

# ACF

Administration  
for Children  
and Families

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

**1. Log No:** ACYF-IM-88-12

**2. Issuance Date:** April 26, 1988

**3. Originating Office:** Children's Bureau

**4. Key Words:** Title IV-E Foster Care; Mother/Infant Foster Care; Voluntary Placement; Extension of Transfer and Ceiling

## INFORMATION MEMORANDUM

**TO:** State Agencies Administering or Supervising the Administration of Title IV-E of the Social Security Act

**SUBJECT:** Amendments to Section 102 of P.L. 96-272 and Title IV-E of the Social Security Act (the Act) Resulting from the 1987 Omnibus Budget Reconciliation Act (P.L. 100-203)

**LEGAL & RELATED REFERENCES:** Omnibus Budget Reconciliation Act of 1987 (P.L. 100-203), Sections 9131, 9132, and 9133; Title IV-E of the Act, Sections 472, 473, 474, and 475; and Section 102 of P.L. 96-272 as amended.

**PURPOSE:** The purpose of this Information Memorandum is to provide information on changes in Title IV-E as a result of passage of the Omnibus Budget Reconciliation Act of 1987 (OBRA). Attached is a copy of the text of the OBRA which amends Title IV-E of the Act and P.L. 96-272, Section 102.

**BACKGROUND:** Amendments have been made to title IV-E by the OBRA which affect the Foster Care and Adoption Assistance Programs. These amendments include:

1. the permanent extension of authority for Federal financial participation (FFP) in the costs of voluntary placements in foster care under title IV-E;
2. a two year extension of the foster care ceiling and of the authority to transfer title IV-E foster care funds to title IV-B child welfare services; and
3. a provision that the title IV-E foster care maintenance payment of a child may include the needs of a son or daughter living with the parent in a foster family home or child care institution.

**INFORMATION:** Three sections in the OBRA that affect title IV-E will be discussed.

Section 9131 of the OBRA amends section 102 of the Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272). The new legislation made permanent the extension of authority for

FFP to States in matching payments made for voluntary foster care placements under title IV-E. This amendment became effective October 1, 1987.

Section 9132 of the OBRA extends for two years the foster care ceiling and the authority to transfer foster care funds under title IV-E to child welfare services under title IV-B. This amendment to section 474 of the Act became effective October 1, 1987.

Section 9133 of the OBRA amends title IV-E so that in cases where a child placed in a foster family home or a child care institution is the parent of a son or daughter who is in the same home or institution, title IV-E foster care maintenance payments as described in section 475(4)(A), made on behalf of the parent, shall also include amounts as may be necessary to cover the cost of items for the son or daughter as described in that section.

An amendment to section 472(h) provides that the son or daughter of the minor parent in foster care shall be considered a child with respect to whom foster care maintenance payments are made under section 472 of the Act and, for purposes of titles XIX and XX, shall be deemed to be a recipient of Aid to Families with Dependent Children.

In addition, under section 473(a)(2)(A), the child whose costs of foster care are covered by a title IV-E foster care maintenance payment being made on behalf of his or her minor parent as provided under section 475(4)(B) may be eligible for adoption assistance if that child has otherwise been determined to be a child with special needs as provided in section 473(c).

The effective date of section 9133 is April 1, 1988.

Detailed policy guidance on this new title IV-E provision concerning mother/infant foster care will be forthcoming.

**EFFECTIVE DATES:** Sections 9131 and 9132 - October 1, 1987

Section 9133 - April 1, 1988

**INQUIRES TO:** Regional Administrators, OHDS

Regions I - X  
Dodie Truman Borup  
COMMISSIONER

**ATTACHMENT:** Omnibus Budget Reconciliation Act of 1987 (P.L. 100-203), Sections 9131 through 9139 *Not available online*