

108TH CONGRESS  
1ST SESSION

# H. R. 743

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IN THE SENATE OF THE UNITED STATES

APRIL 3, 2003

Received; read twice and referred to the Committee on Finance

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## AN ACT

To amend the Social Security Act and the Internal Revenue Code of 1986 to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, to enhance program protections, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4        (a) **SHORT TITLE.**—This Act may be cited as the  
 5 “Social Security Protection Act of 2003”.

6        (b) **TABLE OF CONTENTS.**—The table of contents is  
 7 as follows:

Sec. 1. Short title and table of contents.

**TITLE I—PROTECTION OF BENEFICIARIES**

**Subtitle A—Representative Payees**

- Sec. 101. Authority to reissue benefits misused by organizational representative payees.
- Sec. 102. Oversight of representative payees.
- Sec. 103. Disqualification from service as representative payee of persons convicted of offenses resulting in imprisonment for more than 1 year or fleeing prosecution, custody, or confinement.
- Sec. 104. Fee forfeiture in case of benefit misuse by representative payees.
- Sec. 105. Liability of representative payees for misused benefits.
- Sec. 106. Authority to redirect delivery of benefit payments when a representative payee fails to provide required accounting.

**Subtitle B—Enforcement**

- Sec. 111. Civil monetary penalty authority with respect to wrongful conversions by representative payees.

**TITLE II—PROGRAM PROTECTIONS**

- Sec. 201. Civil monetary penalty authority with respect to knowing withholding of material facts.
- Sec. 202. Issuance by Commissioner of Social Security of receipts to acknowledge submission of reports of changes in work or earnings status of disabled beneficiaries.
- Sec. 203. Denial of title II benefits to persons fleeing prosecution, custody, or confinement, and to persons violating probation or parole.
- Sec. 204. Requirements relating to offers to provide for a fee a product or service available without charge from the Social Security Administration.
- Sec. 205. Refusal to recognize certain individuals as claimant representatives.
- Sec. 206. Penalty for corrupt or forcible interference with administration of Social Security Act.
- Sec. 207. Use of symbols, emblems, or names in reference to social security or medicare.
- Sec. 208. Disqualification from payment during trial work period upon conviction of fraudulent concealment of work activity.

Sec. 209. Authority for judicial orders of restitution.

#### TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

Sec. 301. Cap on attorney assessments.

Sec. 302. Extension of attorney fee payment system to title XVI claims.

#### TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

##### Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

Sec. 401. Application of demonstration authority sunset date to new projects.

Sec. 402. Expansion of waiver authority available in connection with demonstration projects providing for reductions in disability insurance benefits based on earnings.

Sec. 403. Funding of demonstration projects provided for reductions in disability insurance benefits based on earnings.

Sec. 404. Availability of Federal and State work incentive services to additional individuals.

Sec. 405. Technical amendment clarifying treatment for certain purposes of individual work plans under the Ticket to Work and Self-Sufficiency Program.

##### Subtitle B—Miscellaneous Amendments

Sec. 411. Elimination of transcript requirement in remand cases fully favorable to the claimant.

Sec. 412. Nonpayment of benefits upon removal from the United States.

Sec. 413. Reinstatement of certain reporting requirements.

Sec. 414. Clarification of definitions regarding certain survivor benefits.

Sec. 415. Clarification respecting the FICA and SECA tax exemptions for an individual whose earnings are subject to the laws of a totalization agreement partner.

Sec. 416. Coverage under divided retirement system for public employees in Kentucky.

Sec. 417. Compensation for the Social Security Advisory Board.

Sec. 418. 60-month period of employment requirement for application of government pension offset exemption.

##### Subtitle C—Technical Amendments

Sec. 421. Technical correction relating to responsible agency head.

Sec. 422. Technical correction relating to retirement benefits of ministers.

Sec. 423. Technical corrections relating to domestic employment.

Sec. 424. Technical corrections of outdated references.

Sec. 425. Technical correction respecting self-employment income in community property States.

1           **TITLE I—PROTECTION OF**  
2                           **BENEFICIARIES**  
3       **Subtitle A—Representative Payees**

4       **SEC. 101. AUTHORITY TO REISSUE BENEFITS MISUSED BY**  
5                           **ORGANIZATIONAL REPRESENTATIVE PAYEES.**

6           (a) TITLE II AMENDMENTS.—

7                   (1) REISSUANCE OF BENEFITS.—Section  
8           205(j)(5) of the Social Security Act (42  
9           U.S.C. 405(j)(5)) is amended by inserting after the  
10          first sentence the following new sentences: “In any  
11          case in which a representative payee that—

12                   “(A) is not an individual (regardless of whether  
13           it is a ‘qualified organization’ within the meaning of  
14           paragraph (4)(B)); or

15                   “(B) is an individual who, for any month dur-  
16           ing a period when misuse occurs, serves 15 or more  
17           individuals who are beneficiaries under this title,  
18           title VIII, title XVI, or any combination of such ti-  
19           tles;

20          misuses all or part of an individual’s benefit paid to such  
21          representative payee, the Commissioner of Social Security  
22          shall certify for payment to the beneficiary or the bene-  
23          ficiary’s alternative representative payee an amount equal  
24          to the amount of such benefit so misused. The provisions

1 of this paragraph are subject to the limitations of para-  
2 graph (7)(B).”.

3           (2) MISUSE OF BENEFITS DEFINED.—Section  
4           205(j) of such Act (42 U.S.C. 405(j)) is amended  
5           by adding at the end the following new paragraph:  
6           “(8) For purposes of this subsection, misuse of bene-  
7           fits by a representative payee occurs in any case in which  
8           the representative payee receives payment under this title  
9           for the use and benefit of another person and converts  
10          such payment, or any part thereof, to a use other than  
11          for the use and benefit of such other person. The Commis-  
12          sioner of Social Security may prescribe by regulation the  
13          meaning of the term ‘use and benefit’ for purposes of this  
14          paragraph.”.

15          (b) TITLE VIII AMENDMENTS.—

16               (1) REISSUANCE OF BENEFITS.—Section 807(i)  
17               of the Social Security Act (42 U.S.C. 1007(i)) (as  
18               amended by section 209(b)(1) of this Act) is amend-  
19               ed further by inserting after the first sentence the  
20               following new sentences: “In any case in which a  
21               representative payee that—

22                       “(A) is not an individual; or

23                       “(B) is an individual who, for any month  
24                       during a period when misuse occurs, serves 15  
25                       or more individuals who are beneficiaries under

1           this title, title II, title XVI, or any combination  
2           of such titles;

3           misuses all or part of an individual's benefit paid to  
4           such representative payee, the Commissioner of So-  
5           cial Security shall pay to the beneficiary or the bene-  
6           ficiary's alternative representative payee an amount  
7           equal to the amount of such benefit so misused. The  
8           provisions of this paragraph are subject to the limi-  
9           tations of subsection (1)(2).”.

10           (2) MISUSE OF BENEFITS DEFINED.—Section  
11           807 of such Act (42 U.S.C. 1007) is amended by  
12           adding at the end the following new subsection:

13           “(j) MISUSE OF BENEFITS.—For purposes of this  
14           title, misuse of benefits by a representative payee occurs  
15           in any case in which the representative payee receives pay-  
16           ment under this title for the use and benefit of another  
17           person under this title and converts such payment, or any  
18           part thereof, to a use other than for the use and benefit  
19           of such person. The Commissioner of Social Security may  
20           prescribe by regulation the meaning of the term ‘use and  
21           benefit’ for purposes of this subsection.”.

22           (3) TECHNICAL AMENDMENT.—Section 807(a)  
23           of such Act (42 U.S.C. 1007(a)) is amended, in the  
24           first sentence, by striking “for his or her benefit”  
25           and inserting “for his or her use and benefit”.

1 (c) TITLE XVI AMENDMENTS.—

2 (1) REISSUANCE OF BENEFITS.—Section  
3 1631(a)(2)(E) of such Act (42  
4 U.S.C. 1383(a)(2)(E)) is amended by inserting  
5 after the first sentence the following new sentences:

6 “In any case in which a representative payee that—

7 “(i) is not an individual (regardless of whether  
8 it is a ‘qualified organization’ within the meaning of  
9 subparagraph (D)(ii)); or

10 “(ii) is an individual who, for any month during  
11 a period when misuse occurs, serves 15 or more indi-  
12 viduals who are beneficiaries under this title, title II,  
13 title VIII, or any combination of such titles;

14 misuses all or part of an individual’s benefit paid to the  
15 representative payee, the Commissioner of Social Security  
16 shall pay to the beneficiary or the beneficiary’s alternative  
17 representative payee an amount equal to the amount of  
18 the benefit so misused. The provisions of this subpara-  
19 graph are subject to the limitations of subparagraph  
20 (H)(ii).”.

21 (2) EXCLUSION OF REISSUED BENEFITS FROM  
22 RESOURCES.—Section 1613(a) of such Act (42  
23 U.S.C. 1382b(a)) is amended—

24 (A) in paragraph (12), by striking “and”  
25 at the end;

1 (B) in paragraph (13), by striking the pe-  
2 riod and inserting “; and”; and

3 (C) by inserting after paragraph (13) the  
4 following new paragraph:

5 “(14) for the 9-month period beginning after  
6 the month in which received, any amount received by  
7 such individual (or spouse) or any other person  
8 whose income is deemed to be included in such indi-  
9 vidual’s (or spouse’s) income for purposes of this  
10 title as restitution for benefits under this title, title  
11 II, or title VIII that a representative payee of such  
12 individual (or spouse) or such other person under  
13 section 205(j), 807, or 1631(a)(2) has misused.”.

14 (3) MISUSE OF BENEFITS DEFINED.—Section  
15 1631(a)(2)(A) of such Act (42  
16 U.S.C. 1383(a)(2)(A)) is amended by adding at the  
17 end the following new clause:

18 “(iv) For purposes of this paragraph, misuse of bene-  
19 fits by a representative payee occurs in any case in which  
20 the representative payee receives payment under this title  
21 for the use and benefit of another person and converts  
22 such payment, or any part thereof, to a use other than  
23 for the use and benefit of such other person. The Commis-  
24 sioner of Social Security may prescribe by regulation the



1 meaning of the term ‘use and benefit’ for purposes of this  
2 clause.”.

3 (d) **EFFECTIVE DATE.**—The amendments made by  
4 this section shall apply to any case of benefit misuse by  
5 a representative payee with respect to which the Commis-  
6 sioner makes the determination of misuse on or after Jan-  
7 uary 1, 1995.

8 **SEC. 102. OVERSIGHT OF REPRESENTATIVE PAYEES.**

9 (a) **CERTIFICATION OF BONDING AND LICENSING**  
10 **REQUIREMENTS FOR NONGOVERNMENTAL ORGANIZA-**  
11 **TIONAL REPRESENTATIVE PAYEES.**—

12 (1) **TITLE II AMENDMENTS.**—Section 205(j) of  
13 the Social Security Act (42 U.S.C. 405(j)) is  
14 amended—

15 (A) in paragraph (2)(C)(v), by striking “a  
16 community-based nonprofit social service agen-  
17 cy licensed or bonded by the State” in sub-  
18 clause (I) and inserting “a certified community-  
19 based nonprofit social service agency (as de-  
20 fined in paragraph (9))”;

21 (B) in paragraph (3)(F), by striking “com-  
22 munity-based nonprofit social service agencies”  
23 and inserting “certified community-based non-  
24 profit social service agencies (as defined in  
25 paragraph (9))”;

1 (C) in paragraph (4)(B), by striking “any  
2 community-based nonprofit social service agen-  
3 cy which is bonded or licensed in each State in  
4 which it serves as a representative payee” and  
5 inserting “any certified community-based non-  
6 profit social service agency (as defined in para-  
7 graph (9))”; and

8 (D) by adding after paragraph (8) (as  
9 added by section 101(a)(2) of this Act) the fol-  
10 lowing new paragraph:

11 “(9) For purposes of this subsection, the term ‘cer-  
12 tified community-based nonprofit social service agency’  
13 means a community-based nonprofit social service agency  
14 which is in compliance with requirements, under regula-  
15 tions which shall be prescribed by the Commissioner, for  
16 annual certification to the Commissioner that it is bonded  
17 in accordance with requirements specified by the Commis-  
18 sioner and that it is licensed in each State in which it  
19 serves as a representative payee (if licensing is available  
20 in such State) in accordance with requirements specified  
21 by the Commissioner. Any such annual certification shall  
22 include a copy of any independent audit on such agency  
23 which may have been performed since the previous certifi-  
24 cation.”.

1           (2)    TITLE    XVI    AMENDMENTS.—Section  
2    1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is  
3    amended—

4           (A) in subparagraph (B)(vii), by striking  
5    “a community-based nonprofit social service  
6    agency licensed or bonded by the State” in sub-  
7    clause (I) and inserting “a certified community-  
8    based nonprofit social service agency (as de-  
9    fined in subparagraph (I))”;

10          (B) in subparagraph (D)(ii)—

11           (i) by striking “or any community-  
12    based” and all that follows through “in ac-  
13    cordance” in subclause (II) and inserting  
14    “or any certified community-based non-  
15    profit social service agency (as defined in  
16    subparagraph (I)), if the agency, in ac-  
17    cordance”;

18           (ii) by redesignating items (aa) and  
19    (bb) as subclauses (I) and (II), respectively  
20    (and adjusting the margination accord-  
21    ingly); and

22           (iii) by striking “subclause (II)(bb)”  
23    and inserting “subclause (II)”; and

24          (C) by adding at the end the following new  
25    subparagraph:

1       “(I) For purposes of this paragraph, the term ‘cer-  
2 tified community-based nonprofit social service agency’  
3 means a community-based nonprofit social service agency  
4 which is in compliance with requirements, under regula-  
5 tions which shall be prescribed by the Commissioner, for  
6 annual certification to the Commissioner that it is bonded  
7 in accordance with requirements specified by the Commis-  
8 sioner and that it is licensed in each State in which it  
9 serves as a representative payee (if licensing is available  
10 in the State) in accordance with requirements specified by  
11 the Commissioner. Any such annual certification shall in-  
12 clude a copy of any independent audit on the agency which  
13 may have been performed since the previous certifi-  
14 cation.”.

15           (3) EFFECTIVE DATE.—The amendments made  
16 by this subsection shall take effect on the first day  
17 of the thirteenth month beginning after the date of  
18 the enactment of this Act.

19           (b) PERIODIC ONSITE REVIEW.—

20           (1) TITLE II AMENDMENT.—Section 205(j)(6)  
21 of such Act (42 U.S.C. 405(j)(6)) is amended to  
22 read as follows:

23       “(6)(A) In addition to such other reviews of rep-  
24 resentative payees as the Commissioner of Social Security  
25 may otherwise conduct, the Commissioner shall provide for

1 the periodic onsite review of any person or agency located  
2 in the United States that receives the benefits payable  
3 under this title (alone or in combination with benefits pay-  
4 able under title VIII or title XVI) to another individual  
5 pursuant to the appointment of such person or agency as  
6 a representative payee under this subsection, section 807,  
7 or section 1631(a)(2) in any case in which—

8           “(i) the representative payee is a person who  
9           serves in that capacity with respect to 15 or more  
10          such individuals;

11           “(ii) the representative payee is a certified com-  
12          munity-based nonprofit social service agency (as de-  
13          fined in paragraph (9) of this subsection or section  
14          1631(a)(2)(I)); or

15           “(iii) the representative payee is an agency  
16          (other than an agency described in clause (ii)) that  
17          serves in that capacity with respect to 50 or more  
18          such individuals.

19          “(B) Within 120 days after the end of each fiscal  
20          year, the Commissioner shall submit to the Committee on  
21          Ways and Means of the House of Representatives and the  
22          Committee on Finance of the Senate a report on the re-  
23          sults of periodic onsite reviews conducted during the fiscal  
24          year pursuant to subparagraph (A) and of any other re-  
25          views of representative payees conducted during such fis-

1 cal year in connection with benefits under this title. Each  
2 such report shall describe in detail all problems identified  
3 in such reviews and any corrective action taken or planned  
4 to be taken to correct such problems, and shall include—

5 “(i) the number of such reviews;

6 “(ii) the results of such reviews;

7 “(iii) the number of cases in which the rep-  
8 resentative payee was changed and why;

9 “(iv) the number of cases involving the exercise  
10 of expedited, targeted oversight of the representative  
11 payee by the Commissioner conducted upon receipt  
12 of an allegation of misuse of funds, failure to pay a  
13 vendor, or a similar irregularity;

14 “(v) the number of cases discovered in which  
15 there was a misuse of funds;

16 “(vi) how any such cases of misuse of funds  
17 were dealt with by the Commissioner;

18 “(vii) the final disposition of such cases of mis-  
19 use of funds, including any criminal penalties im-  
20 posed; and

21 “(viii) such other information as the Commis-  
22 sioner deems appropriate.”.

23 (2) TITLE VIII AMENDMENT.—Section 807 of  
24 such Act (as amended by section 101(b)(2) of this

1 Act) is amended further by adding at the end the  
2 following new subsection:

3 “(k) PERIODIC ONSITE REVIEW.—(1) In addition to  
4 such other reviews of representative payees as the Com-  
5 missioner of Social Security may otherwise conduct, the  
6 Commissioner may provide for the periodic onsite review  
7 of any person or agency that receives the benefits payable  
8 under this title (alone or in combination with benefits pay-  
9 able under title II or title XVI) to another individual pur-  
10 suant to the appointment of such person or agency as a  
11 representative payee under this section, section 205(j), or  
12 section 1631(a)(2) in any case in which—

13 “(A) the representative payee is a person who  
14 serves in that capacity with respect to 15 or more  
15 such individuals; or

16 “(B) the representative payee is an agency that  
17 serves in that capacity with respect to 50 or more  
18 such individuals.

19 “(2) Within 120 days after the end of each fiscal  
20 year, the Commissioner shall submit to the Committee on  
21 Ways and Means of the House of Representatives and the  
22 Committee on Finance of the Senate a report on the re-  
23 sults of periodic onsite reviews conducted during the fiscal  
24 year pursuant to paragraph (1) and of any other reviews  
25 of representative payees conducted during such fiscal year

1 in connection with benefits under this title. Each such re-  
2 port shall describe in detail all problems identified in such  
3 reviews and any corrective action taken or planned to be  
4 taken to correct such problems, and shall include—

5 “(A) the number of such reviews;

6 “(B) the results of such reviews;

7 “(C) the number of cases in which the rep-  
8 resentative payee was changed and why;

9 “(D) the number of cases involving the exercise  
10 of expedited, targeted oversight of the representative  
11 payee by the Commissioner conducted upon receipt  
12 of an allegation of misuse of funds, failure to pay a  
13 vendor, or a similar irregularity;

14 “(E) the number of cases discovered in which  
15 there was a misuse of funds;

16 “(F) how any such cases of misuse of funds  
17 were dealt with by the Commissioner;

18 “(G) the final disposition of such cases of mis-  
19 use of funds, including any criminal penalties im-  
20 posed; and

21 “(H) such other information as the Commis-  
22 sioner deems appropriate.”.

23 (3) TITLE XVI AMENDMENT.—Section  
24 1631(a)(2)(G) of such Act (42



1 U.S.C. 1383(a)(2)(G)) is amended to read as fol-  
2 lows:

3 “(G)(i) In addition to such other reviews of rep-  
4 resentative payees as the Commissioner of Social Security  
5 may otherwise conduct, the Commissioner shall provide for  
6 the periodic onsite review of any person or agency that  
7 receives the benefits payable under this title (alone or in  
8 combination with benefits payable under title II or title  
9 VIII) to another individual pursuant to the appointment  
10 of the person or agency as a representative payee under  
11 this paragraph, section 205(j), or section 807 in any case  
12 in which—

13 “(I) the representative payee is a person who  
14 serves in that capacity with respect to 15 or more  
15 such individuals;

16 “(II) the representative payee is a certified  
17 community-based nonprofit social service agency (as  
18 defined in subparagraph (I) of this paragraph or  
19 section 205(j)(9)); or

20 “(III) the representative payee is an agency  
21 (other than an agency described in subclause (II))  
22 that serves in that capacity with respect to 50 or  
23 more such individuals.

24 “(ii) Within 120 days after the end of each fiscal  
25 year, the Commissioner shall submit to the Committee on

1 Ways and Means of the House of Representatives and the  
2 Committee on Finance of the Senate a report on the re-  
3 sults of periodic onsite reviews conducted during the fiscal  
4 year pursuant to clause (i) and of any other reviews of  
5 representative payees conducted during such fiscal year in  
6 connection with benefits under this title. Each such report  
7 shall describe in detail all problems identified in the re-  
8 views and any corrective action taken or planned to be  
9 taken to correct the problems, and shall include—

10           “(I) the number of the reviews;

11           “(II) the results of such reviews;

12           “(III) the number of cases in which the rep-  
13 resentative payee was changed and why;

14           “(IV) the number of cases involving the exercise  
15 of expedited, targeted oversight of the representative  
16 payee by the Commissioner conducted upon receipt  
17 of an allegation of misuse of funds, failure to pay a  
18 vendor, or a similar irregularity;

19           “(V) the number of cases discovered in which  
20 there was a misuse of funds;

21           “(VI) how any such cases of misuse of funds  
22 were dealt with by the Commissioner;

23           “(VII) the final disposition of such cases of  
24 misuse of funds, including any criminal penalties im-  
25 posed; and

1           “(VIII) such other information as the Commis-  
2           sioner deems appropriate.”.

3 **SEC. 103. DISQUALIFICATION FROM SERVICE AS REP-**  
4           **RESENTATIVE PAYEE OF PERSONS CON-**  
5           **VICTED OF OFFENSES RESULTING IN IMPRIS-**  
6           **ONMENT FOR MORE THAN 1 YEAR OR FLEE-**  
7           **ING PROSECUTION, CUSTODY, OR CONFINEMENT.**  
8           **MENT.**

9           (a) TITLE II AMENDMENTS.—Section 205(j)(2) of  
10 the Social Security Act (42 U.S.C. 405(j)(2)) is amend-  
11 ed—

12           (1) in subparagraph (B)(i)—

13                   (A) by striking “and” at the end of sub-  
14                   clause (III);

15                   (B) by redesignating subclause (IV) as  
16                   subclause (VI); and

17                   (C) by inserting after subclause (III) the  
18                   following new subclauses:

19                   “(IV) obtain information concerning whether  
20                   such person has been convicted of any other offense  
21                   under Federal or State law which resulted in impris-  
22                   onment for more than 1 year,

23                   “(V) obtain information concerning whether  
24                   such person is a person described in section  
25                   202(x)(1)(A)(iv), and”;

1           (2) in subparagraph (B), by adding at the end  
2           the following new clause:

3           “(iii) Notwithstanding the provisions of section 552a  
4 of title 5, United States Code, or any other provision of  
5 Federal or State law (other than section 6103 of the Inter-  
6 nal Revenue Code of 1986 and section 1106(c) of this  
7 Act), the Commissioner shall furnish any Federal, State,  
8 or local law enforcement officer, upon the written request  
9 of the officer, with the current address, social security ac-  
10 count number, and photograph (if applicable) of any per-  
11 son investigated under this paragraph, if the officer fur-  
12 nishes the Commissioner with the name of such person  
13 and such other identifying information as may reasonably  
14 be required by the Commissioner to establish the unique  
15 identity of such person, and notifies the Commissioner  
16 that—

17           “(I) such person is described in section  
18           202(x)(1)(A)(iv),

19           “(II) such person has information that is nec-  
20           essary for the officer to conduct the officer’s official  
21           duties, and

22           “(III) the location or apprehension of such per-  
23           son is within the officer’s official duties.”;

24           (3) in subparagraph (C)(i)(II), by striking  
25           “subparagraph (B)(i)(IV),” and inserting “subpara-

1 graph (B)(i)(VI)” and striking “section  
2 1631(a)(2)(B)(ii)(IV)” and inserting “section  
3 1631(a)(2)(B)(ii)(VI)”;

4 (4) in subparagraph (C)(i)—

5 (A) by striking “or” at the end of sub-  
6 clause (II);

7 (B) by striking the period at the end of  
8 subclause (III) and inserting a comma; and

9 (C) by adding at the end the following new  
10 subclauses:

11 “(IV) such person has previously been convicted  
12 as described in subparagraph (B)(i)(IV), unless the  
13 Commissioner determines that such certification  
14 would be appropriate notwithstanding such convic-  
15 tion, or

16 “(V) such person is person described in section  
17 202(x)(1)(A)(iv).”.

18 (b) TITLE VIII AMENDMENTS.—Section 807 of such  
19 Act (42 U.S.C. 1007) is amended—

20 (1) in subsection (b)(2)—

21 (A) by striking “and” at the end of sub-  
22 paragraph (C);

23 (B) by redesignating subparagraph (D) as  
24 subparagraph (F); and

1 (C) by inserting after subparagraph (C)  
2 the following new subparagraphs:

3 “(D) obtain information concerning wheth-  
4 er such person has been convicted of any other  
5 offense under Federal or State law which re-  
6 sulted in imprisonment for more than 1 year;

7 “(E) obtain information concerning wheth-  
8 er such person is a person described in section  
9 804(a)(2); and”;

10 (2) in subsection (b), by adding at the end the  
11 following new paragraph:

12 “(3) Notwithstanding the provisions of section  
13 552a of title 5, United States Code, or any other  
14 provision of Federal or State law (other than section  
15 6103 of the Internal Revenue Code of 1986 and sec-  
16 tion 1106(e) of this Act), the Commissioner shall  
17 furnish any Federal, State, or local law enforcement  
18 officer, upon the written request of the officer, with  
19 the current address, social security account number,  
20 and photograph (if applicable) of any person inves-  
21 tigated under this subsection, if the officer furnishes  
22 the Commissioner with the name of such person and  
23 such other identifying information as may reason-  
24 ably be required by the Commissioner to establish

1 the unique identity of such person, and notifies the  
2 Commissioner that—

3 “(A) such person is described in section  
4 804(a)(2),

5 “(B) such person has information that is  
6 necessary for the officer to conduct the officer’s  
7 official duties, and

8 “(C) the location or apprehension of such  
9 person is within the officer’s official duties.”;  
10 and

11 (3) in subsection (d)(1)—

12 (A) by striking “or” at the end of subpara-  
13 graph (B);

14 (B) by striking the period at the end of  
15 subparagraph (C) and inserting a semicolon;  
16 and

17 (C) by adding at the end the following new  
18 subparagraphs:

19 “(D) such person has previously been con-  
20 victed as described in subsection (b)(2)(D), un-  
21 less the Commissioner determines that such  
22 payment would be appropriate notwithstanding  
23 such conviction; or

24 “(E) such person is a person described in  
25 section 804(a)(2).”.

1           (c)       TITLE     XVI     AMENDMENTS.—Section  
2 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is  
3 amended—

4           (1) in clause (ii)—

5                   (A) by striking “and” at the end of sub-  
6 clause (III);

7                   (B) by redesignating subclause (IV) as  
8 subclause (VI); and

9                   (C) by inserting after subclause (III) the  
10 following new subclauses:

11                   “(IV) obtain information concerning whether  
12 the person has been convicted of any other offense  
13 under Federal or State law which resulted in impris-  
14 onment for more than 1 year;

15                   “(V) obtain information concerning whether  
16 such person is a person described in section  
17 1611(e)(4)(A); and”;

18           (2) in clause (iii)(II)—

19                   (A) by striking “clause (ii)(IV)” and in-  
20 serting “clause (ii)(VI)”; and

21                   (B)       by       striking       “section  
22 205(j)(2)(B)(i)(IV)” and inserting “section  
23 205(j)(2)(B)(i)(VI)”;

24           (3) in clause (iii)—



1 (A) by striking “or” at the end of sub-  
2 clause (II);

3 (B) by striking the period at the end of  
4 subclause (III) and inserting a semicolon; and

5 (C) by adding at the end the following new  
6 subclauses:

7 “(IV) the person has previously been convicted  
8 as described in clause (ii)(IV) of this subparagraph,  
9 unless the Commissioner determines that the pay-  
10 ment would be appropriate notwithstanding the con-  
11 viction; or

12 “(V) such person is a person described in sec-  
13 tion 1611(e)(4)(A).”; and

14 (4) by adding at the end the following new  
15 clause:

16 “(xiv) Notwithstanding the provisions of section 552a  
17 of title 5, United States Code, or any other provision of  
18 Federal or State law (other than section 6103 of the Inter-  
19 nal Revenue Code of 1986 and section 1106(c) of this  
20 Act), the Commissioner shall furnish any Federal, State,  
21 or local law enforcement officer, upon the written request  
22 of the officer, with the current address, social security ac-  
23 count number, and photograph (if applicable) of any per-  
24 son investigated under this subparagraph, if the officer  
25 furnishes the Commissioner with the name of such person

1 and such other identifying information as may reasonably  
2 be required by the Commissioner to establish the unique  
3 identity of such person, and notifies the Commissioner  
4 that—

5           “(I) such person is described in section  
6           1611(e)(4)(A),

7           “(II) such person has information that is nec-  
8           essary for the officer to conduct the officer’s official  
9           duties, and

10           “(III) the location or apprehension of such per-  
11           son is within the officer’s official duties.”.

12           (d) EFFECTIVE DATE.—The amendments made by  
13 this section shall take effect on the first day of the thir-  
14 teenth month beginning after the date of the enactment  
15 of this Act.

16           (e) REPORT TO THE CONGRESS.—The Commissioner  
17 of Social Security, in consultation with the Inspector Gen-  
18 eral of the Social Security Administration, shall prepare  
19 a report evaluating whether the existing procedures and  
20 reviews for the qualification (including disqualification) of  
21 representative payees are sufficient to enable the Commis-  
22 sioner to protect benefits from being misused by represent-  
23 ative payees. The Commissioner shall submit the report  
24 to the Committee on Ways and Means of the House of  
25 Representatives and the Committee on Finance of the

1 Senate no later than 270 days after the date of the enact-  
2 ment of this Act. The Commissioner shall include in such  
3 report any recommendations that the Commissioner con-  
4 siders appropriate.

5 **SEC. 104. FEE FORFEITURE IN CASE OF BENEFIT MISUSE**  
6 **BY REPRESENTATIVE PAYEES.**

7 (a) TITLE II AMENDMENTS.—Section 205(j)(4)(A)(i)  
8 of the Social Security Act (42 U.S.C. 405(j)(4)(A)(i)) is  
9 amended—

10 (1) in the first sentence, by striking “A” and  
11 inserting “Except as provided in the next sentence,  
12 a”; and

13 (2) in the second sentence, by striking “The  
14 Secretary” and inserting the following:

15 “A qualified organization may not collect a fee from an  
16 individual for any month with respect to which the Com-  
17 missioner of Social Security or a court of competent juris-  
18 diction has determined that the organization misused all  
19 or part of the individual’s benefit, and any amount so col-  
20 lected by the qualified organization for such month shall  
21 be treated as a misused part of the individual’s benefit  
22 for purposes of paragraphs (5) and (6). The Commis-  
23 sioner”.

1           (b)       TITLE       XVI       AMENDMENTS.—Section  
2 1631(a)(2)(D)(i)       of       such       Act       (42  
3 U.S.C. 1383(a)(2)(D)(i) is amended—

4           (1) in the first sentence, by striking “A” and  
5 inserting “Except as provided in the next sentence,  
6 a”; and

7           (2) in the second sentence, by striking “The  
8 Commissioner” and inserting the following: “A  
9 qualified organization may not collect a fee from an  
10 individual for any month with respect to which the  
11 Commissioner of Social Security or a court of com-  
12 petent jurisdiction has determined that the organiza-  
13 tion misused all or part of the individual’s benefit,  
14 and any amount so collected by the qualified organi-  
15 zation for such month shall be treated as a misused  
16 part of the individual’s benefit for purposes of sub-  
17 paragraphs (E) and (F). The Commissioner”.

18       (c) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to any month involving benefit mis-  
20 use by a representative payee in any case with respect to  
21 which the Commissioner of Social Security or a court of  
22 competent jurisdiction makes the determination of misuse  
23 after 180 days after the date of the enactment of this Act.

1 **SEC. 105. LIABILITY OF REPRESENTATIVE PAYEES FOR**  
2 **MISUSED BENEFITS.**

3 (a) TITLE II AMENDMENTS.—Section 205(j) of the  
4 Social Security Act (42 U.S.C. 405(j)) (as amended by  
5 sections 101 and 102) is amended further—

6 (1) by redesignating paragraphs (7), (8), and  
7 (9) as paragraphs (8), (9), and (10), respectively;

8 (2) in paragraphs (2)(C)(v), (3)(F), and (4)(B),  
9 by striking “paragraph (9)” and inserting “para-  
10 graph (10)”;

11 (3) in paragraph (6)(A)(ii), by striking “para-  
12 graph (9)” and inserting “paragraph (10)”; and

13 (4) by inserting after paragraph (6) the fol-  
14 lowing new paragraph:

15 “(7)(A) If the Commissioner of Social Security or a  
16 court of competent jurisdiction determines that a rep-  
17 resentative payee that is not a Federal, State, or local gov-  
18 ernment agency has misused all or part of an individual’s  
19 benefit that was paid to such representative payee under  
20 this subsection, the representative payee shall be liable for  
21 the amount misused, and such amount (to the extent not  
22 repaid by the representative payee) shall be treated as an  
23 overpayment of benefits under this title to the representa-  
24 tive payee for all purposes of this Act and related laws  
25 pertaining to the recovery of such overpayments. Subject  
26 to subparagraph (B), upon recovering all or any part of

1 such amount, the Commissioner shall certify an amount  
2 equal to the recovered amount for payment to such indi-  
3 vidual or such individual’s alternative representative  
4 payee.

5 “(B) The total of the amount certified for payment  
6 to such individual or such individual’s alternative rep-  
7 resentative payee under subparagraph (A) and the amount  
8 certified for payment under paragraph (5) may not exceed  
9 the total benefit amount misused by the representative  
10 payee with respect to such individual.”.

11 (b) TITLE VIII AMENDMENT.—Section 807 of such  
12 Act (as amended by section 102(b)(2)) is amended further  
13 by adding at the end the following new subsection:

14 “(1) LIABILITY FOR MISUSED AMOUNTS.—

15 “(1) IN GENERAL.—If the Commissioner of So-  
16 cial Security or a court of competent jurisdiction de-  
17 termines that a representative payee that is not a  
18 Federal, State, or local government agency has mis-  
19 used all or part of a qualified individual’s benefit  
20 that was paid to such representative payee under  
21 this section, the representative payee shall be liable  
22 for the amount misused, and such amount (to the  
23 extent not repaid by the representative payee) shall  
24 be treated as an overpayment of benefits under this  
25 title to the representative payee for all purposes of

1 this Act and related laws pertaining to the recovery  
2 of such overpayments. Subject to paragraph (2),  
3 upon recovering all or any part of such amount, the  
4 Commissioner shall make payment of an amount  
5 equal to the recovered amount to such qualified indi-  
6 vidual or such qualified individual’s alternative rep-  
7 resentative payee.

8 “(2) LIMITATION.—The total of the amount  
9 paid to such individual or such individual’s alter-  
10 native representative payee under paragraph (1) and  
11 the amount paid under subsection (i) may not ex-  
12 ceed the total benefit amount misused by the rep-  
13 resentative payee with respect to such individual.”.

14 (c) TITLE XVI AMENDMENTS.—Section 1631(a)(2)  
15 of such Act (42 U.S.C. 1383(a)(2)) (as amended by sec-  
16 tion 102(b)(3)) is amended further—

17 (1) in subparagraph (G)(i)(II), by striking “sec-  
18 tion 205(j)(9)” and inserting “section 205(j)(10)”;  
19 and

20 (2) by striking subparagraph (H) and inserting  
21 the following:

22 “(H)(i) If the Commissioner of Social Security or a  
23 court of competent jurisdiction determines that a rep-  
24 resentative payee that is not a Federal, State, or local gov-  
25 ernment agency has misused all or part of an individual’s

1 benefit that was paid to the representative payee under  
2 this paragraph, the representative payee shall be liable for  
3 the amount misused, and the amount (to the extent not  
4 repaid by the representative payee) shall be treated as an  
5 overpayment of benefits under this title to the representa-  
6 tive payee for all purposes of this Act and related laws  
7 pertaining to the recovery of the overpayments. Subject  
8 to clause (ii), upon recovering all or any part of the  
9 amount, the Commissioner shall make payment of an  
10 amount equal to the recovered amount to such individual  
11 or such individual's alternative representative payee.

12       “(ii) The total of the amount paid to such individual  
13 or such individual's alternative representative payee under  
14 clause (i) and the amount paid under subparagraph (E)  
15 may not exceed the total benefit amount misused by the  
16 representative payee with respect to such individual.”.

17       (d) **EFFECTIVE DATE.**—The amendments made by  
18 this section shall apply to benefit misuse by a representa-  
19 tive payee in any case with respect to which the Commis-  
20 sioner of Social Security or a court of competent jurisdic-  
21 tion makes the determination of misuse after 180 days  
22 after the date of the enactment of this Act.



1 **SEC. 106. AUTHORITY TO REDIRECT DELIVERY OF BENEFIT**  
2 **PAYMENTS WHEN A REPRESENTATIVE PAYEE**  
3 **FAILS TO PROVIDE REQUIRED ACCOUNTING.**

4 (a) TITLE II AMENDMENTS.—Section 205(j)(3) of  
5 the Social Security Act (42 U.S.C. 405(j)(3)) (as amend-  
6 ed by sections 102(a)(1)(B) and 105(a)(2)) is amended—

7 (1) by redesignating subparagraphs (E) and  
8 (F) as subparagraphs (F) and (G), respectively; and

9 (2) by inserting after subparagraph (D) the fol-  
10 lowing new subparagraph:

11 “(E) In any case in which the person described in  
12 subparagraph (A) or (D) receiving payments on behalf of  
13 another fails to submit a report required by the Commis-  
14 sioner of Social Security under subparagraph (A) or (D),  
15 the Commissioner may, after furnishing notice to such  
16 person and the individual entitled to such payment, re-  
17 quire that such person appear in person at a field office  
18 of the Social Security Administration serving the area in  
19 which the individual resides in order to receive such pay-  
20 ments.”.

21 (b) TITLE VIII AMENDMENTS.—Section 807(h) of  
22 such Act (42 U.S.C. 1007(h)) is amended—

23 (1) by redesignating paragraphs (3) and (4) as  
24 paragraphs (4) and (5), respectively; and

25 (2) by inserting after paragraph (2) the fol-  
26 lowing new paragraph:

1           “(3) AUTHORITY TO REDIRECT DELIVERY OF  
2           BENEFIT PAYMENTS WHEN A REPRESENTATIVE  
3           PAYEE FAILS TO PROVIDE REQUIRED ACCOUNT-  
4           ING.—In any case in which the person described in  
5           paragraph (1) or (2) receiving benefit payments on  
6           behalf of a qualified individual fails to submit a re-  
7           port required by the Commissioner of Social Secu-  
8           rity under paragraph (1) or (2), the Commissioner  
9           may, after furnishing notice to such person and the  
10          qualified individual, require that such person appear  
11          in person at a United States Government facility  
12          designated by the Social Security Administration as  
13          serving the area in which the qualified individual re-  
14          sides in order to receive such benefit payments.”.

15          (c)       TITLE       XVI       AMENDMENT.—Section  
16          1631(a)(2)(C) of such Act (42 U.S.C. 1383(a)(2)(C)) is  
17          amended by adding at the end the following new clause:

18          “(v) In any case in which the person described in  
19          clause (i) or (iv) receiving payments on behalf of another  
20          fails to submit a report required by the Commissioner of  
21          Social Security under clause (i) or (iv), the Commissioner  
22          may, after furnishing notice to the person and the indi-  
23          vidual entitled to the payment, require that such person  
24          appear in person at a field office of the Social Security

1 Administration serving the area in which the individual  
2 resides in order to receive such payments.”.

3 (d) **EFFECTIVE DATE.**—The amendment made by  
4 this section shall take effect 180 days after the date of  
5 the enactment of this Act.

## 6 **Subtitle B—Enforcement**

### 7 **SEC. 111. CIVIL MONETARY PENALTY AUTHORITY WITH RE-** 8 **SPECT TO WRONGFUL CONVERSIONS BY REP-** 9 **RESENTATIVE PAYEES.**

10 (a) **IN GENERAL.**—Section 1129(a) of the Social Se-  
11 curity Act (42 U.S.C. 1320a–8) is amended by adding at  
12 the end the following new paragraph:

13 “(3) Any person (including an organization, agency,  
14 or other entity) who, having received, while acting in the  
15 capacity of a representative payee pursuant to section  
16 205(j), 807, or 1631(a)(2), a payment under title II, VIII,  
17 or XVI for the use and benefit of another individual, con-  
18 verts such payment, or any part thereof, to a use that  
19 such person knows or should know is other than for the  
20 use and benefit of such other individual shall be subject  
21 to, in addition to any other penalties that may be pre-  
22 scribed by law, a civil money penalty of not more than  
23 \$5,000 for each such conversion. Such person shall also  
24 be subject to an assessment, in lieu of damages sustained  
25 by the United States resulting from the conversion, of not

1 more than twice the amount of any payments so con-  
2 verted.”.

3 (b) EFFECTIVE DATE.—The amendment made by  
4 this section shall apply with respect to violations com-  
5 mitted after the date of the enactment of this Act.

## 6 **TITLE II—PROGRAM** 7 **PROTECTIONS**

### 8 **SEC. 201. CIVIL MONETARY PENALTY AUTHORITY WITH RE-** 9 **SPECT TO KNOWING WITHHOLDING OF MATE-** 10 **RIAL FACTS.**

11 (a) TREATMENT OF WITHHOLDING OF MATERIAL  
12 FACTS.—

13 (1) CIVIL PENALTIES.—Section 1129(a)(1) of  
14 the Social Security Act (42 U.S.C. 1320a–8(a)(1))  
15 is amended—

16 (A) by striking “who” in the first sentence  
17 and inserting “who—”;

18 (B) by striking “makes” in the first sen-  
19 tence and all that follows through “shall be sub-  
20 ject to,” and inserting the following:

21 “(A) makes, or causes to be made, a statement  
22 or representation of a material fact, for use in deter-  
23 mining any initial or continuing right to or the  
24 amount of monthly insurance benefits under title II  
25 or benefits or payments under title VIII or XVI,

1 that the person knows or should know is false or  
2 misleading,

3 “(B) makes such a statement or representation  
4 for such use with knowing disregard for the truth,  
5 or

6 “(C) omits from a statement or representation  
7 for such use, or otherwise withholds disclosure of, a  
8 fact which the person knows or should know is mate-  
9 rial to the determination of any initial or continuing  
10 right to or the amount of monthly insurance benefits  
11 under title II or benefits or payments under title  
12 VIII or XVI, if the person knows, or should know,  
13 that the statement or representation with such omis-  
14 sion is false or misleading or that the withholding of  
15 such disclosure is misleading,

16 shall be subject to,”;

17 (C) by inserting “or each receipt of such  
18 benefits or payments while withholding disclo-  
19 sure of such fact” after “each such statement  
20 or representation” in the first sentence;

21 (D) by inserting “or because of such with-  
22 holding of disclosure of a material fact” after  
23 “because of such statement or representation”  
24 in the second sentence; and

1 (E) by inserting “or such a withholding of  
2 disclosure” after “such a statement or rep-  
3 resentation” in the second sentence.

4 (2) ADMINISTRATIVE PROCEDURE FOR IMPOS-  
5 ING PENALTIES.—Section 1129A(a) of such Act (42  
6 U.S.C. 1320a–8a(a)) is amended—

7 (A) by striking “who” the first place it ap-  
8 pears and inserting “who—”; and

9 (B) by striking “makes” and all that fol-  
10 lows through “shall be subject to,” and insert-  
11 ing the following:

12 “(1) makes, or causes to be made, a statement  
13 or representation of a material fact, for use in deter-  
14 mining any initial or continuing right to or the  
15 amount of monthly insurance benefits under title II  
16 or benefits or payments under title XVI that the  
17 person knows or should know is false or misleading,

18 “(2) makes such a statement or representation  
19 for such use with knowing disregard for the truth,  
20 or

21 “(3) omits from a statement or representation  
22 for such use, or otherwise withholds disclosure of, a  
23 fact which the person knows or should know is mate-  
24 rial to the determination of any initial or continuing  
25 right to or the amount of monthly insurance benefits

1 under title II or benefits or payments under title  
2 XVI, if the person knows, or should know, that the  
3 statement or representation with such omission is  
4 false or misleading or that the withholding of such  
5 disclosure is misleading,  
6 shall be subject to,”.

7 (b) CLARIFICATION OF TREATMENT OF RECOVERED  
8 AMOUNTS.—Section 1129(e)(2)(B) of such Act (42  
9 U.S.C. 1320a–8(e)(2)(B)) is amended by striking “In the  
10 case of amounts recovered arising out of a determination  
11 relating to title VIII or XVI,” and inserting “In the case  
12 of any other amounts recovered under this section,”.

13 (c) CONFORMING AMENDMENTS.—

14 (1) Section 1129(b)(3)(A) of such Act (42  
15 U.S.C. 1320a–8(b)(3)(A)) is amended by striking  
16 “charging fraud or false statements”.

17 (2) Section 1129(e)(1) of such Act (42  
18 U.S.C. 1320a–8(e)(1)) is amended by striking “and  
19 representations” and inserting “, representations, or  
20 actions”.

21 (3) Section 1129(e)(1)(A) of such Act (42  
22 U.S.C. 1320a–8(e)(1)(A)) is amended by striking  
23 “statement or representation referred to in sub-  
24 section (a) was made” and inserting “violation oc-  
25 curred”.

1 (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply with respect to violations com-  
3 mitted after the date on which the Commissioner imple-  
4 ments the centralized computer file described in section  
5 202.

6 **SEC. 202. ISSUANCE BY COMMISSIONER OF SOCIAL SECU-**  
7 **RITY OF RECEIPTS TO ACKNOWLEDGE SUB-**  
8 **MISSION OF REPORTS OF CHANGES IN WORK**  
9 **OR EARNINGS STATUS OF DISABLED BENE-**  
10 **FICIARIES.**

11 Effective as soon as possible, but not later than 1  
12 year after the date of the enactment of this Act, until such  
13 time as the Commissioner of Social Security implements  
14 a centralized computer file recording the date of the sub-  
15 mission of information by a disabled beneficiary (or rep-  
16 resentative) regarding a change in the beneficiary's work  
17 or earnings status, the Commissioner shall issue a receipt  
18 to the disabled beneficiary (or representative) each time  
19 he or she submits documentation, or otherwise reports to  
20 the Commissioner, on a change in such status.



1 **SEC. 203. DENIAL OF TITLE II BENEFITS TO PERSONS FLEE-**  
2 **ING PROSECUTION, CUSTODY, OR CONFINEMENT,**  
3 **AND TO PERSONS VIOLATING PROBATION**  
4 **OR PAROLE.**

5 (a) IN GENERAL.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

7 (1) in the heading, by striking “Prisoners” and  
8 all that follows and inserting the following: “Prisoners, Certain Other Inmates of Publicly Funded Institutions, Fugitives, Probationers, and Parolees”;

11 (2) in paragraph (1)(A)(ii)(IV), by striking  
12 “or” at the end;

13 (3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

15 (4) by inserting after paragraph (1)(A)(iii) the  
16 following:

17 “(iv) is fleeing to avoid prosecution, or custody  
18 or confinement after conviction, under the laws of  
19 the place from which the person flees, for a crime,  
20 or an attempt to commit a crime, which is a felony  
21 under the laws of the place from which the person  
22 flees, or which, in the case of the State of New Jersey,  
23 is a high misdemeanor under the laws of such  
24 State, or

25 “(v) is violating a condition of probation or parole  
26 imposed under Federal or State law.

1 In the case of an individual from whom such monthly ben-  
2 efits have been withheld pursuant to clause (iv) or (v),  
3 the Commissioner may, for good cause shown, pay such  
4 withheld benefits to the individual.”; and

5 (5) in paragraph (3), by adding at the end the  
6 following new subparagraph:

7 “(C) Notwithstanding the provisions of section 552a  
8 of title 5, United States Code, or any other provision of  
9 Federal or State law (other than section 6103 of the Inter-  
10 nal Revenue Code of 1986 and section 1106(c) of this  
11 Act), the Commissioner shall furnish any Federal, State,  
12 or local law enforcement officer, upon the written request  
13 of the officer, with the current address, Social Security  
14 number, and photograph (if applicable) of any beneficiary  
15 under this title, if the officer furnishes the Commissioner  
16 with the name of the beneficiary, and other identifying in-  
17 formation as reasonably required by the Commissioner to  
18 establish the unique identity of the beneficiary, and noti-  
19 fies the Commissioner that—

20 “(i) the beneficiary—

21 “(I) is described in clause (iv) or (v) of  
22 paragraph (1)(A); and

23 “(II) has information that is necessary for  
24 the officer to conduct the officer’s official du-  
25 ties; and

1           “(ii) the location or apprehension of the bene-  
2           ficiary is within the officer’s official duties.”.

3           (b) REGULATIONS.—Not later than the first day of  
4 the first month that begins on or after the date that is  
5 9 months after the date of the enactment of this Act, the  
6 Commissioner of Social Security shall promulgate regula-  
7 tions governing payment by the Commissioner, for good  
8 cause shown, of withheld benefits, pursuant to the last  
9 sentence of section 202(x)(1)(A) of the Social Security Act  
10 (as amended by subsection (a)).

11          (c) EFFECTIVE DATE.—The amendments made by  
12 subsection (a) shall take effect on the first day of the first  
13 month that begins on or after the date that is 9 months  
14 after the date of the enactment of this Act.

15 **SEC. 204. REQUIREMENTS RELATING TO OFFERS TO PRO-**  
16 **VIDE FOR A FEE A PRODUCT OR SERVICE**  
17 **AVAILABLE WITHOUT CHARGE FROM THE SO-**  
18 **CIAL SECURITY ADMINISTRATION.**

19          (a) IN GENERAL.—Section 1140 of the Social Secu-  
20 rity Act (42 U.S.C. 1320b–10) is amended—

21           (1) in subsection (a), by adding at the end the  
22 following new paragraph:

23           “(4)(A) No person shall offer, for a fee, to assist an  
24 individual to obtain a product or service that the person  
25 knows or should know is provided free of charge by the

1 Social Security Administration unless, at the time the  
2 offer is made, the person provides to the individual to  
3 whom the offer is tendered a notice that—

4 “(i) explains that the product or service is avail-  
5 able free of charge from the Social Security Admin-  
6 istration, and

7 “(ii) complies with standards prescribed by the  
8 Commissioner of Social Security respecting the con-  
9 tent of such notice and its placement, visibility, and  
10 legibility.

11 “(B) Subparagraph (A) shall not apply to any offer—

12 “(i) to serve as a claimant representative in  
13 connection with a claim arising under title II, title  
14 VIII, or title XVI; or

15 “(ii) to prepare, or assist in the preparation of,  
16 an individual’s plan for achieving self-support under  
17 title XVI.”; and

18 (2) in the heading, by striking “PROHIBITION  
19 OF MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN  
20 REFERENCE” and inserting “PROHIBITIONS RELAT-  
21 ING TO REFERENCES”.

22 (b) EFFECTIVE DATE.—The amendments made by  
23 this section shall apply to offers of assistance made after  
24 the sixth month ending after the Commissioner of Social  
25 Security promulgates final regulations prescribing the

1 standards applicable to the notice required to be provided  
2 in connection with such offer. The Commissioner shall  
3 promulgate such final regulations within 1 year after the  
4 date of the enactment of this Act.

5 **SEC. 205. REFUSAL TO RECOGNIZE CERTAIN INDIVIDUALS**  
6 **AS CLAIMANT REPRESENTATIVES.**

7 Section 206(a)(1) of the Social Security Act (42  
8 U.S.C. 406(a)(1)) is amended by inserting after the sec-  
9 ond sentence the following: “Notwithstanding the pre-  
10 ceding sentences, the Commissioner, after due notice and  
11 opportunity for hearing, (A) may refuse to recognize as  
12 a representative, and may disqualify a representative al-  
13 ready recognized, any attorney who has been disbarred or  
14 suspended from any court or bar to which he or she was  
15 previously admitted to practice or who has been disquali-  
16 fied from participating in or appearing before any Federal  
17 program or agency, and (B) may refuse to recognize, and  
18 may disqualify, as a non-attorney representative any attor-  
19 ney who has been disbarred or suspended from any court  
20 or bar to which he or she was previously admitted to prac-  
21 tice. A representative who has been disqualified or sus-  
22 pended pursuant to this section from appearing before the  
23 Social Security Administration as a result of collecting or  
24 receiving a fee in excess of the amount authorized shall  
25 be barred from appearing before the Social Security Ad-



1 person shall be fined not more than \$3,000, imprisoned  
2 not more than 1 year, or both. In this subsection, the  
3 term ‘threats of force’ means threats of harm to the officer  
4 or employee of the United States or to a contractor of  
5 the Social Security Administration, or to a member of the  
6 family of such an officer or employee or contractor.”.

7 **SEC. 207. USE OF SYMBOLS, EMBLEMS, OR NAMES IN REF-**  
8 **ERENCE TO SOCIAL SECURITY OR MEDICARE.**

9 (a) IN GENERAL.—Section 1140(a)(1) of the Social  
10 Security Act (42 U.S.C. 1320b–10(a)(1)) is amended—

11 (1) in subparagraph (A), by inserting “ ‘Cen-  
12 ters for Medicare & Medicaid Services’,” after  
13 “ ‘Health Care Financing Administration’,” by  
14 striking “or ‘Medicaid’, ” and inserting “ ‘Med-  
15 icaid’, ‘Death Benefits Update’, ‘Federal Benefit In-  
16 formation’, ‘Funeral Expenses’, or ‘Final Supple-  
17 mental Plan’,” and by inserting “ ‘CMS’,” after  
18 “ ‘HCFA’,”;

19 (2) in subparagraph (B), by inserting “Centers  
20 for Medicare & Medicaid Services,” after “Health  
21 Care Financing Administration,” each place it ap-  
22 pears; and

23 (3) in the matter following subparagraph (B),  
24 by striking “the Health Care Financing Administra-

1       tion,” each place it appears and inserting “the Cen-  
2       ters for Medicare & Medicaid Services,”.

3       (b) **EFFECTIVE DATE.**—The amendments made by  
4 this section shall apply to items sent after 180 days after  
5 the date of the enactment of this Act.

6 **SEC. 208. DISQUALIFICATION FROM PAYMENT DURING**  
7                   **TRIAL WORK PERIOD UPON CONVICTION OF**  
8                   **FRAUDULENT CONCEALMENT OF WORK AC-**  
9                   **TIVITY.**

10       (a) **IN GENERAL.**—Section 222(c) of the Social Secu-  
11 rity Act (42 U.S.C. 422(c)) is amended by adding at the  
12 end the following new paragraph:

13       “(5) Upon conviction by a Federal court that an indi-  
14 vidual has fraudulently concealed work activity during a  
15 period of trial work from the Commissioner of Social Secu-  
16 rity by—

17               “(A) providing false information to the Com-  
18 missioner of Social Security as to whether the indi-  
19 vidual had earnings in or for a particular period, or  
20 as to the amount thereof;

21               “(B) receiving disability insurance benefits  
22 under this title while engaging in work activity  
23 under another identity, including under another so-  
24 cial security account number or a number pur-  
25 porting to be a social security account number; or



1           “(C) taking other actions to conceal work activ-  
2           ity with an intent fraudulently to secure payment in  
3           a greater amount than is due or when no payment  
4           is authorized,  
5           no benefit shall be payable to such individual under this  
6           title with respect to a period of disability for any month  
7           before such conviction during which the individual ren-  
8           dered services during the period of trial work with respect  
9           to which the fraudulently concealed work activity occurred,  
10          and amounts otherwise due under this title as restitution,  
11          penalties, assessments, fines, or other repayments shall in  
12          all cases be in addition to any amounts for which such  
13          individual is liable as overpayments by reason of such con-  
14          cealment.”.

15          (b) **EFFECTIVE DATE.**—The amendment made by  
16          subsection (a) shall apply with respect to work activity  
17          performed after the date of the enactment of this Act.

18          **SEC. 209. AUTHORITY FOR JUDICIAL ORDERS OF RESTITU-**  
19                                       **TION.**

20          (a) **AMENDMENTS TO TITLE II.**—Section 208 of the  
21          Social Security Act (42 U.S.C. 408) is amended—

22                       (1) by redesignating subsections (b), (c), and  
23                       (d) as subsections (c), (d), and (e), respectively; and

24                       (2) by inserting after subsection (a) the fol-  
25          lowing new subsection:

1       “(b)(1) Any Federal court, when sentencing a defend-  
2 ant convicted of an offense under subsection (a), may  
3 order, in addition to or in lieu of any other penalty author-  
4 ized by law, that the defendant make restitution to the  
5 Social Security Administration.

6       “(2) Sections 3612, 3663, and 3664 of title 18,  
7 United States Code, shall apply with respect to the  
8 issuance and enforcement of orders of restitution under  
9 this subsection. In so applying such sections, the Social  
10 Security Administration shall be considered the victim.

11       “(3) If the court does not order restitution, or orders  
12 only partial restitution, under this subsection, the court  
13 shall state on the record the reasons therefor.”.

14       (b) AMENDMENTS TO TITLE VIII.—Section 807(i) of  
15 such Act (42 U.S.C. 1007(i)) is amended—

16             (1) by striking “(i) RESTITUTION.—In any case  
17 where” and inserting the following:

18             “(i) RESTITUTION.—

19                 “(1) IN GENERAL.—In any case where”; and

20                 (2) by adding at the end the following new  
21 paragraph:

22             “(2) COURT ORDER FOR RESTITUTION.—

23                 “(A) IN GENERAL.—Any Federal court,  
24 when sentencing a defendant convicted of an of-  
25 fense under subsection (a), may order, in addi-

1           tion to or in lieu of any other penalty author-  
2           ized by law, that the defendant make restitution  
3           to the Social Security Administration.

4           “(B) RELATED PROVISIONS.—Sections  
5           3612, 3663, and 3664 of title 18, United States  
6           Code, shall apply with respect to the issuance  
7           and enforcement of orders of restitution under  
8           this paragraph. In so applying such sections,  
9           the Social Security Administration shall be con-  
10          sidered the victim.

11          “(C) STATED REASONS FOR NOT ORDER-  
12          ING RESTITUTION.—If the court does not order  
13          restitution, or orders only partial restitution,  
14          under this paragraph, the court shall state on  
15          the record the reasons therefor.”.

16          (c) AMENDMENTS TO TITLE XVI.—Section 1632 of  
17          such Act (42 U.S.C. 1383a) is amended—

18               (1) by redesignating subsection (b) as sub-  
19               section (c); and

20               (2) by inserting after subsection (a) the fol-  
21               lowing new subsection:

22               “(b)(1) Any Federal court, when sentencing a defend-  
23               ant convicted of an offense under subsection (a), may  
24               order, in addition to or in lieu of any other penalty author-

1 ized by law, that the defendant make restitution to the  
2 Social Security Administration.

3 “(2) Sections 3612, 3663, and 3664 of title 18,  
4 United States Code, shall apply with respect to the  
5 issuance and enforcement of orders of restitution under  
6 this subsection. In so applying such sections, the Social  
7 Security Administration shall be considered the victim.

8 “(3) If the court does not order restitution, or orders  
9 only partial restitution, under this subsection, the court  
10 shall state on the record the reasons therefor.”.

11 (d) SPECIAL ACCOUNT FOR RECEIPT OF RESTITU-  
12 TION PAYMENTS.—Section 704(b) of such Act (42 U.S.C.  
13 904(b)) is amended by adding at the end the following  
14 new paragraph:

15 “(3)(A) Except as provided in subparagraph (B),  
16 amounts received by the Social Security Administration  
17 pursuant to an order of restitution under section 208(b),  
18 807(i), or 1632(b) shall be credited to a special fund es-  
19 tablished in the Treasury of the United States for  
20 amounts so received or recovered. The amounts so cred-  
21 ited, to the extent and in the amounts provided in advance  
22 in appropriations Acts, shall be available to defray ex-  
23 penses incurred in carrying out titles II, VIII, and XVI.

24 “(B) Subparagraph (A) shall not apply with respect  
25 to amounts received in connection with misuse by a rep-

1 representative payee (within the meaning of sections 205(j),  
2 807, and 1631(a)(2)) of funds paid as benefits under title  
3 II, VIII, or XVI. Such amounts received in connection  
4 with misuse of funds paid as benefits under title II shall  
5 be transferred to the Managing Trustee of the Federal  
6 Old-Age and Survivors Insurance Trust Fund or the Fed-  
7 eral Disability Insurance Trust Fund, as determined ap-  
8 propriate by the Commissioner of Social Security, and  
9 such amounts shall be deposited by the Managing Trustee  
10 into such Trust Fund. All other such amounts shall be  
11 deposited by the Commissioner into the general fund of  
12 the Treasury as miscellaneous receipts.”.

13 (e) EFFECTIVE DATE.—The amendments made by  
14 subsections (a), (b), and (c) shall apply with respect to  
15 violations occurring on or after the date of the enactment  
16 of this Act.

17 **TITLE III—ATTORNEY FEE PAY-**  
18 **MENT SYSTEM IMPROVE-**  
19 **MENTS**

20 **SEC. 301. CAP ON ATTORNEY ASSESSMENTS.**

21 (a) IN GENERAL.—Section 206(d)(2)(A) of the Social  
22 Security Act (42 U.S.C. 406(d)(2)(A)) is amended—

23 (1) by inserting “, except that the maximum  
24 amount of the assessment may not exceed the great-  
25 er of \$75 or the adjusted amount as provided pursu-

1 ant to the following two sentences” after “subpara-  
2 graph (B)”;

3 (2) by adding at the end the following new sen-  
4 tence: “In the case of any calendar year beginning  
5 after the amendments made by section 301 of the  
6 Social Security Protection Act of 2003 take effect,  
7 the dollar amount specified in the preceding sentence  
8 (including a previously adjusted amount) shall be  
9 adjusted annually under the procedures used to ad-  
10 just benefit amounts under section 215(i)(2)(A)(ii),  
11 except such adjustment shall be based on the higher  
12 of \$75 or the previously adjusted amount that would  
13 have been in effect for December of the preceding  
14 year, but for the rounding of such amount pursuant  
15 to the following sentence. Any amount so adjusted  
16 that is not a multiple of \$1 shall be rounded to the  
17 next lowest multiple of \$1, but in no case less than  
18 \$75.”.

19 (b) EFFECTIVE DATE.—The amendments made by  
20 this section shall apply with respect to fees for representa-  
21 tion of claimants which are first required to be certified  
22 or paid under section 206 of the Social Security Act on  
23 or after the first day of the first month that begins after  
24 180 days after the date of the enactment of this Act.

1 **SEC. 302. EXTENSION OF ATTORNEY FEE PAYMENT SYSTEM**  
2 **TO TITLE XVI CLAIMS.**

3 (a) IN GENERAL.—Section 1631(d)(2) of the Social  
4 Security Act (42 U.S.C. 1383(d)(2)) is amended—

5 (1) in subparagraph (A), in the matter pre-  
6 ceding clause (i)—

7 (A) by striking “section 206(a)” and in-  
8 serting “section 206”;

9 (B) by striking “(other than paragraph (4)  
10 thereof)” and inserting “(other than sub-  
11 sections (a)(4) and (d) thereof)”; and

12 (C) by striking “paragraph (2) thereof”  
13 and inserting “such section”;

14 (2) in subparagraph (A)(i), by striking “in sub-  
15 paragraphs (A)(ii)(I) and (C)(i),” and inserting “in  
16 subparagraphs (A)(ii)(I) and (D)(i) of subsection  
17 (a)(2)”, and by striking “and” at the end;

18 (3) by striking subparagraph (A)(ii) and insert-  
19 ing the following:

20 “(ii) by substituting, in subsections (a)(2)(B)  
21 and (b)(1)(B)(i), the phrase ‘section 1631(a)(7)(A)  
22 or the requirements of due process of law’ for the  
23 phrase ‘subsection (g) or (h) of section 223’;

24 “(iii) by substituting, in subsection (a)(2)(C)(i),  
25 the phrase ‘under title II’ for the phrase ‘under title  
26 XVI’;

1           “(iv) by substituting, in subsection (b)(1)(A),  
2           the phrase ‘pay the amount of such fee’ for the  
3           phrase ‘certify the amount of such fee for payment’  
4           and by striking, in subsection (b)(1)(A), the phrase  
5           ‘or certified for payment’; and

6           “(v) by substituting, in subsection (b)(1)(B)(ii),  
7           the phrase ‘deemed to be such amounts as deter-  
8           mined before any applicable reduction under section  
9           1631(g), and reduced by the amount of any reduc-  
10          tion in benefits under this title or title II made pur-  
11          suant to section 1127(a)’ for the phrase ‘determined  
12          before any applicable reduction under section  
13          1127(a))’.”; and

14          (4) by striking subparagraph (B) and inserting  
15          the following new subparagraphs:

16          “(B) Subject to subparagraph (C), if the claimant is  
17          determined to be entitled to past-due benefits under this  
18          title and the person representing the claimant is an attor-  
19          ney, the Commissioner of Social Security shall pay out of  
20          such past-due benefits to such attorney an amount equal  
21          to the lesser of—

22                 “(i) so much of the maximum fee as does not  
23                 exceed 25 percent of such past-due benefits (as de-  
24                 termined before any applicable reduction under sec-  
25                 tion 1631(g) and reduced by the amount of any re-



1       duction in benefits under this title or title II pursu-  
2       ant to section 1127(a)), or

3               “(ii) the amount of past-due benefits available  
4       after any applicable reductions under sections  
5       1631(g) and 1127(a).

6       “(C)(i) Whenever a fee for services is required to be  
7       paid to an attorney from a claimant’s past-due benefits  
8       pursuant to subparagraph (B), the Commissioner shall  
9       impose on the attorney an assessment calculated in ac-  
10      cordance with clause (ii).

11       “(ii)(I) The amount of an assessment under clause  
12      (i) shall be equal to the product obtained by multiplying  
13      the amount of the representative’s fee that would be re-  
14      quired to be paid by subparagraph (B) before the applica-  
15      tion of this subparagraph, by the percentage specified in  
16      subclause (II), except that the maximum amount of the  
17      assessment may not exceed \$75. In the case of any cal-  
18      endar year beginning after the amendments made by sec-  
19      tion 302 of the Social Security Protection Act of 2003  
20      take effect, the dollar amount specified in the preceding  
21      sentence (including a previously adjusted amount) shall be  
22      adjusted annually under the procedures used to adjust  
23      benefit amounts under section 215(i)(2)(A)(ii), except  
24      such adjustment shall be based on the higher of \$75 or  
25      the previously adjusted amount that would have been in

1 effect for December of the preceding year, but for the  
2 rounding of such amount pursuant to the following sen-  
3 tence. Any amount so adjusted that is not a multiple of  
4 \$1 shall be rounded to the next lowest multiple of \$1, but  
5 in no case less than \$75.

6 “(II) The percentage specified in this subclause is  
7 such percentage rate as the Commissioner determines is  
8 necessary in order to achieve full recovery of the costs of  
9 determining and approving fees to attorneys from the  
10 past-due benefits of claimants, but not in excess of 6.3  
11 percent.

12 “(iii) The Commissioner may collect the assessment  
13 imposed on an attorney under clause (i) by offset from  
14 the amount of the fee otherwise required by subparagraph  
15 (B) to be paid to the attorney from a claimant’s past-due  
16 benefits.

17 “(iv) An attorney subject to an assessment under  
18 clause (i) may not, directly or indirectly, request or other-  
19 wise obtain reimbursement for such assessment from the  
20 claimant whose claim gave rise to the assessment.

21 “(v) Assessments on attorneys collected under this  
22 subparagraph shall be deposited in the Treasury in a sepa-  
23 rate fund created for this purpose.

24 “(vi) The assessments authorized under this subpara-  
25 graph shall be collected and available for obligation only

1 to the extent and in the amount provided in advance in  
2 appropriations Acts. Amounts so appropriated are au-  
3 thorized to remain available until expended, for adminis-  
4 trative expenses in carrying out this title and related  
5 laws.”.

6 (b) EFFECTIVE DATE.—

7 (1) IN GENERAL.—The amendments made by  
8 this section shall apply with respect to fees for rep-  
9 resentation of claimants which are first required to  
10 be certified or paid under section 1631(d)(2) of the  
11 Social Security Act on or after the first day of the  
12 first month that begins after 270 days after the date  
13 of the enactment of this Act.

14 (2) SUNSET.—Such amendments shall not  
15 apply with respect to fees for representation of  
16 claimants in the case of any claim for benefits with  
17 respect to which the agreement for representation is  
18 entered into after 5 years after the date on which  
19 the Commissioner of Social Security first imple-  
20 ments the amendments made by this section.

21 (c) STUDY REGARDING FEE-WITHHOLDING FOR  
22 NON-ATTORNEY REPRESENTATIVES.—

23 (1) STUDY.—As soon as practicable after the  
24 date of the enactment of this Act, the Comptroller  
25 General of the United States shall undertake a study

1 regarding fee-withholding for non-attorney rep-  
2 resentatives representing claimants before the Social  
3 Security Administration.

4 (2) MATTERS TO BE STUDIED.—In conducting  
5 the study under this subsection, the Comptroller  
6 General shall—

7 (A) compare the non-attorney representa-  
8 tives who seek fee approval for representing  
9 claimants before the Social Security Adminis-  
10 tration to attorney representatives who seek  
11 such fee approval, with regard to—

12 (i) their training, qualifications, and  
13 competency,

14 (ii) the type and quality of services  
15 provided, and

16 (iii) the extent to which claimants are  
17 protected through oversight of such rep-  
18 resentatives by the Social Security Admin-  
19 istration or other organizations, and

20 (B) consider the potential results of ex-  
21 tending to non-attorney representatives the fee  
22 withholding procedures that apply under titles  
23 II and XVI of the Social Security Act for the  
24 payment of attorney fees, including the effect  
25 on claimants and program administration.

1           (3) REPORT.—Not later than 1 year after the  
2 date of the enactment of this Act, the Comptroller  
3 General shall submit to the Committee on Ways and  
4 Means of the House of Representatives and the  
5 Committee on Finance of the Senate a report detail-  
6 ing the results of the Comptroller General’s study  
7 conducted pursuant to this subsection.

8 **TITLE IV—MISCELLANEOUS AND**  
9 **TECHNICAL AMENDMENTS**

10 **Subtitle A—Amendments Relating**  
11 **to the Ticket to Work and Work**  
12 **Incentives Improvement Act of**  
13 **1999**

14 **SEC. 401. APPLICATION OF DEMONSTRATION AUTHORITY**  
15 **SUNSET DATE TO NEW PROJECTS.**

16 Section 234 of the Social Security Act (42  
17 U.S.C. 434) is amended—

18           (1) in the first sentence of subsection (c), by  
19 striking “conducted under subsection (a)” and in-  
20 serting “initiated under subsection (a) on or before  
21 December 17, 2004”; and

22           (2) in subsection (d)(2), by amending the first  
23 sentence to read as follows: “The authority to ini-  
24 tiate projects under the preceding provisions of this  
25 section shall terminate on December 18, 2004.”.

1 **SEC. 402. EXPANSION OF WAIVER AUTHORITY AVAILABLE**  
2 **IN CONNECTION WITH DEMONSTRATION**  
3 **PROJECTS PROVIDING FOR REDUCTIONS IN**  
4 **DISABILITY INSURANCE BENEFITS BASED ON**  
5 **EARNINGS.**

6 Section 302(c) of the Ticket to Work and Work In-  
7 centives Improvement Act of 1999 (42 U.S.C. 434 note)  
8 is amended by striking “(42 U.S.C. 401 et seq.),” and  
9 inserting “(42 U.S.C. 401 et seq.) and the requirements  
10 of section 1148 of such Act (42 U.S.C. 1320b–19) as they  
11 relate to the program established under title II of such  
12 Act.”.

13 **SEC. 403. FUNDING OF DEMONSTRATION PROJECTS PRO-**  
14 **VIDED FOR REDUCTIONS IN DISABILITY IN-**  
15 **SURANCE BENEFITS BASED ON EARNINGS.**

16 Section 302(f) of the Ticket to Work and Work In-  
17 centives Improvement Act of 1999 (42 U.S.C. 434 note)  
18 is amended to read as follows:

19 “(f) EXPENDITURES.—Administrative expenses for  
20 demonstration projects under this section shall be paid  
21 from funds available for the administration of title II or  
22 XVIII of the Social Security Act, as appropriate. Benefits  
23 payable to or on behalf of individuals by reason of partici-  
24 pation in projects under this section shall be made from  
25 the Federal Disability Insurance Trust Fund and the Fed-  
26 eral Old-Age and Survivors Insurance Trust Fund, as de-

1 terminated appropriate by the Commissioner of Social Secu-  
2 rity, and from the Federal Hospital Insurance Trust Fund  
3 and the Federal Supplementary Medical Insurance Trust  
4 Fund, as determined appropriate by the Secretary of  
5 Health and Human Services, from funds available for ben-  
6 efits under such title II or XVIII.”.

7 **SEC. 404. AVAILABILITY OF FEDERAL AND STATE WORK IN-**  
8 **CENTIVE SERVICES TO ADDITIONAL INDIVID-**  
9 **UALS.**

10 (a) FEDERAL WORK INCENTIVES OUTREACH PRO-  
11 GRAM.—

12 (1) IN GENERAL.—Section 1149(c)(2) of the  
13 Social Security Act (42 U.S.C. 1320b–20(c)(2)) is  
14 amended to read as follows:

15 “(2) DISABLED BENEFICIARY.—The term ‘dis-  
16 abled beneficiary’ means an individual—

17 “(A) who is a disabled beneficiary as de-  
18 fined in section 1148(k)(2) of this Act;

19 “(B) who is receiving a cash payment de-  
20 scribed in section 1616(a) of this Act or a sup-  
21 plementary payment described in section  
22 212(a)(3) of Public Law 93–66 (without regard  
23 to whether such payment is paid by the Com-  
24 missioner pursuant to an agreement under sec-

1           tion 1616(a) of this Act or under section  
2           212(b) of Public Law 93–66);

3           “(C) who, pursuant to section 1619(b) of  
4           this Act, is considered to be receiving benefits  
5           under title XVI of this Act; or

6           “(D) who is entitled to benefits under part  
7           A of title XVIII of this Act by reason of the pe-  
8           nultimate sentence of section 226(b) of this  
9           Act.”.

10          (2) EFFECTIVE DATE.—The amendment made  
11          by this subsection shall apply with respect to grants,  
12          cooperative agreements, or contracts entered into on  
13          or after the date of the enactment of this Act.

14          (b) STATE GRANTS FOR WORK INCENTIVES ASSIST-  
15          ANCE.—

16          (1) DEFINITION OF DISABLED BENEFICIARY.—  
17          Section 1150(g)(2) of such Act (42 U.S.C. 1320b-  
18          21(g)(2)) is amended to read as follows:

19          “(2) DISABLED BENEFICIARY.—The term ‘dis-  
20          abled beneficiary’ means an individual—

21                  “(A) who is a disabled beneficiary as de-  
22                  fined in section 1148(k)(2) of this Act;

23                  “(B) who is receiving a cash payment de-  
24                  scribed in section 1616(a) of this Act or a sup-  
25                  plementary payment described in section



1           212(a)(3) of Public Law 93–66 (without regard  
2           to whether such payment is paid by the Com-  
3           missioner pursuant to an agreement under sec-  
4           tion 1616(a) of this Act or under section  
5           212(b) of Public Law 93–66);

6           “(C) who, pursuant to section 1619(b) of  
7           this Act, is considered to be receiving benefits  
8           under title XVI of this Act; or

9           “(D) who is entitled to benefits under part  
10          A of title XVIII of this Act by reason of the pe-  
11          nultimate sentence of section 226(b) of this  
12          Act.”.

13          (2) ADVOCACY OR OTHER SERVICES NEEDED  
14          TO MAINTAIN GAINFUL EMPLOYMENT.—Section  
15          1150(b)(2) of such Act (42 U.S.C. 1320b–21(b)(2))  
16          is amended by striking “secure or regain” and in-  
17          serting “secure, maintain, or regain”.

18          (3) EFFECTIVE DATE.—The amendments made  
19          by this subsection shall apply with respect to pay-  
20          ments provided after the date of the enactment of  
21          this Act.

1 **SEC. 405. TECHNICAL AMENDMENT CLARIFYING TREAT-**  
2 **MENT FOR CERTAIN PURPOSES OF INDI-**  
3 **VIDUAL WORK PLANS UNDER THE TICKET TO**  
4 **WORK AND SELF-SUFFICIENCY PROGRAM.**

5 (a) IN GENERAL.—Section 1148(g)(1) of the Social  
6 Security Act (42 U.S.C. 1320b–19) is amended by adding  
7 at the end, after and below subparagraph (E), the fol-  
8 lowing new sentence:

9 “An individual work plan established pursuant to  
10 this subsection shall be treated, for purposes of sec-  
11 tion 51(d)(6)(B)(i) of the Internal Revenue Code of  
12 1986, as an individualized written plan for employ-  
13 ment under a State plan for vocational rehabilitation  
14 services approved under the Rehabilitation Act of  
15 1973.”.

16 (b) EFFECTIVE DATE.—The amendment made by  
17 subsection (a) shall take effect as if included in section  
18 505 of the Ticket to Work and Work Incentives Improve-  
19 ment Act of 1999 (Public Law 106–170; 113 Stat. 1921).

20 **Subtitle B—Miscellaneous**  
21 **Amendments**

22 **SEC. 411. ELIMINATION OF TRANSCRIPT REQUIREMENT IN**  
23 **REMAND CASES FULLY FAVORABLE TO THE**  
24 **CLAIMANT.**

25 (a) IN GENERAL.—Section 205(g) of the Social Secu-  
26 rity Act (42 U.S.C. 405(g)) is amended in the sixth sen-

1 tence by striking “and a transcript” and inserting “and,  
2 in any case in which the Commissioner has not made a  
3 decision fully favorable to the individual, a transcript”.

4 (b) EFFECTIVE DATE.—The amendment made by  
5 this section shall apply with respect to final determina-  
6 tions issued (upon remand) on or after the date of the  
7 enactment of this Act.

8 **SEC. 412. NONPAYMENT OF BENEFITS UPON REMOVAL**  
9 **FROM THE UNITED STATES.**

10 (a) IN GENERAL.—Paragraphs (1) and (2) of section  
11 202(n) of the Social Security Act (42 U.S.C. 402(n)(1),  
12 (2)) are each amended by striking “or (1)(E)”.

13 (b) EFFECTIVE DATE.—The amendment made by  
14 this section to section 202(n)(1) of the Social Security Act  
15 shall apply to individuals with respect to whom the Com-  
16 missioner of Social Security receives a removal notice from  
17 the Attorney General after the date of the enactment of  
18 this Act. The amendment made by this section to section  
19 202(n)(2) of the Social Security Act shall apply with re-  
20 spect to removals occurring after the date of the enact-  
21 ment of this Act.

22 **SEC. 413. REINSTATEMENT OF CERTAIN REPORTING RE-**  
23 **QUIREMENTS.**

24 Section 3003(a)(1) of the Federal Reports Elimini-  
25 nation and Sunset Act of 1995 (31 U.S.C. 1113 note)

1 shall not apply to any report required to be submitted  
2 under any of the following provisions of law:

3 (1)(A) Section 201(c)(2) of the Social Security  
4 Act (42 U.S.C. 401(c)(2)).

5 (B) Section 1817(b)(2) of the Social Security  
6 Act (42 U.S.C. 1395i(b)(2)).

7 (C) Section 1841(b)(2) of the Social Security  
8 Act (42 U.S.C. 1395t(b)(2)).

9 (2)(A) Section 221(c)(3)(C) of the Social Secu-  
10 rity Act (42 U.S.C. 421(c)(3)(C)).

11 (B) Section 221(i)(3) of the Social Security Act  
12 (42 U.S.C. 421(i)(3)).

13 **SEC. 414. CLARIFICATION OF DEFINITIONS REGARDING**  
14 **CERTAIN SURVIVOR BENEFITS.**

15 (a) WIDOWS.—Section 216(c) of the Social Security  
16 Act (42 U.S.C. 416(c)) is amended—

17 (1) by redesignating subclauses (A) through (C)  
18 of clause (6) as subclauses (i) through (iii), respec-  
19 tively;

20 (2) by redesignating clauses (1) through (6) as  
21 clauses (A) through (F), respectively;

22 (3) in clause (E) (as redesignated), by inserting  
23 “except as provided in paragraph (2),” before “she  
24 was married”;

25 (4) by inserting “(1)” after “(c)”; and

1           (5) by adding at the end the following new  
2 paragraph:

3           “(2) The requirements of paragraph (1)(E) in con-  
4 nection with the surviving wife of an individual shall be  
5 treated as satisfied if—

6           “(A) the individual had been married prior to  
7 the individual’s marriage to the surviving wife,

8           “(B) the prior wife was institutionalized during  
9 the individual’s marriage to the prior wife due to  
10 mental incompetence or similar incapacity,

11           “(C) during the period of the prior wife’s insti-  
12 tutionalization, the individual would have divorced  
13 the prior wife and married the surviving wife, but  
14 the individual did not do so because such divorce  
15 would have been unlawful, by reason of the prior  
16 wife’s institutionalization, under the laws of the  
17 State in which the individual was domiciled at the  
18 time (as determined based on evidence satisfactory  
19 to the Commissioner of Social Security),

20           “(D) the prior wife continued to remain institu-  
21 tionalized up to the time of her death, and

22           “(E) the individual married the surviving wife  
23 within 60 days after the prior wife’s death.”.

24           (b) WIDOWERS.—Section 216(g) of such Act (42  
25 U.S.C. 416(g)) is amended—

1           (1) by redesignating subclauses (A) through (C)  
2 of clause (6) as subclauses (i) through (iii), respec-  
3 tively;

4           (2) by redesignating clauses (1) through (6) as  
5 clauses (A) through (F), respectively;

6           (3) in clause (E) (as redesignated), by inserting  
7 “except as provided in paragraph (2),” before “he  
8 was married”;

9           (4) by inserting “(1)” after “(g)”; and

10          (5) by adding at the end the following new  
11 paragraph:

12          “(2) The requirements of paragraph (1)(E) in con-  
13 nection with the surviving husband of an individual shall  
14 be treated as satisfied if—

15           “(A) the individual had been married prior to  
16 the individual’s marriage to the surviving husband,

17           “(B) the prior husband was institutionalized  
18 during the individual’s marriage to the prior hus-  
19 band due to mental incompetence or similar inca-  
20 pacity,

21           “(C) during the period of the prior husband’s  
22 institutionalization, the individual would have di-  
23 vorced the prior husband and married the surviving  
24 husband, but the individual did not do so because  
25 such divorce would have been unlawful, by reason of

1 the prior husband's institutionalization, under the  
2 laws of the State in which the individual was domi-  
3 ciled at the time (as determined based on evidence  
4 satisfactory to the Commissioner of Social Security),

5 “(D) the prior husband continued to remain in-  
6 stitutionalized up to the time of his death, and

7 “(E) the individual married the surviving hus-  
8 band within 60 days after the prior husband's  
9 death.”.

10 (c) CONFORMING AMENDMENT.—Section 216(k) of  
11 such Act (42 U.S.C. 416(k)) is amended by striking  
12 “clause (5) of subsection (c) or clause (5) of subsection  
13 (g)” and inserting “clause (E) of subsection (c)(1) or  
14 clause (E) of subsection (g)(1)”.

15 (d) EFFECTIVE DATE.—The amendments made by  
16 this section shall be effective with respect to applications  
17 for benefits under title II of the Social Security Act filed  
18 during months ending after the date of the enactment of  
19 this Act.

1 **SEC. 415. CLARIFICATION RESPECTING THE FICA AND**  
2 **SECA TAX EXEMPTIONS FOR AN INDIVIDUAL**  
3 **WHOSE EARNINGS ARE SUBJECT TO THE**  
4 **LAWS OF A TOTALIZATION AGREEMENT**  
5 **PARTNER.**

6 Sections 1401(c), 3101(c), and 3111(c) of the Inter-  
7 nal Revenue Code of 1986 are each amended by striking  
8 “to taxes or contributions for similar purposes under” and  
9 inserting “exclusively to the laws applicable to”.

10 **SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYS-**  
11 **TEM FOR PUBLIC EMPLOYEES IN KENTUCKY.**

12 (a) IN GENERAL.—Section 218(d)(6)(C) of the Social  
13 Security Act (42 U.S.C. 418(d)(6)(C)) is amended by in-  
14 serting “Kentucky,” after “Illinois,”.

15 (b) EFFECTIVE DATE.—The amendment made by  
16 subsection (a) takes effect on January 1, 2003.

17 **SEC. 417. COMPENSATION FOR THE SOCIAL SECURITY AD-**  
18 **VISORY BOARD.**

19 (a) IN GENERAL.—Subsection (f) of section 703 of  
20 the Social Security Act (42 U.S.C. 903(f)) is amended to  
21 read as follows:

22 “Compensation, Expenses, and Per Diem

23 “(f) A member of the Board shall, for each day (in-  
24 cluding traveltime) during which the member is attending  
25 meetings or conferences of the Board or otherwise engaged  
26 in the business of the Board, be compensated at the daily



1 rate of basic pay for level IV of the Executive Schedule.  
2 While serving on business of the Board away from their  
3 homes or regular places of business, members may be al-  
4 lowed travel expenses, including per diem in lieu of sub-  
5 sistence, as authorized by section 5703 of title 5, United  
6 States Code, for persons in the Government employed  
7 intermittently.”.

8 (b) EFFECTIVE DATE.—The amendment made by  
9 this section shall be effective as of January 1, 2003.

10 **SEC. 418. 60-MONTH PERIOD OF EMPLOYMENT REQUIRE-**  
11 **MENT FOR APPLICATION OF GOVERNMENT**  
12 **PENSION OFFSET EXEMPTION.**

13 (a) WIFE’S INSURANCE BENEFITS.—Section  
14 202(b)(4)(A) of the Social Security Act (42 U.S.C.  
15 402(b)(4)(A)) is amended by striking “if, on” and insert-  
16 ing “if, during any portion of the last 60 months of such  
17 service ending with”.

18 (b) HUSBAND’S INSURANCE BENEFITS.—Section  
19 202(c)(2)(A) of such Act (42 U.S.C. 402(c)(2)(A)) is  
20 amended by striking “if, on” and inserting “if, during any  
21 portion of the last 60 months of such service ending with”.

22 (c) WIDOW’S INSURANCE BENEFITS.—Section  
23 202(e)(7)(A) of such Act (42 U.S.C. 402(e)(7)(A)) is  
24 amended by striking “if, on” and inserting “if, during any  
25 portion of the last 60 months of such service ending with”.

1 (d) WIDOWER'S INSURANCE BENEFITS.—Section  
2 202(f)(2)(A) of such Act (42 U.S.C. 402(f)(2)(A)) is  
3 amended by striking “if, on” and inserting “if, during any  
4 portion of the last 60 months of such service ending with”.

5 (e) MOTHER'S AND FATHER'S INSURANCE BENE-  
6 FITS.—Section 202(g)(4)(A) of the such Act (42 U.S.C.  
7 402(g)(4)(A)) is amended by striking “if, on” and insert-  
8 ing “if, during any portion of the last 60 months of such  
9 service ending with”.

10 (f) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply with respect to applications for  
12 benefits under title II of the Social Security Act filed on  
13 or after the first day of the first month that begins after  
14 the date of the enactment of this Act, except that such  
15 amendments shall not apply in connection with monthly  
16 periodic benefits of any individual based on earnings while  
17 in service described in section 202(b)(4)(A), 202(c)(2)(A),  
18 202(e)(7)(A), or 202(f)(2)(A) of the Social Security Act  
19 (in the matter preceding clause (i) thereof)—

20 (1) if the last day of such service occurs before  
21 the end of the 90-day period following the date of  
22 the enactment of this Act, or

23 (2) in any case in which the last day of such  
24 service occurs after the end of such 90-day period,  
25 such individual performed such service during such

1 90-day period which constituted “employment” as  
2 defined in section 210 of such Act, and all such  
3 service subsequently performed by such individual  
4 has constituted such “employment”.

## 5 **Subtitle C—Technical Amendments**

### 6 **SEC. 421. TECHNICAL CORRECTION RELATING TO RESPON-** 7 **SIBLE AGENCY HEAD.**

8 Section 1143 of the Social Security Act (42  
9 U.S.C. 1320b–13) is amended—

10 (1) by striking “Secretary” the first place it ap-  
11 pears and inserting “Commissioner of Social Secu-  
12 rity”; and

13 (2) by striking “Secretary” each subsequent  
14 place it appears and inserting “Commissioner”.

### 15 **SEC. 422. TECHNICAL CORRECTION RELATING TO RETIRE-** 16 **MENT BENEFITS OF MINISTERS.**

17 (a) IN GENERAL.—Section 211(a)(7) of the Social  
18 Security Act (42 U.S.C. 411(a)(7)) is amended by insert-  
19 ing “, but shall not include in any such net earnings from  
20 self-employment the rental value of any parsonage or any  
21 parsonage allowance (whether or not excluded under sec-  
22 tion 107 of the Internal Revenue Code of 1986) provided  
23 after the individual retires, or any other retirement benefit  
24 received by such individual from a church plan (as defined

1 in section 414(e) of such Code) after the individual re-  
2 tires” before the semicolon.

3 (b) EFFECTIVE DATE.—The amendment made by  
4 this section shall apply to years beginning before, on, or  
5 after December 31, 1994.

6 **SEC. 423. TECHNICAL CORRECTIONS RELATING TO DOMES-**  
7 **TIC EMPLOYMENT.**

8 (a) AMENDMENT TO INTERNAL REVENUE CODE.—  
9 Section 3121(a)(7)(B) of the Internal Revenue Code of  
10 1986 is amended by striking “described in subsection  
11 (g)(5)” and inserting “on a farm operated for profit”.

12 (b) AMENDMENT TO SOCIAL SECURITY ACT.—Sec-  
13 tion 209(a)(6)(B) of the Social Security Act (42  
14 U.S.C. 409(a)(6)(B)) is amended by striking “described  
15 in section 210(f)(5)” and inserting “on a farm operated  
16 for profit”.

17 (c) CONFORMING AMENDMENT.—Section 3121(g)(5)  
18 of such Code and section 210(f)(5) of such Act (42  
19 U.S.C. 410(f)(5)) are amended by striking “or is domes-  
20 tic service in a private home of the employer”.

21 **SEC. 424. TECHNICAL CORRECTIONS OF OUTDATED REF-**  
22 **ERENCES.**

23 (a) CORRECTION OF TERMINOLOGY AND CITATIONS  
24 RESPECTING REMOVAL FROM THE UNITED STATES.—  
25 Section 202(n) of the Social Security Act (42

1 U.S.C. 402(n)) (as amended by section 412) is amended  
2 further—

3 (1) by striking “deportation” each place it ap-  
4 pears and inserting “removal”;

5 (2) by striking “deported” each place it appears  
6 and inserting “removed”;

7 (3) in paragraph (1) (in the matter preceding  
8 subparagraph (A)), by striking “under section  
9 241(a) (other than under paragraph (1)(C) there-  
10 of)” and inserting “under section 237(a) (other than  
11 paragraph (1)(C) thereof) or 212(a)(6)(A)”;

12 (4) in paragraph (2), by striking “under any of  
13 the paragraphs of section 241(a) of the Immigration  
14 and Nationality Act (other than under paragraph  
15 (1)(C) thereof)” and inserting “under any of the  
16 paragraphs of section 237(a) of the Immigration and  
17 Nationality Act (other than paragraph (1)(C) there-  
18 of) or under section 212(a)(6)(A) of such Act”;

19 (5) in paragraph (3)—

20 (A) by striking “paragraph (19) of section  
21 241(a)” and inserting “subparagraph (D) of  
22 section 237(a)(4)”;

23 (B) by striking “paragraph (19)” and in-  
24 serting “subparagraph (D)”;

1           (6) in the heading, by striking “Deportation”  
2           and inserting “Removal”.

3           (b) CORRECTION OF CITATION RESPECTING THE  
4 TAX DEDUCTION RELATING TO HEALTH INSURANCE  
5 COSTS OF SELF-EMPLOYED INDIVIDUALS.—Section  
6 211(a)(15) of such Act (42 U.S.C. 411(a)(15)) is amend-  
7 ed by striking “section 162(m)” and inserting “section  
8 162(l)”.

9           (c) ELIMINATION OF REFERENCE TO OBSOLETE 20-  
10 DAY AGRICULTURAL WORK TEST.—Section 3102(a) of  
11 the Internal Revenue Code of 1986 is amended by striking  
12 “and the employee has not performed agricultural labor  
13 for the employer on 20 days or more in the calendar year  
14 for cash remuneration computed on a time basis”.

15 **SEC. 425. TECHNICAL CORRECTION RESPECTING SELF-EM-**  
16 **PLOYMENT INCOME IN COMMUNITY PROP-**  
17 **ERTY STATES.**

18           (a) SOCIAL SECURITY ACT AMENDMENT.—Section  
19 211(a)(5)(A) of the Social Security Act (42  
20 U.S.C. 411(a)(5)(A)) is amended by striking “all of the  
21 gross income” and all that follows and inserting “the gross  
22 income and deductions attributable to such trade or busi-  
23 ness shall be treated as the gross income and deductions  
24 of the spouse carrying on such trade or business or, if  
25 such trade or business is jointly operated, treated as the

1 gross income and deductions of each spouse on the basis  
2 of their respective distributive share of the gross income  
3 and deductions;”.

4 (b) INTERNAL REVENUE CODE OF 1986 AMEND-  
5 MENT.—Section 1402(a)(5)(A) of the Internal Revenue  
6 Code of 1986 is amended by striking “all of the gross in-  
7 come” and all that follows and inserting “the gross income  
8 and deductions attributable to such trade or business shall  
9 be treated as the gross income and deductions of the  
10 spouse carrying on such trade or business or, if such trade  
11 or business is jointly operated, treated as the gross income  
12 and deductions of each spouse on the basis of their respec-  
13 tive distributive share of the gross income and deductions;  
14 and”.

Passed the House of Representatives April 2, 2003.

Attest:

JEFF TRANDAHL,

*Clerk.*