adoption assistance payments” and insert-  
20                   ing “or relative guardian before the foster or adop-  
21                   tive parent or relative guardian may be finally ap-  
22                   proved for placement of a child on whose behalf fos-  
23                   ter care maintenance payments, adoption assistance  
24                   payments, or kinship guardianship assistance pay-  
25                   ments”.

1           (2) PAYMENTS TO STATES.—Section 474(a) of  
2 such Act (42 U.S.C. 674(a)) is amended—

3           (A) by striking the period at the end and  
4 inserting “; plus”; and

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

6           “(6) an amount equal to the percentage by  
7 which the expenditures referred to in paragraph (2)  
8 are reimbursed (after applying the reduction re-  
9 quired by subsection (h)(2)(A) of this section) of the  
10 total amount expended during such quarter as kin-  
11 ship guardianship assistance payments under section  
12 473(d) pursuant to kinship guardianship assistance  
13 agreements.”.

14           (3) DEFINITIONS.—Section 475(1) of such Act  
15 (42 U.S.C. 675(1)) is amended by adding at the end  
16 the following:

17           “(F) In the case of a child with respect to  
18 whom the permanency plan is placement with a  
19 relative and receipt of kinship guardianship as-  
20 sistance payments under section 473(d), a de-  
21 scription of—

22           “(i) the steps that the agency has  
23 taken to determine that it is not appro-  
24 priate for the child to be returned home or  
25 adopted;

1           “(ii) the reasons why a permanent  
2 placement with a fit and willing relative  
3 through a kinship guardianship assistance  
4 arrangement is in the child’s best interests;

5           “(iii) the ways in which the child  
6 meets the eligibility requirements for a kin-  
7 ship guardianship assistance payment;

8           “(iv) the efforts the agency has made  
9 to discuss adoption by the child’s relative  
10 foster parent as a more permanent alter-  
11 native to legal guardianship and, in the  
12 case of a relative foster parent who has  
13 chosen not to pursue adoption, documenta-  
14 tion of the reasons therefor; and

15           “(v) the efforts made by the State  
16 agency to secure the consent of the child’s  
17 parent or parents to the kinship guardian-  
18 ship assistance arrangement, or the rea-  
19 sons why the efforts were not made.”.

20 **SEC. 5. FLEXIBILITY TO ESTABLISH SEPARATE STANDARDS**  
21 **FOR RELATIVE FOSTER FAMILY HOMES.**

22           Section 471(a)(10) (42 U.S.C. 671(a)(10)) is amend-  
23 ed by inserting before the semicolon the following: “, and,  
24 at the option of the State, that the authority or authorities  
25 may—



1 **“Subpart 4—Supporting Quality Front Line Workers**  
2 **“SEC. 440A. CHILD WELFARE SERVICE QUALITY IMPROVE-**  
3 **MENT GRANTS.**

4 “(a) IN GENERAL.—The Secretary, acting through  
5 the Administration of Children and Families, shall make  
6 grants to States to improve the quality of child welfare  
7 services by increasing the quality and capacity of their  
8 child welfare workforce or by increasing the coordination  
9 of their child welfare services.

10 “(b) APPLICATIONS.—

11 “(1) CONTENTS.—A State desiring to receive a  
12 grant under this section shall submit to the Sec-  
13 retary an application that includes the following:

14 “(A) PLAN.—A detailed description of how  
15 the State would use the grant, during the 5-  
16 year period beginning with the date the grant  
17 is received, to improve working conditions of  
18 child welfare workers in any agency providing a  
19 service under the State plan approved under  
20 subpart 1 or 2 of part B or part E in 1 or more  
21 ways described in paragraph (2), and an expla-  
22 nation of how doing so would help the State  
23 achieve the outcomes set forth in the Final List  
24 of Child Welfare Outcomes and Measures (64  
25 Fed. Reg. 45552–45554).

1           “(B) BASELINE DATA ON STATE-SE-  
2           LECTED INDICATORS.—The information de-  
3           scribed in those subparagraphs of paragraph  
4           (3) which describe the indicators that the State  
5           intends to improve on using the grant, with re-  
6           spect to all child welfare agencies in the State  
7           for the fiscal year preceding the first fiscal year  
8           for which the grant is requested.

9           “(C) BUDGET.—A budget showing how the  
10          State would expend funds (including any grant  
11          funds provided under this section) for child wel-  
12          fare services or the improvement of the services.

13          “(2) WAYS TO IMPROVE WORKING CONDI-  
14          TIONS.—The ways described in this paragraph to  
15          improve working conditions of child welfare workers  
16          are the following:

17                 “(A) Increase the wages of supervisory and  
18                 nonsupervisory child welfare workers.

19                 “(B) Increase the number of State super-  
20                 visory and nonsupervisory staff working on  
21                 strengthening and preserving families and im-  
22                 proving child well-being, permanency, and safe-  
23                 ty.

24                 “(C) Reduce the turnover rate for super-  
25                 visory and nonsupervisory child welfare workers

1 in the State, and the number of supervisory and  
2 nonsupervisory staff vacancies in child welfare  
3 agencies.

4 “(D) Improve the formal education and  
5 training of supervisory and nonsupervisory child  
6 welfare workers.

7 “(E) Increase the number of supervisory  
8 and nonsupervisory child welfare workers who  
9 have graduated from an institution of higher  
10 education in such fields of study as the Sec-  
11 retary determines are related to the delivery of  
12 child welfare services.

13 “(F) Coordinate training, recruitment, and  
14 retention strategies for child welfare workers.

15 “(G) Provide educational scholarships for  
16 fields of study relevant to the purposes of parts  
17 B and E in return for substantial service.

18 “(H) Implement strategies to increase the  
19 safety of child welfare workers.

20 “(I) Enable the State child welfare agen-  
21 cies to coordinate the provision of services with  
22 State and local health care agencies, State and  
23 local alcohol and drug abuse prevention and  
24 treatment agencies, State and local mental  
25 health agencies, State and local housing agen-

1           cies, State and local agencies administering the  
2           Temporary Assistance for Needy Families pro-  
3           gram, and other welfare agencies to promote  
4           child safety, permanence, and family stability.

5           “(J) Provide training to improve the abil-  
6           ity of child welfare workers to include and in-  
7           volve families in planning decisions for children  
8           served by State child welfare agencies.

9           “(3) DESCRIPTION OF BASELINE DATA.—The  
10          data described in this paragraph are the following:

11           “(A) The average salary of supervisory  
12           child welfare workers, and of nonsupervisory  
13           child welfare workers.

14           “(B) The average number of children or  
15           families, per caseworker—

16           “(i) for caseworkers who provide serv-  
17           ices for abused or neglected children and  
18           their families;

19           “(ii) for caseworkers who provide  
20           services to strengthen and preserve fami-  
21           lies with children;

22           “(iii) for caseworkers who provide  
23           adoption services; and

24           “(iv) for caseworkers who provide  
25           family foster care services.

1           “(C) The total number of vacancies in su-  
2           pervisory staff positions and in nonsupervisory  
3           staff positions, and each such number expressed  
4           as a percentage of each type of staff position.

5           “(D) The average rate at which super-  
6           visory child welfare workers left employment,  
7           and at which nonsupervisory child welfare work-  
8           ers left employment.

9           “(E) The average duration of employment  
10          of supervisory child welfare workers and of non-  
11          supervisory child welfare workers.

12          “(F) The total number and percentage of  
13          supervisory child welfare workers and of non-  
14          supervisory child welfare workers who have re-  
15          ceived a bachelor’s or more advanced degree  
16          from an institution of higher education, in the  
17          aggregate, and broken down by field of study.

18          “(G) The average number of staff for  
19          whom supervisory child welfare workers are re-  
20          sponsible.

21          “(H) The range and scope of pre-service  
22          and in-service training opportunities, including  
23          numbers and percentage of supervisory child  
24          welfare staff and of nonsupervisory child wel-  
25          fare staff engaged in training programs.

1           “(I) The number and severity of injuries  
2           and threats to child welfare workers, and the  
3           strategies used to address the safety of child  
4           welfare workers.

5           “(J) Data that indicates whether families  
6           and children received support services (such as  
7           mental and physical health care, food stamps,  
8           affordable housing, and substance abuse pre-  
9           vention and treatment) needed to create a sta-  
10          ble home environment.

11          “(K) Such other indicators as the Sec-  
12          retary may by regulation prescribe.

13          “(4) AMENDMENT OF APPLICATIONS.—A State  
14          may at any time submit to the Secretary an amend-  
15          ment to the application of the State under this sub-  
16          section. On approval of such an amendment, the ap-  
17          plication shall be considered to include the amend-  
18          ment.

19          “(c) GRANTS.—

20          “(1) IN GENERAL.—On certification by the Sec-  
21          retary that a State application for a grant under  
22          this section meets the requirements of subsection (b)  
23          and that implementing the activities described in the  
24          application would help the State achieve some of the  
25          outcomes set forth in the Final List of Child Welfare

1 Outcomes and Measures (64 Fed. Reg. 45552–  
2 45554), and on approval by the Secretary of the ap-  
3 plication, the State shall be eligible to receive a  
4 grant under this section for each fiscal year for  
5 which funds are available for such a grant.

6 “(2) GRANT AMOUNT.—The Secretary shall  
7 make a grant to each State that is eligible to receive  
8 a grant under this section for a fiscal year, in an  
9 amount equal to the lesser of—

10 “(A) the amount finally allotted to or re-  
11 served for the State under this subsection for  
12 the fiscal year; or

13 “(B) 3 times the amount that the State  
14 has committed to spend to carry out the activi-  
15 ties described in the approved application.

16 “(3) RESERVATION OF FUNDS.—

17 “(A) PUERTO RICO.—The Secretary shall  
18 reserve 1.75 percent of the funds appropriated  
19 pursuant to subsection (j) for each fiscal year,  
20 for a grant to Puerto Rico under this section  
21 for the fiscal year. If, for a fiscal year, Puerto  
22 Rico does not submit to the Secretary an appli-  
23 cation that meets the requirements of sub-  
24 section (b), the funds so reserved shall be avail-  
25 able for allotment under paragraph (4) of this

1 subsection for the succeeding fiscal year or (if  
2 the succeeding fiscal year is fiscal year 2009)  
3 remitted to the Treasury of the United States.

4 “(B) OTHER TERRITORIES.—The Sec-  
5 retary shall reserve 0.3 percent of the funds ap-  
6 propriated pursuant to subsection (j) for each  
7 fiscal year, for grants among the United States  
8 Virgin Islands, Guam, American Samoa, and  
9 the Commonwealth of the Northern Mariana Is-  
10 lands under this section in such amounts as the  
11 Secretary deems appropriate for the fiscal year.  
12 If, for a fiscal year, none of such territories  
13 submits to the Secretary an application that  
14 meets the requirements of subsection (b), the  
15 funds so reserved shall be available for allot-  
16 ment under paragraph (4) of this subsection for  
17 the succeeding fiscal year or (if the succeeding  
18 fiscal year is fiscal year 2009) remitted to the  
19 Treasury of the United States.

20 “(C) INDIAN TRIBES.—The Secretary shall  
21 reserve 2 percent of the funds appropriated  
22 pursuant to subsection (j) for each fiscal year,  
23 for grants among Indian tribes under this sec-  
24 tion in such amounts as the Secretary deems  
25 appropriate for the fiscal year. If, for a fiscal

1 year, the Secretary does not receive from any  
2 Indian tribe an application that meets the re-  
3 quirements of subsection (b), the funds so re-  
4 served shall be available for allotment under  
5 paragraph (4) of this subsection for the suc-  
6 ceeding fiscal year or (if the succeeding fiscal  
7 year is fiscal year 2009) remitted to the Treas-  
8 ury of the United States.

9 “(D) TECHNICAL ASSISTANCE AND EVAL-  
10 UATIONS.—The Secretary shall reserve 0.7 per-  
11 cent of the funds appropriated pursuant to sub-  
12 section (j) for each fiscal year, to pay the costs  
13 of providing technical assistance and conducting  
14 evaluations under this section.

15 “(4) ALLOTMENTS.—

16 “(A) INITIAL ALLOTMENT.—From the  
17 amount available to carry out this section for a  
18 fiscal year that remains after applying para-  
19 graph (3) for the fiscal year (including any  
20 amount available for allotment under this para-  
21 graph for the fiscal year after applying para-  
22 graph (3) for the preceding fiscal year), the  
23 Secretary shall initially allot to each State not  
24 described in paragraph (3) for a fiscal year an  
25 amount that bears the same ratio to the re-

1           maining amount as the number of individuals  
2           who reside in the State and have not attained  
3           18 years of age bears to the total number of  
4           such individuals in all States not described in  
5           paragraph (3) that are eligible for a grant  
6           under this section for such most recent fiscal  
7           year.

8           “(B) FINAL ALLOTMENT.—The Secretary  
9           shall reduce the amount initially allotted to  
10          each State with an initial allotment under sub-  
11          paragraph (A) of more than \$300,000, on a pro  
12          rata basis, to the extent necessary to ensure  
13          that the amount finally allotted to each such  
14          State is not less than \$300,000.

15          “(d) USE OF GRANT.—

16                 “(1) IN GENERAL.—A State to which a grant  
17                 is made under this section shall use the grant in ac-  
18                 cordance with the approved application for the  
19                 grant.

20                 “(2) AVAILABILITY OF FUNDS.—A State that  
21                 receives funds under this section shall remit to the  
22                 Secretary any of such funds that remain unexpended  
23                 by the State at the end of the 2-year period that be-  
24                 gins with the date of the receipt.

1           “(3) NO SUPPLANTATION.—A State to which a  
2           grant is made under this section shall use the grant  
3           to supplement and not supplant any Federal, State,  
4           or local funds used for child welfare services or child  
5           welfare training.

6           “(e) MONITORING.—The Secretary shall monitor the  
7           activities of grantees under this section to ensure compli-  
8           ance with this section and any State plan of the grantee  
9           under subpart 1.

10          “(f) TECHNICAL ASSISTANCE.—The Secretary may  
11          provide technical assistance to any grantee to assist the  
12          grantee in improving the quality of child welfare services,  
13          including strategies to recruit, train, and retain high qual-  
14          ity staff, and in complying with the provisions of law re-  
15          ferred to in subsection (e).

16          “(g) ENFORCEMENT.—

17                 “(1) IN GENERAL.—If the Secretary determines  
18                 that, during a fiscal year, a grantee under this sec-  
19                 tion has not complied with a requirement of this  
20                 Act, the Secretary may—

21                         “(A) in the case of the 1st such determina-  
22                         tion of noncompliance, reduce by not less than  
23                         5 percent the amount of the grant otherwise  
24                         payable to the grantee under this section for  
25                         the fiscal year;

1           “(B) in the case of the 2nd such deter-  
2           mination of noncompliance, reduce by not less  
3           than 25 percent the amount of the grant other-  
4           wise payable to the grantee under this section  
5           for the fiscal year; and

6           “(C) in the case of the 3rd or any subse-  
7           quent such determination of noncompliance,  
8           withhold the payment of a grant to the grantee  
9           under this section for any succeeding fiscal  
10          year, notwithstanding subsection (c).

11          “(2) RECOVERY.—In the case of a determina-  
12          tion under paragraph (1) of grantee noncompliance,  
13          to the extent that a penalty cannot be imposed  
14          under paragraph (1), the Secretary shall require the  
15          grantee to remit to the Secretary the amount of the  
16          penalty not able to be so imposed.

17          “(h) EVALUATION.—

18          “(1) IN GENERAL.—Not later than September  
19          30, 2006, the Secretary shall conduct an interim  
20          evaluation to determine whether the grantees under  
21          this section have improved the provision of child wel-  
22          fare services beyond the level reflected in the base-  
23          line data set forth in the applications submitted by  
24          the grantees under this section.

1           “(2) FINAL REPORT.—Not later than Sep-  
2           tember 30, 2008, the Secretary shall submit to the  
3           Congress a written report that contains the final  
4           evaluation of the Secretary.

5           “(i) REGULATIONS.—The Secretary shall prescribe  
6           such regulations as may be necessary to carry out this  
7           section, including regulations, developed in consultation  
8           with the States, representatives of the child welfare work-  
9           force, and advocates for children and families, governing  
10          how to obtain the baseline data described in subsection  
11          (b)(3).

12          “(j) APPROPRIATION.—Out of any money in the  
13          Treasury of the United States not otherwise appropriated,  
14          there are appropriated to the Secretary not more than  
15          \$100,000,000 for each of fiscal years 2004 through 2008  
16          to carry out this section.

17          “(k) DEFINITIONS.—In this section:

18                 “(1) ALASKA NATIVE ORGANIZATION.—The  
19                 term ‘Alaska Native Organization’ means any orga-  
20                 nized group of Alaska Natives eligible to operate a  
21                 Federal program under the Indian Self-Determina-  
22                 tion Act (25 U.S.C. 450f et seq.) or the designee of  
23                 such a group.

24                 “(2) CHILD WELFARE AGENCY.—The term  
25                 ‘child welfare agency’ means the State agency re-

1       sponsible for administering subpart 1, and any pub-  
2       lic or private agency under contract with the State  
3       agency to provide child welfare services.

4               “(3) INDIAN TRIBE.—The term ‘Indian tribe’  
5       means any Indian tribe, band, Nation or other orga-  
6       nized group or community of Indians, including any  
7       Alaska Native Organization, that is recognized as el-  
8       igible for the special programs and services provided  
9       by the United States to Indians because of their sta-  
10      tus as Indians.

11              “(4) INSTITUTION OF HIGHER EDUCATION.—  
12      The term ‘institution of higher education’ has the  
13      meaning given the term in section 101 of the Higher  
14      Education Act of 1965.

15              “(5) STATE.—The term ‘State’ means each of  
16      the 50 States, the District of Columbia, Puerto Rico,  
17      Guam, the United States Virgin Islands, American  
18      Samoa, and the Northern Mariana Islands.”.

19   **SEC. 8. INCREASE IN PAYMENT RATE FOR STATES FOR EX-**  
20                   **PENDITURES FOR SHORT TERM TRAINING OF**  
21                   **STAFF OF CERTAIN CHILD WELFARE AGEN-**  
22                   **CIES AND COURT PERSONNEL.**

23       Section 474(a)(3)(B) of the Social Security Act (42  
24   U.S.C. 674(a)(3)(B)) is amended to read as follows:

1           “(B) 75 percent of so much of such ex-  
2           penditures (including travel and per diem ex-  
3           penses) as are for the short-term training of—

4                   “(i) current or prospective foster or  
5                   adoptive parents or relative guardians, or  
6                   the members of the staff of State-licensed  
7                   or State-approved child care institutions  
8                   providing care, or of State-licensed or  
9                   State-approved child welfare agencies pro-  
10                  viding services, to foster or adopted chil-  
11                  dren, or children residing permanently with  
12                  a relative guardian, on behalf of whom as-  
13                  sistance is provided pursuant to this part,

14                   “(ii) members of the staff of abuse  
15                   and neglect courts, agency attorneys, attor-  
16                   neys representing children, parents, or  
17                   guardians ad litem, or other court-ap-  
18                   pointed special advocates representing chil-  
19                   dren in proceedings of such courts, and

20                   “(iii) persons employed by State,  
21                   local, or private nonprofit child-serving  
22                   agencies that are working with the State  
23                   or local agency administering the State  
24                   plan under this part to keep children safe

1           and provide permanent families for chil-  
2           dren,  
3           in ways that increase the ability of such current  
4           or prospective parents, guardians, staff mem-  
5           bers, institutions, attorneys, advocates, and per-  
6           sons to provide support and assistance to foster  
7           and adopted children and children residing per-  
8           manently with a relative guardian, whether in-  
9           curred directly by the State or by contract.”.

10 **SEC. 9. EFFECTIVE DATE.**

11           (a) IN GENERAL.—Except as provided in subsection  
12 (b), the amendments made by this Act shall take effect  
13 on October 1, 2006, and shall apply to payments under  
14 parts B and E of title IV of the Social Security Act for  
15 calendar quarters beginning on or after such date, without  
16 regard to whether regulations to implement the amend-  
17 ments are promulgated by such date.

18           (b) DELAY PERMITTED IF STATE LEGISLATION RE-  
19 QUIRED.—If the Secretary of Health and Human Services  
20 determines that State legislation (other than legislation  
21 appropriating funds) is required in order for a State plan  
22 under part B or E of title IV of the Social Security Act  
23 to meet the additional requirements imposed by the  
24 amendments made by this Act, the plan shall not be re-  
25 garded as failing to meet any of the additional require-

1 ments before the 1st day of the 1st calendar quarter be-  
2 ginning after the 1st regular session of the State legisla-  
3 ture that begins after the date of the enactment of this  
4 Act. If the State has a 2-year legislative session, then each  
5 year of the session is deemed to be a separate regular ses-  
6 sion of the State legislature.

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