

112TH CONGRESS
2^D SESSION

H. R. 3567

IN THE SENATE OF THE UNITED STATES

FEBRUARY 2, 2012

Received; read twice and referred to the Committee on Finance

AN ACT

To amend title IV of the Social Security Act to require States to implement policies to prevent assistance under the Temporary Assistance for Needy Families (TANF) program from being used in strip clubs, casinos, and liquor stores.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Welfare Integrity Now
3 for Children and Families Act of 2012” or the “WIN for
4 Children and Families Act”.

5 **SEC. 2. SPENDING POLICIES FOR ASSISTANCE UNDER**
6 **STATE TANF PROGRAMS.**

7 (a) STATE REQUIREMENT.—Section 408(a) of the
8 Social Security Act (42 U.S.C. 608(a)) is amended by add-
9 ing at the end the following new paragraph:

10 “(12) STATE REQUIREMENT TO PREVENT UN-
11 AUTHORIZED SPENDING OF BENEFITS.—

12 “(A) IN GENERAL.—A State to which a
13 grant is made under section 403 shall maintain
14 policies and practices as necessary to prevent
15 assistance provided under the State program
16 funded under this part from being used in any
17 electronic benefit transfer transaction in—

18 “(i) any liquor store;

19 “(ii) any casino, gambling casino, or
20 gaming establishment; or

21 “(iii) any retail establishment which
22 provides adult-oriented entertainment in
23 which performers disrobe or perform in an
24 unclothed state for entertainment.

25 “(B) DEFINITIONS.—For purposes of sub-
26 paragraph (A)—

1 “(i) LIQUOR STORE.—The term ‘liq-
2 uor store’ means any retail establishment
3 which sells exclusively or primarily intoxi-
4 cating liquor. Such term does not include
5 a grocery store which sells both intoxi-
6 cating liquor and groceries including staple
7 foods (within the meaning of section 3(r)
8 of the Food and Nutrition Act of 2008 (7
9 U.S.C. 2012(r))).

10 “(ii) CASINO, GAMBLING CASINO, OR
11 GAMING ESTABLISHMENT.—The terms ‘ca-
12 sino’, ‘gambling casino’, and ‘gaming es-
13 tablishment’ do not include a grocery store
14 which sells groceries including such staple
15 foods and which also offers, or is located
16 within the same building or complex as, ca-
17 sino, gambling, or gaming activities.

18 “(iii) ELECTRONIC BENEFIT TRANS-
19 FER TRANSACTION.—The term ‘electronic
20 benefit transfer transaction’ means the use
21 of a credit or debit card service, automated
22 teller machine, point-of-sale terminal, or
23 access to an online system for the with-
24 drawal of funds or the processing of a pay-
25 ment for merchandise or a service.”.

1 (b) PENALTY.—Section 409(a) of the Social Security
2 Act (42 U.S.C. 609(a)) is amended by adding at the end
3 the following new paragraph:

4 “(16) PENALTY FOR FAILURE TO ENFORCE
5 SPENDING POLICIES.—

6 “(A) IN GENERAL.—If, within 2 years
7 after the date of the enactment of the WIN for
8 Children and Families Act, any State has not
9 reported to the Secretary on such State’s imple-
10 mentation of the policies and practices required
11 by section 408(a)(12), or the Secretary deter-
12 mines, based on the information provided in
13 State reports, that any State has not imple-
14 mented and maintained such policies and prac-
15 tices, the Secretary shall reduce, by an amount
16 equal to 5 percent of the State family assist-
17 ance grant, the grant payable to such State
18 under section 403(a)(1) for—

19 “(i) the fiscal year immediately suc-
20 ceeding the year in which such 2-year pe-
21 riod ends; and

22 “(ii) each succeeding fiscal year in
23 which the State does not demonstrate that
24 such State has implemented and main-
25 tained such policies and practices.

1 “(B) REDUCTION OF APPLICABLE PEN-
2 ALTY.—The Secretary may reduce the amount
3 of the reduction required under subparagraph
4 (A) based on the degree of noncompliance of
5 the State.

6 “(C) STATE NOT RESPONSIBLE FOR INDI-
7 VIDUAL VIOLATIONS.—Fraudulent activity by
8 any individual in an attempt to circumvent the
9 policies and practices required by section
10 408(a)(12) shall not trigger a State penalty
11 under subparagraph (A).”.

12 (c) CONFORMING AMENDMENT.—Section 409(c)(4)
13 of the Social Security Act (42 U.S.C. 609(c)(4)) is amend-
14 ed by striking “or (13)” and inserting “(13), or (16)”.

 Passed the House of Representatives February 1,
2012.

Attest:

KAREN L. HAAS,

Clerk.