



Legislative Bulletin.....May 24, 2006

Contents:

H.R. 5403 — Safe and Timely Interstate Placement of Foster Children Act of 2006

Summary of the Bills Under Consideration Today:

Total Number of New Government Programs: 1

Total Cost of Discretionary Authorizations: Increased by \$40 million over 4 years

Effect on Revenue: \$0

Total Change in Mandatory Spending: unclear

Total New State & Local Government Mandates: 1

Total New Private Sector Mandates: 0

Number of Bills Without Committee Reports: 1

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional Authority: 0

H.R. 5403 — Safe and Timely Interstate Placement of Foster Children Act of 2006 — *as introduced* (DeLay, R-TX)

Order of Business: The bill is scheduled for consideration on Wednesday, May 24, 2006, under a motion to suspend the rules and pass the bill.

Note: Under House Republican Conference Rules, legislation creating a new federal program is not to be considered by the House on the Suspension Calendar. The Conference rule may be waived and the elected Republican leadership has waived this restriction for H.R. 5403.

Summary: H.R. 5403 would amend the Social Security Act to require states that receive foster care payments under the federal IV-E program to meet certain requirements when placing children in adoptive or foster homes in other states. The specific provisions of the bill are as follows:

- Requires states receiving requests from other states to assess the suitability of placing a child in a home to complete an interstate home study within 60 days; under certain circumstances (defined in the bill, such as failure of a federal agency to provide the results of a background check), states may be granted up to 75 days.
- Requires a state that requested the home study to respond within 14 days of receipt of the study; otherwise, the study is deemed to comply with the relevant requirements imposed by the requesting state.
- Requires the Health and Human Services Secretary to submit a report to Congress within 12 months of enactment on various details of the compliance periods provided for in the Act.
- Requires HHS to award \$1,500 grants to states for each home study that a state completes in 30 days (assuming the study has been requested and is in compliance); authorizes \$10 million annually for FY07-FY10 for these state grants, and provides for a pro rate adjustment to grants if the total number of grants exceeds available funding within a fiscal year.
- Prohibits states from restricting the ability of a state agency to contract with private agencies to conduct interstate home studies.
- In “determining the best strategy to expedite interstate child placement,” requires courts in different states to cooperate in information sharing and authorizes courts to obtain information from agencies from other states (as well as in-state agencies).
- Requires courts to notify any foster parent, pre-adoptive parent or relative care giver (of a foster child) of any proceeding to be held about the child.
- Requires that the state provide a copy of the health and education records to children leaving foster care upon reaching the age of majority.
- Provides that the provisions in this Act will take effect on October 1, 2006, unless state legislation is required to make this change.

Possible Conservative Concerns: The bill may expand the scope of the federal government and creates a new federal grant program, with the aim of increasing interstate foster care placements. As CBO states, the bill may lead to “faster placement of foster children in permanent homes out of state” and result in savings to the government, but may also result in foster children remaining in foster homes longer (thus increasing costs) due to a state working on interstate placement per the bill’s requirements (rather than in-state placements).

Committee Action: H.R. 5403 was introduced on May 17, 2006, and referred to the Committee on Ways and Means, which took no official action.

Cost to Taxpayers: CBO estimates that “enacting H.R. 5403 would result in increased outlays of up to \$40 million over the 2007-2011 period” subject to appropriations. CBO states the effects of this bill on direct spending is not clear: “Provisions of the bill might lead to faster placement of foster children in permanent homes out of state, thus resulting in savings to the federal government by reducing the sending state’s claims for foster care expenses under the IV-E program. (The federal government will spend about \$6.6 billion on that program this year.) On the other hand, a receiving state might expedite work on an interstate placement in order to meet the requirements of this bill, and, as a result, some of its in-state foster children could remain in foster homes longer, resulting in increased IV-E claims.”

Does the Bill Expand the Size and Scope of the Federal Government?: Yes, it creates a new federal grant program.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: Yes, it requires states to comply with new provisions regarding interstate home studies within 60 days.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

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