CRS Report for Congress

Welfare Reform: A Comparison of H.R. 3500 and S. 1795 With Current Policy

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SUMMARY

The Family Support Act of 1988 (P.L. 100-485), which put new stress on education, work, and training for recipients of the Aid to Families with Dependent Children (AFDC) program, was signed into law on October 13, 1988 by President Reagan. The law established a work, education, and training program called Job Opportunities and Basic Skills (JOBS), for which it sharply expanded Federal work/training funds, and it required States to engage in JOBS most AFDC parents with children age 3 and over. Under the AFDC program, a family can receive AFDC for an indefinite period, if it meets program income and eligibility rules. The JOBS program imposes no time limit on general participation, but does limit the length of time a person may be required to participate in job search or a specific work activity. Because of severe budget pressures most States used only part of the $1 billion appropriated for JOBS in Federal matching funds in FY 1991-93. Since JOBS began AFDC rolls rose to historic peaks. AFDC now serves one in seven children, a total of 9.6 million children in 5 million families.

In his 1994 State of the Union address, President Clinton said he would send a comprehensive welfare bill to Congress in the spring and that it would impose a 2-year limit on benefits, provide community service work for those without a private job after AFDC ends, forbid AFDC for unwed teenage parents not living at home, and increase collection of child support payments. His call for welfare reform during the Presidential campaign kindled a debate and has prompted some legislation. In late February 1994, a welfare proposal was being developed by the Democratic Mainstream Forum of the House, and two major bills were pending in Congress: H. R. 3500, the Responsibility and Empowerment Support Program Providing Employment, Child Care, and Training (RESPECT) Act, and S. 1795, the Welfare Reform Act of 1994. H.R. 3500 was introduced by 160 House Republicans on November 10, 1993, and was referred to eight committees. S. 1795, the Welfare Reform Act of 1994, was introduced by 17 Senate Republicans on January 25, 1994, and was referred to the Finance Committee.

This report presents a side-by-side comparison of H.R. 3500 and S. 1795 with current policy. Both bills would require the JOBS program to include a time-limited "transition" component and a work component. Both bills would require the transition component to include job search activities. Unlike the current JOBS program, which exempts mothers whose youngest child is under age 3 (or under age 1 at State option), both the House and Senate bills would exempt only mothers with newborns (up to age 6 months for first baby born to an AFDC mother, 4 months for subsequent babies). Both bills would allow or require States to place more conditions on AFDC recipients without having to obtain Federal waivers (e.g., end AFDC for teenage parents and their children, deny AFDC for additional children, pay new residents the lower benefit of their former State, require AFDC parents to attend parenting and money management classes). Both bills would require that paternity be established for a higher percentage of children and add new measures to improve collection of child support payments (such as State and national information systems, income withholding procedures, uniform information to be included in child support orders, and work requirement for noncustodial parents with child support arrearages). Both bills would limit or ban AFDC for most legal aliens. The House bill would deny welfare benefits to most legal aliens after a 1-year transition period. The Senate bill would allow legal aliens to retain eligibility, but their sponsor's income and resources would be deemed to them until they became naturalized U.S. citizens.

Under current law, States may help a recipient obtain a job under a work supplementation program, in which the employer receives a wage subsidy paid with the AFDC grant. Both bills would revise the work supplementation program by allowing States to include food stamp benefits in the wage supplement and to assign work supplementation participants to unfilled jobs. S. 1795 is unlike current law and H.R. 3500 in that it would require States to establish an employment voucher program. The voucher would be in lieu of AFDC and food stamp benefits and for the first 6 months of work, would equal each month the combined monthly value of the family's AFDC and food stamp benefits. For the second 6 months of work, the voucher would equal 50 percent of the combined monthly value of the AFDC and food stamp benefits. Recipients would be required to give the voucher to their employers (as a wage supplement) during the first year of employment. To obtain a voucher, an employer would have to guarantee the recipient monthly wages equal to at least twice the employment voucher, or the minimum wage for hours worked, whichever is greater. After 1 year, the voucher would be eliminated.

Unlike current law, both bills would permit States to limit the length of time that a person could receive AFDC. Under both bills participation in the transition component (i.e., job search, education, and training activities) could not exceed 2 years. H.R. 3500 would give States the option of dropping an AFDC family from AFDC after the caretaker relative had participated in the work program for 3 years--after a maximum total of 5 years on AFDC. S. 1795 would give States the option of dropping an individual from AFDC after he or she had participated in the work component for 1 year--after a maximum total of 3 years on AFDC.

H.R. 3500 would limit Federal funding for AFDC, Supplemental Security Income (SSI), food stamps, the Earned Income Tax Credit (EITC), and housing subsidies. Both House and Senate bills would amend the Child Support Enforcement (CSE) program. The House measure would require some employees to report child support obligations on their W-4 forms.

A preliminary estimate by the Congressional Budget Office (CBO) indicates that the gross Federal cost of the transition and work components of H.R. 3500 would be $5.4 billion during the first 5 years of implementation (FY 1994-98) and $7.3 billion in the sixth year (FY 1999).

WELFARE REFORM: A COMPARISON OF H.R. 3500 AND S. 1795 WITH CURRENT POLICY

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC)			
GENERAL DESCRIPTION	The AFDC program, title IV-A of the Social Security Act, provides Federal matching grants to States to enable them to aid "needy" children and their relative caretakers.	Although many AFDC provisions would remain, its Job Opportunities and Basic Skills (JOBS) program would be required to have a time-limited "transition" component and a work component.	Although many AFDC provisions would remain, its JOBS program would be required to have a time-limited "transition" component and a work component.
	Federal law requires States, to the extent resources permit, to require most able-bodied AFDC recipients with no child under age 3 to participate in the State's education, training, and work program, the JOBS program.	States would be required to require most able-bodied recipients to participate for up to 2 years in the transition component, which would be required to include job search and might include education, training, and work experience programs.	States would be required to require recipients to participate in either the transition or work program. States would be required to establish an employment voucher program as part of both the transition component and the work component. The purpose of the voucher would be to help a recipient gain employment by providing the employer with a subsidy.
		After 2 years (or lesser period, at State option), a person could continue to receive AFDC benefits only by participating in the program's work component, which might include a work supplementation program (subsidized job), a community work experience program, or any other State work program approved by the Secretary of the Department of Health and Human Services (DHHS).	If at the end of 2 years (or 1 year, at State option), the recipient were unable to obtain a job, he or she would have to participate in the work component of the JOBS program or face loss of his or her portion of the family's AFDC benefit.
	Recipients remain eligible for benefits as long as they meet program rules.	States would have the option of dropping an AFDC **family** from AFDC rolls after the caretaker relative had participated in the work program for 3 years (after a minimum total of 3 years on AFDC). These persons would continue to qualify for Medicaid.	States would have the option of dropping an **individual** family member from the AFDC rolls after he or she had participated in the work component of the program for 1 year (after a minimum total of 2 years on AFDC). These persons would continue to qualify for Medicaid.

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ELIGIBILITY			
Needy Dependent Children Under Age 18 or 19:*		States would be forbidden to give AFDC to a child born to an AFDC recipient or to an individual who received AFDC at any time during the 10-month period preceding the child's birth (unless the State adopted a law exempting itself from this Federal provision). [Sec. 305]	States would have the option of denying AFDC benefits to children conceived by women already receiving AFDC. [Sec. 403]
1. Who live with one parent because of the death or continued absence from home of the other parent.	Coverage mandatory.		
2. Who live with two parents, one of whom is incapacitated.	Coverage mandatory.	*Note:* Although the intent of this provision appears to require States to deny higher AFDC benefits to recipients who have additional children, under H.R. 3500 as currently drafted a child born to a woman who received AFDC while she was *pregnant* would be ineligible for AFDC benefits, unless the State adopted a law of exemption. (Under current law AFDC is available, at State option, for a pregnant woman in her third trimester.)	
**Note:* Eligibility for AFDC ends on a child's 18th birthday, or at State option upon a child's 19th birthday if the child is a full-time student in a secondary or technical school and is expected to complete the program before he or she reaches age 19.			
3. Who live with two parents, if the principal earner is "unemployed."	Coverage mandatory year-round for States that were operating an Aid to Families with Dependent Children-Unemployed Parent (AFDC-UP) program before September 1988. Coverage mandatory for at least 6 months (out of preceding 12 months) for States that did not have an AFDC-UP program before Sept. 26, 1988. [Sec. 407(b)(2)(B) of SSA]	H.R. 3500 would give all States the option of placing a 6-month time limit on AFDC-UP benefits. As under current law, States could not end AFDC unless a family had received benefits for at least 6 months out of the preceding 12 months. [Sec. 101(b)(4)]	Same as H.R. 3500. [Sec. 106(b)]

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4. Who live with one parent and a stepparent.	AFDC law requires that part of the stepparent's income be counted in determining AFDC eligibility and benefit amounts; marriage, hence, generally reduces benefits (the stepparent is not part of the AFDC unit/family). In a few States, however, State law requires that all stepparents assume the legal and financial responsibility of a natural or adoptive parent. In those States the stepparent is considered a natural parent for AFDC purposes and the family would be entitled to AFDC only if either the parent or the stepparent were incapacitated or the principal earner in the stepparent family were unemployed. [Sec. 402(a)(31) of SSA]	H.R. 3500 would permit States to continue AFDC benefits for the parent of an AFDC child who marries someone other than the child's other parent. The AFDC benefit (called a married couple transition benefit) would equal 50 percent of the amount payable immediately before the marriage and would be paid for not more than 1 year if the family's income does not exceed 150 percent of the poverty level. If the stepparent family were to be eligible under AFDC-UP, as could happen in the event of the stepparent's unemployment--but only if the family were living in one of the few States that make all stepparents legally and financially responsible for their stepchildren--it could get the full AFDC-UP benefit rather than the married couple transition benefit, but not both. [Sec. 307]	Same as H.R. 3500. [Sec 404]
Family Unit	Federal law requires that the AFDC "assistance unit" include any parent of a dependent child and any dependent brothers or sisters (except Supplemental Security Income (SSI) recipients, stepsiblings, and children receiving foster care or adoption assistance maintenance payments) who are living in the home. This means that eligibility and benefits are based on the income and needs of these family members. [Sec. 402(a)(38) of SSA]		

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Children of Minor Parents	States are permitted to deny AFDC to the child of an **unmarried parent under age 18**--and to that parent--if they do not live with a parent, legal guardian, or other adult relative of the minor parent, or in a foster home, maternity home, or other adult-supervised supportive living arrangement. [Sec. 402(a)(43) of SSA] *Note:* As of September 1993, four States (Connecticut, Delaware, Wisconsin, and the Virgin Islands) had chosen this option.	States would be required to deny AFDC to a child with a parent who is a **minor (as defined by the State)**, unless the State enacts a law that exempts it from this rule. [Sec. 302] H.R. 3500 would allow States to give AFDC to the child of an unmarried parent under age 19--and to that parent--only if they lived with a parent, legal guardian, or other adult relative of the teenage parent, or in a foster home, maternity home, or other supportive living arrangement. [Sec. 202] Thus, even if a State exempted itself from the ban on AFDC for the child of a minor, it could not give AFDC to the child of a teenage parent who lived independently.	States would have the option of eliminating AFDC for **unmarried parents under age 18.** These parents would remain eligible for Medicaid benefits. [Sec. 407(a) and 407(c)] If the State does not opt to deny AFDC to all unmarried parents under age 18, the State would be allowed to give AFDC to the child of the unmarried parent under age 18--and to that parent--only if they lived with a parent, legal guardian, or other adult relative of the teenage parent, or in a foster home, maternity home, or other adult-supervised supportive living arrangement. [Sec. 407(b)] State savings resulting from these provisions would have to be used to fund group homes, adoption assistance programs, and abstinence education programs. [Sec. 407(d)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Assignment of Child Support Rights	As a condition of AFDC eligibility, applicants and recipients must assign their rights to child support to the State. Child Support Enforcement (CSE) services are available automatically without charge to AFDC families and upon application and for a fee to non-AFDC families. [Sec. 402(a)(26) and 454(6) of SSA]	Unless a State adopted an exemption law, the State would be prohibited from paying AFDC to the family of a child whose paternity was not established except in cases where the child was conceived as a result of rape or incest, or where the State determined that efforts to establish paternity would result in physical danger to the relative applying for AFDC. [Sec. 201(a)] The custodial parent would have to prove that an alleged parent was dead. [Sec. 201(a)] If paternity of an applicant child were not established and the relative alleged that any of up to three men might be the father and provided the appropriate addresses, and if the State did not disprove the allegation, then the State would be required to reduce (rather than end) the AFDC benefit to the family. The reduced benefit would be based on a family size that excluded the child whose paternity was in question. The entire family would be eligible for Medicaid benefits. [Sec. 201(a)] Beginning Oct. 1, 1994, the above provisions would apply to recipients as well as applicants. [Sec. 201(b)]	Unless a State adopted an exemption law, the State would be prohibited from paying AFDC on behalf of the mother until (1) paternity of the child had been acknowledged by the father, (2) a paternity suit had been initiated, or (3) the custodial parent had demonstrated that the alleged father was dead or missing; except in cases where the child was conceived as a result of rape or incest, or where the State determined that efforts to establish paternity would result in physical danger to the AFDC applicant or impose undue hardship on the family. [Sec. 201(a)] If the CSE agency found that the man named was not the father, the mother would be dropped from the AFDC rolls until paternity was established (AFDC for the children would be made as a protective payment; i.e., the AFDC benefit would be paid to a person, other than the mother, interested or concerned with the child recipient's welfare). [Sec. 201(a)] States would be required to develop procedures for determining undue hardship when, despite full cooperation of the custodial parent, the State were unable to determine paternity. [Sec. 201(a)]
Citizenship or Alien Status	See page 32.		

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CONDUCT REQUIREMENTS			
Treatment and Testing of Drug Addicts and Alcoholics	Federal AFDC law requires payment of benefits to all families who meet the eligibility requirements, regardless of whether they are drug addicts or alcoholics.	As a condition of AFDC eligibility, each applicant or recipient who the State determines to be a drug addict or alcoholic would be **required to agree to participate in** (and maintain satisfactory participation in) an appropriate treatment program, and to agree to be tested for drugs or alcohol, without advance notice, during and after the treatment program. Moreover, each applicant or recipient who failed to comply with these requirements would be disqualified from AFDC during the 2-year period beginning with the failure to comply (the person still would be eligible for Medicaid). [Sec. 901(a)]	As a condition of AFDC eligibility, each applicant or recipient who the State determines to be a drug addict or alcoholic would be **required to participate in** (and maintain satisfactory participation in) an appropriate treatment program, if available, and to agree to be tested for drugs or alcohol, without advance notice, during and after the treatment program. Moreover, each applicant or recipient who failed to comply with these requirements would be disqualified from AFDC during the 2-year period beginning with the failure to comply (the person still would be eligible for Medicaid). [Sec. 702]
Participation in Parenting and Money Management Classes	Federal law does not condition benefit payments on conduct (except for participation in JOBS and cooperation with child support efforts).	States would have the option of conditioning AFDC eligibility on whether recipients met requirements to attend parenting and money management classes, and whether they received permission from the welfare agency before taking any action that would require a change in the school attended by their dependent children. [Sec. 309]	States would have the option of requiring AFDC parents to participate in parenting classes and classes on money management. [Sec. 406]

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Preventive Medical Care	The AFDC program provides benefits to needy children and their families. AFDC families are automatically eligible for Medicaid services. AFDC law does not make eligibility contingent upon meeting health care requirements.	AFDC benefits would be denied for children under age 6 who have not received "preventive health care" (medical examinations at specified periods) or immunizations. [Sec. 907(a)] The State would be required to conduct appropriate education and outreach activities to increase public awareness regarding the importance of immunizations for preschool children, inform the public about the availability of preventive health care services, clinics providing free or reduced-price immunizations, and transportation and other supportive services that would help parents get their children immunized. [Sec. 907(a)]	Unless a State adopted an exemption law, the State would be required to increase the total monthly AFDC benefit of a family by up to $50 per month for up to 6 months if each child under age 6 in the family had received Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) and had been immunized in accordance with recommendations issued by the Surgeon General of the Public Health Service. Families with children under age 6 who did not meet these requirements would be sanctioned by a benefit reduction of up to $50 per family per month until the requirements were met. [Sec. 401(a)] Same as H.R. 3500. [Sec. 401(a)]
School Attendance	Under the AFDC JOBS program, most young AFDC mothers (those under age 20) who failed to complete high school (or equivalent) must be required to participate in an "educational activity," regardless of the age of their youngest child. [Sec. 402(a)(19)(E) of SSA] The law provides that parents who fail to participate in JOBS shall lose their share of the AFDC grant and that the children's grant shall be paid to another adult serving as a "protective" payee. See "Sanctions," page 20. [Sec. 402(a)(19)(G)(i) of SSA]	States would have the option of reducing a family's AFDC benefit by up to $75 per month for each parent under age 21 who has not completed secondary school (or equivalent) and each dependent child in the family who, during the previous month, failed, without good cause, to maintain minimum school attendance. [Sec. 304]	States would have the option of increasing a family's AFDC benefit by up to $75 per month if family members attending an educational institution or participating in a course of vocational or technical training met or exceeded school attendance requirements. Families with members who failed, without good cause, to meet school attendance requirements would be sanctioned by reducing their AFDC benefit by up to $75 per month. [Sec. 402]

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RESOURCES	To receive AFDC payments, a family cannot have counted resources that exceed $1,000 (or lower State amount), excluding the recipient's home, an automobile (within $1,500 equity value limit--or lower State amount), a burial plot for each AFDC family member, a funeral agreement (within $1,500 equity value limit--or lower State amount) for each family member, and at State option, basic maintenance items essential to day-to-day living, such as clothes and furniture. [402(a)(7)(B) of SSA]	States would have the option of not including as a resource for up to 2 years, up to $10,000 in a "qualified asset account" held by an AFDC family or a family not presently on AFDC but who received AFDC in at least 1 of the preceding 4 months or who became ineligible for AFDC during the preceding 12 months because of earnings. States also could exclude as a resource for a period of up to 2 years, the first $10,000 of the net worth of all microenterprises owned by a family member. [Sec. 308(a)]	States would have the option of increasing the asset limit for families with a dependent child who has earned income and has accrued savings therefrom in a "qualified education account." The money saved in the education account would not be counted as a resource. [Sec. 408(a)]
	Countable nonrecurring income in excess of the State standard of need received by any member of the AFDC family in a month must be combined with other countable income received by the family that month. The family loses eligibility for the number of months that equal the quotient when total income (I) is divided by the State's need standard (N). The number of ineligible months = I/N. [402(a)(17) of SSA]	States would have the option of not considering up to $10,000 placed in a qualified asset account as a nonrecurring lump-sum payment. [Sec. 308(c)]	
BENEFITS	Maximum AFDC benefits vary sharply from State to State. The maximum AFDC payment is the guaranteed cash income level for AFDC families with no countable income. As of January 1994, the maximum AFDC benefit for a three-person family ranged from a high of $923 in Alaska ($703 in Suffolk County, New York) to a low of $120 in Mississippi. [45 CFR Sec. 233.20(a)(2)(iii)] Federal regulations provide that the AFDC standard of need be uniformly applied throughout the State.	States would have the option, in the case of an AFDC recipient who had not resided in the State for 12 consecutive months, to pay AFDC benefits "commensurate with" what the recipient would have received in his or her home State. [Sec. 303]	States would have the option, in the case of persons who had not resided in the State for 12 consecutive months, to pay the same level of AFDC benefits as provided by the State from which the residents moved. The lower level of benefits could be provided for up to 1 year. [Sec. 405]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
	Federal law requires that *all* income received by the recipient or applicant be counted against the AFDC benefit except that explicitly excluded by (1) definition or (2) deduction. [Sec. 402(a)(7) of SSA] Interest on savings is not excluded.	States would have the option of disregarding any interest or income earned on a "qualified asset" account and any qualified distribution from a qualified asset account. The term "qualified asset account" means a mechanism approved by the State that allows savings of an AFDC family to be used for qualified distributions. The term "qualified distributions" means payments from the qualified asset account for the purpose of (1) attending an education or training program, (2) improving one's employability (e.g., purchasing an automobile), (3) buying a home, or (4) moving to another residence. [Sec. 308(b) and 308(e)]	States would be required to disregard in determining AFDC eligibility and benefit amount any savings from a "qualified education account" that are used for education expenses. [Sec. 408(b)]
	Federal law allows some earned income received by a recipient to be disregarded in determining the amount of the family's AFDC benefit. *For the first 4 consecutive months of AFDC eligibility in which the recipient has a job:* -- first $90 of monthly earned income, -- $30 a month of earned income, -- one-third of remaining earnings, and -- actual dependent care costs of up to $175 per month per dependent (up to $200 per month for a child under age 2)--less for part-time work. *For months 5 through 12:* -- first $90 of monthly earned income, -- $30 a month of earned income, and -- actual dependent care costs of up to $175 per month per dependent (up to $200 per month for a child under age 2)--less for part-time work. *After 12 months:* -- first $90 of monthly earned income, and -- actual dependent care costs of up to $175 per month per dependent (up to $200 per month for a child under age 2)--less for part-time work. [Sec. 402(a)(8) of SSA]	Same as current law. States would have the option of ignoring the current Federal earned income disregard rules as long as the earned income rules applied to an individual family would be at least as favorable as current law but not more favorable than disregarding the first $200 monthly of earned income plus one-half of remaining earnings. [Sec. 306]	States would be required, for 1 year, to disregard wages paid to recipients receiving an employment voucher (described on page 12) in determining whether the person were eligible for AFDC or food stamps. Although persons with an employment voucher could retain eligibility for AFDC and food stamps, they would receive wages instead of those benefits. However, by retaining eligibility for AFDC they would continue to qualify for Medicaid benefits. [Sec. 102(b)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
	Federal regulations stipulate that with respect to self-employment the term earned income means the total profit from business enterprise resulting from a comparison of the gross receipts with the business expenses. However, items such as depreciation, personal business and entertainment expenses, personal transportation, purchase of capital equipment, and payments on the principal of loans for capital assets or durable goods are not considered business expenses. [45 CFR Sec. 233.20(a)(6)(v)(B)]	States would have the option of considering as earned income, for a period of up to 2 years, only the net profits of an AFDC family's microenterprise. The term microenterprise means a commercial enterprise with 5 or fewer employees including the owner. The term net profits means the gross receipts of the business minus (1) payments of principal or interest on a loan to the microenterprise, (2) transportation expenses, (3) inventory costs, (4) expenditures to purchase capital equipment, (5) cash retained by the business for future use by the business, (6) taxes paid by the business, (7) insurance expenses, (8) reasonable costs of obtaining one motor vehicle necessary for the operation of the business, and (9) other expenses of the business. [Sec. 308(d) and 308(e)]	
WORK PROGRAMS **Purpose**	Federal law states that it is the purpose of the JOBS program to "assure that needy families with children obtain the education, training, and employment that will help them avoid long-term welfare dependence." [Sec. 481 of SSA]	H.R. 3500 would amend the statement of purpose to read: " . . . to assure that needy families with children obtain the education, training, and work experience needed to prepare them for a life without welfare." [Sec. 101(a)]	No provision.
	States must establish a JOBS program and, to the extent that the program is available and resources otherwise permit, must require participation by all nonexempt adult recipients to whom the State guarantees child care. [Sec. 482 of SSA]		

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Program Activities	State JOBS programs must include educational activities (as appropriate), including high school or equivalent (combined with training as needed), basic and remedial education to achieve basic literacy level, and education for individuals with limited English proficiency; job skills training; job readiness activities; and job development and placement. [Sec. 482(d) of SSA]	Each State's JOBS program would be expanded to include a transition component and a work component. Each State's transition component would have to include a job search program and might include any other service, activity, or program of the State's JOBS program (e.g., educational activities, job skills training, job readiness activities, job development and placement, on-the-job training, etc.). [Sec. 101(b)(1)]	Each State's JOBS program would be expanded to include a transition component and a work component. The transition component would have to include a job search program and the employment voucher program (described on page 12) and might include any other service, activity, or program of the State's JOBS program (e.g., educational activities, job skills training, job readiness activities, job development and placement, on-the-job training, etc.). [Sec. 103(a)] Each State would be required to have applicants engage in job search, and at the time of their AFDC enrollment, to refer recipients to either the transition or work components of the JOBS program. [Sec. 101(a) and 103(a)] At the end of 6 months in the transition program, the State would be required to determine whether the recipient had made "clear and substantial" progress toward preparing for work. [Sec. 103(a)] If at any time during a person's participation in the transition component, he or she were determined to be employable, the person would be assigned to the work component of the program. [Sec. 103(a)]
	In addition, States must offer at least two of the four following items: group and individual job search; on-the-job training; work supplementation program; or community work experience program (CWEP) (or another work experience program approved by the Secretary of DHHS). [Sec. 482(d) of SSA]	Each State's work component might include a work supplementation program (as revised by the bill), a community work experience program (as revised by the bill), or any other work program of the State that is approved by the Secretary of DHHS). [Sec. 101(b)(1)] *Note:* In a work supplementation program, the AFDC grant subsidizes a job.	The work component would have to include a work supplementation program (as revised by the bill), a community work experience program (as revised by the bill), and the employment voucher program, and might include any other work program approved by the Secretary of DHHS. [Sec. 103(a)]

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			Each State would be required to establish an employment voucher program. Recipients of AFDC benefits only, food stamp benefits only, or both AFDC and food stamps benefits who obtained employment would qualify for the voucher. The voucher would be in lieu of AFDC and food stamp benefits and for the first 6 months of work, would equal each month the combined monthly value of the family's AFDC and food stamp benefits. For the second 6 months of work, the voucher would equal 50 percent of the combined monthly value of the family's AFDC and food stamp benefits. Recipients would be required to give the voucher to their employers (as a wage supplement) during the first year of employment. To obtain a voucher, an employer would have to guarantee the recipient monthly wages equal to at least twice the employment voucher, or the minimum wage for hours worked, whichever is greater. At the end of 1 year, the voucher would be eliminated entirely. To obtain a voucher employers also would be required to adhere to specified work standards, such as the prohibition against displacement of currently employed workers or positions and provision of workers' compensation and tort claims protection to recipients in the employment voucher program. [Sec. 102]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
	Federal law stipulates that no work assignment under the JOBS program result in the displacement of any currently employed worker or position or the employment or assignment of a participant or the filling of a position when (1) any other individual is on layoff from the same or any equivalent position or (2) the employer has ended the employment of any regular employee or otherwise reduced its workforce with a participant subsidized under the JOBS program. It states that no participant may be assigned under Sec. 482(e), work supplementation, or (f), community work experience, to fill any established unfilled position vacancy. [Sec. 484(c) of SSA]	H.R. 3500 would allow States to assign work supplementation participants to unfilled jobs. [Sec. 103(a)] Under H.R. 3500, States would be able to use food stamp benefits as well as AFDC benefits to provide subsidized jobs for work supplementation participants. [Sec. 103(b)(1)] Employers would have to pay work supplementation participants a "salary" as least equal to the family's prior AFDC benefit and if the State elected to include food stamps as part of the subsidy, the State would have to pay the participant a salary at least equal to what the family would have otherwise received in combined AFDC and food stamp benefits. [Sec. 103(b)(2)]	Same as H.R. 3500. [Sec. 103(c)] Same as H.R. 3500. [Sec. 103(c)]
	The State AFDC agency may require job search by an individual applying for AFDC beginning at the time such individual applies for aid and continuing for a period of not more than 8 weeks. Moreover, at the end of the 8-week period the State agency may require the *recipient* to participate in job search activities for another period of not more than 8 weeks in any 12-month period. [Sec. 482(g)(2) of SSA]	Unless a State adopted an exemption law, the State would have to require each AFDC applicant to participate in job search activities while his or her application was pending. The State would be required to reimburse the applicant for necessary transportation and child care expenses caused by job search. [Sec. 904]	States would have to require each AFDC applicant to participate in job search activities while his or her application was pending. The State would be required to reimburse the applicant for necessary transportation and child care expenses caused by job search. [Sec. 101(a)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Overall Time Limit	The JOBS program imposes no time limit on general participation, but does limit the time a person may be required to participate in a job search, a work supplementation program, or a community work experience program (CWEP). See below. The maximum length of time an individual can spend in job search is 8 weeks for AFDC applicants and 8 weeks per year for AFDC recipients. The maximum length of time a recipient can spend in work supplementation is 9 months. After 6 months of participation in a CWEP position and at the conclusion of each CWEP assignment, the AFDC agency must reassess and revise, as appropriate, the recipient's employability plan. After 9 months in a CWEP position, the maximum number of hours a recipient must work is based on the rate of pay for individuals employed in the same or similar positions by the same employer at the same site rather than on the legal minimum wage. [Sec. 482(g) of SSA]	A qualified individual would be allowed to participate in the transition component for no more than 24 months (at State option, for a shorter period). [Sec. 101(b)(2)] States could end AFDC eligibility of the **family** of an individual after she or he was required to participate in the work program for a period (determined by the State) of at least 3 years. These ex-recipients would continue to qualify for Medicaid. [Sec. 101(b)(2)]	States would be required to reduce a family's AFDC benefit by an amount allocated to one person if the person had participated in the transition component for 24 months, unless the person found a job or was participating in the work component. [Sec. 103(a)] *Note:* At State option, the number of months of participation could be reduced to 12. At State option, if a person participated in the work component for at least 12 months, the family's AFDC benefit could be reduced by an amount allocated to one person and the person could be prohibited from further participation in the work program. [Sec. 103(a)] Persons who have exhausted their time in the transition or work programs would remain eligible for Medicaid benefits. [Sec. 103(a)] As under current law, States would be directed to make an assessment of the family's needs and skills. If the adult member were deemed employable, he or she would be assigned to the work component. [Sec. 103(a)]
Participation Requirements	States must require participation by all nonexempt recipients to whom the State guarantees child care. [Sec. 402(a)(19)]	H.R. 3500 would require each "qualified" individual to participate in the transition component of the State AFDC program. [Sec. 101(b)(2)]	At the time of AFDC enrollment, families would be referred to the AFDC transition or work program. [Sec. 101]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Exemptions	Exempt from JOBS are (1) persons who are ill, incapacitated, or of advanced age; (2) children under age 16; (3) children between ages 16 and 18 (or 19, at State option) who are attending full time an elementary or secondary school or who are enrolled in a vocational or technical program full time; (4) parents or other relative caretakers of a child under age 3 (at State option, under age 1) who are personally providing care for the child; (5) parents or other relative caretakers of a child between 3 and 6, unless child care is "guaranteed" (required participation cannot exceed 20 hours per week); (6) persons whose presence in the home is required because of the illness or incapacity of another household member; (7) persons working 30 hours or more a week; (8) pregnant women in their second or third trimester; and (9) persons living in areas where the program is not available. [Sec. 402(a)(19)(C) of SSA]	Qualified individuals are defined as (1) persons eligible for AFDC who applied for such aid on or after Oct. 1, 1994 and are not exempt from participation requirements and (2) beginning Oct. 1, 1998, persons eligible for AFDC (regardless of when they applied) who are not exempt from participation requirements. [Sec. 101(b)(2)] Exempt individuals are (1) persons who are incapacitated; (2) persons who work 30 or more hours per week; (3) persons who attend full time, an elementary, secondary, or vocational (or technical) school; (4) parents of a child who was removed from the home and recently returned (within preceding 2 months); (5) persons providing full-time care for a disabled dependent; (6) at State option, persons who are making progress in a substance abuse treatment program, unless the person has already been exempt for 12 months; (7) first-time mothers during such 6-month period that they choose that encompasses the birth of the child; and (8) mothers who already have a child during such 4-month period that they choose that encompasses the birth of their second or subsequent child. [Sec. 101(b)(3)]	Exempt individuals are (1) persons who are ill, incapacitated, or of advanced age; (2) persons working 35 hours or more a week; (3) children under age 16 who are attending full time an elementary, secondary, or vocational (or technical) school; (4) persons providing full-time care for a disabled dependent; (5) at State option, persons who are making progress in a substance abuse treatment program, 12-month limitation; (6) first-time mothers during a 6-month period after they give birth to the child; and (7) mothers who already have a child during a 4-month period after they give birth to their second or subsequent child; and (8) persons living in areas where the program is not available. [Sec. 105]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
		A qualified individual could be permitted but not required to participate in the transition component if, on the basis of demographic criteria, the State finds it unlikely that she or he would be an AFDC recipient during a "significant length" of time. [Sec. 101(b)(2)] A qualified individual could not participate in the transition component if she or he had elected to participate in the work component. [Sec. 101(b)(2)]	
		The State could exempt a qualified individual from participating in the transition component for 12 of the first 24 months if the person were determined to be a drug addict or alcoholic, was participating in an appropriate treatment program, and had agreed to be tested for drugs or alcohol. [Sec. 101(b)(2) and Sec. 901]	If an individual were making progress in a substance abuse treatment program, the State would be allowed to exempt the person from participating in the JOBS program for up to 12 months. [Sec. 105(a)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Measure of Participation	Federal regulations stipulate that participation is to be measured in terms of a 20-hour-per-week standard. Under this rule, the welfare agency is instructed to count as participants the largest number of persons whose combined and averaged hours during the month equal 20. [45 CFR Sec. 250.78]	Each qualified individual in the transition component would have to participate for an average of not fewer than 10 hours per week. [Sec 101(b)(2)]	Each qualified individual in the transition component would have to participate for an average of not fewer than 20 hours per week. [Sec. 103(a)]
		If a qualified individual (who is not a member of an AFDC-UP family) were not participating in the transition component, the State would have to require the person to participate in the work component for 35 hours per week (30 hours per week if the individual also were required to engage in job search). [Sec. 101(b)(2)]	At State option, each person participating in the work component would have to participate in work activities for an average of at least 35 hours per week or in work activities for an average of 30 hours per week and engage in job search for an average of at least 8 hours per week. [Sec. 103(a)]
	Federal law requires that at least one parent in each AFDC-UP family participate at least 16 hours a week in a work activity. The percentage of AFDC-UP families required to meet this work requirement is 40 percent in FY 1994, 50 percent in FY 1995, 60 percent in FY 1996, and 75 percent in FY 1997-98. (A State may substitute participation in an educational program in the case of a parent under age 25 who has not completed high school or equivalent.) [Sec. 403(l)(4) of SSA]	The State would have to require at least one parent in an AFDC-UP family to participate in the work component by engaging in work activities for 32 hours per week and by engaging in job search activities for 8 hours per week. [Sec. 101(b)(2)]	Same as H.R. 3500. Further, the community work experience program hour requirements would be changed to require recipients to work for 32 hours per week and engage in 8 hours of job search. [Sec. 103(a)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
		States would be required to regard as participants (in the transition component) persons enrolled in a full-time program of study at an educational institution who are making satisfactory progress in his or her studies as determined by the institution. H.R. 3500 would require the DHHS Secretary to prescribe rules governing how to convert time spent in this kind of study program into hours of participation in the transition program. [Sec. 101(b)(2)]	Same as H.R. 3500. [Sec. 103(a)] States would have to require one parent in an AFDC-UP family to participate in the work component. States would have the option of requiring one parent to participate in the transition component. [Sec. 106(b)] In the case of an AFDC-UP family, a State would be allowed to substitute participation in an educational program in the case of a parent under age 25 who has not completed high school (or equivalent). [Sec. 106(b)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Participation Rates	Federal law sets the general JOBS participation rates at 7 percent in FY 1990-91, 11 percent in FY 1992-93, 15 percent in FY 1994, and 20 percent in FY 1995. For years after FY 1995, no participation rates are specified in the law. [Sec. 403(l)(3)(A) of SSA]	Under H.R. 3500, with respect to nonexempt persons who applied for AFDC before Oct. 1, 1994, the general participation rates would be the same as in current law, except that the schedule would extend beyond FY 1995, providing a 20-percent rate in FY 1996-98. [Sec. 101(b)(5)]	Same as H.R. 3500. [Sec. 106(a)]
		With respect to nonexempt persons who applied for AFDC on or after Oct. 1, 1994, the general participation rates would be 30 percent in FY 1996, 40 percent in FY 1997, and 50 percent in FY 1998. [Sec. 101(b)(5)]	Same as H.R. 3500. [Sec. 106(a)]
		With respect to **all** nonexempt persons, regardless of when they applied for AFDC, the general participation rates would rise to 60 percent in FY 1999, 70 percent in FY 2000, 80 percent in FY 2001, and 90 percent in FY 2002. [Sec. 101(b)(5)]	Same as H.R. 3500. [Sec. 106(a)]
	Federal law sets participation rates for persons in the AFDC-UP program at 40 percent in the case of the average of each month in FY 1994, 50 percent in the case of the average of each month in FY 1995, 60 percent in the case of the average of each month in FY 1996, and 75 percent in the case of the average of each month in FY 1997-98. [Sec. 403(l)(4)(B) of SSA]	Under H.R. 3500, the special participation rates for persons in the AFDC-UP program would be the same as under current law, except that in FY 1998 the rate would be 90 percent. [Sec. 101(b)(6)]	Same as H.R. 3500. [Sec. 106(b)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Sanctions	Federal law provides this penalty for failure to meet JOBS requirements without good cause: Denial of AFDC benefits to the noncooperating parent with payment for the children made to a third party, usually a relative, friend, or neighbor. In the case of the recipient's first failure to comply, the period of ineligibility lasts until the recipient complies; for a second failure to comply, until the recipient complies or 3 months, whichever is longer; and for any subsequent failure to comply, until the recipient complies or 6 months, whichever is longer. [Sec. 402(a)(19)(G) of SSA]	H.R. 3500 provides this penalty schedule: In the case of the first failure to comply, the family's AFDC payment would be reduced by an amount equal to 25 percent of the family's combined AFDC and food stamp benefits, until the recipient complied. In the case of the second failure to comply, the above sanction would apply. In the case of the third failure, the entire **family** (of the noncooperating recipient) would lose eligibility for AFDC. Any first failure to comply that continues for more than 1 month would be considered the second failure, and any second failure that continues for more than 3 months would be considered the third failure to comply. Families that lost AFDC because of failure to comply would continue to be eligible for Medicaid benefits. [Sec. 101(b)(2)] *Note:* Although the noncomplying recipient's family cash loss would equal 25 percent, his or her total benefit loss would be less than 25 percent (17.5 percent) because food stamp benefits generally increase 30 cents for every dollar lost in income. (The food stamp **increase** would offset 30 percent of the 25-percent cash loss.)	S. 1795 provides this penalty schedule: In the case of the first failure to comply, the noncooperating adult would lose her or his share of AFDC benefits for 3 months. If the recipient had not complied after 3 months, she or he would be deemed to have started the second offense. In the case of the second failure to comply, at least 6 months would have to elapse before AFDC benefits would be restored. If the recipient still failed to comply, he or she would be deemed to have failed to comply for the third time. In the case of the third failure to comply, the **parent** would be dropped from AFDC for at least 1 year and payments on behalf of the children would be made as protective payments. [Sec. 104]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Evaluation of Education and Training Programs	Federal law requires the Secretary of DHHS to conduct a study to determine the relative effectiveness of the different approaches used by States under the JOBS program for helping long-term recipients and potentially long-term recipients. The study is to be based on data gathered from demonstration projects in five States (which are required to operate for at least 3 years). The projects are to use an experimental design. The law authorized $5 million for FY 1990-91. [Sec. 203(c) of P.L. 100-485]	The Secretary of DHHS would be required to conduct research projects for at least 5 years to examine the impact of education and training programs on the ability of individuals to get off the AFDC program, AFDC expenditures, wage rates, employment histories, and the resumption of AFDC participation. At least one of the projects would have to include random assignment of adult AFDC recipients to control and experimental groups. [Sec. 903]	Same as H.R. 3500. [Sec. 703]
Funding	Federal law entitles each State to a share of JOBS matching funds equal to its share of adult AFDC recipients. Authorized is $1 billion yearly in FY 1991-93, $1.1 billion in FY 1994, $1.3 billion in FY 1995, and $1 billion in FY 1996 and years thereafter. The Federal matching rate for JOBS activities and cost of full-time JOBS personnel ranges from 60 percent to 80 percent (90 percent for the State's share of the first $126 million, FY 1987 appropriation for the predecessor Work Incentive (WIN) program), but is 50 percent for administrative expenses other than full-time personnel and for work-related expenses other than child care (separately funded). [Sec. 403(k) and 403(l) of SSA]	Each State that has used its full allocation of Federal JOBS funds (under terms of current law) would be entitled to additional funds for JOBS. The following amounts would be authorized: $300 million in FY 1996, $1 billion in FY 1997, and $1.9 billion in FY 1998. Allocations of these funds would be based on each State's share of adult AFDC recipients. The Federal matching rate for the new JOBS funds would range from 70 percent to 80 percent (statutory maximum 83 percent) for work activities and costs of full-time personnel, but would be 50 percent for administrative expenses other than full-time personnel and for work-related expenses. [Sec. 101(c)]	Same as H.R. 3500. [Sec. 107]
		The Federal matching rate for the new JOBS funds would fall to a flat 50 percent for work activities and all administrative expenses if a State failed to achieve these overall participation rates: 15 percent in FY 1994, 20 percent in FY 1995, 30 percent in FY 1996, 40 percent in FY 1997, 50 percent in FY 1998, 60 percent in FY 1999, 70 percent in FY 2000, 80 percent in FY 2001, and 90 percent in FY 2002. [Sec. 101(c)]	Same as H.R. 3500. [Sec. 107]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
		CHILD SUPPORT ENFORCEMENT (CSE) PROGRAM	
GENERAL DESCRIPTION	The purpose of the CSE program, part D of title IV of the Social Security Act, is to establish and collect child support obligations, locate absent parents, and establish paternity.	No change in stated purpose. The bill would require new efforts to establish paternity and new measures to encourage collection of child support obligations including: national reporting of information about child support obligations of some employees, State and national information systems, income withholding procedures, uniform terms and information to be included in child support orders, and work requirement for noncustodial parents with child support arrearages.	No change in stated purpose. The bill would require new efforts to establish paternity and new measures to encourage collection of child support obligations including: State and national information systems, income withholding procedures, uniform terms and information to be included in child support orders, and work requirement for noncustodial parents with child support arrearages.
ESTABLISHING PATERNITY	AFDC applicants and recipients are required to cooperate with the State in establishing the paternity of a child. Federal law allows paternity to be established at any time before a child's 18th birthday. [Sec. 466(a)(5) of SSA] Under the "good cause" regulations, the CSE agency may determine that it is against the best interests of the child to seek to establish paternity in cases involving incest, rape, or pending procedures for adoption. [45 CFR Sec. 232.40-43] Federal law requires States to have laws and procedures that include a hospital-based program for voluntary acknowledgement of paternity around the time of the child's birth. [Sec. 466(a)(5)(C)]	State AFDC plans would be required to include a rule that a State employee or officer who becomes aware of a pregnant, unmarried woman must at once inform her orally and in writing that she will be ineligible for AFDC unless she identifies the prospective father and, after the child is born, cooperates in establishing the paternity of the child. The State employee also would be required to encourage the woman to urge the prospective father to acknowledge paternity. [Sec. 203]	States would have to have procedures to inform a pregnant, unmarried woman that she could be ineligible for AFDC if the paternity of her child were not established or if she failed to cooperate in establishing the paternity of her child. [Sec. 202]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Paternity Establishment Percentage	States are required to meet Federal standards for the establishment of paternity. The standard relates to the percentage obtained by dividing (a) the number of children in the State who are born out of wedlock, are receiving AFDC or CSE services, and for whom paternity has been established by (b) the number of children who are born out of wedlock and are receiving AFDC or CSE services. To meet Federal requirements, this percentage in a State must: (a) be at least 75 percent, on the basis of the most recent reliable data or (b) meet these standards of improvement from the preceding year: percentage between 50 and 75 percent, up 3 percentage points from the score of the preceding year; percentage between 45 and 50, up 4 percentage points; percentage between 40 and 45 percent, up 5 percentage points; and percentage below 40 percent, up at least 6 percentage points from preceding year. [Sec. 452(g) of SSA]	To meet Federal requirements, the paternity establishment percentage in a State would have to: (a) be at least 90 percent or (b) meet these standards of improvement: percentage between 50 and 90, up 6 percentage points from score of preceding year; or percentage below 50 percent, up at least 10 percentage points from preceding year. [Sec. 204]	Same as H.R. 3500. [Sec. 203]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
W-4 REPORTING	No provision.	The Secretary of the Treasury, in consultation with the Secretary of Labor, would be required to establish a system for reporting child support obligations on W-4 forms. Employees with a legal obligation to pay child support that is to be collected through wage withholding would be required to indicate on the W-4 form (1) the existence of the obligation, (2) the amount of the obligation, (3) the name and address of the person owed, and (4) whether health care insurance is available through the employer to the employee's family. Employees in designated industries would also be required to provide this information on their W-4 forms. In addition, every employee would be required to file a one-time update of the above described information on a W-4 form during a period prescribed by the State in which the person works. [Sec. 501(a)]	No provision.
		Under H.R. 3500, each employer who receives information from an employee regarding his or her child support obligation would be required, within 10 days, (1) to forward the information to the State's child support enforcement agency, and (2) to withhold from the income of the employee, the amount indicated on the W-4 form (or if the State indicates that the W-4 information is incorrect, the amount that the State indicates should be withheld). [Sec. 501(a)]	

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
		States would be required to have a law that establishes procedures under which the State must designate a public agency to maintain the W-4 form information provided by employers in a manner that allows other States easy access to the information through the Interstate Locate Network and to determine whether the information provided by the employer is accurate. If the information is correct (verified by comparing it to the copy of the child support order on file with the State registry), the State would be required to notify the custodial parent who lives in the State of the information. If the information is not correct, the State would be required to notify the employer and to correct the information. If the State registry does not contain a copy of the support order, the State would be required to search other State registries for a copy of the child support order. [Sec. 501(b)]	
		States would be required to have a law that establishes procedures under which the State must (1) designate at least one industry as an industry with respect to which universal employment reporting would improve child support enforcement in an effective manner, (2) prescribe the period during which employees would be required to file updated W-4 forms, (3) impose a fine against an employee who fails to file a W-4 form with his or her employer; the fine would be equal to the average cost of noncompliance or $25, whichever is less. [Sec. 501(b)]	

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
STATE INFORMATION SYSTEMS	The State must provide that, at the request of either parent, child support payments be made through the agency that administers the State's income withholding system regardless of whether there is an arrearage. The State must charge the parent who requests the service a fee equal to the cost incurred by the State for these services, up to a maximum of $25 per year. [Sec. 466(c) of SSA]	States would be required to have a law establishing procedures under which the designated State agency would have to maintain a child support order registry. The registry would include a copy of each child support order being enforced under the State CSE plan, and at the request of an individual who has or is owed a legal obligation to provide child support, a copy of the order that imposes the obligation. [Sec. 502(a)]	Same as H.R. 3500. [Sec. 301(a)]
		States would be required to have a law establishing procedures that provide other States access to "locate" information through the Interstate Locate Network. States would be permitted to charge reasonable fees for access to their State records. [Sec. 502(b)]	Same as H.R. 3500. [Sec. 301(b)]
		States would be required to have a law establishing procedures under which (1) noncustodial parents would be given access to State parent locator services to aid in the establishment or enforcement of visitation rights and (2) custodial parents would be given access to State parent locator services to aid in the establishment and enforcement of child support obligations. [Sec. 502(b)]	Same as H.R. 3500. [Sec. 301(b)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
NATIONAL INFORMATION SYSTEMS	The law requires that the Federal Parent Locator Service (FPLS), established as part of the CSE program, be used to obtain and transmit information about the whereabouts of any absent parent when that information is to be used for the purpose of *enforcing child support obligations*. Upon request, the Secretary of DHHS must provide to an authorized person the most recent address and place of employment of any absent parent if the information is contained in the records of DHHS, or can be obtained from any other department or agency of the United States or of any State. The FPLS also can be used in connection with the enforcement or determination of child custody and in cases of parental kidnapping. [Sec. 453 and 463 of SSA]	H.R. 3500 would expand the FPLS "purpose" language to include establishing parentage, and establishing and modifying child support obligations. Also, the bill would require use of the FPLS to obtain (and transmit to the noncustodial parent) information regarding the whereabouts of the custodial parent when the information is to be used for the purpose of enforcing child visitation rights and obligations. [Sec. 503(a)]	Same as H.R. 3500. [Sec. 302(a)] Information would not be disclosed to a custodial parent or noncustodial parent if it would jeopardize the safety of any person. [Sec. 302(a)]
		The Secretary of DHHS would be required to establish an Interstate Locate Network linking the FPLS to State databases relating to child support enforcement. Any State could use the network to locate a noncustodial parent by accessing the records of any Federal, State, or other source of locate or child support information, directly from one computer system to another. Any State could direct a locate request to another State or a Federal agency, or to selected States or to all States. The network would allow on-line access for cases in which information was needed immediately and batch processing to locate individuals or update information periodically. The network would enable courts to access information through a computer terminal located in the court. [Sec. 503(b)]	The Secretary of DHHS would be required to establish an Interstate Locate Network linking the FPLS to State databases relating to child support enforcement. The network would help States to locate noncustodial parents who owe child support and custodial parents who are not complying with the visitation rights of the noncustodial parent. [Sec. 302(b)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
		H.R. 3500 would require the designee of the Secretary of DHHS (Director of the Office of Child Support Enforcement) to prescribe regulations governing information sharing among States, within States, and between States and the FPLS, to ensure that the response time for locate information not exceed 48 hours. [Sec. 503(c)]	The Secretary of DHHS would be required to prescribe regulations governing information sharing among States, within States, and between States and the FPLS, to ensure that the response time for locate information not exceed 48 hours. Under the regulations, a State trying to locate a noncustodial parent or collect child support payments would be required to compare all outstanding cases with information in the employment records of the State. If the State failed to find the noncustodial parent or collect child support and had reason to believe that the noncustodial parent were in a particular State or States, information would be requested from that State or States. Otherwise information would be requested from all States. [Sec. 302(c)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
INCOME WITHHOLDING	Since Nov. 1, 1990, all new or modified child support orders that were being enforced by the State's CSE agency were subject to immediate income withholding. Beginning Jan. 1, 1994, States are required to provide for immediate income withholding for all support orders initially issued on or after that date, regardless of whether a parent has applied for CSE services. [Sec. 466(b)(3) and 466(a)(8)(B) of SSA]	H.R. 3500 would require the designee of the Secretary of DHHS to develop a uniform order to be used in all cases in which income is to be withheld for the payment of child support, which is to contain the name of the individual whose income is to be withheld, the number of children covered by the order, and the individual or State to whom the withheld income is to be paid. The order would apply to all sources of income. [Sec. 504(b)] States would be required to designate a public agency to collect child support and distribute promptly all amounts collected as child support. States would be required to require courts that establish or modify child support orders to transmit a copy of the order to the State CSE agency, unless both parents object and the order does not provide for income withholding. States would be required to designate a State agency to use the uniform income withholding order to notify involved parties of the identity of the individual, the amount to be withheld, and the State agency to which the withheld amount is to be paid. [Sec. 504(a)]	The Secretary of DHHS would be required to develop a uniform order to be used in all cases in which income is to be withheld for the payment of child support, which is to contain the name of the individual whose income is to be withheld, the amount to be withheld, the number of children covered by the order, and the individual or State to whom the withheld income is to be paid. The order would apply to all sources of income. [Sec. 303(b)] States would be required to designate a public agency to collect child support and distribute promptly all amounts collected as child support. States would be required to require courts that establish or modify child support orders to transmit a copy of the order to the State CSE agency, unless both parents object and the order does not provide for income withholding. States would be required to designate a State agency to use the uniform income withholding order in connection with child support collection efforts. [Sec. 303(a)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
		States would be required to have laws requiring employers to withhold child support pursuant to uniform income withholding orders. After receiving a copy of an order, the employer would be required to provide a copy to the employee subject to the order, and within 10 days after receipt of the order, to withhold income from the employee. The State would be required to impose a civil fine equal to the average cost of noncompliance (as determined by the State) or $25, whichever is less, on an employer who fails to comply with the order within 10 days after receipt. Any fee imposed by the employer for the administration of child support income withholding and related reporting requirements could not exceed the average cost of such administration, as determined by the State. [Sec. 504(c)]	Same as H.R. 3500. [Sec. 303(c)]
UNIFORM ORDERS	No provision.	Under H.R. 3500, the designee of the DHHS Secretary would be required to develop, in conjunction with State executive and judicial organizations, a uniform abstract of a child support order, for use by all State courts to record, with respect to each child support order in the child support order registry the same basic information--such as the date support payments are to begin, the circumstances under which support orders are to end, the amount of child support payable, social security numbers of both parents, name, date of birth, and social security number of the child, etc. [Sec. 505]	Same as H.R. 3500. [Sec. 304]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
WORK REQUIREMENT FOR NONCUSTODIAL PARENT	Federal law authorizes the Secretary of DHHS to grant waivers to up to five States to allow them to provide services to noncustodial parents under the JOBS program. [Sec. 482(d)(3) of SSA]	States would be required to have a law providing procedures under which 2 to 4 weeks of job search would be imposed (by court order) on able-bodied noncustodial parents who are delinquent in paying their child support by an amount at least equal to twice the monthly child support obligation and who are not subject to a court-approved plan for payment of such arrearages, provided the arrearage has not been reduced by a specified percentage within 30 days after notification by the State CSE agency that he or she is required to pay child support and subject to fines and other penalties for failure to pay the full amount in a timely manner. The required State law also would have to provide that if the arrearage has not been decreased by a specified percentage by the end of the 30-day period that began when an order to require the parent to participate in job search was entered, the parent must participate in a work program for at least 35 hours per week (30 hours per week if the program includes job search). [Sec. 506]	Same as H.R. 3500, except that the parent would have to participate in a work program for at least 32 hours per week (rather than 30) if the program includes job search. [Sec. 305]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
PROVISIONS RELATING TO RECEIPT OF "WELFARE" BY ALIENS			
Provisions Related to Alien Eligibility for Federal Assistance	Aliens who are lawful permanent residents or are otherwise legally present on a permanent basis (e.g., refugees) generally are eligible for Federal benefits on the same basis as are citizens. Illegal (undocumented) aliens are eligible only for emergency Medicaid services. In determining the SSI eligibility and/or benefit amount for a person who is an alien, a portion of the income and resources of any person (and spouse) who sponsors an alien (i.e., by signing an affidavit of support) is deemed to be the income and resources of the alien for a period of 3 years after the alien's entry into the United States. [Sec. 1621 of SSA]	H.R. 3500 would prohibit most aliens from receiving Federal assistance. The exceptions would be refugees until they had been in this country for 6 years, and persons aged 75 and older who had been lawfully admitted for permanent residence and who had resided in the United States for at least 5 years. Aliens would be barred from 61 Federal programs, including AFDC, SSI, Food Stamp, child nutrition programs, housing programs, education programs, job training programs, etc.. The only program from which they would not be barred would be the Medicaid emergency services program. The bar would go into effect 1 year after enactment. [Sec. 601] State welfare agencies would be required to report to the Immigration and Naturalization Service (INS) the name, address, and other relevant information that it has concerning any person unlawfully in the United States who is the parent of a child with citizenship (by birth). [Sec. 602]	As under current law, illegal aliens would be prohibited from receiving AFDC, Medicaid (except emergency services), food stamps, SSI, or Federal unemployment compensation. [Sec. 601(a)] With respect to legal aliens, their sponsor's (and sponsor's spouse's) income and resources would be attributable to the alien until the alien had become a naturalized U.S. citizen. [Sec. 601(b)] Any legal alien who receives welfare benefits for 12 months would be reported to the Immigration and Naturalization Service (INS) as a public charge for possible deportation. [Sec. 601(b)] Same as H.R. 3500. [Sec. 602]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
		MISCELLANEOUS PROVISIONS	
SSI Benefits for Drug Addicts and Alcoholics	Under the SSI program an individual is considered to be a medically determined drug addict or alcoholic only if (1) he or she is disabled (as defined by SSI law), and (2) drug addiction or alcoholism is a contributing factor to such disability. The presence of a condition diagnosed or defined as addiction to alcohol or drugs does not by itself qualify an individual for SSI benefits. Section 1631(a)(2)(A) of the Social Security Act requires SSI recipients disabled because of drug addiction or alcoholism to have a representative payee; section 1611(e)(3)(A) of the Social Security Act requires these recipients to participate in an approved treatment program when available and appropriate; and section 1611(e)(3)(B) of the Social Security Act requires recipients to allow their participation in that treatment program to be monitored by SSA.	The Secretary of DHHS would be required to identify all SSI recipients whose disability is the result of addiction to illegal drugs. The Secretary would be required, on a random basis and periodically, to test each identified recipient to determine whether the recipient is using illegal drugs. Any individual found to be using illegal drugs or who refused to submit to testing would become ineligible for SSI. [Sec. 902(a)] Government agencies would be allowed to become paid representative payees. H.R. 3500 would set the maximum fee payable to a representative payee at no more than 10 percent of the individual's monthly SSI benefit. [Sec. 902(b)]	Same as H.R. 3500. [Sec. 705(a)] Same as H.R. 3500. [Sec. 705(b)]
Social Security Benefits for the Criminally Insane	Social Security benefits are not paid to prisoners convicted of felonies. But, some persons who have committed violent crimes are able to receive social security benefits because they were found "not guilty by reason of insanity." [Sec. 202(x)(1) of SSA]	No provision.	Persons who have been found "not guilty by reason of insanity" or guilty, but insane, would not be able to collect Social Security benefits during the period in which they were confined in prison or other public institution. [Sec. 701]
Cap on Funding for Selected Means-Tested Programs	AFDC, SSI, food stamps, and the Earned Income Tax Credit (EITC) are treated as open-ended entitlements. Housing subsidies are not entitlements, and many eligible persons are excluded for lack of funding.	H.R. 3500 would limit funding for AFDC, SSI, food stamps, rental assistance, public housing assistance, and EITC to a base level, adjusted for inflation, plus 2 percent per fiscal year. [Sec. 701 and 702]	No provision.

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
	The Balanced Budget and Emergency Deficit Control Act of 1985 established a series of declining annual deficit targets and created a process known as sequestration intended to ensure that the deficit targets are adhered to. Under the sequestration process, across-the-board reductions in spending are made automatically if the deficit for that year is estimated to exceed the statutory target.	H.R. 3500 would require that after all sequestrations have been made, specified means-tested program accounts would be sequestered to achieve reductions sufficient to eliminate a budget-year breach of the aggregate spending cap on the selected means-tested programs (noted above). [Sec. 702]	
Option To Convert AFDC Program to a Block Grant Program	The AFDC program is considered an entitlement program. The States are entitled to matching funds for AFDC benefits and JOBS costs if they conform to their only State plan. The State must pay benefits to any person who meets its eligibility requirements, and the Federal Government must provide unlimited matching funds based on a prescribed formula. The Federal Government pays at least 50 percent of each State's AFDC benefit costs and may pay up to 83 percent of such costs (the funding formula is inversely related to a State's per capita income, i.e., poorer States get a higher Federal match). It also pays 50 percent of administrative costs. States decide whether their localities must help pay for AFDC. [Sec. 1118 and 1905(b) of SSA]	Under H.R. 3500, any State could elect to receive its Federal AFDC funding as a block grant rather than as authorized under current law. If a State were to make this choice, the Secretary of DHHS would be required to make payments to the State for each fiscal year in an amount equal to 103 percent of the total amount to which the State was entitled in FY 1992. Each State receiving block grant funds would be required to use the funds to provide cash benefits to needy families with dependent children, but the State would not be subject to Federal AFDC regulations. Within 3 months after the end of each fiscal year block grant States would have to submit a report to the Secretary accounting for all expenditures of the block grant funds. The Secretary would be required to reduce by 20 percent the amount that otherwise would be payable to a State if the State failed to provide cash benefits to needy families with children. [Sec 301]	No provision.
Fraud	Federal regulations require State AFDC agencies to establish and maintain (a) methods and criteria for identifying fraud (defined by State) and (b) procedures for referring to law enforcement officials cases in which fraud is suspected. [Title 45 CFR Sec. 235.110]		

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
	Federal law requires States to have in effect an income eligibility and verification system covering AFDC, food stamps, Medicaid, and unemployment compensation. [Sec. 402(a)(25) of SSA]	H.R. 3500 would require the DHHS Secretary to establish a commission to determine the cost and feasibility of creating an interstate system to compare the Social Security account numbers of all AFDC recipients in order to identify any persons who receive AFDC from two or more States. The Secretary would be required to submit a report to the Congress containing the commission's findings within 2 years of enactment. [Sec. 905(b)]	Same as H.R. 3500. [Sec. 704(c)]
	States also have the **option** of establishing an AFDC fraud control program. Under this program, persons found to have intentionally made a false or misleading statement or misrepresented, concealed, or withheld facts, or committed any act intended to mislead, misrepresent, conceal, or withhold facts in order to gain AFDC eligibility or maintain or increase the family's AFDC benefit are to be disqualified from the AFDC program for 6 months for the first offense, 1 year for the second offense, and permanently for the third offense. [Sec. 416 of SSA]	No provision for "fraud control" program.	States would be required to establish an AFDC fraud control program. Under this program, persons found to have intentionally made a false or misleading statement or misrepresented, concealed, or withheld facts, or committed any act intended to mislead, misrepresent, conceal, or withhold facts in order to gain AFDC eligibility or maintain or increase the family's AFDC benefit would be permanently disqualified from the AFDC program. [Sec. 706]
Electronic Benefit Transfer Demonstrations		H.R. 3500 would authorize the DHHS Secretary to conduct demonstration projects in several States to determine whether providing benefits based on need through the use of electronic cards and automatic teller machines would reduce administrative costs and fraud. The Secretary would be required to report to Congress, within 5 years of enactment, a summary of the results of the project and recommendations concerning whether and how more States might be required or encouraged to use electronic funds transfer in providing benefits based on need. [Sec. 905(a)]	Same as H.R. 3500. [Sec. 704(a)] However, Federal approval of Electronic Benefit Transfer (EBT) demonstrations would be conditioned on cost neutrality, distribution of cost savings between the State and Federal Government, reasonable time frames for development and implementation, reasonable limits on the number of transactions and the amount of service fees, stipulation of anti-fraud procedures to prevent misuse of EBT cards, privacy protections, an equitable cost accounting system for expanding EBT to other State and Federal programs, and submittal of evaluation reports to the DHHS Secretary. [Sec. 704(b)]

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Waiver Requests	The primary way in which a State may receive Federal matching funds for AFDC program expenditures that otherwise would be disqualified because of not conforming to State AFDC plan provisions is for the State to obtain a waiver under Section 1115 of SSA. Section 1115 authorizes the Secretary of DHHS to waive compliance with specified requirements of the Act that the Secretary judges likely, via experimental, demonstration, or pilot projects, to assist in promoting the objectives of the AFDC, child support, or Medicaid programs, among others. [Sec. 1115 of SSA]	H.R. 3500 would establish an Interagency Waiver Request Board to develop and coordinate waiver requests designed to improve opportunities for low-income individuals and their families. [Sec. 401] The chairperson of the board would be required to approve or disapprove an application within 90 days after receipt. [Sec. 403] Entities that obtain waivers would be required to submit annual reports to the chairperson on the program's principal activities and achievements. [Sec. 404] Entities that seek a waiver must establish a public-private partnership committee to aid in the development and implementation of the program. [Sec. 405] The General Accounting Office would be required to issue two reports on the implementation and effectiveness of the waiver request process on the covered Federal assistance programs. [Sec. 407] The authority for the Waiver Request Board would expire 7 years after enactment. [Sec. 408]	Same as H.R. 3500. However, the Interagency Waiver Request Board would be required to provide States assistance and technical advice in applying for waivers. The board would be required to develop a standardized 5-year waiver process. If a waiver request has not been finally acted on within 90 days, the waiver would be deemed approved. If the waiver were denied, the board would be required to give the State specific reasons for the denial so the State could make corrections and reapply. [Sec. 501-507]
Public Housing Rent Reform	As of December 1993, "adjusted income" used to determine rent charged in public housing and Section 8 housing is defined as annual gross income minus: $480 per dependent, $400 for an elderly family, excess medical cost for an elderly family, and costs of child care and handicapped assistance. P.L. 101-625 increased deductions from income used to calculate rent (and established a work reward: disregard of 10 percent of earnings), but the changes were dependent upon appropriations to fund them (not yet provided). A family living in public housing is required to pay 30 percent of the adjusted income for rent.	Under H.R. 3500, the amount of any Federal, State, and local income taxes and social security payroll taxes paid by any member of a family living in public housing would be disregarded in determining the family's income for purposes of paying rent. [Sec. 906(b)] H.R. 3500 would give a public housing authority (PHA) the option of disregarding from consideration as income for purposes of determining rent charges, all or part of any increases in the earned income that results from the employment of a previously unemployed member of a family that is living in public housing during that member's first 2 years of employment. [Sec. 906(b)]	No provision.

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
		Under H.R. 3500, the Secretary of the Department of Housing and Urban Development (HUD) could authorize up to 50 PHAs or resident management corporations (RMCs) to carry out demonstration programs to determine the feasibility and desirability of giving PHAs or RMCs authority to establish policies for the operation, maintenance, management, and development of public housing projects. The objective of the demonstration programs would be to encourage resident empowerment and reduce the poverty of public housing residents. The demonstrations could not operate for longer than 5 years. The PHAs or RMCs conducting demonstrations would be required to submit annual reports to the Secretary of HUD and the Secretary would be required to submit a report to Congress describing and evaluating the demonstrations not later than 6 years after enactment. [Sec. 906(c)]	
Eligibility for Food Stamps	The Food Stamp program has financial, employment/training, and "categorical" tests for eligibility. Its financial tests require that recipients have monthly cash income and liquid assets below limits set by food stamp law. Under the employment/training-related tests, certain household members must register for work, accept suitable job offers, and fulfill work or training requirements established by State welfare agencies. Categorical eligibility rules make some people automatically eligible for food stamps (e.g., most AFDC, SSI, and general assistance recipients), and automatically deny eligibility to others (e.g., strikers, illegal aliens, some postsecondary students, and those who quit a job).	Same as current law.	Same as current law.

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
Food Assistance Block Grant	The Food Stamp Act, the National School Lunch Act, the Child Nutrition Act, the Emergency Food Assistance Act, and provisions in a number of other laws (such as the Older Americans Act) establish federally supported food assistance programs that aid low-income persons and specific vulnerable population groups, including children, the elderly, infants, and pregnant and postpartum women. These programs include the Food Stamp program, the School Lunch program, the School Breakfast program, the Summer Food Service program, the Child and Adult Care Food program, the Special Milk program, the Special Supplemental Food Program for Women, Infants, and Children (WIC), the Commodity Supplemental Food program, the Emergency Food Assistance program, Older Americans Act programs providing congregate and home-delivered meals to the elderly, programs providing Federal commodities to Indian tribes, schools, child care agencies, and charitable agencies, and programs providing States and school food service agencies with administrative cost assistance and nutrition education and training. Although most Federal support is directed to low-income recipients, a significant portion goes to persons from families with incomes well above Federal poverty guidelines: e.g., all lunches served in the School Lunch program are federally subsidized, but subsidies are greater for those served to lower income children; the WIC program serves women with incomes as high as 185 percent of the poverty guidelines.	Title VIII would repeal all provisions of current law establishing Federal food assistance programs and replace them with annual food assistance block grants to States, the District of Columbia, Indian tribal organizations with governmental jurisdiction, Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Marianas, the Marshall Islands, Micronesia, and Palau. States and other jurisdictions would use their block grant funds to provide food assistance to "economically disadvantaged" persons (i.e., individuals or families whose income does not exceed the Labor Department's most recent "lower living standard" income levels--which ranged for a four-person family in 1993 from $20,420 in nonmetropolitan areas of the South to $24,890 in metropolitan areas of the Northeast, higher in Alaska, Hawaii, and Guam). States and other jurisdictions could continue to operate programs as they now exist or design their own initiatives. However, any "entitlement" costs above the amount of their block grant would have to be absorbed by the State.	No provision.

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
	The Food Stamp program, the School Lunch and Breakfast programs, the Summer Food Service program, the Child and Adult Care Food Program, and the Special Milk program (which together represent the overwhelming majority of food assistance spending) are "entitlement" programs where appropriations are made for all benefits claimed by eligible recipients. Under the Food Stamp program, the Federal Government pays the full cost of federally established benefits and half of States' administrative expenses; under the school food programs, the Child and Adult Care Food program, and the Special Milk program, the Federal Government pays schools specific subsidies per meal (or per half-pint of milk) varying by the income of the recipient; in all cases, benefits and eligibility limits are automatically adjusted for inflation. Spending on the remaining programs depends on the size of each program's annual appropriation. In some cases, there is no direct spending: i.e., the provision of "bonus" commodities acquired through farm price-support operations to Indian tribes, schools, and other agencies.	Authorized appropriations would be $35.6 billion in FY 1995 and such sums as are necessary for FY 1996-99. Beginning with FY 1996, the total amount to be allotted to States and other jurisdictions each year would be limited to previous year's funding level adjusted to reflect (1) the percentage change in population and (2) the percentage change in the food at home component of the Consumer Price Index. To afford adequate notice for planning, "advance" appropriations would be allowed. Appropriations would be allocated among the States, the District of Columbia, and Puerto Rico according to their share of all *economically disadvantaged persons*. Indian tribal organizations would receive an "equitable" share of the 0.24 percent of total appropriations reserved for them. Guam, the Virgin Islands, American Samoa, the Northern Marianas, the Marshall Islands, Micronesia, and Palau would each receive a share of the 0.21 percent of appropriations reserved for them.	

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
	Commonwealths, territories, associated states, and Indian tribal organizations participate in food assistance programs to varying degrees, or not at all.	In order to receive its block grant, each State or other jurisdiction would have to provide at least the following *assurances*: (1) the grant will be used to provide food assistance to resident economically disadvantaged persons and families, (2) no more than 5 percent of the grant will be spent on administrative costs, (3) at least 12 percent of the grant will be spent to provide assistance to pregnant, postpartum, and breastfeeding women, infants, and young children, and (4) at least 20 percent of the grant will be spent to provide the following types of assistance to children from economically disadvantaged families--lunch and breakfast programs in schools, milk programs in schools and child care settings, food service programs in child care institutions, and summer food service programs. However, the Secretary of Agriculture could reduce the 12 and 20 percent minimum requirements at State request.	

Item	Current law	House Republican bill, H.R. 3500	Senate Republican bill, S. 1795
		Certain residual *Federal* responsibilities would remain, in addition to allocating and overseeing the use of food assistance block grants. To the extent that States and other jurisdictions chose to use food stamp-like coupons as their method of issuing benefits, the Federal Government would assume responsibility for printing coupons, approving food concerns as eligible to accept coupons, and redeeming them for cash through banks and the Federal Reserve. To carry this out, Title VIII reenacts those portions of the Food Stamp Act governing redemption of coupons, approval of food concerns, and penalties for food coupon trafficking, and States and other jurisdictions would, out of their block grant, pay the face value of any federally issued coupons they provided to recipients. The Federal Government also would be allowed to sell surplus and other food commodities held by the Department of Agriculture to the States to provide food assistance.	
		Although Title VIII would become effective on enactment, provisions repealing existing food assistance laws would not become effective until a fiscal year for which block grant funds are appropriated at least 180 days in advance.	