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THE SUPPORTING AT-RISK KIDS ACT

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Mr. BAUCUS, from the Committee on Finance, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany S. 1870]

[Including cost estimate of the Congressional Budget Office]

The Committee on Finance, having considered an original bill, S. 1870, to reauthorize and restructure adoption incentive payments, to better enable State child welfare agencies to prevent sex trafficking of children and serve the needs of children who are victims of sex trafficking, to increase the reliability of child support for children, and for other purposes, reports favorably thereon and recommends that the bill do pass.

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39–010

I. BACKGROUND AND NEED FOR LEGISLATIVE ACTION

The Finance Committee has demonstrated a commitment to working in a bipartisan fashion on issues that affect the nation's children and youth. In the 112th and 113th Congresses the Finance Committee continued its commitment to children and young people through a series of roundtables, hearings, and legislative actions initiated by committee members. These activities of the Senate Finance Committee and its members culminated in the "Supporting At-Risk Kids Act of 2013" that seeks to address improved permanency for children in foster care, identify and provide services to youth at risk for domestic sex traffic and to prevent the trafficking of vulnerable children and youth, as well as to encourage parental involvement both fiscally and socially in the lives of children for whom child support is owed.

TITLE I—STRENGTHENING AND FINDING FAMILIES FOR CHILDREN ADOPTION INCENTIVE GRANT PROGRAM

The Adoption Incentive Payment program distributes federal bonuses to states when they increase adoptions of children in foster care. Under current law, states earn $4,000 for each adoption of a foster child that is above the number of foster child adoptions finalized by the state in FY 2007 and $8,000 for each adoption of an

older child (9 or older) above the number of older child adoptions finalized in 2007. If a state has earned an award in either of these categories, or if it has improved its adoption rate (above the rate achieved in 2002 or a later year with a higher rate), it earns $4,000 for each adoption of a "special needs child above the number of such adoptions finalized in 2007." States can also receive a rate incentive payment of $1,000 multiplied by the increased number of adoptions calculated to have resulted from an improved rate, if appropriated funds are available.

Adoption Incentive payments are authorized at $43 million a year.

Under current law, states are permitted to spend their Adoption Incentive Payment on a broad range of child welfare services.

The Committee Bill would modify the current adoption incentive program by allowing states to earn incentive payments for improvements to both legal guardianship and adoption; permitting awards in four separate categories, awarded independently and replacing the current number/set year basis with an incentive structure based on a state's adoption or guardianship rate for the current year based on the average of the three preceding years.

The Committee finds that using this comparison removes the effect of overall caseload changes from the measurement of a state's performance, for states with a declining number of children in foster care, but a continued strong performance for increasing adoptions and guardianship. The Committee finds that for states with increasing caseloads, it can ensure that incentives are rewarded based on performance, not sheer numbers of children eligible.

Furthermore, the Committee finds that using a three year average closest to the award year ensures that states are evaluated based on their most recent performance, rather than an arbitrary point in time.

The Committee finds that the purpose of the incentive program is to attempt to increase permanency. For many older youth, adoption is not a viable outcome, but a guardianship placement is. The Committee finds that states should be rewarded for policies that contribute to a guardianship permanency outcome.

The awards contemplated by the Committee Bill are as follows:

$4,000 for foster care child adoptions above the base rate;

$8,000 for older child adoptions (9 years or older) above the base rate;

$4,500 for special needs adoptions (9 and younger) above the base rate; and

$4,000 for child guardianships above the base rate.

In order to mitigate the effect of changing from a number to a rate on certain states, the Committee Bill contemplates a transition rule where the transition to a rate structure is phased in over three years.

The Committee Bill makes improvements to the Fostering Connections to Success and Increasing Adoptions Act of 2008 which phased out the income eligibility standard for federal reimbursement for the award given to families who adopt a child out of foster care. CBO estimated that the federal government would spend $1 billion over ten years in increased Adoption Assistance funds.

The Committee Bill would amend provisions of the adoption assistance component of the Title IV–E program related to accounting

for and "reinvesting" certain state savings under the program. States are now required to document any savings that accrue to the state based on the incremental removal of federal income eligibility criteria for Title IV–E adoption assistance, which began in FY2010 and will be fully accomplished as of FY2018. Further, they must reinvest any such savings in one or more of the broad range of services that may be provided to children and their families under the child welfare programs authorized in Title IV–B and Title IV–E of the Social Security Act.

The Committee Bill requires states to annually calculate any savings in state spending based on expanded Title IV–E eligibility criteria using a methodology specified by HHS or one proposed by the state and approved by HHS. Additionally, each state would need to annually submit to HHS: the methodology it used to calculate savings; the amount of any savings identified; and how the savings are to be spent. HHS would be required to post this state-reported information on its website.

Additionally, states would be required to spend no less than 40% of any state savings identified to provide post-adoption or post-guardianship services to children placed in adoptive homes or with guardians and to support and sustain positive permanent outcomes for children who otherwise might enter foster care. The law would be further amended to stipulate that the spending of any such savings would need to supplement, rather than supplant, any federal or non-federal money already being used to support child welfare services available under programs included in Title IV–B or Title IV–E of the Social Security Act.

The Committee Bill also extends the Family Connection grants which support demonstration projects to implement four kinds of programs intended to enable children in foster care, or at risk of entering care, to stay connected (or newly connect) with family. These are:

1. Kinship navigator programs;
2. Intensive finding efforts;
3. Family group decision-making meetings; and
4. Residential family treatment programs that address substance abuse and mental health issues.

The Committee Bill would extend annual mandatory funding of $15 million for Family Connection Grants (Section 427 of the Social Security Act) for three years (FY2014–FY2016).

The Committee Bill would remove a current law provision stipulating that no less than five percent of the Family Connection Grants funding provided in each fiscal year must be used to support kinship navigator programs.

TITLE II—IDENTIFYING AND SERVING YOUTH VULNERABLE TO SEX TRAFFICKING

The Committee finds that recent reports on sex trafficking estimate that hundreds of thousands of children and youth are at risk for domestic sex trafficking. This risk is compounded every year for up to 30,000 young people "emancipated" from foster care.

The Committee finds that in order to combat domestic sex trafficking and improve outcomes for children and youth in foster care, systemic changes need to be made in the current child welfare system.

During a June 5, 2013, Senate Finance Committee hearing, "Sex Trafficking and Exploitation in America: Child Welfare's Role in Prevention and Intervention," The Honorable Joette Katz, J.D., Commissioner, Connecticut Department of Children and Families testified that, "Data shows that children who are involved with child welfare services, specifically in the foster care system are at a much higher risk of being trafficked into the sex trade."

Commissioner Katz went on to testify that, "Since 2008 when collaborative efforts in Connecticut significantly increased both internally at the department and externally with the community, there have been approximately 130 children who have been identified and confirmed as victims of domestic minor sex trafficking. Of these victims identified, 98 percent have been involved with child welfare services in some manner and many of these children have been victimized while legally in the care and custody of the department."

The changes in the Committee Bill make important steps in improving child welfare systems to help improve outcomes for children and youth vulnerable to domestic sex trafficking. The Committee heard testimony that in many states, if a girl is a trafficking victim who has been trafficked out of foster care, the child welfare agency will not provide services to her and many social workers are unaware of the signs of trafficking.

From survivor Asia Graves, in testimony delivered at the June 5, 2013, Senate Finance Committee hearing.

> I did not wake up one morning and say that I wanted to be a prostitute. No girl does. And, there is no such thing as a "child prostitute" because legally children cannot consent to be sold for sex. No girl chooses to be a slave. Yet, girls like me are the face of modern day slavery in America.
>
> You might ask how this can be possible. Here is how: 80 to 90% of victims of trafficking have been sexually abused. That is my story, too. I was raped by my mother's drug dealers from the ages of 6 to 10 years old. I went to school and told my teachers as well as a school social worker who just believed that I was making it up. I stopped asking for help. My life as an American victim of modern day slavery could have been prevented. I am going to be honest with you right now. The state child welfare system failed me as a child. How is it possible a straight A student like myself went missing and no one reported it? What about all those social workers and foster homes where I was abused and beaten?

From Susan Goldfarb, Executive Director, Children's Advocacy Center of Suffolk County, Boston, MA in testimony before the Senate Finance Committee on June 5, 2013:

> In most states, child welfare becomes involved only when an alleged offender is in a caretaking role. A pimp is not considered a caretaker—so the majority of exploitation reports are "screened out". All exploited youth do not receive child welfare services. A few states have expanded the scope of their screening to include adult caretakers who have a child under his or her control. This

change allows exploited youth—who have no familial caretaker in their life—to receive the support and services of child welfare.

The Committee Bill requires that by a year after enactment, as part of their eligibility for foster care payments, states, in consultation with the child protective services agencies, must demonstrate to the Secretary of HHS that they have developed policies and procedures for identifying and screening children who are either victims of sex trafficking or are at risk of becoming victims. The states must also determine the appropriate state action and services that will be made available for any child who the state reasonably believes is a victim, or is at risk of being a victim, of domestic sex trafficking. At state option, this provision applies to all youth up to age 26, regardless of whether or not that youth was in or is currently in or never was in foster care.

Two years after enactment, the state must demonstrate to the Secretary that it is implementing these policies and procedures.

The Committee Bill also requires that each state's Foster Care and Adoption Assistance plan contains a description of the specific measures taken to protect and provide services to children who are victims of sex trafficking. State plans must also ensure state child welfare workers: identify and document each child within the child welfare system who is identified as being a victim of sex trafficking; and report information on missing and abducted children to law enforcement authorities and requires law enforcement authorities to notify the National Center for Missing and Exploited Children (NCMEC) when a child is missing from state care.

ANOTHER PLANNED PERMANENT LIVING ARRANGEMENT (APPLA) AS A PERMANENCY OPTION

Many children and youth who are trafficked are considered, "throw away" kids, kids who have run from foster care who have no permanent connection to a family or legal guardian. Many children in the foster care system are determined to be ineligible for adoption, reunification or placement with a legal guardian. Sometimes those designations occur at a very young age.

The Committee finds that a designation that a child will never have a permanent family contributes to that child's vulnerability for a variety of negative outcomes, including domestic sex trafficking.

The Committee Bill would require the court to submit findings as to why, as of the date of the hearing, another planned permanent living arrangement is the best placement option for the child and identify barriers to permanency outcomes other than another planned permanent living arrangement for the child. This section would prohibit an APPLA designation for youth under the age of 16.

CASE PLAN IMPROVEMENTS

Many youth in foster care report they have no "say" in their foster care plan. As a result they report feeling confused and disenfranchised from their lives, leaving them vulnerable to negative outcomes. The Committee finds that youth in foster care

should have the opportunity to play a bigger role in their case planning process.

The Committee Bill requires states to include two members of case planning team of a child over the age of 14 who are chosen by that child and who are not the foster parent or the caseworker. A state may reject an individual if the state has good cause to believe an individual would not act in the child's best interest One individual selected by the child may be designated to be the child's advisor and as necessary advocate with respect to the application of the reasonable and prudent parent standard.

The Committee Bill requires the case plan to include a written document that describes the child's rights with respect to education, health visitation and court participation and to staying safe and avoiding exploitation and a signed acknowledgement by the child that the child has been provided with a written copy of such document.

DOCUMENTATION

The Committee find that there is an all too frequent scenario in foster care, where an 18 year old is "emancipated" from foster care, has her few belongings stashed in a garbage bag and is driven to a homeless shelter where she is routinely preyed upon by traffickers. Many youth "emancipated" from foster care have no form of identification, meaning they cannot rent an apartment, secure employment or travel.

The Committee Bill requires states to ensure that every child who is emancipated from foster care have a copy of his or her birth certificate, a Social Security card, state ID, and a fee-free or low fee bank account. A state faces a penalty in the form of one percentage point in federal reimbursement for administration costs for every ten children the state emancipates without a birth certificate and a bank account unless the child, after consultation with the child's selected members of the case planning team, elects not to have a bank account.

NATIONAL ADVISORY COMMITTEE ON DOMESTIC SEX TRAFFICKING

The Committee Bill creates a National Advisory Committee on Domestic Sex Trafficking (Advisory Committee). The Advisory Committee will be comprised of experts and government officials from the trafficking, child welfare, and other associated fields. The Advisory Committee's first duties will be to develop a uniform definition of domestic minor sex trafficking and then to develop best practices for states on trafficking prevention and intervention.

TITLE III—CHILD SUPPORT IMPROVEMENT AND WORK PROMOTION

Under the current federal Child Support Enforcement program, states have the option to recognize child support orders from other countries, and many of them do. Unfortunately, at times other countries do not reciprocate our states' efforts to collect child support from a noncustodial parent living abroad. To address this problem, the United States negotiated and signed the Hague Convention on the International Recovery of Child Support and Other Forms of Family Maintenance in 2007. The Senate then gave its

consent in 2010, but the United States cannot implement the treaty without enacting implementing legislation.

The Committee Bill provides the implementing language needed to ratify the Hague Convention, a structured system for information exchange and enforcement of child support cases for participating countries, enabling states to more easily collect on child support orders involving parents abroad. The Committee Bill requires states to enact legislative changes so their State laws are consistent with the treaty, although some have already made such changes. States will need to enact these changes or risk losing Federal administrative funds. Ten States have already enacted these changes, but their provisions will not be in force until all States have and the treaty is ratified.

Under current law, an individual with outstanding child support arrearages is prohibited from getting a passport.

The Committee Bill recognizes that, in the current global economy, a growing number of employment opportunities may involve overseas travel. Accordingly, the Committee Bill would create the opportunity for overseas training, employment, and project completion by allowing certain people with child support debts to obtain a passport. In order to qualify for a passport under this provision, an individual is required to have arrears-only debt, a history of regular, good faith payments on their child support debt for at least a year, and the applicant's annual earnings must be under $100,000, regardless of family size. Additionally, the children for whom the child support is owed must be eighteen years or older. The responsibility would be on a qualified individual to apply to the Department of State for an exemption from the passport prohibition. The Department of State would be responsible for developing an application process for the exemption, in addition to creating an approval process. The State Department would inform HHS when such an exemption was provided and HHS would inform the state with jurisdiction of child support case.

The Committee Bill also gives federally recognized Tribes who operate Child Support Enforcement programs the ability to access the federal parent locator service. Tribes are also given the same ability as states to apply for a Child Support Enforcement Program waiver. In addition, the Committee Bill also provides non-married parents the opportunity to enter into parenting time arrangements. This provision does not seek to change the fiscal responsibilities of non-custodial parents, but instead encourages both the fiscal and social involvement of custodial and non-custodial parents in a child's life.

LEGISLATIVE HISTORY AND COMMITTEE ACTION

LEGISLATIVE HISTORY TITLE I OF S. 1870

In 1997, Congress established the Adoption Incentives program to provide bonus payments to states that increase the number of children who appropriately leave foster care for a permanent home with adoptive families. The incentive program was part of a package of policy reforms included in the Adoption and Safe Families Act (ASFA, P.L. 105–89) that were intended to ensure timely actions by child welfare agencies to find safe and appropriate permanent families for children who would otherwise remain in foster

care. The Adoption Incentive program was extended by the Adoption Promotion Act of 2003 (P.L. 108–145) when Congress—responding to the data showing the poor chances of adoption for older children remaining in foster care—added a new award category to specifically reward states' success in increasing the number of adoptions of older children (age 9 years or more). The Adoption Incentive program was again extended in 2008 as part of the Fostering Connections to Success and Increasing Adoptions Act (P.L. 110–351).

In addition to this extension, the 2008 Fostering Connections Act included a range of new child welfare policies intended to encourage the well-being of children in foster care and to provide additional federal support for children's permanency. Among the changes made by the 2008 law were—a new option for states to use federal funds (authorized under Title IV–E of the Social Security Act) to offset a part of the cost of providing kinship guardianship assistance to each eligible child leaving foster care for a permanent home with a legal relative guardian; creation of Family Connection grants to support public and private agencies efforts to use kinship navigator, family group decision-making, intensive family finding, and residential family treatment programs to strengthen the families of children who are in, or at risk of entering, foster care while improving those children's chance of staying connected to their families; and, via a phased in broadening of the federal Title IV–E eligibility criteria for children with special needs who are adopted, increased federal support to states providing ongoing Title IV–E assistance to these children.

Since ASFA's enactment in 1997, the annual number of children leaving foster care for adoption has risen from roughly 30,000 to more than 50,000 and the average length of time it took states to complete the adoption of a child from foster care declined by close to one year (from about four years to less than three). Over the same time period, and in significant measure due to the greater number of children leaving foster care for adoption and at a faster pace, the overall number of children who remain in foster care on a given day declined by more than 29%—from a peak of 567,000 in FY1999 to 400,000 in FY2012. Despite these successes, however, the number of children "waiting for adoption" (102,000 on the last day of FY2012) is roughly double the number of children who are adopted during a given year. Adoptions of older children remain far less common than adoptions of younger children, and some 26,000 youth aged out of foster care in FY2011, compared to just 19,000 in FY1999.

On April 23, 2013, the Senate Committee on Finance held a hearing to consider reauthorization of the Adoption Incentives program, to extend funding for Family Connection Grants and, more broadly, to consider the kinds of changes necessary to make further improvements in the provision of foster care. The hearing revolved around the story of Antwone Fisher, who spent his entire childhood in foster care before "aging out" (just before his 18th birthday) to live in a homeless shelter. Mr. Fisher, who through personal perseverance and after enlisting in the U.S. Navy, became a successful adult, recounted his story for the Committee.

Among other things, he highlighted the need for child welfare agencies to actively work to—find a permanent family for each

child in foster care, ensure the safety and well-being of children while they are in care, and provide them with meaningful opportunities to prepare for adulthood.

Other witnesses at the hearing stressed many of these same points. Gary Stangler, Executive Director of Jim Casey Youth Opportunities Initiative and a former state child welfare administrator in Missouri, focused on the need to engage youth in taking charge of their lives, including through transition planning and a form of individual development accounts known as "Opportunity Passports."

Eric Fenner, a managing director at Casey Family Programs, and former director of the Franklin County (Ohio) child welfare agency, talked about that agency's work to move from a "punitive" system with a single "fault-finding" response to one that was collaborative and family-centered (providing responses commensurate with the family's needs and concerns). Mr. Fenner also discussed the county's use of flexible federal funding (made possible under Ohio's Title IV–E waiver) to invest in community-based services.

Kevin Campbell, Founder of the Center for Family Finding and Youth Connections, asserted the need for child welfare agencies to place a greater value on finding and involving family in meeting the needs of the children they serve and suggested the need for them to develop a more systemic approach to identifying family members. Further he advocated requiring greater enforcement of, and new reporting on, current federal requirements (added to the Title IV–E program in 2008) for child welfare agencies to identify and give notice to adult relatives of children entering foster care.

LEGISLATIVE HISTORY TITLE II OF S. 1870

The federal government recognizes that older youth in foster care and those aging out are vulnerable to negative outcomes and may ultimately return to the care of the state as adults, either through the public welfare, criminal justice, or other systems. Federal law includes provisions to improve the well-being of these older youth. Under the federal foster care program, states may seek reimbursement for youth to remain in care up to the age of 21. States have been permitted to extend foster care to these older youth as of FY2011, following the passage of the Fostering Connections to Success and Increasing Adoptions Act (P.L. 110–351). In addition, a limited number of federal provisions are aimed at improving case planning for older youth and ensuring that these youth are involved in decisions about their care. For example, as added by P.L. 110–351, states must assist youth with developing what is known as a transition plan. The plan is to be directed by the youth and is to include specific options on housing, health insurance, education, local opportunities for mentors, workforce supports, and employment services. The law requires that a youth's caseworker, and as appropriate, other representative(s) of the youth, assist him or her in developing the plan.

Separately, federal law addresses sex trafficking primarily through the Trafficking Victims Protection Act (TVPA, P.L. 106–386), as amended (most recently by the Violence Against Women Reauthorization Act of 2013, P.L. 113–4). The act authorizes funds for services provided to child victims of sex trafficking, but limited funding has been appropriated for this purpose. Neither the TVPA

nor federal child welfare law address the child welfare response to sex trafficking; however, some provisions in S. 1870 would amend Title IV–E of the Social Security Act to require child welfare agencies to identify and screen youth at risk of sex trafficking, and these provisions would reference "sex trafficking" and "severe form of trafficking" as they are defined under the TVPA.

The Senate Committee on Finance has taken recent action to focus on the needs of older children in foster care and those who have been victimized by sex trafficking.

On April 27, 2012 the Committee convened a roundtable discussion, "Child Well-being in Foster Care: Examining the Relationship between Data and Efforts to Effect Positive Outcomes for Children." In attendance were Senators Baucus, Hatch, and Wyden; Committee and Committee Member staff; and child welfare stakeholders, including representatives from the U.S. Department of Health and Human Services and current and former foster youth. Participants addressed a number of issues pertaining to child well-being, such as mental health, education, and permanency for children in foster care. A focus of the roundtable was on the need to normalize the experiences of foster children and improve permanency for older youth in care. Three youth described their experiences in foster care as alienating because they were not permitted to engage in age-appropriate activities.

On June 11, 2013 the Committee held a hearing on "Sex Trafficking and Exploitation in America: Child Welfare's Role in Prevention and Intervention." The Committee heard testimony from the following individuals: Asia Graves, Maryland Outreach Services Coordinator and Survivor Advocate for FAIR Girls; Michelle Guymon, Probation Director for the Los Angeles County Probation Department, Innocence Lost LA Task Force; Susan Goldfarb, Executive Director of the Children's Advocacy Center of Suffolk County, MA; and Joette Katz, Commissioner of the Connecticut Department of Children and Families. Ms. Graves discussed her past victimization by sex traffickers and current work training youth, educators, and child welfare staff on identifying and responding to children who may be vulnerable to sex trafficking. Testimony from Commissioner Katz described how the Connecticut Department of Children and Families enables child victims of sex trafficking to be "screened in" for child welfare services. Ms. Guymon and Ms. Goldfarb testified about the types of partnerships that have formed between child welfare and other entities (i.e., Children's Advocacy Center, juvenile justice system, probation department, medical and mental health professionals) as part of the child welfare response to child sex trafficking.

On September 25, 2013, researchers with the Institute of Medicine and National Research Council of the National Academies briefed Committee staff on findings from their report, "Confronting Commercial Sexual Exploitation and Sex Trafficking of Minors in the United States." Commissioned by the Office of Juvenile Justice and Delinquency Prevention (OJJDP) within the Department of Justice's Office of Justice Programs (OJP), the report discussed evidence that commercial sexual exploitation and sex trafficking of minors within the United States has serious consequences for these youth and their families. Further, the report found that efforts to prevent commercial sexual exploitation and sex trafficking of chil-

dren are largely absent, and that efforts to identify and respond to these acts of exploitation are under-supported and uncoordinated. The report acknowledged that "extensive efforts ultimately will be required to prepare a child welfare system that is not currently equipped to respond to the needs of these youth." The recommendations of the report include, among other items, improving collaboration and information sharing across multiple sectors such as the federal government, state and local governments, academic and research institutions, foundations and nongovernmental organizations, and the commercial sector.

Legislation has been introduced in the 113th Congress that addresses both older children in foster care and children in foster care involved in sex trafficking. On June 7, 2013, Senator Wyden (with Senators Bennet, Blumenthal, Brown, Cantwell, Kirk, and Portman) introduced the Child Sex Trafficking Data and Response Act of 2013 (S. 1118). The bill would amend Title IV–E of the Social Security Act to require state child welfare agencies to identify and screen youth at risk of sex trafficking and report to the Department of Health and Human Services (HHS) the number of children in foster care who are identified as victims, among other related changes. The bill also includes stand-alone provisions that would address child victims of labor trafficking. On September 18, 2013, Senator Hatch introduced the "Improving Outcomes for Youth At Risk for Sex Trafficking Act of 2013" (S. 1518). S. 1518 would make numerous changes to Titles IV–B and IV–E of the Social Security Act, including provisions to prevent and respond to sex trafficking of children; support normalcy for children in foster care (including through implementation of a "reasonable and prudent parenting standard" for foster caregivers); limit use of the permanency plan option "Another Planned Permanent Living Arrangement (APPLA)," and better facilitate successful transitions to adulthood for all youth who experience foster care.

LEGISLATIVE HISTORY TITLE III OF S. 1870

The Child Support Enforcement (CSE) program, Title IV–D of the Social Security Act, offers Temporary Assistance to Needy Families (TANF) recipients and non-recipient families a number of services including; parent location, paternity establishment, establishment of child support orders, review and modification of support orders, collection of child support payments, distribution of support payments, and establishment and enforcement of medical child support orders.

In Fiscal Year 2010, the CSE expenditures totaled nearly $5.8 billion and the program collected $4.88 in child support payments for every dollar.

On February 7, 2013 the Senate Finance Committee held a roundtable; "Child Support Enforcement: Addressing Immediate and Future Challenges for Child Support Enforcement Agencies." The roundtable discussants were state child support administrators, judges, congressional staff, and other stakeholders. The Committee heard a number of recommendations to improve collection and delivery of payments and services to custodial and non-custodial parents.

International enforcement of child support

It is often difficult to enforce child support obligations in cases where the custodial parent and child live in one country and the noncustodial parent lives in another. The United States has to date not ratified a multilateral child support enforcement treaty dealing with this issue. The Hague Convention/Treaty related to international child support enforcement (see below) has not yet been ratified. P.L. 104–193 (the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) established procedures for international enforcement of child support. For many international cases, U.S. courts and state Child Support Enforcement (CSE) agencies already recognize and enforce child support obligations, whether or not the United States has a reciprocal agreement with the other country. Currently, the federal Office of Child Support Enforcement (OCSE, within the Department of Health and Human Services (HHS)) has reciprocal agreements regarding child support enforcement with 15 countries. However, many other foreign countries will not enforce U.S. child support orders in the absence of a treaty obligation.

The Hague Convention on the International Recovery of Child Support and Other Forms of Family Maintenance (referred to hereinafter as the Convention) was adopted at the Hague Conference on Private International Law on November 23, 2007. The Convention contains procedures for processing international child support cases that are intended to be uniform, simple, efficient, accessible, and cost-free to U.S. citizens seeking child support in other countries. On September 29, 2010, the U.S. Senate approved the Resolution of Advice and Consent regarding the Convention. Before the Convention can take effect, implementing language must be passed by Congress and the President must sign the instrument of ratification for the Convention. Once the Convention is in force, it would apply to cases involving countries that are party to the Convention.

On September 28, 2010, Senators Menendez and Grassley introduced S. 3848 (the Strengthen and Vitalize Enforcement of Child Support (SAVE Child Support) Act). It included provisions that would have implemented the Convention. On July 19, 2011, the SAVE Child Support Act was reintroduced as S. 1383 by Senators Menendez and Grassley. On March 7, 2013, the SAVE Child Support Act was reintroduced as S. 508 by Senators Menendez and Grassley. Two subsequent bills—S. 1870 (the Supporting At-Risk Children Act) and S. 1877 (the Child Support Improvement and Work Promotion Act)—would provide the implementing language needed to ratify the Convention. S. 1870 was agreed to by the Senate Finance Committee on December 12, 2013 by voice vote. S. 1877 was introduced by Senators Baucus, Hatch, Grassley, Rockefeller, Wyden, and Menendez on December 19, 2013. S. 1877 is substantially similar to Title III of S. 1870. Additionally, both bills would require the Secretary of HHS to use federal and, if necessary, state, CSE methods to ensure compliance with any U.S. treaty obligations associated with any multilateral child support convention to which the United States is a party. Further, both bills would amend federal law so that the federal income tax refund offset program is available for use by a state to handle CSE requests from foreign reciprocating countries and foreign treaty countries. Both bills also would require states to adopt the 2008

amendments to the Uniform Interstate Family Support Act (UIFSA) verbatim to ensure uniformity of procedures, requirements, and reporting forms.

Federal Parent Locator Service

The Federal Parent Locator Service (FPLS) was part of the CSE statute when it was first enacted into law in 1975 (P.L. 93–647). The FPLS is an assembly of computer systems operated by HHS's Office of Child Support Enforcement (OCSE) to assist states in locating noncustodial parents, putative fathers, and custodial parties for the establishment of paternity and child support obligations, as well as the enforcement and modification of orders for child support, custody, and visitation. The FPLS also assists federal and state agencies in identifying overpayments and fraud.

The FPLS was expanded by P.L. 104–193 (enacted in 1996) to include the National Directory of New Hires (NDNH), a central repository of employment, unemployment insurance, and wage data from State Directories of New Hires, State Workforce Agencies, and federal agencies; it also contains several other automated systems and programs. In addition, the FPLS has access to external sources for locating information such as the Internal Revenue Service (IRS), the Social Security Administration (SSA), the Department of Veterans Affairs (VA), the Department of Defense (DOD), National Security Agency (NSA), and the Federal Bureau of Investigation (FBI). Under current federal law, the FPLS is only allowed to transmit information in its databases to "authorized persons," which include (1) child support enforcement agencies (and their attorneys and agents); (2) courts; (3) the resident parent, legal guardian, attorney, or agent of a child owed child support; and (4) state foster care and adoption agencies.

The NDNH is a major component of the FPLS. It is a database that contains personal and financial data on nearly every working American, as well as those receiving unemployment compensation. Since its enactment in 1996, access to the NDNH has been extended (by law) to several additional programs and agencies to verify program eligibility, prevent or end fraud, collect overpayments, or assure that program benefits are correct.

Passports

P.L. 104–193 authorized the Secretary of State to deny, revoke, or restrict passports of debtor parents whose child support arrearages exceed $5,000. P.L. 109–171 (the Deficit Reduction Act of 2005) included a provision that lowered the threshold amount from $5,000 to $2,500 for denial of a passport to a noncustodial parent who owes past-due child support.

CSE Programs for Indian tribes

Although states were always required to provide CSE services to members of Indian tribes and tribal organizations that were part of their CSE caseloads, tribes were not specifically included in the CSE statute until the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104–193) was enacted. The 1996 law allowed any state that has "Indian country" within its borders to enter into a cooperative agreement with an Indian tribe if the tribe demonstrated that it had an established tribal court

system with the authority to establish paternity, and establish, modify, and enforce child support orders.

In addition, P.L. 104–193 gave the Secretary of HHS the authority to make direct payments to Indian tribes that have approved CSE programs. In contrast to the federal matching rate of 66% for CSE programs run by the states or territories, the CSE program for Indian tribes or tribal organizations provides direct federal funding equal to 100% of approved and allowable CSE expenditures during the start-up period; provides 90% federal funding for approved CSE programs operated by tribes or tribal organizations during the first three years of full program operation; and provides 80% federal funding thereafter.

Parenting time

In order to promote visitation and better relations between custodial and noncustodial parents, P.L. 104–193 provided $10 million per year for grants to states for access and visitation programs, including mediation, counseling, education, and supervised visitation. Known as the Access and Visitation Grants program, this funding is separate from funding for federal and state administration of the CSE program.

CSE task force

P.L. 100–485 (the Family Support Act of 1988), among other things, created a Commission on Interstate Child Support. The Commission was composed of 15 members. The Commission's directive was in part to submit a report to Congress that contained recommendations for improving the interstate establishment and enforcement of child support awards.

On September 16, 1991, a Senate Finance Subcommittee hearing was held on the implementation of the CSE provisions in the Family Support Act (P.L. 100–485), including a review the of the Commission's 120 draft recommendations. On August 4, 1992, the Commission released the 442-page "Supporting Our Children: A Blueprint for Reform." Senator Bradley introduced legislation (S. 3291) on October 1, 1992 that incorporated many of the Commission's recommendations. The majority of the Commission's recommendations were included in the child support title of P.L. 104–193, which was enacted on August 22, 1996.

II. EXPLANATION OF THE BILL

TITLE I—STRENGTHENING AND FINDING FAMILIES FOR CHILDREN

Title I of the Committee Bill may be cited as the "Strengthening and Finding Families for Children Act."

SUBTITLE A—ADOPTION INCENTIVE PAYMENTS

SEC. 111. EXTENSION OF PROGRAM THROUGH FISCAL YEAR 2016

Three-Year Extension of State Eligibility to Earn Awards and of Funding Authority

Present law

States are eligible to earn incentive awards for increasing adoptions from foster care during each of FY2008–FY2012. Up to $43 million is authorized to be appropriated to pay these incentive awards (on a discretionary basis) for each of FY2009–FY2013. Any amount appropriated to pay the incentives remains available until expended, except that none of the funds may be available after FY2013.

Committee bill

The Committee Bill would extend states' ability to earn incentive funds for three years (FY2013–FY2015) and would extend discretionary funding authorization at the present law level for three years (through FY2016). It would further provide that no funds appropriated for incentive awards could be expended after FY2016.

SEC. 112. IMPROVEMENTS TO AWARD STRUCTURE

State eligibility to earn awards in any category independent of performance in other award categories

Present law

A state may not earn an incentive award for increases in the number of special needs adoptions (of children under age 9) unless it has, in the same year, increased its number of foster child or older child adoptions, or improved on its highest ever foster child adoption rate.

Committee bill

The Committee Bill would strike this eligibility language, effectively permitting a state to earn an award in any category allowed by the law, independent of its performance in any other award categories. (Section 112(a) of the Committee Bill)

State must report data (to permit determination of state performance)

Present law

To be eligible to receive incentive awards a state must, for each fiscal year, submit data necessary for the HHS to calculate the number of foster child, older child, and special needs (under age 9) adoptions, and to calculate the state's foster child adoption rate. These data must be submitted to HHS via the Adoption and Foster Care Analysis and Reporting System (AFCARS). (Section 473A(c)(2))

Committee bill

The Committee Bill is the same as present law except that states would be required to submit data necessary to determine rates in each of four award categories included in the Committee Bill (de-

scribed below) and that states may also be required to provide certain information necessary to determine rates of foster child guardianships separate from AFCARS reporting.

Award categories and award amounts

Present law

A state that increases the number of adoptions it achieved in a specific category in the given fiscal year may earn an incentive award. Specifically, for each—

- Foster child adoption that is above the number of those adoptions completed by the state in FY2007, the state earns $4,000;
- Older child adoption (age 9 years or more) that is above the number of those adoptions that the state completed in FY2007, the state earns $8,000;
- "Special needs" adoption of a child who is younger than 9 years of age, a state may earn $4,000.

A state's incentive award amount is equal to the sum of the awards it earns in each of these categories. However, if there are not enough funds appropriated to pay those amounts in full, HHS must pro-rate the award amount paid to a state based on its share of total incentive payments earned in these three award categories.

Committee bill

The Committee Bill would replace these award categories with four new award categories based on improvements in a state rate (or percentage) of adoptions and/or guardianships. Specifically, a state that improved its rate of—

- Foster child adoptions would receive $4,000 for each foster child adoption calculated to have been completed due to the state's improved foster child adoption rate;
- Special needs (under age 9) adoptions would receive $4,500 for each such adoption calculated to have been completed due to the improved rate;
- Older child adoptions or older child guardianships would receive $8,000 for each such adoption or guardianship calculated to have been completed due to the improved rate; or
- Foster child guardianships would receive $4,000 for each such guardianship calculated to have been completed due to the improved rate.

A state would be found to have improved its rate in any or each of these four categories if the rate (or percentage) of adoptions and/or guardianships it achieved in the given category for a fiscal year was higher than the average rate it achieved in that award category for the three immediately preceding fiscal years. (That rolling three-year average rate for each award category is referred to as the state's "base rate" for the given award category. These state-specific rates—discussed more below—is the base measure against which the state's most recent performance would be compared.)

The sum of any amount earned in each of the four award categories would be paid at the same time to each state out of any available appropriations. If funds were insufficient to fully pay the awards, HHS would be required to pro-rate payments based on a state's share of total incentives earned across all four award categories.

Timely adoption pool

Present law

If in a given fiscal year, the appropriated Adoption Incentive funding exceeds the amount needed to make full incentive payments to states that increase their number of foster child, older child, and/or special needs (under age 9) adoptions (in any of FY2008–FY2012), HHS must provide an additional inc0entive amount to any state that improves upon its "highest ever foster child adoption rate." A state is considered to have made this improvement if its foster child adoption rate for a fiscal year is higher than the rate it achieved in FY2002 or in any succeeding fiscal year (prior to the fiscal year for which the award is being determined). The award amount for an improvement on a state's highest foster child adoption rate is equal to $1,000 multiplied by the number of adoptions calculated to have been completed by the state due to the improved rate. These additional incentive award provisions applied to adoptions completed in FY2008 through FY2012. (Sec. 473A(d)(3))

Committee bill

The Committee Bill would strike this provision and include instead the following: If in a given fiscal year, the appropriated incentive funding exceeds the amount needed to make the awards for the four award categories described above, these unused funds must be considered the "timely adoption award pool." Further, HHS must award additional incentive payment funds to each state that it determines to be a "timely adoption award state." A state is a timely adoption state if it is one of the 50 states or the District of Columbia and if HHS determines that more than 50% of the foster child adoptions that were finalized in the state during the fiscal year were for children for whom an adoption was finalized not more than 12 months after the date on which the child became legally free for adoption. [A child is considered legally free for adoption when all parental rights to the child have been terminated.] These additional incentive award provisions would apply to timely adoption performance by states for each of FY2013 through FY2015.

The Chairman's Mark was modified to accept this amendment proposed by Senator Hatch.

Definition of foster child adoption, associated rate and base measure

Present law

A "foster child adoption" is defined as the final adoption of a child, who at the time of the adoptive placement, was in foster care under the supervision of the state. A state's base number of foster child adoptions is the number of those adoptions it completed in FY2007. A state's "foster child adoption rate" is the percentage determined when the state's number of foster child adoptions that occurred in the fiscal year is divided by the number of all children who were in the state's foster care caseload on the last day of the preceding fiscal year. (For example, if the state completed 150 adoptions in the fiscal year and it had 1,000 children in foster care

in the last day of the preceding fiscal year, its foster child adoption rate would be 15%.) A state's "highest ever foster child adoption rate" is the highest percentage of foster child adoptions the state completed in any fiscal year (beginning with FY2002) that is before the fiscal year for which an incentive award is being determined. (Section 473A(g)(1),(3) (7) and(8))

Committee bill

Under the Committee Bill, the definition of "foster child adoption" and "foster child adoption rate" would be effectively the same as in present law. A state's "base rate of foster child adoptions" would be a rolling percentage equal to its average foster child adoption rate for the three fiscal years immediately preceding the year for which the award is being determined. (There would be no definitions of "base number of foster child adoptions" or of "highest ever foster child adoption rate.")

Definition of foster child guardianship and associated rate and base rate

Present law

No provision.

Committee bill

Would define a "foster child guardianship" as a child's exit from foster care to a legal guardian if the state agency reports to HHS that it has determined all of the following: 1) the child was removed from his/her home pursuant to a voluntary placement agreement or a judicial determination that the home was contrary to the welfare of the child; 2) returning the child to that home is not an appropriate option; 3) 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 4) if the child is at least 14 years of age, he/she has been consulted regarding the legal guardianship. Alternatively, a foster child guardianship could also mean any exit of a child from foster care to a legal guardian if the state reports to HHS the alternative procedures it used to determine that legal guardianship is the appropriate option for the child.

A state's "foster child guardianship rate" would be the percentage determined by dividing the number of foster child guardianships that occurred in the state during the fiscal year by the number of children who were in foster care in the state on the last day of the preceding fiscal year. The "base rate of foster child guardianships" would be equal to the state's average foster child guardianship rate for the three fiscal years immediately preceding the year for which an award is being determined.

Definitions of an older child adoption or older foster child guardianship and associated rate and base rate

Present law

An "older child adoption" is defined as the final adoption of a child who is age 9 or older, if, at the time of the adoptive placement the child was in foster care under the supervision of the state or, if the state had entered into a Title IV–E adoption assistance

agreement on the child's behalf. The "base number or older child adoptions" is the number of older child adoptions the state finalized in FY2007. There is no rate associated with older child adoption award category.

Committee bill

Under the Committee Bill, an older child adoption would be defined as in present law. An older foster child guardianship would mean the placement into legal guardianship of a child who is age nine or older if at the time of that placement the child was in foster care under the supervision of the state. A state's "older child adoptions and older foster child guardianships rate" would equal the percentage determined by dividing a state's combined number of older adoptions and older foster child guardianship finalized in the given fiscal year by the number of children age nine or older who were in the state's foster care caseload on the last day of the preceding fiscal year. A state's "base rate of older child adoptions and older foster child guardianships" would be the average of the older adoptions and older foster child guardianships rate for the state for the three fiscal years immediately preceding the year for which an award is being determined. (There would no longer be a "base number of older child adoptions" definition.)

Definitions of special needs adoption (of children under age 9) and associated rate, and base rate

Present law

The term "special needs adoption" refers to the final adoption of a child on whose behalf the state has entered into an adoption assistance agreement (under the Title IV–E foster care and adoption assistance program).

The term "base number of special needs adoptions that are not older child adoptions" (i.e., the number of special needs adoptions of children under the age of nine) is the number of those adoptions the state completed in FY2007. There is no rate associated with special needs adoptions.

Committee bill

In the Committee Bill, the term "special needs adoptions that are not older child adoptions" would be effectively the same as in present law, i.e., adoptions of children who are under 9 years of age and for whom the state has entered into a Title IV–E adoption assistance agreement. The state's "special needs adoption that are not older child adoptions rate" would be the percentage determined by dividing the number of those adoptions in the state during the fiscal year by the number of children in the state's foster care caseload who were under age 9, on the last day of the preceding fiscal year. A state's "base rate of special needs adoptions that are not older child adoptions" would be the average of the special needs adoptions that are not older child adoptions rate for the state for the three fiscal years immediately preceding the year for which an award is being determined.

SEC. 113. RENAMING THE PROGRAM

Present law

The incentive program is named in statute as "Adoption Incentive Payments."

Committee bill

The Committee Bill would rename the program "Adoption and Legal Guardianship Incentive Payments" and make conforming amendments throughout the program provisions, including headings to reference both adoption and legal guardianship.

SEC. 114. LIMITATIONS ON USE OF INCENTIVE PAYMENTS

Present law

A state must spend incentive awards it earns in this program to provide any of the broad range of child welfare-related services to children and families that are authorized under Title IV–B or Title IV–E, including post-adoption services. The state may not count spending of these incentive awards as non-federal spending for purposes of meeting "matching" requirements for programs authorized in Title IV–B or Title IV–E, (i.e., Stephanie Tubbs Jones Child Welfare Services Program, Promoting Safe and Stable Families Program, Foster Care Maintenance Payments and Adoption Assistance program, and Chafee Foster Care Independence Program).

Committee bill

The Committee Bill would retain these limitations on state use of incentive funds received under this program. The Committee Bill would further stipulate that a state must use any such incentive awards earned to "supplement, and not supplant" any federal or non-federal funds used to provide services under Title IV–B or Title IV–E. Additionally, any state that is paid such an incentive award in a given fiscal year that exceeds $100,000 would be required to spend at least 25% of this award to provide services to children who have been reunited with their families to support and sustain the reunification. This includes services to youth who after emancipating from foster care return to their families (to support and sustain those returns).

SEC. 115. STATE REPORT ON CALCULATION AND USE OF SAVINGS RESULTING FROM THE PHASE–OUT OF ELIGIBILITY REQUIREMENTS FOR ADOPTION ASSISTANCE; REQUIREMENT TO SPEND 40 PERCENT OF SAVINGS ON CERTAIN SERVICES

Present law

States are required to document savings in state spending (if any) that result from expanding federal eligibility for Title IV–E adoption assistance and to spend any of that savings on the broad range of child welfare-related services to children and families that are authorized under Title IV–B or Title IV–E, including post-adoption services. [This expanded eligibility was authorized by the Fostering Connections to Success and Increasing Adoptions Act (P.L. 110–351) and is primarily the result of removing income eligibility for Title IV–E adoption assistance]. (Section 473(a)(8))

Committee bill

Under the Committee Bill, states would be required to calculate the savings (if any) resulting from expanding eligibility for Title IV–E adoption assistance using a methodology specified by HHS, or one proposed by the state and approved by HHS. Each state would be required to report annually to HHS on—1) the method it used to calculate the savings (regardless of whether any savings were found); 2) the amount of any savings identified, and 3) how any such savings are spent. This report would need to be provide a "detailed account" of the spending (in accordance with requirements established by HHS) to ensure the state meets the requirement for reinvesting these savings in child welfare services. Additionally the report on any spending of these funds would need to be made separately from other reports on spending made by states to HHS for programs under Title IV–B or Title IV–E.

Additionally, states would be required to spend not less than 40% of any state savings identified (due to expanded eligibility for federal Title IV–E assistance) to provide 1) post-adoption or post-guardianship services and 2) services to support and sustain positive permanent outcomes for children who otherwise might enter state foster care. This spending would need to be used to "supplement, and not supplant" any federal or non-federal funds being used to provide any child welfare-related service authorized under Title IV–B or Title IV–E.

Finally, HHS would be required to post the annual reports made by each state regarding any such savings and how they are spent on the agency website in a location that is easily accessible to the public.

SEC. 116. PRESERVATION OF ELIGIBILITY FOR KINSHIP GUARDIANSHIP ASSISTANCE PAYMENTS WITH A SUCCESSOR GUARDIAN

Present law

To be eligible for federal (Title IV–E) kinship guardianship assistance a child must, among other requirements, have entered foster care after having been removed from a home with low income and must have lived with the prospective legal relative guardian for at least six months while in foster care. (Section 473(d)(3))

Committee bill

The Committee Bill would permit a child who has already been determined to be eligible for Title IV–E kinship guardianship assistance to remain eligible (without re-entering foster care or otherwise re-determining eligibility) in the event his/her relative legal guardian dies or becomes incapacitated. Specifically, the Committee Bill would allow the Title IV–E kinship guardianship assistance payments made on the child's behalf to be paid to a successor legal guardian who is named in the child's Title IV–E kinship guardianship assistance agreement (including any amendment to that agreement).

SEC. 117. DATA COLLECTION ON ADOPTION AND FOSTER CHILD GUARDIANSHIP DISRUPTION AND DISSOLUTION

Regulation to require state collection and reporting of data on adoption

Present law

HHS was required to establish, by regulation, a data collection system, to provide for comprehensive national information with respect to children in foster care and those who are adopted. Any data collection system developed was required to assure that the data collected are reliable across jurisdictions through the use of "uniform definitions and methodologies." Pursuant to these requirements, HHS developed the Adoption and Foster Care Analysis Reporting System (AFCARS), which, effective with FY1995, required states to submit case level data on children in foster care and children adopted with child welfare agency involvement. The data must be reported using a set of data elements that are provided in regulations.

States are required to report annually to HHS on their planned and actual spending of funds received under the Promoting Safe and Stable Families Program (Title IV–B, Subpart 2), including, separately funds spent for "adoption promotion and support services."

Committee bill

The Committee Bill, no later than 12 months after enactment, would require HHS to promulgate final regulations providing for states to collect and report information regarding children who enter foster care because their adoptions or foster child guardianships disrupt or are dissolved. The regulations would need to require that the information collected and reported include the numbers of such children, and, for each of those children, the length of adoptive or foster child guardianship placement before disruption or dissolution, the reason for the disruption or dissolution, and the agency that handled the adoption or foster child guardianship placement. Further, the regulations would need to require states to collect and report this information for children born in this country or another country. However, with regard to children born in another country, states would only need to report this information with regard to disrupted and dissolved adoptions (not foster child guardianships) and states must also be required to report the country of birth for each of any such children.

The regulations would further need to provide for state reporting of additional illustrative, supplemental or descriptive material elaborating on reasons for disruptions and dissolutions of adoptions or foster child guardianship, as well as use of pre- and post-adoptive services to lower rates of disruption and dissolution. Finally, the regulations would need to require states to report how they spend funds received under the Promoting Safe and Stable Families Program to promote adoption, and separately, to provide pre- and post-adoptive support services.

Generally, HHS would need to require that this collection and reporting of data occur via AFCARS. However, as appropriate, the regulations would permit HHS to require states to report any "sup-

plementary, descriptive, or spending information" in a separate system or as part of other already required reporting under Title IV–E or Title IV–B.

HHS required to provide annual data on disruptions and dissolutions

Present law

HHS must annually submit to Congress a report on the performance of each state with regard to achieving specific child welfare outcomes (e.g., ensuring placement stability for children in foster care, finding children adoptive homes as appropriate) and must examine in this report the reasons for variation in state performance and, when possible, suggested how states could improve their performance. HHS must also include in this annual report, state-by-state data on the number of children in foster care who are visited by their caseworkers on a monthly basis. (Section 479A)

Committee bill

The Committee Bill would require HHS to annually (beginning with FY2016) include in this report information collected, as a result of the new data collection and reporting regulations, on the numbers and rates of disruptions and dissolutions of adoptions. This information would need to be shown in the report on both a national and a state-by-state basis.

SEC. 118. EFFECTIVE DATES

Generally the provisions of this subtitle (related to Adoption Incentives, successor guardianship, and other adoption-related issues) would be made effective as if enacted on October 1, 2013. However, the provisions changing the incentive payment structure and renaming the program would not take effect until one year later, October 1, 2014 and are subject to additional transition rules. Under these transition rules, incentive awards made in FY2014 (for adoptions finalized in FY2013) would be paid under the incentive structure described above as present law. Further, awards paid in FY2015 (for adoptions or foster child guardianships completed in FY2014) would be paid as one-half of any amount a state would earn under the incentive structure in present law (as described above) plus one-half of any amount a state would earn under the incentive structure included in the Committee Bill. Finally, the incentive structure included in the Committee Bill would be fully implemented with FY2016.

SUBTITLE B—EXTENSION OF FAMILY CONNECTION PROGRAM

SEC. 121. EXTENSION OF FAMILY CONNECTION GRANT PROGRAM

Continue mandatory funding for family connection grants

Present law

Family Connection Grants support demonstration projects to implement four kinds of services: kinship navigator programs, intensive family finding efforts, family group decision making meetings, and residential family treatment programs that address substance abuse and mental health issues. Annual funding for these grants

($15 million) was provided on a mandatory basis for each of FY2009–FY2013. The FY2013 appropriation was subject to sequestration which reduced program funding provided for that year to $14 million.

Committee bill

The Committee Bill would extend annual mandatory funding of $15 million for these grants for three years (FY2014–FY2016).

Entities eligible to apply for family connection grants

Present law

HHS may award Family Connection grants to state, local, or tribal child welfare agencies or to private nonprofit organizations that have experience working with foster children or children in kinship care arrangements.

Committee bill

Would additionally permit HHS to award Family Connection grants to "institutions of higher education" as defined in Section 101 of the Higher Education Act.

Foster family homes for youth in care who are parents

Present law

Kinship navigator programs supported with Family Connection Grant funding are intended to assist kinship caregivers in finding and accessing services and programs to meet their own needs and the needs of the children for whom they care. Among other requirements these programs must promote partnerships between public and private agencies—including schools, community-based or faith-based organizations, and relevant government agencies—to increase knowledge among these entities of the needs of kinship caregiver families and to promote better services for those families.

Committee bill

The Committee Bill would provide that the efforts to promote public-private partnerships to improve awareness of, and services for, kinship care families must also extend to individuals who are willing to be foster parents for youth in foster care who are parents.

Reservation of funds

Present law

HHS must annually reserve $5 million in Family Connection Grant funding to support kinship navigator programs.

Committee bill

The Committee Bill would do away with this specific reservation of Family Connection funds (although grants could still be made available to support these programs on the same basis as the other authorized services).

SUBTITLE C—UNEMPLOYMENT COMPENSATION

SEC. 131. IMPROVING THE COLLECTION OF UNEMPLOYMENT INSURANCE OVERPAYMENTS THROUGH TAX REFUND OFFSET

Present law

States are required to have certain laws in place as a condition or receiving federal funds related to Unemployment Compensation. The Treasury Offset Program authorizes states to recover certain state unemployment benefit overpayments but does not require them to do this.

Committee bill

As a condition of receiving federal funds related to Unemployment Compensation, the Committee Bill would require states—after two years of attempting to collect state unemployment benefit overpayments—to recover any remaining state overpayments through reduced federal income tax refunds.

TITLE II—IDENTIFYING AND SERVING YOUTH VULNERABLE TO SEX TRAFFICKING

Title II of the Committee Bill may be cited as the Protecting Youth At-Risk for Sex Trafficking Act.

SUBTITLE A—ADDRESSING THE RISKS THAT MAKE YOUTH VULNERABLE TO SEX TRAFFICKING

SEC. 211. IDENTIFYING AND SCREENING YOUTH AT RISK OF SEX TRAFFICKING

Present law

State child welfare agencies are required as part of their current Title IV–E plan to report to an appropriate agency or official known or suspected instances of physical or mental injury, sexual abuse or exploitation, or negligent treatment or maltreatment of a child receiving aid under any federal child welfare program authorized in Title IV–E or Title IV–B.

Committee bill

The Committee Bill would amend this Title IV–E plan provision to further require that the state child welfare agency, in consultation with the state child protective services agency or unit, develop policies and procedures for identifying, screening, and determining appropriate state actions and services for any child who the state has reasonable cause to believe is a victim of sex trafficking or is at risk of being a sex trafficking victim.

These policies and procedures would need to apply to any child (individuals under the age of 18) without regard to whether that child is in foster care as well as to any individual in foster care up to age 19, 20, or 21 (if the state has chosen to provide foster care up to that older age). Additionally, states would be permitted to apply these policies and procedures to any individual (regardless of current or former foster care status) up to the age of 26. Each state would need to demonstrate to HHS that it had developed these policies and procedures no later than one year after the enactment of this provision, and would need to demonstrate that it was imple-

menting them no later than two years after enactment of this provision.

Sex trafficking would be defined, as it is in the Trafficking Victims Protection Act,+ as the "recruitment, harboring, transportation, provision, or obtaining of a person for the purposes of a commercial sex act" and any severe form of trafficking in persons in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform the act is under 18 years of age.

SEC. 212. IMPROVEMENTS TO ANOTHER PLANNED PERMANENT LIVING ARRANGEMENT (APPLA) AS A PERMANENCY OPTION

APPLA may not be the permanency plan for a child under 16 years of age

Present law

A state must have procedures to ensure that each child in foster care has an annual hearing (in a court or before a court-appointed administrative body) to determine (or re-determine) a plan for how the child will achieve permanency. A child's permanency plan may be established as 1) reuniting with parents; 2) adoption; 3) guardianship; or 4) if the state has documented for the court a compelling reason that none of these permanency plans is in the child's best interest, "another planned permanent living arrangement" (APPLA).

Further, a state must have a service program designed to help children in foster care achieve permanency through returning to their parents (when safe and appropriate), adoption, guardianship, placement with a fit and willing relative, or, if none of those options is appropriate, placement in some other planned permanent living arrangement (including residential education programs).

Committee bill

The Committee Bill would amend both of these provisions to further stipulate that no child under age 16 may have a permanency plan of APPLA. Further, before APPLA could become the permanency plan for a youth in foster care, the state would need to document for the court why, as of the date of the permanency hearing, there was a compelling reason to determine that reunification, adoption, or guardianship was not in the youth's best interest.

Additional permanency hearing and other requirements for youth with APPLA as permanency plan

Present law

As part of its case review system, a state must have in place procedures to ensure that each child in foster care has a permanency hearing within 12 months of entering foster care, and every 12 months thereafter while he/she remains in foster care. The permanency hearing must be held in a court (or by a court-appointed administrative body) and it must determine, or re-determine, the child's permanency plan (*i.e.,* reunification, adoption, guardianship or APPLA). Further, the state must have procedures to ensure that any court or court-appointed administrative body holding the per-

manency hearing consults with a child, in an age-appropriate manner, regarding any proposed permanency plan.

Additionally, certain consideration must be made at the permanency hearing for children in specified circumstances.

Committee bill

The Committee Bill would require additional actions at any annual permanency hearing involving a youth for whom the permanency plan is APPLA and additional state agency appearances before a court for any youth with APPLA as his or her permanency plan. Specifically, at each permanency hearing involving a youth with APPLA as his or her permanency plan:

The state child welfare agency must document for the court the ongoing, but, to date, unsuccessful, efforts to return the youth to his/her parents or to secure a placement for the youth with an adoptive parent, legal guardian, or a fit and willing relative. These efforts must include use of search technology to locate biological family members of the child.

The court or court-appointed administrative body holding the hearing must—

- Ask the youth if he or she wants to be adopted;
- Determine, separately, the compelling reasons why it continues to be not in the child's best interest to be returned home, placed for adoption, placed with a legal guardian, or placed with a fit and willing relative;
- Identify barriers to permanency plans other than APPLA for the child;
- Make a new determination regarding whether APPLA is the appropriate permanency plan for the child and submit findings as to why, as of the date of the hearing, APPLA is the best permanency option for the child; and
- Require the state child welfare agency to document, at the child's next permanency hearing, the intensive efforts to address those identified barriers and allow a different permanency plan to be established for the youth.

Additionally, for each child living in another planned living arrangement, would require the state child welfare agency to appear before the court (or an administrative body appointed or approved by the court), at least once every six months to demonstrate—

- That an individual other than the child's caseworker is the child's caregiver for purposes of making reasonable and prudent parenting decisions on the child's behalf, including signing permission slips and giving informal permission for the child to participate in age-appropriate activities; and
- The steps being taken to reduce barriers (including paperwork) to the child's regular and ongoing opportunities to engage in age-appropriate activities, including social events.

Conforming amendments: definition of "reasonable and prudent parent standard," and "age or developmentally appropriate"

Present law

Includes definitions that apply to the federal foster care program under Title IV–E, as well as other child welfare programs in Title IV–E and in Title IV–B. (Section 475)

Committee bill

The Committee Bill would add definitions of the "reasonable and prudent parent standard" and of the related term "age or developmentally appropriate."

The "reasonable and prudent parent standard" would be defined as "characterized by careful and sensible parental decisions that maintain a child's health, safety, and best interests while at the same time encouraging the child's emotional and developmental growth," and, further, as the standard that a caregiver—the child's foster parent or a designated official at the child care institution where a child is placed—must use when determining whether to allow a child in foster care to participate in extracurricular, enrichment, and social activities.

"Age or developmentally appropriate" would be defined as "activities or items that are generally accepted as suitable for children of the same chronological age or level of maturity or that are determined to be developmentally appropriate for the child, based on the development of cognitive, emotional, physical, and behavioral capacity that are typical for an age or age group." With respect to a specific child, the term would mean "activities or items that are suitable for that child based on the developmental stages attained by the child with respect to the child's cognitive, emotional, physical and behavioral capacities." The Committee Bill would stipulate however, that if any of these activities have implications relative to a child or youth's academic curriculum, nothing included in Title IV–E or Title IV–B would be permitted to be understood as authorizing an officer or employee of the federal government to "mandate, direct, or control a state, local educational agency, or school's specific instructional content, academic achievement standards and assessments, curriculum, or program of instruction."

Conforming amendments: State plan requirements

Present law

As part of their program plan under Title IV–B, Subpart 1 (Stephanie Tubbs Jones Child Welfare Services Program) states must meet all the requirements of the case review system for each child in foster care. Under the Title IV–E program plan, states are required to meet some of the case review procedures on behalf of children in foster care who are eligible for Title IV–E foster care assistance. In addition, federal regulations require states to meet all requirements of the case review system as a condition of eligibility for federal foster care maintenance payment support under the Title IV–E program.

Committee bill

The Committee Bill would require states to meet all case review system requirements, including the new provisions related to children with APPLA, as part of their Title IV–E plan. Would also require states to meet the new case review system requirements, related to APPLA, under their Title IV–B, Subpart 1 state plan.

Collected child support directed to certain youth in care

Present law

States are required to use any child support payments collected on behalf of a child (while the child is receiving Title IV–E foster care maintenance payments) to pay back the cost of the foster care maintenance payment. The child support funds collected must be divided between the state and the federal government in proportion to their share of the Title IV–E foster care maintenance payments made.

Committee bill

Under the Committee Bill, for any youth with a permanency plan of APPLA and who is receiving Title IV–E foster care maintenance payments, the state child welfare agency would be required to deposit all child support payments collected on the youth's behalf into an account specifically for the youth and which must only be used by the state for payment of fees or other costs attributable to the child's participation in age or developmentally appropriate activities. Any funds remaining in a youth's account at the time he or she exits care (for any reason) must be provided to the youth.

Also under the Committee Bill, for any youth in foster care under the responsibility of the state at age 18 or any older age, up to 21 (as elected by the state), the state would be required to pay any child support collected on his or her behalf directly to the youth. None of the funds would be returned to the federal government and none of them could be used by the state to reimburse its part of the cost of foster care maintenance payments.

Procedures to implement these child support collection efforts must be documented by child support agency

Present law

To receive federal child support funds states must have a plan for child support enforcement (CSE) that meets federal requirements.

Committee bill

The Committee Bill would require each state, as part of its CSE plan, to provide a description of the procedures it has in place to comply with the requirements related to distribution of child support collected for youth with an APPLA permanency plan or for youth who are in foster care at age 18 or older.

Effective dates for Section 212

Generally, all of the changes in Section 212 related to use of APPLA and child support collected on behalf of certain youth in foster care are effective one year after the date of enactment of the bill. However, in the event the state needs to enact legislation (other than legislation appropriating funds) to enable it to meet the new child support requirements (under Title IV–D) it may have specified additional time to meet the requirements.

SUBTITLE B—EMPOWERING OLDER YOUTH VULNERABLE TO DOMESTIC SEX TRAFFICKING AND OTHER NEGATIVE OUTCOMES

SEC. 221. EMPOWERING FOSTER YOUTH AGE 14 AND OLDER IN THE DEVELOPMENT OF THEIR OWN CASE PLAN AND TRANSITION PLANNING FOR A SUCCESSFUL ADULTHOOD

Case planning for youth age 14 and older

Present law

Each child in foster care is to have a written case plan. Among other items, the plan must (1) provide certain assurances, including that the child receives safe and proper care, and that services are provided to the parents, child, and foster parents in order to improve the conditions in the parents' home and to enable the child to return home or to another permanent setting; and (2) address the needs of the child while in care, including a discussion of the appropriateness of the services that have been provided to the child under the plan.

Committee bill

The Committee Bill would add that the case plan for any youth 14 and older must be developed and amended in consultation with the youth—and at the youth's option, up to two members of the case planning team who are chosen by the youth and who are not the youth's foster parent or caseworker. The Committee Bill would permit a state to reject an individual selected by the child if the state has good cause to believe that the individual would not act in the best interests of the child. Would also note that one individual selected by the child to be a member of the case planning team may be designated as his or her advisor, and, as necessary, advocate, with respect to application of the reasonable and prudent parent standard.

Permanency hearings for children

Present law

As part of its case review system, a state must have in place procedures to ensure that each child in foster care has a permanency hearing within 12 months of entering foster care, and every 12 months thereafter while he/she remains in foster care. The permanency hearing must be held in a court (or by a court-appointed administrative body) and it must determine, or re-determine, the child's permanency plan (i.e., reunification, adoption, guardianship or APPLA). For any child in care age 16 and older, the court or administrative body conducting the hearing must determine at the permanency hearing any services necessary to assist the child to make a transition from foster care to independent living.

Committee bill

The Committee Bill would extend the case plan requirements for youth age 14 or older to a youth's permanency plan. It would also make the permanency hearing requirement for youth age 16 or older applicable to those youth age 14 and older, and would replace "independent living" with "a successful adulthood."

Report to Congress on case planning team

Present law

No provision.

Committee bill

The Committee Bill would require HHS to submit a report to Congress, within two years of enactment, that includes: (1) an analysis of how states are administering the requirements pertaining to the youth selecting up to two members of their case planning team for purposes of developing and amending their case plan and permanency plan; and (2) a description of best practices of states with respect to the administration of this requirement.

Planning for a successful adulthood for older youth

Present law

In addition to other case plan requirements, the case plan for youth in foster care at age 16 or older, where appropriate, must also include a written description of the programs and services that will help the child prepare for the transition from foster care to independent living.

Committee bill

The Committee Bill would stipulate that this case plan requirement would extend to all children age 14 and older, and would replace "independent living" with "a successful adulthood."

Present law

The court or administrative body conducting the permanency hearing—including any hearing regarding the transition of the child from foster care or independent living—must consult, in an age-appropriate manner, with the child regarding the proposed permanency plan or transition plan for the child.

Committee bill

The Committee Bill would replace the reference to "independent living" with "a successful adulthood."

List of rights included in case planning for children age 14 or older

Present law

No provision.

Committee bill

The Committee Bill would require that the case plan for a youth who is age 14 or older and who is in foster care or who receives federal adoption assistance or kinship guardianship assistance payments must include a written document that describes the youth's rights. The rights to be listed would pertain to education, health, visitation, and court participation, and to staying safe and avoiding exploitation. The document would need to be signed by the youth to acknowledge that he or she was provided with a written copy of the rights.

Credit reports for children age 14 or older

Present law

As part of the case review requirements, the state child welfare agency must provide any child in foster care at age 16 or older a copy of any credit report pertaining to the child (in each year that he or she remains in care), free of charge, along with assistance in resolving any inaccuracies in the report.

Committee bill

The Committee Bill would require state child welfare agencies to make credit reports and assistance in resolving any inaccuracies in the report available to any child age 14 or older.

SEC. 222. ENSURING FOSTER CHILDREN AGE 14 OR OLDER HAVE A BIRTH CERTIFICATE, SOCIAL SECURITY CARD, DRIVER'S LICENSE OR EQUIVALENT AND A BANK ACCOUNT

Case review system requirement for birth certificate, Social Security card, and bank account, and credit reports

Present law

The state child welfare agency must provide any child age 16 or older a copy of any credit report pertaining to the child (in each year that he or she remains in care), free of charge, along with assistance in resolving any inaccuracies in the report.

Committee bill

The Committee Bill would amend the credit reporting requirement to ensure that a child age 14 and older who is exiting foster care, must also have a copy of his or her official birth certificate, Social Security card, driver's license or identification card issued by a state in accordance with the requirements of Section 202 of the REAL ID Act of 2005, and fee-free or low-fee bank account established in his or her name at an insured depository institution or insured credit union. However, a youth could, after consulting with the youth's selected members of his or her case planning team (if any), elect not to have a bank account.

Reduced Federal Title IV–E administrative support for failure to ensure youth leaving foster care at age 14 or older have certain documents

Present law

Under the Title IV–E program, states are entitled to receive 50% federal reimbursement for eligible program administrative costs.

Committee bill

The Committee Bill would stipulate a penalty for states that do not comply with the requirements to provide each child exiting foster care at age 14 or older with an official birth certificate, Social Security card, a driver's license or state-issued identification card, and a bank account (unless the child determines not to establish the bank account). Specifically, the penalty would be one percentage point in federal reimbursement for Title IV–E administration costs (not including training or certain data collection and related

costs) for every ten children that are discharged from foster care without such documentation or bank account within a given fiscal year quarter. The penalty would be imposed in the fiscal year quarter following the quarter for which the non-compliance is identified by HHS. It could not exceed 25 percentage points, which would equate to 250 youth.

Effective date for Section 222

Generally, all of the changes in Section 222 related to the case review system requirement for the official birth certificate, a driver's license or state-issued identification card, Social Security card, and bank account—and the reduced federal Title IV–E administrative support for failure to comply with this requirement—would be effective as of October 1, 2015. However, in the event a state needs to enact legislation (other than legislation appropriating funds) to enable it to meet these new requirements (under Title IV–B or Title IV–E) it may have specified additional time to meet the requirement.

SUBTITLE C—DATA AND REPORTS

SEC. 231. STREAMLINE DATA COLLECTION AND REPORTING ON SEX TRAFFICKING

State plan requirements on data collection and reporting on sex trafficking and on missing or abducted children

Present law

No provision.

Committee bill

The Committee Bill would require, as part of the Title IV–E plan, state child welfare agencies to identify and document appropriately in agency records each child identified as a victim of sex trafficking who is in foster care or otherwise under the supervision of the state, including a child who is in foster care, a child for whom a state child welfare agency has an open case file but whom has not been removed from the home, and a youth who is not in foster care but is receiving services under the Chafee Foster Care Independence Program.

The Committee Bill would further require each state child welfare agency to include in its Title IV–E plan a regularly updated description of the specific measures it has taken by child welfare agencies to protect and provide services to children who are victims of sex trafficking, including efforts to coordinate with state law enforcement, juvenile justice agencies, and social service agencies, such as runaway and homeless youth shelters.

For purposes of these Title IV–E state plan provisions, sex trafficking would be defined as the "recruitment, harboring, transportation, provision, or obtaining of a person for the purposes of a commercial sex act" and any severe form of trafficking in persons in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform the act is under 18 years of age. These definitions are taken from Section 103(9)(A) and (10) of the Trafficking Victims Protection Act.

The Committee Bill would also add as part of the Title IV–E plan, that state child welfare agencies immediately report (and in no case later than 24 hours after receiving) information on missing or abducted children to the law enforcement authorities for entry into the National Crime Information Center (NCIC) and to the National Center for Missing and Exploited Children (NCMEC). The NCIC is a computerized index of information on crimes and criminals that is maintained by the Federal Bureau of Investigation (FBI). NCMEC is a non-profit organization that receives federal funding from the Missing and Exploited Children's program and other sources to support law enforcement agencies and families in missing children and child sexual exploitation cases.

State reporting via adoption and foster care analysis and reporting system (AFCARS)

Present law

Twice a year states must report certain data to HHS via the Adoption and Foster Care Analysis and Reporting System, (AFCARS). Among other things, these data concern each child in foster care, including the child's age, current placement setting, and length of stay in the current setting.

Committee bill

The Committee Bill would require HHS to promulgate regulations to ensure that states report, via AFCARS, on the number of children in foster care who are victims of sex trafficking. Further, to the extent HHS determines this feasible, the regulations may also require states to report on the number of other children who are victims of such sex trafficking and over whom the state child welfare agency has responsibility for supervision (including children for whom it has an open case file but who have not been removed from the home, and youth who are not in foster care but are receiving services under the Chafee Foster Care Independence Program).

HHS reporting on sex trafficking victims

Present law

HHS must annually submit to Congress a report on the performance of each state with regard to achieving specific child welfare outcomes (e.g., ensuring placement stability for children in foster care, finding children adoptive homes as appropriate) and must examine in this report the reasons for variation in state performance and, when possible, suggest how states could improve their performance. HHS must also include in this annual report, state-by-state data on the number of children in foster care who are visited by their caseworkers on a monthly basis.

Committee bill

As part of this existing report the Committee Bill would require HHS to annually include information on the aggregate number of children in foster care who are victims of sex trafficking beginning in the first fiscal year for which those data are reported by states.

The Committee Bill would separately require HHS to submit a report to Congress within two years of enactment that contained

information (based on a survey of states) on the number of children in foster care who are victims of sex trafficking, as well as other children who are under the supervision of the state child welfare agency and who are victims of sex trafficking (including children for whom the agency has an open case file but who have not been removed from the home, and youth who are not in foster care but are receiving services under section 477). The report would also include any information HHS determines appropriate related to the identification of, and provision of services for, these victims of sex trafficking.

Effective date for Section 231

Generally, all of the changes related to the Title IV–E state plan requirements would be effective one year after the date of enactment of the Committee Bill, without regard to whether final regulations are promulgated to implement a related data reporting requirement described below. However, in the event a state needs to enact legislation (other than legislation appropriating funds) to enable it to meet these new requirements (under Title IV–E) it may have specified additional time to meet the requirement.

SEC. 232. RECOMMENDATION TO CONGRESS FOR EXPANDING HOUSING FOR YOUTH VICTIMS OF TRAFFICKING

Present law

No provision.

Committee bill

The Committee Bill would require that within one year of enactment, five agencies—Department of Defense, HHS, Department of Housing and Urban Development, Department of Homeland Security, and Department of Justice—must submit a report to Congress that contains recommendations for administrative or legislative changes necessary to use programs, properties, or other resources owned, operated, or funded by the federal government to provide safe housing for youth who are "victims of trafficking" and to provide support to entities that provide housing or other assistance to such victims. The Committee Bill would require the report to include (with respect to programs, properties, or other resources owned, operated, or funded by each of the four agencies) information regarding (1) the availability and suitability of existing federal, state, and local housing resources that are appropriate for housing youth victims of trafficking or for providing support to entities that provide housing or other assistance to such victims, including in rural and isolated locations; and (2) the feasibility of establishing or supporting public-private partnerships to provide housing for such victims or support to entities that provide housing or other assistance to such victims.

In this section "victim of trafficking" would refer to both sex trafficking and certain labor trafficking.

SUBTITLE D—NATIONAL ADVISORY COMMITTEE ON DOMESTIC SEX TRAFFICKING

SEC. 241. NATIONAL ADVISORY COMMITTEE ON DOMESTIC SEX TRAFFICKING

Present law

No provision.

Committee bill

The Committee Bill would create the National Advisory Committee on Domestic Sex Trafficking.

Committee composition and compensation

The Committee Bill would require the HHS Secretary to establish the National Advisory Committee on Domestic Sex Trafficking and to appoint all members of the committee (in consultation with the Attorney General) within 180 days after the date of enactment. The Committee Bill would require the committee to be composed of not more than 21 members "whose diverse experience and background enable them to provide balanced points of view with regard to carrying out the duties of the committee." The Committee Bill stipulates that the committee must not be composed solely of federal officers or employees and that appointments would be made for the life of the committee.

Further, a vacancy in the committee would be filled in the same manner in which the original appointment was made and would not affect the powers or duties of the committee. Committee members would serve without compensation, except that they would be reimbursed for official travel expenses and per diem for travel expenses.

Committee duties

The committee would advise the HHS Secretary and the Attorney General on practical and general policies concerning improvements to the nation's response to domestic sex trafficking of minors from the child welfare system and the commercial sexual exploitation of children. The committee would also advise the HHS Secretary and the Attorney General on practical and general policies concerning the cooperation of several entities—(1) federal, state, local, and tribal governments; (2) child welfare agencies; (3) social service providers; (4) physical and mental health providers; (5) victim service providers; (6) state or local courts with responsibility for conducting or supervising proceedings relating to child welfare or social services for children and their families; (7) federal, state, and local police; (8) juvenile detention centers and runaway and homeless youth programs; (9) schools; and (10) businesses and organizations that provide services to youth—on responding to domestic sex trafficking of minors and the commercial sexual exploitation of children, including the development and implementation of:

- Successful interventions with children and teens who are exposed to conditions that make them vulnerable to, or victims of, domestic sex trafficking and commercial sexual exploitation;

• An understanding that the safety and well-being of children and teens can be compromised by the sexualization of children; the commodification of children; and a lack of normalcy characterized by isolation, disconnection from positive appropriate, and healthy relationships with peers and adults, and an inability to engage in age appropriate activities; and

• The relationship between children and teens who are trafficked and the overall coarsening and desensitization of society to violence that puts the public safety of communities across the nation at risk.

The committee would also be required to recommend a comprehensive definition of what constitutes the "commercial sexual exploitation of children."

Best practices for states

The Committee Bill would require the committee to develop two tiers (Tier I and Tier II) of recommended best practices for states to follow in combating the domestic sex trafficking of minors and the commercial sexual exploitation of children. Tier I would provide states that have not yet addressed domestic sex trafficking of minors and the commercial sexual exploitation of children with an idea of where to begin and what steps to take. Tier II would provide states that are already working to address domestic sex trafficking of minors and commercial sexual exploitation of children with examples of policies that are already being used effectively by other states to address trafficking issues. The best practices would be based on multidisciplinary research and promising, evidence-based models and programs; would be user-friendly and incorporate the most up-to-date technology; and include the following:

• Sample training materials, protocols, and screening tools to prepare child welfare personnel to identify and serve youth who are at-risk or are victims of domestic sex trafficking or commercial sexual exploitation.

• Multidisciplinary strategies to identify victims, manage cases, and improve services to meet the unique needs of this youth population.

• Sample protocols and recommendations for effective, cross-system collaboration between several entities—(1) federal, state, local, and tribal governments; (2) child welfare agencies; (3) social service providers; (4) physical and mental health providers; (5) victim service providers; (6) state or local courts with responsibility for conducting or supervising proceedings relating to child welfare or social services for children and their families; (7) federal, state, and local police; (8) juvenile detention centers and runaway and homeless youth programs; (9) schools; and (10) businesses and organizations that provide services to youth. The Committee Bill would require these protocols and recommendations to include strategies to identify victims and collect, document, and share data across systems and agencies, and should be designed to help agencies better understand the type of trafficking or commercial sexual exploitation involved; the scope of the problem; the needs of the population to be served; ways to address the demand for trafficked children and youth and increase prosecution of traffickers and purchasers of children and youth; and the degree of victim interaction with multiple system.

• A list of recommendations to establish safe residential placements for foster youth who have been trafficked (as defined by the committee) as well as training guidelines for caregivers that serve children and youth being cared for outside the home.

Reports

The Committee Bill would require the committee to submit an interim and a final report on the work of the committee to the HHS Secretary, the Attorney General, the Senate Finance Committee, and the House Ways and Means Committee. The Committee Bill would require the interim report to be submitted not later than one year after the committee is established and the final report to be submitted not later than two years after its establishment, unless the Secretary establishes an extension period for the committee. In this case, the final report would be submitted not later than the last day of this extension period.

Committee administration

The Committee Bill would require the HHS Secretary to direct the head of the Administration on Children, Youth and Families (ACYF) to provide all necessary support for the committee. It would also require the committee to meet at the call of the HHS Secretary at least twice a year to carry out the duties of the committee, and more often as otherwise required. The Committee Bill would require the Secretary to call all of the meetings, prepare and approve all meeting agendas, attend all meetings, adjourn any meetings when the Secretary determines adjournment to be in the public interest, and chair all meetings when directed to do so by an official or entity to whom the committee reports.

The Committee Bill would authorize the committee to establish subcommittees or working groups, as necessary and consistent with the mission of the committee. The Committee Bill would require any such subcommittees or working groups to operate under the provisions of the Federal Advisory Committee Act of 1972, the Sunshine in Government Act of 1976, and other appropriate federal regulations. Any such subcommittees or working groups would have no authority to make decisions on behalf of the committee or to report directly to the HHS Secretary, Attorney General, or any other official or entity that are referenced under the committee's duties (i.e., child welfare agencies, social service providers, physical and mental health service providers, etc.). The Committee Bill would require that the records of the committee and any subcommittees or working groups be maintained in accordance with appropriate HHS policies and procedures, and be maintained for public inspection and copying, subject to the Freedom of Information Act (FOIA).

Termination of committee

The Committee Bill would require the committee to terminate two years after the date it is established, unless the HHS Secretary determines that more time is necessary to allow the committee to complete its duties, in which case the committee would terminate at the end of the extension period established by the Secretary (not to exceed 24 months).

Funding

Present law

Provides certain mandatory funds for the Census Bureau to carry out the Survey of Income and Program Participants (SIPP).

Committee bill

Would transfer $400,000 of unobligated mandatory funds for the SIPP to establish the commission and allow it to carry out its duties. The $400,000 would not be subject to reduction under a sequestration order issued under the Balanced Budget and Emergency Deficit Control Act of 1985. Any amounts made available for the commission that are unobligated on the date on which the committee terminates would be returned to the Treasury.

TITLE III—CHILD SUPPORT ENFORCEMENT

Title III of the Committee Bill will be cited as the Child Support Improvement and Work Promotion Act.

SUBTITLE A—INCREASED RELIABILITY OF CHILD SUPPORT

SEC. 311. COMPLIANCE WITH MULTILATERAL CHILD SUPPORT CONVENTIONS

Secretary's authority to ensure compliance with multilateral child support convention

Present law

The United States has generally dealt with international child support enforcement cases by negotiating bilateral agreements with individual countries. The U.S currently has bilateral agreements with 15 countries and 12 Canadian provinces/territories. Unlike multilateral agreements, the procedures and forms of bilateral agreements vary from country to country. Although courts and child support enforcement agencies in the United States already recognize and enforce most foreign child support orders, many foreign countries have not been processing child support requests from the United States.

On November 23, 2007, after four years of deliberation, the Hague Convention on the International Recovery of Child Support and Other Forms of Family Maintenance (referred to herein as the Convention) was adopted at the conclusion of the Twenty-First Diplomatic Session of The Hague Conference on Private International Law at The Hague, The Netherlands. The United States delegation was the first country to sign the Convention. Other signatories currently include Albania, Bosnia and Herzegovina, the European Union, Norway, and Ukraine. The Convention offers the United States the opportunity to join a multilateral treaty, saving the time and expense that would otherwise be required to negotiate bilateral agreements with individual countries around the world. The Convention is expected to result in more U.S. children receiving the financial support they need from their noncustodial parents, regardless of where the parents live.

The Convention does not affect intrastate or interstate child support cases in the United States. It only applies to cases where the

custodial parent and child live in one country and the noncustodial parent lives in another country.

On September 29, 2010, the U.S. Senate approved the Resolution of Advice and Consent regarding the Convention. In order for the Convention to enter into force for the United States, Congress must adopt, and there must be enacted, implementing legislation for the Convention.

Committee bill

The Committee Bill would require the Secretary of HHS to use federal and, if necessary, state child support enforcement methods to ensure compliance with any U.S. treaty obligations associated with any multilateral child support convention to which the United States is a party.

Access to the Federal Parent Locator Service

Present law

Under current federal law, the Federal Parent Locator Service (FPLS) is only allowed to transmit information in its databases to "authorized persons," which include (1) child support enforcement agencies (and their attorneys and agents); (2) courts; (3) the resident parent, legal guardian, attorney, or agent of a child owed child support; and (4) foster care and adoption agencies.

The FPLS is an assembly of computer systems operated by the Office of Child Support Enforcement (OCSE), to assist states in locating noncustodial parents, putative fathers, and custodial parties for the establishment of paternity and child support obligations, as well as the enforcement and modification of orders for child support, custody, and visitation. The FPLS assists federal and state agencies to identify overpayments and fraud, and assists with assessing benefits. Developed in cooperation with the states, employers, federal agencies, and the judiciary, the FPLS was expanded by P.L. 104–193 (the Personal Responsibility Work Opportunity Reconciliation Act of 1996) to include the following:

- The National Directory of New Hires (NDNH): a central repository of employment, unemployment insurance, and wage data from State Directories of New Hires, State Workforce Agencies, and federal agencies.
- The Federal Case Registry (FCR): a national database that contains information on individuals in child support cases and child support orders.
- The Federal Offset Program (FOP): a program that collects past-due child support payments from the tax refunds of parents who have been ordered to pay child support.
- The Federal Administrative Offset Program (FAOP): a program that intercepts certain federal payments in order to collect past-due child support.
- The Passport Denial Program (PDP): a program that works with the Secretary of State in denying passports of any person that has been certified as owing a child support debt greater than $2,500.
- The Multistate Financial Institution Data Match (MSFIDM): a program that allows child support agencies a means of locating financial assets of individuals owing child support.

In addition, the FPLS also has access to external sources for locating information such as the Internal Revenue Service (IRS), the Social Security Administration (SSA), the Department of Veterans Affairs (VA), the Department of Defense (DOD), National Security Agency (NSA), and the Federal Bureau of Investigation (FBI).

Committee bill

The Committee Bill would expand the definition of an "authorized person" to include an entity designated as a Central Authority for child support enforcement in a "foreign reciprocating country" or in a "foreign treaty country" in cases involving international enforcement of child support.

State option to require individuals in foreign countries to apply through their country's appropriate central authority

Present law

A CSE state plan must provide that any request for CSE services by a foreign reciprocating country or a foreign country with which the state has an arrangement must be treated as a request by a state.

Committee bill

The Committee Bill would give states the option to require individuals in foreign countries to apply for CSE services through their country's appropriate central authority for child support enforcement. If the individual resides in a foreign country that is not a "reciprocating" or "treaty" country, the state may choose to accept or reject the application for CSE services.

The Committee Bill would include requests for CSE services by a "foreign treaty country" that has a reciprocal arrangement with a state as though it is a request by a state. It would include a "foreign treaty country" and a "foreign individual" as entities that do not have to provide applications, and against whom no costs will be assessed, for CSE services.

Note

The Committee Report corrects an error in the Chairman's Mark. The Paragraph describing that the Mark "Would give states the option to require individuals in foreign countries to apply for CSE services through their country's appropriate central authority for child support enforcement. If the individual resides in a foreign country that is not a "reciprocating" or "treaty" country, the state may choose to accept or reject the application for CSE services." was omitted from the Chairman's Mark and the paragraph directly following was repeated twice. The corresponding legislative text is correct.

Amendments to international support enforcement provisions

Present law

P.L. 104–193 (the Personal Responsibility Work Opportunity Reconciliation Act of 1996) established procedures for international enforcement of child support. The Secretary of State, with the concurrence of the Secretary of HHS, is authorized to declare reciprocity

with foreign countries having requisite procedures for establishing and enforcing child support orders.

Committee bill

The Committee Bill would establish a definition for three terms: (1) "foreign reciprocating country," (2) "foreign treaty country," and (3) "2007 Family Maintenance Convention."

- It would define a "foreign reciprocating country" as a foreign country (or political subdivision thereof) with respect to which the HHS Secretary has declared as having or implementing procedures to establish and enforce duties of support for residents of the United States at no cost or at low cost.
- It would define a "foreign treaty country" as a foreign country for which the 2007 Family Maintenance Convention is in force.
- It would define the term "2007 Family Maintenance Convention" to mean the Hague Convention of November 23, 2007 on the International Recovery of Child Support and Other Forms of Family Maintenance.

The Committee Bill would make it the responsibility of the HHS Secretary to facilitate support enforcement in cases involving residents of the United States and residents of "foreign reciprocating countries" or "foreign treaty countries."

The Committee Bill would include "foreign treaty countries" as entities which can receive notification as to the state of residence of the person being sought for child support enforcement purposes. It would include "foreign reciprocating countries" and "foreign treaty countries" as entities that states may enter into reciprocal arrangements with for the establishment and enforcement of child support obligations.

Collection of past-due support from federal tax refunds

Present law

The Federal Income Tax Refund Offset program collects past-due child support payments from the income tax refunds of noncustodial parents who have been ordered to pay child support. The program is a cooperative effort between the federal Office of Child Support Enforcement (OCSE), the Internal Revenue Service (IRS), and state CSE agencies. Under the Federal Income Tax Refund Offset program, the IRS, operating on request from a state filed through the Secretary of HHS, intercepts tax returns and deducts the amount of certified child support arrearages. The money is then sent to the state CSE agency for distribution.

Committee bill

The Committee Bill would amend federal law so that the federal income tax refund offset program is available for use by a state to handle CSE requests from foreign reciprocating countries and foreign treaty countries.

State law requirement concerning the Uniform Interstate Family Support Act (UIFSA)

Present law

In the past, collecting child support across state lines was difficult. Laws varied from state to state, often causing complications

that delayed the establishment and/or enforcement of child support orders. Congress recognized this problem and mandated (pursuant to P.L. 104–193) that all states adopt UIFSA to facilitate collecting child support across state lines. (Section 466(f)) P.L. 104–193 required that the 1996 version of UIFSA be adopted. It has been adopted in every state, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

The National Conference of Commissioners on Uniform State Laws (NCCUSL) approved additional amendments to UIFSA in August 2001. However, there is no federal mandate for states to enact the 2001 amendments. To date, only 21 states and the District of Columbia have adopted the 2001 amendments to UIFSA. In July 2008, the NCCUSL approved amendments to the 2001 UIFSA (referred to as UIFSA 2008), to integrate the appropriate provisions of the Convention. Similarly, there is no federal mandate for states to enact UIFSA 2008. To date, only 11 states have adopted the 2008 amendments to UIFSA. States that have adopted UIFSA 2008 now stand ready to immediately implement the Convention if it is ratified.

Committee bill

The Committee Bill would require that for a state to receive federal CSE funding, each state's UIFSA must include verbatim any amendments officially adopted as of September 30, 2008, by the National Conference of Commissioners on Uniform State Laws (NCCUSL). States would be required to adopt the 2008 amendments verbatim to ensure uniformity of procedures, requirements, and reporting forms.

Full faith and credit for child support orders

Present Law

Federal law requires states to treat past-due child support obligations as final judgments that are entitled to full faith and credit in every state. This means that a person who has a child support order in one state does not have to obtain a second order in another state to obtain child support due should the noncustodial parent move from the issuing court's jurisdiction. Congress passed P.L. 103–383, the Full Faith and Credit for Child Support Orders Act (FFCCSOA), in 1994 because of concerns about the growing number of child support cases involving disputes between parents who lived in different states and the ease with which noncustodial parents could reduce the amount of the obligation or evade enforcement by moving across state lines. P.L. 103–383 required courts of all United States territories, states, and tribes to accord full faith and credit to a child support order issued by another state or tribe that properly exercised jurisdiction over the parties and the subject matter. P.L. 103–383 addressed the need to determine, in cases with more than one child support order issued for the same obligor and child, which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement. P.L. 103–383 restricted a state court's ability to modify a child support order issued by another state unless the child and the custodial parent have moved to the state where the modification is sought or have agreed to the modification. The 1996 welfare reform law (P.L. 104–193) clarified

the definition of a child's home state and made several revisions to ensure that the full faith and credit laws could be applied consistently with UIFSA.

One of the most important aspects of UIFSA is its provisions related to continuing, exclusive jurisdiction. Consistent with UIFSA's policy of "one order, one time, one place," only one court is authorized to establish or modify a child support order at a time. UIFSA provides that the court or administrative agency that issues a valid child support order retains "continuing, exclusive jurisdiction" to modify an existing order, as long as the custodial parent, the noncustodial parent, or the child remains in the issuing state. This provision limits the number of duplicate and conflicting orders, and reduces "forum" shopping by parents seeking to increase or decrease the amount of child support payments.

Committee bill

The Committee Bill would clarify present law by stipulating that a state court that has established a child support order has continuing, exclusive jurisdiction to modify its order if the order is the controlling order and (1) the state is the child's state of residence or that of any individual contestant or (2) the contestants consent in a record or in open court that the court may continue to exercise jurisdiction to modify its order.

The Committee Bill would also clarify that a state no longer has continuing, exclusive jurisdiction of a child support order if the state is not the residence of the child or an individual contestant, and the contestants have not consented in a record or in open court that the court of the other state may continue to exercise jurisdiction to modify its order.

The Committee Bill would provide further clarification of under what conditions a state could modify a child support order.

SEC. 312. RELIEF FROM PASSPORT SANCTIONS FOR CERTAIN INDIVIDUALS

Present law

P.L. 104–193 (the 1996 welfare reform law) authorized the Secretary of State to deny, revoke, or restrict passports of debtor parents whose child support arrearages exceed $5,000. P.L. 109–171 (the Deficit Reduction Act of 2005) included a provision that lowered the threshold amount from $5,000 to $2,500 for denial of a passport to a noncustodial parent who owes past-due child support.

Committee bill

The Committee Bill would allow the Secretary of State to issue certain noncustodial parents (with child support arrearages over the $2,500 threshold) passports if the Secretary of State certifies that the noncustodial parent's passport application includes evidence that he or she (1) has an income below $100,000; (2) only owes child support arrearages (and is not incurring any new child support obligations); (3) does not owe child support arrearages for a child under age 18; (4) has been making child support payments consistently and in good faith for the last 12 months; and (5) has a current offer to work outside of the United States, an offer to interview for work outside of the United States, a professional his-

tory of working outside of the United States, a job that requires travel outside of the United States, or is enrolled in a professional training program that requires travel outside of the United States.

The Committee Bill would require the Secretary of State to revoke a passport issued to a noncustodial parent upon a determination that the individual has failed to make child support payments consistently and in good faith for more than six months.

The Committee Bill would require the Secretary of State to report the issuance of such passports to HHS. It would also require HHS to report the issuance of such passports to state CSE agencies.

Committee note

This provision appears as modified by the amendment offered by Senator Grassley.

SEC. 313. CHILD SUPPORT ENFORCEMENT PROGRAMS FOR INDIAN TRIBES

Tribal access to the Federal Parent Locator Service (FPLS)

Present law

In contrast to the federal matching rate of 66% for CSE programs run by the states or territories, pursuant to P.L. 104–193 (the Personal Responsibility and Work Opportunity Reconciliation Act of 1996), the CSE program provides 90% federal funding for approved CSE programs operated by tribes or tribal organizations during the first three years of full program operation, and provides 80% federal funding thereafter. Tribes and tribal organizations also may apply for two-year start-up grants which receive direct federal funding equal to 100% of approved and allowable CSE expenditures during the start-up period. As of June 2013, 51 Indian tribes or tribal organizations operated comprehensive tribal CSE programs and nine Indian tribes or tribal organizations operated start-up tribal CSE programs.

There is no statutory authority for direct tribal access to the FPLS and federal tax refund offset. However, the tribe could receive FPLS data from a state through an intergovernmental agreement. Under current federal law, the FPLS is only allowed to transmit information in its databases to "authorized persons."

Committee bill

The Committee Bill would provide Indian tribes or tribal organizations access to the FPLS by designating them as "authorized persons."

Waiver authority for Indian tribes or tribal organizations operating child support enforcement programs

Present law

The federal Office of Child Support Enforcement (OCSE) is authorized to fund state demonstration grants to test and evaluate new policies and practices that are intended to improve the operation of the child support program.

Committee bill

The Committee Bill would allow Indian tribes or tribal organizations that operate a CSE program to be considered a state for purposes of authority to conduct an experimental pilot or demonstration project under the section 1115 waiver authority to assist in promoting the objectives of the CSE program. (An Indian tribe or tribal organization that is applying for or receiving funding for a start-up CSE program would not be eligible for section 1115 demonstration grants.)

SEC. 314. PARENTING TIME ARRANGEMENTS

Present law

To promote visitation and better relations between custodial and noncustodial parents, P.L. 104–193 (the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) created the Access and Visitation Grants program. Funding for the program began in FY1997 with a capped alottment of $10 million per year, with each state required to contribute ten percent of the total program costs. Each governor designated a state agency which uses these grant funds to establish and administer programs to support and facilitate noncustodial parents' access to and visitation with their children. The statute specifies certain activities which may be funded, including: voluntary and mandatory mediation, counseling, education, the development of parenting plans, supervised visitation, neutral drop-off and pick-up, and the development of guidelines for visitation and alternative custody arrangements.

The Access and Visitation Grants program funding is separate from funding for federal and state administration of the Child Support Enforcement program. According to data from the federal Office of Child Support Enforcement (OCSE), all 50 states plus the District of Columbia, Guam, Puerto Rico, and the Virgin Islands have provided access and visitation services to over a half million noncustodial parents and their families since the program became operational in FY1998.

Committee bill

The Committee Bill would require states to implement procedures for the establishment of voluntary parenting time arrangements (sometimes known as visitation) at the time a child support order is initiated for unmarried parents, just as custody arrangements are typically settled at the same time divorces are finalized. Voluntary parenting time arrangements procedures are to be implemented in cases that are not contested (for such services) and where there are safeguards against family or domestic violence, dating violence, sexual assault, or stalking.

The Committee Bill would require states, as part of their CSE State Plan, to provide for a process for including in the mandatory annual reviews and reports on the state CSE program (to the HHS Secretary) information regarding the policies and practices implemented by the state or which the state plans to implement to facilitate access to and visitation of children by noncustodial parents.

SEC. 315. EFFICIENT USE OF THE NATIONAL DIRECTORY OF NEW HIRES DATABASE FOR FEDERALLY SPONSORED RESEARCH ASSESSING THE EFFECTIVENESS OF FEDERAL POLICIES AND PROGRAMS IN ACHIEVING POSITIVE LABOR MARKET OUTCOMES

Present law

The National Directory of New Hires (NDNH) is part of the FPLS. It is a database that contains personal and financial data on nearly every working American, as well as those receiving unemployment compensation. Contrary to its name, the NDNH includes more than just information on new employees. It is a database that includes information on (1) all newly hired employees, compiled from state reports (and reports from federal employers), (2) the quarterly wage reports of existing employees (in Unemployment Compensation (UC)-covered employment), and (3) unemployment compensation claims

The NDNH was established to help states locate noncustodial parents living in a different state so that child support payments could be withheld from that parent's paycheck. Since its enactment in 1996, the NDNH has been extended to several additional programs and agencies to verify program eligibility, prevent or end fraud, collect overpayments, or assure that program benefits are correct.

Current law requires that states have safeguards against unauthorized use or disclosure of all confidential information handled by the CSE agency.

In addition, any person who unlawfully discloses the Social Security number of another person shall be guilty of a felony and upon conviction thereof shall be fined, imprisoned not more than five years, or both.

Under current law new hire reports must be deleted from the NDNH 24 months after the date of entry.

Committee bill

The Committee Bill would allow the HHS Secretary to provide access to data in each component of the FPLS as well as information reported by employers via the NDNH for (1) research undertaken by a state or federal agency (including through grant or contract) for purposes found by the Secretary to be likely to contribute to achieving the goals of Title IV–A of the Social Security Act (which includes the TANF block grant program and the Healthy Marriage and Responsible Fatherhood programs) or the CSE program (Title IV–D of the Social Security Act), or (2) an evaluation or statistical analysis undertaken to assess the effectiveness of a federal program in achieving positive labor market outcomes (including through grant or contract), by a specified federal department or agency.

The Committee Bill would stipulate that applicable data or information may include a personal identifier only if the state and federal agency conducting the relevant research or the federal department or agency undertaking the evaluation or statistical analysis enters into an agreement with the HHS Secretary regarding the security and use of the data or information. It would require the agreement to include such restrictions or conditions with respect to the use, safeguarding, disclosure, or re-disclosure of the data or in-

formation (including by contractors or grantees) as the Secretary deems appropriate. The Committee Bill would also require that the data or information be used exclusively for the purposes described in the agreement. In addition, the Committee Bill requires the Secretary to determine that the provision of data or information is the minimum amount needed to conduct the research, evaluation, or statistical analysis and that it will not interfere with the effective operation of the CSE program. (Note that these provisions are in addition to the current law provisions concerning disclosure and use of research information as well as information integrity and security.)

The Committee Bill would stipulate that any individual who willfully discloses a personal identifier (such as a name or Social Security number) in any manner to an entity not entitled to receive the data or information, shall be fined, imprisoned not more than five years, or both.

The Committee Bill would require that new hire reports be deleted from the NDNH 48 months after the date of entry.

Committee note

This provision was included as a result of a roll call vote on an amendment offered by Senator Wyden.

SUBTITLE B—CHILD SUPPORT ENFORCEMENT TASK FORCE

SEC. 321. CHILD SUPPORT ENFORCEMENT TASK FORCE

Present law

No provision.

Committee bill

The Committee Bill would establish a Child Support Enforcement Task Force to study and evaluate the effectiveness of existing CSE programs and collection practices by state CSE agencies and make recommendations to Congress. The Committee Bill would require the Task Force to be composed of 15 members: (1) the Assistant Secretary of the Administration for Youth and Families (HHS); (2) five members appointed by the Senate, one selected by the Majority Leader, one selected by the Minority Leader, one selected by the Finance Committee chairman, one selected by the ranking member of the Finance Committee, and one jointly selected by the chairman and ranking member of the Finance Committee; (3) five members appointed by the House, one selected by the Speaker of the House, one selected by the Minority Leader, one selected by the Ways and Means Committee chairman, one selected by the ranking member of the Ways and Means Committee, one selected jointly by the chairman and ranking member of the Ways and Means Committee; and (4) four members appointed by the President. The Committee Bill would require that the appointments of the members of the Task Force be made not later than six months after enactment. Would require the Task Force to hold at least three public meetings which would include: (1) CSE program administrators; (2) family court judges or judges that preside over issues related to child support enforcement, child welfare, or social services for children and their families, and organizations that represent such judges; (3) custodial parents and/or organizations that represent

them, (4) noncustodial parents and/or organizations that represent them; and (5) organizations that represent fiduciary entities that are affected by CSE policies. The Committee Bill would transfer $2 million from the unobligated balance of funds for Section 414 of the Social Security Act (i.e., study by the Census Bureau related to the Temporary Assistance for Needy Families (TANF) program) for the Task Force to carry out its duties. The funds would remain available through FY2016. The Committee Bill would require the Task Force to submit its report to Congress by January 1, 2016.

SUBTITLE C—EFFECTIVE DATES

SEC. 331. EFFECTIVE DATES

The Committee Bill would require the provisions to take effect on enactment, except for the UIFSA amendment and the parenting time arrangements amendment to the CSE state plan which would take effect on October 1, 2014. If states must amend state law to comply with the two amendments mentioned above, the changes must be made no later than the first day of the first calendar quarter beginning after the close of the first regular session of the state legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a state that has a biannual legislature, each year of the session is considered to be a separate regular session of the state legislature. The Committee Bill would require amendments related to relief from passport sanctions and CSE programs for Indian tribes to take effect one year after the date of enactment.

LIST OF TERMS

ACYF: Administration on Children, Youth and Families
AFCARS: Adoption and Foster Care Analysis and Reporting System
APPLA: Another planned permanent living arrangement
CSE: Child support enforcement
DOD: Department of Defense
FBI: Federal Bureau of Investigation
FAOP: Federal Administrative Offset Program
FCR: Federal Case Registry
FOP: Federal Offset Program
FFCCSOA: Full Faith and Credit for Child Support Orders Act (P.L 103–383)
FOIA: The Freedom of Information Act of 1996 (P.L. 104–231)
FPLS: Federal Parent Locator Service
HHS : Department of Health and Human Services
IRS: Internal Revenue Service
MSFIDM: Multistate Financial Institution Data Match
NCCUSL: National Conference of Commissioners on Uniform State Laws
NCIC: National Crime Information Center
NCMEC: National Center for Missing and Exploited Children
NDNH: National Directory of New Hires
NSA: National Security Agency
OCSE: Federal Office of Child Support Enforcement
PDP: Passport Denial Program
SIPP: Survey of Income and Program Participants

SSA: Social Security Administration
TANF: Temporary Assistance for Needy Families
TVPA: Trafficking Victims Protection Act (P.L. 106–386)
UIFSA: Uniform Interstate Family Support Act
VA: Department of Veterans Affairs

III. BUDGET EFFECTS OF THE BILL

INFORMATION RELATING TO UNFUNDED MANDATES

The statement of unfunded mandates from the Director of the Congressional Budget Office was not available at the time the Committee Report was submitted. Pursuant to section 423(f)(2) of the Unfunded Mandates Act of 1995 (P.L. 104–4) the statement will be published in the Congressional Record in advance of floor consideration of the Committee Bill.

COST ESTIMATE

In compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the following statement is made concerning the estimated budget effects of the "Supporting At-Risk Youth Act" as reported.

JANUARY 27, 2014.

Hon. MAX BAUCUS,
Chairman, Committee on Finance,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1870, the Supporting At-Risk Children Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are David Rafferty and Elizabeth Cove Delisle.

Sincerely,

DOUGLAS W. ELMENDORF, *Director.*

Enclosure.

S. 1870—Supporting At-Risk Children Act

Summary: S. 1870 would make numerous changes to programs for children and families within the Department of Health and Human Services (HHS). Among those changes, the bill would extend funding for Family Connection Grants, impose new placement and reporting rules in foster care, and require states to provide services so that unmarried parents could establish visitation agreements when setting up their child-support order.

CBO estimates that enacting the bill would increase direct spending by $487 million over the 2014–2024 period; therefore, pay-as-you-go procedures apply to the bill. Enacting S. 1870 would not affect revenues.

In addition, CBO estimates that implementing the bill would have a discretionary cost of $125 million over the 2014–2024 period, assuming appropriation of the authorized amounts.

S. 1870 would impose intergovernmental mandates, as defined in the Unfunded Mandates Reform Act (UMRA), by increasing the stringency of conditions on state governments in their implementation of the Foster Care, Adoption Assistance, and Child Support

Enforcement programs. CBO estimates, however, that the cost of the mandates would not exceed the threshold established in UMRA for intergovernmental mandates ($76 million in 2014, adjusted annually for inflation). The bill contains no private-sector mandates as defined in UMRA.

Estimated cost to the federal government: The estimated budgetary impact of S. 1870 is shown in the following table. The costs of this legislation fall within budget functions 500 (education, training, employment, and social services) and 600 (income security).

	By fiscal year, in millions of dollars—												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2014–2019	2014–2024
CHANGES IN DIRECT SPENDING													
Parenting Time Arrangements:													
Estimated Budget Authority	0	15	32	33	35	36	37	39	41	42	44	151	354
Estimated Outlays	0	15	32	33	35	36	37	39	41	42	44	151	354
Identity Documents for Youth in Foster Care:													
Estimated Budget Authority	0	4	5	7	7	7	7	6	6	6	6	30	61
Estimated Outlays	0	4	5	7	7	7	7	6	6	6	6	30	61
Family Connection Grants:													
Estimated Budget Authority	15	15	15	0	0	0	0	0	0	0	0	45	45
Estimated Outlays	*	10	14	15	5	1	0	0	0	0	0	45	45
Child Support for Youth in Foster Care:													
Estimated Budget Authority	*	3	3	3	3	3	3	3	3	3	3	15	30
Estimated Outlays	*	3	3	3	3	3	3	3	3	3	3	15	30
Foster Care and Guardianship Assistance:													
Estimated Budget Authority	*	*	*	*	*	−1	−1	−1	−1	−1	−1	−1	−7
Estimated Outlays	*	*	*	*	*	−1	−1	−1	−1	−1	−1	−1	−7
Data Collection and Reporting Requirements:													
Estimated Budget Authority	0	2	2	1	0	0	0	0	0	0	0	5	5
Estimated Outlays	0	2	2	1	0	0	0	0	0	0	0	5	5
Compliance with Multilateral Child Support Conventions:													
Estimated Budget Authority	*	*	*	*	*	*	*	*	*	*	*	*	−1
Estimated Outlays	*	*	*	*	*	*	*	*	*	*	*	*	−1
Total Changes in Direct Spending:													
Estimated Budget Authority	15	39	57	44	45	45	46	47	49	50	52	245	487
Estimated Outlays	*	34	56	59	50	46	46	47	49	50	52	245	487
CHANGES IN SPENDING SUBJECT TO APPROPRIATION													
Authorization Level	43	43	43	0	0	0	0	0	0	0	0	129	129
Estimated Outlays	15	36	41	27	6	*	0	0	0	0	0	125	125

Notes: Components may not sum to totals because of rounding.
* = between −$500,000 and $500,000.

Basis of estimate: For this estimate, CBO assumes that the legislation will be enacted in 2014, that the authorized amounts will be appropriated for each year, and that outlays will follow historical spending patterns for the programs.

Direct spending: In total, CBO estimates that enacting S. 1870 would increase direct spending by $487 million over the 2014–2024 period.

Parenting Time Arrangements. Section 314 would require states to provide services so that unmarried parents could establish visitation agreements when setting up their child-support order. (Divorcing parents often establish parenting time arrangements as part of their divorce proceedings in family court.) According to HHS, the majority of the 1.2 million child-support orders established each year are for children whose parents were not married at the time of their birth. Based on information from the Office of Child Support Enforcement, CBO anticipates states would establish around 750,000 parenting time arrangements each year. CBO expects an average federal cost of around $50 per arrangement, as the federal government reimburses states for 66 percent of their costs to administer the child support program. As a result, enacting section 314 would increase direct spending by about $350 million over the 2014–2024 period, CBO estimates.

Identity Documents for Youth in Foster Care. Section 222 would require states to ensure that certain youth have a birth certificate, Social Security card, state identification document or driver's license, and (if desired) bank account before exiting foster care. The bill also would require HHS to penalize states that do not comply by reducing the federal reimbursement to such states for foster-care administrative expenses. CBO expects that states would achieve a high level of compliance given the potentially significant penalties—but that those penalties nonetheless would amount to several million dollars per year, partially offsetting the federal costs for implementing this provision. Based on data from the Department of Homeland Security, Social Security Administration, state motor-vehicle and vital-records agencies, and HHS, CBO estimates that on net, enacting section 222 would increase direct spending by about $60 million over the 2014–2024 period.

Family Connection Grants. Section 121 would appropriate $15 million for each year from 2014 through 2016 for Family Connection grants to assist children who are either in foster care or at risk of entering foster care to re-establish connections with family members. Based on historical patterns of spending in the program, CBO estimates that extending the program for those years would increase direct spending by $45 million over the 2014–2024 period, with most of those outlays falling in fiscal years 2015 through 2017.

Child Support for Youth in Foster Care. Section 212 would require states to pass through child-support collections to specified youth in foster care who are age 14 or older instead of retaining those collections to reimburse the state and federal government for foster-care payments on the child's behalf. Based on data from the Adoption and Foster Care Analysis and Reporting System and HHS, CBO estimates that enacting this provision would increase direct spending by $30 million over the 2014–2024 period.

Foster Care and Guardianship Assistance. Section 116 would preserve a child's eligibility for a kinship guardian assistance payment if his relative guardian were replaced, because of death or incapacity, with a successor legal guardian named in the kinship guardian agreement. Based on the difference in federal costs for eligible children in kinship guardianships and other child-welfare placements, CBO estimates that this provision would decrease direct spending by $7 million over the 2014–2024 period.

Data Collection and Reporting Requirements. Sections 117 and 231 would require states to collect in their child-welfare information systems certain data about disrupted or dissolved adoptions and guardianships and trafficking victims. Based on information from state child-welfare and information-technology agencies and from HHS about likely programming and implementation costs and federal reimbursement rates, CBO estimates that enacting those two provisions would increase direct spending by $5 million over the 2014–2024 period.

Compliance with Multilateral Child Support Conventions. Section 311 would implement the Hague Convention on the International Recovery of Child Support and Other Forms of Family Maintenance, to which the U.S. Senate gave its consent in September 2010. The bill would simplify some administrative steps related to enforcing child support orders involving another treaty nation. CBO estimates that implementing section 311 would reduce direct spending by $1 million over the 2014–2024 period.

Other Provisions. Additionally, S. 1870 includes several provisions whose net effect on direct spending would not be significant.

• *Improving Collection of Unemployment Insurance Overpayments.* Section 131 would require states to use the Treasury Offset Program to seek to recover overpayments of unemployment compensation. However, a nearly identical provision that targets substantially the same overpayments was enacted in December as part of the Bipartisan Budget Act of 2013 (Public Law 113–67). Consequently, CBO expects that section 131 would have little or no additional effect on the budget.

• *Identifying and Screening Trafficking Victims.* Section 211 would require states to attest in their state plan for child welfare that they have developed and are implementing policies to identify, screen, and provide services to child trafficking victims. Based on conversations with numerous state officials about existing state laws and policies regarding victims of trafficking, CBO estimates that enacting section 211 would not significantly affect direct spending by the federal government.

• *Planned Permanent Living Arrangements for Youth in Foster Care.* Several provisions in section 212 would make changes to Title IV–E of the Social Security Act to encourage or require states to seek reunification with parents, adoption, or placement with a legal guardian as the planned permanent living arrangement for youth in foster care age 14 or older. Consequently, some youth could be placed in a living arrangement with a higher cost to the federal government (such as remaining in federally reimbursed foster care instead of being emancipated from foster care), while others could be placed in a lower-cost setting (such as a kinship guardianship instead of foster care). Based on information from several states and HHS, CBO estimates that the effects of those provisions

in section 212 would roughly offset each other and thus would not have a significant net effect on direct spending.

• *Advisory Committee and Task Force.* Sections 241 and 321 would establish an advisory committee and task force to be funded from unobligated balances in a particular Census Bureau account. CBO estimates that insufficient unobligated balances exist to fund the committee and task force. Furthermore, CBO projects that all of the funds that will be made available in future years will be spent, leaving no unobligated balances to use for those new purposes. Therefore, enacting sections241 and 321 would have no effect on direct spending.

Spending subject to appropriation: The bill would reauthorize and amend the Adoption Incentives program through 2016. This program provides payments to states for increasing, within different categories, the number of children they place in adoption each year above baseline standards. The bill would authorize the appropriation of $43 million each year from 2014 through 2016. Based on historical patterns of spending in the program, CBO estimates that implementing the reauthorization would cost $15 million in 2014 and $125 million over the 2014–2019 period, assuming the appropriation of the authorized amounts. The bulk of that spending would occur in fiscal years 2014 through 2017.

Pay-as-you-go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

CBO ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR S. 1870 AS ORDERED REPORTED BY THE SENATE COMMITTEE ON FINANCE ON DECEMBER 19, 2013

	By fiscal year, in millions of dollars—												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2014–2019	2014–2024
NET INCREASE IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	34	56	59	50	46	46	47	49	50	52	245	487

Intergovernmental and private-sector impact: For large entitlement grant programs like Foster Care, Adoption Assistance, and Child Support Enforcement, UMRA defines an increase in the stringency of conditions on states or localities as an intergovernmental mandate if the affected governments lack authority to offset those costs while continuing to provide required services. Under the Foster Care and Adoption Assistance programs, the bill would require states to comply with new standards for collecting and reporting program information to federal authorities. States also would be required to ensure that a child who leaves foster care receives a copy of his or her official birth certificate, a Social Security card, and a driver's license or identification card, and that the child is able to open an account at a bank or credit union. S. 1870 also would require states to implement procedures for establishing voluntary visitation arrangements at the time a child support order is initiated.

Since these requirements would be additional conditions for receiving federal assistance from large entitlement programs and

since states have limited flexibility to amend their responsibilities under those programs to offset the additional costs, the requirements would be intergovernmental mandates. CBO estimates the costs to states to comply with the mandates would total more than $50 million by 2018 but would not exceed the threshold established in UMRA for intergovernmental mandates ($76 million in 2014, adjusted annually for inflation). The bill contains no private-sector mandates as defined in UMRA.

CBO has not reviewed section 311 for intergovernmental or private-sector mandates because section 4 of UMRA excludes from the application of that act any legislative provisions that are necessary for the ratification or implementation of international treaty obligations. CBO has determined that section 311 falls within that exclusion.

Estimate prepared by: Federal Costs: David Rafferty and Elizabeth Cove Delisle; Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum; Impact on the Private Sector: Chung Kim.

Estimate approved by: Peter H. Fontaine, Assistant Director for Budget Analysis.

ADDITIONAL CLARIFICATIONS PROVIDED BY MEMBERS OF THE FINANCE COMMITTEE

SENATOR PORTMAN

Post-adoption services are not available to internationally adopted children, even though they are citizens of the United States. There was a Reuters series this fall about the underground "child trading" within international adoption community. Since state child welfare agencies are not involved in international adoption proceedings, there is really no way for them to track internationally adopted children at the state level. I offered an amendment to open up resources for kids and families who are struggling and need help after the adoption is complete—before problems rise to the level greater child welfare or foster care involvement. I am encouraged that the Chairman has agreed to examine this issue further and has committed to hold a committee hearing on this subject. In light of this commitment, I will withdraw my amendment.

I am pleased that the Finance committee will advance provisions from the Child Sex Trafficking Data and Response Act as part of a broader child welfare package.

Senator Wyden and I introduced this legislation in June 2013 and we have received strong bipartisan backing from many members of this committee. This measure is critical because we know that there are many instances when state child welfare systems fail to properly identify and assist trafficked and exploited children. This legislation would streamline data collection and reporting on sex trafficking. It would ensure that exploited children qualify for and receive services through the child welfare system. It would also enhance data collection on children who have been identified as victims of sex trafficking.

I am grateful the Chairman and my colleagues for joining me to support this important measure to better deal with child sex trafficking.

SENATOR WYDEN

On December 12, 2013, the Senate Finance Committee advanced legislation that would have an immense positive impact on the lives of vulnerable children in this country. I am proud of the work this Committee has done in the arena of child welfare and profoundly grateful for Chairman Baucus and Ranking Member Hatch's dedication to advocating for this nation's most precious resource: our children.

I would like to take this opportunity to describe and restate my strong support for an amendment that I offered and the Committee accepted to the Supporting At-Risk Children Act. This amendment, Wyden #1, would allow specified federal agencies to access the National Directory of New Hires (NDNH) for research projects in

order to evaluate the effectiveness of federal policies and programs—many of which were created and are overseen by this Committee—in achieving positive labor market outcomes.

In Fiscal Year 2013, the federal government spent over $185 billion on higher education and workforce development programs including tax subsidies, grants, work study, student loans, and employment and training programs at various federal agencies. State and local governments spent even more. Despite these significant outlays, relatively little is known about the return on investment of taxpayer dollars.

This amendment would take a critical step forward in providing the hard data needed to ensure that money is not being wasted on ineffective programs and policies—and another important step toward true evidence-based budgeting. In an era of constrained resources, it is crucial that reliable data is available to measure performance and conduct cost-effective, rigorous evaluations of federal investments.

Simply, this amendment would allow the NDNH's earnings records to be used to determine the extent to which federal education, training, and social service programs help people get jobs and earn family-sustaining wages. The language is identical to language included in H.R. 1896, which was passed in the House of Representatives by a vote of 394–27.

As some have expressed a concern over the data security and privacy implications of my amendment, I would like to take this opportunity to address this concern in more detail. To begin, it is important to note that this amendment does not authorize any new data collection; it would narrowly expand the authorized uses of earnings data that the federal government currently collects, to enable this data to be used in a smarter and secure way.

The Department of Health and Human Services' Office of Child Support Enforcement, where the NDNH is housed, goes through a rigorous process to protect the privacy and confidentiality of the data, as required by statute. HHS follows the Government Accountability Office's recommended best practices, including ensuring that the NDNH data is only accessed by authorized parties, is only accessed for narrowly authorized purposes, that only the minimum amount of data needed is accessed, and that the data will be protected during the entire chain of custody—including agency contractors. Importantly, the NDNH has never had a data breach in its 16-year history.

Under current practice, the exact same wage record data contained within the NDNH is accessible for research purposes, but only after a burdensome and expensive process. Gordon Berlin, on behalf of MDRC, explained in his testimony before the House Ways and Means Committee:

> Research firms that are funded by federal agencies to evaluate programs often rely on data collected by states from employers on employment and earnings, data that the states already report to the federal government for certain child support enforcement and other purposes. These data are housed in accessible form at the federal level within the National Directory of New Hires (NDNH) database. However, research contractors are generally unable

> to access this essential database for assessing whether federally supported programs actually work. Instead, they are forced to get the very same data directly from the states, at great cost to the federal government and at considerable burden in duplicative reporting for the states. If the NDNH database were made available to evaluators (with appropriate privacy safeguards), it would enable Congress and the federal agencies to assess the impact that social programs have on jobs and earnings at much less cost and burden to the federal government and the states.

Current federal law forces researchers and evaluators to gather data in a piecemeal and state-by-state fashion, and because state data laws governing data privacy and security vary widely in strength and enforcement, a singular, defined federal process will not only improve the quality of data, it will enhance the security of such data.

This amendment expands access to the NDNH in a narrow way to facilitate better evaluation and to reduce taxpayer and state cost and burden. The narrow expansion would allow particular units within 10 agencies to use the data for a very specific purpose. Seven of the 10 agencies in the legislation currently have statutory authority to access the NDNH. This language simply expands the authorized purposes to include research and statistical uses to study labor market outcomes, and allows the data to be used in ways that are more conducive to research. This limited expansion reduces cost to taxpayers, burden to states, and has strong safeguards.

The narrow expansion in this amendment would increase privacy protections. The amendment only allows access to outside entities if they are acting as agents of the designated federal agencies. Both the federal agencies and their agents are subject to a number of requirements designed to protect privacy and confidentiality—including the Privacy Act and the Federal Information Security Management Act. The legislation goes even further than these baseline protections, making unauthorized disclosure of personally identifiable information a Class E felony. Any individual who willfully discloses a personal identifier in any manner to an entity not entitled to receive the data or information, would be subject to fines under Title 18, United States Code, imprisoned not more than five years, or both.

Similarly-sensitive data are safely used for research and evaluation today. For example, the Centers for Medicare and Medicaid Services (CMS) collects and protects such information about all Medicare and Medicaid enrollees, including information about individual doctor visits, diagnoses and prescriptions. CMS has long made its data available for research purposes, consistent with the Privacy Act and the Health Insurance Portability and Accountability Act's strict privacy requirements.

To conclude, this amendment would eliminate unnecessary and duplicative data collection efforts, save federal and state taxpayer money, reduce reporting burdens on state governments, and improve the quality and efficiency of federally-supported evaluation research, all while continuing to protect the privacy of individuals. It would achieve these goals by using earnings data that states and

the federal government collect in a way that will better inform federal lawmakers and this Committee's ongoing efforts, without authorizing any new data collection.

MINORITY VIEWS OF SENATORS BURR, CORNYN, ENZI, CRAPO, and ROBERTS

We respectfully file dissenting views to Wyden Amendment #1, "Evaluating the Effectiveness of Federal Programs", which was adopted during committee consideration to The Supporting At-Risk Children Act of 2013.[1] Although we support the underlying legislation Senator Wyden amended and on which the Chairman and Ranking Member worked hard to offer for committee consideration, we have serious concerns over the unintended consequences this amendment will have for the security of Americans' data and the proper role of the federal government in our personal lives.

The purpose of the National Directory of New Hires (NDNH) is to provide a national directory of employment and unemployment insurance information that will enable state Child Support Enforcement agencies to be more effective in locating noncustodial parents, establishing child support orders and enforcing child support orders.[2]

Certain other agencies, however, like Social Security, use NDNH to confirm employment and income verification with limited, Congressionally-authorized purposes. The Wyden Amendment would expand the use of NDNH data to allow "personal identifiers", such as Social Security numbers and specific wage data on all Americans, to be used without apparent limit on Washington bureaucrats and private research organizations and for the broad purposes of program evaluation of federal job-training and education programs.

The Wyden Amendment would expand upon current law's narrow usage to include the Departments of Labor, Education, Housing and Urban Development, Justice, Veterans Affairs, Agriculture, Health and Human Services, the Bureau of Census, and the National Science Foundation as agencies having access to personal identifiers. It would then allow private organizations at request by the aforementioned agencies, again without any discernible limits within the Wyden Amendment's text, to use this personal information to conduct various research studies outside of Congress' oversight or explicit authorization. Furthermore, it would extend the number of years personal data could be stored in Washington for these vast new uses from two to four years.

We share Senator Wyden's goals for this amendment of eliminating wasteful, duplicative, and ineffective federal job-training and education programs. In our view, however, the use of personal information on all Americans for the purposes of program evaluation and general research by outside groups raises basic privacy concerns and goes beyond the narrow purposes for which NDNH

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[1] During committee consideration, the Wyden Amendment was adopted by a vote of 14–10, with all Democrats and Senator Grassley supporting and all other Republicans opposing.

[2] Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Section 4316(i), P.L. 104–193.

was originally created. It also enhances the possibility one individual in the federal government, with whom we've entrusted these data, will act in bad faith and disclose this information.

On this point, Congressional Research Service (CRS) in a July 15, 2013 report analyzing the expansion of the NDNH for program evaluation and research goals made the following observation:

> "The expansion of access to and use of personal information contained in the FPLS, especially in the National Directory of New Hires, could potentially lead to privacy and confidentiality breaches, financial fraud, identity theft, or other crimes. There is also concern that a broader array of legitimate users of the NDNH may conceal the unauthorized use of the personal and financial data in the NDNH. Moreover, concerns about data security and the privacy rights of employees have been a point of contention in many of the debates regarding expanded access to the NDNH." [3]

Far from being a controlled expansion or even cautious authorization by Congress for agencies to conduct a limited number of studies, the Wyden Amendment amounts to a blank check for Washington bureaucrats to conduct program research and evaluation as they choose with the personal data of every working American at risk and without their knowledge or consent. Even the worthy goals of program consolidation and elimination, theoretical at this point as they are, do not justify the insouciance with which this amendment grants access to these data to federal agencies.

IV. VOTES OF THE COMMITTEE

In compliance with paragraph 7(b) of rule XXVI of the standing rules of the Senate, the Committee states that, with a majority and quorum present, the "The Supporting At-Risk Children Act" was amended and ordered favorably reported as follows:

The Committee on Finance met on December 12, 2013 to consider an original bill entitled, "The Supporting At-Risk Children Act."

The Chairman's Mark was modified and amended as follows:

Amendment 9, Portman 1—To clarify that post-adoption services are extended to internationally adopted children and their families

Amendment withdrawn

Amendment 3, Menendez/Grassley 1—Strengthen and Vitalize Enforcement of Child Support (SAVE Child Support) Act (S. 508)
Amendment withdrawn

Amendment 1, Wyden 1—Evaluating the Effectiveness of Federal Programs

Approved by roll call vote, 14 ayes, 10 nays—Ayes: Baucus, Rockefeller (proxy), Wyden, Schumer (proxy), Stabenow, Cantwell, Nelson (proxy), Menendez, Carper, Cardin, Brown (proxy), Bennet, Casey, Grassley; Nays: Hatch, Crapo (proxy), Roberts (proxy), Enzi (proxy), Cornyn (proxy), Thune (proxy), Burr, Isakson, Portman (proxy), Toomey

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[3] Congressional Research Service (CRS) "Hague Convention Treaty on Recovery of International Child Support and H.R. 1896", July 15, 2013.

Amendment 5, Grassley/Rockefeller/Casey 1—Promoting Sibling Connection

Accepted as modified

Amendment 4, Hatch 1—Timely Adoption Award Pool

Accepted

Amendment 8, Grassley 4—Allowing Parents With Child Support Enforcement Arrearages to Petition the Department of State for a Waiver of Passport Sanctions

Accepted as modified

The Chairman's Mark, as amended, was ordered favorably reported by a voice vote.

V. REGULATORY IMPACT STATEMENT AND RELATED MATTERS

A. REGULATORY IMPACT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate the Committee makes the following statement concerning the regulatory impact of the Supporting At-Risk Kids Act.

IMPACT ON INDIVIDUALS AND BUSINESSES

In general the bill provides improvements to adoption, child welfare, and child support programs. Regulations are needed to implement these provisions and as such will likely affect individuals eligible for certain services. Businesses are likely not to be effected.

IMPACT ON PERSONAL PRIVACY AND PAPER WORK

In general the bill provides improvements to adoption, child welfare, and child support programs. In the context of implementing these provisions states may ask individuals eligible for certain services for information that the state deems relevant. The bill should not adversely impact or increase the amount of personal information and paper work required relative to current law.

VI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In the opinion of the Committee, in order to expedite the business of the Senate, it is necessary to dispense with the requirements of paragraph 12 of rule XXVI of the Standing Rules of the Senate (relating to the showing of changes in existing law made by the bill as reported by the Committee).

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