94TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } { No. 94–1745

THE UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1976

OCTOBER 1, 1976.—Ordered to be printed

Mr. ULLMAN, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 10210]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 3, 11, 12, 14, 17, 18, 19, 21, 29, 30, 33, 36, 37, 38, 39, 40, 41, 43, 44, 45, and 46, and agree to the same.

That the Senate recede from its amendments numbered 2, 5, 6, 7, 8, 9, 10, 13, 16, 20, 22, 26, 27, 28, 34, 35, and 52.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, and on page 2 of the House bill after line 3 insert the following:

SEC. 111. COVERAGE OF CERTAIN AGRICULTURAL EMPLOYMENT.

(a) NONCASH REMUNERATION.—Section 3306(b) of the Internal Revenue Code of 1954 (defining wages) is amended by striking out "or" at the end of paragraph (9), by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; or", and by adding at the end thereof the following new paragraph:

"(11) remuneration for agricultural labor paid in any medium other than cash.".

(b) COVERAGE OF AGRICULTURAL LABOR.—Paragraph (1) of section 3306(c) of such Code (defining employment) is amended to read as follows:

"(1) agricultural labor (as defined in subsection (k)) unless—

"(A) such labor is performed for a person who—

"(i) during any calendar quarter in the calendar year or the preceding calendar year paid remuneration in cash of $20,000 or more to individuals employed in agricultural labor (not taking into account labor performed before January 1, 1980, by an alien referred to in subparagraph (B)), or

"(ii) on each of some 20 days during the calendar year or the preceding calendar year, each day being in a different calendar week, employed in agricultural labor (not taking into account labor performed before January 1, 1980, by an alien referred to in subparagraph (B)) for some portion of the day (whether or not at the same moment of time) 10 or more individuals; and

"(B) such labor is not agricultural labor performed before January 1, 1980, by an individual who is an alien admitted to the United States to perform agricultural labor pursuant to sections 214(c) and 101(a)(15)(H) of the Immigration and Nationality Act;".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

SEC. 112. TREATMENT OF CERTAIN FARMWORKERS.

(a) GENERAL RULE.—Section 3306 of the Internal Revenue Code of 1954 (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(o) SPECIAL RULE IN CASE OF CERTAIN AGRICULTURAL WORKERS.—

"(1) CREW LEADERS WHO ARE REGISTERED OR PROVIDE SPECIALIZED AGRICULTURAL LABOR.—For purposes of this chapter, any individual who is a member of a crew furnished by a crew leader to perform agricultural labor for any other person shall be treated as an employee of such crew leader—

"(A) if—

"(i) such crew leader holds a valid certificate of registration under the Farm Labor Contractor Registration Act of 1963; or

"(ii) substantially all the members of such crew operate or maintain tractors, mechanized harvesting or crop-dusting equipment, or any other mechanized equipment, which is provided by such crew leader; and

"(B) if such individual is not an employee of such other person within the meaning of subsection (i).

"(2) OTHER CREW LEADERS.—For purposes of this chapter, in the case of any individual who is furnished by a crew leader to perform agricultural labor for any other person and who is not treated as an employee of such crew leader under paragraph (1)—

"(A) such other person and not the crew leader shall be treated as the employer of such individual; and

"(B) *such other person shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader (either on his behalf or on behalf of such other person) for the agricultural labor performed for such other person.*

"(3) CREW LEADER.—*For purposes of this subsection, the term 'crew leader' means an individual who—*

"(A) *furnishes individuals to perform agricultural labor for any other person,*

"(B) *pays (either on his behalf or on behalf of such other person) the individuals so furnished by him for the agricultural labor performed by them, and*

"(C) *has not entered into written agreement with such other person under which such individual is designated as an employee of such other person.*".

(b) EFFECTIVE DATE.—*The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1977, for services performed after such date.*

SEC. 113. COVERAGE OF DOMESTIC SERVICE.

(a) GENERAL RULE.—*Paragraph (2) of section 3306(c) of the Internal Revenue Code of 1954 (defining employment) is amended to read as follows:*

"(2) *domestic service in a private home, local college club, or local chapter of a college fraternity or sorority unless performed for a person who paid cash remuneration of $1,000 or more to individuals employed in such domestic service in any calendar quarter in the calendar year or the preceding calendar year;*".

(b) EFFECTIVE DATE.—*The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1977, for services performed after such date.*

SEC. 114. DEFINITION OF EMPLOYER.

(a) GENERAL RULE.—*Subsection (a) of section 3306 of the Internal Revenue Code of 1954 (defining employer) is amended to read as follows:*

"(a) EMPLOYER.—*For purposes of this chapter—*

"(1) IN GENERAL.—*The term 'employer' means, with respect to any calendar year, any person who—*

"(A) *during any calendar quarter in the calendar year or the preceding calendar year paid wages of $1,500 or more, or*

"(B) *on each of some 20 days during the calendar year or during the preceding calendar year, each day being in a different calendar week, employed at least one individual in employment for some portion of the day.*

For purposes of this paragraph, there shall not be taken into account any wages paid to, or employment of, an employee performing domestic services referred to in paragraph (3).

"(2) AGRICULTURAL LABOR.—*In the case of agricultural labor, the term 'employer' means, with respect to any calendar year, any person who—*

"(A) *during any calendar quarter in the calendar year or the preceding calendar year paid wages of $20,000 or more for agricultural labor, or*

"(B) on each of some 20 days during the calendar year or during the preceding calendar year, each day being in a different calendar week, employed at least 10 individuals in employment in agricultural labor for some portion of the day.

"(3) DOMESTIC SERVICE.—In the case of domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, the term 'employer' means, with respect to any calendar year, any person who during any calendar quarter in the calendar year or the preceding calendar year paid wages in cash of $1,000 or more for such service.

"(4) SPECIAL RULE.—A person treated as an employer under paragraph (3) shall not be treated as an employer with respect to wages paid for any service other than domestic service referred to in paragraph (3) unless such person is treated as an employer under paragraph (1) or (2) with respect to such other service."

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 6157 of such Code (relating to payment of Federal unemployment tax on quarterly or other time period basis) is amended to read as follows:

"(a) GENERAL RULE.—Every person who for the calendar year is an employer (as defined in section 3306(a)) shall—

"(1) if the person is such an employer for the preceding calendar year (determined by only taking into account wages paid and employment during such preceding calendar year), compute the tax imposed by section 3301 for each of the first 3 calendar quarters in the calendar year on wages paid for services with respect to which the person is such an employer for such preceding calendar year (as so determined), and

"(2) if the person is not such an employer for the preceding calendar year with respect to any services (as so determined), compute the tax imposed by section 3301 on wages paid for services with respect to which the person is not such an employer for the preceding calendar year (as so determined)—

"(A) for the period beginning with the first day of the calendar year and ending with the last day of the calendar quarter (excluding the last calendar quarter) in which such person becomes such an employer with respect to such services, and

"(B) for the third calendar quarter of such year, if the period specified in subparagraph (A) includes only the first two calendar quarters of the calendar year.

The tax for any calendar quarter or other period shall be computed as provided in subsection (b) and the tax as so computed shall, except as otherwise provided in subsections (c) and (d), be paid in such manner and at such time as may be provided in regulations prescribed by the Secretary."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

And the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4 and agree to the same with an amendment as follows:

In lieu of the matter proposed to be stricken out by the Senate amendment, strike out line 14 on page 11 of the House bill and all that follows down through line 13 on page 12, and after line 13 on page 11 of the House bill insert the following:

(1) Subparagraph (A) of section 3304(a)(6) of such Code is amended by striking out "except that" and all that follows down through ", and" at the end thereof and inserting in lieu thereof the following:

except that—

"(i) with respect to services in an instructional research, or principal administrative capacity for an educational institution to which section 3309(a)(1) applies, compensation shall not be payable based on such services for any week commencing during the period between two successive academic years (or, when an agreement provides instead for a similar period between two regular but not successive terms, during such period) to any individual if such individual performs such services in the first of such academic years (or terms) and if there is a contract or reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms, and

"(ii) with respect to services in any other capacity for an educational institution (other than an institution of higher education) to which section 3309(a)(1) applies, compensation payable on the basis of such services may be denied to any individual for any week which commences during a period between two successive academic years or terms if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, and"

And the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

Strike the matter proposed to be stricken by the Senate amendment and insert in lieu thereof the following:

SEC. 212. DENIAL OF CERTAIN PAYMENTS UNDER THE EXTENDED UNEMPLOYMENT COMPENSATION PROGRAM.

(a) IN GENERAL.—Subsection (a) of section 204 of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new paragraph:

"(4) The amount which, but for this paragraph, would be payable under this subsection to any State in respect of any compensation paid to an individual whose base period wages include wages for services to which section 3306(c)(7) of the Internal Revenue Code of 1954 applies shall be reduced by an amount which bears the same ratio to the amount which, but for this paragraph, would be payable under this subsection to such State in respect of such compensation as the amount of the base period wages attributable to such services bears to the total amount of the base period wages.".

(*b*) *EFFECTIVE DATE.—The amendment made by this section shall apply with respect to compensation paid for weeks of unemployment beginning on or after January 1, 1979.*

And the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23 and agree to the same with an amendment as follows:

In the matter proposed to be inserted by the Senate amendment, strike out "were '6' " and insert in lieu thereof "were '5' ".

And the Senate agree to the same.

Amendment numbered 24:

That the House recedes from its disagreement to the amendment of the Senate numbered 24, and agrees to the same with an amendment as follows:

Insert the matter proposed to be inserted by the Senate, and on page 35, line 21, of the House bill, strike out "amendments and insert in lieu thereof "amendment".

And the Senate agree to the same.

Amendment numbered 25:

That the House recedes from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In the matter proposed to be inserted by the Senate amendment, strike out "amendments" and insert in lieu thereof "amendment".

And the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31 and agree to the same with an amendment as follows:

Strike out the period at the end of paragraph (14)(B) which is proposed to be inserted by the Senate amendment and insert in lieu thereof ", and" and strike out the quotation marks at the end of paragraph (14)(C) which is proposed to be inserted by the Senate amendment.

And the Senate agree to the same.

Amendment numbered 32:

That the House recedes from its disagreement to the amendment of the Senate numbered 32 and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

(15) the amount of compensation payable to an individual for any week begins after September 30, 1979, and which begins in a period with respect to which such individual is receiving a governmental or other pension, retirement or retired pay, annuity, or any other similar periodic payment which is based on the previous work of such individual shall be reduced (but not below zero) by an amount equal to the amount of such pension, retirement or retired pay, annuity, or other payment, which is reasonably attributable to such week;

And the Senate agree to the same.

Amendment numbered 42:

That the House recedes from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows:

In the matter proposed to be inserted by the Senate amendment, strike out "containing" and all that follows and insert in lieu thereof a period.

And the Senate agree to the same.

Amendment numbered 53:

That the House recedes from its disagreement to the amendment of the Senate numbered 53 and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SEC. 506. ELECTION OF LOCAL GOVERNMENTS TO USE REIMBURSEMENT METHOD.

(a) IN GENERAL.—Paragraph (2) of section 3309(a) of the Internal Revenue Code 1954 (relating to State law requirements) is amended—

(1) by striking out "an organization" and inserting in lieu thereof "a governmental entity or any other organization".

(2) by striking out "paragraph (1)(A)" and inserting in lieu thereof "paragraph (1)", and

(3) by striking out "that organizations" and inserting in lieu thereof "that governmental entities or other organizations".

(b) TECHNICAL AMENDMENT.—Subparagraph (B) of section 3304(a)(6) of such Code is amended by striking out "section 3309(a)(1)(A)" and inserting in lieu thereof "section 3309(a)(1)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to certifications of States for 1978 and subsequent years, but only with respect to services performed after December 31, 1977.

And the Senate agree to the same.

Amendment numbered 56:

That the House recedes from its disagreement to the amendment of the Senate numbered 56 and agree to the same with amendments as follows:

(1) Strike out sections 603 and 604 which are proposed to be inserted by the Senate amendment and insert the following:

SEC. 603. DENIAL OF SPECIAL UNEMPLOYMENT ASSISTANCE TO NONPROFESSIONAL EMPLOYEES OF EDUCATIONAL INSTITUTIONS DURING PERIODS BETWEEN ACADEMIC TERMS.

(a) Section 203 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by adding at the end thereof the following new subsection:

"(c) An individual who performs services for an educational institution or agency in a capacity (other than an instructional, research, or principal administrative capacity) shall not be eligible to receive a payment of assistance or a waiting period credit with respect to any work commencing during a period between two successive academic years or terms if—

"(1) *such individual performed such services for any educational institution or agency in the first of such academic years or terms; and*

"(2) *there is a reasonably assurance that such individual will perform services for any educational instituttion or agency in any capacity (other than an instructional, research, or principal administrative capacity) in the second of such academic years or terms.*"

(*b*) *The amendment made by subsection* (*a*) *shall apply to weeks of unemployment beginning after the date of the enactment of this Act.*

(2) Redesignate section 605 which is proposed to be inserted by the Senate amendment as section 604.

And the Senate agree to the same.

That the amendments of the Senate numbered 47, 48, 49, 50, 51, 54, and 55 are reported in disagreement.

AL ULLMAN,
JAMES A. BURKE,
JAMES C. CORMAN,
CHARLES B. RANGEL,
WILLIAM A. STEIGER,
BILL FRENZEL,
Managers on the Part of the House.

RUSSELL B. LONG,
HERMAN TALMADGE,
GAYLORD NELSON,
WILLIAM D. HATHAWAY,
CARL T. CURTIS,
PAUL FANNIN,
CLIFFORD HANSEN,
JACOB K. JAVITS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H.R. 10210 to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action (other than action of a merely technical nature) agreed upon by the managers and recommended in the accompanying conference report:

Senate Amendment Numbered 1

COVERAGE OF CERTAIN AGRICULTURAL UNEMPLOYMENT

House bill.—Under existing law, agricultural employment is excluded from the definition of the term "employment" and is therefore not subject to the Federal unemployment tax. The House bill amends the definition of employment so as to include agricultural labor which is performed for farm employers who, during the current or preceding calendar year, employ four or more workers in each of 20 weeks, or pay $10,000 or more in wages for agricultural labor in a calendar quarter. The House bill excludes from the new coverage agricultural labor performed by aliens admitted to the United States to perform agricultural labor under a contract to an employer and who return to their own country upon completion of the contract. This exclusion is a temporary exclusion which expires on January 1, 1980. The provisions of the House bill apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

Senate amendment.—The Senate amendment strikes out this provision of the House bill.

Conference agreement.—The conference agreement follows the House bill except agricultural labor is covered only if performed for a farm employer who, during the current or preceding calendar year, employs 10 or more workers in each of 20 weeks, or pays $20,000 or more in wages for such labor in any calendar quarter.

TREATMENT OF CERTAIN FARM WORKERS

House bill.—The House bill contains special rules for determining who will be treated as the employer, and, therefore, liable for the Federal unemployment tax, in the case of agricultural workers who are members of a crew furnished by a crew leader to perform agricul-

tural labor for a farm operator. These special rules are required by reason of the extension of coverage for farm workers which is contained in the House bill. Generally, the House bill provides that the crew leader will be treated as the employer of the individuals furnished by him to perform agricultural labor for another person only if such crew leader is registered under the Farm Labor Contractor Registration Act of 1963, or if substantially all of the members of the crew furnished by such crew leader operate or maintain mechanized equipment. In other cases, the farmer is to be treated as the employer. These provisions apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

Senate amendment.—The Senate amendment strikes out the House provisions.

Conference agreement.—The conference agreement follows the House bill.

COVERAGE OF DOMESTIC SERVICE

House bill.—Under existing law, domestic services performed in a private home, local college club, or local chapter of a college fraternity, or sorority are not subject to the Federal unemployment tax. The House bill provides that such services will be subject to the Federal unemployment tax if they are performed for a person who pays cash remuneration of $600 or more to individuals employed in domestic services in any calendar quarter in the current calendar year or the preceding calendar year. This provision applies with respect to remuneration paid after December 31, 1977, for services performed after such date.

Senate amendment.—The Senate amendment strikes out the provisions of the House bill.

Conference agreement.—The conference agreement follows the House bill except that domestic services is only covered if performed for an employer who pays $1,000 or more to individuals employed in such services in any calendar year in the calendar quarter year or the preceding calendar year.

DEFINITION OF EMPLOYER

House bill.—The House bill contains a technical amendment to the definition of employer for purposes of the Federal unemployment tax to conform that definition with the new extensions of coverage which are contained in the House bill. The House bill also contains a technical amendment to the requirement that employers pay the Federal unemployment tax on a quarterly basis which is necessary to conform that provision to the extensions of coverage contained in the House bill. These provisions apply with respect to remuneration paid after December 31, 1977 for services performed after such date.

Senate amendment.—The Senate amendment strikes out the provisions of the House bill.

Conference agreement.—The conference agreement follows the House bill.

SENATE AMENDMENTS NUMBERED 2 AND 3

COVERAGE OF CERTAIN SERVICE PERFORMED FOR NONPROFIT ORGANIZATIONS AND STATE AND LOCAL GOVERNMENTS

House bill.—Under existing law, States are required, as a condition for approval of their unemployment compensation laws, to provide unemployment compensation coverage to individuals performing certain services for nonprofit organizations and for State hospitals and institutions of higher education. The House bill generally requires States to provide unemployment compensation coverage to all employees of State and local governments. The exceptions in the House bill to this general coverage are services performed by employees in the exercise of their duties as: elected officials, appointed officials whose terms are specified by law or who are not required to work on a full-time basis, members of legislative bodies or of the judiciary, members of the State National Guard or Air National Guard, certain employees hired during certain emergencies, and inmates of custodial or penal institutions. These provisions apply with respect to services performed after December 31, 1977.

Senate amendment.—The Senate amendment is the same as the House bill except that it deletes the House provision which excludes from the required coverage appointed officials who serve for a specific term established by law or who are not required to perform services on a substantially full-time basis. In lieu of this exception, the Senate amendment provides an exception for individuals who perform services in a position which, under or pursuant to the State law, is designated as a major nontenured policymaking or advisory position, or as a policymaking or advisory position the performance of the duties of which ordinarily does not require more than eight hours per week.

Conference agreement.—The conference agreement follows the Senate amendment.

SENATE AMENDMENTS NUMBERED 4, 5, 6, AND 7

ELIGIBILITY OF SCHOOL EMPLOYEES DURING CERTAIN PERIODS

House bill.—Under existing law, teachers and other professional employees of institutions of higher education are denied unemployment compensation for weeks commencing during periods between academic years or other similar terms if such individuals have a contract to perform services in both of such academic years or terms. The House bill expands this provision of existing law to cover teachers and other professional employees of primary and secondary institutions of education. The House bill also provides new rules for the treatment of nonprofessional employees of educational institutions which are not institutions of higher education. Under such new rules, the State may deny compensation to such nonprofessional employees for any week which begins before January 1, 1980, and which begins during a period between two successive academic terms or similar periods if the employee performs services in the first of such academic terms or similar periods and there is a reasonable assurance that such employee will perform such services in the second of such academic terms or similar periods.

Senate amendment.—Under the Senate amendment, both nonprofessional and professional employees of educational institutions would not be eligible for unemployment compensation during periods between academic years or terms if they were performed services for an educational institution in the first of such academic years or terms and an educational institution provides notification of reasonable assurance that they will perform services in the later of the academic years or terms. The Senate amendment also provides that if an individual is denied unemployment compensation coverage by reason of these disqualification provisions and is not in fact later offered employment by an educational institution in the later of such academic years or terms, such individual will receive a retroactive lump-sum payment of unemployment compensation for the weeks for which he was not eligible to receive compensation by reason of these disqualification provisions.

Conference agreement.—The conference agreement provides that unemployment compensation based on services performed for an educational institution shall be denied to a teacher or other professional employee during periods between academic years or terms if there is a contract or reasonable assurance that the individual will perform such services in the forthcoming academic year or term. States are permitted to deny benefits based on services performed for educational institutions to nonprofessional school employees during periods between academic years or terms if there is reasonable assurance that the individual will be employed by the educational institution in the forthcoming academic year or term.

Under the conference agreement, when a claim is filed by an individual on the basis of prior employment in an educational institution or agency for compensation for any week of unemployment between successive academic years or terms, it is intended that the State employment security agency shall obtain from the educational institution or agency a statement as to whether the claimant has been given notification with respect to his or her employment status. If such claimant has been notified that he or she has a contract for, or reasonable assurance of, reemployment for the ensuing academic year or term, then the claimant may not be entitled to unemployment benefits until the educational agency or institution informs the State agency that there is no such reasonable assurance or contract for reemployment or until the employee is not, in fact, offered reemployment. At this point the State agency would have a basis for allowing a claim, assuming that the individual is otherwise eligible under the requirements of the State law.

For purposes of this provision, the term "reasonable assurance" means a written, verbal, or implied agreement that the employee will perform services in the same capacity during the ensuing academic year or term. A contract is intended to include tenure status.

Senate Amendments Numbered 9, 10, 11, and 12

Federal Reimbursement for Benefits Paid to Newly Covered Workers During Transition Period

House bill.—The House bill contains a section which provides Federal reimbursement to States out of general revenues for the costs of

providing unemployment coverage to newly covered individuals during a period after December 31, 1977, to assist in the transition to the new coverage required under the House bill.

Senate amendment.—The Senate amendments make two changes to the House provisions. Senate amendments numbered 9 and 10 conform the House provisions to the coverage provisions which were deleted by the Senate. Senate amendment numbered 11 provides that where the same unemployment has been used to compute pre-1978 entitlement to such unemployment assistance and post-1977 entitlement to regular unemployment compensation benefits, Federal reimbursement for the regular benefits will be available to the extent that the special unemployment assistance benefits were not paid on the basis of the same wages. Under the House bill, any payment of such unemployment assistance benefits even for a brief period would have prevented the transitional Federal funding provisions from applying. Senate amendment numbered 12 corrects a clerical error in the House bill.

Conference agreement.—The conference agreement follows the Senate amendment.

Senate Amendments Numbered 13 and 14

INCREASE IN FEDERAL UNEMPLOYMENT TAX WAGE BASE AND RATE

House bill.—The House bill increases both the taxable wage base and the tax rate of the Federal unemployment tax. The taxable wage base is increased from $4,200 to $6,000. The Federal unemployment tax rate is increased from 3.2 percent of taxable wages to 3.4 percent. This tax rate increase is a temporary measure that will expire on January 1, 1983, or, if earlier, January 1 of the first calendar year after 1976 as of which there are no outstanding repayable advances to the extended unemployment compensation account in the Federal unemployment trust fund. The increase in the taxable wage base applies with respect to remuneration paid after December 31, 1977. The increase in the tax rate applies to remuneration paid after December 31, 1976.

Senate amendment.—The Senate amendments are the same as the House bill except that the Senate amendment provides that the increase in the tax rate will only expire when all of the repayable advances to the extended unemployment compensation account in the Federal unemployment trust fund are repaid.

Conference agreement.—The conference agreement follows the Senate amendment.

Senate Amendment Numbered 15

FINANCING COVERAGE OF STATE AND LOCAL GOVERNMENT EMPLOYEES

House bill.—Under existing law, States receive Federal grants from the Federal Unemployment trust fund for the administrative costs of their unemployment compensation programs. The House bill provides that these grants will no longer be made for the administrative costs which are attributable to State and local government employees. Also, the bill provides that the Federal share of the benefits paid under the extended unemployment compensation program will no

longer include the costs of extended benefits paid to State and local government employees. These provisions take effect on January 1, 1979.

Senate amendment.—The Senate amendment strikes out the House provisions.

Conference agreement.—The conference agreement follows the Senate amendment with respect to administrative grants, and follows the House bill with respect to extended benefits costs.

Senate Amendments Numbered 16, 17, 18, and 19

ADVANCES TO STATE UNEMPLOYMENT FUNDS

House bill.—The House bill allows States to request loans from the Federal unemployment trust fund to pay unemployment compensation benefits for a three-month period rather than a one-month period as under existing law.

Senate amendment.—The Senate amendments are the same as the House provision except that they make it clear that States may make applications for a three-month period but that payments to a State will continue to be made on a monthly basis.

Conference agreement.—The conference agreement follows the Senate amendment.

Senate Amendment Numbered 21

FEDERAL REIMBURSEMENT FOR UNEMPLOYMENT BENEFITS PAID ON THE BASIS OF CERTAIN PUBLIC SERVICE EMPLOYMENT

House bill.—The House bill provides for reimbursements to States from Federal general revenues for unemployment compensation paid on the basis of work in public service jobs funded under the Comprehensive Employment and Training Act of 1973.

Senate amendment.—The Senate amendment strikes out the House provisions.

Conference agreement.—The conference agreement follows the Senate amendment.

Senate Amendments Numbered 23, 24, and 25

AMENDMENTS TO THE STATE TRIGGER PROVISIONS OF THE EXTENDED PROGRAM

House bill.—Under existing law, there is a State "on" indicator for any week if the State's insured unemployment rate (not seasonally adjusted) averages at least 4 percent for a 13-week period and is at least 120 percent of the rate for the corresponding periods in the preceding two years. Under existing law, States may waive the 120 percent requirement for weeks which begin before March 31, 1977. Under the House bill, there would be a State "on" indicator for any week if the rate of insured unemployment (seasonally adjusted) under the State law for the period consisting of such week and the immediately preceding 12 weeks equaled or exceeded 4 percent. The House bill applies to weeks beginning after December 31, 1976.

Senate amendment.—The Senate amendment would retain existing law except that it would allow States to provide that there will be a State "on" indicator for any week if the rate of insured unemployment in the State averages at least 6 percent for a 13-week period even though the rate is not 120 percent of the rate for the corresponding periods in the preceding two years. The Senate amendment applies with respect to weeks beginning after March 30, 1977, which is when the existing waiver of the 120 percent requirement ends.

Conference agreement.—The conference agreement follows the Senate amendment, except that the 120 percent factor may be waived by a State when there is at least a 5 percent rate of insured unemployment for the 13-week period rather than the 6 percent rate prescribed in the Senate amendment.

Senate Amendment Numbered 27

REPEAL OF FINALITY PROVISIONS

House bill.—Under existing law the findings of fact by a Federal agency are final with respect to periods of Federal service, amounts of Federal wages, and reasons for termination of Federal service, for purposes of paying unemployment compensation on the basis of Federal service. The House bill makes Federal employees' claims for unemployment compensation subject to the same administrative procedures that apply to the claims of other workers.

Senate amendment.—The Senate amendment strikes out the House provision.

Conference agreement.—The conference agreement follows the House provision. The amendment repealing finality of Federal findings applies only to unemployment insurance claims and has no other application.

Senate Amendments Numbered 30, 31, 32, and 33

DENIAL OF UNEMPLOYMENT COMPENSATION TO ATHLETES, ILLEGAL ALIENS, AND RECIPIENTS OF RETIREMENT BENEFITS

Professional Athletes

House bill.—The House bill provides that compensation shall not be payable to any individual on the basis of services, substantially all of which consist of participating in sports or athletic events or training or preparing to so participate, to any week which commences between two successive sports seasons (or similar periods) if such individual performs such services in the first of such seasons (or similar periods) and there is a reasonable assurance that such individual will perform such services in the later of such seasons (or similar periods). The House provision is effective for certifications of States for 1978 and subsequent years.

Senate amendment.—The Senate amendment is the same as the House bill except that the provisions do not apply until 1979 in the case of States the legislatures of which do not meet in regular session which ends in 1977.

Conference agreement.—The conference agreement follows the Senate amendment.

Illegal Aliens

House bill.—The House bill provides that compensation shall not be payable on the basis of services performed by an alien who is not lawfully admitted to the United States.

Senate amendment.—Under the Senate amendment, unemployment compensation may not be paid to an alien unless such alien has been lawfully admitted to the United States for permanent residence or is otherwise permanently residing in the United States under color of law. Any data or evidence of citizenship or permanent residence would have to be uniformally required of all applicants for unemployment compensation. A determination of whether an individual is an illegal alien would be based on a preponderance of evidence. The Senate amendment has the same effective date as the House bill except that it takes effect in 1979 in the case of States the legislatures of which do not meet in regular session which ends in 1977.

Conference agreement.—The conference agreement follows the Senate amendment.

Disqualification for Receipt of Pension

House bill.—No provision.

Senate amendment.—Under the Senate amendment, States would be required to reduce the unemployment compensation of an individual by the amount of any public or private pension (including social security retirement benefits and railroad retirement annuities) based on the claimants' previous employment. The Senate amendment applies with respect to certifications of States for 1978 and subsequent years except that in the case of a State the legislature of which does not meet in a regular session which ends in 1978 the amendments takes effect in 1979.

Conference agreement.—The conference agreement follows the Senate amendment, except that the requirement would not take effect until 1979, thereby permitting the National Commission on Unemployment Compensation an opportunity for a thorough study of this issue and the Congress to act in light of its findings and recommendations.

SENATE AMENDMENT NUMBERED 34

PROMPT PAYMENT OF COMPENSATION WHEN DUE

House bill.—No provision.

Senate amendment.—The Senate amendment requires State unemployment compensation agencies to provide hearings to individuals whose claims are not paid with reasonable promptness as defined in Labor Department regulations to be issued within sixty days after the date of the enactment of the bill.

Conference agreement.—The conference agreement omits the matter proposed to be inserted by the Senate amendment.

Senate Amendment Numbered 36

COMPOSITION OF NATIONAL COMMISSION ON UNEMPLOYMENT COMPENSATION

House bill.—The House bill establishes a National Commission on Unemployment Compensation consisting of 13 members. The House bill provides that the members of the Commission are to be appointed in a manner to insure that there will be a balanced representation of interested parties on the Commission.

Senate amendment.—The Senate amendment would require that labor, industry, the Federal Government, State government, local government, and small business would each have at least one representative appointed to the Commission.

Conference agreement.—The conference agreement follows the Senate amendment.

Senate Amendments Numbered 37, 38, 39, and 40

DUTIES OF COMMISSION

House bill.—The House bill requires the Commission to study a variety of issues relating to the unemployment compensation programs in order to assess the long-range needs of the programs, to develop alternatives, and to recommend changes in the program.

Senate amendments.—The Senate amendments add to the list of items to be studied by the Commission the study of the problems of claimants in obtaining prompt processing and payment of their claims for benefits and any appropriate measures to relieve such problems. The Senate amendments also require the Commission to examine the feasibility and advisability of developing or not developing Federal minimum benefit standards for State unemployment insurance programs.

Conference agreement.—The conference agreement follows the Senate amendment. The conferees intend that the Commission include in its studies an examination of the payment of unemployment compensation to retirees, and the denial of compensation to employees of educational institutions between terms.

Senate Amendments Numbered 42, 43, 44, 45, and 46

REPORT BY COMMISSION

House bill.—The House bill requires the Commission to submit a final report not later than January 1, 1979.

Senate amendment.—The Senate amendment requires the Commission to submit an interim report, not later than March 31, 1978, with respect to its findings on its examination of the feasibility and advisibility of developing Federal minimum benefit standards.

Conference agreement.—The conference agreement requires the Commission to submit a general interim report not later than March 31, 1978.

Senate Amendment Numbered 47

REFERRAL OF BLIND AND DISABLED CHILDREN RECEIVING SSI BENEFITS FOR APPROPRIATE REHABILITATION SERVICES

House bill.—No provision.

Senate amendment.—The Senate amendment, which is generally similar to section 4 of H.R. 9811 as passed the House, rewrites section 1615 of the Social Security Act to make various changes with respect to the referral of blind and disabled children receiving SSI benefits for appropriate rehabilitation services.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix.)

Senate Amendment Numbered 48

INCOME OF EACH MEMBER OF MARRIED COUPLE TO BE APPLIED SEPARATELY IN DETERMINING SSI BENEFIT PAYMENTS WHEN ONE OF THEM IS IN AN INSTITUTION

House bill.—No provision.

Senate amendment.—The Senate amendment, which is the same as a portion of Section 15 of H.R. 8911 as passed the House, amends section 1611(e)(1)(B)(ii) of the Social Security Act with respect to the treatment of the income of a married couple when one of them is in an institution.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix.)

Senate Amendment Numbered 49

PRESERVATION OF MEDICAID ELIGIBILITY FOR INDIVIDUALS WHO CEASE TO BE ELIGIBLE FOR SSI BENEFITS ON ACCOUNT OF COST-OF-LIVING INCREASES IN SOCIAL SECURITY BENEFITS

House bill.—No provision.

Senate amendment.—The Senate amendment contained provisions designed to prevent SSI recipients from losing Medicaid eligibility because of future cost-of-living increases in social security benefits.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix.)

Senate Amendment Numbered 50

STATE SUPPLEMENTATION OF BENEFITS UNDER SSI PROGRAM

House bill.—No provision.

Senate amendment.—The Senate amendment modifies section 401(a)(2) of the Social Security Amendments of 1972 to provide that payments made under the savings clause provision would no longer be reduced when Federal SSI benefits increase.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix.)

Senate Amendment Numbered 51

ELIGIBILITY OF INDIVIDUALS IN CERTAIN INSTITUTIONS

House bill.—No provision.

Senate amendment.—The Senate amendment, which is generally similar to section 17 of H.R. 8911 as passed the House, amends sections 1611, 1612, and 1616 of the Social Security Act, with respect to the eligibility of individuals in certain institutions for SSI benefits.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix.)

Senate Amendment Numbered 52

ASSISTANCE PROGRAMS IN THE NORTHERN MARIANAS

House bill.—No provision.

Senate amendment.—The Senate amendment repeals the extension of SSI and the Prouty amendment (section 228 of the Social Security Act), as provided for in Public Law 94–241, to the Northern Marianas. It also includes funds to extend the programs of aid to the aged, blind, and disabled to the Marianas on the same basis as those programs are operated in Guam, Puerto Rico, and the Virgin Islands.

Conference agreement.—The conference agreement omits the Senate amendment.

Senate Amendment Numbered 53

METHOD OF PAYMENT BY STATE AND LOCAL GOVERNMENTS

House bill.—Under the House bill the State may elect to have governmental units finance unemployment benefits payable on the basis of service performed in their employ either on a reimbursement method or a contributary method.

Senate amendment.—The Senate amendment allows the governmental units to select the method under which unemployment compensation benefits payable on the basis of services performed in their employ will be financed.

Conference agreement.—The conference agreement follows the Senate amendment.

Senate Amendment Numbered 54

AFDC BENEFITS WHERE UNEMPLOYED FATHER RECEIVES UNEMPLOYMENT COMPENSATION

House bill.—No provision.

Senate amendment.—The Senate amendment, which is the same as H.R. 13272 as passed the House, amends section 407 of the Social Security Act to make certain changes in the requirements imposed under the AFDC program on a family headed by an unemployed father.

Conference agreement.—The amendment was reported in technical disagreement. (See the appendix.)

Senate Amendment Numbered 55

STATE EMPLOYMENT OFFICES TO SUPPLY DATA IN AID OF ADMINISTRATION OF AFDC AND CHILD SUPPORT PROGRAMS

House bill.—No provision.

Senate amendment.—The Senate amendment requires State employment offices to supply certain information to the appropriate State agencies to aid in the administration of the AFDC and child support programs under title IV of the Social Security Act.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix.)

Senate Amendment Numbered 56

AMENDMENTS TO THE SPECIAL UNEMPLOYMENT ASSISTANCE PROGRAM

Extension of Special Unemployment Assistance Program

House bill.—No provision.

Senate amendment.—The Senate amendment extends the special unemployment assistance program for an additional year. Under existing law, the special unemployment assistance program terminates on December 31, 1976, except that individuals eligible to receive assistance before December 31, 1976, may continue to receive assistance until March 31, 1977. The Senate amendment extends the termination date to December 31, 1977, and phase-out date to June 30, 1977.

Conference agreement.—The conference agreement follows the Senate amendment.

Elimination of Special Base Period for Payments of Special Unemployment Assistance

House bill.—No provision.

Senate amendment.—The Senate amendment changes the base period which is used for determining an individual's eligibility for special unemployment assistance. Under existing law, the base period is the 52-week period preceding the first week with respect to which the individual files a claim for assistance under the program. The Senate amendment changes the base period to correspond with the base period which is used under the regular State unemployment compensation program. The Senate amendment applies with respect to benefit years beginning after December 31, 1976. The Senate amendment also contains a provision to prevent the double counting of wage credits which might occur as a result of the change in the definition of base period.

Conference agreement.—The conference agreement follows the Senate amendment.

Denial of Special Unemployment Assistance to Non-Professional Employees of Educational Institutions During Periods Between Academic Terms

House bill.—No provision.

Senate amendment.—The Senate amendment provides that individuals who perform services for an educational institution or agency in a capacity (other than an instructional, research, or principal administrative capacity) will not be eligible to receive assistance under the program with respect to any week commencing during a period between two successive academic years (or for a similar period between two regular but not successive terms) if the individual performs such services in the first of such academic years or terms and there is notification of reasonable assurance that the individual will perform such services in the second of such academic years or terms. The Senate amendment applies to weeks of unemployment beginning after the date of the enactment of the bill.

Conference agreement.—The conference agreement follows the Senate amendment with minor changes. The provision in the Senate amendment for retroactive payment of compensation under certain conditions was not retained.

Reimbursement for Unemployment Benefits Paid to Public Employees Covered by Regular Unemployment Compensation

House bill.—No provision.

Senate amendment.—The Senate amendment provides for payments to States of an amount equal to all regular and extended compensation paid for weeks beginning on or after January 1, 1977, and before June 30, 1978, to the extent that such compensation is attributable to employment by a State or local government.

Conference agreement.—The conference agreement omits the Senate amendment.

Modification of Agreements to Special Unemployment Assistance Program

House bill.—No provision.

Senate amendment.—The Senate amendment provides that the Secretary of Labor will modify his agreement with each State under the special unemployment assistance program so that payments of assistance under such program will be made in accordance with the amendments made by the bill.

Conference agreement.—The conference agreement follows the Senate amendment.

APPENDIX ON AMENDMENTS NUMBERED 47, 48, 49, 50, 51, 54, AND 55

In the accompanying conference report, Senate amendments numbered 47, 48, 49, 50, 51, 54, and 55 are reported in technical disagreement. Each of these amendments will be offered in the House of Representatives and the Senate. A description of each amendment follows, along with the text of the amendment as agreed to by the conferees.

SENATE AMENDMENT NUMBERED 47

REFERRAL OF BLIND AND DISABLED CHILDREN RECEIVING SSI BENEFITS FOR APPROPRIATE REHABILITATION SERVICES

House bill.—No provision.

Senate amendment.—The Senate amendment requires the Social Security Administration to refer blind and disabled children under age 16 who are receiving SSI benefits to the crippled children's or other appropriate State agency designated by the Governor. This agency would be responsible for administering a State plan which would have to include provision for counseling of disabled children and their families; the establishment of individual service plans for children under 16; monitoring to assure adherence to the plans; and provision of services to children under age 7, and to children who have never been in school and require preparation to take advantage of public educational services.

A total of $30 million would be provided for the operation of State plans for each of three fiscal years, beginning with fiscal year 1977; there would be no non-Federal matching requirements. The amount would be allocated to the States on the basis of the number of children age 6 and under in each State. Up to 10 percent of the State's funds could be used for counseling, referral and monitoring provided under the State plan for children up to age 16. The remainder of the funding would be available for services to disabled children under age 7 and those who have never been in school. Acceptance of services provided would be a condition of eligibility for SSI benefits. The amendment would require that the funds authorized under the provision could not be used to replace State and local funds now being used for these purposes. The funds could be used in the case of any program or service only to pay that portion of the cost which is related to the additional requirements of serving disabled children over and above what would be required to serve nondisabled children.

The Senate amendment requires the Secretary of HEW to publish criteria to be used in determining disability for children under age 18 within 120 days after enactment of the provision.

Conference action.—This amendment was agreed to by the conferees with minor modifications, as follows:

SEC. 501. REFERRAL OF BLIND AND DISABLED INDIVIDUALS UNDER AGE 16, WHO ARE RECEIVING BENEFITS UNDER THE SUPPLEMENTAL SECURITY INCOME PROGRAM, FOR APPROPRIATE REHABILITATION SERVICES.

(a) IN GENERAL.—Section 1615 of the Social Security Act is amended to read as follows:

"REHABILITATION SERVICES FOR BLIND AND DISABLED INDIVIDUALS

"SEC. 1615. (a) In the case of any blind or disabled individual who—

"(1) has not attained age 65, and

"(2) is receiving benefits (or with respect to whom benefits are paid) under this title,

the Secretary shall make provision for referral of such individual to the appropriate State agency administering the State plan for voca-

tional rehabilitation services approved under the Vocational Rehabilitation Act, or, in the case of any such individual who has not attained age 16, to the appropriate State agency administering the State plan under subsection (b) of this section, and (except in such cases as he may determine) for a review not less often than quarterly of such individual's blindness or disability and his need for and utilization of the services made available to him under such plan.

"(b)(1) The Secretary shall by regulation prescribe criteria for approval of State plans for—

"(A) assuring appropriate counseling for disabled children referred pursuant to subsection (a) and their families,

"(B) establishment of individual service plans for such disabled children, and prompt referral to appropriate medical, educational, and social services,

"(C) monitoring to assure adherence to such service plans, and

"(D) provision for such disabled children who are 6 years of age and under, or who have never attended public school and require preparation to take advantage of public educational services, of medical, social, developmental, and rehabilitative services, in cases where such services reasonably promise to enhance the child's ability to benefit from subsequent education or training, or otherwise to enhance his opportunities for self-sufficiency or self-support as an adult.

"(2) Such criteria shall include—

"(A) administration—

"(i) by the agency administering the State plan for crippled children's services under title V of this Act, or

"(ii) by another agency which administers programs providing services to disabled children and which the Governor of the State concerned has determined is capable of administering the State plan described in the first sentence of this subsection in a more efficient and effective manner than the agency described in clause (i) (with the reasons for such determination being set forth in the State plan described in the first sentence of this subsection);

"(B) coordination with other agencies serving disabled children; and

"(C) establishment of an identifiable unit within such agency which shall be responsible for carrying out the plan.

"(c) Every individual age 16 or over with respect to whom the Secretary is required to make provision for referral under subsection (a) shall accept such services as are made available to him under the State plan for vocational and rehabilitation services approved under the Vocational Rehabilitation Act; and no such individual shall be an eligible individual or eligible spouse for purposes of this title if he refuses without good cause to accept services for which he is referred under subsection (a).

"(d) The Secretary is authorized to pay to the State agency administering or supervising the administration of a State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act the cost incurred under such plan in the provision of rehabilitation services to individuals referred for such services pursuant to subsection (a).

"(e)(1) The Secretary shall, subject to the limitations imposed by paragraphs (2) and (3), pay to the State agency administering a State plan of a State under subsection (b) of this section, the costs incurred each fiscal year which begins after September 30, 1976, and ends prior to October 1, 1979, in carrying out the State plan approved pursuant to such subsection (b).

"(2)(A) Of the funds paid by the Secretary with respect to costs, incurred in any State, to which paragraph (1) applies, not more than 10 per centum thereof shall be paid with respect to costs incurred with respect to activities described in subsection (b)(1) (A), (B), and (C).

"(B) Whenever there are provided pursuant to this section to any child services of a type which is appropriate for children who are not blind or disabled, there shall be disregarded, for purposes of computing any payment with respect thereto under this subsection, so much of the costs of such services as would have been incurred if the child involved had not been blind or disabled.

"(C) The total amount payable under this subsection for any fiscal year, with respect to services provided in any State, shall be reduced by the amount by which the sum of the public funds expended (as determined by the Secretary) from non-Federal sources for services of the type involved for such fiscal year is less than the sum of such funds expended from such sources for services of such type for the fiscal year ending June 30, 1976.

"(3) No payment under this subsection with respect to costs incurred in providing services in any State for any fiscal year shall exceed an amount which bears the same ratio to $30,000,000 as the under age 7 population of such State (and for purposes of this section the District of Columbia shall be regarded as a State) bears to the under age 7 population of the fifty States and the District of Columbia. The Secretary shall promulgate the limitation applicable to each State for each fiscal year under this paragraph on the basis of the most recent satisfactory data available from the Department of Commerce not later than 90 nor earlier than 270 days before the beginning of such year."

(b) PUBLICATION OF CRITERIA.—The Secretary shall, within 120 days after the enactment of this subsection, publish criteria to be employed to determine disability (as defined in section 1614(a)(3) of the Social Security Act) in the case of persons who have not attained the age of 18.

The amendment differs from the Senate amendment in one respect. Under the Senate amendment, children under 16 referred for services would be required to accept the services (except with good cause) or lose their eligibility for such benefits. The amendment as agreed to by the conferees does not have such an eligibility requirement for children under 16.

With respect to services for children ages 7 to 16, the conferees note that the amendment as agreed to makes no change in the present law provision of open-ended Federal funding of vocational rehabilitation services provided by the State vocational rehabilitation agency for disabled children as well as adults receiving supplemental security income benefits.

SENATE AMENDMENT NUMBERED 48

INCOME OF EACH MEMBER OF MARRIED COUPLE TO BE APPLIED SEPARATELY IN DETERMINING SSI BENEFIT PAYMENTS WHEN ONE OF THEM IS IN AN INSTITUTION

House bill.—No provision.

Senate amendment.—Under the Senate amendment, when a spouse who is a member of an eligible SSI couple enters a medical institution or nursing home, the two are treated as individuals rather than as a couple for purposes of applying their separate incomes in computing any required reduction of the SSI benefit amount.

Conference action.—This amendment was agreed to by the Conferees without change, as follows:

SEC. 502. INCOME OF EACH MEMEBER OF MARRIED COUPLE TO BE APPLIED SEPARATELY IN DETERMINING SSI BENEFIT PAYMENTS WHEN ONE OF THEM IS IN AN INSTITUTION.

Section 1611(e)(1)(B)(ii) of the Social Security Act is amended to read as follows:

"*(ii) in the case of an individual who has an eligible spouse, if only one of them is in such a hospital, home, or facility throughout such month, at a rate not in excess of the sum of—*

"*(I) the rate of $300 per year (reduced by the amount of any income, not excluded pursuant to section 1621(b), of the one who is in such hospital, home, or facility), and*

"*(II) the applicable rate specified in subsection (b)(1) (reduced by the amount of any income, not excluded pursuant to section 1612(b), of the other); and*".

SENATE AMENDMENT NUMBERED 49

PRESERVATION OF MEDICAID ELIGIBILITY FOR INDIVIDUALS WHO CEASE TO BE ELIGIBLE FOR SSI BENEFITS ON ACCOUNT OF COST-OF-LIVING INCREASES IN SOCIAL SECURITY BENEFITS

House bill.—No provision.

Senate amendment.—Under the Senate amendment, SSI recipients would be prevented from losing Medicaid eligibility solely because of future cost-of-living increases in social security benefits.

Conference action.—This amendment was agreed to by the Conferees without change, as follows:

SEC. 503. PRESERVATION OF MEDICAID ELIGIBILITY FOR INDIVIDUALS WHO CEASE TO BE ELIGIBLE FOR SUPPLEMENTAL SECURITY INCOME BENEFITS ON ACCOUNT OF COST-OF-LIVING INCREASES IN SOCIAL SECURITY BENEFITS.

In addition to other requirements imposed by law as a condition for the approval of any State plan under title XIX of the Social Security Act, there is hereby imposed the requirement (and each such State plan shall be deemed to require) that medical assistance under such plan shall be provided to any individual, for any month after June 1977 for which such individual is entitled to a monthly insurance benefit

*under title II of such Act but is not eligible for benefits under title XVI of such Act, in like manner and subject to the same terms and conditions as are applicable under such State plan in the case of individuals who are eligible for and receiving benefits under such title XVI for such month, if for such month such individual would be (or could become) eligible for benefits under such title XVI except for amounts of income received by such individual and his spouse (if any) which are attributable to increases in the level of monthly insurance benefits payable under title II of such Act which have occurred pursuant to section 215(i) of such Act, in the case of such individual, since the last month after April 1977 for which such individual was both eligible for (and received) benefits under such title XVI and was entitled to a monthly insurance benefit under such title II, and, in the case of such individual's spouse (if any), since the last such month for which such spouse was both eligible for (and received) benefits under such title XVI and was entitled to a monthly insurance benefit under such title II. Solely for purposes of this section, payments of the type described in section 1616(a) of the Social Security Act or of the type described in section 212(a) of Public Law 93–66 shall be deemed to be benefits under title XVI of the Social Security * * *.*

Senate Amendment Numbered 50

STATE SUPPLEMENTATION OF BENEFITS UNDER SSI PROGRAM

House bill.—No provision.

Senate amendment.—Under the Senate amendment, States receiving Federal hold-harmless funds will no longer have the amount of such funds reduced when a cost-of-living increase in SSI benefits becomes effective. Such States would thus be permitted to pass along the increase in Federal SSI benefits to the recipient without additional State costs.

Conference action.—The amendment was agreed to by the conferees with one modification, as follows:

SEC. 504. STATE SUPPLEMENTATION OF BENEFITS UNDER SUPPLEMENTAL SECURITY INCOME PROGRAM.

(a) Limitation on State Costs.—Section 401(a)(2) of the Social Security Amendments of 1972 is amended—

(1) by inserting "(subject to the second sentence of this paragraph)" immediately after "Act" where it first appears in subparagraph (B), and

(2) by adding at the end thereof the following new sentence: "In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increases in such benefits under section 1617 of such Act (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977, and before July 1, 1979.".

(b) Effective Date.—The provisions of this section shall be effective with respect to benefits payable for months after June 1977.

The amendment as agreed to by the conferees limits the effect of the provision to the cost-of-living increases which will occur in 1977 and 1978.

Senate Amendment Numbered 51

ELIGIBILITY OF INDIVIDUALS IN CERTAIN INSTITUTIONS

House bill.—No provision.

Senate amendment.—The Senate amendment would exclude publicly operated community residences which serve no more than 16 residents from being deemed public institutions in which individuals are ineligible for SSI benefits. It would also provide that Federal SSI payments would not be reduced in the case of assistance to an individual or an institution based on need which is provided by States and localities. It would repeal section 1616(e) of the Social Security Act effective October 1, 1976 which provides that Federal SSI payments be reduced in the case of payments made by states or localities for medical or any other type of remedial care provided by an institution which could be provided under medicaid. It would add a requirement effective October 1, 1977, that each State establish or designate State or local authorities to establish, maintain and insure the enforcement of standards for categories of institutions in which a significant number of SSI recipients are residing. The standards would have to be appropriate to the needs of the recipients and the character of the facilities involved. They would govern admission policies, safety, sanitation and protection of civil rights.

The Senate amendment would also require each State to make available for public review, as a part of its social services program planning procedures under title XX, a summary of the standards and the procedures available in the State to insure their enforcement. There would have to be made available a list of any waivers of standards which have been made and any violations of standards which have come to the attention of the enforcement authority. Federal payments would be reduced dollar for dollar by any State supplementation in the case of persons who are in group facilities which are not approved under State standards as determined by the appropriate State or local authorities.

Conference action.—This amendment was agreed to by the conferees without substantive change, as follows:

SEC. 505. ELIGIBILITY OF INDIVIDUALS IN CERTAIN INSTITUTIONS.

(a) In General.—Section 1611(e)(1) of the Social Security Act is amended by striking out "subparagraph (B)" in subparagraph (A) and inserting in lieu thereof "subparagraphs (B) and (C)"; and by adding at the end thereof the following new subparagraph:

"(C) As used in subparagraph (A), the term 'public institution' does not include a publicly operated community residence which serves no more than 16 residents."

(b) Conforming Amendment.—Section 1612(b)(6) of such Act is amended by striking out "assistance described in section 1616(a) which" and inserting in lieu thereof "assistance, furnished to or on behalf of such individual (and spouse), which".

(c) REPEAL OF LIMITATION ON PAYMENT.—Section 1616(e) of such Act is repealed.

(d) STATES TO ESTABLISH STANDARDS.—Effective October 1, 1977, section 1616(e) of such Act is amended by adding after subsection (d) the following new subsection:

"(e)(1) Each State shall establish or designate one or more State or local authorities which shall establish, maintain, and insure the enforcement of standards for any category of institutions, foster homes, or group living arrangements in which (as determined by the State) a significant number of recipients of supplemental security income benefits is residing or is likely to reside. Such standards shall be appropriate to the needs of such recipients and the character of the facilities involved, and shall govern such matters as admission policies, safety, sanitation, and protection of civil rights.

"(2) Each State shall annually make available for public review, as a part of the services program planning procedures established pursuant to section 2004 of this Act, a summary of the standards established pursuant to paragraph (1), and shall make available to any interested individual a copy of such standards, along with the procedures available in the State to insure the enforcement of such standards and a list of any waivers of such standards and any violations of such standards which have come to the attention of the authority responsible for their enforcement.

"(3) Each State shall certify annually to the Secretary that it is in compliance with the requirements of this subsection.

"(4) Payments made under this title with respect to an individual shall be reduced by an amount equal to the amount of any supplementary payment (as described in subsection (a)) or other payment made by a State (or political subdivision thereof) which is made for or on account of any medical or any other type of remedial care provided by an institution of the type described in paragraph (1) to such individual as a resident or an inpatient of such institution if such institution is not approved as meeting the standards described in such paragraph by the appropriate State or local authorities.".

(e) EFFECTIVE DATE.—The amendments and repeals made by this section, unless otherwise specified therein, shall take effect on October 1, 1976.

SENATE AMENDMENT NUMBERED 54

AFDC BENEFITS WHERE UNEMPLOYED FATHER RECEIVES UNEMPLOYMENT COMPENSATION

House bill.—No provision.

Senate amendment.—The Senate amendment would require unemployed fathers who apply for aid to families with dependent children-unemployed fathers (AFDC–UF) to collect any unemployment compensation (UC) to which they are entitled before they can receive any AFDC–UF benefits for which they might qualify. In those cases where an individual collecting unemployment compensation meets the State AFDC–UF eligibility requirements, the State would be required to supplement UC benefits up to AFDC–UF benefit levels. The amendment also authorizes the Secretaries of Labor and Health, Education, and Welfare, to enter into agreements with States which

are able and willing to do so under which the States will obtain a single registration for work to meet the requirements of both the Work Incentive Program and the Unemployment Compensation Program.

Conference action.—This amendment was agreed to by the conferees without change, as follows:

SEC. 508. AFDC BENEFITS WHERE UNEMPLOYED FATHER RECEIVES UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Section 407(b)(2) of the Social Security Act is amended—

(1) by striking out "and" at the end of subparagraph (B); and

(2) by striking out paragraph (C) and inserting in lieu thereof the following:

"(C) for the denial of aid to families with dependent children to any child or relative specified in subsection (a)—

"(i) if and for so long as such child's father, unless exempt under section 402(a)(19)(A), is not registered pursuant to such section for the work incentive program established under part C of this title, or, if he is exempt under such section by reason of clause (iii) thereof or no such program in which he can effectively participate has been established or provided under section 432(a), is not registered with the public employment offices in the State, and

"(ii) with respect to any week for which such child's father qualifies for unemployment compensation under an unemployment compensation law of a State or of the United States, but refuses to apply for or accept such unemployment compensation; and

"(D) for the reduction of the aid to families with dependent children otherwise payable to any child or relative specified in subsection (a) by the amount of any unemployment compensation that such child's father receives under an unemployment compensation law of a State or of the United States.".

(b) CONFORMING PROVISION.—Section 407(d)(3) of such Act is amended by inserting ", for purposes of section 407(b)(1)(C)," before "be deemed".

(c) EFFECTIVE DATE.—The amendments made by the preceding provisions of this section shall be effective with respect to months after (and weeks beginning in months after) the date of the enactment of this Act.

(d) SIMPLIFICATION OF PROCEDURES.—Section 407 of the Social Security Act is further amended by adding at the end thereof the following new subsection:

"(e) The Secretary of Health, Education, and Welfare and the Secretary of Labor shall jointly enter into an agreement with each State which is able and willing to do so for the purpose of (1) simplifying the procedures to be followed by unemployed fathers and other unemployed persons in such State in registering pursuant to section 402(a)(19) for the work incentive program established by part C of this title and in registering with public employment offices (under this section and otherwise) or in connection with applications

for unemployment compensation, by reducing the number of locations or agencies where such persons must go in order to register for such programs and in connection with such applications, and (2) providing where possible for a single registration satisfying this section and the requirements of both the work incentive program and the applicable unemployment compensation laws.".

SENATE AMENDMENT NUMBERED 55

STATE EMPLOYMENT OFFICES TO SUPPLY DATA IN AID OF ADMINISTRATION OF AFDC AND CHILD SUPPORT PROGRAMS

House bill.—No provision.

Senate amendment.—Under the Senate amendment, State employment offices would be required to furnish information in their files regarding any individual at the request of a State or local AFDC or child support agency. The information to be provided will include: (1) whether such individual is receiving, has received or has made application for, unemployment compensation, and the amount of any such compensation, (2) the current home address, (3) whether such individual has refused an offer of employment, and (4) such other matters as may be relevant to the discharge of the welfare or child support agency's duties insofar as such duties relate to the individual or any member of his family. The State employment offices would be reimbursed by the welfare or child support agencies for the cost of supplying this information.

Conference action.—This amendment was agreed to by the conferees with one modification, as follows:

SEC. 509. STATE EMPLOYMENT OFFICES TO SUPPLY DATA IN AID OF ADMINISTRATION OF AFDC AND CHILD SUPPORT PROGRAMS.

(a) IN GENERAL.—Section 3(a) of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (29 U.S.C. 49b(a)), is amended by adding at the end thereof the following new sentence: "It shall be the further duty of the bureau to assure that such employment offices in each State, upon request of a public agency administering or supervising the administration of a State plan approved under part A of title IV of the Social Security Act or of a public agency charged with any duty or responsibility under any program or activity authorized or required under part D of title IV of such Act, shall (and, notwithstanding any other provision of law, is hereby authorized to) furnish to such agency making the request, from any data contained in the files of any such employment office, information with respect to any individual specified in the request as to (A) whether such individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received by such individual, (B) the current (or most recent) home address of such individual, and (C) whether such individual has refused an offer of employment and, if so, a description of the employment so offered and terms, conditions, and rate of pay therefor.".

(*b*) *PROVISION FOR REIMBURSEMENT OF EXPENSES.—For purposes of section 403 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices pursuant to the third sentence of section 3 (a) of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (29 U.S.C. 49b (a)), by a State or local agency administering a State plan approved under part A of title IV of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan; and for purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information so requested by a State or local agency charged with the duty of carrying out a State plan for child support approved under part D of title IV of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan.*

The amendment as agreed to by the conferees differs in a single respect from the Senate amendment—it omits the fourth catgory of information to be provided by State employment offices ("such other matters as may be relevant to the discharge of the welfare or child support agency's duties . . .").

AL ULLMAN,
JAMES A. BURKE,
JAMES C. CORMAN,
CHARLES B. RANGEL,
WILLIAM A. STEIGER,
BILL FRENZEL,
Managers on the Part of the House.

RUSSELL B. LONG,
HERMAN TALMADGE,
GAYLORD NELSON,
WILLIAM D. HATHAWAY,
CARL T. CURTIS,
PAUL FANNIN,
CLIFFORD HANSEN,
JACOB K. JAVITS,
Managers on the Part of the Senate.

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