

110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2608

---

IN THE SENATE OF THE UNITED STATES

JULY 16, 2007

Received; read twice and referred to the Committee on Finance

---

## AN ACT

To amend section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide, in fiscal years 2008 through 2010, extensions of supplemental security income for refugees, asylees, and certain other humanitarian immigrants, and to amend the Internal Revenue Code to collect unemployment compensation debts resulting from fraud.

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.**

4        This Act may be cited as the “SSI Extension for El-  
 5 derly and Disabled Refugees Act”.

6 **SEC. 2. SSI EXTENSIONS FOR HUMANITARIAN IMMIGRANTS.**

7        Section 402(a)(2) of the Personal Responsibility and  
 8 Work Opportunity Reconciliation Act of 1996 (8 U.S.C.  
 9 1612(a)(2)) is amended by adding at the end the fol-  
 10 lowing:

11                    “(M) SSI EXTENSIONS THROUGH FISCAL  
 12                    YEAR 2010.—

13                    “(i) TWO-YEAR EXTENSION.—

14                    “(I) IN GENERAL.—Except as  
 15                    provided in clause (ii), with respect to  
 16                    eligibility for benefits for the specified  
 17                    Federal program described in para-  
 18                    graph (3)(A), the 7-year period de-  
 19                    scribed in subparagraph (A) shall be  
 20                    deemed to be a 9-year period during  
 21                    fiscal years 2008 through 2010.

22                    “(II) ALIENS WHOSE BENEFITS  
 23                    CEASED IN PRIOR FISCAL YEARS.—

24                    “(aa) IN GENERAL.—Begin-  
 25                    ning on the date of the enact-

1                   ment of the SSI Extension for  
2                   Elderly and Disabled Refugees  
3                   Act, any qualified alien rendered  
4                   ineligible for the specified Fed-  
5                   eral program described in para-  
6                   graph (3)(A) during fiscal years  
7                   prior to fiscal year 2008 solely by  
8                   reason of the termination of the  
9                   7-year period described in sub-  
10                  paragraph (A) shall be eligible  
11                  for such program for an addi-  
12                  tional 2-year period in accord-  
13                  ance with this clause, if such  
14                  alien meets all other eligibility  
15                  factors under title XVI of the So-  
16                  cial Security Act.

17                   “(bb) PAYMENT OF BENE-  
18                   FITS.—Benefits paid under item  
19                   (aa) shall be paid prospectively  
20                   over the duration of the qualified  
21                   alien’s renewed eligibility.

22                   “(ii) PENDING NATURALIZATION AP-  
23                   PLICATION.—With respect to eligibility for  
24                   benefits for the specified program de-  
25                   scribed in paragraph (3)(A), subsection

1 (a)(1) shall not apply during fiscal years  
2 2008 through 2010 to an alien described  
3 in one of clauses (i) through (v) of sub-  
4 paragraph (A), if the alien has submitted  
5 an application for naturalization that is  
6 pending before the Secretary of Homeland  
7 Security, and such submission is verified  
8 by the Commissioner of Social Security ei-  
9 ther by receiving a receipt number from  
10 the alien for such submitted application or  
11 by receiving confirmation from the Sec-  
12 retary of Homeland Security.”.

13 **SEC. 3. COLLECTION OF UNEMPLOYMENT COMPENSATION**  
14 **DEBTS RESULTING FROM FRAUD.**

15 (a) IN GENERAL.—Section 6402 of the Internal Rev-  
16 enue Code (relating to authority to make credits or re-  
17 funds) is amended by redesignating subsections (f)  
18 through (k) as subsections (g) through (l), respectively,  
19 and by inserting after subsection (e) the following new  
20 subsection:

21 “(f) COLLECTION OF UNEMPLOYMENT COMPENSA-  
22 TION DEBTS RESULTING FROM FRAUD.—

23 “(1) IN GENERAL.—Upon receiving notice from  
24 any State that a named person owes a covered un-  
25 employment compensation debt to such State, the

1 Secretary shall, under such conditions as may be  
2 prescribed by the Secretary—

3 “(A) reduce the amount of any overpay-  
4 ment payable to such person by the amount of  
5 such covered unemployment compensation debt;

6 “(B) pay the amount by which such over-  
7 payment is reduced under subparagraph (A) to  
8 such State and notify such State of such per-  
9 son’s name, taxpayer identification number, ad-  
10 dress, and the amount collected; and

11 “(C) notify the person making such over-  
12 payment that the overpayment has been re-  
13 duced by an amount necessary to satisfy a cov-  
14 ered unemployment compensation debt.

15 If an offset is made pursuant to a joint return, the  
16 notice under subparagraph (B) shall include the  
17 names, taxpayer identification numbers, and ad-  
18 dresses of each person filing such return and the no-  
19 tice under subparagraph (C) shall include informa-  
20 tion related to the rights of a spouse of a person  
21 subject to such an offset.

22 “(2) PRIORITIES FOR OFFSET.—Any overpay-  
23 ment by a person shall be reduced pursuant to this  
24 subsection—

1           “(A) after such overpayment is reduced  
2           pursuant to—

3                   “(i) subsection (a) with respect to any  
4                   liability for any internal revenue tax on the  
5                   part of the person who made the overpay-  
6                   ment;

7                   “(ii) subsection (c) with respect to  
8                   past-due support; and

9                   “(iii) subsection (d) with respect to  
10                  any past-due, legally enforceable debt owed  
11                  to a Federal agency; and

12                  “(B) before such overpayment is credited  
13                  to the future liability for any Federal internal  
14                  revenue tax of such person pursuant to sub-  
15                  section (b).

16           If the Secretary receives notice from a State or  
17           States of more than one debt subject to paragraph  
18           (1) or subsection (e) that is owed by a person to  
19           such State or States, any overpayment by such per-  
20           son shall be applied against such debts in the order  
21           in which such debts acerued.

22                  “(3) NOTICE; CONSIDERATION OF EVIDENCE.—  
23                  No State may take action under this subsection until  
24                  such State—

1           “(A) notifies the person owing the covered  
2           unemployment compensation debt that the  
3           State proposes to take action pursuant to this  
4           section;

5           “(B) provides such person at least 60 days  
6           to present evidence that all or part of such li-  
7           ability is not legally enforceable or due to fraud;

8           “(C) considers any evidence presented by  
9           such person and determines that an amount of  
10          such debt is legally enforceable and due to  
11          fraud; and

12          “(D) satisfies such other conditions as the  
13          Secretary may prescribe to ensure that the de-  
14          termination made under subparagraph (C) is  
15          valid and that the State has made reasonable  
16          efforts to obtain payment of such covered un-  
17          employment compensation debt.

18          “(4) COVERED UNEMPLOYMENT COMPENSATION  
19          DEBT.—For purposes of this subsection, the term  
20          ‘covered unemployment compensation debt’ means—

21                 “(A) a past-due debt for erroneous pay-  
22                 ment of unemployment compensation due to  
23                 fraud which has become final under the law of  
24                 a State certified by the Secretary of Labor pur-

1           suant to section 3304 and which remains uncol-  
2           lected;

3           “(B) contributions due to the unemploy-  
4           ment fund of a State for which the State has  
5           determined the person to be liable due to fraud;  
6           and

7           “(C) any penalties and interest assessed on  
8           such debt.

9           “(5) REGULATIONS.—

10           “(A) IN GENERAL.—The Secretary may  
11           issue regulations prescribing the time and man-  
12           ner in which States must submit notices of cov-  
13           ered unemployment compensation debt and the  
14           necessary information that must be contained  
15           in or accompany such notices. The regulations  
16           may specify the minimum amount of debt to  
17           which the reduction procedure established by  
18           paragraph (1) may be applied.

19           “(B) FEE PAYABLE TO SECRETARY.—The  
20           regulations may require States to pay a fee to  
21           the Secretary, which may be deducted from  
22           amounts collected, to reimburse the Secretary  
23           for the cost of applying such procedure. Any fee  
24           paid to the Secretary pursuant to the preceding  
25           sentence shall be used to reimburse appropria-

1           tions which bore all or part of the cost of apply-  
2           ing such procedure.

3           “(C) SUBMISSION OF NOTICES THROUGH  
4           SECRETARY OF LABOR.—The regulations may  
5           include a requirement that States submit no-  
6           tices of covered unemployment compensation  
7           debt to the Secretary via the Secretary of Labor  
8           in accordance with procedures established by  
9           the Secretary of Labor. Such procedures may  
10          require States to pay a fee to the Secretary of  
11          Labor to reimburse the Secretary of Labor for  
12          the costs of applying this subsection. Any such  
13          fee shall be established in consultation with the  
14          Secretary of the Treasury. Any fee paid to the  
15          Secretary of Labor may be deducted from  
16          amounts collected and shall be used to reim-  
17          burse the appropriation account which bore all  
18          or part of the cost of applying this subsection.

19          “(6) ERRONEOUS PAYMENT TO STATE.—Any  
20          State receiving notice from the Secretary that an er-  
21          roneous payment has been made to such State under  
22          paragraph (1) shall pay promptly to the Secretary,  
23          in accordance with such regulations as the Secretary  
24          may prescribe, an amount equal to the amount of  
25          such erroneous payment (without regard to whether

1 any other amounts payable to such State under such  
2 paragraph have been paid to such State).”.

3 (b) DISCLOSURE OF CERTAIN INFORMATION TO  
4 STATES REQUESTING REFUND OFFSETS FOR LEGALLY  
5 ENFORCEABLE STATE UNEMPLOYMENT COMPENSATION  
6 DEBT RESULTING FROM FRAUD.—

7 (1) GENERAL RULE.—Paragraph (3) of section  
8 6103(a) of such Code is amended by inserting  
9 “(10),” after “(6),”.

10 (2) DISCLOSURE TO DEPARTMENT OF LABOR  
11 AND ITS AGENT.—Paragraph (10) of section 6103(l)  
12 of such Code is amended—

13 (A) by striking “(c), (d), or (e)” each place  
14 it appears in the heading and text and inserting  
15 “(c), (d), (e), or (f),”

16 (B) in subparagraph (A) by inserting “, to  
17 officers and employees of the Department of  
18 Labor and its agent for purposes of facilitating  
19 the exchange of data in connection with a re-  
20 quest made under subsection (f)(5) of section  
21 6402,” after “section 6402”, and

22 (C) in subparagraph (B) by inserting “,  
23 and any agents of the Department of Labor,”  
24 after “agency” the first place it appears.

1           (3) SAFEGUARDS.—Paragraph (4) of section  
2 6103(p) of such Code is amended—

3           (A) in the matter preceding subparagraph  
4 (A), by striking “(l)(16),” and inserting  
5 “(l)(10), (16),”;

6           (B) in subparagraph (F)(i), by striking  
7 “(l)(16),” and inserting “(l)(10), (16),”;

8           (C) in the matter following subparagraph  
9 (F)(iii)—

10           (i) in each of the first two places it  
11 appears, by striking “(l)(16),” and insert-  
12 ing “(l)(10), (16),”;

13           (ii) by inserting “(10),” after “para-  
14 graph (6)(A),”;

15           (iii) in each of the last two places it  
16 appears, by striking “(l)(16)” and insert-  
17 ing “(l)(10) or (16)”.

18           (c) EXPENDITURES FROM STATE FUND.—Section  
19 3304(a)(4) of such Code is amended—

20           (1) in subparagraph (E), by striking “and”  
21 after the semicolon;

22           (2) in subparagraph (F), by inserting “and”  
23 after the semicolon; and

24           (3) by adding at the end the following new sub-  
25 paragraph:

1           “(G) with respect to amounts of covered  
2           unemployment compensation debt (as defined in  
3           section 6402(f)(4)) collected under section  
4           6402(f)—

5                   “(i) amounts may be deducted to pay  
6                   any fees authorized under such section;  
7                   and

8                   “(ii) the penalties and interest de-  
9                   scribed in section 6402(f)(4)(B) may be  
10                  transferred to the appropriate State fund  
11                  into which the State would have deposited  
12                  such amounts had the person owing the  
13                  debt paid such amounts directly to the  
14                  State;”.

15           (d) CONFORMING AMENDMENTS.—

16                   (1) Subsection (a) of section 6402 of such Code  
17                   is amended by striking “(c), (d), and (e),” and in-  
18                   serting “(c), (d), (e), and (f)”.

19                   (2) Paragraph (2) of section 6402(d) of such  
20                   Code is amended by striking “and before such over-  
21                   payment is reduced pursuant to subsection (e)” and  
22                   inserting “and before such overpayment is reduced  
23                   pursuant to subsections (e) and (f)”.

1           (3) Paragraph (3) of section 6402(e) of such  
2 Code is amended in the last sentence by inserting  
3 “or subsection (f)” after “paragraph (1)”.

4           (4) Subsection (g) of section 6402 of such  
5 Code, as redesignated by subsection (a), is amended  
6 by striking “(c), (d), or (e)” and inserting “(c), (d),  
7 (e), or (f)”.

8           (5) Subsection (i) of section 6402 of such Code,  
9 as redesignated by subsection (a), is amended by  
10 striking “subsection (c) or (e)” and inserting “sub-  
11 section (c), (e), or (f)”.

12       (e) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to refunds payable under section  
14 6402 of the Internal Revenue Code of 1986 on or after  
15 the date of enactment of this Act.

Passed the House of Representatives July 11, 2007.

Attest:                   LORRAINE C. MILLER,  
*Clerk.*