SEC. 103. PROMOTION OF FAMILY FORMATION AND HEALTHY MARRIAGE.

(a) STATE PLANS- Section 402(a)(1)(A) (42 U.S.C. 602(a)(1)(A)) is amended by adding at the end the following:

`(vii) Encourage equitable treatment of married, 2-parent families under the program referred to in clause (i).'.

(b) HEALTHY MARRIAGE PROMOTION GRANTS; REPEAL OF BONUS FOR REDUCTION OF ILLEGITIMACY RATIO- Section 403(a)(2) (42 U.S.C. 603(a)(2)) is amended to read as follows:

`(2) HEALTHY MARRIAGE PROMOTION GRAN0TS-

`(A) AUTHORITY- The Secretary shall award competitive grants to States, territories, and tribal organizations for not more than 50 percent of the cost of developing and implementing innovative programs to promote and support healthy, married, 2-parent families.

`(B) HEALTHY MARRIAGE PROMOTION ACTIVITIES- Funds provided under subparagraph (A) shall be used to support any of the following programs or activities:

`(i) Public advertising campaigns on the value of marriage and the skills needed to increase marital stability and health.

`(ii) Education in high schools on the value of marriage, relationship skills, and budgeting.

`(iii) Marriage education, marriage skills, and relationship skills programs, that may include parenting skills, financial management, conflict resolution, and job and career advancement, for non-married pregnant women and non-married expectant fathers.

`(iv) Pre-marital education and marriage skills training for engaged couples and for couples or individuals interested in marriage.

`(v) Marriage enhancement and marriage skills training programs for married couples.

`(vi) Divorce reduction programs that teach relationship skills.

`(vii) Marriage mentoring programs which use married couples as role models and mentors in at-risk communities.

`(viii) Programs to reduce the disincentives to marriage in means-tested aid programs, if offered in conjunction with any activity described in this subparagraph.

`(C) APPROPRIATION-

`(i) IN GENERAL- Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for each of fiscal years 2003 through 2008 $100,000,000 for grants under this paragraph.

`(ii) EXTENDED AVAILABILITY OF FY2003 FUNDS- Funds appropriated under clause (i) for fiscal year 2003 shall remain available to the Secretary through fiscal year 2004, for grants under this paragraph for fiscal year 2003.'.

(c) COUNTING OF SPENDING ON NON-ELIGIBLE FAMILIES TO PREVENT AND REDUCE INCIDENCE OF OUT-OF-WEDLOCK BIRTHS, ENCOURAGE FORMATION AND MAINTENANCE OF HEALTHY, 2-PARENT MARRIED FAMILIES, OR ENCOURAGE RESPONSIBLE FATHERHOOD- Section 409(a)(7)(B)(i) (42 U.S.C. 609(a)(7)(B)(i)) is amended by adding at the end the following:

`(V) COUNTING OF SPENDING ON NON-ELIGIBLE FAMILIES TO PREVENT AND REDUCE INCIDENCE OF OUT-OF-WEDLOCK BIRTHS, ENCOURAGE FORMATION AND MAINTENANCE OF HEALTHY, 2-PARENT MARRIED FAMILIES, OR ENCOURAGE RESPONSIBLE FATHERHOOD- The term `qualified State expenditures' includes the total expenditures by the State during the fiscal year under all State programs for a purpose described in paragraph (3) or (4) of section 401(a).'.