

# ACF

Administration  
for Children  
and Families

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families

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## INFORMATION MEMORANDUM

**TO:** State, Tribal and Territorial Agencies Administering or Supervising the Administration of Titles IV-B and IV-E of the Social Security Act, Indian Tribes and Indian Tribal Organizations.

**SUBJECT:** **NEW LEGISLATION:** The Child and Family Services Improvement Act of 2006 (Public Law (P.L.) 109-288).

**REFERENCES:** Titles IV-B and IV-E of the Social Security Act (the Act); P.L. 109-288.

**PURPOSE:** This is to inform State, Tribal and Territorial Title IV-B and IV-E agencies of the enactment of the Child and Family Services Improvement Act of 2006, provide basic information about the provisions of this law and discuss its implications for such agencies.

**INFORMATION:** President George W. Bush signed the Child and Family Services Improvement Act of 2006 into law on September 28, 2006. The new law makes changes to Title IV-B, subparts 1 and 2, of the Act, and reauthorizes the Promoting Safe and Stable Families Program (PSSF) and the basic grant under the Court Improvement Program. A summary of the major changes to the programs follows<sup>1</sup>:

### **Child Welfare Services Program (Title IV-B, subpart 1)**

The law changes the Title IV-B, subpart 1, program from a permanent authorization to a five-year authorization. It authorizes \$325 million for each of the Federal Fiscal Years (FY) 2007 through 2011. In lieu of the definition of "child welfare services" formerly section 425(a)(1) of the Act, funds spent by States and Tribes must be spent according to a newly established program purpose. This allows a broader array of

<sup>1</sup> All references to a "State" or "States" include the Territories that administer Title IV-B of the Act.

services and activities and promotes more State flexibility to design their programs accordingly. The new program purpose is to: protect and promote the welfare of all children; prevent the neglect, abuse or exploitation of children; support at-risk families through services that allow children to remain with their families or return to their families in a timely manner; promote the safety, permanence and well-being of children in foster care and adoptive families; and provide training, professional development and support to ensure a well-qualified workforce (sections 421 and 425 of the Act).

*Title IV-B, subpart, 1 State/Tribal Plan Requirements.* The law adds new IV-B, subpart 1, plan requirements at section 422 of the Act that require the State and Tribes to:

- Spend no more than 10 percent of Federal expenditures for administrative costs (effective October 1, 2007);
- Describe how physicians or other appropriate medical professionals are consulted and involved in assessing the health and well-being of foster children and for determining appropriate medical treatment;
- Have in place a disaster plan for programs funded by Title IV-B and IV-E (effective September 28, 2007); and
- Describe standards for the content and frequency of caseworker visits for children in foster care, which at a minimum must be monthly and focus on case planning and service delivery (effective October 1, 2007) (section 422(b)(14)-(17) of the Act).

The law revises and updates the language in several other Title IV-B, subpart 1, plan requirements, including:

- Provisions requiring a description of services and activities carried out under IV-B, subpart 1;
- Provisions requiring a description of the steps taken to expand and strengthen the range of existing services and develop and implement services to improve child outcomes; and
- Provisions requiring policies and procedures for children abandoned at or shortly after birth (section 422(b)(3), (4) and (8) of the Act).

The law removes obsolete Title IV-B, subpart 1, plan requirements, including:

- Provisions requiring the application of child care standards under the Social Services Block Grant to Title IV-B;
- Provisions regarding training and the use of paraprofessionals and volunteers; and
- Provisions requiring an inventory of children in foster care.

*Monthly Caseworker Visit Data and Performance Measures for States.* To receive FY 2008 funding under Title IV-B, subpart 1, the law requires the State to submit FY 2007 data on:

- The percentage of children in foster care under the responsibility of the State who were visited on a monthly basis by the caseworker handling the case of the child; and
- The percentage of the visits that occurred in the residence of the child (section 424(e)(1) of the Act).

States, in consultation with the U.S. Department of Health and Human Services (HHS), are required to establish by June 30, 2008, an outline of steps to be taken to ensure that 90 percent of children in foster care are visited by their caseworkers on a monthly basis by October 1, 2011, and that the majority of the visits occur in the residence of the child. The outline must include target percentages to be reached each fiscal year. HHS must reduce the Federal share of match for a State's Title IV-B, subpart 1 funds by a certain statutory percentage if the State does not meet its annual progress toward the 90 percent caseworker visit standard (section 424(e)(2) of the Act).

*Limit on Use of Child Welfare Services Funds.* The law prohibits States/Territories, for FY 2008 and later, from spending their Title IV-B, subpart 1, funds on child care, foster care maintenance or adoption assistance payments in excess of the amount of Title IV-B, subpart 1, funds they spent on these activities in FY 2005 (section 424(c) of the Act).

*Limit on Use of Non-Federal Foster Care Funds for Program Match.* In addition, beginning in FY 2008 a State can not use more than the amount it spent in FY 2005 using non-Federal funds on foster care maintenance payments as match for the Title IV-B, subpart 1, program (section 424(d) of the Act).

**Promoting Safe and Stable Families (Title IV-B, subpart 2)**

The law reauthorizes the PSSF program for FY 2007 through FY 2011. Title IV-B, subpart 2, mandatory funds are reauthorized at \$345 million and discretionary funds at \$200 million.

*FY 2006 Monthly Foster Care Caseworker Visit Funds.* The law appropriates \$40 million for FY 2006 in Title IV-B, subpart 2, program mandatory funds for States to spend through September 30, 2009. States may only spend the funds to support monthly caseworker visits with children who are in foster care under the responsibility of the State, with an emphasis on activities that will improve caseworker retention, recruitment, training and the ability to access the benefits of technology.

*FY 2007 – FY 2011 PSSF Funding for Monthly Caseworker Visits to Children in Foster Care.* The law creates a set-aside to support State spending on monthly caseworker visits in the following amounts: \$5 million for FY 2008; \$10 million for FY 2009; and \$20 million for each of FYs 2010 and 2011. No FY 2007 funds are set aside for monthly caseworker visits during that fiscal year although, as noted above, FY 2006 funds may be utilized for this purpose. Funds are allotted to States by formula and require a 25 percent State match. Funds are to support monthly caseworker visits with children who are in foster care under the responsibility of the State, with a primary emphasis on activities designed to improve caseworker retention, recruitment and ability to access the benefits of technology (sections 433(e) and 436(b)(4) of the Act).

*Title IV-B, subparts 1 and 2, Expenditure Reports.* States and Tribes must submit to HHS annually, the planned child and family services expenditures by the agency for the next fiscal year. In addition, States and Tribes must submit to HHS annually its Title IV-B, subparts 1 and 2, actual expenditures for the preceding fiscal year along with numbers of families and children served, the population served and the geographic areas served by the agency. Reports are due beginning June 30, 2007. The Administration for Children and Families (ACF) must in turn compile and report these State estimates and expenditures to Congress annually beginning September 30, 2007 (sections 432(a)(8)(B) and 432(c) of the Act).

*Administrative Costs for the PSSF Program.* States may only spend 10 percent of the total expenditures for PSSF on administrative costs (section 434(d) of the Act).

*Tribes and Tribal Consortia.* The law amends the PSSF program to allow Tribal consortia to apply for Title IV-B, subpart 2, funds (sections 432(b)(2), 433(a), 434(c), 436(b)(3), 437(b)(3) and (c)(1)).

The law also increases the set-asides for Indian Tribes (including Tribal consortia) under the mandatory and discretionary funds to three percent each, from one and two percent respectively (sections 436(b)(3) and 437(b)(3) of the Act).

The law removes the HHS Secretary's authority to exempt Indian Tribes (including Tribal consortia) from requirements under the PSSF program, with the exception of the 10 percent limit on administrative costs and the requirement to spend a significant portion of PSSF funds on each of the four service categories. Consequently, Tribes are now required to assure that PSSF funds will not be used to supplant Federal or non-Federal funds expended under this subpart (sections 432(b)(2)(A) and 432(a)(7)(A) of the Act).

*Regional Partnership/Substance Abuse Grants.* The law creates a new set aside in Title IV-B, subpart 2, for competitive regional partnership grants to increase the well-being of, and improve the permanency outcomes for, children affected by methamphetamine or other substance abuse. Grants may be used for family-based substance abuse treatment, mental health services, preventive services and counseling among other services and activities consistent with the grants' purpose. Grants are for two to five years for amounts between \$500,000 and \$1 million. The regional partnerships must involve either a State Title IV-E/IV-B agency or an Indian Tribe or Tribal consortium along with other partners. Funding levels will be \$40 million for FY 2007; \$35 million for FY 2008; \$30 million for FY 2009; and \$20 million for each of FYs 2010 and 2011. ACF will issue an announcement at a later date outlining the grant application requirements.

*Requirements for Foster Care Proceedings.* The law amends the definition of the case review system to require States and Tribes to have procedural safeguards in place to ensure that courts conducting permanency hearings consult with youth, if age-appropriate, regarding his/her permanency plan. The requirement applies to both Title IV-E and IV-B of the Act. States will need to update the Title IV-E State plan preprint (section 475(5)(C) of the Act).

### **Court Improvement Program (Title IV-B, subpart 2)**

The basic Court Improvement Program is reauthorized without change through FY 2011 (section 438 of the Act).

### **Implications of the Title IV-B Amendments for States and Tribes**

ACF plans to issue detailed guidance under a separate program instruction on the new Title IV-B plan and other requirements in the law.

However, ACF wants to highlight several areas that States and Tribes should focus their attention on now.

*FY 2006 State PSSF Expenditures.* The \$40 million PSSF program funds appropriated for FY 2006 must be used to “support monthly caseworker visits with children who are in foster care under the responsibility of the State, with a primary emphasis on activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology.” States have through September 30, 2009, to spend the \$40 million appropriation. Since these funds are for the explicit purpose of the monthly caseworker visits and other related costs, States must track the \$40 million to ensure funds were spent according to the statutory guidelines including non-supplantation of IV-E funds. For the purposes of this requirement, States are to use the definition of foster care in 45 Code of Federal Regulations (CFR) 1355.20. ACF will provide more details on tracking Title IV-B expenditures, both actual and planned, at a later date (section 436(a)(4) of the Act).

*2007 Annual Progress and Services Report (APSR) for States and Tribes.* The APSR due June 30, 2007, must address the following new requirements:

- The assurance that no more than 10 percent of the State or Tribe’s subpart 1 expenditures are spent on administrative costs. States and Tribes should begin developing a process to track their administrative expenditures under Title IV-B, subpart 1. Administrative costs are defined in section 422(c)(1) of the Act as costs for the following activities to the extent they are incurred in administering the Title IV-B State plan: procurement, payroll management, personnel functions (other than the portion of the salaries of supervisors attributable to time spent directly supervising the provision of services by caseworkers), management, maintenance and operation of space and property, data processing and computer services, accounting, budgeting, auditing and travel expenses (except those related to the provision of services by caseworkers or the oversight of programs funded under Title IV-B, subpart 1) (section 422(b)(14) of the Act).
- The description of how physicians or other appropriate medical professionals are consulted and involved in assessing the health and well-being of foster children and for determining appropriate medical treatment (section 422(b)(15) of the Act).
- The disaster plan for the Title IV-B programs that must include how a State or Tribe would: 1) identify, locate and continue availability of services for children under State care or supervision

who are displaced or adversely affected by a disaster; 2) respond to new child welfare cases in areas adversely affected by a disaster and provide services in those cases; 3) remain in communication with caseworkers and other essential child welfare personnel who are displaced because of a disaster; 4) preserve essential program records; and 5) coordinate services and share information with other States (section 422(b)(16) of the Act).

- The standards for the content and frequency of caseworker visits for children in foster care (section 422(b)(17) of the Act).
- The submission of State and Tribal planned and actual Title IV-B expenditures, child and families served, population and geographic regions served as required (section 432(a)(8)(B) of the Act).

*Monthly Caseworker Visit Data and Performance Measures.* ACF will provide States with more details on when and how States must report this information, but planning should begin immediately to meet the following requirements:

- States must report the following FY 2007 data in order to receive full Title IV-B, subpart 1, funding for FY 2008:
  - The percentage of children in foster care under the responsibility of the State who were visited on a monthly basis by the caseworker handling the case of the child; and
  - The percentage of the visits that occurred in the residence of the child (section 424(e)(1) of the Act).
- By June 30, 2008, the State, in consultation with HHS, must establish an outline of the steps it will take to ensure that 90 percent of children in foster care are visited by their workers on a monthly basis, and that the majority of the visits occur in the residence of the child by October 1, 2011. The steps towards the targeted percentages may include activities designed to improve caseworker retention, recruitment training and ability to access technology.

For the purposes of these requirements, States are to use the definition of foster care in 45 CFR 1355.20.

**EFFECTIVE DATE:** The effective date of the law is October 1, 2006, although some requirements have later effective dates that are specified in the statute. Further, the law permits the HHS Secretary to approve a delay beyond the October 1, 2006, effective date for those State plan requirements that the Secretary determines require legislation other than legislation

appropriating funds. In such cases, the delayed effective date is the beginning of the calendar quarter following the close of the State's first regular legislative session after the date of enactment (section 12(b) of P.L. 109-288). States should seek approval of a delayed effective date through the Regional Office. ACF will provide instruction on the delayed effective date application process in a forthcoming program instruction.

**INQUIRIES TO:** Regional Child Welfare Program Managers, ACF Regions I-X

/s/

Joan E. Ohl  
Commissioner  
Administration on Children,  
Youth and Families

Attachment: The Child and Family Services Improvement Act of 2006 (P.L. 109-288)

Public Law 109–288  
109th Congress

An Act

To amend part B of title IV of the Social Security Act to reauthorize the promoting safe and stable families program, and for other purposes.

Sept. 28, 2006  
[S. 3525]

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Child and Family Services Improvement Act of 2006”.

**SEC. 2. FINDINGS.**

The Congress finds as follows:

(1) For Federal fiscal year 2004, child protective services (CPS) staff nationwide reported investigating or assessing an estimated 3,000,000 allegations of child maltreatment, and determined that 872,000 children had been abused or neglected by their parents or other caregivers.

(2) Combined, the Child Welfare Services (CWS) and Promoting Safe and Stable Families (PSSF) programs provide States about \$700,000,000 per year, the largest source of targeted Federal funding in the child protection system for services to ensure that children are not abused or neglected and, whenever possible, help children remain safely with their families.

(3) A 2003 report by the Government Accountability Office (GAO) reported that little research is available on the effectiveness of activities supported by CWS funds—evaluations of services supported by PSSF funds have generally shown little or no effect.

(4) Further, the Department of Health and Human Services recently completed initial Child and Family Service Reviews (CFSRs) in each State. No State was in full compliance with all measures of the CFSRs. The CFSRs also revealed that States need to work to prevent repeat abuse and neglect of children, improve services provided to families to reduce the risk of future harm (including by better monitoring the participation of families in services), and strengthen upfront services provided to families to prevent unnecessary family break-up and protect children who remain at home.

(5) Federal policy should encourage States to invest their CWS and PSSF funds in services that promote and protect the welfare of children, support strong, healthy families, and reduce the reliance on out-of-home care, which will help ensure all children are raised in safe, loving families.

(6) CFSRs also found a strong correlation between frequent caseworker visits with children and positive outcomes for these

Child and  
Family Services  
Improvement Act  
of 2006.  
Inter-  
governmental  
relations.  
42 USC 1305  
note.  
42 USC 621 note.

children, such as timely achievement of permanency and other indicators of child well-being.

(7) However, a December 2005 report by the Department of Health and Human Services Office of Inspector General found that only 20 States were able to produce reports to show whether caseworkers actually visited children in foster care on at least a monthly basis, despite the fact that nearly all States had written standards suggesting monthly visits were State policy.

(8) A 2003 GAO report found that the average tenure for a child welfare caseworker is less than 2 years and this level of turnover negatively affects safety and permanency for children.

(9) Targeting CWS and PSSF funds to ensure children in foster care are visited on at least a monthly basis will promote better outcomes for vulnerable children, including by preventing further abuse and neglect.

(10) According to the Office of Applied Studies of the Substance Abuse and Mental Health Services Administration, the annual number of new uses of Methamphetamine, also known as “meth,” has increased 72 percent over the past decade. According to a study conducted by the National Association of Counties which surveyed 500 county law enforcement agencies in 45 states, 88 percent of the agencies surveyed reported increases in meth related arrests starting 5 years ago.

(11) According to the 2004 National Survey on Drug Use and Health, nearly 12,000,000 Americans have tried methamphetamine. Meth making operations have been uncovered in all 50 states, but the most wide-spread abuse has been concentrated in the western, southwestern, and Midwestern United States.

(12) Methamphetamine abuse is on the increase, particularly among women of child-bearing age. This is having an impact on child welfare systems in many States. According to a survey administered by the National Association of Counties (“The Impact of Meth on Children”), conducted in 300 counties in 13 states, meth is a major cause of child abuse and neglect. Forty percent of all the child welfare officials in the survey reported an increase in out-of-home placements because of meth in 2005.

(13) It is appropriate also to target PSSF funds to address this issue because of the unique strain the meth epidemic puts on child welfare agencies. Outcomes for children affected by meth are enhanced when services provided by law enforcement, child welfare and substance abuse agencies are integrated.

### SEC. 3. REAUTHORIZATION OF THE PROMOTING SAFE AND STABLE FAMILIES PROGRAM.

(a) FUNDING OF MANDATORY GRANTS AT \$345 MILLION PER FISCAL YEAR.—Effective October 1, 2006, section 436(a) of the Social Security Act (42 U.S.C. 629f(a)) is amended by striking “fiscal year 2006.” and all that follows and inserting “each of fiscal years 2007 through 2011”.

(b) FUNDING OF DISCRETIONARY GRANTS.—Section 437(a) of such Act (42 U.S.C. 629g(a)) is amended by striking “2002 through 2006” and inserting “2007 through 2011”.

42 USC 629f  
note.  
Effective date.

(c) AVAILABILITY OF PROMOTING SAFE AND STABLE FAMILIES RESOURCES FOR FISCAL YEAR 2006.—

(1) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary of Health and Human Services \$40,000,000 for fiscal year 2006 to carry out section 436 of the Social Security Act, in addition to any amount otherwise made available for fiscal year 2006 to carry out such section.

(2) AVAILABILITY OF FUNDS.—Notwithstanding sections 434(b)(2) and 436(b)(3) of such Act, the amount appropriated under paragraph (1) of this subsection—

(A) shall remain available for expenditure through fiscal year 2009 solely for the purpose described in section 436(b)(4)(B)(i) of such Act;

(B) shall not be used to supplant any Federal funds paid under part E of title IV of such Act that could be used for that purpose; and

(C) shall not be made available to any Indian tribe or tribal consortium.

(d) ELIMINATION OF FINDINGS.—Section 430 of such Act (42 U.S.C. 629) is amended by striking all through “(b) PURPOSE.—The purpose” and inserting the following:

“SEC. 430. PURPOSE.

“The purpose”.

(e) ANNUAL BUDGET REQUESTS, SUMMARIES, AND EXPENDITURE REPORTS.—

(1) IN GENERAL.—Section 432(a)(8) of such Act (42 U.S.C. 629b(a)(8)) is amended—

(A) by inserting “(A)” after “(8)”; and

(B) by adding at the end the following:

“(B) provides that, not later than June 30 of each year, the State will submit to the Secretary—

“(i) copies of forms CFS 101–Part I and CFS 101–Part II (or any successor forms) that report on planned child and family services expenditures by the agency for the immediately succeeding fiscal year; and

“(ii) copies of forms CFS 101–Part I and CFS 101–Part II (or any successor forms) that provide, with respect to the programs authorized under this subpart and subpart 1 and, at State option, other programs included on such forms, for the most recent preceding fiscal year for which reporting of actual expenditures is complete—

“(I) the numbers of families and of children served by the State agency;

“(II) the population served by the State agency;

“(III) the geographic areas served by the State agency; and

“(IV) the actual expenditures of funds provided to the State agency; and”.

(2) ANNUAL SUBMISSION OF STATE REPORTS TO CONGRESS.—Section 432 of such Act (42 U.S.C. 629b) is amended by adding at the end the following:

“(c) ANNUAL SUBMISSION OF STATE REPORTS TO CONGRESS.—The Secretary shall compile the reports required under subsection (a)(8)(B) and, not later than September 30 of each year, submit such compilation to the Committee on Ways and Means of the

House of Representatives and the Committee on Finance of the Senate.”.

42 USC 629b  
note.

(3) EFFECTIVE DATE; INITIAL DEADLINES FOR SUBMISSIONS.—The amendments made by this subsection take effect on the date of enactment of this Act. Each State with an approved plan under subpart 1 or 2 of part B of title IV of the Social Security Act shall make its initial submission of the forms required under section 432(a)(8)(B) of the Social Security Act to the Secretary of Health and Human Services by June 30, 2007, and the Secretary of Health and Human Services shall submit the first compilation required under section 432(c) of the Social Security Act by September 30, 2007.

(f) LIMITATION ON ADMINISTRATIVE COST REIMBURSEMENT.—

(1) IN GENERAL.—Section 434 of such Act (42 U.S.C. 629d) is amended—

(A) in subsection (a), by inserting “, subject to subsection (d),” after “shall”; and

(B) by adding at the end the following:

“(d) LIMITATION ON REIMBURSEMENT FOR ADMINISTRATIVE COSTS.—The Secretary shall not make a payment to a State under this section with respect to expenditures for administrative costs during a fiscal year, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year under the State plan approved under section 432.”.

42 USC 629d  
note.

(2) EFFECTIVE DATE.—The amendments made by paragraph

(1) shall apply to expenditures made on or after October 1, 2007.

#### SEC. 4. TARGETING OF PROMOTING SAFE AND STABLE FAMILIES PROGRAM RESOURCES.

(a) SUPPORT FOR MONTHLY CASEWORKER VISITS.—

(1) RESERVATION AND USE OF FUNDS.—Section 436(b) of the Social Security Act (42 U.S.C. 629f(b)) is amended by adding at the end the following:

“(4) SUPPORT FOR MONTHLY CASEWORKER VISITS.—

“(A) RESERVATION.—The Secretary shall reserve for allotment in accordance with section 433(e)—

“(i) \$5,000,000 for fiscal year 2008;

“(ii) \$10,000,000 for fiscal year 2009; and

“(iii) \$20,000,000 for each of fiscal years 2010 and 2011.

“(B) USE OF FUNDS.—

“(i) IN GENERAL.—A State to which an amount is paid from amounts reserved under subparagraph (A) shall use the amount to support monthly caseworker visits with children who are in foster care under the responsibility of the State, with a primary emphasis on activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology.

“(ii) NONSUPPLANTATION.—A State to which an amount is paid from amounts reserved pursuant to subparagraph (A) shall not use the amount to supplant any Federal funds paid to the State under part E that could be used as described in clause (i).”.

(2) ALLOTMENT OF FUNDS.—Section 433 of such Act (42 U.S.C. 629c) is amended—

(A) in subsection (d), by inserting “subsection (a), (b), or (c) of” before “this section” the 1st and 2nd places it appears; and

(B) by adding at the end the following:

“(e) ALLOTMENT OF FUNDS RESERVED TO SUPPORT MONTHLY CASEWORKER VISITS.—

“(1) TERRITORIES.—From the amount reserved pursuant to section 436(b)(4)(A) for any fiscal year, the Secretary shall allot to each jurisdiction specified in subsection (b) of this section, that has provided to the Secretary such documentation as may be necessary to verify that the jurisdiction has complied with section 436(b)(4)(B)(ii) during the fiscal year, an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 423 (without regard to the initial allotment of \$70,000 to each State).

“(2) OTHER STATES.—From the amount reserved pursuant to section 436(b)(4)(A) for any fiscal year that remains after applying paragraph (1) of this subsection for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) not specified in subsection (b) of this section, that has provided to the Secretary such documentation as may be necessary to verify that the State has complied with section 436(b)(4)(B)(ii) during the fiscal year, an amount equal to such remaining amount multiplied by the food stamp percentage of the State (as defined in subsection (c)(2) of this section) for the fiscal year, except that in applying subsection (c)(2)(A) of this section, ‘subsection (e)(2)’ shall be substituted for ‘such paragraph (1)’.”.

(3) PAYMENTS TO STATES.—Section 434(a) of such Act (42 U.S.C. 629d(a)), as amended by section 3(f)(1) of this Act, is amended by striking “the lesser of—” and all that follows and inserting the following: “the sum of—

“(1) the lesser of—

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

“(B) the allotment of the State under subsection (a), (b), or (c) of section 433, whichever is applicable, for the fiscal year; and

“(2) the lesser of—

“(A) 75 percent of the total expenditures by the State in accordance with section 436(b)(4)(B) during the fiscal year or the immediately succeeding fiscal year; or

“(B) the allotment of the State under section 433(e) for the fiscal year.”.

(b) SUPPORT FOR TARGETED GRANTS TO INCREASE THE WELL BEING OF, AND TO IMPROVE THE PERMANENCY OUTCOMES FOR, CHILDREN AFFECTED BY METHAMPHETAMINE OR OTHER SUBSTANCE ABUSE.—

(1) RESERVATION OF FUNDS.—Section 436(b) of such Act (42 U.S.C. 629f(b)), as amended by subsection (a)(1) of this section, is amended by adding at the end the following:

“(5) REGIONAL PARTNERSHIP GRANTS.—The Secretary shall reserve for awarding grants under section 437(f)—

“(A) \$40,000,000 for fiscal year 2007;

“(B) \$35,000,000 for fiscal year 2008;

“(C) \$30,000,000 for fiscal year 2009; and

“(D) \$20,000,000 for each of fiscal years 2010 and 2011.”.

(2) TARGETED GRANTS.—

(A) IN GENERAL.—Section 437 of such Act (42 U.S.C. 629g) is amended by adding at the end the following:

“(f) TARGETED GRANTS TO INCREASE THE WELL-BEING OF, AND TO IMPROVE THE PERMANENCY OUTCOMES FOR, CHILDREN AFFECTED BY METHAMPHETAMINE OR OTHER SUBSTANCE ABUSE.—

“(1) PURPOSE.—The purpose of this subsection is to authorize the Secretary to make competitive grants to regional partnerships to provide, through interagency collaboration and integration of programs and services, services and activities that are designed to increase the well-being of, improve permanency outcomes for, and enhance the safety of children who are in an out-of-home placement or are at risk of being placed in an out-of-home placement as a result of a parent’s or caretaker’s methamphetamine or other substance abuse.

“(2) REGIONAL PARTNERSHIP DEFINED.—

“(A) IN GENERAL.—In this subsection, the term ‘regional partnership’ means a collaborative agreement (which may be established on an interstate or intrastate basis) entered into by at least 2 of the following:

“(i) The State child welfare agency that is responsible for the administration of the State plan under this part and part E.

“(ii) The State agency responsible for administering the substance abuse prevention and treatment block grant provided under subpart II of part B of title XIX of the Public Health Service Act.

“(iii) An Indian tribe or tribal consortium.

“(iv) Nonprofit child welfare service providers.

“(v) For-profit child welfare service providers.

“(vi) Community health service providers.

“(vii) Community mental health providers.

“(viii) Local law enforcement agencies.

“(ix) Judges and court personnel.

“(x) Juvenile justice officials.

“(xi) School personnel.

“(xii) Tribal child welfare agencies (or a consortia of such agencies).

“(xiii) Any other providers, agencies, personnel, officials, or entities that are related to the provision of child and family services under this subpart.

“(B) REQUIREMENTS.—

“(i) STATE CHILD WELFARE AGENCY PARTNER.—Subject to clause (ii)(I), a regional partnership entered into for purposes of this subsection shall include the State child welfare agency that is responsible for the administration of the State plan under this part and part E as 1 of the partners.

“(ii) REGIONAL PARTNERSHIPS ENTERED INTO BY INDIAN TRIBES OR TRIBAL CONSORTIA.—If an Indian tribe or tribal consortium enters into a regional partnership for purposes of this subsection, the Indian tribe or tribal consortium—

“(I) may (but is not required to) include such State child welfare agency as a partner in the collaborative agreement; and

“(II) may not enter into a collaborative agreement only with tribal child welfare agencies (or a consortium of such agencies).

“(iii) NO STATE AGENCY ONLY PARTNERSHIPS.—If a State agency described in clause (i) or (ii) of subparagraph (A) enters into a regional partnership for purposes of this subsection, the State agency may not enter into a collaborative agreement only with the other State agency described in such clause (i) or (ii).

“(3) AUTHORITY TO AWARD GRANTS.—

“(A) IN GENERAL.—In addition to amounts authorized to be appropriated to carry out this section, the Secretary shall award grants under this subsection, from the amounts reserved for each of fiscal years 2007 through 2011 under section 436(b)(5), to regional partnerships that satisfy the requirements of this subsection, in amounts that are not less than \$500,000 and not more than \$1,000,000 per grant per fiscal year.

“(B) REQUIRED MINIMUM PERIOD OF APPROVAL.—A grant shall be awarded under this subsection for a period of not less than 2, and not more than 5, fiscal years.

“(4) APPLICATION REQUIREMENTS.—To be eligible for a grant under this subsection, a regional partnership shall submit to the Secretary a written application containing the following:

“(A) Recent evidence demonstrating that methamphetamine or other substance abuse has had a substantial impact on the number of out-of-home placements for children, or the number of children who are at risk of being placed in an out-of-home placement, in the partnership region.

“(B) A description of the goals and outcomes to be achieved during the funding period for the grant that will—

“(i) enhance the well-being of children receiving services or taking part in activities conducted with funds provided under the grant;

“(ii) lead to safety and permanence for such children; and

“(iii) decrease the number of out-of-home placements for children, or the number of children who are at risk of being placed in an out-of-home placement, in the partnership region.

“(C) A description of the joint activities to be funded in whole or in part with the funds provided under the grant, including the sequencing of the activities proposed to be conducted under the funding period for the grant.

“(D) A description of the strategies for integrating programs and services determined to be appropriate for the child and where appropriate, the child’s family.

“(E) A description of the strategies for—

“(i) collaborating with the State child welfare agency described in paragraph (2)(A)(i) (unless that agency is the lead applicant for the regional partnership); and

“(ii) consulting, as appropriate, with—

“(I) the State agency described in paragraph (2)(A)(ii); and

“(II) the State law enforcement and judicial agencies.

To the extent the Secretary determines that the requirement of this subparagraph would be inappropriate to apply to a regional partnership that includes an Indian tribe, tribal consortium, or a tribal child welfare agency or a consortium of such agencies, the Secretary may exempt the regional partnership from the requirement.

“(F) Such other information as the Secretary may require.

“(5) USE OF FUNDS.—Funds made available under a grant made under this subsection shall only be used for services or activities that are consistent with the purpose of this subsection and may include the following:

“(A) Family-based comprehensive long-term substance abuse treatment services.

“(B) Early intervention and preventative services.

“(C) Children and family counseling.

“(D) Mental health services.

“(E) Parenting skills training.

“(F) Replication of successful models for providing family-based comprehensive long-term substance abuse treatment services.

“(6) MATCHING REQUIREMENT.—

“(A) FEDERAL SHARE.—A grant awarded under this subsection shall be available to pay a percentage share of the costs of services provided or activities conducted under such grant, not to exceed—

“(i) 85 percent for the first and second fiscal years for which the grant is awarded to a recipient;

“(ii) 80 percent for the third and fourth such fiscal years; and

“(iii) 75 percent for the fifth such fiscal year.

“(B) NON-FEDERAL SHARE.—The non-Federal share of the cost of services provided or activities conducted under a grant awarded under this subsection may be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

“(7) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this subsection, the Secretary shall—

“(A) take into consideration the extent to which applicant regional partnerships—

“(i) demonstrate that methamphetamine or other substance abuse by parents or caretakers has had a substantial impact on the number of out-of-home placements for children, or the number of children who are at risk of being placed in an out-of-home placement, in the partnership region;

“(ii) have limited resources for addressing the needs of children affected by such abuse;

“(iii) have a lack of capacity for, or access to, comprehensive family treatment services; and

“(iv) demonstrate a plan for sustaining the services provided by or activities funded under the grant after the conclusion of the grant period; and

“(B) after taking such factors into consideration, give greater weight to awarding grants to regional partnerships that propose to address methamphetamine abuse and addiction in the partnership region (alone or in combination with other drug abuse and addiction) and which demonstrate that methamphetamine abuse and addiction (alone or in combination with other drug abuse and addiction) is adversely affecting child welfare in the partnership region.

“(8) PERFORMANCE INDICATORS.—

“(A) IN GENERAL.—Not later than 9 months after the date of enactment of this subsection, the Secretary shall establish indicators that will be used to assess periodically the performance of the grant recipients under this subsection in using funds made available under such grants to achieve the purpose of this subsection.

Deadline.

“(B) CONSULTATION REQUIRED.—In establishing the performance indicators required by subparagraph (A), the Secretary shall consult with the following:

“(i) The Assistant Secretary for the Administration for Children and Families.

“(ii) The Administrator of the Substance Abuse and Mental Health Services Administration.

“(iii) Representatives of States in which a State agency described in clause (i) or (ii) of paragraph (2)(A) is a member of a regional partnership that is a grant recipient under this subsection.

“(iv) Representatives of Indian tribes, tribal consortia, or tribal child welfare agencies that are members of a regional partnership that is a grant recipient under this subsection.

“(9) REPORTS.—

“(A) GRANTEE REPORTS.—

“(i) ANNUAL REPORT.—Not later than September 30 of the first fiscal year in which a recipient of a grant under this subsection is paid funds under the grant, and annually thereafter until September 30 of the last fiscal year in which the recipient is paid funds under the grant, the recipient shall submit to the Secretary a report on the services provided or activities carried out during that fiscal year with such funds. The report shall contain such information as the Secretary determines is necessary to provide an accurate description of the services provided or activities conducted with such funds.

“(ii) INCORPORATION OF INFORMATION RELATED TO PERFORMANCE INDICATORS.—Each recipient of a grant under this subsection shall incorporate into the first annual report required by clause (i) that is submitted after the establishment of performance indicators under paragraph (8), information required in relation to such indicators.

“(B) REPORTS TO CONGRESS.—On the basis of the reports submitted under subparagraph (A), the Secretary

annually shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on—

“(i) the services provided and activities conducted with funds provided under grants awarded under this subsection;

“(ii) the performance indicators established under paragraph (8); and

“(iii) the progress that has been made in addressing the needs of families with methamphetamine or other substance abuse problems who come to the attention of the child welfare system and in achieving the goals of child safety, permanence, and family stability.”.

(B) CONFORMING AMENDMENTS.—Section 437 of such Act (42 U.S.C. 629g) is amended—

(i) in the section heading, by inserting “**AND TARGETED**” after “**DISCRETIONARY**”; and

(ii) in subsection (e), by striking “this section” and inserting “subsection (a)”.

(c) EVALUATION, RESEARCH, AND TECHNICAL ASSISTANCE WITH RESPECT TO TARGETED PROGRAM RESOURCES.—Section 435(c) of such Act (42 U.S.C. 629e(c)) is amended to read as follows :

“(c) EVALUATION, RESEARCH, AND TECHNICAL ASSISTANCE WITH RESPECT TO TARGETED PROGRAM RESOURCES.—Of the amount reserved under section 436(b)(1) for a fiscal year, the Secretary shall use not less than—

“(1) \$1,000,000 for evaluations, research, and providing technical assistance with respect to supporting monthly case-worker visits with children who are in foster care under the responsibility of the State, in accordance with section 436(b)(4)(B)(i); and

“(2) \$1,000,000 for evaluations, research, and providing technical assistance with respect to grants under section 437(f).”.

#### SEC. 5. ALLOTMENTS AND GRANTS TO INDIAN TRIBES.

(a) INCREASE IN SET-ASIDES FOR INDIAN TRIBES.—

(1) MANDATORY GRANTS.—Section 436(b)(3) of the Social Security Act (42 U.S.C. 629f(b)(3)) is amended by striking “1” and inserting “3”.

(2) DISCRETIONARY GRANTS.—Section 437(b)(3) of such Act (42 U.S.C. 629g(b)(3)) is amended by striking “2” and inserting “3”.

(3) EFFECT OF RESERVATION OF FUNDS FOR TARGETED PROGRAM RESOURCES ON AMOUNTS RESERVED FOR INDIAN TRIBES.—Section 436(b)(3) of such Act (42 U.S.C. 629b(b)(3)) is amended by striking “The” and inserting “After applying paragraphs (4) and (5) (but before applying paragraphs (1) or (2)), the”.

(b) AUTHORITY FOR TRIBAL CONSORTIA TO RECEIVE ALLOTMENTS.—

(1) ALLOTMENT OF MANDATORY FUNDS.—

(A) IN GENERAL.—Section 433(a) of such Act (42 U.S.C. 629c(a)) is amended—

(i) in the subsection heading, by inserting “OR TRIBAL CONSORTIA” after “TRIBES”; and

(ii) by adding at the end the following new sentence: “If a consortium of Indian tribes submits a plan approved under this subpart, the Secretary shall allot to the consortium an amount equal to the sum of the allotments determined for each Indian tribe that is part of the consortium.”

(B) CONFORMING AMENDMENT.—Section 436(b)(3) of such Act (42 U.S.C. 629f(b)(3)) is amended—

(i) in the paragraph heading, by inserting “OR TRIBAL CONSORTIA” after “TRIBES”; and

(ii) by inserting “or tribal consortia” after “Indian tribes”.

(2) ALLOTMENT OF ANY DISCRETIONARY FUNDS.—Section 437 of such Act (42 U.S.C. 629g) is amended—

(A) in subsection (b)(3)—

(i) in the paragraph heading, by inserting “OR TRIBAL CONSORTIA” after “TRIBES”; and

(ii) by inserting “or tribal consortia” after “Indian tribes”; and

(B) in subsection (c)(1)—

(i) in the paragraph heading, by inserting “OR TRIBAL CONSORTIA” after “TRIBES”; and

(ii) by adding at the end the following new sentence: “If a consortium of Indian tribes applies and is approved for a grant under this section, the Secretary shall allot to the consortium an amount equal to the sum of the allotments determined for each Indian tribe that is part of the consortium.”

(3) ADDITIONAL CONFORMING AMENDMENTS.—

(A) PLANS OF INDIAN TRIBES.—Section 432(b)(2) of such Act (42 U.S.C. 629b(b)(2)) is amended—

(i) in the paragraph heading, by inserting “OR TRIBAL CONSORTIA” after “TRIBES”;

(ii) in subparagraph (A), by inserting “or tribal consortium” after “Indian tribe” each place it appears; and

(iii) in subparagraph (B)—

(I) by inserting “or tribal consortium” after “Indian tribe”; and

(II) by inserting “and tribal consortia” after “Indian tribes”.

(B) DIRECT PAYMENTS TO TRIBAL ORGANIZATIONS.—Section 434(c) of such Act (42 U.S.C. 629d(c)) is amended—

(i) in the subsection heading, by inserting “OR TRIBAL CONSORTIA” after “TRIBES”; and

(ii) by inserting “or tribal consortium” after “Indian tribe” the first place it appears; and

(iii) by inserting “or in the case of a payment to a tribal consortium, such tribal organizations of, or entity established by, the Indian tribes that are part of the consortium as the consortium shall designate” before the period.

(C) EVALUATIONS; RESEARCH; TECHNICAL ASSISTANCE.—Section 435(d) of such Act (42 U.S.C. 629e(d)) is amended in the matter preceding paragraph (1), by inserting “or tribal consortia” after “Indian tribes”.

(c) COLLECTION OF DATA ON TRIBAL PROMOTING SAFE AND STABLE FAMILIES PLANS.—Section 432(b)(2)(A) of such Act (42 U.S.C. 629b(b)(2)(A)), as amended by subsection (b)(3)(A)(ii) of this section, is amended by striking “any requirement of this section that the Secretary determines” and inserting “the requirements of subsection (a)(4) of this section to the extent that the Secretary determines those requirements”.

**SEC. 6. IMPROVEMENTS TO THE CHILD WELFARE SERVICES PROGRAM.**

(a) FUNDING.—Subpart 1 of part B of title IV of the Social Security Act (42 U.S.C. 620–628b) is amended by striking sections 420 and 425 and inserting after section 424 the following:

“LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS

“SEC. 425. To carry out this subpart, there are authorized to be appropriated to the Secretary not more than \$325,000,000 for each of fiscal years 2007 through 2011.”

(b) PURPOSE OF PROGRAM.—Such subpart is further amended—

42 USC 624.

(1) by striking section 424;

42 USC 623, 624.

(2) by redesignating sections 421 and 423 as sections 423 and 424, respectively, and by transferring section 423 (as so redesignated) so that it appears after section 422; and

(3) by inserting after the subpart heading the following:

“PURPOSE

42 USC 621.

“SEC. 421. The purpose of this subpart is to promote State flexibility in the development and expansion of a coordinated child and family services program that utilizes community-based agencies and ensures all children are raised in safe, loving families, by—

“(1) protecting and promoting the welfare of all children;

“(2) preventing the neglect, abuse, or exploitation of children;

“(3) supporting at-risk families through services which allow children, where appropriate, to remain safely with their families or return to their families in a timely manner;

“(4) promoting the safety, permanence, and well-being of children in foster care and adoptive families; and

“(5) providing training, professional development and support to ensure a well-qualified child welfare workforce.”

(c) MODIFICATION OF STATE PLAN REQUIREMENTS.—Section 422 of such Act (42 U.S.C. 622) is amended—

(1) in subsection (b)—

(A) by striking paragraphs (3) through (5) and inserting the following:

“(3) include a description of the services and activities which the State will fund under the State program carried out pursuant to this subpart, and how the services and activities will achieve the purpose of this subpart;”;

(B) by striking paragraph (6) and inserting after paragraph (3) (as added by subparagraph (A) of this paragraph) the following:

“(4) contain a description of—

“(A) the steps the State will take to provide child welfare services statewide and to expand and strengthen the range of existing services and develop and implement services to improve child outcomes; and

“(B) the child welfare services staff development and training plans of the State;”;

(C) by redesignating paragraphs (7) through (9) as paragraphs (5) through (7), respectively;

(D) in paragraph (10)—

(i) by striking subparagraph (A);

(ii) in subparagraph (B)(iii)(II), by inserting “, which may include a residential educational program” after “in some other planned, permanent living arrangement”;

(iii) by redesignating subparagraph (B) as subparagraph (A); and

(iv) by striking subparagraph (C) and inserting after subparagraph (A) the following:

“(B) has in effect policies and administrative and judicial procedures for children abandoned at or shortly after birth (including policies and procedures providing for legal representation of the children) which enable permanent decisions to be made expeditiously with respect to the placement of the children;”;

(E) in paragraph (14), by striking “and” at the end;

(F) in paragraph (15), by striking the period and inserting a semicolon;

(G) by redesignating paragraphs (10) through (15) as paragraphs (8) through (13), respectively; and

(H) by adding at the end the following:

“(14) not later than October 1, 2007, include assurances that not more than 10 percent of the expenditures of the State with respect to activities funded from amounts provided under this subpart will be for administrative costs; Deadline.

“(15) describe how the State actively consults with and involves physicians or other appropriate medical professionals in—

“(A) assessing the health and well-being of children in foster care under the responsibility of the State; and

“(B) determining appropriate medical treatment for the children; and

“(16) provide that, not later than 1 year after the date of the enactment of this paragraph, the State shall have in place procedures providing for how the State programs assisted under this subpart, subpart 2 of this part, or part E would respond to a disaster, in accordance with criteria established by the Secretary which should include how a State would— Deadline.

“(A) identify, locate, and continue availability of services for children under State care or supervision who are displaced or adversely affected by a disaster;

“(B) respond, as appropriate, to new child welfare cases in areas adversely affected by a disaster, and provide services in those cases;

“(C) remain in communication with caseworkers and other essential child welfare personnel who are displaced because of a disaster;

“(D) preserve essential program records; and

“(E) coordinate services and share information with other States.”; and

(2) by adding at the end the following:

“(c) DEFINITIONS.—In this subpart:

“(1) ADMINISTRATIVE COSTS.—The term ‘administrative costs’ means costs for the following, but only to the extent incurred in administering the State plan developed pursuant to this subpart: procurement, payroll management, personnel functions (other than the portion of the salaries of supervisors attributable to time spent directly supervising the provision of services by caseworkers), management, maintenance and operation of space and property, data processing and computer services, accounting, budgeting, auditing, and travel expenses (except those related to the provision of services by caseworkers or the oversight of programs funded under this subpart).

“(2) OTHER TERMS.—For definitions of other terms used in this part, see section 475.”.

(d) PROVISIONS RELATING TO STATE ALLOTMENTS.—Section 423 of such Act, as so redesignated by subsection (b)(2) of this section, is amended—

(1) in subsection (a)—

(A) by inserting “IN GENERAL.—” after “(a)”; and

(B) by striking “420” and inserting “425”; and

(2) in subsection (b), by inserting “DETERMINATION OF STATE ALLOTMENT PERCENTAGES.—” after “(b)”; and

(3) in subsection (c), by inserting “PROMULGATION OF STATE ALLOTMENT PERCENTAGES.—” after “(c)”; and

(4) in subsection (d)—

(A) by inserting “UNITED STATES DEFINED.—” after “(d)”; and

(B) by striking “fifty” and inserting “50”; and

(5) by adding at the end the following:

“(e) REALLOTMENT OF FUNDS.—

“(1) IN GENERAL.—The amount of any allotment to a State for a fiscal year under the preceding provisions of this section which the State certifies to the Secretary will not be required for carrying out the State plan developed as provided in section 422 shall be available for reallocation from time to time, on such dates as the Secretary may fix, to other States which the Secretary determines—

“(A) need sums in excess of the amounts allotted to such other States under the preceding provisions of this section, in carrying out their State plans so developed; and

“(B) will be able to so use such excess sums during the fiscal year.

“(2) CONSIDERATIONS.—The Secretary shall make the reallocations on the basis of the State plans so developed, after taking into consideration—

“(A) the population under 21 years of age;

“(B) the per capita income of each of such other States as compared with the population under 21 years of age; and

“(C) the per capita income of all such other States with respect to which such a determination by the Secretary has been made.

“(3) AMOUNTS REALLOTTED TO A STATE DEEMED PART OF STATE ALLOTMENT.—Any amount so reallocated to a State is deemed part of the allotment of the State under this section.”.

(e) PAYMENTS TO STATES; LIMITATIONS ON USE OF FUNDS.—

(1) LIMITATIONS RELATED TO STATE EXPENDITURES FOR CHILD CARE, FOSTER CARE MAINTENANCE PAYMENTS, AND ADOPTION ASSISTANCE PAYMENTS.—Section 424 of such Act, as so redesignated by subsection (b)(2) of this section, is amended by striking subsections (c) and (d) and inserting the following:

“(c) LIMITATION ON USE OF FEDERAL FUNDS FOR CHILD CARE, FOSTER CARE MAINTENANCE PAYMENTS, OR ADOPTION ASSISTANCE PAYMENTS.—The total amount of Federal payments under this subpart for a fiscal year beginning after September 30, 2007, that may be used by a State for expenditures for child care, foster care maintenance payments, or adoption assistance payments shall not exceed the total amount of such payments for fiscal year 2005 that were so used by the State.

“(d) LIMITATION ON USE BY STATES OF NON-FEDERAL FUNDS FOR FOSTER CARE MAINTENANCE PAYMENTS TO MATCH FEDERAL FUNDS.—For any fiscal year beginning after September 30, 2007, State expenditures of non-Federal funds for foster care maintenance payments shall not be considered to be expenditures under the State plan developed under this subpart for the fiscal year to the extent that the total of such expenditures for the fiscal year exceeds the total of such expenditures under the State plan developed under this subpart for fiscal year 2005.”

(2) LIMITATION ON ADMINISTRATIVE COST REIMBURSEMENT.—

(A) IN GENERAL.—Section 424 of such Act (42 U.S.C. 623), as so redesignated by subsection (b)(2) of this section, is amended by adding at the end the following:

42 USC 624.

“(e) LIMITATION ON REIMBURSEMENT FOR ADMINISTRATIVE COSTS.—A payment may not be made to a State under this section with respect to expenditures during a fiscal year for administrative costs, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year for activities funded from amounts provided under this subpart.”

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply to expenditures made on or after October 1, 2007.

42 USC 624 note.

(f) CONFORMING AMENDMENTS.—

(1) Section 428(b) of such Act (42 U.S.C. 628(b)) is amended by striking “421” and inserting “423”.

(2) Section 429 of such Act (42 U.S.C. 628a) is amended—

42 USC 628a,  
626.

(A)(i) by striking the following:

“CHILD WELFARE TRAINEESHIPS

“SEC. 429. The Secretary”; and

(ii) inserting the following:

“(c) CHILD WELFARE TRAINEESHIPS.—The Secretary”; and

(B) by transferring the provision to the end of section 426 (as amended by section 11(b) of this Act).

(3) Section 429A of such Act (42 U.S.C. 628b) is redesignated as section 429.

(4) Section 433(b) of such Act (42 U.S.C. 629c(b)) is amended by striking “421” and inserting “423”.

(5) Section 437(c)(2) of such Act (42 U.S.C. 629g(c)(2)) is amended by striking “421” and inserting “423”.

(6) Section 472(d) of such Act (42 U.S.C. 672(d)) is amended by striking “422(b)(10)” and inserting “422(b)(8)”.

(7) Section 473A(f) of such Act (42 U.S.C. 673b(f)) is amended by striking “423” and inserting “424”.

(8) Section 1130(b)(1) of such Act (42 U.S.C. 1320a-9(b)(1)) is amended to read as follows:

“(1) any provision of section 422(b)(8), or section 479; or”.

(9) Section 104(b)(3) of the Intercountry Adoption Act of 2000 (42 U.S.C. 14914(b)(3)) is amended by striking “422(b)(14) of the Social Security Act, as amended by section 205 of this Act” and inserting “422(b)(12) of the Social Security Act”.

#### SEC. 7. MONTHLY CASEWORKER STANDARD.

(a) STATE PLAN REQUIREMENT.—Section 422(b) of the Social Security Act (42 U.S.C. 622(b)), as amended by section 6(c) of this Act, is amended—

(1) by striking “and” at the end of paragraph (15);

(2) by striking the period at the end of paragraph (16) and inserting “; and”; and

(3) by adding at the end the following:

Deadline.

“(17) not later than October 1, 2007, describe the State standards for the content and frequency of caseworker visits for children who are in foster care under the responsibility of the State, which, at a minimum, ensure that the children are visited on a monthly basis and that the caseworker visits are well-planned and focused on issues pertinent to case planning and service delivery to ensure the safety, permanency, and well-being of the children.”

(b) ENFORCEMENT.—Section 424 of the Social Security Act, as so redesignated by section 6(b)(2) of this Act, is amended by adding at the end the following:

“(e)(1) The Secretary may not make a payment to a State under this subpart for a period in fiscal year 2008, unless the State has provided to the Secretary data which shows, for fiscal year 2007—

“(A) the percentage of children in foster care under the responsibility of the State who were visited on a monthly basis by the caseworker handling the case of the child; and

“(B) the percentage of the visits that occurred in the residence of the child.

Deadline.

“(2)(A) Based on the data provided by a State pursuant to paragraph (1), the Secretary, in consultation with the State, shall establish, not later than June 30, 2008, an outline of the steps to be taken to ensure, by October 1, 2011, that at least 90 percent of the children in foster care under the responsibility of the State are visited by their caseworkers on a monthly basis, and that the majority of the visits occur in the residence of the child. The outline shall include target percentages to be reached each fiscal year, and should include a description of how the steps will be implemented. The steps may include activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology.

Effective date.  
Applicability.

“(B) Beginning October 1, 2008, if the Secretary determines that a State has not made the requisite progress in meeting the goal described in subparagraph (A) of this paragraph, then the percentage that shall apply for purposes of subsection (a) of this section for the period involved shall be the percentage set forth in such subsection (a) reduced by—

“(i) 1, if the number of full percentage points by which the State fell short of the target percentage established for the State for the period pursuant to such subparagraph is less than 10;

“(ii) 3, if the number of full percentage points by which the State fell short, as described in clause (i), is not less than 10 and less than 20; or

“(iii) 5, if the number of full percentage points by which the State fell short, as described in clause (i), is not less than 20.”.

(c) REPORTS.—

(1) PROGRESS REPORT.—Not later than March 31, 2010, the Secretary of Health and Human Services shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that outlines the progress made by the States in meeting the standards referred to in section 422(b)(17) of the Social Security Act, and offers recommendations developed in consultation with State officials responsible for administering child welfare programs and members of the State legislature to assist States in their efforts to ensure that foster children are visited on a monthly basis.

(2) INCLUSION OF INFORMATION ON CASEWORKER VISITS IN ANNUAL CHILD WELL-BEING OUTCOME REPORTS.—Section 479A of such Act (42 U.S.C. 679b) is amended—

(A) by striking “and” at the end of paragraph (4);

(B) by striking the period at the end of paragraph

(5) and inserting “; and”; and

(C) by adding at the end the following:

“(6) include in the report submitted pursuant to paragraph (5) for fiscal year 2007 or any succeeding fiscal year, State-by-State data on—

“(A) the percentage of children in foster care under the responsibility of the State who were visited on a monthly basis by the caseworker handling the case of the child; and

“(B) the percentage of the visits that occurred in the residence of the child.”.

#### **SEC. 8. REAUTHORIZATION OF PROGRAM FOR MENTORING CHILDREN OF PRISONERS.**

(a) IN GENERAL.—Section 439 of the Social Security Act (42 U.S.C. 629i) is amended—

(1) in subsection (c), by striking “2002 through 2006” and inserting “2007 through 2011”; and

(2) in subsection (h)—

(A) by striking paragraph (1) and inserting the following:

“(1) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated to the Secretary such sums as may be necessary for fiscal years 2007 through 2011.”; and

(B) in paragraph (2), by striking “2.5” and inserting “4”.

(b) SERVICE DELIVERY DEMONSTRATION PROJECT.—

(1) IN GENERAL.—Section 439 of such Act (42 U.S.C. 629i), as amended by subsection (a) of this section, is amended—

(A) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(B) by inserting after subsection (f) the following:

“(g) SERVICE DELIVERY DEMONSTRATION PROJECT.—

“(1) PURPOSE; AUTHORITY TO ENTER INTO COOPERATIVE AGREEMENT.—The Secretary shall enter into a cooperative agreement with an eligible entity that meets the requirements of paragraph (2) for the purpose of requiring the entity to conduct a demonstration project consistent with this subsection under which the entity shall—

“(A) identify children of prisoners in need of mentoring services who have not been matched with a mentor by an applicant awarded a grant under this section, with a priority for identifying children who—

“(i) reside in an area not served by a recipient of a grant under this section;

“(ii) reside in an area that has a substantial number of children of prisoners;

“(iii) reside in a rural area; or

“(iv) are Indians;

“(B) provide the families of the children so identified with—

“(i) a voucher for mentoring services that meets the requirements of paragraph (5); and

“(ii) a list of the providers of mentoring services in the area in which the family resides that satisfy the requirements of paragraph (6); and

“(C) monitor and oversee the delivery of mentoring services by providers that accept the vouchers.

“(2) ELIGIBLE ENTITY.—

“(A) IN GENERAL.—Subject to subparagraph (B), an eligible entity under this subsection is an organization that the Secretary determines, on a competitive basis—

“(i) has substantial experience—

“(I) in working with organizations that provide mentoring services for children of prisoners; and

“(II) in developing quality standards for the identification and assessment of mentoring programs for children of prisoners; and

“(ii) submits an application that satisfies the requirements of paragraph (3).

“(B) LIMITATION.—An organization that provides mentoring services may not be an eligible entity for purposes of being awarded a cooperative agreement under this subsection.

“(3) APPLICATION REQUIREMENTS.—To be eligible to be awarded a cooperative agreement under this subsection, an entity shall submit to the Secretary an application that includes the following:

“(A) QUALIFICATIONS.—Evidence that the entity—

“(i) meets the experience requirements of paragraph (2)(A)(i); and

“(ii) is able to carry out—

“(I) the purposes of this subsection identified in paragraph (1); and

“(II) the requirements of the cooperative agreement specified in paragraph (4).

“(B) SERVICE DELIVERY PLAN.—

“(i) DISTRIBUTION REQUIREMENTS.—Subject to clause (iii), a description of the plan of the entity to ensure the distribution of not less than—

“(I) 3,000 vouchers for mentoring services in the first year in which the cooperative agreement is in effect with that entity;

“(II) 8,000 vouchers for mentoring services in the second year in which the agreement is in effect with that entity; and

“(III) 13,000 vouchers for mentoring services in any subsequent year in which the agreement is in effect with that entity.

“(ii) SATISFACTION OF PRIORITIES.—A description of how the plan will ensure the delivery of mentoring services to children identified in accordance with the requirements of paragraph (1)(A).

“(iii) SECRETARIAL AUTHORITY TO MODIFY DISTRIBUTION REQUIREMENT.—The Secretary may modify the number of vouchers specified in subclauses (I) through (III) of clause (i) to take into account the availability of appropriations and the need to ensure that the vouchers distributed by the entity are for amounts that are adequate to ensure the provision of mentoring services for a 12-month period.

“(C) COLLABORATION AND COOPERATION.—A description of how the entity will ensure collaboration and cooperation with other interested parties, including courts and prisons, with respect to the delivery of mentoring services under the demonstration project.

“(D) OTHER.—Any other information that the Secretary may find necessary to demonstrate the capacity of the entity to satisfy the requirements of this subsection.

“(4) COOPERATIVE AGREEMENT REQUIREMENTS.—A cooperative agreement awarded under this subsection shall require the eligible entity to do the following:

“(A) IDENTIFY QUALITY STANDARDS FOR PROVIDERS.—To work with the Secretary to identify the quality standards that a provider of mentoring services must meet in order to participate in the demonstration project and which, at a minimum, shall include criminal records checks for individuals who are prospective mentors and shall prohibit approving any individual to be a mentor if the criminal records check of the individual reveals a conviction which would prevent the individual from being approved as a foster or adoptive parent under section 471(a)(20)(A).

Law enforcement and crime.

“(B) IDENTIFY ELIGIBLE PROVIDERS.—To identify and compile a list of those providers of mentoring services in any of the 50 States or the District of Columbia that meet the quality standards identified pursuant to subparagraph (A).

Records.

“(C) IDENTIFY ELIGIBLE CHILDREN.—To identify children of prisoners who require mentoring services, consistent with the priorities specified in paragraph (1)(A).

“(D) MONITOR AND OVERSEE DELIVERY OF MENTORING SERVICES.—To satisfy specific requirements of the Secretary for monitoring and overseeing the delivery of mentoring

services under the demonstration project, which shall include a requirement to ensure that providers of mentoring services under the project report data on the children served and the types of mentoring services provided.

“(E) RECORDS, REPORTS, AND AUDITS.—To maintain any records, make any reports, and cooperate with any reviews and audits that the Secretary determines are necessary to oversee the activities of the entity in carrying out the demonstration project under this subsection.

“(F) EVALUATIONS.—To cooperate fully with any evaluations of the demonstration project, including collecting and monitoring data and providing the Secretary or the Secretary’s designee with access to records and staff related to the conduct of the project.

“(G) LIMITATION ON ADMINISTRATIVE EXPENDITURES.—To ensure that administrative expenditures incurred by the entity in conducting the demonstration project with respect to a fiscal year do not exceed the amount equal to 10 percent of the amount awarded to carry out the project for that year.

“(5) VOUCHER REQUIREMENTS.—A voucher for mentoring services provided to the family of a child identified in accordance with paragraph (1)(A) shall meet the following requirements:

“(A) TOTAL PAYMENT AMOUNT; 12-MONTH SERVICE PERIOD.—The voucher shall specify the total amount to be paid a provider of mentoring services for providing the child on whose behalf the voucher is issued with mentoring services for a 12-month period.

“(B) PERIODIC PAYMENTS AS SERVICES PROVIDED.—

“(i) IN GENERAL.—The voucher shall specify that it may be redeemed with the eligible entity by the provider accepting the voucher in return for agreeing to provide mentoring services for the child on whose behalf the voucher is issued.

“(ii) DEMONSTRATION OF THE PROVISION OF SERVICES.—A provider that redeems a voucher issued by the eligible entity shall receive periodic payments from the eligible entity during the 12-month period that the voucher is in effect upon demonstration of the provision of significant services and activities related to the provision of mentoring services to the child on whose behalf the voucher is issued.

“(6) PROVIDER REQUIREMENTS.—In order to participate in the demonstration project, a provider of mentoring services shall—

“(A) meet the quality standards identified by the eligible entity in accordance with paragraph (1);

“(B) agree to accept a voucher meeting the requirements of paragraph (5) as payment for the provision of mentoring services to a child on whose behalf the voucher is issued;

“(C) demonstrate that the provider has the capacity, and has or will have nonfederal resources, to continue supporting the provision of mentoring services to the child on whose behalf the voucher is issued, as appropriate,

after the conclusion of the 12-month period during which the voucher is in effect; and

“(D) if the provider is a recipient of a grant under this section, demonstrate that the provider has exhausted its capacity for providing mentoring services under the grant.

“(7) 3-YEAR PERIOD; OPTION FOR RENEWAL.—

“(A) IN GENERAL.—A cooperative agreement awarded under this subsection shall be effective for a 3-year period.

“(B) RENEWAL.—The cooperative agreement may be renewed for an additional period, not to exceed 2 years and subject to any conditions that the Secretary may specify that are not inconsistent with the requirements of this subsection or subsection (i)(2)(B), if the Secretary determines that the entity has satisfied the requirements of the agreement and evaluations of the service delivery demonstration project demonstrate that the voucher service delivery method is effective in providing mentoring services to children of prisoners.

“(8) INDEPENDENT EVALUATION AND REPORT.—

“(A) IN GENERAL.—The Secretary shall enter into a contract with an independent, private organization to evaluate and prepare a report on the first 2 fiscal years in which the demonstration project is conducted under this subsection.

Contracts.

“(B) DEADLINE FOR REPORT.—Not later than 90 days after the end of the second fiscal year in which the demonstration project is conducted under this subsection, the Secretary shall submit the report required under subparagraph (A) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall include—

“(i) the number of children as of the end of such second fiscal year who received vouchers for mentoring services; and

“(ii) any conclusions regarding the use of vouchers for the delivery of mentoring services for children of prisoners.

“(9) NO EFFECT ON ELIGIBILITY FOR OTHER FEDERAL ASSISTANCE.—A voucher provided to a family under the demonstration project conducted under this subsection shall be disregarded for purposes of determining the eligibility for, or the amount of, any other Federal or federally-supported assistance for the family.”.

(2) CONFORMING AMENDMENTS.—Section 439 of such Act (42 U.S.C. 629i), as amended by subsection (a) of this section and paragraph (1) of this subsection, is amended—

(A) in subsection (a)—

(i) in the subsection heading, by striking “PURPOSE” and inserting “PURPOSES”; and

(ii) in paragraph (2)—

(I) in the paragraph heading, by striking “PURPOSE” and inserting “PURPOSES”;

(II) by striking “The purpose of this section is to authorize the Secretary to make competitive” and inserting “The purposes of this section are to authorize the Secretary—

“(A) to make competitive”;

(iii) by striking the period at the end and inserting “; and”; and

(iv) by adding at the end the following:

“(B) to enter into on a competitive basis a cooperative agreement to conduct a service delivery demonstration project in accordance with the requirements of subsection (g).”;

(B) in subsection (c)—

(i) by striking “(h)” and inserting “(i)”; and

(ii) by striking “(h)(2)” and inserting “(i)(2)”;

(C) by amending subsection (h) (as so redesignated by paragraph (1)(A) of this subsection) to read as follows: “(h) INDEPENDENT EVALUATION; REPORTS.—

“(1) INDEPENDENT EVALUATION.—The Secretary shall conduct by grant, contract, or cooperative agreement an independent evaluation of the programs authorized under this section, including the service delivery demonstration project authorized under subsection (g).

“(2) REPORTS.—Not later than 12 months after the date of enactment of this subsection, the Secretary shall submit a report to the Congress that includes the following:

“(A) The characteristics of the mentoring programs funded under this section.

“(B) The plan for implementation of the service delivery demonstration project authorized under subsection (g).

“(C) A description of the outcome-based evaluation of the programs authorized under this section that the Secretary is conducting as of that date of enactment and how the evaluation has been expanded to include an evaluation of the demonstration project authorized under subsection (g).

“(D) The date on which the Secretary shall submit a final report on the evaluation to the Congress.”; and

(D) in subsection (i) (as so redesignated)—

(i) in the subsection heading, by striking “RESERVATION” and inserting “RESERVATIONS”; and

(ii) in paragraph (2)—

(I) by amending the paragraph heading to read as follows: “RESERVATIONS”;

(II) by striking “The” and inserting the following:

“(A) RESEARCH, TECHNICAL ASSISTANCE, AND EVALUATION.—The”; and

(III) by adding at the end the following:

“(B) SERVICE DELIVERY DEMONSTRATION PROJECT.—

“(i) IN GENERAL.—Subject to clause (ii), for purposes of awarding a cooperative agreement to conduct the service delivery demonstration project authorized under subsection (g), the Secretary shall reserve not more than—

“(I) \$5,000,000 of the amount appropriated under paragraph (1) for the first fiscal year in which funds are to be awarded for the agreement;

“(II) \$10,000,000 of the amount appropriated under paragraph (1) for the second fiscal year in

Grants.  
Contracts.

which funds are to be awarded for the agreement;  
and

“(III) \$15,000,000 of the amount appropriated under paragraph (1) for the third fiscal year in which funds are to be awarded for the agreement.

“(ii) ASSURANCE OF FUNDING FOR GENERAL PROGRAM GRANTS.—With respect to any fiscal year, no funds may be awarded for a cooperative agreement under subsection (g), unless at least \$25,000,000 of the amount appropriated under paragraph (1) for that fiscal year is used by the Secretary for making grants under this section for that fiscal year.”.

**SEC. 9. REAUTHORIZATION OF THE COURT IMPROVEMENT PROGRAM.**

Section 438 of the Social Security Act (42 U.S.C. 629h) is amended in each of subsections (c)(1)(A) and (d) by striking “2006” and inserting “2011”.

**SEC. 10. REQUIREMENT FOR FOSTER CARE PROCEEDING TO INCLUDE, IN AN AGE-APPROPRIATE MANNER, CONSULTATION WITH THE CHILD THAT IS THE SUBJECT OF THE PROCEEDING.**

Section 475(5)(C) of the Social Security Act (42 U.S.C. 675(5)(C)) is amended—

- (1) by inserting “(i)” after “with respect to each such child;”;
- (2) by striking “and procedural safeguards shall also” and inserting “(ii) procedural safeguards shall”; and
- (3) by inserting “and (iii) procedural safeguards shall be applied to assure that in any permanency hearing held with respect to the child, including any hearing regarding the transition of the child from foster care to independent living, the court or administrative body conducting the hearing consults, in an age-appropriate manner, with the child regarding the proposed permanency or transition plan for the child;” after “parents;”.

**SEC. 11. TECHNICAL AMENDMENTS.**

(a) **UPDATING OF ARCHAIC LANGUAGE.**—

(1) Section 423 of the Social Security Act, as so redesignated by section 6(b)(2) of this Act—

(A) is amended by striking “per centum” and inserting “percent”; and

(B) by striking “He” and inserting “The Secretary”.

(2) Section 424(a) of such Act, as so redesignated by section 6(b)(2) of this Act, is amended by striking “per centum” and inserting “percent”.

(b) **ELIMINATION OF OBSOLETE PROVISION.**—Section 426 of such Act (42 U.S.C. 626) is amended by striking subsection (b) and redesignating subsection (c) as subsection (b).

(c) **TECHNICAL CORRECTION.**—Section 431(a)(6) of such Act (42 U.S.C. 629a(a)(6)) is amended by striking “1986” and inserting “1996”.

**SEC. 12. EFFECTIVE DATES.**

(a) **IN GENERAL.**—Except as otherwise provided in this Act, the amendments made by this Act shall take effect on October 1, 2006, and shall apply to payments under parts B and E of title IV of the Social Security Act for calendar quarters beginning

42 USC 621 note.

on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan developed pursuant to subpart 1 of part B, or a State plan approved under subpart 2 of part B or part E, of title IV of the Social Security Act to meet the additional requirements imposed by the amendments made by this Act, the plan shall not be regarded as failing to meet any of the additional requirements before the 1st day of the 1st calendar quarter beginning after the first regular session of the State legislature that begins after the date of the enactment of this Act. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.

Effective date.

(c) AVAILABILITY OF PROMOTING SAFE AND STABLE FAMILIES RESOURCES FOR FISCAL YEAR 2006.—Section 3(c) shall take effect on the date of the enactment of this Act.

Approved September 28, 2006.

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LEGISLATIVE HISTORY—S. 3525:

SENATE REPORTS: No. 109–269 (Comm. on Finance).

CONGRESSIONAL RECORD, Vol. 152 (2006):

July 13, considered and passed Senate.

July 25, considered and passed House, amended.

Sept. 20, Senate concurred in House amendments with amendments.

Sept. 26, House concurred in Senate amendments.

