

109TH CONGRESS
2D SESSION

S. 2504

To eliminate child poverty.

IN THE SENATE OF THE UNITED STATES

APRIL 4, 2006

Mr. KENNEDY introduced the following bill; which was read twice and referred
to the Committee on Finance

A BILL

To eliminate child poverty.

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 “End Child Poverty
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) More than 13,000,000 children in the
9 United States who are younger than 18 live below
10 the poverty line.

11 (2) Most parents of poor children are playing
12 by the rules by working to support their families.

1 Despite their efforts, many of these parents still
2 cannot help their children get ahead. Seven out of
3 10 poor children live in a working family and 1 poor
4 child in 3 lives with a full-time year-around worker.

5 (3) Poor children are at least twice as likely as
6 non-poor children to suffer stunted growth or lead
7 poisoning, or to be kept back in school. Poor chil-
8 dren score significantly lower on reading, mathe-
9 matics, and vocabulary tests when compared with
10 otherwise similar non-poor children. In more than
11 half of poor households with children in the United
12 States, the members of the households experience se-
13 rious deprivations during the year, including lack of
14 adequate food, utility shutoffs, crowded or sub-
15 standard housing, or lack of needed medical care.

16 (4) Over 8,000,000 children under age 18 in
17 the United States lack health insurance. With a
18 2004 uninsured rate of 18.9 percent, poor children
19 are more likely to be uninsured than children gen-
20 erally.

21 (5)(A) The members of 1 in 6 households with
22 children in the United States are hungry or on the
23 verge of hunger, largely due to inadequate household
24 income.

25 (B) Hungry children—

1 (i) tend to lack nutrients vital to healthy
2 brain development;

3 (ii) tend to have difficulty focusing their
4 attention and concentrating in school; and

5 (iii) often have greater emotional and be-
6 havioral problems, have weaker immune sys-
7 tems, and are more susceptible to infections, in-
8 cluding anemia, than other children.

9 (6) Child poverty has risen significantly, by
10 1,440,000 since 2000.

11 (7) The poverty rate for children in the United
12 States is substantially higher than that in most
13 other wealthy industrialized nations.

14 (8) Children in the United States are more like-
15 ly to live in poverty than any other age group in the
16 United States.

17 (9) African-American and Latino children are
18 much more likely to live in poverty than White chil-
19 dren. One third of African-American children are
20 low-income, as are nearly a third of Latino children.

21 (10) Great Britain made a public commitment
22 to cut child poverty in half in 10 years, and end
23 child poverty by 2020, and it has already success-
24 fully lifted 2,000,000 children out of poverty.

1 (11) Poverty is a moral issue and Congress has
2 a moral obligation to address it.

3 **SEC. 3. PURPOSES.**

4 The purposes of this Act are—

5 (1) to set a national goal of cutting child pov-
6 erty in half within a decade, and eliminating child
7 poverty entirely as soon as possible; and

8 (2) to establish a Child Poverty Elimination
9 Trust Fund as an initial measure to fund Federal
10 programs to achieve that goal.

11 **SEC. 4. DEVELOPMENT OF PLAN BY CHILD POVERTY ELIMI-**
12 **NATION BOARD.**

13 (a) IN GENERAL.—There is established a board to
14 be known as the Child Poverty Elimination Board (re-
15 ferred to in this Act as the “Board”).

16 (b) COMPOSITION.—

17 (1) APPOINTMENTS.—The Board shall be com-
18 posed of 12 voting members, to be appointed not
19 later than 60 days after the date of enactment of
20 this Act, as follows:

21 (A) SENATORS.—One Senator shall be ap-
22 pointed by the majority leader of the Senate,
23 and one Senator shall be appointed by the mi-
24 nority leader of the Senate.

1 (B) MEMBERS OF THE HOUSE OF REP-
 2 RESENTATIVES.—One Member of the House of
 3 Representatives shall be appointed by the
 4 Speaker of the House of Representatives, and
 5 one Member of the House of Representatives
 6 shall be appointed by the minority leader of the
 7 House of Representatives.

8 (C) ADDITIONAL MEMBERS.—

9 (i) APPOINTMENT.—Two members
 10 each shall be appointed by—

11 (I) the Speaker of the House of
 12 Representatives;

13 (II) the majority leader of the
 14 Senate;

15 (III) the minority leader of the
 16 House of Representatives; and

17 (IV) the minority leader of the
 18 Senate.

19 (ii) EXPERTISE.—Members appointed
 20 under this subparagraph shall be appointed
 21 on the basis of demonstrated expertise in
 22 child poverty issues.

23 (2) PERIOD OF APPOINTMENT; VACANCIES.—
 24 Members shall be appointed for the life of the
 25 Board. Any vacancy on the Board shall be filled in

1 the manner in which the original appointment was
2 made. The vacancy shall not affect the power of the
3 remaining members to execute the duties of the
4 Board.

5 (3) CHAIRPERSON AND VICE CHAIRMAN.—The
6 Board shall elect a chairperson and a vice chair-
7 person from among the members of the Board.

8 (4) MEETINGS.—The Board shall first meet not
9 later than 30 days after the date on which all mem-
10 bers are appointed, and the Board shall meet there-
11 after at the call of the chairperson or vice chair-
12 person or a majority of the members.

13 (c) PLAN AND REPORT.—

14 (1) PLAN.—The Board shall meet regularly to
15 develop a plan for cutting child poverty in half with-
16 in a decade, and eliminating child poverty entirely as
17 soon as possible. The plan shall include rec-
18 ommendations for allocations of funds from the
19 Child Poverty Elimination Trust Fund established in
20 section 9511 of the Internal Revenue Code of 1986,
21 to carry out the plan.

22 (2) REPORT.—Not later than 1 year after the
23 date of enactment of this Act, the Board shall pre-
24 pare and submit a report containing the plan to the
25 Committee on Education and the Workforce of the

1 House of Representatives, the Committee on Health,
2 Education, Labor, and Pensions of the Senate, and
3 the President.

4 (d) POWERS.—

5 (1) HEARINGS AND SESSIONS.—The Board may
6 hold such hearings, sit and act at such times and
7 places, take such testimony, and receive such evi-
8 dence as the Board considers appropriate. The
9 Board may administer oaths or affirmations to wit-
10 nesses appearing before it.

11 (2) ACCESS TO INFORMATION.—The Board may
12 secure directly from any Federal agency information
13 necessary to enable the Board to carry out this Act,
14 if the information may be disclosed under section
15 552 of title 5, United States Code. Subject to the
16 previous sentence, on the request of the chairperson
17 or vice chairperson of the Board, the head of such
18 agency shall furnish such information to the Board.

19 (3) USE OF FACILITIES AND SERVICES.—Upon
20 the request of the Board, the head of any Federal
21 agency may make available to the Board any of the
22 facilities and services of such agency.

23 (4) PERSONNEL FROM OTHER AGENCIES.—On
24 the request of the Board, the head of any Federal
25 agency may detail any of the personnel of such agen-

1 cy to serve as an Executive Director of the Board
 2 or assist the Board in carrying out the duties of the
 3 Board. Any detail shall not interrupt or otherwise
 4 affect the civil service status or privileges of the
 5 Federal employee.

6 (5) VOLUNTARY SERVICE.—Notwithstanding
 7 section 1342 of title 31, United States Code, the
 8 chairperson of the Board may accept for the Board
 9 voluntary services provided by a member of the
 10 Board.

11 (e) COMPENSATION.—

12 (1) PAY.—Members of the Board shall serve
 13 without compensation.

14 (2) TRAVEL EXPENSES.—Members of the
 15 Board shall be allowed reasonable travel expenses,
 16 including a per diem allowance, in accordance with
 17 section 5703 of title 5, United States Code, when
 18 performing duties of the Board.

19 **SEC. 5. ISSUANCE AND IMPLEMENTATION OF PLAN.**

20 (a) ISSUANCE.—Not later than 90 days after receiv-
 21 ing the report containing the plan developed by the Board
 22 under section 4(c), the President shall review the report,
 23 and shall issue a plan for cutting child poverty in half
 24 within a decade, and eliminating child poverty entirely as
 25 soon as possible. The plan shall include specifications and

1 allocations of funds to be made from the Child Poverty
2 Elimination Trust Fund, to carry out the plan.

3 (b) RELATIONSHIP TO BOARD PLAN.—The plan
4 issued under subsection (a) shall be the same as the plan
5 developed by the Board under section 4(c) except insofar
6 as the President may determine, for good cause shown and
7 stated together with the plan issued under subsection (a),
8 that a modification of the Board’s plan would be more
9 effective for eliminating child poverty.

10 (c) IMPLEMENTATION.—Not later than 90 days after
11 issuing a plan under subsection (a), the President shall
12 ensure the implementation of the plan issued under sub-
13 section (a), and shall work with Congress to ensure fund-
14 ing for the implementation of the plan.

15 **SEC. 6. IMPOSITION OF INDIVIDUAL INCOME TAX SUR-**
16 **CHARGE TO FUND CHILD POVERTY ELIMI-**
17 **NATION FUND.**

18 (a) IN GENERAL.—Section 1 of the Internal Revenue
19 Code of 1986 (relating to imposition of tax on individuals)
20 is amended by adding at the end the following new sub-
21 section:

22 “(j) ADDITIONAL INCOME TAX.—

23 “(1) IN GENERAL.—If the adjusted gross in-
24 come of an individual exceeds the threshold amount,
25 the tax imposed by this section (determined without

1 regard to this subsection) shall be increased by an
 2 amount equal to 1 percent of so much of the ad-
 3 justed gross income as exceeds the threshold
 4 amount.

5 “(2) THRESHOLD AMOUNTS.—For purposes of
 6 this subsection, the term ‘threshold amount’
 7 means—

8 “(A) \$1,000,000 in the case of a joint re-
 9 turn, and

10 “(B) \$500,000 in the case of any other re-
 11 turn.

12 “(3) TAX NOT TO APPLY TO ESTATES AND
 13 TRUSTS.—This subsection shall not apply to an es-
 14 tate or trust.”.

15 (b) COORDINATION WITH MINIMUM TAX.—Section
 16 55(c) of the Internal Revenue Code of 1986 (defining reg-
 17 ular tax) is amended by redesignating paragraph (3) as
 18 paragraph (4) and by inserting after paragraph (2) the
 19 following new paragraph:

20 “(3) COORDINATION WITH MINIMUM TAX.—
 21 Solely for purposes of this section, section 1(j) shall
 22 not apply in computing the regular tax.”.

23 (c) ESTABLISHMENT OF CHILD POVERTY ELIMI-
 24 NATION FUND.—

1 (1) IN GENERAL.—Subchapter A of chapter 98
 2 of the Internal Revenue Code of 1986 (relating to
 3 trust fund code) is amended by adding at the end
 4 the following:

5 **“SEC. 9511. CHILD POVERTY ELIMINATION TRUST FUND.**

6 “(a) CREATION OF TRUST FUND.—There is estab-
 7 lished in the Treasury of the United States a trust fund
 8 to be known as the ‘Child Poverty Elimination Trust
 9 Fund’ (referred to in this section as the ‘Trust Fund’),
 10 consisting of such amounts as may be appropriated or
 11 credited to the Trust Fund as provided in this section or
 12 section 9602(b).

13 “(b) TRANSFERS TO TRUST FUND.—There is hereby
 14 appropriated to the Trust Fund an amount equivalent to
 15 the increase in revenues received in the Treasury as the
 16 result of the surtax imposed under section 1(j).

17 “(c) DISTRIBUTION OF AMOUNTS IN TRUST FUND.—
 18 Amounts in the Trust Fund shall be available, as provided
 19 by appropriation Acts, to make expenditures in connection
 20 with Federal programs designed to carry out the plan
 21 issued by the President under section 5 of the End Child
 22 Poverty Act, to eliminate child poverty.”.

23 (2) CONFORMING AMENDMENT.—The table of
 24 sections for subchapter A of chapter 98 of such
 25 Code is amended by adding at the end the following:

“Sec. 9511. Child Poverty Elimination Trust Fund.”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2005.

4 (e) SECTION 15 NOT TO APPLY.—The amendment
5 made by subsection (a) shall not be treated as a change
6 in a rate of tax for purposes of section 15 of the Internal
7 Revenue Code of 1986.

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