

George W. Bush Presidential Library

Collection: Executive Clerk, Office of the

Series: Saunders, G. Timothy (Tim) – Bill Files

Folder Title: 01/16/2002 [H.R. 2873] [1]

Withdrawn/Redacted Material

The George W. Bush Library

DOCUMENT NO.	FORM	SUBJECT/TITLE	PAGES	DATE	RESTRICTION(S)
001	Memorandum	Promoting Safe and Stable Families Amendments of 2001 - From: Margaret Spellings	5	01/14/2002	P5;

COLLECTION TITLE:

Executive Clerk, Office Of the

SERIES:

Saunders, G. Timothy (Tim) - Bill Files

FOLDER TITLE:

01/16/2002 [H.R. 2873] [1]

FRC ID:

782

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

Deed of Gift Restrictions

- A. Closed by Executive Order 13526 governing access to national security information.
- B. Closed by statute or by the agency which originated the document.
- C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



1/17/02
THE PRESIDENT HAS SEEN

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

January 14, 2002

02 JAN 14 09:11:00

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at a location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

January 14, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200-million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at a location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

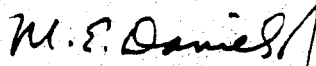
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures

THE WHITE HOUSE

Office of the Press Secretary

FOR IMMEDIATE RELEASE

January 17, 2002

President Bush Acts to Promote Strong Families, Safe Children

Today's Presidential Action:

- President Bush signed bipartisan legislation to strengthen families, promote adoption and provide help for vulnerable children. The bill extends and expands the Promoting Safe and Stable Families Program, which helps at-risk families and ensures children are placed in safe, permanent homes.
- The bill signed by the President today also includes a key part of the President's Armies of Compassion agenda – the Mentoring Children of Prisoners initiative. The Armies of Compassion agenda is a comprehensive effort to help Americans in need by strengthening the work of America's charitable organizations.
- The President's FY 03 budget strongly supports the Promoting Safe and Stable Families program with an increase of more than \$130 million over FY 02 levels. And, the President's budget supports the new Mentoring Children of Prisoners initiative with \$25 million in FY 03.

Background on Today's Presidential Action:

- The Promoting Safe and Stable Families (PSSF) program focuses on helping families stay together. It seeks to prevent child abuse and neglect, avoid the removal of children from their homes, and supports timely reunification where temporary removal has been necessary, when these steps can be taken in a way that ensures children's safety. The program also provides services to promote and support adoptions for those children who cannot return home safely.
- President Bush believes that every child in America deserves to live in a safe, permanent and loving family. The legislation signed by the President today (H.R. 2873 – the Promoting Safe and Stable Families Amendments of 2001 Act) closely mirrors the proposal outlined by the President during his campaign and submitted to Congress in 2001. Among the key provisions of the bill:
 - **Additional Resources to Support Strong Families and Safe Children:** Authorizes substantial annual increases that will meet the President's commitment to increase the size of the PSSF program by an additional \$1 billion. With this additional funding, states can better help families to stay together, avoiding removal of children from their homes, and support timely reunification where temporary removal has been necessary. States can also provide services to promote adoption for children who cannot return home safely and provide post-adoption support to families, a big victory for many adoptive families. The bill allows states to use funds to strengthen parental relationships and promote healthy marriages, help families coping with substance abuse and give courts additional tools to move children quickly into safe and appropriate permanent placements.
 - **Support for Youth Who "Age Out" of Foster Care:** Establishes a program to provide education and vocational training vouchers for youth "aging out" of foster care to help them ensure they obtain the support they need to develop skills to lead productive lives. This program will allow states to extend a safety net of benefits to young adults who grew up in foster care and were never adopted, helping to ease their transition to adulthood and self-sufficiency. Vouchers for individual youths could total up to \$5,000 annually and would not affect eligibility and benefits under Federally supported assistance programs. In order not to serve as a disincentive to the adoption of older children, the vouchers would also be available to individuals adopted from foster care after reaching age 16. The President's FY 03 budget provides \$60 million in the Independent Living Program for this voucher program.
 - **New Initiative Directed at Children of Prisoners:** Establishes a Mentoring Children of Prisoners program to provide mentoring through networks of community organizations, including religious organizations. This is part of

the President's Armies of Compassion initiative, and it represents the first comprehensive Federal support for critically important outreach to an extremely vulnerable group. Through competitive grants, mentoring organizations will work to provide academic and emotional support and guidance to ensure that thousands of these vulnerable children have a strong, positive adult role model.

For more information on the President's initiatives, please visit www.whitehouse.gov

###

WHITE HOUSE STAFFING MEMORANDUMDate: 1-14-02ACTION / CONCURRENCE / COMMENT DUE BY: 1-15-02 10:00 AM

ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES
 Subject: AMENDMENTS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE	☐	☒
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

January 14, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

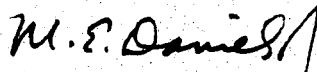
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures

WHITE HOUSE STAFFING MEMORANDUM

02 JAN 14 2002

Date: 1-14-02

ACTION / CONCURRENCE / COMMENT DUE BY: 1-15-02 10:00 AM

ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES

Subject: AMENDMENTS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☐	☐	LINDSEY	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE	☐	☒
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.

GK - keep copy
return

RESPONSE:

cc Bridge
Sarah G

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

January 14, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

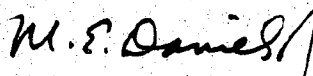
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

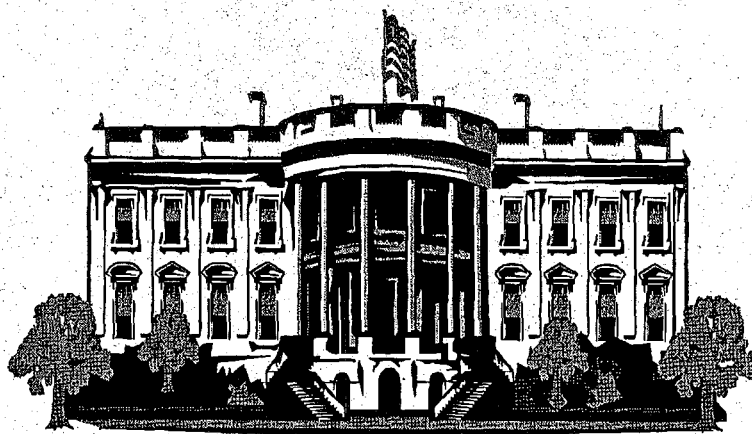
The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



02 JAN 15 AM 11:04

Domestic Policy Council

OFFICE OF POLICY DEVELOPMENT

THE WHITE HOUSE
1600 PENNSYLVANIA AVENUE
WASHINGTON, DC 20502
PHONE: 202.456.5594 FAX: 202.456.5557

TO: HARRIET E. MIERS

FROM: Sarah Gesiriech

FAX: 6.2245

PHONE: 202.456.7128

RE: ENROLLED BILL H.R. 2873 MEMORANDUM Date: 1.14.02

Pages (including cover): 7

COMMENTS:

The document accompanying this Facsimile Transmission Sheet is intended only for the use of the individual or entity to which it is addressed. This message contains information which may be privileged, confidential or exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any disclosure, dissemination, copying or distribution, or taking any action in reliance on the contents of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately at the number above.

SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

Date: 1-14-02 ACTION / CONCURRENCE / COMMENT DUE BY: 1-15-02 10:00 AMSubject: ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES
AMENDMENTS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☐	☐	LINDSEY	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE	☐	☒
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS 	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.

RESPONSE:

cc Bridge
Sarah GHarriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

Withdrawal Marker

The George W. Bush Library

FORM	SUBJECT/TITLE	PAGES	DATE	RESTRICTION(S)
Memorandum	Promoting Safe and Stable Families Amendments of 2001 - From: Margaret Spellings	5	01/14/2002	P5;

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Executive Clerk, Office Of the

SERIES:

Saunders, G. Timothy (Tim) - Bill Files

FOLDER TITLE:

01/16/2002 [H.R. 2873] [1]

FRC ID:

782

OA Num.:

733

NARA Num.:

1459

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

Deed of Gift Restrictions

- A. Closed by Executive Order 13526 governing access to national security information.
- B. Closed by statute or by the agency which originated the document.
- C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

WHITE HOUSE STAFFING MEMORANDUM

Date: 1-14-02 ACTION / CONCURRENCE / COMMENT DUE BY: 1-15-02 10:00 AMSubject: ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES
AMENDMENTS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT <i>N/C</i>	☒	☐	HUBBARD	☒	☐
CARD <i>defer</i>	☒	☐	HUGHES <i>✓</i>	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON <i>N/C</i>	☒	☐
CALIO <i>OK</i>	☒	☐	LINDSEY <i>ok</i>	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE <i>N/C</i>	☐	☒
GERSON	☐	☐	ROVE <i>N/C</i>	☒	☐
GONZALES <i>N/C</i>	☒	☐	SPELLINGS <i>(N/C comments)</i>	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM
TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

December 19, 2001

The Honorable Mitchell E. Daniels, Jr.
Director, Office of Management
and Budget
Washington, D.C. 20503

Dear Mr. Daniels:

This responds to your request for the views of the Department of Health and Human Services (HHS) on H.R. 2873, an enrolled bill entitled the "Promoting Safe and Stable Families Amendments of 2001".

HHS recommends that the President approve the enrolled bill. This legislation is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill. These include Presidential initiatives to substantially expand the Promoting Safe and Stable Families (PSSF) program under title IV-B-2 of the Social Security Act; to provide new PSSF program authority for mentoring programs for children of incarcerated parents; and to amend the Foster Care Independent Living program under title IV-E of the Act to provide for State voucher programs to support education and training for youths aging out of foster care.

Promoting Safe and Stable Families (PSSF)

The PSSF program provides grants to States and Indian tribes for family support, family preservation, family reunification, and adoption promotion and support services. H.R. 2873 reauthorizes the program through FY 2006. The bill retains the current mandatory funding level of \$305 million annually, and authorizes an additional \$200 million per year of discretionary funding. This provides for the same funding levels as the Administration bill, although in our bill the \$200 million increase would have been mandatory funding.

As with the Administration bill, portions of the appropriations increases are earmarked to provide additional resources for research on and evaluation of programs funded under the PSSF program, and to increase annual funding for the State court improvement program (CIP). The CIP funding increases will facilitate the full implementation of the amendments made by the Adoption and Safe Families Act of 1997, which substantially increased the role of the courts, working with State child welfare agencies, in securing safe and permanent homes for children.

Mentoring Children of Prisoners

H.R. 2873 amends the PSSF statute to add new authority for a program of competitive grants to applicants for the establishment or expansion and operation of programs providing mentoring for children of incarcerated parents or probationers through networks of public and private community entities. This is a key initiative of the Administration, representing the first comprehensive Federal support for critically important outreach to an extremely vulnerable group. States, local governments, Indian tribes, and community or faith-based organizations will be eligible to apply for the grants. The bill authorizes \$67 million annually for FYs 2002 and 2003 and such sums as necessary for each succeeding fiscal year. The Federal share of the matching grants is 75 percent for the first and second years of a grant, and 50 percent for succeeding fiscal years.

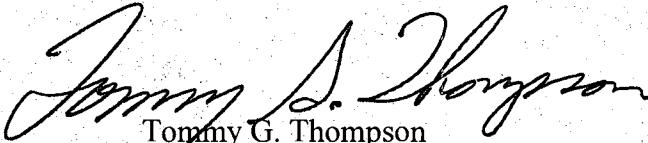
Educational and Training Vouchers

The bill amends the Foster Care Independent Living (IL) program under title IV-E of the Social Security Act to provide for State programs of education and training vouchers for youths who age out of foster care. The bill would provide an additional \$60,000,000 of annual IL funding, specifically for educational and training vouchers. This addition to the IL program is based on the Administration's proposal to assist such youths.

The reauthorization of the PSSF program, the establishment of a mentoring program for children of incarcerated parents, and the authorization of educational and training vouchers for youths aging out of foster care have been important legislative priorities for the Department.

We therefore recommend that the President approve the enrolled bill.

Sincerely,



Tommy G. Thompson

Enclosure

Enrolled bill — H.R. 2873
"Promoting Safe and Stable Families Amendments of 2001"

Section-by-Section Summary

The bill extends and amends the Promoting Safe and Stable Families (PSSF) program under title IV-B-2 of the Social Security Act, and adds new authority to support programs for mentoring children of incarcerated parents; and amends the Foster Care Independent Living program under title IV-E of the Act to provide for educational and training vouchers for youths aging out of foster care.

TITLE I—PROMOTING SAFE AND STABLE FAMILIES

Subtitle A—Grants to States for Promoting Safe and Stable Families

SEC. 101. FINDINGS AND PURPOSE.

Section 101 amends section 430 of the Act in its entirety, adding a statement of findings and amending the statement of purpose. The authorization of appropriations and reservation of funds provisions are deleted; section 106 of the bill relocates and amends these provisions in a new section 436 of the Act.

The findings as to the need for the PSSF program include: the effectiveness of family support programs directed at vulnerable populations; the extensive and intensive nature of family preservation services; the importance of prompt availability of services as a factor in successful family reunification under the Adoption and Safe Families Act of 1997 (ASFA); and the rapid growth in adoptions under the ASFA and the attendant need for post-adoption services and providers capable of addressing the unique issues of adoptive families and children.

Section 430 currently declares that the purpose of the PSSF program is to enable States to develop, expand, and operate programs providing four specified services: community-based family support services, family preservation services, time-limited family reunification services, and adoption promotion and support. As amended, this provision emphasizes the importance of coordination of these four service programs. Language is also added stating the objectives that these programs are intended to achieve, including safety of children; addressing family problems to preserve intact families or permit family reunification in appropriate cases; and supporting adoptive families.

SEC. 102. DEFINITION OF FAMILY SUPPORT SERVICES.

Section 102(a) amends the definition of "family preservation services" in section 431(a)(1) to include "infant safe haven" programs.

Section 102(b) amends the definition of "family support services" in section 431(a)(2) of the Act to include strengthening parental relationships and promoting healthy marriages.

SEC. 103. REALLOTMENTS.

Section 103 amends section 433 of the Act to add a new subsection (d) (REALLOTMENT), making unneeded portions of State allotments under section 433 available for reallocation to other States, under the allotment methodology used for basic grants under that section.

SEC. 104. PAYMENTS TO STATES.

Section 104 amends section 434(a) of the Act to delete obsolete paragraph (2), a special rule for FY 1994, and makes conforming amendments.

SEC. 105. EVALUATIONS, RESEARCH, AND TECHNICAL ASSISTANCE.

Section 105 amends section 435 of the Act (EVALUATIONS) to add provisions concerning evaluations, research, and technical assistance.

New section 435(a) requires the Secretary to evaluate and report to the Congress biennially.

New section 435(c) requires the Secretary to give priority consideration in research and evaluation to: (1) promising program models in the four service categories, particularly time-limited family reunification services and post-adoption services; (2) multi-disciplinary service models addressing parental substance abuse and its impact on children; (3) the efficacy of approaches directed at families with specific problems and with children of specific age ranges; and (4) the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act of 1997.

New section 435(d) directs the Secretary to provide technical assistance to help States and Indian tribes to: (1) develop research-based protocols to identify families with specific risk characteristics for intervention; (2) develop treatment models that address the needs of families; (3) implement programs with well-articulated theories of how intervention will help families; (4) establish mechanisms to ensure that service provision matches treatment model factors; and (5) establish mechanisms to ensure that post-adoption services meet the needs of individual families and develop models to reduce disruption rates of adoption.

SEC. 106. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

Section 106(a) adds a new section 436 (AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS), which extends the current authorization of appropriations of \$305,000,000 for each of FYs 2002 through 2006. As under current law, the

Secretary shall reserve from this amount for a fiscal year: \$6,000,000 for evaluation, research, training, and technical assistance; \$10,000,000 for grants to State courts; and 1 percent for allotment to Indian tribes.

Section 106(b) adds a new section 437 (DISCRETIONARY GRANTS), which authorizes, in addition to the amount appropriated under new section 436, \$200,000,000 for each of FYs 2002 through 2006. Of this amount for a fiscal year, the Secretary shall reserve: 3.3 percent for evaluation, research, training, and technical assistance; 3.3 percent for grants to State courts; and 2 percent for allotment to Indian tribes. New section 437(d) authorizes the Secretary to make a grant to a State which has an approved plan, in an amount equal to the lesser of: 75 percent of the total State expenditures for activities under the plan during the fiscal year or succeeding fiscal year; or the allotment of the State for the fiscal year.

SEC. 107. STATE COURT IMPROVEMENTS.

Section 107 relocates and redesignates, as section 438 of the Act, section 13712 of the Omnibus Budget Reconciliation Act of 1993, which provides for a grant program to State courts for assessment and improvement of the handling of foster care and adoption proceedings. This section also amends the statement of program purposes to include implementing improvements deemed necessary as a result of assessments, including to provide for safety of children in foster care and expedite their placement in appropriate permanent settings, and to implement a corrective action plan resulting from reviews of child and family service programs. Finally, this section makes conforming amendments.

Subtitle B—Mentoring Children of Prisoners

SEC. 121. PROGRAM AUTHORIZED.

IN GENERAL.

Section 121(a) adds to title IV-B, subpart 2, of the Act (the PSSF program authority) a new section 439, providing for grants to applicants for programs for mentoring of children of prisoners, with the following provisions:

FINDINGS AND PURPOSE.

Section 439(a)(1) declares findings as to the need for the program provided by this new section.

Section 439(a)(2) declares that the purpose of the program is to provide for competitive grants to applicants in areas with substantial numbers of children of incarcerated parents, to enable them to support the establishment or expansion and operation of programs using a network of public and private community entities, to provide mentoring services for

children of incarcerated parents.

DEFINITIONS.

Section 439(b)(1) defines "children of prisoners" to mean children one or both of whose parents are incarcerated in a Federal, State, or local correctional facility. The term includes children in an ongoing mentoring relationship in a program under this section at the time of their parents' release from prison, for purposes of continued participation in the program.

Section 439(b)(2) defines "mentoring" to mean a structured, managed program in which individual children are matched with appropriate adult volunteers for one-on-one relationships intended to meet a part of the child's need for involvement with a caring and supportive adult who provides a positive role model.

Section 439(b)(3) defines "mentoring services" to mean those services and activities that support a mentoring program, including the management by trained personnel of outreach to, and screening of, eligible children; outreach to, education and training of, and liaison with sponsoring local organizations; screening and training of adult volunteers; matching of children with suitable adult volunteer mentors; support and oversight of the mentoring relationship; and establishment of goals and evaluation of outcomes for mentored children.

PROGRAM AUTHORIZED.

Section 439(c) provides that the Secretary, after reserving certain funds in accordance with section 439(h)(2), shall make grants for each of FYs 2002 through 2006, in amounts not exceeding \$5,000,000 per grant, to State or local governments, tribal governments or tribal consortia, faith-based organizations, and community organizations in areas that have significant numbers of children of prisoners and that meet the application requirements.

APPLICATION REQUIREMENTS.

Section 439(d) provides that, in order to be eligible, the chief executive officer of the applicant will submit to the Secretary an application containing the following:

PROGRAM DESIGN.—A description of the proposed local program, including:

- a list of public and private organizations and entities that will participate in the program,
- the name, description, and qualifications of the entity that will coordinate

and oversee the program;

- the number of mentor-child matches proposed to be established and maintained under the program;
- such information as the Secretary may require concerning the methods to be used to recruit, screen, support, and oversee individuals participating as mentors (including criminal background checks on such individuals), and to evaluate outcomes for participating children, including information necessary to demonstrate compliance with requirements established by the Secretary; and
- such other information as the Secretary may require.

COMMUNITY CONSULTATION; COORDINATION WITH OTHER PROGRAMS.—A demonstration that, in developing and implementing the program, the program, to the extent feasible and appropriate, will:

- consult with public and private community entities, including religious organizations, and including, as appropriate, Indian tribal organizations and urban Indian organizations, and with families of potential clients;
- coordinate the programs and activities under the program with other Federal, State, and local programs serving children and youth; and
- consult with appropriate Federal, State, and local corrections, workforce development, and substance abuse and mental health agencies.

EQUAL ACCESS FOR LOCAL SERVICE PROVIDERS.—An assurance that local public and private entities and community organizations, including religious organizations and Indian organizations, will be eligible for funding on an equal basis.

RECORDS, REPORTS, AND AUDITS.—An agreement that the applicant will maintain records and cooperate with reviews or audits as the Secretary may find necessary for oversight purposes.

EVALUATION.—An agreement that the applicant will cooperate with the Secretary's evaluation of the plan's program and will provide access to program-related records, staff, and grantees.

FEDERAL SHARE.

Section 439(e)(1) provides that a grant for a program under this section shall be available to pay a share of program costs equal to up to 75 percent for the first and second fiscal years of program funding, and 50 percent for the third and each succeeding fiscal year.

Section 439(e)(2) provides that the non-Federal share of the cost of activities under the plan may be in cash or in kind. The Secretary may attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

CONSIDERATIONS IN AWARDING GRANTS.

Section 439(f) provides that in awarding grants, the Secretary may consider:

- the qualifications, and capacity of applicants and networks of organizations to effectively carry out the mentoring program;
- the comparative severity of need for mentoring programs in given local areas;
- evidence of consultation with existing youth and family service programs, as appropriate; and
- any other factors the Secretary may deem significant in carrying out a mentoring program under this section.

EVALUATION.

Section 439(g) provides that the Secretary shall evaluate the mentoring programs, and submit a report to Congress on the evaluation not later than April 15, 2005.

AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

Section 439(h) authorizes appropriations of \$67,000,000 for the mentoring program for each of FYs 2002 and 2003, and such sums as necessary for each succeeding fiscal year. The Secretary is to reserve 2.5 percent of each year's appropriations for research, technical assistance, and evaluation.

TITLE II—FOSTER CARE AND INDEPENDENT LIVING

SEC. 201. EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.

This section amends the Foster Care Independent Living (IL) program under title IV-E of the Act to provide for State programs of vouchers to youths who age out of foster care, for education and training to help them develop skills to lead independent and productive lives.

Section 201(a) amends section 477(a) of the Act (PURPOSE) to provide that it is a purpose of the program to make educational and training vouchers available to youths who have aged out of foster care.

Subsection (b) adds a new subsection (i) to section 477, specifying conditions that must be met by State educational and training voucher programs. In addition to making vouchers available to youths otherwise eligible to participate in the IL program (that is, youths who have aged out of foster care and have not attained age 21), the State program may provide such vouchers to the following:

- Youths adopted from foster care after attaining age 16 are to remain eligible for vouchers on the same terms as other IL youths.
- Youths participating in the voucher program on the date they attain age 21 remain eligible until age 23, while enrolled in a full-time postsecondary education or training program and making satisfactory progress toward completion of that program.
- Vouchers may be available for the costs of attendance at an institution of higher education, as defined in section 102 of the Higher Education Act of 1965 (HEA), and shall not exceed the lesser of \$5,000 per year or the actual incurred costs of attendance at such an institution.
- Vouchers may be disregarded for purposes of determining eligibility or benefit amounts under any other Federal or Federally supported assistance program, except that the total amount of educational assistance to a youth under all such programs cannot exceed the total cost of attendance, and except that the State agency must take appropriate steps to prevent duplication of benefits under this and other Federal and Federally supported programs.
- The program is coordinated with other appropriate education and training programs.

Subsection (c) amends section 477(b)(3) of the Act (CERTIFICATIONS) to require certification that the State plan is in compliance with the conditions of new section 477(i), including a statement describing the methods the State will use to ensure that educational assistance to individual youths does not exceed the limits described above, and to avoid duplication of benefits under this and other Federal and Federally assisted benefit programs.

Subsection (d) amends section 477(h) of the Act (LIMITATIONS ON AUTHORIZATIONS OF APPROPRIATIONS) to authorize appropriations of an additional \$60,000,000 for each fiscal year for educational and training vouchers for eligible youths. Subsections (e) and (f) make corresponding adjustments to the provisions for allotment (section 477(c)) and payment (section 474(a)(4)). Subsection (f)(1) amends the payment formula in section 474(a)(4) to correct drafting errors in the amendments made by P.L. 106-169, the Foster Care Independence Act of 1999. Subsection (f)(2) amends section 474 to add a new subsection (e), which provides a payment formula for discretionary grants for the educational and training vouchers.

SEC. 202. REALLOCATION AND EXTENSION OF FUNDS.

Section 202(a) amends section 477(d) to provide for the reallocation of funds to other States if a State does not apply for the funds under section 477 within such time as provided by the Secretary. Section 202(b) requires that payments to a State under section 477 for FY 2000 remain available to that State through FY 2002.

TITLE III—EFFECTIVE DATE

SEC. 301. EFFECTIVE DATE.

Section 301(a) provides that the amendments made by this Act shall take effect on the date of enactment. Section 301(b) provides a grace period to allow States to enact new legislation to comply with requirements imposed by this Act.

PROMOTING SAFE AND STABLE FAMILIES AMENDMENTS
OF 2001

NOVEMBER 13, 2001.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. THOMAS, from the Committee on Ways and Means,
submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 2873]

[Including cost estimate of the Congressional Budget Office]

The Committee on Ways and Means, to whom was referred the bill (H.R. 2873) to extend and amend the program entitled Promoting Safe and Stable Families under title IV-B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living program under title IV-E of that Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

CONTENTS

	Page
I. Introduction	10
A. Purpose and Scope	10
B. Background and Need for Legislation	11
C. Legislative History	12
II. Explanation of Provisions	13
III. Votes of The Committee	22
IV. Budget Effects of The Bill	23
A. Committee Estimate of Budgetary Effects	23
B. Statement Regarding New Budget Authority and Tax Expenditures	23

C. Cost Estimate Prepared by The Congressional Budget Office	24
V. Other Matters Required to Be Discussed Under The Rules of The House	26
A. Committee Oversight Findings and Recommendations	26
B. Summary of General Performance Goals and Objectives	27
C. Constitutional Authority Statement	27
D. Information Related to Unfunded Mandates	27
VI. Changes in Existing Laws Made by The Bill, as Reported	27
VII. Additional Views	43

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Promoting Safe and Stable Families Amendments of 2001".

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. References.

TITLE I—PROMOTING SAFE AND STABLE FAMILIES

Subtitle A—Grants to States for Promoting Safe and Stable Families

Sec. 101. Findings and purpose.
Sec. 102. Definition of family support services.
Sec. 103. Reallotments.
Sec. 104. Payments to States.
Sec. 105. Evaluations, research, and technical assistance.
Sec. 106. Authorization of appropriations; reservation of certain amounts.
Sec. 107. State court improvements.

Subtitle B—Mentoring Children of Prisoners

Sec. 121. Program authorized.

TITLE II—FOSTER CARE AND INDEPENDENT LIVING

Sec. 201. Educational and training vouchers for youths aging out of foster care.
Sec. 202. Reallocation and extension of funds.

TITLE III—EFFECTIVE DATE

Sec. 301. Effective date.

SEC. 3. REFERENCES.

Except as otherwise specified in this Act, an amendment made by this Act to a section or other provision shall be considered an amendment to the section or other provision of the Social Security Act.

TITLE I—PROMOTING SAFE AND STABLE FAMILIES

Subtitle A—Grants to States for Promoting Safe and Stable Families

SEC. 101. FINDINGS AND PURPOSE.

Section 430 (42 U.S.C. 629) is amended to read as follows:

"SEC. 430. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds that there is a continuing urgent need to protect children and to strengthen families as demonstrated by the following:

"(1) Family support programs directed at specific vulnerable populations have had positive effects on parents, children, or both. The vulnerable populations for which programs have been shown to be effective include teenage mothers with very young children and families that have children with special needs.

"(2) Family preservation programs have been shown to provide extensive and intensive services to families in crisis.

"(3) The time lines established by the Adoption and Safe Families Act of 1997 have made the prompt availability of services to address family problems (and in particular the prompt availability of appropriate services and treatment addressing substance abuse) an important factor in successful family reunification.

"(4) The rapid increases in the annual number of adoptions since the enactment of the Adoption and Safe Families Act of 1997 have created a growing need for postadoption services and for service providers with the particular knowledge and skills required to address the unique issues adoptive families and children may face.

"(b) PURPOSE.—The purpose of this program is to enable States to develop and establish, or expand, and to operate coordinated programs of community-based family support services, family preservation services, time-limited family reunification services, and adoption promotion and support services to accomplish the following objectives:

"(1) To prevent child maltreatment among families at risk through the provision of supportive family services.

"(2) To assure children's safety within the home and preserve intact families in which children have been maltreated, when the family's problems can be addressed effectively.

"(3) To address the problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner in accordance with the Adoption and Safe Families Act of 1997.

"(4) To support adoptive families by providing support services as necessary so that they can make a lifetime commitment to their children."

SEC. 102. DEFINITIONS.

(a) INCLUSION OF INFANT SAFE HAVEN PROGRAMS AMONG FAMILY PRESERVATION SERVICES.—Section 431(a)(1) (42 U.S.C. 629a(a)(1)) is amended—

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

(2) by striking the period at the end of subparagraph (E) and inserting "and"; and

(3) by adding at the end the following:

"(F) infant safe haven programs to provide a way for a parent to safely relinquish a newborn infant at a safe haven designated pursuant to a State law."

(b) FAMILY SUPPORT SERVICES.—Section 431(a)(2) (42 U.S.C. 629a(a)(2)) is amended by inserting "to strengthen parental relationships and promote healthy marriages," after "environment."

SEC. 103. REALLOTMENTS.

Section 433 (42 U.S.C. 629c) is amended by adding at the end the following:

"(d) REALLOTMENTS.—The amount of any allotment to a State under this section for any fiscal year that the State certifies to the Secretary will not be required for carrying out the State plan under section 432 shall be available for reallocation using the allotment methodology specified in this section. Any amount so reallocated to a State is deemed part of the allotment of the State under the preceding provisions of this section."

SEC. 104. PAYMENTS TO STATES.

(a) IN GENERAL.—Section 434(a) (42 U.S.C. 629d(a)) is amended—

(1) by striking paragraph (2);

(2) by striking all that precedes subparagraph (A) of paragraph (1) and inserting the following:

"(a) ENTITLEMENT.—Each State that has a plan approved under section 432 shall be entitled to payment of the lesser of—"; and

(3) by redesignating subparagraphs (A) and (B) of paragraph (1) as paragraphs (1) and (2), respectively, and by indenting the provisions 2 ems to the left.

(b) CONFORMING AMENDMENTS.—Section 434(b) (42 U.S.C. 629d(b)) is amended—

(1) in paragraph (1)—

(A) by striking "paragraph (1) or (2)(B) of"; and

(B) by striking "described in this subpart" and inserting "under the State plan under section 432"; and

(2) in paragraph (2), by striking "subsection (a)(1)" and inserting "subsection (a)".

SEC. 105. EVALUATIONS, RESEARCH, AND TECHNICAL ASSISTANCE.

Section 435 (42 U.S.C. 629e) is amended—

(1) by striking all that precedes "the effectiveness" in paragraph (1) of subsection (a), including the heading for section 435 and the caption for subsection (a), and inserting the following:

"SEC. 435. EVALUATIONS; RESEARCH; TECHNICAL ASSISTANCE.

"(a) EVALUATIONS.—

"(1) IN GENERAL.—The Secretary shall evaluate and report to the Congress biennially on";

(2) by adding at the end of subsection (a) the following:

"(3) TIMING OF REPORT.—Beginning in 2003, the Secretary shall submit the biennial report required by this subsection not later than April 1 of every other year, and shall include in each such report the funding level, the status of ongoing evaluations, findings to date, and the nature of any technical assistance provided to States under subsection (d)."; and

(3) by adding at the end the following:

"(c) RESEARCH.—The Secretary shall give priority consideration to the following topics for research and evaluation under this subsection, using rigorous evaluation methodologies where feasible:

"(1) Promising program models in the service categories specified in section 430(b), particularly time-limited reunification services and postadoption services.

"(2) Multi-disciplinary service models designed to address parental substance abuse and to reduce its impacts on children.

"(3) The efficacy of approaches directed at families with specific problems and with children of specific age ranges.

"(4) The outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act of 1997.

"(d) TECHNICAL ASSISTANCE.—To the extent funds are available therefor, the Secretary shall provide technical assistance that helps States and Indian tribes to—

"(1) develop research-based protocols for identifying families at risk of abuse and neglect of use in the field;

"(2) develop treatment models that address the needs of families at risk, particularly families with substance abuse issues;

"(3) implement programs with well-articulated theories of how the intervention will result in desired changes among families at risk;

"(4) establish mechanisms to ensure that service provision matches the treatment model; and

"(5) establish mechanisms to ensure that postadoption services meet the needs of the individual families and develop models to reduce the disruption rates of adoption."

SEC. 106. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

(a) MANDATORY FUNDING.—

(1) IN GENERAL.—Subpart 2 of part B of title IV (42 U.S.C. 629–629e) is amended by adding at the end the following:

"SEC. 436. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

"(a) AUTHORIZATION.—There are authorized to be appropriated to carry out the provisions of this subpart \$305,000,000 for each of fiscal years 2002 through 2006.

"(b) RESERVATION OF CERTAIN AMOUNTS.—From the amount specified in subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

"(1) EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.—The Secretary shall reserve \$6,000,000 for expenditure by the Secretary—

"(A) for research, training, and technical assistance costs related to the program under this subpart; and

"(B) for evaluation of State programs based on the plans approved under section 432 and funded under this subpart, and any other Federal, State, or local program, regardless of whether federally assisted, that is designed to achieve the same purposes as the State programs.

"(2) STATE COURT IMPROVEMENTS.—The Secretary shall reserve \$10,000,000 for grants under section 438.

"(3) INDIAN TRIBES.—The Secretary shall reserve 1 percent for allotment to Indian tribes in accordance with section 433(a)."

(2) CONFORMING AMENDMENTS.—Section 433 (42 U.S.C. 629c) is amended—

(A) in subsection (a), by striking "section 430(d)(3)" and inserting "section 436(b)(3)";

(B) in subsection (b)—

(i) by striking "section 430(b)" and inserting "section 436(a)"; and

(ii) by striking "section 430(d)" and inserting "section 436(b)"; and

(C) in subsection (c)(1)—

(i) by striking "section 430(b)" and inserting "section 436(a)"; and

(ii) by striking "section 430(d)" and inserting "section 436(b)".

(b) DISCRETIONARY FUNDING.—Subpart 2 of part B of title IV (42 U.S.C. 629–629e) is further amended by adding at the end the following:

"SEC. 437. DISCRETIONARY GRANTS.

"(a) **LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.**—In addition to any amount appropriated pursuant to section 436, there are authorized to be appropriated to carry out this section \$200,000,000 for each of fiscal years 2002 through 2006.

"(b) **RESERVATION OF CERTAIN AMOUNTS.**—From the amount (if any) appropriated pursuant to subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

"(1) **EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.**—The Secretary shall reserve 3.3 percent for expenditure by the Secretary for the activities described in section 436(b)(1).

"(2) **STATE COURT IMPROVEMENTS.**—The Secretary shall reserve 3.3 percent for grants under section 438.

"(3) **INDIAN TRIBES.**—The Secretary shall reserve 2 percent for allotment to Indian tribes in accordance with subsection (c)(1).

"(c) **ALLOTMENTS.**—

"(1) **INDIAN TRIBES.**—From the amount (if any) reserved pursuant to subsection (b)(3) for any fiscal year, the Secretary shall allot to each Indian tribe with a plan approved under this subpart an amount that bears the same ratio to such reserved amount as the number of children in the Indian tribe bears to the total number of children in all Indian tribes with State plans so approved, as determined by the Secretary on the basis of the most current and reliable information available to the Secretary.

"(2) **TERRITORIES.**—From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) for the fiscal year, the Secretary shall allot to each of the jurisdictions of Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 421.

"(3) **OTHER STATES.**—From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) and paragraph (2) of this subsection for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) which is not specified in paragraph (2) of this subsection an amount equal to such remaining amount multiplied by the food stamp percentage (as defined in section 433(c)(2)) of the State for the fiscal year.

"(d) **GRANTS.**—The Secretary may make a grant to a State which has a plan approved under this subpart in an amount equal to the lesser of—

"(1) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

"(2) the allotment of the State under subsection (c) for the fiscal year.

"(e) **APPLICABILITY OF CERTAIN RULES.**—The rules of subsections (b) and (c) of section 434 shall apply in like manner to the amounts made available pursuant to this section."

SEC. 107. STATE COURT IMPROVEMENTS.

(a) **SCOPE OF ACTIVITIES.**—Section 13712 of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 670 note) is amended—

(1) in subsection (a), by striking paragraph (2) and inserting the following:

"(2) to implement improvements the highest state courts deem necessary as a result of the assessments, including—

"(A) to provide for the safety, well-being, and permanence of children in foster care, as set forth in the Adoption and Safe Families Act of 1997 (Public Law 105-89); and

"(B) to implement a corrective action plan, as necessary, resulting from reviews of child and family service programs under section 1123A of this Act."; and

(2) in subsection (c)(1), in the matter preceding subparagraph (A), by inserting "and improvement" after "assessment".

(b) **ALLOTMENTS.**—Section 13712(c)(1) of such Act (42 U.S.C. 670 note) is amended by striking all that follows "shall be entitled to payment," and inserting "for each of fiscal years 2002 through 2006, from the amount reserved pursuant to section 436(b)(2) (and the amount, if any, reserved pursuant to section 437(b)(2)), of an amount equal to the sum of \$85,000 plus the amount described in paragraph (2) of this subsection for the fiscal year."

(c) **FEDERAL SHARE.**—Section 13712(d) of such Act (42 U.S.C. 670 note) is amended—

(1) in the heading, by striking "USE OF GRANT FUNDS" and inserting "FEDERAL SHARE"; and

(2) by striking "to pay—" and all that follows and inserting "to pay not more than 75 percent of the cost of activities under this section in each of fiscal years 2002 through 2006."

(d) CONFORMING AMENDMENTS.—Section 13712 of such Act (42 U.S.C. 670 note) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking "of title IV of the Social Security Act"; and

(B) in paragraph (1)(A), by striking "of title IV of such Act"; and

(2) in subsection (c)(2), by striking "section 430(d)(2) of the Social Security Act" and inserting "section 436(b)(2) (and the amount, if any, reserved pursuant to section 437(b)(2))".

(e) TRANSFER AND REDESIGNATION.—Section 13712 of such Act (42 U.S.C. 670 note), as amended by the preceding provisions of this section, is redesignated as section 438 and is transferred to the end of subpart 2 of part B of title IV of the Social Security Act.

Subtitle B—Mentoring Children of Prisoners

SEC. 121. PROGRAM AUTHORIZED.

Subpart 2 of part B of title IV (42 U.S.C. 629–629e) is further amended by adding at the end the following:

"SEC. 439. GRANTS FOR PROGRAMS FOR MENTORING CHILDREN OF PRISONERS.

"(a) FINDINGS AND PURPOSE.—

"(1) FINDINGS.—

"(A) In the period between 1991 and 1999, the number of children with a parent incarcerated in a Federal or State correctional facility increased by more than 100 percent, from approximately 900,000 to approximately 2,000,000. In 1999, 2.1 percent of all children in the United States had a parent in Federal or State prison.

"(B) Prior to incarceration, 64 percent of female prisoners and 44 percent of male prisoners in State facilities lived with their children.

"(C) Nearly 90 percent of the children of incarcerated fathers live with their mothers, and 79 percent of the children of incarcerated mothers live with a grandparent or other relative.

"(D) Parental arrest and confinement lead to stress, trauma, stigmatization, and separation problems for children. These problems are coupled with existing problems that include poverty, violence, parental substance abuse, high-crime environments, intrafamilial abuse, child abuse and neglect, multiple care givers, and/or prior separations. As a result, these children often exhibit a broad variety of behavioral, emotional, health, and educational problems that are often compounded by the pain of separation.

"(E) Empirical research demonstrates that mentoring is a potent force for improving children's behavior across all risk behaviors affecting health. Quality, one-on-one relationships that provide young people with caring role models for future success have profound, life-changing potential. Done right, mentoring markedly advances youths' life prospects. A widely cited 1995 study by Public/Private Ventures measured the impact of one Big Brothers Big Sisters program and found significant effects in the lives of youth—cutting first-time drug use by almost half and first-time alcohol use by about a third, reducing school absenteeism by half, cutting assaultive behavior by a third, improving parental and peer relationships, giving youth greater confidence in their school work, and improving academic performance.

"(2) PURPOSE.—The purpose of this section is to authorize the Secretary to make competitive grants to applicants in areas with substantial numbers of children of incarcerated parents, to support the establishment or expansion and operation of programs using a network of public and private community entities to provide mentoring services for children of prisoners.

"(b) DEFINITIONS.—In this section:

"(1) CHILDREN OF PRISONERS.—The term 'children of prisoners' means children one or both of whose parents are incarcerated in a Federal, State, or local correctional facility. The term is deemed to include children who are in an ongoing mentoring relationship in a program under this section at the time of their parents' release from prison, for purposes of continued participation in the program.

"(2) MENTORING.—The term 'mentoring' means a structured, managed program in which children are appropriately matched with screened and trained adult volunteers for one-on-one relationships, involving meetings and activities on a regular basis, intended to meet, in part, the child's need for involvement with a caring and supportive adult who provides a positive role model.

"(3) MENTORING SERVICES.—The term 'mentoring services' means those services and activities that support a structured, managed program of mentoring, including the management by trained personnel of outreach to, and screening of, eligible children; outreach to, education and training of, and liaison with sponsoring local organizations; screening and training of adult volunteers; matching of children with suitable adult volunteer mentors; support and oversight of the mentoring relationship; and establishment of goals and evaluation of outcomes for mentored children.

"(c) PROGRAM AUTHORIZED.—From the amounts appropriated under subsection (h) for a fiscal year that remain after applying subsection (h)(2), the Secretary shall make grants under this section for each of fiscal years 2002 through 2006 to State or local governments, tribal governments or tribal consortia, faith-based organizations, and community-based organizations in areas that have significant numbers of children of prisoners and that submit applications meeting the requirements of this section, in amounts that do not exceed \$5,000,000 per grant.

"(d) APPLICATION REQUIREMENTS.—In order to be eligible for a grant under this section, the chief executive officer of the applicant must submit to the Secretary an application containing the following:

"(1) PROGRAM DESIGN.—A description of the proposed program, including—

"(A) a list of local public and private organizations and entities that will participate in the mentoring network;

"(B) the name, description, and qualifications of the entity that will coordinate and oversee the activities of the mentoring network;

"(C) the number of mentor-child matches proposed to be established and maintained annually under the program;

"(D) such information as the Secretary may require concerning the methods to be used to recruit, screen, support, and oversee individuals participating as mentors, (which methods shall include criminal background checks on the individuals), and to evaluate outcomes for participating children, including information necessary to demonstrate compliance with requirements established by the Secretary for the program; and

"(E) such other information as the Secretary may require.

"(2) COMMUNITY CONSULTATION; COORDINATION WITH OTHER PROGRAMS.—A demonstration that, in developing and implementing the program, the applicant will, to the extent feasible and appropriate—

"(A) consult with public and private community entities, including religious organizations, and including, as appropriate, Indian tribal organizations and urban Indian organizations, and with family members of potential clients;

"(B) coordinate the programs and activities under the program with other Federal, State, and local programs serving children and youth; and

"(C) consult with appropriate Federal, State, and local corrections, workforce development, and substance abuse and mental health agencies.

"(3) EQUAL ACCESS FOR LOCAL SERVICE PROVIDERS.—An assurance that public and private entities and community organizations, including religious organizations and Indian organizations, will be eligible to participate on an equal basis.

"(4) RECORDS, REPORTS, AND AUDITS.—An agreement that the applicant will maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.

"(5) EVALUATION.—An agreement that the applicant will cooperate fully with the Secretary's ongoing and final evaluation of the program under the plan, by means including providing the Secretary access to the program and program-related records and documents, staff, and grantees receiving funding under the plan.

"(e) FEDERAL SHARE.—

"(1) IN GENERAL.—A grant for a program under this section shall be available to pay a percentage share of the costs of the program up to—

"(A) 75 percent for the first and second fiscal years for which the grant is awarded; and

"(B) 50 percent for the third and each succeeding such fiscal years.

"(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of projects under this section may be in cash or in kind. In determining the amount of the

non-Federal share, the Secretary may attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

"(f) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this section, the Secretary shall take into consideration—

"(1) the qualifications and capacity of applicants and networks of organizations to effectively carry out a mentoring program under this section;

"(2) the comparative severity of need for mentoring services in local areas, taking into consideration data on the numbers of children (and in particular of low-income children) with an incarcerated parent (or parents) in the areas;

"(3) evidence of consultation with existing youth and family service programs, as appropriate; and

"(4) any other factors the Secretary may deem significant with respect to the need for or the potential success of carrying out a mentoring program under this section.

"(g) EVALUATION.—The Secretary shall conduct an evaluation of the programs conducted pursuant to this section, and submit to the Congress not later than April 15, 2005, a report on the findings of the evaluation.

"(h) AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.—

"(1) AUTHORIZATION.—There are authorized to be appropriated to carry out this section \$67,000,000 for each of fiscal years 2002 and 2003, and such sums as may be necessary for each succeeding fiscal year.

"(2) RESERVATION.—The Secretary shall reserve 2.5 percent of the amount appropriated for each fiscal year under paragraph (1) for expenditure by the Secretary for research, technical assistance, and evaluation related to programs under this section."

TITLE II—FOSTER CARE AND INDEPENDENT LIVING

SEC. 201. EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.

(a) PURPOSE.—Section 477(a) (42 U.S.C. 677(a)) is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(6) to make available vouchers for education and training, including postsecondary training and education, to youths who have aged out of foster care."

(b) EDUCATIONAL AND TRAINING VOUCHERS.—Section 477 (42 U.S.C. 677) is amended by adding at the end the following:

"(i) EDUCATIONAL AND TRAINING VOUCHERS.—The following conditions shall apply to a State educational and training voucher program under this section:

"(1) Vouchers under the program may be available to youths otherwise eligible for services under the State program under this section.

"(2) For purposes of the voucher program, youths adopted from foster care after attaining age 16 may be considered to be youths otherwise eligible for services under the State program under this section.

"(3) The State may allow youths participating in the voucher program on the date they attain 21 years of age to remain eligible until they attain 23 years of age, as long as they are enrolled in a postsecondary education or training program and are making satisfactory progress toward completion of that program.

"(4) The voucher or vouchers provided for an individual under this section—

"(A) may be available for the cost of attendance at an institution of higher education, as defined in section 102 of the Higher Education Act of 1965; and

"(B) shall not exceed the lesser of \$5,000 per year or the total cost of attendance, as defined in section 472 of that Act.

"(5) The amount of a voucher under this section may be disregarded for purposes of determining the recipient's eligibility for, or the amount of, any other Federal or Federally supported assistance, except that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs shall not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965, and except that the State agency shall take appropriate steps to prevent duplication of benefits under this and other Federal or Federally supported programs.

"(6) The program is coordinated with other appropriate education and training programs."

(c) CERTIFICATION.—Section 477(b)(3) (42 U.S.C. 677(b)(3)) is amended by adding at the end the following:

“(J) A certification by the chief executive officer of the State that the State educational and training voucher program under this section is in compliance with the conditions specified in subsection (i), including a statement describing methods the State will use—

“(i) to ensure that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs does not exceed the limitation specified in subsection (i)(5); and

“(ii) to avoid duplication of benefits under this and any other Federal or Federally assisted benefit program.”

(d) INCREASED AUTHORIZATIONS OF APPROPRIATIONS.—Section 477(h) (42 U.S.C. 677(h)) is amended by striking “there are authorized” and all that follows and inserting the following: “there are authorized to be appropriated to the Secretary for each fiscal year—

“(1) \$140,000,000, which shall be available for all purposes under this section; and

“(2) an additional \$60,000,000, which are authorized to be available for payments to States for education and training vouchers for youths who age out of foster care, to assist the youths to develop skills necessary to lead independent and productive lives.”

(e) ALLOTMENTS TO STATES.—Section 477(c) (42 U.S.C. 677(c)) is amended—

(1) in paragraph (1)—

(A) by striking “(1) IN GENERAL.—From the amount specified in subsection (h)” and inserting “(1) GENERAL PROGRAM ALLOTMENT.—From the amount specified in subsection (h)(1)”; and

(B) by striking “which bears the same ratio” and inserting “which bears the ratio”; and

(C) by striking “as the number of children in foster care” and all that follows and inserting “equal to the State foster care ratio, as adjusted in accordance with paragraph (2).”; and

(2) by adding at the end the following new paragraphs:

“(3) VOUCHER PROGRAM ALLOTMENT.—From the amount, if any, appropriated pursuant to subsection (h)(2) for a fiscal year, the Secretary may allot to each State with an application approved under subsection (b) for the fiscal year an amount equal to the State foster care ratio multiplied by the amount so specified.

“(4) STATE FOSTER CARE RATIO.—In this subsection, the term ‘State foster care ratio’ means the ratio of the number of children in foster care under a program of the State in the most recent fiscal year for which the information is available to the total number of children in foster care in all States for the most recent fiscal year.”

(f) PAYMENTS TO STATES.—

(1) IN GENERAL.—Section 474(a)(4) (42 U.S.C. 674(a)(4)) is amended to read as follows:

“(4) an amount equal to the amount (if any) by which—

“(A) the lesser of—

“(i) 80 percent of the amounts expended by the State during the fiscal year in which the quarter occurs to carry out programs in accordance with the State application approved under section 477(b) for the period in which the quarter occurs (including any amendment that meets the requirements of section 477(b)(5)); or

“(ii) the amount allotted to the State under section 477(c)(1) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for all prior quarters in the fiscal year; exceeds

“(B) the total amount of any penalties assessed against the State under section 477(e) during the fiscal year in which the quarter occurs.”

(2) DISCRETIONARY GRANTS.—Section 474 (42 U.S.C. 674) is amended by adding at the end the following:

“(e) DISCRETIONARY GRANTS FOR EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.—From amounts appropriated pursuant to section 477(h)(2), the Secretary may make a grant to a State with a plan approved under this part, for a calendar quarter, in an amount equal to the lesser of—

“(1) 80 percent of the amounts expended by the State during the quarter to carry out programs for the purposes described in section 477(a)(6); or

“(2) the amount, if any, allotted to the State under section 477(c)(3) for the fiscal year in which the quarter occurs, reduced by the total of the amounts pay-

able to the State under this subsection for such purposes for all prior quarters in the fiscal year.”

SEC. 202. REALLOCATION AND EXTENSION OF FUNDS.

(a) **REALLOCATION OF UNUSED FUNDS.**—Section 477(d) (42 U.S.C. 677(d)) is amended by adding at the end the following:

“(4) **REALLOCATION OF UNUSED FUNDS.**—If a State does not apply for funds under this section for a fiscal year within such time as may be provided by the Secretary, the funds to which the State would be entitled for the fiscal year shall be reallocated to 1 or more other States on the basis of their relative need for additional payments under this section, as determined by the Secretary.”

(b) **TEMPORARY EXTENSION OF AVAILABILITY OF INDEPENDENT LIVING FUNDS.**—Notwithstanding section 477(d)(3) of the Social Security Act, payments made to a State under section 477 of such Act for fiscal year 2000 shall remain available for expenditure by the State through fiscal year 2002.

TITLE III—EFFECTIVE DATE

SEC. 301. EFFECTIVE DATE.

(a) **IN GENERAL.**—Subject to subsection (b), the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) **DELAY PERMITTED IF STATE LEGISLATION REQUIRED.**—In the case of a State plan under subpart 2 of part B or part E of the Social Security Act that the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments specified in subsection (a) of this section, the State plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of the failure of the plan to meet the additional requirements before 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 the enactment of this Act. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of the session shall be deemed to be a separate regular session of the State legislature.

I. INTRODUCTION

A. PURPOSE AND SCOPE

The Committee bill reauthorizes and makes improvements to the Promoting Safe and Stable Families program, the primary Federal resource for services to prevent child abuse and neglect; creates a competitive grant program to establish and expand networks of mentoring services for the children of prisoners; and creates an education voucher program for youth aging out of foster care.

The Promoting Safe and Stable Families program (PSSF) expired at the end of fiscal year 2001. The Committee bill extends PSSF through fiscal year 2006 and authorizes an increase of \$200 million per year. The mentoring children of prisoners program would be an addition to the PSSF program, and is authorized for five fiscal years, initially at \$67 million per year. Finally, the Committee bill authorizes an independent living education voucher program for five fiscal years as an additional, separately appropriated \$60 million per year program within the John H. Chafee Foster Care Independence program.

The primary improvements made to the PSSF program include adding two activities to the list of allowable activities: (1) strengthening parental relationships and promoting healthy marriages; and (2) supporting Infant Safe Haven programs designed to provide a safe way for parents to relinquish unwanted newborns. The Committee bill also adds focus to research, evaluation, and technical assistance performed or directed each year by the U.S. Department of Health of Human Services (the Secretary) and requires the Sec-

retary to report to the Congress every two years on its activities in this respect. Finally, the Committee bill allows funds unused by States to be redirected to other States, maximizing the resources available to provide program services nationwide.

B. BACKGROUND AND NEED FOR LEGISLATION

In response to growing foster care caseloads and concerns that too many children languished in foster care, Public Law 105-89, the Adoption and Safe Families Act of 1997 (ASFA), imposed rigorous deadlines for States and families to address parental problems before a Court must consider whether or not to free children for adoption.

The Promoting Safe and Stable Families program has become an increasingly important resource in responding to the heightened demands on State child welfare systems resulting from ASFA. Originally created by the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66) and reauthorized by ASFA, the program supports State efforts to provide four categories of services: (1) family preservation services to families in crisis that might prevent children from being removed from their home and placed into foster care; (2) family support services to prevent child maltreatment from occurring in potentially vulnerable families; (3) time-limited family reunification services to provide intensive assistance to families during the 15-month time period after children have been removed from their homes until the State must ask the Courts to address the parents' rights to retain custody of their children; and (4) adoption promotion and support services to promote adoptions and support families adopting children from foster care.

The findings and purposes section of the legislation emphasizes the importance of providing a continuum of services to families, from preventing abuse to supporting adoptive families. At each stage in this continuum, States use Promoting Safe and Stable Families funds to support and assist fragile families. The extension and expansion of the program maintains and augments the Committee's commitment to providing help to these families in the coming years.

While the Committee has begun to receive information about family preservation programs, one of the four categories of required services of the Promoting Safe and Stable Families program, little is known about the other areas of service. This is especially true of the two categories added by the Adoption and Safe Families Act—time-limited family reunification and adoption promotion and support services. The revised research, evaluation, and technical assistance priorities are intended to provide States and the Congress with better information about the most effective of the wide range of service options available under the program. Specifically, the Secretary is asked to give priority consideration to research and technical assistance in areas such as substance abuse treatment partnerships with the child welfare system under the time-limited family reunification category, and how to assist families after they have adopted children from foster care under the adoption promotion and support category.

A positive consequence of ASFA has been the impressive increase in the number of children adopted from foster care—an additional 133,000 children since the law was enacted or a 56 percent in-

crease over the previous three-year period starting in 1995. However, large numbers of families adopting young children may face unanticipated challenges as these children grow into adolescence. The issue of substance abuse treatment needs in the child welfare system also is of critical importance. A 1998 GAO report revealed that two-thirds of the children in foster care observed had one or more parent who was a substance abuser; most such parents had been abusing drugs or alcohol for five or more years. GAO also reported that foster care agencies face challenges in addressing parental substance abuse for a variety of reasons. The prioritizing of these two categories of service—adoption promotion and support and time-limited family reunification—for research and technical assistance under this legislation is intended to identify promising practices and translate that information into useful guidance to States.

The mentoring children of prisoners initiative responds to complex issues for children and families arising from large numbers of incarcerated parents. Nearly 2 million children had a parent in jail between 1991 and 1999. Mentoring programs, involving one-on-one relationships of adults matched with children of prisoners, have demonstrated promising results. These relationships can help alleviate the trauma and stigmatization of having a parent in prison and reduce the incidence of negative adolescent behaviors such as drug and alcohol abuse and school absenteeism.

The new education vouchers initiative seeks to offer additional assistance to youth aging out of foster care who are likely to experience difficulty as they transition to independence after age 18. According to HHS data, more than 18,500 children aged out of foster care in 1999 without being adopted. These children must overcome not only the disadvantage of having spent time in the foster care system, most likely in numerous placements, but they also have to find their way in the world without the support of a family. Funding for the Foster Care Independence Program, which provides States with grants for services to assist these youth, has grown steadily over time, rising from \$70 million to \$140 million per year as a result of legislation enacted in 1999. This new program targets still more program funding increases specifically to the education and training needs of this population.

C. LEGISLATIVE HISTORY

On September 25, 2001 the Subcommittee on Human Resources ordered favorably reported, with amendment, to the full Committee H.R. 2873, the "Promoting Safe and Stable Families Amendments of 2001", on a voice vote with a quorum present. On October 31, 2001 the Full Committee on Ways and Means ordered favorably reported H.R. 2873, on a voice vote with a quorum present.

The Subcommittee on Human Resources held a hearing on May 10, 2001 (Serial 107-18) to receive comments on the Promoting Safe and Stable Families program. Testimony at the hearing was presented by program administrators, advocates, researchers and Members of the U.S. House of Representatives. On July 11, 2001 the Subcommittee conducted a hearing on Bush Administration budget proposals which included testimony from an official from the U.S. Department of Health and Human Services on the President's proposals to extend and amend the Promoting Safe and Sta-

ble Families program, provide for grants to support mentoring children of prisoners, and fund new education vouchers for children aging out of foster care (Serial 107-36). In the 106th Congress, the Subcommittee held a number of hearings on child welfare issues: April 22, 1999 on Child Protection Oversight (Serial 106-25); February 27, 2000 on the Child Protection Review System (Serial 106-84); March 23, 2000 on Child Protection Issues (Serial 106-63); July 20, 2000 on Increasing State Flexibility in Use of Federal Child Protection Funds (Serial 106-98); and October 3, 2000 on H.R. 5292, the "Flexible Funding for Child Protection Act of 2000" (Serial 106-73). Testimony was presented by Administration officials, academic witnesses, researchers, program administrators, and advocacy groups.

II. EXPLANATION OF PROVISIONS

1. SHORT TITLE; TABLE OF CONTENTS

Present law

No provision.

Explanation of provision

The Act is named the "Promoting Safe and Stable Families Amendments of 2001."

Reason for change

Not Applicable.

TITLE I—PROMOTING SAFE AND STABLE FAMILIES

SECTION 101. FINDINGS AND PURPOSE

Present law

Current law includes no findings. The purposes of the Promoting Safe and Stable Families program are to encourage and enable each State to develop, establish or expand, and operate a program of family preservation services, community-based family support services, time-limited family reunification services, and adoption promotion and support services.

Explanation of provision

The Promoting Safe and Stable Families Amendments of 2001 adds findings to illustrate the need for the program in addressing issues faced by families at risk of abuse and neglect, and those adopting children from foster care. The Congress finds that: (1) family preservation programs provide extensive and intensive services to families in crisis; (2) family support programs directed at specific vulnerable populations have had positive effects; (3) permanency placement timelines established by the Adoption and Safe Families Act of 1997 (ASFA) have made the prompt availability of services to families important to successful family reunification; and (4) a rapid increase in the number of adoptions since enactment of ASFA has created a growing need for post-adoption services and for service providers with knowledge and skills specific to the needs of adoptive families.

The Committee bill also adds purposes to clarify the goals and expectations of the Congress in reauthorizing the program. Specifically, the purposes include the coordination of services offered under the program; preventing child maltreatment among at-risk families through supportive family services; assuring children's safety within the home; preserving intact families where children have been maltreated, when problems can be addressed effectively; addressing problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner; and supporting adoptive families by providing necessary support services for them to make a lifetime commitment to their children.

Reason for change

Under current law, there is only general language stating the purpose of the program. The addition of specific findings and purposes will help reinforce the need for coordination of services and the goals of each of the four categories of services. While States retain broad authority to design programs, the revised purposes make clear that individual programs should be tailored to address the goals identified for each category of services States are expected to provide using program funds.

SECTION 102. DEFINITIONS OF FAMILY PRESERVATION AND FAMILY SUPPORT SERVICES

Present law

Family preservation services are defined as services for children and families (including adoptive and extended families) at risk or in crisis, including services to return children to their families from foster care, when safe and appropriate, or to help children be placed for adoption, with a legal guardian, or other planned permanent arrangement. They also include preplacement preventive services, such as intensive family preservation programs for children at risk of foster care placement; services designed to provide followup care to families after a child has been returned home; respite care for parents and other caregivers; and services designed to improve parenting skills with respect to such issues as child development, family budgeting, stress management, nutrition, and health.

Family support services are defined as community-based services that promote the safety and well-being of children and families (including adoptive, foster, and extended families); increase confidence in and competence of parenting skills; afford children a safe, stable, and supportive family environment; and otherwise enhance child development.

Explanation of provision

The provision amends the definition of family preservation services to include infant safe haven programs that provide a way for a parent to safely relinquish a newborn infant at a safe haven designated pursuant to State law.

The legislation also amends the definition of family support services to include strengthening parental relationships and promoting healthy marriages.

Reason for change

According to the Child Welfare League of America, as of August 2001, 35 States have passed laws to establish "safe havens," where parents in crisis may relinquish newborns without criminal prosecution. However, few States have provided funding to disseminate information and publicize the availability of these programs, created to prevent infant abandonments that frequently end in the child's death. Allowing States to use Promoting Safe and Stable Families funds to support such programs is consistent with family preservation goals that include providing services to place children for adoption, with a legal guardian, or in another planned permanent living arrangement.

There is a large body of evidence showing that children fare best on a broad range of measures when raised by married parents. For example, children raised by married parents are more likely to do well in school, to avoid poverty, and to escape abuse and neglect. Therefore, allowing States to use family support funds under the program to strengthen parental relationships and promote healthy marriages is consistent with the program's goal of promoting the safety and well-being of children and families.

SECTION 103. REALLOTMENTS

Present law

No provision.

Explanation of provision

The legislation provides that any program funds allotted which a State certifies it will not use are to become available for reallocation to other States under the existing distribution formula.

Reason for change

In recent years, certain Promoting Safe and Stable Families funds available to the States have not been used and have remained in the U.S. Treasury. Funds may not be used by States if they are unable to meet the Federal matching requirements, or are using State funds to pursue the goals of the Promoting Safe and Stable Families program. Rather than allow some portion of this capped federal funding to remain unused, reallocation allows the Secretary to maximize the full resources available for program purposes.

SECTION 104. PAYMENTS TO STATES

(a) In General (Special Funding to States, fiscal year 1994)

Present law

A special funding rule was enacted for fiscal year 1994 that allowed States additional funding for initial program plan development. States that in fiscal year 1994 submitted a proper application for funds to the Secretary were entitled to funding (up to \$1 million) for the cost of development and submission of their 5-year program plan plus the lesser of 75 percent of State expenditures for services to children in families under the new plan, or the regular State allotment minus the amount paid to the State for program plan development.

Explanation of provision

This provision removes all reference to the special funding rule applicable solely to fiscal year 1994.

Reason for change

This is a technical change to remove obsolete references in the statute.

*(b) Conforming Amendments**Present law*

Except for the special funding rule for fiscal year 1994, States are entitled to the lesser of 75 percent of total expenditures for activities under the Promoting Safe and Stable Families program or the regular State allotment for the fiscal year.

Explanation of provision

All references to the special funding rule applicable solely to fiscal year 1994 are removed, but otherwise the current funding formula is maintained.

Reason for change

This is a technical change to remove obsolete references in the statute.

SECTION 105. EVALUATIONS, RESEARCH, AND TECHNICAL ASSISTANCE

Present law

The Secretary is required to evaluate the effectiveness of programs designed to meet specific purposes; develop evaluation criteria in consultation with appropriate parties, such as State child welfare agencies and private, non-profit agencies providing child welfare services; consult other persons with recognized expertise in the evaluation of child and family services; and develop procedures to coordinate State and Federal evaluations of program effectiveness.

Current law has no provisions concerning research priorities or defining technical assistance the Secretary must provide.

Explanation of provision

The legislation creates a new section for Evaluations, Research, and Technical Assistance, and adds new criteria for providing research grants and offering technical assistance. The provision instructs the Secretary to evaluate and report biennially to Congress on the effectiveness of programs. The Secretary is instructed to give priority to the following research and evaluation topics: promising program models, particularly in the areas of time-limited family reunification and adoption services; multi-disciplinary service models addressing parental substance abuse; effectiveness of approaches directed at families with specific problems and children in specific age ranges; and outcomes of adoptions finalized since the enactment of the 1997 Adoption and Safe Families Act.

The Secretary is instructed to provide technical assistance to help States and Indian tribes develop research-based protocols for identifying families at risk of abuse and neglect that can be used

by caseworkers in the field; develop treatment models that address needs of at-risk families (particularly families with substance abuse issues); implement programs with well-articulated plans of how the intervention will result in desired changes among at-risk families; establish ways to ensure service provision matches the treatment model; and establish ways to ensure post-adoption services meet the needs of individual families and develop models to reduce the disruption rates of adoption.

The Secretary must submit a report by April 1 of every other year, beginning in 2003, describing the nature, funding level, and status of ongoing evaluations as well as technical assistance provided to States.

Reason for change

Much is expected of State and local child welfare agencies in protecting children and supporting families at risk. Yet without the most up-to-date and insightful research on best practices and outcomes, agencies will have difficulty designing and implementing effective and efficient programs. To address such concerns, the legislation's targeting of research, evaluations, and technical assistance is intended to assist the Secretary in translating research findings into useful instruction to State child welfare agencies.

Under current law, each year the Secretary receives \$6 million in Promoting Safe and Stable Families funds to conduct research and evaluate the effectiveness of State initiatives funded by the program. Evaluations provided to date include an evaluation of intensive family preservation programs and an overview of how States use Promoting Safe and Stable Families funds. However, a number of program observers contend States have insufficient information upon which to design programs to address the wide range of challenges faced by families involved in or at risk of involvement in the child welfare system. For example, the intensive family preservation evaluation examined one service model to prevent abuse and neglect and found some evidence the program may be ineffective; however, that evaluation offered little guidance on how States might more effectively design such a program. Further, evaluations of core Promoting Safe and Stable Families program services have been unevenly distributed: family preservation has been the focus of many evaluations, while the three other categories have received little evaluative attention.

SECTION 106. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS

Present law

Specific mandatory appropriations are authorized for each of fiscal years 1994 through 2001, beginning with \$60 million in fiscal year 1994 and rising to \$305 million in fiscal year 2001. Of these funds, specified amounts are reserved for research, training and technical assistance and for evaluation of any Federal, State, or local programs that advance specific purposes (\$2 million for fiscal year 1994 and \$6 million for each of fiscal years 1995 through 2001); State court improvement grants as authorized by Section 13172 of the Omnibus Budget Reconciliation Act of 1993 (\$5 million for fiscal year 1995 and \$10 million for each of fiscal years

1996 through 2001); and Indian tribes (1 percent of authorized amount).

Explanation of provision

The legislation authorizes \$305 million in mandatory appropriations for each of fiscal years 2002 through 2006. Out of these funds, the Secretary is instructed to reserve specified amounts for evaluation of programs and for research, training, and technical assistance (\$6 million per year); State court improvements (\$10 million per year); and Indian tribes (1 percent of the specified authorization amount).

In addition to the mandatory funds described above, \$200 million is authorized to be appropriated for each of fiscal years 2002 through 2006. Of such additional funds that are appropriated, the legislation requires the Secretary to reserve 3.3 percent for evaluation, research, training, and technical assistance; 3.3 percent for State Court Improvements; and 2 percent for Indian Tribes. The remaining additional funds after these set-asides are to be allotted among States based on the formula provided for the mandatory funds. The bill also makes technical and conforming changes related to these authorization and set-aside changes.

Reason for change

The Committee bill increases funding for the Promoting Safe and Stable Families program as requested by the President. The increased authorization for fiscal year 2002 marks the largest annual increase in the program since its enactment in 1993. These funds, \$70 million of which have already been provided for fiscal year 2002 by House-passed appropriations legislation, will begin to restore balance in the child welfare system, under which the vast majority of resources are aimed at maintaining children outside of their home. The proposed new funds would significantly expand support for services to prevent abuse and neglect and the removal of children from their homes. These increased resources also will work in concert with the ongoing Child and Family Service Reviews conducted by HHS to identify and address weaknesses in State and local child protection systems. The program has received incremental increases in mandatory appropriations since its enactment in 1993, such that total annual funds have grown from \$60 million in 1994 to \$305 million in 2001. The Committee bill would result in an additional \$1 billion in program support over five years, if appropriated at the authorized level. This provision also makes a technical change to locate set-asides and authorization language in a single section of Title IV-B of the Social Security Act.

The provision includes additional percentage set-asides for evaluation, research, training and technical assistance, State Court Improvements, and Indian tribes, applicable to the up to \$200 million in new annual funding that may be appropriated for each of fiscal years 2002 through 2006. The percentages are designed, should the entire \$200 million in additional funds be appropriated each year, to support the full amount of funding sought for these purposes in the President's original proposal and reflected in H.R. 2873 as introduced. Should less than \$200 million be appropriated in any

year, this approach will make additional funds available for these purposes on a sliding scale basis.

SECTION 107. STATE COURT IMPROVEMENTS

Present law

Entitlement funding for State court improvements is included in Section 430 of the Social Security Act while details concerning the purpose, requirements and allocation of these grants are included in Section 13712 of the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66).

Explanation of provision

This provision amends the description of the State court improvement grants by providing that money is for assessment and implementation of "improvements," and specifies that those improvements are to provide for the safety, well-being, and permanence of children as set forth in the Adoption and Safe Families Act, and to implement corrective action plans, as necessary, resulting from the Children and Family Services reviews under Section 1132(a) of the Social Security Act.

The eligibility criteria for an allotment is amended by stating that a State Court must be conducting assessment and "improvement" activities. Continued State Court Improvement grants are authorized for fiscal years 2002 through 2006, and the heading requiring a non-federal match of 25 percent is renamed "Federal Share." Specific language related to the 1995 funding level is removed. The State Court Improvement program is relocated from the Omnibus Budget Reconciliation Act of 1993 to a new Section 437 of the Social Security Act.

Reason for change

Changes also are made to clarify that the intent of the State Court Improvement program is to (1) assist the State Courts in meeting the expectations of ASFA regarding the safety, well-being, and permanency of children in foster care; and (2) address any issues identified as needing corrective action to comply with Children and Family Services Reviews. Children and Family Services Reviews are comprehensive oversight and assessment activities of State and local child protection and child welfare programs performed by the Secretary. State Court Improvement programs have proved an important catalyst for collaboration between State agencies and the judicial branch toward the mutual goals of protecting children and promoting their well-being and permanent living arrangements.

Technical changes are made to co-locate the State Court Improvement program with the other related Promoting Safe and Stable Families sections of the Social Security Act.

SECTION 121. MENTORING CHILDREN OF PRISONERS; PROGRAM AUTHORIZED

Present law

No provision.

Explanation of provision

The legislation authorizes a new program to fund grants for the mentoring of children of prisoners. Findings are included highlighting the fact that the number of children with a parent in Federal or State prison doubled in the 1990s. The Congress also finds that children often face difficulties associated with the stress and trauma of parental arrest and confinement. Further, research demonstrates that mentoring programs can have an impact on children's behavior. The legislation defines the purpose of the grants as to support the establishment or expansion of mentoring networks in areas with substantial concentrations of children of incarcerated parents. The legislation also defines terms used in this section, making clear that the mentoring programs are to be one-on-one matched relationships between adult volunteers and the children of those incarcerated in a Federal, State, or local correctional facility.

The Committee bill authorizes grants for fiscal years 2002 through 2006, with a maximum individual grant of \$5 million. State or local government entities, community-based or faith-based organizations, and Indian tribes or tribal consortia are eligible to apply for a grant under this program. Applicants are required to provide certain information concerning the design of the program, public and private entities consulted or participating in the mentoring network, and records and reports required by the Secretary for the purpose of evaluating the program. The Federal share of funding for the grants is capped at 75 percent in the first two years of the grant and 50 percent in the remaining years of the grant.

The Secretary is required to consider the qualifications and capacity of applicants to carry out the program effectively, the consultation with existing youth and family service programs, as well as the comparative severity of need in the area where the applicant will operate the program. The Secretary also is required to evaluate the program and report any findings to the Congress by April 15, 2005. The legislation authorizes \$67 million for this program for each of fiscal years 2002 and 2003, and such sums as may be necessary for each succeeding fiscal year; 2.5 percent of the funds authorized are to be reserved by the Secretary for conducting evaluations of the program.

Reason for change

This initiative was a priority sought by the President in his fiscal year 2002 budget. The Committee bill creates a new program to provide children of prisoners with supportive adult mentoring relationships. The number of individuals incarcerated as well as the number of children of incarcerated individuals has increased substantially in recent years, and the children of prisoners often face particular challenges. While the needs of these children and their communities are complex, the Committee finds that mentoring networks like the Amachi program in Philadelphia, Pennsylvania have had a remarkable impact both on the children they serve and the community at large by bringing people together to address the needs of families affected by incarceration.

TITLE II—FOSTER CARE AND INDEPENDENT LIVING

SECTION 201. EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS
AGING OUT OF FOSTER CARE*Present law*

The Chafee Foster Care Independence Program (CFCIP) established under Title IV-E of the Social Security Act seeks to identify and assist children likely to remain in foster care until the age of 18. The \$140 million entitlement grant program to the States includes among its purposes to assist these youth in making the transition to self-sufficiency by providing help in obtaining a high school diploma, postsecondary education or vocational training, job placement and retention services, training in daily living skills and financial affairs, and other appropriate support services. States must submit a plan to the Secretary describing how services will be provided to this population and make certain certifications including that no more than 30 percent of grant funds are to be used for room and board.

State allotments are based on the State's share of the nation's foster care population and minimum grant amounts are set at \$500,000. Funds, provided quarterly, must not supplant other available State funds for these purposes. States also must provide a 20 percent match on all funds received. Each annual allotment is to remain available for expenditure by the State for up to two fiscal years.

Explanation of provision

The Committee bill creates a new discretionary grant program to provide for education vouchers for youths aging out of foster care. The legislation expands upon the purposes of the CFCIP to include making vouchers available for postsecondary training and education to youths who have aged out of foster care. It also describes several requirements under the program, including that youths age 16 and over (and up to age 23 at State option) are eligible for vouchers in amounts of up to \$5,000 per year or the cost of the education or training program, whichever is less. The value of a voucher may not be counted in determining financial eligibility for other forms of Federal assistance. However, agencies must take steps to prevent duplication of benefits under this or any other Federal or Federally supported program. The legislation also requires State certifications under CFCIP to include demonstrations of State efforts to avoid duplication of benefits and to ensure that no more than the cost of attendance in the training or education program is supported through the voucher.

The Committee bill authorizes the education voucher program as a separate discretionary appropriation of \$60 million in each of fiscal years 2002 through 2006. The formula for allotting the State shares under the education voucher program is the same as the formula under the CFCIP. However, there is no minimum grant provision per State as in the underlying CFCIP.

Reason for change

The Committee remains concerned by the challenges facing youth who age out of the foster care system without a permanent

home. Previous legislation sponsored by the Committee doubled funding for services specifically to assist this population. The provision of education vouchers, as proposed by the President in his fiscal year 2002 budget and provided under the Committee bill, will further support these youth.

SECTION 202. REALLOCATION AND EXTENSION OF FUNDS

Present law

No provision.

Explanation of provision

The legislation provides the Secretary with authority to reallocate CFCIP funds for which States did not apply to other States on the basis of need, as determined by the Secretary. The legislation also provides for a temporary expansion of the rule that States must spend program funds within 2 years, permitting States to spend fiscal year 2000 funds in 2000, 2001 or 2002.

Reason for change

The Committee bill restores a provision inadvertently dropped during the 1999 reauthorization of the program allowing unused CFCIP funds to be reallocated to other States, ensuring the maximum availability of funds authorized by the program. The Committee also provides an additional one-year extension in the availability of fiscal year 2000 funds, allowing States to use these funds in fiscal years 2000, 2001, or 2002. This change is designed to accommodate States' need to expand programs in accordance with the large increases in funds provided in fiscal year 2000.

TITLE III—EFFECTIVE DATE

SECTION 301. EFFECTIVE DATE

Present law

Not applicable.

Explanation of provision

Except as provided below, amendments made by the Committee bill take effect upon enactment. If the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's Title IV-B or IV-E plan to comply, the plan will not be considered out of compliance on that basis until after completion of the first regular session of the State legislature (or the first year of a two-year legislative session) that begins after enactment of this Act.

Reason for change

States are provided ample time to make any necessary changes to State laws to comply with the Committee bill.

III. VOTES OF THE COMMITTEE

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statements are made concerning the votes of the Committee on Ways and Means in its consideration of the bill, H.R. 2873.

MOTION TO REPORT THE BILL

The bill, H.R. 2873, as amended, was ordered favorably reported by voice vote (with a quorum being present).

VOTES ON AMENDMENTS

A rollcall vote was conducted on the following amendment to the Chairman's amendment in the nature of a substitute.

An amendment by Mr. Cardin providing mandatory funding for the Safe and Stable Families Program increases and education vouchers was defeated by a rollcall vote of 14 yeas to 20 nays. The vote was as follows:

Representatives	Yea	Nay	Representatives	Yea	Nay
Mr. Thomas		X	Mr. Rangel		
Mr. Crane		X	Mr. Stark	X	
Mr. Shaw		X	Mr. Matsui	X	
Mrs. Johnson		X	Mr. Coyne	X	
Mr. Houghton			Mr. Levin	X	
Mr. Herger		X	Mr. Cardin	X	
Mr. McCrery			Mr. McDermott	X	
Mr. Camp		X	Mr. Kleczka		
Mr. Ramstad		X	Mr. Lewis (GA)	X	
Mr. Nussle		X	Mr. Neal	X	
Mr. Johnson		X	Mr. McNulty		
Ms. Dunn			Mr. Jefferson	X	
Mr. Collins		X	Mr. Tanner	X	
Mr. Portman		X	Mr. Becerra	X	
Mr. English		X	Mrs. Thurman	X	
Mr. Watkins		X	Mr. Doggett	X	
Mr. Hayworth		X	Mr. Pomeroy	X	
Mr. Weller		X			
Mr. Hulshof		X			
Mr. McNis					
Mr. Lewis (KY)		X			
Mr. Foley		X			
Mr. Brady		X			
Mr. Ryan		X			

IV. BUDGET EFFECTS OF THE BILL

A. COMMITTEE ESTIMATE OF BUDGETARY EFFECTS

In compliance with clause 3(d)(2) of rule XIII of the Rules of the House of Representatives, the following statement is made:

The Committee agrees with the estimate prepared by the Congressional Budget office (CBO) which is included below.

B. STATEMENT REGARDING NEW BUDGET AUTHORITY AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee states that the Committee bill results in direct spending of _____ over 5 years and a decrease in revenues of _____ over 5 years. This amount is accommodated by the allocation to the Committee under the Budget Resolution.

C. COST ESTIMATE PREPARED BY THE CONGRESSIONAL BUDGET
OFFICE

In compliance with clause 3(c)(3) of rule XIII of the Rules of the House of Representatives requiring a cost estimate prepared by the Congressional Budget Office (CBO), the following report prepared by CBO is provided.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 6, 2001.

Hon. WILLIAM "BILL" M. THOMAS,
Chairman, Committee on Ways and Means,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2873, the Promoting Safe and Stable Families Amendments of 2001.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Christina Hawley Sadoti.

Sincerely,

STEVEN LIEBERMAN
(For Dan L. Crippen, Director).

Enclosure.

*H.R. 2873—The Promoting Safe and Stable Families Amendments
of 2001*

Summary: H.R. 2873 would extend the Promoting Safe and Stable Families (PSSF) program through fiscal year 2006. PSSF expired at the end of fiscal year 2001. Relative to current law, extending this program would cost \$305 million each year. However, under the rules governing baseline projections, the costs of extending PSSF and other large entitlement programs are assumed in CBO's estimates of baseline spending. Consequently, enacting H.R. 2873 would have no effect on direct spending relative to the baseline. Nevertheless, pay-as-you-go procedures apply to the bill.

The bill also would authorize discretionary grants for additional spending for PSSF from 2002 through 2006, and would permanently authorize grant programs that would provide mentoring services to children of prisoners and educational and training vouchers for youth leaving foster care. Assuming appropriation of the authorized amounts, CBO estimates that making such grants would cost about \$1.2 billion over the 2002-2006 period and \$2.2 billion from 2002 through 2011.

H.R. 2873 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The grant programs authorized by the bill would require matching commitments, and CBO estimates that state spending to fulfill those requirements would total about \$760 million over the 2002-2006 period.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 2873 is shown in the following table. The cost of this legislation falls within budget function 500 (education, training, employment, and social services).

	By fiscal year, in million of dollars—				
	2002	2003	2004	2005	2006
SPENDING SUBJECT TO APPROPRIATION					
PSSF discretionary grants (section 106): ¹					
Authorization level	200	200	200	200	200
Estimated outlays	16	116	166	186	196
Mentoring children of prisoners (section 121):					
Estimated authorization level	67	67	69	71	71
Estimated outlays	5	47	59	68	71
Foster care, independent living education vouchers (section 201):					
Authorization level	60	60	60	60	60
Estimated outlays	9	45	60	60	60
Total authorization of appropriations:					
Estimated authorization level	327	327	329	331	333
Estimated outlays	30	208	285	314	327

¹ The costs of extending the entitlement program for PSSF at the level of \$305 million per year are assumed in CBO's baseline projection of spending under current law. Thus, reauthorizing PSSF at this level would have no effect on direct spending relative to the baseline.

Basis of estimate

For this estimate, CBO assumes that H.R. 2873 will be enacted by December 1, 2001, and that the authorized amounts will be appropriated for each year. In estimating outlays of the appropriated amounts, CBO relied on past spending patterns of similar programs.

Direct Spending.—H.R. 2873 would extend PSSF grants through 2006 at \$305 million annually. These grants are considered entitlements to states, and are available for services that provide community-based family support, family reunification, and adoption promotion. Although PSSF expired at the end of fiscal year 2001, the costs of the program are assumed in the baseline according to the rules established by the Balanced Budget and Emergency Deficit Control Act. Therefore, extending PSSF at this level would not increase direct spending relative to CBO's baseline projections.

Spending Subject to Appropriation.—H.R. 2873 would authorize discretionary grants totaling \$2.3 billion over the 2002–2011 period. Assuming appropriation of the authorized amounts, CBO estimates that enacting this bill would increase discretionary outlays by \$30 million in fiscal year 2002 and by \$2.2 billion over the 2002–2011 period. In addition to the \$305 million in entitlements to states (discussed under the direct spending section of this estimate), H.R. 2873 would authorize the appropriation of \$200 million in each of fiscal years 2002 through 2006 for PSSF grants. The bill would also authorize new grants in the amount of \$67 million for fiscal years 2002 and 2003, and such sums as may be necessary in following fiscal years, for competitive grants aimed at providing mentoring services to children of incarcerated parents. For the purpose of this estimate, CBO has assumed that the authorization for years after 2003 is equal to the 2003 authorization adjusted for inflation. (Without adjustment for inflation, outlays over the 2002–2011 period would be \$0.1 billion less.) Finally, the bill would permanently authorize \$60 million each year for educational and training vouchers that would be made available for youth who become too old to qualify for foster care, and for youth who are adopted from foster care after attaining age 16.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Such procedures apply

to H.R. 2873 because it would extend PSSF, a direct spending program. However, because that spending is already included in baseline projections, no additional cost would be recorded for pay-as-you-go purposes.

Estimated impact on State, local and tribal governments: H.R. 2873 contains no intergovernmental mandates as defined in UMRA. The bill would extend and expand a number of grants to state, local, and tribal governments, the most significant of which would be grants for promoting safe and stable families. After accounting for amounts reserved for use by the Secretary of Health and Human Services, CBO estimates that federal outlays for grants to tribal governments would total about \$30 million, and for grants to state governments, about \$2.1 billion, over the 2002–2006 period. The grants to tribal governments would have no matching requirements, but the grants to states would require about \$700 million in state matching funds. The bill also would authorize grants to states for educational vouchers to youth who have moved out of the foster care system and who are attending post-secondary schools. CBO estimates that federal grants to states for this purpose would total \$234 million over the 2002–2006 period and that states would provide about \$60 million in matching funds over the same period.

The bill would also authorize grants to public and private entities for mentoring programs that target children who have a parent in prison. State, local, and tribal governments, as well as private entities, could qualify for those grants. Recipients would have to match federal funds with either in-kind or cash support totaling 25 percent of the program's resources in the first two years and 50 percent thereafter.

Estimated impact on the private sector: This bill contains no private-sector mandates as defined in UMRA.

Estimate prepared by: Federal spending: Christina Hawley Sadoti; impact on State, local, and tribal governments: Leo Lex; impact on the private sector: Ralph Smith.

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis.

V. OTHER MATTERS REQUIRED TO BE DISCUSSED UNDER THE RULES OF THE HOUSE

A. COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

In compliance with clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Subcommittee reports that the need for this legislation was confirmed by the oversight hearings of the Subcommittee on Human Resources. The hearings were as follows:

The Subcommittee on Human Resources held a hearing on May 10, 2001 (Serial 107–18) to receive comments on the reauthorization of the Promoting Safe and Stable Families program. Testimony at the hearing was presented by program administrators, advocates, researchers, and Members of the U.S. House of Representatives. The Subcommittee also conducted a hearing on July 11, 2001 (Serial 107–36) on the President's budget proposals, which included testimony from the Administration on the proposals included in H.R. 2873 as approved by the Committee.

B. SUMMARY OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In compliance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee states that legislation reauthorizes and makes improvements to the Promoting Safe and Stable Families program, the primary Federal resource for services to prevent child abuse and neglect; creates a competitive grant program to establish and expand networks of mentoring services for the children of prisoners; and creates an education voucher program for youth aging out of foster care.

C. CONSTITUTIONAL AUTHORITY STATEMENT

In compliance with clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, relating to Constitutional Authority, the Committee states that the Subcommittee's action in reporting the bill is derived from Article I of the Constitution, Section 8 ("The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and to provide for * * * the general Welfare of the United States * * *").

D. INFORMATION RELATING TO UNFUNDED MANDATES

This information is provided in accordance with Section 423 of the Unfunded Mandates Reform Act of 1995 (P.L. 104-4).

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

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SOCIAL SECURITY ACT

* * * * *

TITLE IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES

* * * * *

PART B—CHILD AND FAMILY SERVICES

* * * * *

Subpart 2—Promoting Safe and Stable Families

[SEC. 430. PURPOSES; LIMITATIONS ON AUTHORIZATIONS OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

[(a) PURPOSES; LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For the purpose of encouraging and enabling each State to develop and establish, or expand, and to operate a program of family preservation services, community-based family support services, time-limited family reunification services, and adoption promotion

and support services, there are authorized to be appropriated to the Secretary the amounts described in subsection (b) for the fiscal years specified in subsection (b).

[(b) DESCRIPTION OF AMOUNTS.—The amount described in this subsection is—

- [(1) for fiscal year 1994, \$60,000,000;
- [(2) for fiscal year 1995, \$150,000,000;
- [(3) for fiscal year 1996, \$225,000,000;
- [(4) for fiscal year 1997, \$240,000,000;
- [(5) for fiscal year 1998, the greater of—

[(A) \$255,000,000; or

[(B) the amount described in this subsection for fiscal year 1997, increased by the inflation percentage applicable to fiscal year 1998;

- [(6) for fiscal year 1999, \$275,000,000;
- [(7) for fiscal year 2000, \$295,000,000; and
- [(8) for fiscal year 2001, \$305,000,000.

[(c) INFLATION PERCENTAGE.—For purposes of subsection (b)(5)(B) of this section, the inflation percentage applicable to any fiscal year is the percentage (if any) by which—

[(1) the average of the Consumer Price Index (as defined in section 1(f)(5) of the Internal Revenue Code of 1986) for the 12-month period ending on December 31 of the immediately preceding fiscal year; exceeds

[(2) the average of the Consumer Price Index (as so defined) for the 12-month period ending on December 31 of the 2nd preceding fiscal year.

[(d) RESERVATION OF CERTAIN AMOUNTS.—

[(1) EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.—The Secretary shall reserve \$2,000,000 of the amount described in subsection (b) for fiscal year 1994, and \$6,000,000 of the amounts so described for each of fiscal years 1995, 1996, 1997, 1998, 1999, 2000, and 2001, for expenditure by the Secretary—

[(A) for research, training, and technical assistance related to the program under this subpart; and

[(B) for evaluation of State programs funded under this subpart and any other Federal, State, or local program, regardless of whether federally assisted, that is designed to achieve the same purposes as the program under this subpart.

[(2) STATE COURT ASSESSMENTS.—The Secretary shall reserve \$5,000,000 of the amount described in subsection (b) for fiscal year 1995, and \$10,000,000 of the amounts so described for each of fiscal years 1996, 1997, 1998, 1999, 2000, and 2001, for grants under section 13712 of the Omnibus Budget Reconciliation Act of 1993.

[(3) INDIAN TRIBES.—The Secretary shall reserve 1 percent of the amounts described in subsection (b) for each fiscal year, for allotment to Indian tribes in accordance with section 433(a).]

SEC. 430. FINDINGS AND PURPOSE.

(a) *FINDINGS.*—The Congress finds that there is a continuing urgent need to protect children and to strengthen families as demonstrated by the following:

(1) Family support programs directed at specific vulnerable populations have had positive effects on parents, children, or both. The vulnerable populations for which programs have been shown to be effective include teenage mothers with very young children and families that have children with special needs.

(2) Family preservation programs have been shown to provide extensive and intensive services to families in crisis.

(3) The time lines established by the Adoption and Safe Families Act of 1997 have made the prompt availability of services to address family problems (and in particular the prompt availability of appropriate services and treatment addressing substance abuse) an important factor in successful family reunification.

(4) The rapid increases in the annual number of adoptions since the enactment of the Adoption and Safe Families Act of 1997 have created a growing need for postadoption services and for service providers with the particular knowledge and skills required to address the unique issues adoptive families and children may face.

(b) **PURPOSE.**—The purpose of this program is to enable States to develop and establish, or expand, and to operate coordinated programs of community-based family support services, family preservation services, time-limited family reunification services, and adoption promotion and support services to accomplish the following objectives:

(1) To prevent child maltreatment among families at risk through the provision of supportive family services.

(2) To assure children's safety within the home and preserve intact families in which children have been maltreated, when the family's problems can be addressed effectively.

(3) To address the problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner in accordance with the Adoption and Safe Families Act of 1997.

(4) To support adoptive families by providing support services as necessary so that they can make a lifetime commitment to their children.

SEC. 431. DEFINITIONS.

(a) **IN GENERAL.**—As used in this subpart:

(1) **FAMILY PRESERVATION SERVICES.**—The term “family preservation services” means services for children and families designed to help families (including adoptive and extended families) at risk or in crisis, including—

(A) * * *

* * * * *

(D) respite care of children to provide temporary relief for parents and other caregivers (including foster parents); [and]

(E) services designed to improve parenting skills (by reinforcing parents' confidence in their strengths, and helping them to identify where improvement is needed and to obtain assistance in improving those skills) with respect to matters such as child development, family budgeting, coping with stress, health, and nutrition[.]; and

(F) infant safe haven programs to provide a way for a parent to safely relinquish a newborn infant at a safe haven designated pursuant to a State law.

(2) FAMILY SUPPORT SERVICES.—The term “family support services” means community-based services to promote the safety and well-being of children and families designed to increase the strength and stability of families (including adoptive, foster, and extended families), to increase parents’ confidence and competence in their parenting abilities, to afford children a safe, stable, and supportive family environment, to strengthen parental relationships and promote healthy marriages, and otherwise to enhance child development.

* * * * *

SEC. 433. ALLOTMENTS TO STATES.

(a) INDIAN TRIBES.—From the amount reserved pursuant to section [430(d)(3)] 436(b)(3) for any fiscal year, the Secretary shall allot to each Indian tribe with a plan approved under this subpart an amount that bears the same ratio to such reserved amount as the number of children in the Indian tribe bears to the total number of children in all Indian tribes with State plans so approved, as determined by the Secretary on the basis of the most current and reliable information available to the Secretary.

(b) TERRITORIES.—From the amount described in section [430(b)] 436(a) for any fiscal year that remains after applying section [430(d)] 436(b) for the fiscal year, the Secretary shall allot to each of the jurisdictions of Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 421.

(c) OTHER STATES.—

(1) IN GENERAL.—From the amount described in section [430(b)] 436(a) for any fiscal year that remains after applying section [430(d)] 436(b) and subsection (b) of this section for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) which is not specified in subsection (b) of this section an amount equal to such remaining amount multiplied by the food stamp percentage of the State for the fiscal year.

* * * * *

(d) REALLOTMENTS.—The amount of any allotment to a State under this section for any fiscal year that the State certifies to the Secretary will not be required for carrying out the State plan under section 432 shall be available for reallocation using the allotment methodology specified in this section. Any amount so reallocated to a State is deemed part of the allotment of the State under the preceding provisions of this section.

SEC. 434. PAYMENTS TO STATES.

[(a) ENTITLEMENT.—

[(1) GENERAL RULE.—Except as provided in paragraph (2) of this subsection, each State which has a plan approved under this subpart shall be entitled to payment of the lesser of—]

(a) ENTITLEMENT.—Each State that has a plan approved under section 432 shall be entitled to payment of the lesser of—

[(A)] (1) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

[(B)] (2) the allotment of the State under section 433 for the fiscal year.

[(2) SPECIAL RULE.—Upon submission by a State to the Secretary during fiscal year 1994 of an application in such form and containing such information as the Secretary may require (including, if the State is seeking payment of an amount pursuant to subparagraph (B) of this paragraph, a description of the services to be provided with the amount), the State shall be entitled to payment of an amount equal to the sum of—

[(A)] such amount, not exceeding \$1,000,000, from the allotment of the State under section 433 for fiscal year 1994, as the State may require to develop and submit a plan for approval under section 432; and

[(B)] an amount equal to the lesser of—

[(i)] 75 percent of the expenditures by the State for services to children and families in accordance with the application and the expenditure rules of section 432(a)(4); or

[(ii)] the allotment of the State under section 433 for fiscal year 1994, reduced by any amount paid to the State pursuant to subparagraph (A) of this paragraph.]

(b) PROHIBITIONS.—

(1) NO USE OF OTHER FEDERAL FUNDS FOR STATE MATCH.—Each State receiving an amount paid under [paragraph (1) or (2)(B) of] subsection (a) may not expend any Federal funds to meet the costs of services [described in this subpart] *under the State plan under section 432* not covered by the amount so paid.

(2) AVAILABILITY OF FUNDS.—A State may not expend any amount paid under [subsection (a)(1)] *subsection (a)* for any fiscal year after the end of the immediately succeeding fiscal year.

* * * * *

[SEC. 435. EVALUATIONS.

[(a) EVALUATIONS.—

[(1) IN GENERAL.—The Secretary shall evaluate]

SEC. 435. EVALUATIONS; RESEARCH; TECHNICAL ASSISTANCE.

(a) EVALUATIONS.—

(1) *IN GENERAL.—The Secretary shall evaluate and report to the Congress biennially on the effectiveness of the programs carried out pursuant to this subpart in accomplishing the purposes of this subpart, and may evaluate any other Federal, State, or local program, regardless of whether federally assisted, that is designed to achieve the same purposes as the program under this subpart, in accordance with criteria established in accordance with paragraph (2).*

* * * * *

(3) *TIMING OF REPORT.—Beginning in 2003, the Secretary shall submit the biennial report required by this subsection not*

later than April 1 of every other year, and shall include in each such report the funding level, the status of ongoing evaluations, findings to date, and the nature of any technical assistance provided to States under subsection (d).

* * * * *

(c) **RESEARCH.**—The Secretary shall give priority consideration to the following topics for research and evaluation under this subsection, using rigorous evaluation methodologies where feasible:

(1) Promising program models in the service categories specified in section 430(b), particularly time-limited reunification services and postadoption services.

(2) Multi-disciplinary service models designed to address parental substance abuse and to reduce its impacts on children.

(3) The efficacy of approaches directed at families with specific problems and with children of specific age ranges.

(4) The outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act of 1997.

(d) **TECHNICAL ASSISTANCE.**—To the extent funds are available therefor, the Secretary shall provide technical assistance that helps States and Indian tribes to—

(1) develop research-based protocols for identifying families at risk of abuse and neglect of use in the field;

(2) develop treatment models that address the needs of families at risk, particularly families with substance abuse issues;

(3) implement programs with well-articulated theories of how the intervention will result in desired changes among families at risk;

(4) establish mechanisms to ensure that service provision matches the treatment model; and

(5) establish mechanisms to ensure that postadoption services meet the needs of the individual families and develop models to reduce the disruption rates of adoption.

SEC. 436. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

(a) **AUTHORIZATION.**—There are authorized to be appropriated to carry out the provisions of this subpart \$305,000,000 for each of fiscal years 2002 through 2006.

(b) **RESERVATION OF CERTAIN AMOUNTS.**—From the amount specified in subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

(1) **EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.**—The Secretary shall reserve \$6,000,000 for expenditure by the Secretary—

(A) for research, training, and technical assistance costs related to the program under this subpart; and

(B) for evaluation of State programs based on the plans approved under section 432 and funded under this subpart, and any other Federal, State, or local program, regardless of whether federally assisted, that is designed to achieve the same purposes as the State programs.

(2) **STATE COURT IMPROVEMENTS.**—The Secretary shall reserve \$10,000,000 for grants under section 438.

(3) **INDIAN TRIBES.**—The Secretary shall reserve 1 percent for allotment to Indian tribes in accordance with section 433(a).

SEC. 437. DISCRETIONARY GRANTS.

(a) **LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.**—In addition to any amount appropriated pursuant to section 436, there are authorized to be appropriated to carry out this section \$200,000,000 for each of fiscal years 2002 through 2006.

(b) **RESERVATION OF CERTAIN AMOUNTS.**—From the amount (if any) appropriated pursuant to subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

(1) **EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.**—The Secretary shall reserve 3.3 percent for expenditure by the Secretary for the activities described in section 436(b)(1).

(2) **STATE COURT IMPROVEMENTS.**—The Secretary shall reserve 3.3 percent for grants under section 438.

(3) **INDIAN TRIBES.**—The Secretary shall reserve 2 percent for allotment to Indian tribes in accordance with subsection (c)(1).

(c) **ALLOTMENTS.**—

(1) **INDIAN TRIBES.**—From the amount (if any) reserved pursuant to subsection (b)(3) for any fiscal year, the Secretary shall allot to each Indian tribe with a plan approved under this subpart an amount that bears the same ratio to such reserved amount as the number of children in the Indian tribe bears to the total number of children in all Indian tribes with State plans so approved, as determined by the Secretary on the basis of the most current and reliable information available to the Secretary.

(2) **TERRITORIES.**—From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) for the fiscal year, the Secretary shall allot to each of the jurisdictions of Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 421.

(3) **OTHER STATES.**—From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) and paragraph (2) of this subsection for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) which is not specified in paragraph (2) of this subsection an amount equal to such remaining amount multiplied by the food stamp percentage (as defined in section 433(c)(2)) of the State for the fiscal year.

(d) **GRANTS.**—The Secretary may make a grant to a State which has a plan approved under this subpart in an amount equal to the lesser of—

(1) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

(2) the allotment of the State under subsection (c) for the fiscal year.

(e) **APPLICABILITY OF CERTAIN RULES.**—The rules of subsections (b) and (c) of section 434 shall apply in like manner to the amounts made available pursuant to this section.

SEC. 438. ENTITLEMENT FUNDING FOR STATE COURTS TO ASSESS AND IMPROVE HANDLING OF PROCEEDINGS RELATING TO FOSTER CARE AND ADOPTION.

(a) *IN GENERAL.*—The Secretary shall make grants, in accordance with this section, to the highest State courts in States participating in the program under part E, for the purpose of enabling such courts—

(1) to conduct assessments, in accordance with such requirements as the Secretary shall publish, of the role, responsibilities, and effectiveness of State courts in carrying out State laws requiring proceedings (conducted by or under the supervision of the courts)—

(A) that implement parts B and E;

(B) that determine the advisability or appropriateness of foster care placement;

(C) that determine whether to terminate parental rights; and

(D) that determine whether to approve the adoption or other permanent placement of a child; and

(2) to implement improvements the highest state courts deem necessary as a result of the assessments, including—

(A) to provide for the safety, well-being, and permanence of children in foster care, as set forth in the Adoption and Safe Families Act of 1997 (Public Law 105-89); and

(B) to implement a corrective action plan, as necessary, resulting from reviews of child and family service programs under section 1123A of this Act.

(2) to implement changes deemed necessary as a result of the assessments.

(b) *APPLICATIONS.*—In order to be eligible for a grant under this section, a highest State court shall submit to the Secretary an application at such time, in such form, and including such information and assurances as the Secretary shall require.

(c) *ALLOTMENTS.*—

(1) *IN GENERAL.*—Each highest State court which has an application approved under subsection (b), and is conducting assessment and improvement activities in accordance with this section, shall be entitled to payment, for each of fiscal years 2002 through 2006, from the amount reserved pursuant to section 436(b)(2) (and the amount, if any, reserved pursuant to section 437(b)(2)), of an amount equal to the sum of \$85,000 plus the amount described in paragraph (2) of this subsection for the fiscal year.

(2) *FORMULA.*—The amount described in this paragraph for any fiscal year is the amount that bears the same ratio to the amount reserved pursuant to section 436(b)(2) (and the amount, if any, reserved pursuant to section 437(b)(2)) for the fiscal year (reduced by the dollar amount specified in paragraph (1) of this subsection for the fiscal year) as the number of individuals in the State who have not attained 21 years of age bears to the total number of such individuals in all States the highest State courts of which have approved applications under subsection (b).

(d) *FEDERAL SHARE.*—Each highest State court which receives funds paid under this section may use such funds to pay not more

than 75 percent of the cost of activities under this section in each of fiscal years 2002 through 2006.

SEC. 439. GRANTS FOR PROGRAMS FOR MENTORING CHILDREN OF PRISONERS.

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—

(A) In the period between 1991 and 1999, the number of children with a parent incarcerated in a Federal or State correctional facility increased by more than 100 percent, from approximately 900,000 to approximately 2,000,000. In 1999, 2.1 percent of all children in the United States had a parent in Federal or State prison.

(B) Prior to incarceration, 64 percent of female prisoners and 44 percent of male prisoners in State facilities lived with their children.

(C) Nearly 90 percent of the children of incarcerated fathers live with their mothers, and 79 percent of the children of incarcerated mothers live with a grandparent or other relative.

(D) Parental arrest and confinement lead to stress, trauma, stigmatization, and separation problems for children. These problems are coupled with existing problems that include poverty, violence, parental substance abuse, high-crime environments, intrafamilial abuse, child abuse and neglect, multiple care givers, and/or prior separations. As a result, these children often exhibit a broad variety of behavioral, emotional, health, and educational problems that are often compounded by the pain of separation.

(E) Empirical research demonstrates that mentoring is a potent force for improving children's behavior across all risk behaviors affecting health. Quality, one-on-one relationships that provide young people with caring role models for future success have profound, life-changing potential. Done right, mentoring markedly advances youths' life prospects. A widely cited 1995 study by Public/Private Ventures measured the impact of one Big Brothers Big Sisters program and found significant effects in the lives of youth—cutting first-time drug use by almost half and first-time alcohol use by about a third, reducing school absenteeism by half, cutting assaultive behavior by a third, improving parental and peer relationships, giving youth greater confidence in their school work, and improving academic performance.

(2) **PURPOSE.**—The purpose of this section is to authorize the Secretary to make competitive grants to applicants in areas with substantial numbers of children of incarcerated parents, to support the establishment or expansion and operation of programs using a network of public and private community entities to provide mentoring services for children of prisoners.

(b) DEFINITIONS.—In this section:

(1) **CHILDREN OF PRISONERS.**—The term “children of prisoners” means children one or both of whose parents are incarcerated in a Federal, State, or local correctional facility. The term is deemed to include children who are in an ongoing mentoring relationship in a program under this section at the time

of their parents' release from prison, for purposes of continued participation in the program.

(2) **MENTORING.**—The term “mentoring” means a structured, managed program in which children are appropriately matched with screened and trained adult volunteers for one-on-one relationships, involving meetings and activities on a regular basis, intended to meet, in part, the child's need for involvement with a caring and supportive adult who provides a positive role model.

(3) **MENTORING SERVICES.**—The term “mentoring services” means those services and activities that support a structured, managed program of mentoring, including the management by trained personnel of outreach to, and screening of, eligible children; outreach to, education and training of, and liaison with sponsoring local organizations; screening and training of adult volunteers; matching of children with suitable adult volunteer mentors; support and oversight of the mentoring relationship; and establishment of goals and evaluation of outcomes for mentored children.

(c) **PROGRAM AUTHORIZED.**—From the amounts appropriated under subsection (h) for a fiscal year that remain after applying subsection (h)(2), the Secretary shall make grants under this section for each of fiscal years 2002 through 2006 to State or local governments, tribal governments or tribal consortia, faith-based organizations, and community-based organizations in areas that have significant numbers of children of prisoners and that submit applications meeting the requirements of this section, in amounts that do not exceed \$5,000,000 per grant.

(d) **APPLICATION REQUIREMENTS.**—In order to be eligible for a grant under this section, the chief executive officer of the applicant must submit to the Secretary an application containing the following:

(1) **PROGRAM DESIGN.**—A description of the proposed program, including—

(A) a list of local public and private organizations and entities that will participate in the mentoring network;

(B) the name, description, and qualifications of the entity that will coordinate and oversee the activities of the mentoring network;

(C) the number of mentor-child matches proposed to be established and maintained annually under the program;

(D) such information as the Secretary may require concerning the methods to be used to recruit, screen support, and oversee individuals participating as mentors, (which methods shall include criminal background checks on the individuals), and to evaluate outcomes for participating children, including information necessary to demonstrate compliance with requirements established by the Secretary for the program; and

(E) such other information as the Secretary may require.

(2) **COMMUNITY CONSULTATION; COORDINATION WITH OTHER PROGRAMS.**—A demonstration that, in developing and implementing the program, the applicant will, to the extent feasible and appropriate—

(A) consult with public and private community entities, including religious organizations, and including, as appropriate, Indian tribal organizations and urban Indian organizations, and with family members of potential clients;

(B) coordinate the programs and activities under the program with other Federal, State, and local programs serving children and youth; and

(C) consult with appropriate Federal, State, and local corrections, workforce development, and substance abuse and mental health agencies.

(3) **EQUAL ACCESS FOR LOCAL SERVICE PROVIDERS.**—An assurance that public and private entities and community organizations, including religious organizations and Indian organizations, will be eligible to participate on an equal basis.

(4) **RECORDS, REPORTS, AND AUDITS.**—An agreement that the applicant will maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.

(5) **EVALUATION.**—An agreement that the applicant will cooperate fully with the Secretary's ongoing and final evaluation of the program under the plan, by means including providing the Secretary access to the program and program-related records and documents, staff, and grantees receiving funding under the plan.

(e) **FEDERAL SHARE.**—

(1) **IN GENERAL.**—A grant for a program under this section shall be available to pay a percentage share of the costs of the program up to—

(A) 75 percent for the first and second fiscal years for which the grant is awarded; and

(B) 50 percent for the third and each succeeding such fiscal years.

(2) **NON-FEDERAL SHARE.**—The non-Federal share of the cost of projects under this section may be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

(f) **CONSIDERATIONS IN AWARDING GRANTS.**—In awarding grants under this section, the Secretary shall take into consideration—

(1) the qualifications and capacity of applicants and networks of organizations to effectively carry out a mentoring program under this section;

(2) the comparative severity of need for mentoring services in local areas, taking into consideration data on the numbers of children (and in particular of low-income children) with an incarcerated parents (or parents) in the areas;

(3) evidence of consultation with existing youth and family service programs, as appropriate; and

(4) any other factors the Secretary may deem significant with respect to the need for or the potential success of carrying out a mentoring program under this section.

(g) **EVALUATION.**—The Secretary shall conduct an evaluation of the programs conducted pursuant to this section, and submit to the

Congress not later than April 15, 2005, a report on the findings of the evaluation.

(h) **AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.**—

(1) **AUTHORIZATION.**—*There are authorized to be appropriated to carry out this section \$67,000,000 for each of fiscal years 2002 and 2003, and such sums as may be necessary for each succeeding fiscal year.*

(2) **RESERVATION.**—*The Secretary shall reserve 2.5 percent of the amount appropriated for each fiscal year under paragraph (1) for expenditure by the Secretary for research, technical assistance, and evaluation related to programs under this section.*

* * * * *

PART E—FEDERAL PAYMENTS FOR FOSTER CARE AND ADOPTION ASSISTANCE

* * * * *

PAYMENTS TO STATES; ALLOTMENTS TO STATES

SEC. 474. (a) For each quarter beginning after September 30, 1980, each State which has a plan approved under this part shall be entitled to a payment equal to the sum of—

(1) * * *

* * * * *

[(4) the lesser of—

[(A) 80 percent of the amount (if any) by which—

[(i) the total amount expended by the State during the fiscal year in which the quarter occurs to carry out programs in accordance with the State application approved under section 477(b) for the period in which the quarter occurs (including any amendment that meets the requirements of section 477(b)(5)); exceeds

[(ii) the total amount of any penalties assessed against the State under section 477(e) during the fiscal year in which the quarter occurs; or

[(B) the amount allotted to the State under section 477 for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for all prior quarters in the fiscal year.]

(4) *an amount equal to the amount (if any) by which—*

(A) *the lesser of—*

(i) *80 percent of the amounts expended by the State during the fiscal year in which the quarter occurs to carry out programs in accordance with the State application approved under section 477(b) for the period in which the quarter occurs (including any amendment that meets the requirements of section 477(b)(5)); or*

(ii) *the amount allotted to the State under section 477(c)(1) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for all prior quarters in the fiscal year; exceeds*

(B) the total amount of any penalties assessed against the State under section 477(e) during the fiscal year in which the quarter occurs.

* * * * *

(e) **DISCRETIONARY GRANTS FOR EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.**—From amounts appropriated pursuant to section 477(h)(2), the Secretary may make a grant to a State with a plan approved under this part, for a calendar quarter, in an amount equal to the lesser of—

(1) 80 percent of the amounts expended by the State during the quarter to carry out programs for the purposes described in section 477(a)(6); or

(2) the amount, if any, allotted to the State under section 477(c)(3) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this subsection for such purposes for all prior quarters in the fiscal year.

* * * * *

SEC. 477. JOHN H. CHAFEE FOSTER CARE INDEPENDENCE PROGRAM.

(a) **PURPOSE.**—The purpose of this section is to provide States with flexible funding that will enable programs to be designed and conducted—

(1) * * *

* * * * *

(4) to provide personal and emotional support to children aging out of foster care, through mentors and the promotion of interactions with dedicated adults; [and]

(5) to provide financial, housing, counseling, employment, education, and other appropriate support and services to former foster care recipients between 18 and 21 years of age to complement their own efforts to achieve self-sufficiency and to assure that program participants recognize and accept their personal responsibility for preparing for and then making the transition from adolescence to adulthood[.]; and

(6) to make available vouchers for education and training, including postsecondary training and education, to youths who have aged out of foster care.

(b) **APPLICATIONS.**—

(1) * * *

* * * * *

(3) **CERTIFICATIONS.**—The certifications required by this paragraph with respect to a plan are the following:

(A)

* * * * *

(J) A certification by the chief executive officer of the State that the State educational and training voucher program under this section is in compliance with the conditions specified in subsection (i), including a statement describing methods the State will use—

(i) to ensure that the total amount of educational assistance to a youth under this section and under other

Federal and Federally supported programs does not exceed the limitation specified in subsection (i)(5); and
(ii) to avoid duplication of benefits under this and any other Federal or Federally assisted benefit program.

* * * * *

(c) ALLOTMENTS TO STATES.—

[(1) IN GENERAL.—From the amount specified in subsection (h)] (1) *GENERAL PROGRAM ALLOTMENT.—From the amount specified in subsection (h)(1) that remains after applying subsection (g)(2) for a fiscal year, the Secretary shall allot to each State with an application approved under subsection (b) for the fiscal year the amount [which bears the same ratio] which bears the ratio to such remaining amount [as the number of children in foster care under a program of the State in the most recent fiscal year for which such information is available bears to the total number of children in foster care in all States for such most recent fiscal year, as adjusted in accordance with paragraph (2).] equal to the State foster care ratio, as adjusted in accordance with paragraph (2).*

* * * * *

(3) *VOUCHER PROGRAM ALLOTMENT.—From the amount, if any, appropriated pursuant to subsection (h)(2) for a fiscal year, the Secretary may allot to each State with an application approved under subsection (b) for the fiscal year an amount equal to the State foster care ratio multiplied by the amount so specified.*

(4) *STATE FOSTER CARE RATIO.—In this subsection, the term "State foster care ratio" means the ratio of the number of children in foster care under a program of the State in the most recent fiscal year for which the information is available to the total number of children in foster care in all States for the most recent fiscal year.*

(d) USE OF FUNDS.—

(1) * * *

* * * * *

(4) *REALLOCATION OF UNUSED FUNDS.—If a State does not apply for funds under this section for a fiscal year within such time as may be provided by the Secretary, the funds to which the State would be entitled for the fiscal year shall be reallocated to 1 or more other States on the basis of their relative need for additional payments under this section, as determined by the Secretary.*

* * * * *

(h) *LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—To carry out this section and for payments to States under section 474(a)(4), [there are authorized to be appropriated to the Secretary \$140,000,000 for each fiscal year.] there are authorized to be appropriated to the Secretary for each fiscal year—*

(1) *\$140,000,000, which shall be available for all purposes under this section; and*

(2) *an additional \$60,000,000, which are authorized to be available for payments to States for education and training*

vouchers for youths who age out of foster care, to assist the youths to develop skills necessary to lead independent and productive lives.

(i) **EDUCATIONAL AND TRAINING VOUCHERS.**—*The following conditions shall apply to a State educational and training voucher program under this section:*

(1) *Vouchers under the program may be available to youths otherwise eligible for services under the State program under this section.*

(2) *For purposes of the voucher program, youths adopted from foster care after attaining age 16 may be considered to be youths otherwise eligible for services under the State program under this section.*

(3) *The State may allow youths participating in the voucher program on the date they attain 21 years of age to remain eligible until they attain 23 years of age, as long as they are enrolled in a postsecondary education or training program and are making satisfactory progress toward completion of that program.*

(4) *The voucher or vouchers provided for an individual under this section—*

(A) *may be available for the cost of attendance at an institution of higher education, as defined in section 102 of the Higher Education Act of 1965; and*

(B) *shall not exceed the lesser of \$5,000 per year or the total cost of attendance, as defined in section 472 of that Act.*

(5) *The amount of a voucher under this section may be disregarded for purposes of determining the recipient's eligibility for, or the amount of, any other Federal or Federally supported assistance, except that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs shall not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965, and except that the State agency shall take appropriate steps to prevent duplication of benefits under this and other Federal or Federally supported programs.*

(6) *The program is coordinated with other appropriate education and training programs.*

* * * * *

SECTION 13712 OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993

[SEC. 13712. ENTITLEMENT FUNDING FOR STATE COURTS TO ASSESS AND IMPROVE HANDLING OF PROCEEDINGS RELATING TO FOSTER CARE AND ADOPTION.

[(a) IN GENERAL.—The Secretary shall make grants, in accordance with this section, to the highest State courts in States participating in the program under part E of title IV of the Social Security Act, for the purpose of enabling such courts—

[(1) to conduct assessments, in accordance with such requirements as the Secretary shall publish, of the role, responsibilities, and effectiveness of State courts in carrying out State

laws requiring proceedings (conducted by or under the supervision of the courts)—

[(A) that implement parts B and E of title IV of such Act;

[(B) that determine the advisability or appropriateness of foster care placement;

[(C) that determine whether to terminate parental rights; and

[(D) that determine whether to approve the adoption or other permanent placement of a child; and

[(2) to implement changes deemed necessary as a result of the assessments.

[(b) APPLICATIONS.—In order to be eligible for a grant under this section, a highest State court shall submit to the Secretary an application at such time, in such form, and including such information and assurances as the Secretary shall require.

[(c) ALLOTMENTS.—

[(1) IN GENERAL.—Each highest State court which has an application approved under subsection (b), and is conducting assessment activities in accordance with this section, shall be entitled to payment, for each of fiscal years 1995 through 2001, from amounts reserved pursuant to section 430(d)(2) of the Social Security Act, of an amount equal to the sum of—

[(A) for fiscal year 1995, \$75,000 plus the amount described in paragraph (2) for fiscal year 1995; and

[(B) for each of fiscal years 1996 through 2001, \$85,000 plus the amount described in paragraph (2) for each of such fiscal years.

[(2) FORMULA.—The amount described in this paragraph for any fiscal year is the amount that bears the same ratio to the amount reserved pursuant to section 430(d)(2) of the Social Security Act for the fiscal year (reduced by the dollar amount specified in paragraph (1) of this subsection for the fiscal year) as the number of individuals in the State who have not attained 21 years of age bears to the total number of such individuals in all States the highest State courts of which have approved applications under subsection (b).

[(d) USE OF GRANT FUNDS.—Each highest State court which receives funds paid under this section may use such funds to pay—

[(1) any or all costs of activities under this section in fiscal year 1995; and

[(2) not more than 75 percent of the cost of activities under this section in each of fiscal years 1996, 1997, 1998, 1999, 2000, and 2001.]

VII. ADDITIONAL VIEWS

We support the extension of the current Promoting Safe and Stable Families Program. However, we lament the fact that the Committee's bill fails to guarantee new funding for this program as proposed by President Bush and as permitted by Congress' Budget Resolution. We do not believe that the terrorists attacks of September 11th should deter us from making the necessary investments to protect abused and neglected children, to help reunite families involved in the child welfare system, and to promote the adoption of children when they cannot safely return home. We reject the notion that our Nation can afford \$150 billion in mostly misguided tax breaks, which passed the House just last week, but cannot afford a little over \$1 billion to help and protect vulnerable children.

Merely authorizing new money for this program makes it very unlikely that all of the new resources promised by the Administration will actually materialize. In fact, appropriations legislation that has already passed the House provided only \$70 million of the total \$327 million requested by the President to improve the child welfare system—that is only 22 cents for every dollar that is needed.

As originally proposed by President Bush, we support providing \$1 billion in new mandatory money for the Promoting Safe and Stable Families Program over five years and \$300 million over five years for educational assistance for former foster children. In 2002 alone, these new resources could provide services to roughly an additional 76,000 families involved in the child welfare system and provide educational assistance to about 12,000 youths who have aged out of foster care.

The current downturn in the economy will impose additional strains on at-risk families and therefore only increase the need for counseling, caseworker oversight, substance abuse treatment, mental health services, respite care, domestic violence assistance, post-adoption services and other family supports funded by the Promoting Safe and Stable Families Program. We should seize this opportunity to ensure the needed resources for these services are made available.

CHARLES B. RANGEL.
KAREN L. THURMAN.
LLOYD DOGGETT.
PETE STARK.
JIM McDERMOTT.
JERRY KLECZKA.
WILLIAM J. COYNE.
BEN CARDIN.
MICHAEL R. McNULTY.
SANDER LEVIN.
JOHN LEWIS.
XAVIER BECERRA.
ROBERT T. MATSUI.
RICHARD E. NEAL.

One Hundred Seventh Congress
of the
United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Wednesday,
the third day of January, two thousand and one*

An Act

To extend and amend the program entitled Promoting Safe and Stable Families under title IV-B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living program under title IV-E of that Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Promoting Safe and Stable Families Amendments of 2001".

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. References.

TITLE I—PROMOTING SAFE AND STABLE FAMILIES

Subtitle A—Grants to States for Promoting Safe and Stable Families

- Sec. 101. Findings and purpose.
- Sec. 102. Definition of family support services.
- Sec. 103. Reallotments.
- Sec. 104. Payments to States.
- Sec. 105. Evaluations, research, and technical assistance.
- Sec. 106. Authorization of appropriations; reservation of certain amounts.
- Sec. 107. State court improvements.

Subtitle B—Mentoring Children of Prisoners

- Sec. 121. Program authorized.

TITLE II—FOSTER CARE AND INDEPENDENT LIVING

- Sec. 201. Educational and training vouchers for youths aging out of foster care.
- Sec. 202. Reallocation and extension of funds.

TITLE III—EFFECTIVE DATE

- Sec. 301. Effective date.

SEC. 3. REFERENCES.

Except as otherwise specified in this Act, an amendment made by this Act to a section or other provision shall be considered an amendment to the section or other provision of the Social Security Act.

TITLE I—PROMOTING SAFE AND STABLE FAMILIES

Subtitle A—Grants to States for Promoting Safe and Stable Families

SEC. 101. FINDINGS AND PURPOSE.

Section 430 (42 U.S.C. 629) is amended to read as follows:

“SEC. 430. FINDINGS AND PURPOSE.

“(a) **FINDINGS.**—The Congress finds that there is a continuing urgent need to protect children and to strengthen families as demonstrated by the following:

“(1) Family support programs directed at specific vulnerable populations have had positive effects on parents, children, or both. The vulnerable populations for which programs have been shown to be effective include teenage mothers with very young children and families that have children with special needs.

“(2) Family preservation programs have been shown to provide extensive and intensive services to families in crisis.

“(3) The time lines established by the Adoption and Safe Families Act of 1997 have made the prompt availability of services to address family problems (and in particular the prompt availability of appropriate services and treatment addressing substance abuse) an important factor in successful family reunification.

“(4) The rapid increases in the annual number of adoptions since the enactment of the Adoption and Safe Families Act of 1997 have created a growing need for postadoption services and for service providers with the particular knowledge and skills required to address the unique issues adoptive families and children may face.

“(b) **PURPOSE.**—The purpose of this program is to enable States to develop and establish, or expand, and to operate coordinated programs of community-based family support services, family preservation services, time-limited family reunification services, and adoption promotion and support services to accomplish the following objectives:

“(1) To prevent child maltreatment among families at risk through the provision of supportive family services.

“(2) To assure children's safety within the home and preserve intact families in which children have been maltreated, when the family's problems can be addressed effectively.

“(3) To address the problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner in accordance with the Adoption and Safe Families Act of 1997.

“(4) To support adoptive families by providing support services as necessary so that they can make a lifetime commitment to their children.”.

SEC. 102. DEFINITIONS.

(a) **INCLUSION OF INFANT SAFE HAVEN PROGRAMS AMONG FAMILY PRESERVATION SERVICES.**—Section 431(a)(1) (42 U.S.C. 629a(a)(1)) is amended—

- (1) by striking “and” at the end of subparagraph (D);
- (2) by striking the period at the end of subparagraph (E) and inserting “; and”; and
- (3) by adding at the end the following:

“(F) infant safe haven programs to provide a way for a parent to safely relinquish a newborn infant at a safe haven designated pursuant to a State law.”.

(b) **FAMILY SUPPORT SERVICES.**—Section 431(a)(2) (42 U.S.C. 629a(a)(2)) is amended by inserting “to strengthen parental relationships and promote healthy marriages,” after “environment,”.

SEC. 103. REALLOTMENTS.

Section 433 (42 U.S.C. 629c) is amended by adding at the end the following:

“(d) **REALLOTMENTS.**—The amount of any allotment to a State under this section for any fiscal year that the State certifies to the Secretary will not be required for carrying out the State plan under section 432 shall be available for reallocation using the allotment methodology specified in this section. Any amount so reallocated to a State is deemed part of the allotment of the State under the preceding provisions of this section.”.

SEC. 104. PAYMENTS TO STATES.

(a) **IN GENERAL.**—Section 434(a) (42 U.S.C. 629d(a)) is amended—

- (1) by striking paragraph (2);
- (2) by striking all that precedes subparagraph (A) of paragraph (1) and inserting the following:

“(a) **ENTITLEMENT.**—Each State that has a plan approved under section 432 shall be entitled to payment of the lesser of—”; and

- (3) by redesignating subparagraphs (A) and (B) of paragraph (1) as paragraphs (1) and (2), respectively, and by indenting the provisions 2 ems to the left.

(b) **CONFORMING AMENDMENTS.**—Section 434(b) (42 U.S.C. 629d(b)) is amended—

- (1) in paragraph (1)—
 - (A) by striking “paragraph (1) or (2)(B) of”; and
 - (B) by striking “described in this subpart” and inserting “under the State plan under section 432”; and
- (2) in paragraph (2), by striking “subsection (a)(1)” and inserting “subsection (a)”.

SEC. 105. EVALUATIONS, RESEARCH, AND TECHNICAL ASSISTANCE.

Section 435 (42 U.S.C. 629e) is amended—

- (1) by striking all that precedes “the effectiveness” in paragraph (1) of subsection (a), including the heading for section 435 and the caption for subsection (a), and inserting the following:

“**SEC. 435. EVALUATIONS; RESEARCH; TECHNICAL ASSISTANCE.**

“(a) **EVALUATIONS.**—

“(1) **IN GENERAL.**—The Secretary shall evaluate and report to the Congress biennially on”; and

- (2) by adding at the end of subsection (a) the following:

“(3) **TIMING OF REPORT.**—Beginning in 2003, the Secretary shall submit the biennial report required by this subsection not later than April 1 of every other year, and shall include in each such report the funding level, the status of ongoing evaluations, findings to date, and the nature of any technical assistance provided to States under subsection (d).”; and

(3) by adding at the end the following:

“(c) **RESEARCH.**—The Secretary shall give priority consideration to the following topics for research and evaluation under this subsection, using rigorous evaluation methodologies where feasible:

“(1) Promising program models in the service categories specified in section 430(b), particularly time-limited reunification services and postadoption services.

“(2) Multi-disciplinary service models designed to address parental substance abuse and to reduce its impacts on children.

“(3) The efficacy of approaches directed at families with specific problems and with children of specific age ranges.

“(4) The outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act of 1997.

“(d) **TECHNICAL ASSISTANCE.**—To the extent funds are available therefor, the Secretary shall provide technical assistance that helps States and Indian tribes to—

“(1) develop research-based protocols for identifying families at risk of abuse and neglect of use in the field;

“(2) develop treatment models that address the needs of families at risk, particularly families with substance abuse issues;

“(3) implement programs with well-articulated theories of how the intervention will result in desired changes among families at risk;

“(4) establish mechanisms to ensure that service provision matches the treatment model; and

“(5) establish mechanisms to ensure that postadoption services meet the needs of the individual families and develop models to reduce the disruption rates of adoption.”.

SEC. 106. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

(a) **MANDATORY FUNDING.**—

(1) **IN GENERAL.**—Subpart 2 of part B of title IV (42 U.S.C. 629–629e) is amended by adding at the end the following:

“SEC. 436. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

“(a) **AUTHORIZATION.**—There are authorized to be appropriated to carry out the provisions of this subpart \$305,000,000 for each of fiscal years 2002 through 2006.

“(b) **RESERVATION OF CERTAIN AMOUNTS.**—From the amount specified in subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

“(1) **EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.**—The Secretary shall reserve \$6,000,000 for expenditure by the Secretary—

“(A) for research, training, and technical assistance costs related to the program under this subpart; and

“(B) for evaluation of State programs based on the plans approved under section 432 and funded under this subpart, and any other Federal, State, or local program,

regardless of whether federally assisted, that is designed to achieve the same purposes as the State programs.

"(2) STATE COURT IMPROVEMENTS.—The Secretary shall reserve \$10,000,000 for grants under section 438.

"(3) INDIAN TRIBES.—The Secretary shall reserve 1 percent for allotment to Indian tribes in accordance with section 433(a)."

(2) CONFORMING AMENDMENTS.—Section 433 (42 U.S.C. 629c) is amended—

(A) in subsection (a), by striking "section 430(d)(3)" and inserting "section 436(b)(3)";

(B) in subsection (b)—

(i) by striking "section 430(b)" and inserting "section 436(a)"; and

(ii) by striking "section 430(d)" and inserting "section 436(b)"; and

(C) in subsection (c)(1)—

(i) by striking "section 430(b)" and inserting "section 436(a)"; and

(ii) by striking "section 430(d)" and inserting "section 436(b)".

(b) DISCRETIONARY FUNDING.—Subpart 2 of part B of title IV (42 U.S.C. 629–629e) is further amended by adding at the end the following:

"SEC. 437. DISCRETIONARY GRANTS.

"(a) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—In addition to any amount appropriated pursuant to section 436, there are authorized to be appropriated to carry out this section \$200,000,000 for each of fiscal years 2002 through 2006.

"(b) RESERVATION OF CERTAIN AMOUNTS.—From the amount (if any) appropriated pursuant to subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

"(1) EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.—The Secretary shall reserve 3.3 percent for expenditure by the Secretary for the activities described in section 436(b)(1).

"(2) STATE COURT IMPROVEMENTS.—The Secretary shall reserve 3.3 percent for grants under section 438.

"(3) INDIAN TRIBES.—The Secretary shall reserve 2 percent for allotment to Indian tribes in accordance with subsection (c)(1).

"(c) ALLOTMENTS.—

"(1) INDIAN TRIBES.—From the amount (if any) reserved pursuant to subsection (b)(3) for any fiscal year, the Secretary shall allot to each Indian tribe with a plan approved under this subpart an amount that bears the same ratio to such reserved amount as the number of children in the Indian tribe bears to the total number of children in all Indian tribes with State plans so approved, as determined by the Secretary on the basis of the most current and reliable information available to the Secretary.

"(2) TERRITORIES.—From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) for the fiscal year, the Secretary shall allot to each of the jurisdictions of Puerto Rico, Guam,

the Virgin Islands, the Northern Mariana Islands, and American Samoa an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 421.

“(3) OTHER STATES.—From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) and paragraph (2) of this subsection for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) which is not specified in paragraph (2) of this subsection an amount equal to such remaining amount multiplied by the food stamp percentage (as defined in section 433(c)(2)) of the State for the fiscal year.

“(d) GRANTS.—The Secretary may make a grant to a State which has a plan approved under this subpart in an amount equal to the lesser of—

“(1) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

“(2) the allotment of the State under subsection (c) for the fiscal year.

“(e) APPLICABILITY OF CERTAIN RULES.—The rules of subsections (b) and (c) of section 434 shall apply in like manner to the amounts made available pursuant to this section.”.

SEC. 107. STATE COURT IMPROVEMENTS.

(a) SCOPE OF ACTIVITIES.—Section 13712 of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 670 note) is amended—

(1) in subsection (a), by striking paragraph (2) and inserting the following:

“(2) to implement improvements the highest state courts deem necessary as a result of the assessments, including—

“(A) to provide for the safety, well-being, and permanence of children in foster care, as set forth in the Adoption and Safe Families Act of 1997 (Public Law 105-89); and

“(B) to implement a corrective action plan, as necessary, resulting from reviews of child and family service programs under section 1123A of this Act.”; and

(2) in subsection (c)(1), in the matter preceding subparagraph (A), by inserting “and improvement” after “assessment”.

(b) ALLOTMENTS.—Section 13712(c)(1) of such Act (42 U.S.C. 670 note) is amended by striking all that follows “shall be entitled to payment,” and inserting “for each of fiscal years 2002 through 2006, from the amount reserved pursuant to section 436(b)(2) (and the amount, if any, reserved pursuant to section 437(b)(2)), of an amount equal to the sum of \$85,000 plus the amount described in paragraph (2) of this subsection for the fiscal year.”.

(c) FEDERAL SHARE.—Section 13712(d) of such Act (42 U.S.C. 670 note) is amended—

(1) in the heading, by striking “USE OF GRANT FUNDS” and inserting “FEDERAL SHARE”; and

(2) by striking “to pay—” and all that follows and inserting “to pay not more than 75 percent of the cost of activities under this section in each of fiscal years 2002 through 2006.”.

(d) CONFORMING AMENDMENTS.—Section 13712 of such Act (42 U.S.C. 670 note) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking “of title IV of the Social Security Act”; and

(B) in paragraph (1)(A), by striking “of title IV of such Act”; and

(2) in subsection (c)(2), by striking “section 430(d)(2) of the Social Security Act” and inserting “section 436(b)(2) (and the amount, if any, reserved pursuant to section 437(b)(2))”.

(e) TRANSFER AND REDESIGNATION.—Section 13712 of such Act (42 U.S.C. 670 note), as amended by the preceding provisions of this section, is redesignated as section 438 and is transferred to the end of subpart 2 of part B of title IV of the Social Security Act.

Subtitle B—Mentoring Children of Prisoners

SEC. 121. PROGRAM AUTHORIZED.

Subpart 2 of part B of title IV (42 U.S.C. 629–629e) is further amended by adding at the end the following:

“SEC. 439. GRANTS FOR PROGRAMS FOR MENTORING CHILDREN OF PRISONERS.

“(a) FINDINGS AND PURPOSE.—

“(1) FINDINGS.—

“(A) In the period between 1991 and 1999, the number of children with a parent incarcerated in a Federal or State correctional facility increased by more than 100 percent, from approximately 900,000 to approximately 2,000,000. In 1999, 2.1 percent of all children in the United States had a parent in Federal or State prison.

“(B) Prior to incarceration, 64 percent of female prisoners and 44 percent of male prisoners in State facilities lived with their children.

“(C) Nearly 90 percent of the children of incarcerated fathers live with their mothers, and 79 percent of the children of incarcerated mothers live with a grandparent or other relative.

“(D) Parental arrest and confinement lead to stress, trauma, stigmatization, and separation problems for children. These problems are coupled with existing problems that include poverty, violence, parental substance abuse, high-crime environments, intrafamilial abuse, child abuse and neglect, multiple care givers, and/or prior separations. As a result, these children often exhibit a broad variety of behavioral, emotional, health, and educational problems that are often compounded by the pain of separation.

“(E) Empirical research demonstrates that mentoring is a potent force for improving children’s behavior across all risk behaviors affecting health. Quality, one-on-one relationships that provide young people with caring role models for future success have profound, life-changing potential. Done right, mentoring markedly advances youths’ life prospects. A widely cited 1995 study by Public/Private Ventures measured the impact of one Big Brothers Big Sisters program and found significant effects in the lives of youth—cutting first-time drug use by almost half and first-time

alcohol use by about a third, reducing school absenteeism by half, cutting assaultive behavior by a third, improving parental and peer relationships, giving youth greater confidence in their school work, and improving academic performance.

“(2) PURPOSE.—The purpose of this section is to authorize the Secretary to make competitive grants to applicants in areas with substantial numbers of children of incarcerated parents, to support the establishment or expansion and operation of programs using a network of public and private community entities to provide mentoring services for children of prisoners.

“(b) DEFINITIONS.—In this section:

“(1) CHILDREN OF PRISONERS.—The term ‘children of prisoners’ means children one or both of whose parents are incarcerated in a Federal, State, or local correctional facility. The term is deemed to include children who are in an ongoing mentoring relationship in a program under this section at the time of their parents’ release from prison, for purposes of continued participation in the program.

“(2) MENTORING.—The term ‘mentoring’ means a structured, managed program in which children are appropriately matched with screened and trained adult volunteers for one-on-one relationships, involving meetings and activities on a regular basis, intended to meet, in part, the child’s need for involvement with a caring and supportive adult who provides a positive role model.

“(3) MENTORING SERVICES.—The term ‘mentoring services’ means those services and activities that support a structured, managed program of mentoring, including the management by trained personnel of outreach to, and screening of, eligible children; outreach to, education and training of, and liaison with sponsoring local organizations; screening and training of adult volunteers; matching of children with suitable adult volunteer mentors; support and oversight of the mentoring relationship; and establishment of goals and evaluation of outcomes for mentored children.

“(c) PROGRAM AUTHORIZED.—From the amounts appropriated under subsection (h) for a fiscal year that remain after applying subsection (h)(2), the Secretary shall make grants under this section for each of fiscal years 2002 through 2006 to State or local governments, tribal governments or tribal consortia, faith-based organizations, and community-based organizations in areas that have significant numbers of children of prisoners and that submit applications meeting the requirements of this section, in amounts that do not exceed \$5,000,000 per grant.

“(d) APPLICATION REQUIREMENTS.—In order to be eligible for a grant under this section, the chief executive officer of the applicant must submit to the Secretary an application containing the following:

“(1) PROGRAM DESIGN.—A description of the proposed program, including—

“(A) a list of local public and private organizations and entities that will participate in the mentoring network;

“(B) the name, description, and qualifications of the entity that will coordinate and oversee the activities of the mentoring network;

“(C) the number of mentor-child matches proposed to be established and maintained annually under the program;

“(D) such information as the Secretary may require concerning the methods to be used to recruit, screen support, and oversee individuals participating as mentors, (which methods shall include criminal background checks on the individuals), and to evaluate outcomes for participating children, including information necessary to demonstrate compliance with requirements established by the Secretary for the program; and

“(E) such other information as the Secretary may require.

“(2) COMMUNITY CONSULTATION; COORDINATION WITH OTHER PROGRAMS.—A demonstration that, in developing and implementing the program, the applicant will, to the extent feasible and appropriate—

“(A) consult with public and private community entities, including religious organizations, and including, as appropriate, Indian tribal organizations and urban Indian organizations, and with family members of potential clients;

“(B) coordinate the programs and activities under the program with other Federal, State, and local programs serving children and youth; and

“(C) consult with appropriate Federal, State, and local corrections, workforce development, and substance abuse and mental health agencies.

“(3) EQUAL ACCESS FOR LOCAL SERVICE PROVIDERS.—An assurance that public and private entities and community organizations, including religious organizations and Indian organizations, will be eligible to participate on an equal basis.

“(4) RECORDS, REPORTS, AND AUDITS.—An agreement that the applicant will maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.

“(5) EVALUATION.—An agreement that the applicant will cooperate fully with the Secretary's ongoing and final evaluation of the program under the plan, by means including providing the Secretary access to the program and program-related records and documents, staff, and grantees receiving funding under the plan.

“(e) FEDERAL SHARE.—

“(1) IN GENERAL.—A grant for a program under this section shall be available to pay a percentage share of the costs of the program up to—

“(A) 75 percent for the first and second fiscal years for which the grant is awarded; and

“(B) 50 percent for the third and each succeeding such fiscal years.

“(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of projects under this section may be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

“(f) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this section, the Secretary shall take into consideration—

“(1) the qualifications and capacity of applicants and networks of organizations to effectively carry out a mentoring program under this section;

“(2) the comparative severity of need for mentoring services in local areas, taking into consideration data on the numbers of children (and in particular of low-income children) with an incarcerated parents (or parents) in the areas;

“(3) evidence of consultation with existing youth and family service programs, as appropriate; and

“(4) any other factors the Secretary may deem significant with respect to the need for or the potential success of carrying out a mentoring program under this section.

“(g) EVALUATION.—The Secretary shall conduct an evaluation of the programs conducted pursuant to this section, and submit to the Congress not later than April 15, 2005, a report on the findings of the evaluation.

“(h) AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.—

“(1) AUTHORIZATION.—There are authorized to be appropriated to carry out this section \$67,000,000 for each of fiscal years 2002 and 2003, and such sums as may be necessary for each succeeding fiscal year.

“(2) RESERVATION.—The Secretary shall reserve 2.5 percent of the amount appropriated for each fiscal year under paragraph (1) for expenditure by the Secretary for research, technical assistance, and evaluation related to programs under this section.”.

TITLE II—FOSTER CARE AND INDEPENDENT LIVING

SEC. 201. EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.

(a) PURPOSE.—Section 477(a) (42 U.S.C. 677(a)) is amended—

(1) by striking “and” at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(6) to make available vouchers for education and training, including postsecondary training and education, to youths who have aged out of foster care.”.

(b) EDUCATIONAL AND TRAINING VOUCHERS.—Section 477 (42 U.S.C. 677) is amended by adding at the end the following:

“(i) EDUCATIONAL AND TRAINING VOUCHERS.—The following conditions shall apply to a State educational and training voucher program under this section:

“(1) Vouchers under the program may be available to youths otherwise eligible for services under the State program under this section.

“(2) For purposes of the voucher program, youths adopted from foster care after attaining age 16 may be considered to be youths otherwise eligible for services under the State program under this section.

"(3) The State may allow youths participating in the voucher program on the date they attain 21 years of age to remain eligible until they attain 23 years of age, as long as they are enrolled in a postsecondary education or training program and are making satisfactory progress toward completion of that program.

"(4) The voucher or vouchers provided for an individual under this section—

"(A) may be available for the cost of attendance at an institution of higher education, as defined in section 102 of the Higher Education Act of 1965; and

"(B) shall not exceed the lesser of \$5,000 per year or the total cost of attendance, as defined in section 472 of that Act.

"(5) The amount of a voucher under this section may be disregarded for purposes of determining the recipient's eligibility for, or the amount of, any other Federal or Federally supported assistance, except that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs shall not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965, and except that the State agency shall take appropriate steps to prevent duplication of benefits under this and other Federal or Federally supported programs.

"(6) The program is coordinated with other appropriate education and training programs."

(c) CERTIFICATION.—Section 477(b)(3) (42 U.S.C. 677(b)(3)) is amended by adding at the end the following:

"(J) A certification by the chief executive officer of the State that the State educational and training voucher program under this section is in compliance with the conditions specified in subsection (i), including a statement describing methods the State will use—

"(i) to ensure that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs does not exceed the limitation specified in subsection (i)(5); and

"(ii) to avoid duplication of benefits under this and any other Federal or Federally assisted benefit program."

(d) INCREASED AUTHORIZATIONS OF APPROPRIATIONS.—Section 477(h) (42 U.S.C. 677(h)) is amended by striking "there are authorized" and all that follows and inserting the following: "there are authorized to be appropriated to the Secretary for each fiscal year—

"(1) \$140,000,000, which shall be available for all purposes under this section; and

"(2) an additional \$60,000,000, which are authorized to be available for payments to States for education and training vouchers for youths who age out of foster care, to assist the youths to develop skills necessary to lead independent and productive lives."

(e) ALLOTMENTS TO STATES.—Section 477(c) (42 U.S.C. 677(c)) is amended—

(1) in paragraph (1)—

(A) by striking "(1) IN GENERAL.—From the amount specified in subsection (h)" and inserting "(1) GENERAL PROGRAM ALLOTMENT.—From the amount specified in subsection (h)(1)";

(B) by striking "which bears the same ratio" and inserting "which bears the ratio"; and

(C) by striking "as the number of children in foster care" and all that follows and inserting "equal to the State foster care ratio, as adjusted in accordance with paragraph (2)."; and

(2) by adding at the end the following new paragraphs:

"(3) VOUCHER PROGRAM ALLOTMENT.—From the amount, if any, appropriated pursuant to subsection (h)(2) for a fiscal year, the Secretary may allot to each State with an application approved under subsection (b) for the fiscal year an amount equal to the State foster care ratio multiplied by the amount so specified.

"(4) STATE FOSTER CARE RATIO.—In this subsection, the term 'State foster care ratio' means the ratio of the number of children in foster care under a program of the State in the most recent fiscal year for which the information is available to the total number of children in foster care in all States for the most recent fiscal year."

(f) PAYMENTS TO STATES.—

(1) IN GENERAL.—Section 474(a)(4) (42 U.S.C. 674(a)(4)) is amended to read as follows:

"(4) an amount equal to the amount (if any) by which—

"(A) the lesser of—

"(i) 80 percent of the amounts expended by the State during the fiscal year in which the quarter occurs to carry out programs in accordance with the State application approved under section 477(b) for the period in which the quarter occurs (including any amendment that meets the requirements of section 477(b)(5)); or

"(ii) the amount allotted to the State under section 477(c)(1) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for all prior quarters in the fiscal year; exceeds

"(B) the total amount of any penalties assessed against the State under section 477(e) during the fiscal year in which the quarter occurs."

(2) DISCRETIONARY GRANTS.—Section 474 (42 U.S.C. 674) is amended by adding at the end the following:

"(e) DISCRETIONARY GRANTS FOR EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.—From amounts appropriated pursuant to section 477(h)(2), the Secretary may make a grant to a State with a plan approved under this part, for a calendar quarter, in an amount equal to the lesser of—

"(1) 80 percent of the amounts expended by the State during the quarter to carry out programs for the purposes described in section 477(a)(6); or

"(2) the amount, if any, allotted to the State under section 477(c)(3) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this

subsection for such purposes for all prior quarters in the fiscal year.”.

SEC. 202. REALLOCATION AND EXTENSION OF FUNDS.

(a) **REALLOCATION OF UNUSED FUNDS.**—Section 477(d) (42 U.S.C. 677(d)) is amended by adding at the end the following:

“(4) **REALLOCATION OF UNUSED FUNDS.**—If a State does not apply for funds under this section for a fiscal year within such time as may be provided by the Secretary, the funds to which the State would be entitled for the fiscal year shall be reallocated to 1 or more other States on the basis of their relative need for additional payments under this section, as determined by the Secretary.”.

(b) **TEMPORARY EXTENSION OF AVAILABILITY OF INDEPENDENT LIVING FUNDS.**—Notwithstanding section 477(d)(3) of the Social Security Act, payments made to a State under section 477 of such Act for fiscal year 2000 shall remain available for expenditure by the State through fiscal year 2002.

TITLE III—EFFECTIVE DATE

SEC. 301. EFFECTIVE DATE.

(a) **IN GENERAL.**—Subject to subsection (b), the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) **DELAY PERMITTED IF STATE LEGISLATION REQUIRED.**—In the case of a State plan under subpart 2 of part B or part E of the Social Security Act that the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments specified in subsection (a) of this section, the State plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of the failure of the plan to meet the additional requirements before 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 the enactment of this Act. For purposes of the preceding sentence, in the case of a State that has a 2-

H. R. 2873—14

year legislative session, each year of the session shall be deemed to be a separate regular session of the State legislature.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

January 14, 2002

02 JAN 14 AM 11:41

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

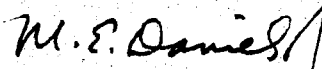
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

January 14, 2002

MEMORANDUM FOR THE PRESIDENT

02 JAN 14 AM 11:41

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

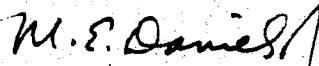
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

January 14, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001

Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

02 JAN 14 AM 11:41

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

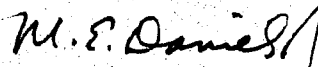
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

02 JAN 14 AM 11:41

THE DIRECTOR

January 14, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

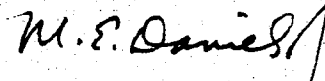
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO	1602	
CONNECTION TEL		51005
CONNECTION ID		
ST. TIME	01/14 13:37	
USAGE T	02'48	
PGS. SENT	6	
RESULT	OK	

SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

Date: 1-14-02 ACTION / CONCURRENCE / COMMENT DUE BY: 1-15-02 10:00 AM

ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES
 Subject: AMENDMENTS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☐	☐	LINDSEY	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☒	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE	☐	☒
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM
 TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.

WHITE HOUSE STAFFING MEMORANDUMDate: **1-14-02**ACTION / CONCURRENCE / COMMENT DUE BY: **1-15-02 10:00 AM****ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES**Subject: **AMENDMENTS**

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☐	☐	LINDSEY	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☒	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE	☐	☒
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

January 14, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

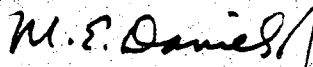
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO	1601	
CONNECTION TEL		66212
CONNECTION ID		
ST. TIME	01/14 13:34	
USAGE T	02'50	
PGS. SENT	6	
RESULT	OK	

SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

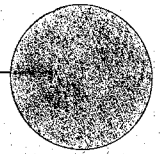
Date: 1-14-02 ACTION / CONCURRENCE / COMMENT DUE BY: 1-15-02 10:00 AM

ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES
 Subject: AMENDMENTS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☐	☐	LINDSEY	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE	☐	☒
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM
 TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.



WHITE HOUSE STAFFING MEMORANDUM

Date: 1-14-02ACTION / CONCURRENCE / COMMENT DUE BY: 1-15-02 10:00 AM

ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES

Subject: AMENDMENTS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☐	☐	LINDSEY	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE	☐	☒
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.

RESPONSE: _____

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

January 14, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

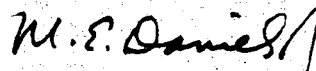
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO 1603
 CONNECTION TEL 56958
 CONNECTION ID
 ST. TIME 01/14 13:41
 USAGE T 02'50
 PGS. SENT 6
 RESULT OK

SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

Date: 1-14-02 ACTION / CONCURRENCE / COMMENT DUE BY: 1-15-02 10:00 AM

ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES
 Subject: AMENDMENTS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☐	☐	LINDSEY	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE	☐	☒
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM
 TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.

WHITE HOUSE STAFFING MEMORANDUMDate: **1-14-02**ACTION / CONCURRENCE / COMMENT DUE BY: **1-15-02 10:00 AM**

ENROLLED BILL H.R. 2873 - PROMOTING SAFE AND STABLE FAMILIES
Subject: AMENDMENTS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☐	☐	LINDSEY	☒	☐
CONNAUGHTON	☒	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☒
FLEISCHER	☒	☐	RIDGE	☐	☒
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD YOUR COMMENTS TO JIM JUKES, EXTENSION 54864, BY 10:00 AM TOMORROW AND SEND A COPY TO THE STAFF SECRETARY. THANK YOU.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

January 14, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2873 - Promoting Safe and Stable Families Amendments
of 2001
Sponsors - Rep. Herger (R) CA and Rep. Cardin (D) MD

Last Day for Action

January 23, 2002 - Wednesday

Purpose

(1) Reauthorizes and expands the Promoting Safe and Stable Families (PSSF) program, which is aimed at supporting families and promoting adoption; (2) authorizes a new grant program to establish and expand networks of mentoring services for children of prisoners; and (3) creates an education and training voucher program for youths who age out of foster care.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health and Human Services	Approval
Department of Labor	Approval (Informally)
Department of Justice	No objection (Informally)
Department of Education	Defers to HHS (Informally)
Department of Housing and Urban Development	Defers to HHS (Informally)
Department of the Interior	Defers to HHS (Informally)
Corporation for National and Community Service	No comment (Informally)
Office of National Drug Control Policy	No comment (Informally)

Discussion

Consistent with several of this Administration's legislative proposals, H.R. 2873 would reauthorize and expand the PSSF program, establish a new competitive grant program for the mentoring of children of prisoners, and provide education and training vouchers for youths aging out of foster care. Major provisions of the bill are described below.

Promoting Safe and Stable Families

The PSSF program supports families that are in the child welfare system or at risk of becoming involved in it. The program provides funds to States and Indian Tribes for family support, preservation, and reunification and adoption promotion and support services. The PSSF program is a capped entitlement program (i.e., a mandatory program with spending levels determined by future appropriations acts). It was created in 1993 and reauthorized in 1997. The PSSF program authorization expired at the end of FY 2001.

H.R. 2873 would reauthorize mandatory appropriations for the PSSF program for FYs 2002-2006 at a capped level of \$305 million per year. Out of the \$305 million, the Secretary of HHS (the Secretary) would be required to reserve, for each fiscal year, \$6 million for research, training, technical assistance, and evaluation of State programs; \$10 million for State court improvements; and a one percent allotment for Indian Tribes.

In addition, H.R. 2873 would authorize discretionary appropriations of an additional and separate \$200 million for the PSSF program for each of FYs 2002-2006. Out of the \$200 million, the Secretary would be required to reserve, for each fiscal year, 3.3 percent for research, training, technical assistance, and evaluation of State programs; 3.3 percent for State court improvements; and a two percent allotment for Indian Tribes. According to the House Committee report, the legislation was written with the base \$305 million and additional \$200 million in discretionary authorization to reflect the Administration's proposal for an authorized program level increase of \$200 million, as presented in OMB's mid-session review. (The April Budget would have combined the \$305 million base funding and \$200 million program increase as a capped mandatory entitlement.) In contrast, H.R. 3061, the Departments of Labor, HHS, and Education, and related agencies FY 2002 Appropriations bill, appropriates \$305 million in mandatory funds and an additional and separate \$70 million in discretionary funds to carry out the PSSF program.

H.R. 2873 would authorize the expenditure of PSSF program funds on: (1) "infant safe haven" programs, which would allow a parent to safely relinquish a newborn infant at location designated pursuant to a State law; and (2) activities "to strengthen parental relationships and promote healthy marriages."

The legislation would require HHS to provide technical assistance to help States and Indian Tribes in ways that include developing treatment models that address the needs of at-risk families, particularly families with substance abuse issues. The bill also would require HHS to give priority to certain research and evaluation topics, such as promising program models and the outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act (ASFA) of 1997. Additionally, the bill would require HHS to report to Congress by April 1 of every other year, beginning in 2003, describing the status and findings of ongoing evaluations and the nature of any technical assistance provided to States.

Other significant changes that H.R. 2873 would make to the PSSF program include:

- Clarifying that funding for State court improvements is intended to: (1) provide for the safety, well-being, and permanent placement in appropriate settings of children in foster care, as set forth in the ASFA; and (2) implement corrective action, as necessary, to comply with reviews of child and family service programs performed by HHS.
- Allowing any PSSF program funds allotted to a State, that the State later certifies it will not use, to become available for reallocation to other States (under the existing allotment formula).

Mentoring Children of Prisoners

Consistent with your FY 2002 Budget, H.R. 2873 would authorize appropriations of \$67 million for each of FYs 2002 and 2003, and such sums as may be necessary thereafter, for a new competitive grant program to establish, expand, and operate programs to mentor children of prisoners. Children of prisoners include children with one or both parents incarcerated in a Federal, State, or local correctional facility and children who are in an ongoing mentoring relationship at the time of their parents' release. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the mentoring program.

Eligible grant applicants would include State or local governments, tribal governments or tribal consortia, and faith-based and community organizations in areas that have significant numbers of children of prisoners. Applicants would be required to provide specific information including: (1) a description of the design of the program, including the proposed methods to recruit, screen, support, and oversee individuals participating as mentors; and (2) proof that the applicant will consult and coordinate, as appropriate, with other programs including local corrections, workforce development, and substance abuse and mental health agencies.

Grants would be limited to a maximum amount of \$5 million and would be awarded on the basis of certain factors including: (1) the qualifications of the applicant to effectively carry out the program; (2) the comparative severity of need for mentoring services in the area where the applicant would operate; and (3) evidence of the applicant's consultation with existing youth and family service programs. The Federal share of funding for the grants would be capped at 75 percent for the first two years and at 50 percent for the remaining years of the grant.

The Secretary would be required to reserve 2.5 percent of the funds appropriated for conducting evaluations of the program. Grantees would be subject to audit and reporting requirements, and HHS would be required to evaluate the programs and provide a report to Congress by April 15, 2005.

Education and Training Vouchers

Under current law, the John H. Chafee Foster Care Independence Program (CFCIP) is a capped entitlement program that provides funding to States to provide support services to help youths who are likely to remain in foster care until the age of 18 make the transition to independent adult living. Such services include assistance in finding and keeping a job, obtaining a high school diploma and applying for college, and locating housing. State funding allotments are based on a State's share of the total number of children in foster care (minimum allotments are set at \$500,000), and a State may apply for funding from its allotment by submitting a plan to the Secretary describing how those support services will be provided and providing a 20 percent match for all Federal funding. The annual allotment remains available for expenditure by the State for up to two fiscal years.

Consistent with the Administration's proposal as presented in OMB's mid-session review, H.R. 2873 authorizes appropriations of \$60 million for each of FYs 2002-2006 for a new discretionary grant program under the CFCIP to provide education and training vouchers for youths aging out of foster care. The Administration's April Budget requested \$60 million in mandatory funding for this program. H.R. 3061, the FY 2002 appropriations bill, does not provide any appropriations for the voucher program.

The new program would provide funding to States to establish education and training voucher programs for attendance at an institution of higher education for: (1) youths aged 18 to 21 who age out of foster care; (2) youths up to age 23 who, on their 21st birthday, were enrolled in a post-secondary education or training program and are progressing toward the completion of that program; and (3) individuals who, after attaining age 16, were adopted from foster care and are otherwise eligible. Vouchers would be available in the amount of \$5,000 per year per eligible youth or the cost of the education or training program, whichever is less. The value of the voucher would be disregarded for purposes of determining the recipient's eligibility for, or the amount of benefits under, any other Federal or federally-supported assistance program. States would be required to certify the methods they would employ to avoid any duplication of benefits under this and any other such program, and ensure that the amount of the voucher does not exceed the total cost of attendance of the education or training program.

State funding formulas for the CFCIP would apply to the new education and training voucher program, including the 20 percent State match requirement. However, there would be no minimum grant per State in the new program.

H.R. 2873 would authorize HHS to reallocate, to other States on the basis of need, CFCIP funds to which a State would have been entitled had it applied. The bill also would provide for a one-time temporary extension of availability of FY 2000 State CFCIP funds to remain available for expenditure by the State through FY 2002.

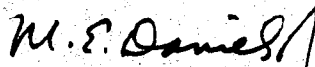
Effective Date

In general, the amendments made by H.R. 2873 would take effect on the date of enactment of the enrolled bill. However, if the Secretary determines that enactment of State legislation (other than appropriations) is needed for a State's plan to comply under the PSSF program or the CFCIP, the plan would not be considered out of compliance on that basis until after at least the first year of the State's legislative session that begins after enactment of this bill.

Conclusion and Recommendations

The Department of Health and Human Services recommends approval of H.R. 2873 because it "is largely based on the Department's bill sent to the Congress on August 8, 2001, and incorporates most of the important Administration proposals in that bill."

We join HHS and Labor in recommending approval of H.R. 2873, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures