

**EFFECTIVE DATE OF 2006 AMENDMENT**

Amendment by Pub. L. 109-171 effective as if enacted on Oct. 1, 2005, except as otherwise provided, see section 7701 of Pub. L. 109-171, set out as a note under section 603 of this title.

**EFFECTIVE DATE OF 1997 AMENDMENT**

Pub. L. 105-89, title III, §307(b), Nov. 19, 1997, 111 Stat. 2133, provided that: “The amendment made by subsection (a) [amending this section] shall only apply to children who are adopted on or after October 1, 1997.”

Amendment by Pub. L. 105-33 effective as if included in section 108 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. 104-193, at the time such section 108 became law, see section 5518(b) of Pub. L. 105-33, set out as a note under section 652 of this title.

**EFFECTIVE DATE OF 1996 AMENDMENT**

Amendment by Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, set out as an Effective Date note under section 601 of this title.

**EFFECTIVE DATE OF 1994 AMENDMENT**

Pub. L. 103-432, title II, §265(d), Oct. 31, 1994, 108 Stat. 4469, provided that: “Each amendment made by this section [amending this section and sections 608 and 675 of this title] shall take effect as if the amendment had been included in the provision of OBRA-1989 [Pub. L. 101-239] to which the amendment relates, at the time the provision became law.”

Pub. L. 103-432, title II, §266, Oct. 31, 1994, 108 Stat. 4469, provided that: “The amendment made by this section [amending this section] shall take effect as if the amendment had been included in the provision of OBRA-1993 [Pub. L. 103-66] to which the amendment relates, at the time the provision became law.”

**EFFECTIVE DATE OF 1987 AMENDMENT**

Amendment by section 9133(b)(3), (4) of Pub. L. 100-203 effective Apr. 1, 1988, see section 9133(c) of Pub. L. 100-203, set out as a note under section 672 of this title.

**EFFECTIVE DATE OF 1986 AMENDMENT**

Amendment by Pub. L. 99-514 applicable only with respect to expenditures made after Dec. 31, 1986, see section 1711(d) of Pub. L. 99-514, set out as a note under section 670 of this title.

Pub. L. 99-272, title XII, §12305(c), Apr. 7, 1986, 100 Stat. 294, provided that: “The amendments made by this section [amending this section and sections 675 and 1396a of this title] shall apply to medical assistance furnished in or after the first calendar quarter beginning more than 90 days after the date of the enactment of this Act [Apr. 7, 1986].”

**EFFECTIVE DATE OF 1980 AMENDMENT**

Amendment by section 102(a)(3) of Pub. L. 96-272 effective only with respect to expenditures made after Sept. 30, 1979, see section 102(c) of Pub. L. 96-272, set out as a note under section 672 of this title.

**§ 673a. Interstate compacts**

The Secretary of Health and Human Services shall take all possible steps to encourage and assist the various States to enter into interstate compacts (which are hereby approved by the Congress) under which the interests of any adopted child with respect to whom an adoption

assistance agreement has been entered into by a State under section 673 of this title will be adequately protected, on a reasonable and equitable basis which is approved by the Secretary, if and when the child and his or her adoptive parent (or parents) move to another State.

(Pub. L. 96-272, title I, §101(a)(4)(B), June 17, 1980, 94 Stat. 512.)

**Editorial Notes****CODIFICATION**

Section was enacted as part of the Adoption Assistance and Child Welfare Act of 1980, and not as part of the Social Security Act which comprises this chapter.

**Statutory Notes and Related Subsidiaries****CHANGE OF NAME**

“Secretary of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96-88, which is classified to section 3508(b) of Title 20, Education.

**§ 673b. Adoption and legal guardianship incentive payments****(a) Grant authority**

Subject to the availability of such amounts as may be provided in advance in appropriations Acts for this purpose, the Secretary shall make a grant to each State that is an incentive-eligible State for a fiscal year in an amount equal to the adoption and legal guardianship incentive payment payable to the State under this section for the fiscal year, which shall be payable in the immediately succeeding fiscal year.

**(b) Incentive-eligible State**

A State is an incentive-eligible State for a fiscal year if—

- (1) the State has a plan approved under this part for the fiscal year;
- (2) the State is in compliance with subsection (c) for the fiscal year;
- (3) the State provides health insurance coverage to any child with special needs (as determined under section 673(c) of this title) for whom there is in effect an adoption assistance agreement between a State and an adoptive parent or parents; and
- (4) the fiscal year is any of fiscal years 2016 through 2020.

**(c) Data requirements****(1) In general**

A State is in compliance with this subsection for a fiscal year if the State has provided to the Secretary the data described in paragraph (2)—

- (A) for fiscal years 1995 through 1997 (or, if the first fiscal year for which the State seeks a grant under this section is after fiscal year 1998, the fiscal year that precedes such first fiscal year); and
- (B) for each succeeding fiscal year that precedes the fiscal year.

**(2) Determination of rates of adoptions and guardianships based on AFCARS data**

The Secretary shall determine each of the rates required to be determined under this sec-

tion with respect to a State and a fiscal year, on the basis of data meeting the requirements of the system established pursuant to section 679 of this title, as reported by the State and approved by the Secretary by August 1 of the succeeding fiscal year, and, with respect to the determination of the rates related to foster child guardianships, on the basis of information reported to the Secretary under paragraph (12) of subsection (g).

**(3) No waiver of AFCARS requirements**

This section shall not be construed to alter or affect any requirement of section 679 of this title or of any regulation prescribed under such section with respect to reporting of data by States, or to waive any penalty for failure to comply with such a requirement.

**(d) Adoption and legal guardianship incentive payment**

**(1) In general**

Except as provided in paragraphs (2) and (3), the adoption and legal guardianship incentive payment payable to a State for a fiscal year under this section shall be equal to the sum of—

(A) \$5,000, multiplied by the amount (if any) by which—

(i) the number of foster child adoptions in the State during the fiscal year; exceeds (ii) the product (rounded to the nearest whole number) of—

(I) the base rate of foster child adoptions for the State for the fiscal year; and

(II) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year;

(B) \$7,500, multiplied by the amount (if any) by which—

(i) the number of pre-adolescent child adoptions and pre-adolescent foster child guardianships in the State during the fiscal year; exceeds

(ii) the product (rounded to the nearest whole number) of—

(I) the base rate of pre-adolescent child adoptions and pre-adolescent foster child guardianships for the State for the fiscal year; and

(II) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year who have attained 9 years of age but not 14 years of age; and

(C) \$10,000, multiplied by the amount (if any) by which—

(i) the number of older child adoptions and older foster child guardianships in the State during the fiscal year; exceeds

(ii) the product (rounded to the nearest whole number) of—

(I) the base rate of older child adoptions and older foster child guardianships for the State for the fiscal year; and

(II) the number of children in foster care under the supervision of the State

on the last day of the preceding fiscal year who have attained 14 years of age; and

(D) \$4,000, multiplied by the amount (if any) by which—

(i) the number of foster child guardianships in the State during the fiscal year; exceeds

(ii) the product (rounded to the nearest whole number) of—

(I) the base rate of foster child guardianships for the State for the fiscal year; and

(II) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year.

**(2) Pro rata adjustment if insufficient funds available**

For any fiscal year, if the total amount of adoption incentive payments otherwise payable under paragraph (1) for a fiscal year exceeds the amount appropriated pursuant to subsection (h) for the fiscal year, the amount of the adoption incentive payment payable to each State under paragraph (1) for the fiscal year shall be—

(A) the amount of the adoption and legal guardianship incentive payment that would otherwise be payable to the State under paragraph (1) for the fiscal year; multiplied by

(B) the percentage represented by the amount so appropriated for the fiscal year, divided by the total amount of adoption and legal guardianship incentive payments otherwise payable under paragraph (1) for the fiscal year.

**(3) Increased adoption and legal guardianship incentive payment for timely adoptions**

**(A) In general**

If for any of fiscal years 2013 through 2015, the total amount of adoption and legal guardianship incentive payments payable under paragraph (1) of this subsection are less than the amount appropriated under subsection (h) for the fiscal year, then, from the remainder of the amount appropriated for the fiscal year that is not required for such payments (in this paragraph referred to as the “timely adoption award pool”), the Secretary shall increase the adoption incentive payment determined under paragraph (1) for each State that the Secretary determines is a timely adoption award State for the fiscal year by the award amount determined for the fiscal year under subparagraph (C).

**(B) Timely adoption award State defined**

A State is a timely adoption award State for a fiscal year if the Secretary determines that, for children who were in foster care under the supervision of the State at the time of adoptive placement, the average number of months from removal of children from their home to the placement of children in finalized adoptions is less than 24 months.

**(C) Award amount**

For purposes of subparagraph (A), the award amount determined under this subparagraph with respect to a fiscal year is the amount equal to the timely adoption award pool for the fiscal year divided by the number of timely adoption award States for the fiscal year.

**(e) 36-month availability of incentive payments**

Payments to a State under this section in a fiscal year shall remain available for use by the State for the 36-month period beginning with the month in which the payments are made.

**(f) Limitations on use of incentive payments**

A State shall not expend an amount paid to the State under this section except to provide to children or families any service (including post-adoption services) that may be provided under part B or E, and shall use the amount to supplement, and not supplant, any Federal or non-Federal funds used to provide any service under part B or E. Amounts expended by a State in accordance with the preceding sentence shall be disregarded in determining State expenditures for purposes of Federal matching payments under sections 624, 629d, and 674 of this title.

**(g) Definitions**

As used in this section:

**(1) Foster child adoption rate**

The term “foster child adoption rate” means, with respect to a State and a fiscal year, the percentage determined by dividing—

(A) the number of foster child adoptions finalized in the State during the fiscal year; by

(B) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year.

**(2) Base rate of foster child adoptions**

The term “base rate of foster child adoptions” means, with respect to a State and a fiscal year, the lesser of—

(A) the foster child adoption rate for the State for the then immediately preceding fiscal year; or

(B) the foster child adoption rate for the State for the average of the then immediately preceding 3 fiscal years.

**(3) Foster child adoption**

The term “foster child adoption” means the final adoption of a child who, at the time of adoptive placement, was in foster care under the supervision of the State.

**(4) Pre-adolescent child adoption and pre-adolescent foster child guardianship rate**

The term “pre-adolescent child adoption and pre-adolescent foster child guardianship rate” means, with respect to a State and a fiscal year, the percentage determined by dividing—

(A) the number of pre-adolescent child adoptions and pre-adolescent foster child guardianships finalized in the State during the fiscal year; by

(B) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year, who

have attained 9 years of age but not 14 years of age.

**(5) Base rate of pre-adolescent child adoptions and pre-adolescent foster child guardianships**

The term “base rate of pre-adolescent child adoptions and pre-adolescent foster child guardianships” means, with respect to a State and a fiscal year, the lesser of—

(A) the pre-adolescent child adoption and pre-adolescent foster child guardianship rate for the State for the then immediately preceding fiscal year; or

(B) the pre-adolescent child adoption and pre-adolescent foster child guardianship rate for the State for the average of the then immediately preceding 3 fiscal years.

**(6) Pre-adolescent child adoption and pre-adolescent foster child guardianship**

The term “pre-adolescent child adoption and pre-adolescent foster child guardianship” means the final adoption, or the placement into foster child guardianship (as defined in paragraph (12)) of a child who has attained 9 years of age but not 14 years of age if—

(A) at the time of the adoptive or foster child guardianship placement, the child was in foster care under the supervision of the State; or

(B) an adoption assistance agreement was in effect under section 673(a) of this title with respect to the child.

**(7) Older child adoption and older foster child guardianship rate**

The term “older child adoption and older foster child guardianship rate” means, with respect to a State and a fiscal year, the percentage determined by dividing—

(A) the number of older child adoptions and older foster child guardianships finalized in the State during the fiscal year; by

(B) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year, who have attained 14 years of age.

**(8) Base rate of older child adoptions and older foster child guardianships**

The term “base rate of older child adoptions and older foster child guardianships” means, with respect to a State and a fiscal year, the lesser of—

(A) the older child adoption and older foster child guardianship rate for the State for the then immediately preceding fiscal year; or

(B) the older child adoption and older foster child guardianship rate for the State for the average of the then immediately preceding 3 fiscal years.

**(9) Older child adoption and older foster child guardianship**

The term “older child adoption and older foster child guardianship” means the final adoption, or the placement into foster child guardianship (as defined in paragraph (12)) of a child who has attained 14 years of age if—

(A) at the time of the adoptive or foster child guardianship placement, the child was

in foster care under the supervision of the State; or

(B) an adoption assistance agreement was in effect under section 673(a) of this title with respect to the child.

**(10) Foster child guardianship rate**

The term “foster child guardianship rate” means, with respect to a State and a fiscal year, the percentage determined by dividing—

(A) the number of foster child guardianships occurring in the State during the fiscal year; by

(B) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year.

**(11) Base rate of foster child guardianships**

The term “base rate of foster child guardianships” means, with respect to a State and a fiscal year, the lesser of—

(A) the foster child guardianship rate for the State for the then immediately preceding fiscal year; or

(B) the foster child guardianship rate for the State for the average of the then immediately preceding 3 fiscal years.

**(12) Foster child guardianship**

The term “foster child guardianship” means, with respect to a State, the exit of a child from foster care under the responsibility of the State to live with a legal guardian, if the State has reported to the Secretary—

(A) that the State agency has determined that—

(i) the child has been removed from his or her home pursuant to a voluntary placement agreement or as a result of a judicial determination to the effect that continuation in the home would be contrary to the welfare of the child;

(ii) being returned home or adopted are not appropriate permanency options for the child;

(iii) the child demonstrates a strong attachment to the prospective legal guardian, and the prospective legal guardian has a strong commitment to caring permanently for the child; and

(iv) if the child has attained 14 years of age, the child has been consulted regarding the legal guardianship arrangement; or

(B) the alternative procedures used by the State to determine that legal guardianship is the appropriate option for the child.

**(h) Limitations on authorization of appropriations**

**(1) In general**

For grants under subsection (a), there are authorized to be appropriated to the Secretary—

(A) \$20,000,000 for fiscal year 1999;

(B) \$43,000,000 for fiscal year 2000;

(C) \$20,000,000 for each of fiscal years 2001 through 2003; and

(D) \$43,000,000 for each of fiscal years 2004 through 2021.

**(2) Availability**

Amounts appropriated under paragraph (1), or under any other law for grants under sub-

section (a), are authorized to remain available until expended, but not after fiscal year 2021.

**(i) Technical assistance**

**(1) In general**

The Secretary may, directly or through grants or contracts, provide technical assistance to assist States and local communities to reach their targets for increased numbers of adoptions and, to the extent that adoption is not possible, alternative permanent placements, for children in foster care.

**(2) Description of the character of the technical assistance**

The technical assistance provided under paragraph (1) may support the goal of encouraging more adoptions out of the foster care system, when adoptions promote the best interests of children, and may include the following:

(A) The development of best practice guidelines for expediting termination of parental rights.

(B) Models to encourage the use of concurrent planning.

(C) The development of specialized units and expertise in moving children toward adoption as a permanency goal.

(D) The development of risk assessment tools to facilitate early identification of the children who will be at risk of harm if returned home.

(E) Models to encourage the fast tracking of children who have not attained 1 year of age into pre-adoptive placements.

(F) Development of programs that place children into pre-adoptive families without waiting for termination of parental rights.

**(3) Targeting of technical assistance to the courts**

Not less than 50 percent of any amount appropriated pursuant to paragraph (4) shall be used to provide technical assistance to the courts.

**(4) Limitations on authorization of appropriations**

To carry out this subsection, there are authorized to be appropriated to the Secretary of Health and Human Services not to exceed \$10,000,000 for each of fiscal years 2004 through 2006.

(Aug. 14, 1935, ch. 531, title IV, § 473A, as added Pub. L. 105-89, title II, § 201(a), Nov. 19, 1997, 111 Stat. 2122; amended Pub. L. 105-200, title IV, § 410(f), July 16, 1998, 112 Stat. 673; Pub. L. 106-169, title I, § 131, Dec. 14, 1999, 113 Stat. 1830; Pub. L. 108-145, § 3(a), Dec. 2, 2003, 117 Stat. 1879; Pub. L. 109-288, § 6(f)(7), Sept. 28, 2006, 120 Stat. 1248; Pub. L. 110-351, title IV, § 401, Oct. 7, 2008, 122 Stat. 3973; Pub. L. 113-183, title II, §§ 201-205, Sept. 29, 2014, 128 Stat. 1935-1939; Pub. L. 115-123, div. E, title VII, § 50761(a), Feb. 9, 2018, 132 Stat. 267.)

**Editorial Notes**

**AMENDMENTS**

2018—Subsec. (b)(4). Pub. L. 115-123, § 50761(a)(1), substituted “2016 through 2020” for “2013 through 2015”.

Subsec. (h)(1)(D). Pub. L. 115–123, § 50761(a)(2), substituted “2021” for “2016”.

Subsec. (h)(2). Pub. L. 115–123, § 50761(a)(3), substituted “2021” for “2016”.

2014—Pub. L. 113–183, § 203(a), amended section catchline generally. Prior to amendment, catchline read as follows: “Adoption incentive payments”.

Subsec. (a). Pub. L. 113–183, § 203(b)(1), inserted “and legal guardianship” after “adoption”.

Subsec. (b)(2) to (4). Pub. L. 113–183, § 202(a), redesignated pars. (3) to (5) as (2) to (4), respectively, and struck out former par. (2) which read as follows:

“(A) the number of foster child adoptions in the State during the fiscal year exceeds the base number of foster child adoptions for the State for the fiscal year;

“(B) the number of older child adoptions in the State during the fiscal year exceeds the base number of older child adoptions for the State for the fiscal year; or

“(C) the State’s foster child adoption rate for the fiscal year exceeds the highest ever foster child adoption rate determined for the State;”.

Subsec. (b)(5). Pub. L. 113–183, § 202(a), redesignated par. (5) as (4).

Pub. L. 113–183, § 201(1), substituted “2013 through 2015” for “2008 through 2012”.

Subsec. (c)(2). Pub. L. 113–183, § 202(b), in heading, substituted “rates of adoptions and guardianships” for “numbers of adoptions” and, in text, substituted “each of the rates required to be determined under this section with respect to a State and a fiscal year,” for “the numbers of foster child adoptions, of special needs adoptions that are not older child adoptions, and of older child adoptions in a State during a fiscal year, and the foster child adoption rate for the State for the fiscal year, for purposes of this section,” and inserted before period at end “, and, with respect to the determination of the rates related to foster child guardianships, on the basis of information reported to the Secretary under paragraph (12) of subsection (g)”.

Subsec. (d). Pub. L. 113–183, § 203(b)(2), inserted “and legal guardianship” after “Adoption” in heading.

Subsec. (d)(1). Pub. L. 113–183, § 203(b)(1), inserted “and legal guardianship” after “adoption” in introductory provisions.

Pub. L. 113–183, § 202(c)(1), added subpars. (A) to (D) and struck out former subpars. (A) to (C) which read as follows:

“(A) \$4,000, multiplied by the amount (if any) by which the number of foster child adoptions in the State during the fiscal year exceeds the base number of foster child adoptions for the State for the fiscal year;

“(B) \$4,000, multiplied by the amount (if any) by which the number of special needs adoptions that are not older child adoptions in the State during the fiscal year exceeds the base number of special needs adoptions that are not older child adoptions for the State for the fiscal year; and

“(C) \$8,000, multiplied by the amount (if any) by which the number of older child adoptions in the State during the fiscal year exceeds the base number of older child adoptions for the State for the fiscal year.”

Subsec. (d)(2). Pub. L. 113–183, § 203(b)(1), inserted “and legal guardianship” after “adoption” in subpars. (A) and (B).

Subsec. (d)(3). Pub. L. 113–183, § 202(c)(2), added par. (3) and struck out former par. (3) which related to increased incentive payment for exceeding the highest ever foster child adoption rate.

Subsec. (e). Pub. L. 113–183, § 205, substituted “36-month” for “24-month” in heading and text.

Subsec. (f). Pub. L. 113–183, § 204, inserted “, and shall use the amount to supplement, and not supplant, any Federal or non-Federal funds used to provide any service under part B or E” before period in the first sentence.

Subsec. (g). Pub. L. 113–183, § 202(d), added pars. (1) to (12) and struck out former pars. (1) to (8) which defined “foster child adoption”, “special needs adoption”, “base number of foster child adoptions for a State”, “base number of special needs adoptions that are not

older child adoptions for a State”, “base number of older child adoptions for a State”, “older child adoptions”, “highest ever foster child adoption rate”, and “foster child adoption rate”, respectively.

Subsec. (h)(1)(D), (2). Pub. L. 113–183, § 201(2), substituted “2016” for “2013”.

2008—Subsec. (b)(2)(C). Pub. L. 110–351, § 401(e)(3)(A), added subpar. (C).

Subsec. (b)(4). Pub. L. 110–351, § 401(a)(1), struck out “in the case of fiscal years 2001 through 2007,” before “the State provides”.

Subsec. (b)(5). Pub. L. 110–351, § 401(a)(2), substituted “2008 through 2012” for “1998 through 2007”.

Subsec. (c)(2). Pub. L. 110–351, § 401(a)(3), (e)(3)(B), substituted “during a fiscal year, and the foster child adoption rate for the State for the fiscal year,” for “during each of fiscal years 2002 through 2007”.

Subsec. (d)(1). Pub. L. 110–351, § 401(e)(1)(A), substituted “paragraphs (2) and (3)” for “paragraph (2)” in introductory provisions.

Subsec. (d)(1)(B). Pub. L. 110–351, § 401(c)(1), substituted “\$4,000” for “\$2,000”.

Subsec. (d)(1)(C). Pub. L. 110–351, § 401(c)(2), substituted “\$8,000” for “\$4,000”.

Subsec. (d)(2). Pub. L. 110–351, § 401(e)(1)(B), substituted “paragraph (1)” for “this section” wherever appearing.

Subsec. (d)(3). Pub. L. 110–351, § 401(e)(1)(C), added par. (3).

Subsec. (e). Pub. L. 110–351, § 401(d), substituted “24-month” for “2-year” in heading and “for the 24-month period beginning with the month in which the payments are made” for “through the end of the succeeding fiscal year” in text.

Subsec. (g)(3). Pub. L. 110–351, § 401(b)(1), substituted “means, with respect to any fiscal year, the number of foster child adoptions in the State in fiscal year 2007.” for “means—

“(A) with respect to fiscal year 2003, the number of foster child adoptions in the State in fiscal year 2002; and

“(B) with respect to any subsequent fiscal year, the number of foster child adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with fiscal year 2002 and ends with the fiscal year preceding that subsequent fiscal year.”

Subsec. (g)(4). Pub. L. 110–351, § 401(b)(2), inserted “that are not older child adoptions” before “for a State” and substituted “means, with respect to any fiscal year, the number of special needs adoptions that are not older child adoptions in the State in fiscal year 2007.” for “means—

“(A) with respect to fiscal year 2003, the number of special needs adoptions that are not older child adoptions in the State in fiscal year 2002; and

“(B) with respect to any subsequent fiscal year, the number of special needs adoptions that are not older child adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with fiscal year 2002 and ends with the fiscal year preceding that subsequent fiscal year.”

Subsec. (g)(5). Pub. L. 110–351, § 401(b)(3), substituted “means, with respect to any fiscal year, the number of older child adoptions in the State in fiscal year 2007.” for “means—

“(A) with respect to fiscal year 2003, the number of older child adoptions in the State in fiscal year 2002; and

“(B) with respect to any subsequent fiscal year, the number of older child adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with fiscal year 2002 and ends with the fiscal year preceding that subsequent fiscal year.”

Subsec. (g)(7), (8). Pub. L. 110–351, § 401(e)(2), added pars. (7) and (8).

Subsec. (h)(1)(D), (2). Pub. L. 110–351, § 401(a)(4), substituted “2013” for “2008”.

2006—Subsec. (f). Pub. L. 109–288 substituted “624” for “623”.

2003—Subsec. (b)(2). Pub. L. 108–145, §3(a)(1)(A), added par. (2) and struck out former par. (2) which read as follows: “the number of foster child adoptions in the State during the fiscal year exceeds the base number of foster child adoptions for the State for the fiscal year.”

Subsec. (b)(4). Pub. L. 108–145, §3(a)(1)(B), substituted “through 2007” for “and 2002”.

Subsec. (b)(5). Pub. L. 108–145, §3(a)(1)(C), substituted “2007” for “2002”.

Subsec. (c)(2). Pub. L. 108–145, §3(a)(2), added par. (2) and struck out heading and text of former par. (2). Text read as follows:

“(A) DETERMINATIONS BASED ON AFCARS DATA.—Except as provided in subparagraph (B), the Secretary shall determine the numbers of foster child adoptions and of special needs adoptions in a State during each of fiscal years 1995 through 2002, for purposes of this section, on the basis of data meeting the requirements of the system established pursuant to section 679 of this title, as reported by the State and approved by the Secretary by August 1 of the succeeding fiscal year.

“(B) ALTERNATIVE DATA SOURCES PERMITTED FOR FISCAL YEARS 1995 THROUGH 1997.—For purposes of the determination described in subparagraph (A) for fiscal years 1995 through 1997, the Secretary may use data from a source or sources other than that specified in subparagraph (A) that the Secretary finds to be of equivalent completeness and reliability, as reported by a State by April 30, 1998, and approved by the Secretary by July 1, 1998.”

Subsec. (d)(1). Pub. L. 108–145, §3(a)(3), inserted “that are not older child adoptions” after “adoptions” in two places in subpar. (B) and added subpar. (C).

Subsec. (g)(3)(A), (B). Pub. L. 108–145, §3(a)(4)(A), added subpars. (A) and (B) and struck out former subpars. (A) and (B) which read as follows:

“(A) with respect to fiscal year 1998, the average number of foster child adoptions in the State in fiscal years 1995, 1996, and 1997; and

“(B) with respect to any subsequent fiscal year, the number of foster child adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with fiscal year 1997 and ends with the fiscal year preceding such subsequent fiscal year.”

Subsec. (g)(4). Pub. L. 108–145, §3(a)(4)(B), inserted “that are not older child adoptions” after “adoptions” in heading, added subpars. (A) and (B), and struck out former subpars. (A) and (B) which read as follows:

“(A) with respect to fiscal year 1998, the average number of special needs adoptions in the State in fiscal years 1995, 1996, and 1997; and

“(B) with respect to any subsequent fiscal year, the number of special needs adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with fiscal year 1997 and ends with the fiscal year preceding such subsequent fiscal year.”

Subsec. (g)(5), (6). Pub. L. 108–145, §3(a)(4)(C), added pars. (5) and (6).

Subsec. (h)(1)(D). Pub. L. 108–145, §3(a)(5)(A), added subpar. (D).

Subsec. (h)(2). Pub. L. 108–145, §3(a)(5)(B), inserted “, or under any other law for grants under subsection (a),” after “(1)” and substituted “2008” for “2003”.

Subsec. (i)(4). Pub. L. 108–145, §3(a)(6), substituted “2004 through 2006” for “1998 through 2000”.

Subsec. (j). Pub. L. 108–145, §3(a)(7), struck out subsec. (j) which related to supplemental grants.

1999—Subsec. (h)(1). Pub. L. 106–169, §131(b), amended heading and text of par. (1) generally. Prior to amendment, text read as follows: “For grants under subsection (a) of this section, there are authorized to be appropriated to the Secretary \$20,000,000 for each of fiscal years 1999 through 2003.”

Subsec. (j). Pub. L. 106–169, §131(a), added subsec. (j).

1998—Subsec. (c)(2)(B). Pub. L. 105–200 substituted “April 30, 1998” for “November 30, 1997” and “July 1, 1998” for “March 1, 1998”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2018 AMENDMENT

Pub. L. 115–123, div. E, title VII, §50761(b), Feb. 9, 2018, 132 Stat. 267, provided that: “The amendments made by subsection (a) [amending this section] shall take effect as if enacted on October 1, 2017.”

##### EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by sections 201 and 205 of Pub. L. 113–183 effective as if enacted on Oct. 1, 2013, see section 210(a) of Pub. L. 113–183, set out as a note under section 671 of this title.

Amendment by sections 202 and 203 of Pub. L. 113–183 effective Oct. 1, 2014, subject to a transition rule, see section 210(b) of Pub. L. 113–183, set out as a note under section 671 of this title.

##### EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–351 effective Oct. 7, 2008, and applicable to payments under this part and part B of this subchapter for quarters beginning on or after such date, with delay permitted if State legislation is required to meet additional requirements, see section 601 of Pub. L. 110–351, set out as a note under section 671 of this title.

##### EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under this part and part B of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

##### EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108–145, §5, Dec. 2, 2003, 117 Stat. 1882, provided that: “The amendments made by this Act [amending this section and section 674 of this title] shall take effect on October 1, 2003.”

##### EFFECTIVE DATE

Section effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 501 of Pub. L. 105–89, set out as an Effective Date of 1997 Amendment note under section 622 of this title.

##### FINDINGS

Pub. L. 108–145, §2, Dec. 2, 2003, 117 Stat. 1879, provided that: “The Congress finds the following:

“(1) In 1997, the Congress passed the Adoption and Safe Families Act of 1997 [Pub. L. 105–89; see Short Title of 1997 Amendment note set out under section 1305 of this title] to promote comprehensive child welfare reform to ensure that consideration of children’s safety is paramount in child welfare decisions, and to provide a greater sense of urgency to find every child a safe, permanent home.

“(2) The Adoption and Safe Families Act of 1997 also created the Adoption Incentives program, which authorizes incentive payments to States to promote adoptions, with additional incentives provided for the adoption of foster children with special needs.

“(3) Since 1997, all States, the District of Columbia, and Puerto Rico have qualified for incentive payments for their work in promoting adoption of foster children.

“(4) Between 1997 and 2002, adoptions increased by 64 percent, and adoptions of children with special needs increased by 63 percent; however, 542,000 children remain in foster care, and 126,000 are eligible for adoption.

“(5) Although substantial progress has been made to promote adoptions, attention should be focused on promoting adoption of older children. Recent data

suggest that half of the children waiting to be adopted are age 9 or older."

**§ 673c. Repealed. Pub. L. 109-239, § 4(c), July 3, 2006, 120 Stat. 512**

Section, act Aug. 14, 1935, ch. 531, title IV, § 473B, as added Pub. L. 109-239, § 4(b), July 3, 2006, 120 Stat. 510, related to timely interstate home study incentive payments.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF REPEAL**

Pub. L. 109-239, § 4(c), July 3, 2006, 120 Stat. 512, provided that the repeal of this section is effective Oct. 1, 2010.

**§ 674. Payments to States**

**(a) Amounts**

For each quarter beginning after September 30, 1980, each State which has a plan approved under this part shall be entitled to a payment equal to the sum of—

(1) subject to subsections (j) and (k) of section 672 of this title, an amount equal to the Federal medical assistance percentage (which shall be as defined in section 1396d(b) of this title, in the case of a State other than the District of Columbia, or 70 percent, in the case of the District of Columbia) of the total amount expended during such quarter as foster care maintenance payments under section 672 of this title for children in foster family homes or child-care institutions (or, with respect to such payments made during such quarter under a cooperative agreement or contract entered into by the State and an Indian tribe, tribal organization, or tribal consortium for the administration or payment of funds under this part, an amount equal to the Federal medical assistance percentage that would apply under section 679c(d) of this title (in this paragraph referred to as the "tribal FMAP") if such Indian tribe, tribal organization, or tribal consortium made such payments under a program operated under that section, unless the tribal FMAP is less than the Federal medical assistance percentage that applies to the State); plus

(2) an amount equal to the Federal medical assistance percentage (which shall be as defined in section 1396d(b) of this title, in the case of a State other than the District of Columbia, or 70 percent, in the case of the District of Columbia) of the total amount expended during such quarter as adoption assistance payments under section 673 of this title pursuant to adoption assistance agreements (or, with respect to such payments made during such quarter under a cooperative agreement or contract entered into by the State and an Indian tribe, tribal organization, or tribal consortium for the administration or payment of funds under this part, an amount equal to the Federal medical assistance percentage that would apply under section 679c(d) of this title (in this paragraph referred to as the "tribal FMAP") if such Indian tribe, tribal organization, or tribal consortium made such payments under a program operated under that section, unless the tribal FMAP is less

than the Federal medical assistance percentage that applies to the State); plus

(3) subject to section 672(i) of this title an amount equal to the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary for the provision of child placement services and for the proper and efficient administration of the State plan—

(A) 75 per centum of so much of such expenditures as are for the training (including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions) of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision,

(B) 75 percent of so much of such expenditures (including travel and per diem expenses) as are for the short-term training of current or prospective foster or adoptive parents or relative guardians, the members of the staff of State-licensed or State-approved child care institutions providing care, or State-licensed or State-approved child welfare agencies providing services, to children receiving assistance under this part, and members of the staff of abuse and neglect courts, agency attorneys, attorneys representing children or parents, guardians ad litem, or other court-appointed special advocates representing children in proceedings of such courts, in ways that increase the ability of such current or prospective parents, guardians, staff members, institutions, attorneys, and advocates to provide support and assistance to foster and adopted children and children living with relative guardians, whether incurred directly by the State or by contract,

(C) 50 percent of so much of such expenditures as are for the planning, design, development, or installation of statewide mechanized data collection and information retrieval systems (including 50 percent of the full amount of expenditures for hardware components for such systems) but only to the extent that such systems—

(i) meet the requirements imposed by regulations promulgated pursuant to section 679(b)(2) of this title;

(ii) to the extent practicable, are capable of interfacing with the State data collection system that collects information relating to child abuse and neglect;

(iii) to the extent practicable, have the capability of interfacing with, and retrieving information from, the State data collection system that collects information relating to the eligibility of individuals under part A (for the purposes of facilitating verification of eligibility of foster children); and

(iv) are determined by the Secretary to be likely to provide more efficient, economical, and effective administration of the programs carried out under a State plan approved under part B or this part; and