PASS

THE PRESIDENT HAS SEEN
11-19-97

THE WHITE HOUSE

WASHINGTON

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Kagan
Emanuel (p.5)

November 14, 1997

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MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Elena Kagan

SUBJECT: DPC Weekly Report

1. Family -- Adoption Legislation: You are scheduled to sign new adoption legislation on Wednesday, in an event giving a prominent role to the First Lady. The legislation is a huge step forward in promoting adoption and improving our nation's child welfare system. The final bill largely incorporates the Administration's proposals in this area. In particular, the bill (1) makes clear that children's health and safety are the paramount concerns of the public child welfare system; (2) clarifies the "reasonable efforts" standard; (3) speeds up court hearings for children in foster care and generally requires states to initiate proceedings to terminate parental rights after a child has been in foster care for 15 of the previous 22 months; (4) provides states with financial incentives to increase the number of children who are adopted; (5) reauthorizes the Family Preservation Program (staving off an expected battle next year) and increases its funding; (6) ensures health coverage for adopted children with special needs by requiring states to provide coverage through Medicaid or the new child health program; (7) expands HHS's authority to issue waivers to states for child welfare and foster care demonstration projects; and (8) breaks down barriers to adoptions across state lines by prohibiting states from denying a suitable out-of-state adoption when no in-state adoption is available.

2. Health -- FDA Reform Legislation: You are scheduled to sign FDA reform legislation on Friday. This legislation reauthorizes the very successful user fee program that has enabled the FDA to speed the approval of new drugs. The bill also codifies the REGO reforms, emphasizing agency performance and accountability, that the Vice President successfully implemented at the FDA in 1995 and 1996. In the course of considering the legislation, Congress deleted or amended the provisions (involving, for example, off-label uses of drugs and devices) to which consumer advocates most strongly objected. We worked closely with Senator Kennedy in the effort to ensure consumer protections, and he happily cast the 100th vote in the Senate's unanimous passage of this legislation.

3. Health -- Quality Commission: You are scheduled to accept the Quality Commission's Bill of Rights on Thursday. We plan to submit a memo to you early this week summarizing the Bill of Rights and recommending an appropriate response. We are also reviewing possible executive actions to improve the quality of health care in the federal government. We will discuss these proposals in the memo as well. As a lead-up to your announcement on Thursday, we have

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asked the board of the Journal of the American Medical Association (JAMA) to brief the Vice President, Secretary Shalala, and Secretary Herman on its upcoming issue, which is dedicated entirely to concerns about health care quality. JAMA representatives are previewing this issue at the National Press Club on Tuesday, and an event with the Vice President on the same day should take advantage of media interest and provide a good basis for your announcement later that week.

4. **Health -- Satcher Nomination:** The Senate adjourned before acting on the nomination of Dr. David Satcher, notwithstanding a 12-5 committee vote in favor of confirmation. Senator Ashcroft placed a hold on the vote on the ground that Dr. Satcher supports the Administration's position on late term abortion. Some have suggested that the Senator took this action solely to position himself for a 2000 Presidential run. Dr. Satcher has never played a prominent role in the abortion debate and has disavowed any intent to use the Office of the Surgeon General to forward any "abortion rights agenda." Dr. Satcher continues to enjoy the strong support of a number of Republican Senators (Frist, Nickles, Jeffords) and of virtually every credible health care group in the nation, including the AMA. Although we are optimistic that the Senate will vote to confirm Dr. Satcher soon after returning in January, we will work hard throughout the recess to ensure that this nomination does not become a referendum on partial birth abortion.

5. **Health -- HHS Study on Take-Up Rates for Health Insurance:** You recently asked about an HHS study showing a decline in take-up rates for health insurance. The study reported on 10-year trends in access to and participation in employer-sponsored health insurance. It found that between 1987 and 1996, the proportion of workers with access to employer-based insurance remained constant at about 82 percent. The proportion of workers accepting that coverage, however, declined from 93 to 89 percent. The decline was most pronounced for young and low-income people; only about 75 percent of the individuals in each of these groups with access to insurance decided to purchase it. The study noted that the decline in take-up rates occurred during a period when premiums increased three times as much as wages. These findings confirm what the Administration has long recognized -- that affordability of insurance is as important as access to insurance. We hope that we will have an opportunity to build next year upon our efforts in granting Medicaid waivers and enacting the Children's Health Insurance Program to provide premium assistance for uninsured Americans.

6. **Tobacco/Health -- Florida Tobacco Settlement and Children's Coverage:** You asked last week whether we could agree to Florida's proposal to keep all the money it will gain from settling with the tobacco industry on condition that it use that money to expand children's health coverage. Current law gives us little room to enter into this kind of arrangement. The statute explicitly requires us to collect a specified share of any Medicaid dollars that states have recaptured. If we do not, private plaintiffs are likely to bring *qui tam* suits on behalf of U.S. taxpayers against Florida and other settling states; recovery in such suits would be split between the federal treasury (70-85 percent) and the private plaintiffs (15-30 percent). Of course, the federal government would have no right to recover (and any *qui tam* suits would fail) if the monies gained from the settlement were not Medicaid-related. But the Department of Justice believes that the damages Florida claimed -- and the amount it received in the settlement -- derive

Must be creative in defining what has been "recaptured"

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from costs to the Medicaid program. Given these circumstances, we think it most fruitful to pursue a legislative solution to the problem of allocating tobacco funds between the federal and state governments -- preferably through a comprehensive national settlement, but if necessary (in the event no comprehensive settlement is reached) through legislation authorizing states to retain all Medicaid funds recaptured in tobacco litigation provided they use these funds for agreed-upon purposes.

Good
Can we defer collecting any $ unless we want them to keep regulation

7. Tobacco -- Proposed Legislation: A number of Senators introduced tobacco legislation in the last two weeks. Sen. McCain introduced a bill precisely incorporating the terms of the settlement, except for the addition of provisions to protect tobacco farmers. Sen. Hatch introduced legislation increasing the cost of the settlement from $368 billion to $397.5 billion, raising (but not eliminating) the cap on penalties for failing to reduce youth smoking, and amending the FDA provisions, though not in a way that the public health groups will view as much of an improvement. Sen. Kennedy introduced a bill raising the cost of the settlement to more than $600 billion, primarily by increasing the tobacco excise tax by $1.50 over three years; the Kennedy bill does not provide tobacco producers with any relief from litigation. Sen. Lautenberg introduced a similar bill, costing $494 billion.

No one has introduced comprehensive legislation in the House, and last week the Speaker indicated interest in breaking the settlement into a number of separate bills and acting on each as a consensus emerges. Also last week, Rep. Bliley said that he would not move legislation until the tobacco companies release 864 documents currently at issue in Minnesota's lawsuit. (The trial court found that these documents fall within the crime/fraud exception to the attorney-client privilege, but the tobacco companies have appealed this ruling.) Gingrich's and Bliley's statements may suggest a strategy of delay, but could as well have some altogether different meaning.

We are continuing to seek a bipartisan process for enacting comprehensive tobacco legislation. Both the Speaker and Sen. Lott, however, are proceeding slowly -- in part because they have had to attend to more immediately pressing matters, in part because they have not yet settled on an overall tobacco strategy, and in part because so many Members wish to play a role in developing tobacco legislation. We and John Hilley are keeping in close touch with Congressional leadership so that we can take advantage of whatever opportunities emerge in the next few months.

8. Welfare -- Cessna Event: At an event in Wichita on Monday, you will dedicate a new state-of-the-art welfare-to-work facility at Cessna Aircraft Company, which is one of the founding members of Eli Segal's Welfare to Work Partnership. You will announce (1) that in six months 2,500 companies from all 50 states have joined the Welfare to Work Partnership -- far exceeding the goal of 1,000 set at the launch of the Partnership; (2) that the U.S. Chamber of Commerce has committed to enlist every local chamber of commerce in persuading their members to join the Welfare to Work Partnership; (3) that welfare caseloads fell 236,000 in July 1997, 1.9 million in the 11 months since you signed the welfare law, and 3.8 million since you took office; and (4) that the Departments of Labor and Health and Human Services are issuing new work-focused welfare regulations (see below).

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9. **Welfare -- New Regulations:** The Administration will announce two sets of new regulations on Monday: (1) proposed regulations from HHS to states operating the TANF program (essentially, the regulations for the entire welfare law), and (2) interim final regulations from the Department of Labor to states and localities receiving grants from the $3 billion Welfare to Work fund you won in the balanced budget agreement. The welfare to work regulation should arouse little comment. The TANF regulation, by contrast, may provoke extensive reaction from both Governors and advocates. As we told you in a prior weekly report, we worked extensively with HHS on this regulation. In the end, we were able to resolve all issues in a way that we think reinforces the importance of the law's work requirements while giving states flexibility to design welfare reform programs and a fair opportunity to correct any failures.

Under the TANF regulations, states that fail the work rates will be levied a penalty based on performance -- how close they came to meeting the rates. States will have the opportunity to correct or eliminate violations through a corrective compliance plan, and states that make substantial progress during their corrective compliance period will be eligible for a reduced or eliminated penalty. To protect states from unreasonable risk, the penalty for failing to meet the two-parent participation rate will be proportional to the size of the two-parent caseload in the state.

The regulation creates a system of disincentives to prevent states from gaming the work requirements, either by placing hard-to-employ individuals in state maintenance-of-effort programs (where the work rates do not apply) or by reclassifying the benefits received by these individuals as child-only (so that the individuals do not figure in the state's calculation of work rates). If the Secretary finds that a state has diverted recipients into a state program or reclassified benefits as child-only to evade the work requirements, she will refuse to reduce or limit the size of any penalties levied for failing to meet the work rates or time limits. The same disincentives apply when a state places individuals receiving child support payments in its state maintenance-of-effort program so as to prevent the federal government from gaining a share of these payments.

The regulation, like the law, allows states to reduce the required work participation rate by the percent the caseload has declined since 1995, so long as the lower caseloads are not due to new eligibility restrictions. HHS initially proposed that states should not get a credit for caseload reductions attributable to enforcement measures like fingerprinting, but ultimately agreed to change this position.

The regulation also addresses Sen. Murray's concerns about victims of domestic violence without threatening the integrity of the work rules. Under the regulation, a state will not be penalized for failing to meet work rates or time limits if its failure to do so is attributable to granting waivers to victims of domestic violence -- provided that the waivers are temporary and that they are accompanied by services to help the individual prepare for work and self-sufficiency. Sen. Murray may think that the regulation does not go far enough, but we think it represents the best accommodation of the full range of interests.

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10. **Immigration -- Central Americans/Haitians:** The D.C. appropriations bill, as finally enacted, includes provisions to (1) give amnesty to certain Nicaraguans and Cubans, (2) ensure application of the old immigration law's standards to certain Guatemalans, Salvadorans, and East Europeans, and (3) reduce the number of unskilled worker visas and diversity visas. Although the bill provides no relief to Haitians, we were able to secure commitments from the Republican leadership to consider legislation on this issue early next session. These commitments allowed the Attorney General to announce that the Department of Justice would suspend the deportation of any Haitians covered by the proposed legislation for approximately six months.

11. **Crime -- Crime Statistics:** The Justice Department released new crime data on Saturday from the annual National Crime Victimization Survey (NCVS). The highlights of the survey were included in this week's radio address. Crime victimization rates are today at their lowest level since the inception of the NCVS in 1973. The murder and violent crime rates fell 10 percent and property crime rates fell 8 percent in 1996. The decreases are even more significant when viewed over time: since 1993, violent and property crime rates dropped 16 percent and 17 percent respectively, and murder rates dropped a stunning 22 percent. Equally notable, these reductions were felt by <u>all</u> Americans -- by men and women alike, and by individuals from every racial group and income level.

Rahm — We should do something '97 (?) eg visit afterschool program re: juvenile crime dropping weekday afternoons & drugs

12. **Crime -- Juvenile Crime:** The final Commerce/Justice/State appropriations bill contains significant new funding for our key juvenile crime priorities. The bill authorizes and funds a new $250 million Juvenile Accountability Incentive Block Grant, 45 percent ($113 million) of which must be spent on prosecutors, probation officers, and juvenile gun and drug court programs. Our budget contained $150 million in direct funding for the same purposes. In addition, the Labor-HHS appropriations bill provides substantial new funding ($40 million) for afterschool programs through the 21st Century Schools Program at the Department of Education. We proposed $63 million for afterschool programs in our budget.

13. **Race/Education -- Urban Education Initiatives:** DPC staff met this week with senior representatives of several national organizations interested in urban education, including the Council of Great City Schools, the U.S. Conference of Mayors, the National Urban League, the Rainbow Coalition, the AFT and NEA, and MALDEF. Our staff provided a broad overview of education proposals under consideration for FY 1999, including (1) the College-School Partnership initiative to increase college enrollment among low income and minority students by providing mentoring and other support services and (2) the Education Opportunity Zone initiative to provide increased educational assistance to high-poverty districts that agree to adopt a standards-based reform agenda involving the end of social promotions, the removal of bad teachers, and the reconstitution of failing schools. The groups generally liked these proposals, but expressed a wide range of views about student accountability provisions. The AFT felt strongly that even the mentoring initiative should include a requirement that students meet certain academic standards, while the civil rights groups expressed opposition to any performance requirements.

14. **Race/Education -- California Bilingual Education Ballot Initiative:** Opponents of bilingual education in California have collected enough signatures to place an initiative on the June

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1998 ballot to require that Limited English Proficient (LEP) children be taught in English (specifically, in "sheltered English immersion" classes for one year and then in ordinary English-language classes) unless a parent requests bilingual instruction. A recent Los Angeles Times poll found that over 80 percent of Californians supported such an initiative, including 84 percent of Latino voters. Most Hispanic groups have come out against the initiative, as has the California Teachers Association and Sen. Boxer. Other education groups and most public officials (Gov. Wilson, Lt. Gov. Davis, Attorney General Lungren, and Sen. Feinstein) have not yet taken positions on the initiative. The DPC has convened a working group with representation from the Department of Education and other White House offices to review the educational, legal, and political issues this initiative raises and provide you with appropriate analysis and advice. At this early stage, everyone in the group agrees that you should refrain from taking a formal position on the initiative. agree

15. Race -- Service Initiatives: We are working with the Corporation for National Service and the PIR on several race-related service initiatives that you might want to take a part in announcing. The actions are designed to lead up to Martin Luther King Day, which Congress officially designated in 1994 as a day of service -- "a day on, not a day off" -- in recognition of Dr. King's belief in service activities. The CNS will award $225,000 in mini-grants to 70 communities to organize local days of service in observance of Martin Luther King Day. In addition, Harris Wofford wants to promote something called the "Kindness and Justice Curriculum," which is the brainchild of a youth service group involving Dexter King. The group is encouraging schools and students to do acts of "kindness and justice" in the two weeks leading up to Martin Luther King Day, to discuss them in class, and to post them on the Web. Finally, we are exploring ways to encourage interracial dialogue in the Corporation's service-learning programs, where children serve together and then reflect on that experience in school. These efforts can build on successful AmeriCorps service projects, like the CityYear program, that focus on diversity issues as part of the service experience.

yes — I should do service that day in intensive effort — highlighting AmeriCorps

Promotion of Adoption, Safety and Support for Abused and Neglected Children Act (PASS)

The result of a comprehensive bi-partisan effort on behalf of children and families, the purpose of PASS is to promote adoptions and safety for abused and neglected children by clarifying that a child's health and safety are the paramount considerations when a state makes any decision concerning the well-being of a child in the foster care system.

1. PROMOTES ADOPTIONS

- Rewards States that increase adoptions with bonus of $2000 for adoptions of foster children and $4000 for adoptions of children with special needs
- Requires States to use "reasonable efforts" to move eligible foster care children towards safe adoptions
- Promotes adoption of all special needs children and ensures health coverage for special needs children who are adopted • delink AA from welfare assistance
- Breaks down unnecessary geographic barriers facing adoptive families
- Requires States to document and report adoption efforts

II. ENSURES SAFETY FOR ABUSED AND NEGLECTED CHILDREN

- Ensures that health and safety are paramount concerns when a State determines placements for abused and neglected children
- Adds "safety of the child" to every step of the case plan and review process
- Requires criminal records checks for all foster and adoptive parents
- Allows children to be freed for adoption more quickly in extreme cases such as murder or severe abuse by their parents

III. ACCELERATES PERMANENT PLACEMENTS

- Cuts by 1/3 the time a child must wait for a plan to achieve a safe and permanent home
- Requires states to initiate court proceedings to free a child for adoption once that child has been waiting in foster care for one year or more
- Gives judges the discretion not to initiate legal proceedings in special circumstances such as when a child is safely placed with loving relatives
- Shortens a child's wait for adoption by allowing states to develop a standby (or concurrent) permanency plan
- Prevents long, legal delays through the appeals process

IV. INCREASES ACCOUNTABILITY AND REFORMS

- Establishes new outcome measures to monitor and improve state performance
- Requires states, for the first time, to document child-specific efforts to move children into adoptive homes
- Introduces innovation grants to reduce backlogs of children awaiting adoption
- Strengthens and integrates substance abuse treatment with protections for children
- Continues investments in strengthening families at the community level
- Establishes a plan for public oversight of suspicious child deaths

PASS costs $2.3 billion over five years when originally introduced; currently, ~~by~~ the bill delinks foster care assistance only prospectively, [illegible] We know the BoB [illegible] compromise [illegible]

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The City of New York

NICHOLAS SCOPPETTA
Commissioner

November 3, 1997

Mr. Bruce Reed
The White House
Washington, D.C. 20005

Dear Mr. Reed:

On behalf of the New York City and Los Angeles County child protection delegations, thank you for the time you gave to us on the "Emancipation Initiative" as well as pending Senate legislation that promotes adoptions, S. 1195 - the PASS Act.

As discussed, we believe that the Emancipation Initiative, with leadership from the President, could marshal significant existing resources on behalf of our most vulnerable young adults and provide them with an opportunity to live successful, independent lives. There is no additional cost to this Initiative, yet the public-private partnership required for success would send a powerful message, demonstrating the best results of such a collaboration.

The PASS Act is landmark legislation which will promote safety and permanency for abused and neglected children, and will eliminate delays in completing adoptions for those children where there is no likelihood that family reunification is an option. In addition, as detailed in the enclosed newspaper articles, the re-authorization of the Family Preservation and Support Act is a critical component of a balanced approach to ensuring permanent, safe homes. While we share a concern regarding the proposed funding mechanism for the bill, we understand that the impact of this provision is under review, and we urge adequate funding from an alternative source. Our overall impression from our visit was that there exists a real consensus for a bi-partisan measure in Congress on permanency for foster youth, and urge you to continue your support.

As the local jurisdictions that care for 20% of the foster children in the United States, we are extending a sincere offer to work with you so that legislation promoting safety, permanency and opportunity for our children will become a reality. Thank you again for your commitment to our most vulnerable children.

Sincerely,

Nancy Daly
NANCY M. DALY

Elizabeth Lowe
ELIZABETH H. LOWE

Joy Warren
JOY WARREN

Peter Digre
PETER DIGRE

Nicholas Scoppetta
NICHOLAS SCOPPETTA

Enclosure

Reforms Seem to Be Working

Still relatively new, legislative reforms that seek to protect children by strengthening the communities around them appear to be reducing widespread complaints about the child protective services system across the country. Preliminary reviews of comprehensive systemwide reforms, such as those in Florida and Missouri, show families are better off and children remain safe, according to the National Conference of State Legislatures in Denver.

In Jacksonville, Fla., for instance, calls to the child abuse hotline are referred to the family's nearest "full service school," which can direct the parents to local services. Also, under a "community support agreement," a community volunteer—a friend, a minister or a relative—commits to helping the family. When the agreement to accept responsibility is signed, the case is officially closed. So far, 300 citizens have signed such contracts.

In Missouri, the state's child protection agency operates a triage system in which troubled families are screened for either a formal investigation in collaboration with police or an informal assessment with community-based services. The less serious cases are not recorded in a central registry.

Elsewhere, multidisciplinary teams of professionals have been stationed in different sectors of Cedar Rapids, Iowa; trained volunteers are paired with at-risk families in Macomb County, Mich.; and in Washington, anonymous reports are investigated only under the most serious circumstances.

While many reforms are not fully implemented or evaluated, they are spreading quickly, says Susan Notkin, director of the children's program at the Edna McConnell Clark Foundation in New York, which is funding some of the reforms. To work, she says, reforms must include a safety plan for each child, a strong network of local organizations and citizens, an evaluation plan, and a recognition by child protection workers that they must share decisions with their new community partners.

"It's very exciting," says Notkin. "But it's tough. It's very tough."

—LYNN SMITH

LUIS SINCO / Los Angeles Times

Otis Woodward and Elena Ocegueda, with their 2-year-old daughter, Whitney, are recent graduates of a family preservation program offered jointly by Drew Child Development Center and the county.

LIFE & STYLE

Los Angeles Times

SECTION E • THURSDAY, OCTOBER 30, 1997

A Grass-Roots Approach to Keeping the Family Whole

"Why should I take her babies away when she has a support network like that? When a couple hundred people are keeping an eye on you, you're going to do a perfect job. It's the way it's supposed to be."

Peter Digre
Director of the Department of Children and Family Services

LORI SHEPLER / Los Angeles Times

After receiving help, Kathleen Pierce is surrounded by Kandace, left, Kory and Kaleen. "I thought the whole world had dealt me an injustice. I realize now I was dealing an injustice to my children, and they didn't deserve it."

■ **Children:** County networks strive to bring the problems of abuse and neglect close to home. Community involvement gives parents in crisis access to the people and programs that can help.

NEIGHBOR TO NEIGHBOR

One in an occasional series about community building

By LYNN SMITH
TIMES STAFF WRITER

Peter Digre, director of Los Angeles County's child protection agency, might have known he wouldn't be the most popular person at Praises of Zion church in South-Central, an area where a disproportionate number of children have been placed in foster care. Still, he was surprised when the Rev. J. Benjamin Hardwick called a mother up to the pulpit, described her troubles, then pointed to Digre and announced: "And Peter wants to take her babies away."

After the service, at which Digre was a guest, he recalled that concerned congregation members surrounded the mother with offers of help, but no one came forward to shake his hand.

"It was beautiful," he recalls. "Why should I take her babies away when she has a support network like that? When a couple hundred people are keeping an eye on you, you're going to do a perfect job. It's the way it's supposed to be."

After three decades of building multibillion-dollar child protection systems that studies indicate have been unable to protect most children, agencies across the country are rethinking the way it's supposed to be—retooling their systems to shift responsibility for the community's most vulnerable children and families back from complex, distant institutions to neighborhoods and communities.

At least 12 states, not including California, have passed legislation that allows troubled families to receive help without the often-stigmatizing official investigations that try to fix blame. Others are experimenting with reforms to involve police rather than social workers to investigate abuse reports, freeing up social workers to do their jobs. Some reform efforts are pro-active—centralizing services in one-stop neighborhood shops and recruiting volunteers and paraprofessionals to help overwhelmed families before crisis occurs.

In Los Angeles County, a system of 28 networks was created four years ago through a collaboration between the Department of Children and Family

Please see NEIGHBOR, E5

NEIGHBOR

Continued from E1
Services and neighborhood-based agencies to help parents faced with losing their children to foster care.

While some worry about children's safety whenever they are returned to families who have been abusive in the past, many say the worst thing about the new approach is that it hasn't changed the old system enough. Under the traditional system, parents who have been reported to social services receive a visit from a social worker once or twice a month and lists of referrals for counseling and other programs. The family preservation networks consist of a yearlong program that involves the community in innovative support programs.

But, "The evidence is pretty compelling that it needs to be a differently conceived system," says Frank Farrow, the children's services director of the Washington D.C.-based Center for the Study of Social Policy. The present system, he says, "doesn't reach people it should, and when it does, it can't do very much."

Farrow says national studies show as much as 50% of all child abuse and neglect goes unreported, and at least 40% of the confirmed cases have been through the system before.

In 1993, the U.S. Advisory Board on Child Abuse and Neglect called for a new neighborhood-based strategy for child protection. The current system of mandatory reporting was designed in the 1960s when child abuse was thought to be rare. Since then, agencies have been buried by reports and investigations that in 1993 substantiated 2.8 million cases of child maltreatment. The vast majority are cases of neglect, usually linked directly to alcohol or drug abuse by caretakers. Most protective efforts, meanwhile, continue to focus on identifying and investigating suspected cases, rather than treating or preventing the problem.

In South-Central, the Rev. Frank Higgins of Triangle Baptist Church contends the investigatory child protection system has destroyed the community. He describes a tragic cycle that starts when children are separated from parents, damaged in unstable or uncaring foster care and, then, alienated and troubled, they return to the community. He has no statistics, but he suspects as many as half the gang members in Los Angeles may be veterans of the county's child protection system.

Even if they are not in gangs, many graduates of the system find they aren't able to form family or community ties, says Amaryllis Watkins, a deputy director of the Department of Children and Family Services. "If people don't have a stake in the community, they won't protect it," she said.

Triangle Church is one of the "lead agencies" the county works with to help reverse that cycle and rebuild the community through the system of "family preservation networks." Family preservation strategies are not new but have typically used individual social workers to provide intensive in-home counseling during a family's crisis, such as drug abuse in the home, reports of child abuse or loss of a job. Under the Los Angeles system, the county contracts with private nonprofit agencies, which then subcontract for neighborhood services—in-home counseling, drug treatment and people to serve as role models—to help parents who voluntarily enter the program.

Parents cooperate in creating their own custom plan. County social workers still make recommendations to remove children if they appear to be in danger. They keep in touch with family preservation workers, who visit the families up to four times a week and are often more familiar with the community's resources, and help link families with housing, health care, child care and other services.

The networks, started first in areas with the highest number of abuse and neglect reports and foster-care placements, now cover an estimated 80% of the county. So far, the networks have served 30,000 children in 5,000 families.

There is often no way of knowing whether families in the networks reabuse their children. Researchers said accurate scientific evaluations of such programs are nearly impossible to make because of the multiple causes of family dysfunction.

However, according to one measure from the family services department, the networks have at least decreased the rates of foster-care placement. While placement rates continued to rise from 1992 to 1996, in areas with networks in place they rose only 32%, compared with 86% in other areas. The $15-million network system saved an estimated $27 million in federal, state and county foster-care costs, according to county officials, who also estimate the networks have leveraged an additional $150 million in services.

What's more, the networks have also helped build "community capacity," according to USC associate professor of social work Jacquelyn McCroskey. Each network has a group of community advisors, sometimes including former clients. They have created new jobs, such as those for "teaching and demonstrating workers" who show parents in their own homes how to care for children and manage a household. Some neighborhood residents who moved out have returned to work in the programs because they want to give something back to their community.

"I don't believe there's anyone who can't change. All they have to have is the right support," says Andrea Jackson, who grew up in South-Central. Now a graduate student in behavioral sciences and ethnic studies, she teaches parenting at Triangle Baptist Church.

Her morning class draws a dozen parents, many of whom are recovering from addictions, were themselves raised with harsh physical punishments and who say they can't recall hugs or kind words from their parents.

Jackson kicks off an animated discussion by posing a Socratic question: Is it ever advisable to spank?

Gloria Moore, reunited with her five children, says she sometimes has to give her children "a tap on the hand" because they ignore her otherwise. "I know you're not supposed to," she says. "I always said, 'I'll never do that.' "

Carla Eddington, a single mother of five who is now being treated for depression, suggests parents lose influence when they tell children not to hit their friends and then punish by hitting. "You're not setting an example," she says. "You're saying it's OK to hit."

Jackson tells them that children will avoid someone who spanks them a lot. That they can use time out or ignore them, or remember to reward children when they are well-behaved. "It's important to understand," she says, "the more praise you give them, the more they want."

Many parents understand that until the new policies went into effect four years ago, they might have lost their children permanently.

A single mother, Tatia McDonald, 31, was raised in an unhappy foster home. She had her first baby at 14 and began drinking at 17. A companion once hit her so hard she lost some teeth. At 25, she turned to cocaine. When her youngest son was born with drugs in his system, the county took away all four of her boys.

Until then, there had been a systemwide commitment to keeping families together, said the worker. County figures show that in the ensuing months temporary out-of-home placements soared. Although they have dropped back again, she said: "It's like that era is over. Now it's all permanency and adoption."

Even supporters admit lifelong or multigenerational problems in a family have little chance of being fixed in a year. But Higgins and others argue family preservation networks—with their extra measures of services—should be expanded. What's needed beyond counseling and support, they say, are more long-term programs that address whatever families need to reestablish themselves—job training, education, child care, transportation, and the bigger problems of affordable housing, crime and drugs.

Lisa Pion-Berlin, president of the state chapter of Parents Anonymous, says more nongovernmental support is needed to let parents know it's OK to ask for help.

Without an ongoing support system, such as the 2,000 groups Parents Anonymous provides nationwide, "gradually, you'll have the problem again." There are fewer than 20 support groups in Los Angeles County, she says. Although other states help pay for such groups, "there's no money in this county or state to do Parents Anonymous," she says.

Chances of funding long-term prevention programs are remote, advocates say, not only due to this era of tight resources but also because policymakers tend to focus on crises. Also there are those who believe that parents who have hurt or endangered their children cannot be trusted to change.

Friends and relatives readied their cameras while a trio of drummers beat out African rhythms in a small auditorium in Watts. Candles and flowers decorated the stage. A brown paper sign declared, "It takes a whole village to raise a child" and, underneath, "Congratulations, Y'all!"

A dozen parents, sweating in red, green and black caps and gowns marched in, ready to celebrate their graduation from the yearlong family preservation program at the Drew Child Development Center.

In the back row sat a couple, new and reluctant volunteers for the program, holding their baby who was exposed to drugs at birth. Standing nearby, social worker Sweeney said he had invited them specifically "so they can see where they'll be in a year."

Despite her troubled past, she says family preservation workers "believed in me 100%." After the county social worker recommended family preservation, she received drug treatment, counseling three times a week in her home, a "teaching and demonstrating" worker once a week to show her basic household skills, and an adult role model for her oldest son.

Sober for two years, McDonald now works at a Marriott Hotel and has been reunited with all her children. "I see a difference in my kids' eyes now," she said recently, fighting back tears. "They seem happier."

She still struggles with how to express her love for her children, but she makes the effort because she doesn't want to let them down. "I make sure I kiss and hug my boys every day," she says. "Even the 17-year-old."

Social workers say even though they have volunteered, many parents initially resent the intrusion, calling them names or continuing to watch TV when they visit. Family preservation workers say they are dedicated to finding and building on parents' strengths, rather than looking for weaknesses.

"Sometimes, I tell them it's a strength that they let me in their house," says Jenny Jones, program director at Drew Child Development Center in Watts, another of the county's lead agencies.

Family workers say about two-thirds of the parents make it through the yearlong program. Even then, it's no guarantee of long-term success.

At least two children died, one in 1993 and another in 1995, while their families were receiving the intensive services provided by the networks, according to Bruce Rubinstein, a former deputy director of the Department of Children and Family Services. The family of a third child, Sherrice Iverson, had also gone through a family preservation network before the 7-year-old was killed this year in a Las Vegas casino while her father was gambling. A non-family member is suspected in the death.

Sweeney says the parents with the best chances of success are those who, like Kathleen Pierce of Whittier, get help in the midst of their first crisis and are able to restructure their lives.

Although her third child was born with drugs in his system, Pierce, 33, says she was shocked when county social workers later took all of her children after tests showed she had relapsed. To regain her children, she entered residential drug treatment. Whittier is an area without a network. She received the help she needed only because there was a spot for her in the neighboring South-Central Family Preservation Network.

During drug treatment, she slowly widened her perspective. "I thought the whole world had dealt me an injustice. I realize now I was dealing an injustice to my children, and they didn't deserve it." Through her social workers Sweeney, her family preservation worker Richard Benavides and adult role model Betty Esparza, Pierce said she was able to negotiate the world without drugs after leaving rehab. They helped her cope with an angry teenage daughter, buy Christmas presents, find support groups and funding for a counselor. When she failed to schedule appointments, she said Benavides "would pick up the phone and dial for me."

Now she's working, attending support groups and trying to find new friends. Though her case is officially closed, Benavides and Sweeney have told her she can call them if she ever gets in a jam. "Now I'm on my own," Pierce said. "But I'm not."

While the most violent or chronically addicted parents are screened out of the program, nearly all parents reported to the county could benefit from intensive custom services, said Eric Marts, children's services administrator at the family services department. But the system is operating at only about half its potential due to funding caps, he said. When community networks can't handle any more cases, parents who might have received family preservation services are handled under the old system.

Some social workers also worry that family preservation has become less of a priority in recent years as high-profile deaths of children monitored by the system have pushed the pendulum away from prevention and toward the ultimate safety policy—adoption.

Nancy Daly, a member of the Los Angeles County Commission for Children and Families, said pulling back is a natural reaction to a child's death. "Everyone should go crazy when a child dies," she said. "That's just human."

Social workers admit it's also partly a matter of protecting their own jobs. One worker, who asked not to be identified, said workers have been pressured to "cover themselves and detain children" since 1996, when a county social worker and her supervisor were fired following the death of an 18-month-old girl. The child, who was taken from her parents at birth, was returned home under the old system of supervision and apparently was shaken to death by her mother or father.

They watched and heard good-natured laughter as nearly all of those who took the microphone recalled how much they detested the intensive services at first. Some then cried as they thanked God and their social workers for their new lives, new jobs.

Officials said they believe that those who make it this far have a good chance of succeeding in the long run.

Crystal Hodges, a single mother, had her fifth child while she was in the program, and she said it felt good to have a sober baby. Now she is going to Compton College, studying computer science and planning to be an accountant, trying to stay busy and making new friends at the church on the corner. "They call it the love corner," she said shyly.

The only problem with the family preservation program, she said, is that it came too late for her: One of her children was already adopted. What she wants for all of them is "to do better than I did."

PERSPECTIVE THE SUN October 26, 1997

Secret to fighting poverty

A few key individuals can make a difference

By LISBETH B. SCHORR

WHY, in the midst of a vibrant economy, are so many Americans still mired in concentrated poverty?

For Americans turned off on government, the answer long has been that nobody knows what to do about the great underclass maladies of joblessness, single-parent families, school failure, substance abuse and violence.

In fact, we do know what to do on a small scale. Here and there, innovative programs have succeeded in changing life trajectories and setting children and families on the road to success.

The predicament is that successful programs are seldom sustained. When efforts are made to spread them, to bring them into the mainstream, they are strangled by red tape, rigid bureaucracies and archaic financing.

I set out in search of the people and places that had beaten the odds and had transformed not just a school but a school system, not just a social agency but a neighborhood, not just a few individuals but whole populations.

The secret of these successes? A few key people had the insight, courage and influence to climb out of old ruts and make fundamental changes on three fronts:

First, they achieved a new balance between flexibility at the front lines and accountability for the expenditure of public funds. We always have known that in the course of home visiting or providing prenatal care or even job training, people working on the front lines cannot be constrained by narrow protocols or circumscribed job descriptions. They must be able to respond, whether to a housing crisis or the need for child care or drug treatment. What we now are learning is that if front-line professionals and agencies are to be able to do whatever it takes to help within mainstream systems, the systems must support their flexibility by judging them by their results rather than for their compliance with a maze of rules.

Second, successful efforts establish partnerships with residents and community organizations that act more like families than bureaucracies. One national pioneer is Los Angeles County, which has contracted with 25 networks of grass-roots community organizations, including churches, Boys and Girls clubs and day care centers.

These are the organizations, says Peter Digre, director of the county Department of Children and Family Services, that "breathe in and out with what's going on in the neighborhood" and are in the best position to be intensively involved with vulnerable families.

Similarly, to be effective, schools must be free to adopt coherent reforms, must be held accountable for student achievement rather than for compliance with the central office's ideas of how to teach and must allow parents and teachers to choose the schools within the public system that match their convictions about the methods of education most likely to lead to successful learning.

Third, many successful initiatives have targeted an array of interventions on a single community to strengthen families and neighborhoods. Recognizing that narrowly defined interventions don't work for those in high-risk circumstances, they are combining action in the economic, service, education and community-building domains to expand opportunity while strengthening individual capacity to respond to that opportunity.

Empowerment zones and foundation-funded neighborhood transformation initiatives rely on a community's strengths for designing and implementing change, while drawing on outside resources that bring influence.

The evidence is there. From Los Angeles to Savannah, Ga., from the South Bronx to St. Louis, communities are taming bureaucracies, crafting new partnerships and putting together a critical mass of what works to transform entire neighborhoods.

We must act on what we know to mobilize our resources, intellectual and spiritual, to ensure that all our children can grow up with a realistic expectation that they can participate in the American dream.

Lisbeth B. Schorr, director of Harvard's Project on Effective Interventions and author of "Common Purpose" (Doubleday), wrote this article for the Los Angeles Times, where it first appeared.

Olivia, Carol, Jen and Nicole

Here are copies of Rockefeller letter to DES and NGA/NCSL etc letter re offsets. Sorry I didn't get these around to you sooner.

Mary B.

JOHN D. ROCKEFELLER IV
WEST VIRGINIA

United States Senate

WASHINGTON, DC 20510–4802

October 10, 1997

Dear ~~Madam Secretary~~ Donna,

It was good to talk to you about adoption and the Senate effort that I am helping to lead in order to forge a grand compromise that could lead to the swift enactment of a strong adoption bill, secure new resources for abused and neglected children, and avoid any administrative caps on the food stamp program.

While I understand that "cost allocation" is a difficult issue for the states and HHS, I believe that we face the stark choice of either using the opportunity provided by cost allocation or accepting a cap on food stamp administrative costs, the latter which poses the likely prospect of a push later for administrative caps on Medicaid, too. Given these the realities we see in Congress, with an intensely supported agricultural bill financed by food stamp administrative funds, I believe that the best strategy is to work together to develop an acceptable approach to cost allocation which would also help us to secure new funding for services for abused and neglected children and preempt current and future efforts to cap food stamps or Medicaid.

Since this is such a complicated process, let me recap our potential compromise and provide detailed papers on cost allocation from the Center on Budget and the Congressional Research Service.

As I explained, Senator Chafee has just proposed to Senator Lugar's favorable reception that the Senate accept a form of cost allocation that would encourage states to keep TANF and Medicaid programs aligned and still capture the potential CBO savings by prohibiting states from shifting administrative costs to avoid the 15% administrative cap imposed under welfare reform. Preliminary CBO scores of our cost allocation option are expected to yield $1.6 billion in savings over 5 years. The proposal is to split those savings between the Senate adoption bill and the Senate agriculture research bill, providing each legislative initiative with $800 million in offsets. To tailor the Senate PASS Act to fit this compromise, Chafee and I would agree to phase-in the delinkage of special needs adoptions to only cover future adoptions. This is estimated to cost approximately $700 million over 5 years and still allow for th $100 million increase for Family Preservation/Family Support included in the PASS Act.

While complicated, this compromise would address many of the issues that could delay the enactment of adoption legislation this session. First, the agreement resolves the funding conflict between the Finance Committee and the Agriculture Committee in a positive way that avoids the direct cap of administrative costs for food stamps. Next, the legislation provides desperately needed funding for abused and neglected children through the maintenance of effort standard requiring states to convert any savings from adoption subsidies into the existing child welfare system. Given the new expectations and demands we impose on states to move children into adoption and safe, permanent homes, additional financial resources will be crucial for real success and systemic change.

Finally, the PASS Act seeks to reauthorize Family Preservation- Family Support, a worthwhile initiative started by President Clinton in 1993. I was proud to work with the President and you to create this program, and want to find a way to continue it despite the new environment in Congress. I believe it is essential to move this reauthorization in tandem with our language to clarify reasonable efforts, so that we can reassure the skeptics that the Family Support dollars will not contribute to further abuse and neglect of children.

Donna, I acknowledge that this is a complicated compromise, but I am convinced that it is our best chance to enact adoption legislation now, to provide financial assistance to the struggling child welfare system, and to avoid the dangerous precedent of administrative caps for food stamps and Medicaid. If we work together, we can achieve all of our goals.

Thank you for all your work and energy on behalf of children and families. Best regards.

Sincerely,

Jay

John D. Rockefeller IV

Donna, please excuse the underlinings, but I feel so strongly this is the right way to go. We can pass this legislation, and we need you on our side!

- Jay -

The Honorable Donna Shalala
Secretary
Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

10.14.97.0055

NATIONAL GOVERNORS ASSOCIATION

National Conference of State Legislatures

American Public Welfare Association

NACo National Association of Counties

October 9, 1997

The Honorable Thomas A. Daschle
Minority Leader
United States Senate
U.S. Capitol S-221
Washington, D.C. 20510

Dear Senator Daschle:

On behalf of the National Governors' Association, the National Conference of State Legislatures, the National Association of Counties, and the American Public Welfare Association, we write to express our strong opposition to the funding mechanism in the Promotion of Adoption, Safety, and Support for Abused and Neglected Children (PASS) Act, S. 1195. We specifically are concerned with Sec. 404 which would require states and counties to allocate to the Temporary Assistance for Needy Families (TANF) block grant those administrative costs shared with other federal means-tested programs such as food stamps and Medicaid.

According to preliminary estimates from the Congressional Budget Office, requiring states to designate TANF as the "primary" program would shift $300 to 400 million annually in food stamp costs from the federal government to states and counties. Additional costs would be shifted to states from the Medicaid program. Clearly, this provision is a violation of the Unfunded Mandates Reform Act of 1995 and would be subject to a point of order.

States are now operating welfare programs under a fixed TANF block grant with a 15 percent administrative cap. Under the proposal in the PASS bill, costs that would have been considered legitimate food stamp and Medicaid administrative costs would now be subject to the TANF cap or shifted to states and localities. For states that have always apportioned some shared costs among the relevant programs, the provision would require states to transfer these costs into the TANF block grant. All states are concerned about the impact of increased administrative costs that may result from new federal requirements or from caseload increases because of natural disasters, economic downturns, or population increases. The PASS proposal does not allow any adjustments for these factors.

Although promotion of the adoption of children in foster care is an important public policy goal, our organizations cannot support legislation that places a financial burden on states and counties by reducing federal spending on other programs for vulnerable children and families. We urge you to look for a different funding mechanism before proceeding with Senate consideration of S. 1195.

Sincerely,

Raymond C. Scheppach
Executive Director
National Governors' Association

William T. Pound
Executive Director
National Conference of State Legislatures

October 9, 1997
Page two

Larry E. Naake
Executive Director
National Association of Counties

A. Sidney Johnson, III
Executive Director
American Public Welfare Association

TOTAL P.03

$300M = Hospice

~~CONFIDENTIAL~~

ADOPTION ASSISTANCE OFFSET OPTIONS

1. Reduce Epotein (EPO) Payments by 5 Percent: EPO is a drug used to treat anemia related to chronic renal failure. EPO is a sole source drug, its manufacturer is competitively protected under the Orphan Drug Act. Medicare reimbursement for EPO totals nearly $1 billion per year. Prior to 1993, Medicare payment was $11.00 dose. OBRA 93 reduced Medicare's payment by $1.00 per dose based on an HHS IG report concluding that facility costs for EPO -- before manufacturer rebates -- were approximately $10.00 per dose, $1.00 less than Medicare's $11.00 reimbursement rate. The HHS IG report also concluded that some facilities received a 2 to 8 percent manufacturers rebate and that Medicare had no way to capture the savings from this rebate.

This policy would reduce Medicare's reimbursement for EPO by a 5 percent per dose, or $0.50, to capture savings from manufacturers rebates. ESRD-related beneficiary groups and the manufacturer of EPO are likely to object to this change.

> **Savings:** $100 million over five years. (Staff estimate)

2. Reduce double payment for enteral nutrients: Enteral nutrients provide nourishment directly to the digestive tract of a patient who cannot ingest an appropriate amount of calories to maintain an acceptable nutritional status. For nursing home residents, enteral nutrients effectively represent a beneficiary's food or meal and could conceptually be included as part of Medicare's routine Part A payment to the nursing home. However, the HHS IG found that most nursing homes do not directly purchase enteral nutrients for residents, even though they report that they can purchase nutrients below Medicare reimbursement levels. Instead, nursing homes allow outside suppliers to provide the nutrients and bill Medicare under the Part B prosthetic and orthotic benefit. If Medicare recognized the nutrients as "food," payments for enteral nutrients would be made as part of the facility payment, rather than separately billed under Part B.

This proposal would exclude enteral nutrients from Part B reimbursement when the patient resides in a nursing home. Instead, these costs would be included in a nursing home's routine costs and reimbursed under Part A.

> **Savings:** $50 million over five years (all of the savings occur in the first year, since SNF PPS begins in July 1998). (Staff estimate)

3. Reduce the Social Services Block Grant (SSBG) by $20-40 million annually. SSBG is an appropriated entitlement used to support a variety of social service programs designed to reduce or eliminate dependency, achieve or maintain self-sufficiency, help prevent neglect, abuse or exploitation of children and adults. The Senate Labor/HHS appropriations bill

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reduces SSBG by $135 million in FY 1998. The House bill had a similar provision that was dropped.

Savings: $100-200 million over 5 years.

DE-LINKING TITLE IV-E ADOPTION ASSISTANCE PROGRAM

Background

The Federal Adoption Assistance Program under title IV-E of the Social Security Act was enacted in 1981 to support the adoption of children who have been removed from the homes of low income parents for abuse or neglect and who the State has determined have special needs for an adoption subsidy. The special needs children covered by the federal means-tested entitlement must be removed from a family that meets the eligibility criteria for Aid to Families with Dependent Children (AFDC) in effect on July 16, 1996 or Supplemental Security Income (SSI)*.

The IV-E program provides reimbursement to the States at FMAP for the monthly adoption subsidies to parents who adopt these eligible special needs children, the one-time non-recurring adoption expenses incurred by such parents, and State administrative and training costs associated with the adoption of such children.

These children are also eligible for medical assistance under title XIX, Medicaid, and for social services under title XX. While the adoptive parents do not have to meet any financial eligibility criteria in order to receive an adoption subsidy from the State, the income of the adoptive parent may be considered in determining the subsidy level. The program supports approximately 150,000 children at an annual cost to the federal government of over $700 million.

Special needs children who do not meet the requirements for IVE reimbursement -- they do not come from AFDC-eligible or SSI families -- are eligible for adoption assistance subsidies in all but three States (PA, SD and WV). Without federal reimbursement, States pay the full cost of subsidies to the parents who adopt these children. Most States (all but 6) also provide Medicaid coverage for these children, but such coverage is not automatic in many States. However, families receiving State-funded adoption assistance subsidies may lose access to Medicaid and other State-funded post-legal adoption services when they move from one State to another. (They continue to receive their State-funded adoption assistance cash subsidies.)

De-linking Adoption Assistance

The Promotion of Adoption, Safety and Support for Abuse and Neglected Children Act (PASS), S. 1195, would amend title IV-E to provide federal reimbursement (at FMAP) for all special needs children adopted from the child welfare system. The proposal would apply retroactively to children in families now receiving State-funded adoption assistance payments, as well as to all special needs children being adopted in the future.

*The Personal Responsibility and Work Opportunity Reconciliation Act bases eligibility for Title IV-E adoption assistance on standards for Title IV-A (AFDC) as they existed in a State on July 16, 1996. Additionally, children who are eligible for SSI are categorically eligible for Title IV-E adoption assistance but new SSI eligibility criteria will eliminate automatic eligibility for Title IV-E adoption assistance for some children and may affect the continued eligibility for children currently receiving SSI.

This proposal has the advantage of ensuring more equitable treatment for all children with special needs who are waiting to be adopted, regardless of the financial status of the birth families from which they have been permanently removed. It would also ensure that families would retain Medicaid coverage when moving from one State to another.

CBO has initially estimated the proposal to cost approximately $2.3 billion over the next five years. The proposal includes maintenance of effort provisions designed to ensure that the savings accruing to the States would be used for the variety of child welfare, adoption and foster care services allowed under titles IV-E and IV-B.

Adoption Legislation

Background: The Administration as well as the House and Senate Leadership are anxious to get bipartisan adoption legislation passed and signed this year. The House passed its bill by an overwhelming margin in the Spring and Senator Lott had wanted to bring the House bill to the Senate floor.

Unfortunately, adoption legislation has been held up in the Senate for many months because various parties (including the Administration and Senator Roth) have had problems with the costly delinking provisions in the package put together by Senators Chafee, Rockefeller, Craig and others as well as the cost allocation issue used to offset the $800 million to $2.3 billion costs of the bill.

Last week, Senators Chafee and Craig met with Senator Roth. While the meeting initially led to an impasse (with Chafee insisting that the final bill include his delinking item and Roth insisting that delinking be dropped), the Roth staff have now floated a compromise bill. We have not seen the compromise language as yet, but understand it does include several items the Administration strongly supports (including our Adoption 2002 recommendations and the very important reauthorization of the family preservation program). However, we understand that it does not include several other items that we feel are very important to final legislation. These include Medicaid coverage for all "special needs" children (at a cost of approximately $30 to $40 million over five years) and several other changes in provisions dealing with the termination of parental rights (TPR).

The total cost of legislation that includes these Administration supported items will be approximately $100 million over five years. After thorough discussions between OMB and HHS, we agreed to propose that these costs be offset with Title XX funds. Some may not like this offset (Senator Chafee, for example) and we need to check with Representative Obey before proceeding further with it. At the same time, Jack Lew is checking again to see if other offsets may be available.

We believe that we can sell the Roth compromise with the Medicaid and TPR changes (plus some other small policy and technical changes) to the House Republicans and therefore achieve final legislation that can pass both houses by an overwhelming vote. **To do so, however, will require that the Administration and the Senate Leadership press Senator Roth to accept our changes and move a little further toward the Chafee/Rockefeller/Craig camp.**

Talking Points for Conversation with Majority Leader Lott

- The President shares with Senator Lott the strong desire to move adoption legislation through Congress this year. The enactment of bipartisan adoption legislation is a key Administration priority.

- While there has been significant delay on this legislation in the Senate, we are pleased that Senator Roth met with Senators Chafee and Craig last week. After an initial impasse, we understand that Senator Roth offered a possible compromise.

- We understand the Roth compromise includes some of the provisions supported by the Administration as well as some of the provisions supported by the Chafee/Craig coalition.

    - It certainly does not go as far as the Chafee/Craig group had hoped, but it cuts down on the cost significantly by removing the delinking provisions.

    - It also does not include several changes sought by other Democrats.

- The Administration could support this compromise as long as it included, at a minimum, several small but very important items, including:

    - Small increase in funding for Family Preservation (approximately $60 million over three years).

    - Medicaid coverage for all "special needs" adopted children (approximately $30-40 million over five years)

    - House provisions on the termination of parental rights (especially the House provision prohibiting the termination of parental rights if services have not been provided).

    - Provisions removing geographic barriers to adoption.

- We would offset the approximate $100 million cost of the bill over five years with funds from the Title XX program. **(Need to do some checking before making this public.)** This would take the controversial cost allocation issue off the table with respect to the adoption legislation.

- If Senator Roth could be persuaded to support these provisions, we will work with you to develop a quick bipartisan consensus on the bill. If you can do so, we believe we can persuade other Democratic Senators to drop their concerns and gain the support of the House sponsors as well.

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Last week, Senators Chafee and Craig met with Senator Roth. While the meeting initially led to an impasse (with Chafee insisting that the final bill include his delinking item and Roth insisting that delinking be dropped), the Roth staff have now floated a compromise bill. We have not seen the compromise language as yet, but understand it does include several items the Administration strongly supports (including our Adoption 2002 recommendations and the very important reauthorization of the family preservation program). However, we understand that it does not include several other items that we feel are very important to final legislation. These include Medicaid coverage for all "special needs" children (at a cost of approximately $30 to $40 million over five years) and several other changes in provisions dealing with the termination of parental rights (TPR).

The total cost of legislation that includes these Administration supported items will be approximately $100 million over five years. After thorough discussions between OMB and HHS, we agreed to propose that these costs be offset with Title XX funds. Some may not like this offset (Senator Chafee, for example) and we need to check with Representative Obey before proceeding further with it. At the same time, Jack Lew is checking again to see if other offsets may be available.

We believe that we can sell the Roth compromise with the Medicaid and TPR changes (plus some other small policy and technical changes) to the House Republicans and therefore achieve final legislation that can pass both houses by an overwhelming vote. **To do so, however, will require that the Administration and the Senate Leadership press Senator Roth to accept our changes and move a little further toward the Chafee/Rockefeller/Craig camp.**

Talking Points for Conversation with Majority Leader Lott

- The President shares with Senator Lott the strong desire to move adoption legislation through Congress this year. The enactment of bipartisan adoption legislation is a key Administration priority.

- While there has been significant delay on this legislation in the Senate, we are pleased that Senator Roth met with Senators Chafee and Craig last week. After an initial impasse, we understand that Senator Roth offered a possible compromise.

- We understand the Roth compromise includes some of the provisions supported by the Administration as well as some of the provisions supported by the Chafee/Craig coalition.

  - It certainly does not go as far as the Chafee/Craig group had hoped, but it cuts down on the cost significantly by removing the delinking provisions.

  - It also does not include several changes sought by other Democrats.

- The Administration could support this compromise as long as it included, at a minimum, several small but very important items, including:

  - Small increase in funding for Family Preservation (approximately $60 million over three years).

  - Medicaid coverage for all "special needs" adopted children (approximately $30-40 million over five years)

  - House provisions on the termination of parental rights (especially the House provision prohibiting the termination of parental rights if services have not been provided).

  - Provisions removing geographic barriers to adoption.

- We would offset the approximate $100 million cost of the bill over five years with funds from the Title XX program. **(Need to do some checking before making this public.)** This would take the controversial cost allocation issue off the table with respect to the adoption legislation.

- If Senator Roth could be persuaded to support these provisions, we will work with you to develop a quick bipartisan consensus on the bill. If you can do so, we believe we can persuade other Democratic Senators to drop their concerns and gain the support of the House sponsors as well.

Mention House bill -- passed w/ overwhelming support. Lott had wanted to bring that to floor.

Adoption Legislation

Background: The Administration as well as the House and Senate Leadership are anxious to get adoption bipartisan legislation passed and signed this year. Unfortunately, the legislation has been held up for many months because various parties (including the Administration and Senator Roth) have had problems with ~~the~~ costly ~~delinking~~ provisions in the package put together by Senators Chafee, Rockefeller, Craig and others as well as the cost allocation issue used to offset the $800 million to $2.3 billion costs of the bill. (that would ~~provide~~ provide full fed funding status for all to ster care, instead of current fed-state match)

Last week, Senators Chafee and Craig met with Senator Roth. While the meeting initially led to an impasse (with Chafee insisting that the final bill include his delinking item and Roth insisting that delinking be dropped), the Roth staff have now floated a compromise. We have not seen the compromise language as yet, but understand it does include several items the Administration strongly supports (including our Adoption 2002 recommendations and the very important reauthorization of the family preservation program). However, we understand that it does not include several other items that we feel are very important to final legislation. These include Medicaid coverage for all "special needs" children (at a cost of approximately $35 million over five years) and several other changes in provisions dealing with the termination of parental rights (TPR).

Bullet and spell out

The total cost of legislation that includes these Administration supported items will be approximately $100 million over five years. After thorough discussions between OMB and HHS, we agreed to propose that these costs be offset with Title XX funds. Some may not like this offset (Senator Chafee doesn't like it for example) and we need to check with Representative Obey before proceeding further with it. At the same time, ~~we will check again with~~ Jack Lew is checking to see if other offsets may be available.

We believe that we can sell the Roth compromise with the Medicaid and TPR provisions (plus some other more technical changes) to the House Republicans and therefore achieve final legislation that can pass both houses by an overwhelming vote. **To do so, however, will require that the Administration and the Senate Leadership press Senator Roth to move a little further toward the Chafee/Rockefeller/Craig camp.**

Strategy is preconf. bill

Talking Points for Conversation with Majority Leader Lott

- The ~~Administration~~ President shares with Senator Lott the strong desire to move adoption legislation through Congress this year. The enactment of bipartisan adoption legislation is a key Administration priority.

- While there has been significant delay on this legislation in the Senate, we are pleased that Senator Roth met with Senators Chafee and Craig last week. After an initial impasse, we understand that Senator Roth offered a possible compromise.

- We understand the Roth compromise includes some of the provisions supported by the Administration as well as some of the provisions supported by the Chafee/Craig coalition.

    - It certainly does not go as far as the Chafee/Craig group had hoped, but it cuts down on the cost significantly by removing the delinking provisions.

    - It also does not include several provisions sought by other Democrats.

- The Administration could support this compromise as long as it included, at a minimum, several other small but important items, including:

    - Small increase in funding for Family Preservation (approximately $60 million over three years).

    - Medicaid coverage for all "special needs" adopted children (approximately $40 million over five years)

    - House provisions prohibiting the termination of parental rights if services have not been provided and other changes to move the termination provisions closer to House bill. ~~House provis~~ some Adopting House provisions on TPR (particularly provision ...)

    - Provisions removing geographic barriers to adoption.

- We would offset the approximate $100 million cost of the bill over five years with funds from the Title XX program. (Need to do some checking before making this public.) This would take the controversial cost allocation issue off the table with respect to the adoption legislation. BOLD

- If Senator Roth could be persuaded to support these provisions, we will work with you to develop a quick bipartisan consensus on the bill. If you can do so, we believe we can persuade other Democratic Senators to drop their concerns and gain the support of the House sponsors as well.

National Council For Adoption
"Help Build Happy Families"

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
INITIALS: ___ DATE: 04/06/15

~~CONFIDENTIAL~~

Oct. 30, 1997

TO: Melanne Verveer, Office of the First Lady, by fax 456-7805
cc: Katy Dutton
Julie Mason

FROM: Bill Pierce Bill

SUBJECT: Attached communication regarding The White House

One of the adoption agencies we work with but which is not a member faxed the attached material to us today after calling and giving us an alert to its existence. It came from an agency which has an executive director who is quite sophisticated in terms of public policy matters, who has been following the discussions around foster care and adoption reform closely and who is of the opinion that the attached broadside is inaccurate and unfair.

In the interest of full disclosure, Maureen Hogan, who is AASK's Executive Director, has engaged in public criticism of our organization, of me and of former staff members of our organization. Therefore we are not entirely objective when it comes to this group's claims and statements. We have strong, ongoing policy differences with this individual.

The broadside is inaccurate in several respects.

First, the Camp-Kennelly bill, although revenue neutral, is far more substantial than Ms. Hogan claims. That bill, which passed the House 416-5, was a bipartisan effort.

Second, the reason that this consensus bill did not sail through the Senate is that forces who wanted a substantially different bill, with new revenue costs estimated at $2.3 billion, insisted on a fresh Senate bill. Those involved were Democrats and Republicans, but the lead players were Senators Chafee and Rockefeller.

Third, a working group of Senate staffers did develop an alternative bill. Those staffers included individuals from several offices, including the offices of the Senators who ultimately co-sponsored S. 1195, plus Sen. Grassley. Since NCFA was seen as supportive of Camp-Kennelly, we were not privy to those discussions and do not know whether any White House people were involved or not.

Fourth, we and a group of others – some 23 in all, representing a wide ideological and political range – strongly objected to portions of S. 1195. For this reason, among others, S. 1195 was stalled, but it was the $2.3 billion "offset" that was the major problem

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Washington, D.C. 20009-6207
202-328-1200
FAX 202-332-0935

p. of 3

identified by Sen. Roth. The "offset" was also termed an unfunded state mandate and opposed by several of the state organizations.

Fifth, yesterday backers of S. 1195 met with Sen. Roth and Sen. Chafee insisted on major spending and refused to accept an alternative package proposed by Sen. Roth. There is, as of yesterday, a stalemate. S. 1195 backers are adamant about substantial changes and spending; Sen. Roth and others, including most of the House, want something different.

To our knowledge, and we have been tracking this debate very closely for several months, there has been no White House involvement aimed at the Senate bill. It is, therefore, both inaccurate and unfair to level a broadside at the White House, based on what we know of the actions and discussions that have taken place.

If, however, the real message of the AASK attack is that those who are concerned about the $2.3 billion in new spending or the unfunded mandate are stopping the Senate bill, then there are several groups who could be properly identified in that camp as moving to "block" S. 1195. An objective analysis of the groups would reveal that there are probably more "conservative" or "Republican" groups involved in the attempt to "block" S. 1195 as originally introduced than Democrats.

In other words, the broadside is a bum rap.

My suggestion: National Adoption Month is coming up. Consider having the President and the First Lady join in a Saturday radio address on Nov. 1 talking about all the positive adoption measures that have passed or are in the works. In all likelihood, if Sen. Roth does not blink in the current standoff, and Sen. Chafee insists on major new spending, then there may be people who can fairly be described as having stopped adoption and foster care reform, but the main person, so far as we can determine, who will have done so is a Republican Senator from Rhode Island. If Sen. Chafee blinks, then there is no reason that a decent bill cannot be sent to the President for his signature during November, National Adoption Month. If there is such a bill-signing, it would be a wonderful opportunity to open The White House not just to the key Members who were responsible but the broader adoption community and some adoptive families.

Since we are not aware of what, if anything, the White House has done in respect to S. 1195, we are not in a position to defend the Administration beyond the sort of approach that I took in this memo.

Feel free to share this memo selectively within The White House.

WP/ms mv103097

WHITE HOUSE MOVES TO BLOCK ADOPTION BILL

To: Adoption Advocates
From: AASK/America
Date: October 29, 1997
Re: Urgent Legislative Alert

AASK has learned that the White House is urging defeat of provision in a Senate bill to provide increased subsidies to adoptive families with special needs, the so-called de-linking provision. Since the White House has not participated in the Senate consensus process on adoption their destructive intervention at this stage threatens to prevent Senate Republicans like Chafee (R-RI), Grassley (R-IO), Craig (R-ID) and Dewine (R-OH) from protecting the interests of adoptive families. With active opposition from the White House it has become impossible for Senate Republicans, especially Sen. Craig who holds a leadership position, to build support for de-linking among fiscal conservatives on both sides of the aisle.

The White House introduced its own proposal last December. Unfortunately, however, that package merely creates several new study commissions and offers peanuts to encourage the States to increase adoptions from less than 5% of children in foster care to less than 10% of children in foster care. The White House plan would only reach half of the children who are currently legally free to be adopted. The President has deliberately avoided correcting the fundamental flaws in the current system. Now he actively seeks to obstruct the efforts of those who would make meaningful change.

Only measures championed by Senate Republicans and a handful of Democrats addresses real world needs with real world solutions. Any suggestion that Senate leadership has not been working to protect your interests is misleading. The Senate's plan to provide you with additional resources has been seriously undermined by active opposition from the White House.

Action Items!

Call the White House at (202)456-1414.

Demand that they support stronger measures in the Senate to protect families who adopt children with special needs!

Adopt a Special Kid

226 4th Street N.E., Washington, D.C. 20002 • (202) 388-3888 • Fax (202) 544-9034

DATE: 10/16/97

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
200 INDEPENDENCE AVE., SW
WASHINGTON, D.C. 20201

PHONE: (202) 690-6311 FAX: (202) 690-8425

OFFICE OF THE ASSISTANT SECRETARY FOR LEGISLATION
HUMAN SERVICES LEGISLATION
ROOM 413 H HUMPHREY BUILDING

TO : Elena Kagan
Jen Klein

FROM:
[XX] MARY M. BOURDETTE
Deputy Asst. Sec.

OFFICE : WH/DPC

ROOM NO :

PHONE NO :

FAX NO :

TOTAL PAGES
INCLUDING COVER) : 3

Elena - fax - 456-2878
Jen - fax - 456-~~9~~ 9412

REMARKS: Here's talking points for the Chafee/Rockefeller meeting at 5:15 in Room 505 Dirksen. I'm giving to Rich too. We need to figure out a little more what we say about NO on cost allocation. Maybe we can send hand signals about our speaking roles... Anyway, I'll be here until the meeting.

Targeting MOE

$800 M → prospective delinkage

Adoption - Talking Pts - re Chafee/Rockefeller

Praise their leadership/expertise/hard work

We're extremely grateful to Laurie and Barbara for all their hard work on this.

The President, First Lady and Secretary strongly committed to our Adoption 2002 goals; aware of key role L/B and bosses played in bringing the bipartisan group of Senators together, and keeping their eye on the important issues...

Strong desire to continue working together to get legislation passed and signed this year -- goal we all share - know the downsides of waiting till next year

Many aspects of initial C/R bill and new PASS bill that we support - especially those elements of Adoption 2002.
i.e. bonuses, expedited permanency planning, reasonable efforts clarification, strengthening TPR, innovation grants

Plus, strongly support the reauthorization of family pres.

Also support the steps PASS take to address the specific problems that have been identified with the current IVE adoption assistance program -- ensuring Medicaid for all special needs children and maintaining eligibility for special needs children from disrupted adoptions.

Thus, in addition to the bonuses and procedural changes regarding reasonable efforts, TPR, permanency that we've discussed with you before, **we're prepared to offer our support for the following spending elements in PASS:**

1. Medicaid for all special needs children
   approximately $30 million over 5

2. Continued IVE eligibility for disrupted adoptions
   approximately $5 million over 5

3. Reauthorization of family preservation at increased level in your bill
   approx $100 million over 5

While we do not support the use of cost allocation as an offset for these measures, we're prepared to recommend alternatives offset for the approximately $150 m cost of these items.

Know the overall delinking proposal is important to you, but we cannot support it for several reasons:
(1) we do not believe that the policy will lead to more children being adopted -- instead, we view it as a cost shift from the states to the feds.
(2) we believe the cost is prohibitive in a time of very

limited resources and (as you know, we have been unable to get the $21 million we requested for adoption in the Labor/HHS bill)
(3) we do not agree that we should take over what has been a state responsibility
(4) on balance and in light of other children's and domestic needs, this is not a priority we can support.

We think our offer is a very strong package, politically and policy-wise and one we can sell to the House as well.

We have not discussed this package with anyone else at this stage. Wanted first to discuss it with you and figure out the most useful strategies for getting this done quickly. Given where we are, se see two strategic options.

(1) A Conference Strategy
This is the package we would fight for in conference - and would be as supportive as possible for Senate approval of your larger package

We'd be prepared to send very positive letter to Senate on PASS, outlining key areas we support and some general expression of concern about cost issues.

We'd help you round up votes for your bill among Democrats and Republicans if possible.

(2) Senate strategy
Make these changes so we could fully support on Senate floor.

Hope we can come to some resolution to next steps and work cooperatively to get to signing ceremony

DATE: 10/10/97

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
200 INDEPENDENCE AVE., SW
WASHINGTON, D.C. 20201

PHONE: (202) 690-6311 **FAX: (202) 690-8425**

OFFICE OF THE ASSISTANT SECRETARY FOR LEGISLATION
HUMAN SERVICES LEGISLATION
ROOM 413 H HUMPHREY BUILDING

FROM:

[X] MARY M. BOURDETTE
Deputy Asst. Sec.

TO : Jen Klein

OFFICE : White House

ROOM NO :

PHONE NO :

FAX NO : 456-9412

TOTAL PAGES
INCLUDING COVER) : 2

REMARKS: In case you get a chance to see this before Tuesday -- an update. Further, I talked to Rich T - which lead to the conference call scheduled for Wed. AM with you and Elena and Rich and me. Best of all worlds is that the four of us would be able to go over to Barbara P and Laurie R on Wednesday PM and lay out where we are for them -- so hope we can have all the package wrapped up and be ready to discuss this in our call.

See you soon.

To : Carol W Williams@ACYF.CB@ACF.WDC, Olivia Golden@OAS@ACF.WDC, John Callahan@ASMB.IO@OS.DC
Cc : Madeline Mocko@OLAB@ACF.WDC, Cheryl McMillen@ASMB.BUDG@OS.DC, Dan Lewis@ACYF.CB@ACF.WDC, Barbara Clark@ASL@OS.DC, William Corr@IOS.IO@OS.DC
Bcc :
From : Mary Bourdette@ASL@OS.DC
Subject : adoption
Date : Friday, October 10, 1997 at 3:56:48 pm EDT
Attach :
Certify : N
Encrypt : N

An afternoon update on adoption

Sen. Rockefeller called the Secretary this morning to urge her to support a "new" Senate deal on the adoption bill. She listened and said she'd get back to him.

The new part is that apparently Senators Chafee and Lugar got together and made an agreement about the cost allocation offset that both had been vying for to offset the spending in their bills (Lugar has the ag research bill that was dependent upon cost allocation for offsets). They agreed to a cost allocation scheme that would produce about $1.6 b over 5 in savings and that they would divide these up -- $800 million for the adoption bill, $800 million for the ag research bill. As you, the admin doesn't support the use of any cost allocation offset at this time.

Barbara Pryor in Rockefeller's office says they will now trim down the bill to meet these savings, by doing delinking prospectively only and family preservation. They still have a number of other issues to deal with - re how you use a single revenue source for two different pieces of legislation.

While this adds a new dimension to our strategy, I don't think it changes anything too much and it makes it all the more urgent that we have our own position in order as soon as possible, so that we can get back to Rockefeller and Chafee (Sec promised to get back to Rock on tuesday with something). I know everyone has lots to do - but any chance we can wrap up our thoughts on package by cob tuesday -- especially re the offsets. From my perspctive, and despite my liberal leanings, I'd go with the Title XX offset -- for the simplistic reason that all the people we deal with on adoption (both on hill and us) are familiar with this and at least we understand the players and the politics. One could also argue that XX has become the piggy bank for lots of things and better that it funds things that are for needy families and a priority for us. I'm anxious to know your views on this though - and could be talked out of this view.

Thanks gang and have a nice weekend.

TITLE I—REASONABLE EFFORTS AND SAFETY REQUIREMENTS FOR FOSTER CARE AND ADOPTION PLACEMENTS

SEC. 101. CLARIFICATION OF THE REASONABLE EFFORTS REQUIREMENT.

Section 471(a)(15) of the Social Security Act (42 U.S.C. 671(a)(15)) is amended to read as follows:

"(15) provides that—

"(A) in determining reasonable efforts, as described in this section, the child's health and safety shall be the paramount concern;

"(B) reasonable efforts shall be made to preserve and reunify families ~~when possible~~—

"(i) prior to the placement of a child in foster care, to prevent or eliminate the need for removing the child from the child's home when the child can be cared for at home without endangering the child's health or safety; or

"(ii) to make it possible for the child to safely return to the child's home;

"(C) reasonable efforts shall not be required on behalf of any parent—

"(i) if a court of competent jurisdiction has made a determination that the parent has—

"(I) committed murder of another child of the parent;

"(II) committed voluntary manslaughter of another child of the parent;

"(III) aided or abetted, attempted, conspired, or solicited to commit such murder or voluntary manslaughter; or

"(IV) committed a felony assault that results in serious bodily injury to the child or another child of the parent;

"(ii) if a court of competent jurisdiction determines that returning the child to the home of the parent would pose a serious risk to the child's health or safety (including but not limited to cases of abandonment, torture, chronic physical abuse, sexual abuse, or a previous involuntary termination of parental rights with respect to a sibling of the child); or "(iii) if the State, through legislation, has specified cases in which the State is not required to make reasonable efforts because of serious circumstances that endanger a child's health or safety;

"(D) if reasonable efforts to preserve or reunify a family are not made in accordance with subparagraph (C), and placement with either parent would pose a serious risk to the child's health or safety, or in any case in which a State's goal for the child is adoption or placement in another permanent home, reasonable efforts shall be made to place the child in a timely manner with an adoptive family, with a qualified relative or legal guardian, or in another planned permanent living arrangement, and to complete whatever steps are necessary to finalize the adoption or legal guardianship; and

"(E) reasonable efforts of the type described in subparagraph (D) may be made concurrently with reasonable efforts of the type described in subparagraph (B);".

(I) by inserting "the safety of the child," after "determine"; and

(II) by inserting "and safely maintained in" after "returned to".

SEC. 103. MULTIDISCIPLINARY/MULTIAGENCY CHILD DEATH REVIEW TEAMS.

(a) STATE CHILD DEATH REVIEW TEAMS.—Section 471 of the Social Security Act (42 U.S.C. 671) is amended by adding at the end the following:

"(c)(1) In order to investigate and prevent child death from fatal abuse and neglect, not later than 2 years after the date of the enactment of this subsection, a State, in order to be eligible for payments under this part, shall submit to the Secretary a certification that the State has established and is maintaining, in accordance with applicable confidentiality laws, a State child death review team, and if necessary in order to cover all counties in the State, child death review teams on the regional or local level, that shall review child deaths, including, at a minimum, deaths in which—

"(A) there is a record of a prior report of child abuse or neglect or there is reason to suspect that the child death was caused by, or related to, child abuse or neglect; or

"(B) the child who died was a ward of the State or was otherwise known to the State or local child welfare service agency.

"(2) A child death review team established in accordance with this subsection should have a membership that will present a range of viewpoints that are independent from any specific agency, and shall include representatives from, at a minimum, specific fields of expertise, such as law enforcement, health, mental health, child development, social work, and substance abuse, and from the community.

"(3) A State child death review team shall at a minimum—

"(A) provide support to a regional or local child death review team;

"(B) make public an annual summary of case findings;

"(C) provide recommendations for systemwide improvements in services to investigate and prevent future fatal abuse and neglect; and

"(D) if the State child death review team covers all counties in the State on its own, carry out the duties of a regional or local child death review team described in paragraph (4).

"(4) A regional or local child death review team shall—

"(A) conduct individual case reviews;

"(B) recommend followup procedures for child death cases; and

"(C) suggest and assist with system improvements in services to investigate and prevent future fatal abuse and neglect.".

(b) FEDERAL CHILD DEATH REVIEW TEAM.—Section 471 of the Social Security Act (42 U.S.C. 671), as amended by subsection (a), is amended by adding at the end the following:

"(d)(1) The Secretary shall establish a Federal child death review team that shall consist of at least the following:

"(A) Representatives of the following Federal agencies who have expertise in the prevention or treatment of child abuse and neglect:

"(i) Department of Health and Human Services.

"(ii) Department of Justice.

"(iii) Bureau of Indian Affairs.

"(iv) Department of Defense.

"(v) Bureau of the Census.

"(B) Representatives of national child-serving organizations who have expertise in the prevention or treatment of child abuse and neglect and that, at a minimum, represent the health, child welfare, social services, and law enforcement fields.

"(2) The Federal child death review team established under this subsection shall—

"(A) review ~~reports of child deaths on military installations and other Federal lands, and coordinate with Indian tribal organizations in the review of child deaths on Indian reservations~~; INSERT

"(B) upon request, provide guidance and technical assistance to States and localities seeking to initiate ~~or improve~~ child death review teams ~~and~~ to prevent child fatalities; and INSERT

"(C) develop recommendations on related policy and procedural issues for Congress, relevant Federal agencies, and States and localities for the purpose of preventing child fatalities.".

SEC. 104. STATES REQUIRED TO INITIATE OR JOIN PROCEEDINGS TO TERMINATE PARENTAL RIGHTS FOR CERTAIN CHILDREN IN FOSTER CARE.

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

(1) by striking "and" at the end of subparagraph (C);

INSERT on page 10, at line 5:

and analyze relevant data, annual summaries of case findings and recommendations prepared by the State child death review teams, and aggregate information on child deaths occurring on military installations, Indian reservations and other Federal lands

INSERT on page 10, at line 11:

or to strengthen child death review team functioning, including data collection and recommendation formulation activities, in order

(2) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(3) by adding at the end the following:

"(E) in the case of a child who has been in foster care under the responsibility of the State for 12 of the most recent 18 months, ~~or for a lifetime total of 24 months,~~ or, if a court of competent jurisdiction has determined an infant to have been abandoned (as defined under State law), or made a determination that the parent has committed murder of another child of such parent, committed voluntary manslaughter of another child of such parent, aided or abetted, attempted, conspired, or solicited to commit such murder or voluntary manslaughter, or committed a felony assault that results in serious bodily injury to the surviving child or to another child of such parent, the State shall file a petition to terminate the parental rights of the child's parents (or, if such a petition has been filed by another party, seek to be joined as a party to the petition), and, concurrently, to identify, recruit, process, and approve a qualified family for an adoption, unless—

"(i) at the option of the State, the child is being cared for by a relative; or

"(ii) a State court or State agency has documented a compelling reason for determining that filing such a petition would not be in the best interests of the child.".

(b) DETERMINATION OF BEGINNING OF FOSTER CARE.—Section 475(5) of the Social Security Act (42 U.S.C. 675(5)), as amended by subsection (a), is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(3) by adding at the end the following:

"(F) a child shall be considered to have entered foster care on the latter of—

"(i) the first time the child is removed from the home; or

"(ii) the date of the first judicial ~~hearing on removal of the child from the home~~ INSERT".

(c) ELIMINATION OF UNNECESSARY COURT DELAYS.—

INSERT on page 12, at line 21:

order placing the child in non-emergency foster care subsequent to a finding of maltreatment

(1) ONE-YEAR STATUTE OF LIMITATIONS FOR APPEALS OF ORDERS TERMINATING PARENTAL RIGHTS.—Section 471(a) of the Social Security Act (42 U.S.C. 671(a)), as amended by section 5591(b) of the Balanced Budget Act of 1997, is amended—

(A) by striking "and" at the end of paragraph (18);

(B) by striking the period at the end of paragraph (19) and inserting "; and"; and

(C) by adding at the end the following:

"(20) provides that an order terminating parental rights shall only be appealable during the 1-year period that begins on the date the order is issued.".

(2) ONE-YEAR STATUTE OF LIMITATIONS FOR APPEALS OF ORDERS OF REMOVAL.—Section 471(a) of the Social Security Act (42 U.S.C. 671(a)), as amended by subsection (a), is amended—

(A) in paragraph (19), by striking "and" at the end;

(B) in paragraph (20), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(21) provides that a court-ordered removal of a child shall only be appealable during the 1-year period that begins on the date the order is issued.".

(d) RULE OF CONSTRUCTION.—Nothing in part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.), as amended by this Act, shall be construed as precluding State courts or State agencies from initiating or finalizing the termination of parental rights for reasons other than, or for timelines earlier than, those specified in part E of title IV of such Act, when such actions are determined to be in the best interests of the child.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to children entering foster care under the responsibility of the State after the date of enactment of this Act.

(2) TRANSITION RULE FOR CURRENT FOSTER CARE CHILDREN.—Subject to paragraph (3), with respect to any child in foster care under the responsibility of the State on or before the date of enactment of this Act, the amendments made by this section shall not apply to such child until the date that is 1 year after the date of enactment of this Act.

(3) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—The provisions of section 501(b) shall apply to the effective date of the amendments made by this section.

custody or visitation orders" after "obligations,"; and

(B) in subparagraph (A)—

(i) by striking "or" at the end of clause (ii);

(ii) by striking the comma at the end of clause (iii) and inserting "; or"; and

(iii) by inserting after clause (iii) the following:

"(iv) who has or may have parental rights with respect to a child,"; and

(2) in subsection (c)—

(A) by striking the period at the end of paragraph (3) and inserting "; and"; and

(B) by adding at the end the following:

"(4) a State agency that is administering a program operated under a State plan under subpart 1 of part B, or a State plan approved under subpart 2 of part B or under part E.".

SEC. 107. CRIMINAL RECORDS CHECKS FOR PROSPECTIVE FOSTER AND ADOPTIVE PARENTS AND GROUP CARE STAFF.

Section 471(a) of the Social Security Act (42 U.S.C. 671(a)), as amended by section 104(c)(2), is amended—

(1) by striking "and" at the end of paragraph (20);

(2) by striking the period at the end of paragraph (21) and inserting "; and"; and

(3) by adding at the end the following:

"(22) provides procedures for criminal records checks and checks of a State's child abuse registry for any prospective foster parent or adoptive parent, and any employee of a residential child-care institution before the foster parent or adoptive parent, or the residential child-care institution may be finally approved for placement of a child on whose behalf foster care maintenance payments or adoption assistance payments are to be made under the State plan under this part, including procedures requiring that—

"(A) in any case in which a criminal record check reveals a criminal conviction for child abuse or neglect, or spousal abuse, a criminal conviction for crimes against children, or a criminal conviction for a crime involving violence, including violent drug-related offenses, rape, sexual or other physical assault, battery, or homicide, approval shall not be granted, unless the individual provides substantial evidence to ~~local law enforcement officials and~~ the State child protection agency proving that there are extraordinary circumstances which demonstrate that approval should be granted; and

"(B) in any case in which a criminal record check reveals a criminal conviction for a felony or misdemeanor not involving violence, or a check of any State child abuse registry indicates that a substantiated report of abuse or neglect exists, final approval may be granted only after consideration of the nature of the offense or incident, the length of time that has elapsed since the commission of the offense or the occurrence of the incident, the individual's life experiences during the period since the commission of the offense or the occurrence of the incident, and any risk to the child.".

SEC. 108. DEVELOPMENT OF STATE GUIDELINES TO ENSURE SAFE, QUALITY CARE TO CHILDREN IN OUT-OF-HOME PLACEMENTS.

Section 471(a)(10) of the Social Security Act (42 U.S.C. 671(a)(10)) is amended—

(1) by inserting "and guidelines" after "standards" each place it appears; and

(2) by inserting "ensuring quality services that protect the safety and health of children in foster care placements with nonprofit and for-profit agencies," after "related to".

SEC. 109. DOCUMENTATION OF EFFORTS FOR ADOPTION OR LOCATION OF A PERMANENT HOME.

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

(1) in paragraph (1)—

(A) in the last sentence—

(i) by striking "the case plan must also include"; and

(ii) by redesignating such sentence as subparagraph (D) and indenting appropriately; and

(B) by adding at the end, the following:

"(E) In the case of a child with respect to whom the State's goal is adoption or placement in another permanent home, documentation of the steps taken by the agency to find an adoptive family or other permanent living arrangement for the child, to place the child with an adoptive family, legal guardian, or in another planned permanent living arrangement, and to finalize the adoption or legal guardianship. At a minimum, such documentation shall include child specific recruitment efforts such as the use of State, regional, and national adoption exchanges including electronic exchange systems."; and

(2) in paragraph (5)(B), by inserting "(including the requirement specified in paragraph (1)(E))" after "case plan".

TITLE II—INCENTIVES FOR PROVIDING PERMANENT FAMILIES FOR CHILDREN

SEC. 201. ADOPTION INCENTIVE PAYMENTS.

Part E of title IV of the Social Security Act (42 U.S.C. 670–679) is amended by inserting after section 473 the following:

"SEC. 473A. ADOPTION INCENTIVE PAYMENTS.

"(a) GRANT AUTHORITY.—~~Subject to the availability of such amounts as may be provided in advance in appropriations Acts for this purpose, t~~The Secretary shall ~~may~~ make a grant to each State that is an incentive-eligible State for a fiscal year in an amount equal to the adoption incentive payment payable to the State for the fiscal year under this section, which shall be payable in the immediately succeeding fiscal year.

"(b) INCENTIVE-ELIGIBLE STATE.—A State is an incentive-eligible State for a fiscal year if—

"(1) the State has a plan approved under this part for the fiscal year;

"(2) the number of foster child adoptions in the State during the fiscal year exceeds the base number of foster child adoptions for the State for the fiscal year;

"(3) the State is in compliance with subsection (c) for the fiscal year; and

"(4) the fiscal year is any of fiscal years 1998 through 2002.

"(c) DATA REQUIREMENTS.—

"(1) IN GENERAL.—A State is in compliance with this subsection for a fiscal year if the State has provided to the Secretary the data described in paragraph (2) for fiscal year 1997 (or, if later, the fiscal year that precedes the first fiscal year for which the State seeks a grant under this section) and for each succeeding fiscal year.

"(2) DETERMINATION OF NUMBERS OF ADOPTIONS.—

"(A) DETERMINATIONS BASED ON AFCARS DATA.—Except as provided in subparagraph (B), the Secretary shall determine the numbers of foster child adoptions and of special needs adoptions in a State during each of fiscal years 1997 through 2002, for purposes of this section, on the basis of data meeting the requirements of the system established pursuant to section 479, as reported by the State ~~in May of the fiscal year and in November of the succeeding fiscal year,~~ and approved by the Secretary by ~~April~~ August 1 of the succeeding fiscal year.

"(B) ALTERNATIVE DATA SOURCES PERMITTED FOR FISCAL YEAR 1997.—For purposes of the determination described in subparagraph (A) for fiscal year 1997, the Secretary may use data from a source or sources other than that specified in subparagraph (A) that the Secretary finds to be of equivalent completeness and reliability, as reported by a State by November 30, 1997, and approved by the Secretary by March 1, 1998.

"(3) NO WAIVER OF AFCARS REQUIREMENTS.—This section shall not be construed to alter or affect any requirement of section 479 or any regulation prescribed under such section with respect to reporting of data by States, or to waive any penalty for failure to comply with the requirements.

"(d) ADOPTION INCENTIVE PAYMENT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the adoption incentive payment payable to a State for a fiscal year under this section shall be equal to the sum of—

"(A) ~~$2,000~~ $4000, multiplied by amount (if any) by which the number of foster child adoptions in the State during the fiscal year exceeds the base number of foster child adoptions for the State for the fiscal year; and

"(B) $2,000, multiplied by the amount (if any) by which the number of special needs adoptions in the State during the fiscal year exceeds the base number of special needs adoptions for the State for the fiscal year.

"(2) PRO RATA ADJUSTMENT IF INSUFFICIENT FUNDS AVAILABLE.—For any fiscal year, if the total amount of adoption incentive payments otherwise payable under this section for a fiscal year INSERT ~~exceeds the amount appropriated for that fiscal year, the amount of the adoption incentive payment payable to each State under this section for the fiscal year shall be—~~

~~"(A) the amount of the adoption incentive payment that would otherwise be payable to the~~

INSERT on page 23, at line 19:

(as determined under paragraph (1)) exceeds the difference between the maximum amount specified in subsection (h)(1) and the total amounts paid under this section in preceding fiscal years, the adoption incentive payment payable to a State in that fiscal year shall equal an amount which bears the same ratio to the difference as the amount determined for the State pursuant to paragraph (1) bears to the total amounts so determined for all States.

~~State under this section for the fiscal year; multiplied by~~

~~"(B) the percentage represented by the amount appropriated for that year, divided by the total amount of adoption incentive payments otherwise payable under this section for the fiscal year.~~

"(e) 2-YEAR AVAILABILITY OF INCENTIVE PAYMENTS.—Payments to a State under this section in a fiscal year shall remain available for use by the State through the end of the succeeding fiscal year.

"(f) LIMITATIONS ON USE OF INCENTIVE PAYMENTS.—A State shall not expend an amount paid to the State under this section except to provide to children or families any service (including post adoption services) that may be provided under part B or E. Amounts expended by a State in accordance with the preceding sentence shall be disregarded in determining State expenditures for purposes of Federal matching payments under section 474.

"(g) DEFINITIONS.—As used in this section:

"(1) FOSTER CHILD ADOPTION.—The term 'foster child adoption' means the final adoption of a child who, at the time of adoptive placement, was in foster care under the supervision of the State.

"(2) SPECIAL NEEDS ADOPTION.—The term 'special needs adoption' means the final adoption of a child for whom an adoption assistance agreement is in effect under section 473.

"(3) BASE NUMBER OF FOSTER CHILD ADOPTIONS.—The term 'base number of foster child adoptions for a State' means, with respect to a fiscal year, the largest number of foster child adoptions in the State in fiscal year 1997 (or, if later, the first fiscal year for which the State has furnished to the Secretary the data described in subsection (c)(2)) or in any succeeding fiscal year preceding the fiscal year.

"(4) BASE NUMBER OF SPECIAL NEEDS ADOPTIONS.—The term 'base number of special needs adoptions for a State' means, with respect to a fiscal year, the largest number of special needs adoptions in the State in fiscal year 1997 (or, if later, the first fiscal year for which the State has furnished to the Secretary the data described in subsection (c)(2)) or in any succeeding fiscal year preceding the fiscal year.

"(h) ~~LIMITATIONS ON AUTHORIZATION OF~~ APPROPRIATIONS.—

"(1) In general.—INSERT ~~For grants under this section, there are authorized to be appropriated to the Secretary $15,000,000 for each of fiscal years 1999 through 2003~~.

"(2) Availability.—Amounts appropriated under paragraph (1) are authorized to remain available until expended, but not after fiscal year 2004 ~~2003~~.".

SEC. 202. PROMOTION OF ADOPTION OF CHILDREN WITH SPECIAL NEEDS.

(a) In General.—Section 473(a) of the Social Security Act (42 U.S.C. 673(a)) is amended by striking paragraph (2) and inserting the following:

"(2)(A) For purposes of paragraph (1)(B)(ii), a child meets the requirements of this paragraph if such child—

"(i) prior to termination of parental rights and the initiation of adoption proceedings was in the care of a public or licensed private child care agency or Indian tribal organization either pursuant to a voluntary placement agreement (provided the child was in care for not more than 180 days) or as a result of a judicial determination to the effect that continuation in the home would be contrary to the safety and welfare of such child, or was residing in a foster family home or child care institution with the child's minor parent (either pursuant to such a

INSERT on page 26, at line 1:

There are appropriated for payment in fiscal years 1999 through 2003 a total amount not to exceed $108,000,000 for that 5-year period

Adoption, Safety, and Support for Abused and Neglected Children (PASS) Act to provide to children or families any service (including post-adoption services) that may be provided under this part or part B.".

SEC. 203. TECHNICAL ASSISTANCE. INSERT

"(~~a~~ 1) IN GENERAL.—The Secretary ~~of Health and Human Services~~ may, directly or through grants or contracts, provide technical assistance to assist States and local communities to reach their targets for increased numbers of adoptions and, to the extent that adoption is not possible, alternative permanent placements, for children in foster care.

"(~~b~~ 2) LIMITATIONS.—The technical assistance provided under ~~subsection (a)~~ paragraph (1) shall support the goal of encouraging more adoptions out of the foster care system, when adoptions promote the best interests of children, and shall include the following:

INDENT ACCORDINGLY

"(~~1~~ A) The development of best practice guidelines for expediting termination of parental rights.

"(~~2~~ B) Models to encourage the use of concurrent planning.

"(~~3~~ C) The development of specialized units and expertise in moving children toward adoption as a permanency goal.

INSERT on page 29, at line 6:

Section 476 of the Social Security Act (42 U.S.C. 676) is amended by adding after subsection (b) the following new subsection:

"(c) TECHNICAL ASSISTANCE TO FACILITATE ADOPTIONS OF CHILDREN IN FOSTER CARE.-

INDENT ACCORDINGLY

“(~~4~~ D) The development of risk assessment tools to facilitate early identification of the children who will be at risk of harm if returned home.

“(~~5~~ E) Models to encourage the fast tracking of children who have not attained 1 year of age into adoptive and pre-adoptive placements.

“(~~6~~ F) Development of programs that place children in pre-adoptive families without waiting for termination of parental rights.

“(~~7~~ G) Development of programs to recruit adoptive parents.”,

SEC. 204. ADOPTIONS ACROSS STATE AND COUNTY JURISDICTIONS.

(a) ELIMINATION OF GEOGRAPHIC BARRIERS TO INTERSTATE ADOPTION.—Section 471(a) of the Social Security Act (42 U.S.C. 671(a)), as amended by section 106, is amended—

(1) by striking “and” at the end of paragraph (21);

(2) by striking the period at the end of paragraph (22) and inserting “; and”; and

(3) by adding at the end the following:

“(23) provides that neither the State nor any other entity in the State that receives funds from

(1) in paragraph (22), by striking "and" at the end;

(2) in paragraph (23), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(24) provides that the State shall annually provide to the Secretary the information required under section 479A.".

TITLE III—ADDITIONAL IMPROVEMENTS AND REFORMS

SEC. 301. EXPANSION OF CHILD WELFARE DEMONSTRATION PROJECTS.

Section 1130(a) of the Social Security Act (42 U.S.C. 1320a–9(a)) is amended by striking "10" and inserting "15".

SEC. 302. PERMANENCY PLANNING HEARINGS.

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

(1) by striking "dispositional" and inserting "permanency planning";

(2) by striking "no later than" and all that follows through "12 months" and inserting "not later than 12 months after the original placement (and not less frequently than every ~~6~~ months"; and 12

"(i) Individual, group, and family counseling.

"(ii) Inpatient, residential, or outpatient substance abuse treatment services.

"(iii) Mental health services.

"(iv) Assistance to address domestic violence.

"(v) Transportation to or from any of the services and activities described in this subparagraph.".

(3) ADDITIONAL CONFORMING AMENDMENTS.—

(A) PURPOSES.—Section 430(a) of the Social Security Act (42 U.S.C. 629(a)) is amended by striking "and community-based family support services" and inserting ", community-based family support services, and time-limited family reunification services".

(B) EVALUATIONS.—Subparagraphs (B) and (C) of section 435(a)(2) of the Social Security Act (42 U.S.C. 629d(a)(2)) are each amended by striking "and family support" each place it appears and inserting ", family support, and family reunification".

INSERT

INSERT on page 51, after line 23:

(c) REAUTHORIZATION OF FUNDING FOR STATE COURTS TO ASSESS AND IMPROVE JUDICIAL HANDLING OF PROCEEDINGS RELATING TO FOSTER CARE AND ADOPTION.—

(1) REAUTHORIZATION OF RESERVATIONS UNDER THE SOCIAL SECURITY ACT.—Section 430(d)(2) of the Social Security Act (42 U.S.C. 629(d)(2)) is amended by striking "and 1998" and inserting "1998, 1999, 2000, 2001, 2002, and 2003".

(2) REAUTHORIZATION OF FUNDING UNDER THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993.—Section 13712 of the Omnibus Budge Reconciliation Act of 1993 (P.L. 103-66) is amended—

(A) in subsection (c)(1) by striking "through 1998" and inserting "through 2003";

(B) in subsection (c)(1)(B) by striking "through 1998" and inserting "through 2003"; and

(C) in subsection (d)(2) by striking "and 1998" and inserting "1998, 1999, 2000, 2001, 2002, and 2003".

SEC. 308. INNOVATION GRANTS TO REDUCE BACKLOGS OF CHILDREN AWAITING ADOPTION AND FOR OTHER PURPOSES.

Part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.) is amended by inserting after section 477, the following:

"SEC. 478. INNOVATION GRANTS.

"(a) AUTHORITY TO MAKE GRANTS.—The Secretary may make grants, in amounts determined by the Secretary, to States with approved applications described in subsection (c), for the purpose of carrying out the innovation projects described in subsection (b).

"(b) INNOVATION PROJECTS DESCRIBED.—The innovation projects described in this subsection are projects that are designed to achieve 1 or more of the following goals:

"(1) Reducing a backlog of children in long-term foster care or awaiting adoption placement.

"(2) Ensuring, not later than 1 year after a child enters foster care, a permanent placement for the child.

"(3) Identifying and addressing barriers that result in delays to permanent placements for children in foster care, including inadequate representation of child welfare agencies in termination of parental rights and adoption proceedings, and other barriers to termination of parental rights.

"(4) Implementing or expanding community-based permanency initiatives, particularly in communities where families reflect the ethnic and racial diversity of children in the State for whom foster and adoptive homes are needed.

"(5) Developing and implementing community-based child protection activities that involve partnerships among State and local governments, multiple child-serving agencies, the schools, and community leaders in an attempt to keep children free from abuse and neglect.

"(6) Establishing new partnerships with businesses and religious organizations to promote safety and permanence for children.

"(7) Assisting in the development and implementation of the State guidelines described in section 471(a)(10).

"(8) Developing new staffing approaches to allow the resources of several States to be used to conduct recruitment, placement, adoption, and post-adoption services on a regional basis.

~~"(9) Any other goal that the Secretary specifies by regulation.~~

"(c) APPLICATION.—An application for a grant under this section may be submitted for fiscal year 1998 or 1999 and shall contain—

"(1) a plan, in such form and manner as the Secretary may prescribe, for an innovation project described in subsection (b) that will be implemented by the State for a period of not more than 5 consecutive fiscal years, beginning with fiscal year 1998 or 1999, as applicable; and

"(2) an assurance that no waivers from provisions in law, as in effect at the time of the submission of the application, are required to implement the innovation project~~; and~~.

~~"(3) such other information as the Secretary may require by regulation.~~

"(d) DURATION.—An innovation project approved under this section shall be conducted for not more than 5 consecutive fiscal years, except that the Secretary may terminate a project before the end of the period originally approved if the Secretary determines that the State conducting the project is not in compliance with the terms of the plan and application approved by the Secretary under this section.

"(e) MATCHING REQUIREMENT.—A State shall not receive a grant under this section unless, for each year for which a grant is awarded, the State agrees to match the grant with $1 for every $3 received.

"(f) NONSUPPLANTING.—Any funds received by a State under a grant made under this section shall supplement but not replace any other funds that may be available for the same purpose in the localities involved.

"(g) EVALUATIONS AND REPORTS.—

"(1) STATE EVALUATIONS.—Each State administering an innovation project under this section shall—

"(A) provide for ongoing and retrospective evaluation of the project, meeting such conditions and standards as the Secretary may require; and

"(B) submit to the Secretary such reports, at such times, in such format, and containing such information as the Secretary may require.

"(2) REPORTS TO CONGRESS.—The Secretary shall, on the basis of reports received from States administering projects under this section, submit interim reports, and, not later than 6 months after the conclusion of all projects administered under this section, a final report to Congress. A report submitted under this subparagraph shall contain an assessment of the effectiveness of the State projects administered under this section and any recommendations for legislative action that the Secretary considers appropriate.

~~“(h) REGULATIONS.—Not later than 60 days after the date of enactment of this section, the Secretary shall promulgate final regulations for implementing this section~~.

“~~(i)~~ (h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to make grants under this section not more than $50,000,000 for each of fiscal years 1998 through 2003.”.

TITLE IV—MISCELLANEOUS

SEC. 401. PRESERVATION OF REASONABLE PARENTING.

Nothing in this Act is intended to disrupt the family unnecessarily or to intrude inappropriately into family life, to prohibit the use of reasonable methods of parental discipline, or to prescribe a particular method of parenting.

SEC. 402. REPORTING REQUIREMENTS.

Any information required to be reported under this Act shall be supplied to the Secretary of Health and Human Services through data meeting the requirements of the Adoption and Foster Care Analysis and Reporting System established pursuant to section 479 of the Social Security Act (42 U.S.C. 679), to the extent such data is available under that system. The Secretary shall make such modifications to regulations issued under section 479