

§ 303. Payments to States and certain territories; computation of amount; eligibility of State to receive payment

(a) Computation of amounts

From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has a plan approved under this subchapter, for each quarter, beginning with the quarter commencing October 1, 1960—

(1) Repealed. Pub. L. 97-35, title XXI, §2184(a)(4)(A), Aug. 13, 1981, 95 Stat. 816.

(2) in the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to one-half of the total of the sums expended during such quarter as old-age assistance under the State plan, not counting so much of any expenditure with respect to any month as exceeds \$37.50 multiplied by the total number of recipients of old-age assistance for such month; plus

(3) Repealed. Pub. L. 97-35, title XXI, §2184(a)(4)(A), Aug. 13, 1981, 95 Stat. 816.

(4) in the case of any State, an amount equal to 50 percent of the total amounts expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

(b) Method of computing and paying amounts

The method of computing and paying such amounts shall be as follows:

(1) The Secretary of Health and Human Services shall, prior to the beginning of each quarter, estimate the amount to be paid to the State for such quarter under the provisions of subsection (a) of this section, such estimate to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State's proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, (B) records showing the number of aged individuals in the State, and (C) such other investigation as the Secretary of Health and Human Services may find necessary.

(2) The Secretary of Health and Human Services shall then certify to the Secretary of the Treasury the amount so estimated by the Secretary of Health and Human Services, (A) reduced or increased, as the case may be, by any sum by which he finds that his estimate for any prior quarter was greater or less than the amount which should have been paid to the State under subsection (a) of this section for such quarter, and (B) reduced by a sum equivalent to the pro rata share to which the United States is equitably entitled, as determined by the Secretary of Health and Human Services, of the net amount recovered during any prior quarter by the State or any political subdivision thereof with respect to assistance furnished under the State plan; except that such increases or reductions shall not be made to the extent that such sums have been applied to make the amount certified for any

prior quarter greater or less than the amount estimated by the Secretary of Health and Human Services for such prior quarter: *Provided*, That any part of the amount recovered from the estate of a deceased recipient which is not in excess of the amount expended by the State or any political subdivision thereof for the funeral expenses of the deceased shall not be considered as a basis for reduction under clause (B) of this paragraph.

(3) The Secretary of the Treasury shall thereupon, through the Fiscal Service of the Treasury Department and prior to audit or settlement by the Government Accountability Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.

(Aug. 14, 1935, ch. 531, title I, §3, 49 Stat. 621; Aug. 10, 1939, ch. 666, title I, §102, 53 Stat. 1361; 1940 Reorg. Plan No. III, §1(a)(1), eff. June 30, 1940, 5 F.R. 2107, 54 Stat. 1231; Aug. 10, 1946, ch. 951, title V, §501, 60 Stat. 991; June 14, 1948, ch. 468, §3(a), 62 Stat. 439; Aug. 28, 1950, ch. 809, title III, pt. 1, §302(a), pt. 6, §361(c), (d), 64 Stat. 548, 558; July 18, 1952, ch. 945, §8(a), 66 Stat. 778; 1953 Reorg. Plan No. 1, §§5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631; Sept. 1, 1954, ch. 1206, title III, §303, 68 Stat. 1097; Aug. 1, 1956, ch. 836, title III, §§301, 311(c), 341, 70 Stat. 846, 848, 852; Pub. L. 85-840, title V, §501, Aug. 28, 1958, 72 Stat. 1047; Pub. L. 86-778, title VI, §601(c), (d), Sept. 13, 1960, 74 Stat. 989, 990; Pub. L. 87-31, §5(a), (b), May 8, 1961, 75 Stat. 77; Pub. L. 87-64, title III, §303(a), June 30, 1961, 75 Stat. 143; Pub. L. 87-543, title I, §§101(a)(1), (b)(1), 132(a), July 25, 1962, 76 Stat. 173, 179, 193; Pub. L. 89-97, title I, §122, title II, §221(a)(4), title IV, §401(a), July 30, 1965, 79 Stat. 353, 357, 414; Pub. L. 90-248, title II, §212(a), Jan. 2, 1968, 81 Stat. 897; Pub. L. 92-512, title III, §301(b), (d), Oct. 20, 1972, 86 Stat. 946, 947; Pub. L. 93-647, §§3(e)(2), 5(a), Jan. 4, 1975, 88 Stat. 2349, 2350; Pub. L. 96-88, title V, §509(b), Oct. 17, 1979, 93 Stat. 695; Pub. L. 97-35, title XXI, §2184(a)(4), title XXIII, §2353(a), Aug. 13, 1981, 95 Stat. 816, 871; Pub. L. 99-603, title I, §121(b)(4), Nov. 6, 1986, 100 Stat. 3391; Pub. L. 103-66, title XIII, §13741(b), Aug. 10, 1993, 107 Stat. 663; Pub. L. 108-271, §8(b), July 7, 2004, 118 Stat. 814.)

REPEAL OF SECTION

Pub. L. 92-603, title III, §303(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS

2004—Subsec. (b)(3). Pub. L. 108-271 substituted “Government Accountability Office” for “General Accounting Office”.

1993—Subsec. (a)(4). Pub. L. 103-66 substituted “50 percent of the total amounts expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.” for “the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health and Human Services for the proper and efficient administration of the State plan—

“(A) 75 per centum of so much of such expenditures as are for the training (including both short- and long-term training at educational institutions through grants to such institutions or by direct fi-

nancial assistance to students enrolled in such institutions) of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus

“(B) 100 percent of so much of such expenditures as are for the costs of the implementation and operation of the immigration status verification system described in section 1320b-7(d) of this title; plus

“(C) one-half of the remainder of such expenditures.”

1986—Subsec. (a)(4)(B), (C). Pub. L. 99-603 added subpar. (B) and redesignated former subpar. (B) as (C).

1981—Subsec. (a)(1). Pub. L. 97-35, § 2184(a)(4)(A), struck out par. (1) which provided for computation of amount of payments in case of any State other than Puerto Rico, the Virgin Islands, and Guam.

Subsec. (a)(2). Pub. L. 97-35, § 2184(a)(4)(B), amended par. (2) generally, striking out provisions including as old-age assistance under the State plan expenditures for premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other insurance premiums for medical or any other type of remedial care and increasing amount payable by larger of two specifically computable amounts.

Subsec. (a)(3). Pub. L. 97-35, § 2184(a)(4)(A), struck out par. (3) which provided for payment, in the case of any State, of an amount equal to the Federal medical percentage of total amounts expended for each quarter as medical assistance for the aged under the State plan, including expenditures for insurance premiums for medical or any other type of remedial care or cost thereof.

Subsec. (a)(4). Pub. L. 97-35, § 2353(a)(1)(A), substituted provision making payments available to any State for provision making payments available to any State whose State plan approved under section 302 of this title meets the requirements of subsec. (c)(1) of this section and “Secretary of Health and Human Services” for “Secretary of Health, Education, and Welfare”, inserted provision including within the meaning of training both short and long term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions, and struck out provisions which included in the computation of the amount payable services and provisions which specified what services were includable.

Subsec. (a)(5). Pub. L. 97-35, § 2353(a)(1)(B), struck out par. (5) which provided payment, in the case of any State whose State plan approved under section 302 of this title which did not meet the requirements of subsec. (c)(1) of this section, of an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

Subsec. (c). Pub. L. 97-35, § 2353(a)(2), struck out subsec. (c) which provided for an eligibility requirement in order for a State to qualify for payments under subsec. (a)(4) of this section and prescribed action to be taken by the Secretary upon failure of the State to comply.

Subsec. (d). Pub. L. 97-35, § 2184(a)(4)(C), struck out subsec. (d) which provided that the amount determined for any State for any quarter which is attributable to expenditures with respect to patients in institutions for mental diseases be paid only to the extent that the State makes a satisfactory showing that the total expenditures in the State from Federal, State, and local sources for mental health services under State and local public health and public welfare programs for such quarter exceed the average of the total expenditures in the State from such sources for such services under such programs for each quarter of fiscal year ending June 30, 1965.

1975—Subsec. (a). Pub. L. 93-647, § 3(e)(2), struck out “(subject to section 1320b of this title)” after “the Secretary of the Treasury shall”.

Subsec. (a)(4)(iv). Pub. L. 93-647, § 5(a), inserted “(including both short- and long-term training at edu-

cational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions)” after “training”.

1972—Subsec. (a). Pub. L. 92-512, § 301(d), substituted “shall (subject to section 1320b of this title) pay” for “shall pay” in text preceding par. (1).

Subsec. (a)(4)(E). Pub. L. 92-512, § 301(b), substituted “under conditions which shall be” for “subject to limitations”.

1968—Subsec. (a)(4)(D). Pub. L. 90-248 inserted “, except to the extent specified by the Secretary” after “shall” in introductory text to subpar. (D).

1965—Subsec. (a)(1). Pub. L. 89-97, §§ 122, 401(a), inserted “premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other” after “expenditures for” in parenthetical phrase appearing in so much of par. (1) as precedes cl. (A); and changed first step of formula for determining Federal payments to States with approved plans for old-age assistance under this subchapter, contained in cl. (A), by providing Federal sharing in $\frac{3}{7}$ ths of first \$37 of the average monthly assistance payment instead of $\frac{29}{5}$ ths of first \$35 of the average monthly assistance payment, extended the application of the Federal percentage in second step of formula to an additional \$38 of the State’s average payment, restated formula for second and third steps by striking out cl. (C) and combining such steps in cl. (B) and making provision therein to give recognition to the State’s expenditures for medical care before applying the Federal percentage to remaining expenditures for which Federal participation is available, respectively.

Subsec. (a)(2)(A). Pub. L. 89-97, § 122, inserted “premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other” after “expenditures for” in parenthetical phrase.

Subsec. (d). Pub. L. 89-97, § 221(a)(4), added subsec. (d). 1962—Subsec. (a)(1). Pub. L. 87-543, § 132(a), substituted “ $\frac{29}{5}$ ” and “\$35” for “four-fifths” and “\$31”, respectively, in subpar. (A), “\$70” for “\$66” in subpar. (B), and “\$85” and “\$70” for “\$81” and “\$66”, respectively, in subpar. (C).

Subsec. (a)(2). Pub. L. 87-543, § 132(a), substituted “\$37.50” for “\$35.50”, in subpar. (A) and “\$45” and “\$37.50” for “\$43” and “\$35.50”, respectively, in subpar. (B).

Subsec. (a)(4). Pub. L. 87-543, § 101(a)(1), (b)(1)(A), inserted in opening provisions “whose State plan approved under section 302 of this title meets the requirements of subsection (c) of this section” after “any State”, and substituted provisions which increased the Federal share of expenses of administration of State public assistance plans by providing quarterly payments of the sum of 75 per centum of the quarterly expenses for certain prescribed services to help attain and retain capability for self-care, services likely to prevent or reduce dependency, and services appropriate for individuals who were or are likely to become applicants for or recipients of assistance and request such services, and training of State or local public assistance personnel administering such plans and one-half of other administrative expenses for other services, permitted State health or vocational rehabilitation or other appropriate State agencies to furnish such services, except vocational rehabilitation services, and required the determination of the portion of expenses covered by the 75 and 50 per centum provisions in accordance with methods and procedures permitted by the Secretary for former provisions requiring quarterly payments of one-half of quarterly expenses of administration of State plans, including staff services of State or local public assistance agencies to applicants for and recipients of old-age assistance to help them attain self-care.

Subsec. (a)(5). Pub. L. 87-543, § 101(b)(1)(B), added par. (5).

Subsec. (c). Pub. L. 87-543, § 101(b)(1)(C), added subsec. (c).

1961—Subsec. (a)(1). Pub. L. 87-64, § 303(a)(1), substituted “\$31” for “\$30” in subpar. (A), “\$66” for “\$65”

in subpar. (B), and “\$81” for “\$80” and “\$66” for “\$65” in subpar. (C).

Pub. L. 87-31, §5(a), substituted “\$80” and “\$15” for “\$77” and “\$12”, respectively, in subpar. (C).

Subsec. (a)(2). Pub. L. 87-64, §303(a)(2), substituted “\$35.50” for “\$35” in subpar. (A), and “\$35.50” for “\$35” and “\$43” for “\$42.50” in subpar. (B).

Pub. L. 87-31, §5(b), substituted “\$42.50” and “\$7.50” for “\$41” and “\$6”, respectively, in subpar. (B).

1960—Subsec. (a). Pub. L. 86-778, §601(c), added pars. (1)(C), (2)(B), and (3).

Subsec. (b)(2). Pub. L. 86-778, §601(d), substituted “assistance furnished under the State plan” for “old-age assistance furnished under the State plan” in cl. (B).

1958—Subsec. (a). Pub. L. 85-840 increased payments to the States to four-fifths of the first \$30 of the average monthly payment per recipient, including assistance in the form of money payments and in the form of medical or any other type of remedial care, plus Federal percentage of the amount by which the expenditures exceed the maximum which may be counted under cl. (A), but excluding that part of the average monthly payment per recipient in excess of \$65, increased average monthly payment to Puerto Rico and the Virgin Islands from \$30 to \$35, excluded Guam from provisions which authorize an average monthly payment of \$65 and included Guam within provisions which authorize an average monthly payment of \$35, and permitted the counting of individuals with respect to whom expenditures were made as old-age assistance in the form of medical or any other type of remedial care in determining the total number of recipients.

1956—Subsec. (a). Act Aug. 1, 1956, §301, substituted “during such quarter as old-age assistance in the form of money payments under the State plan” for “during such quarter as old-age assistance under the State plan” in cls. (1) and (2), “who received old-age assistance in the form of money payments for such month” for “who received old-age assistance for such month” in par. (A) of cl. (1), and inserted cl. (4).

Act Aug. 1, 1956, §311(c), struck out “, which shall be used exclusively as old-age assistance,” after “the Virgin Islands, an amount” in cls. (1) and (2), and substituted “including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of old-age assistance to help them attain self-care” for “which amount shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose” in cl. (3).

Act Aug. 1, 1956, §341, substituted “October 1, 1956” for “October 1, 1952”, struck out “, which shall be used exclusively as old-age assistance,” after “the Virgin Islands, an amount”, and substituted “\$60” for “\$55”, in cl. (1), substituted “the product of \$30” for “the product of \$25” in par. (A) of cl. (1), and “including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of old-age assistance to help them attain self-care” for “which amount shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose” in cl. (3).

1954—Subsec. (b). Act Sept. 1, 1954, §303(b), substituted “subsection (a)” for “clause (1) of subsection (a)”, wherever appearing, substituted “such subsection” for “such clause” in par. (1), and struck out “increased by five per centum” at end of par. (3).

Subsec. (b)(1). Act Sept. 1, 1954, §303(a), substituted “the State’s proportionate share” for “one-half”.

1952—Subsec. (a). Act July 18, 1952, increased Federal share of State’s average monthly payment to four-fifths of the first \$25 plus one-half of the remainder within individual maximums of \$55, and changed formulas for computing Federal share of public assistance for Puerto Rico and Virgin Islands.

1950—Act Aug. 28, 1950, substituted “Administrator” for “Board”, and “he”, “him” or “his” for “it”, or “its” wherever appearing and in subsec. (a) changed

basis for computation of Federal portion of old-age assistance.

1948—Subsec. (a). Act June 14, 1948, substituted \$50 for \$45 and \$20 for \$15.

1946—Subsec. (a). Act Aug. 10, 1946, §501(a), temporarily increased maximum monthly State expenditure for an individual to which Federal Government will contribute from \$40 to \$45, increased Federal contribution for assistance from one-half the State’s expenditure to two-thirds the State’s expenditure up to \$15 monthly per individual plus one-half the State’s expenditure over \$15 and changed the Federal contribution for administration from 5 percent of Federal contribution for assistance to one-half the State expenditure for administration. See Effective and Termination Date of 1946 Amendment note below.

Subsec. (b). Act Aug. 10, 1946, §501(b), temporarily changed references to cl. (1) of subsec. (a) to refer to entire subsection, substituted “the State’s proportionate share” for “one-half” in par. (1) and struck out “increased by 5 per centum” at end of par. (3). See Effective and Termination Date of 1986 Amendment note below.

1939—Act Aug. 10, 1939, amended section generally, including substitution of \$40 for \$30 in subsec. (a).

EFFECTIVE DATE OF 1993 AMENDMENT

Pub. L. 103-66, title XIII, §13741(c), Aug. 10, 1993, 107 Stat. 663, provided that:

“(1) IN GENERAL.—Except as provided in paragraph (2) of this subsection, the amendments made by subsections (a) and (b) [amending this section and sections 603, 1203, and 1353 of this title and provisions set out as a note under section 1383 of this title] shall be effective with respect to calendar quarters beginning on or after April 1, 1994.

“(2) SPECIAL RULE.—In the case of a State whose legislature meets biennially, and does not have a regular session scheduled in calendar year 1994, the amendments made by subsections (a) and (b) shall be effective no later than the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Aug. 10, 1993].”

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-603 effective Oct. 1, 1987, see section 121(c)(2) of Pub. L. 99-603, set out as a note under section 502 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by section 2353(a) of Pub. L. 97-35 effective, except as otherwise specifically provided, Oct. 1, 1981, see section 2354 of Pub. L. 97-35, set out as a note under section 1397 of this title.

EFFECTIVE DATE OF 1975 AMENDMENT

Pub. L. 93-647, §7, Jan. 4, 1975, 88 Stat. 2351, as amended by Pub. L. 94-120, §3, Oct. 21, 1975, 89 Stat. 609; Pub. L. 94-401, §2, Sept. 7, 1976, 90 Stat. 1215, eff. Feb. 1, 1976; Pub. L. 95-171, §1(d), Nov. 12, 1977, 91 Stat. 1353; eff. Oct. 1, 1977, provided that:

“(a)(1) The amendments made by sections 2 and 5 of this Act [enacting sections 1397 to 1397f of this title and amending this section, sections 603, 1203, and 1353 of this title, and provisions set out as a note under section 1383 of this title] shall be effective with respect to payments for quarters commencing after September 30, 1975.

“(2) Notwithstanding the provisions of section 2004 of the Social Security Act, as amended by this Act [section 1397c of this title], the first services program year of each State shall begin on October 1, 1975, and end with the close of, at the option of the State—

“(A) the day in the twelve-month period beginning October 1, 1975, or

“(B) the day in the twelve-month period beginning October 1, 1976,

which is the last day of the twelve-month period established by the State as its services program year under

that section. Notwithstanding the provisions of subsection (b) of section 2003 of the Social Security Act, as amended by this Act [section 1397b(b) of this title], the aggregate expenditures required by that subsection with respect to the first services program year of each State shall be the amount which bears the same ratio to the amount that would otherwise be required under that subsection as the number of months in the State's first services program year bears to twelve.

“(3) Notwithstanding paragraph (1) of this subsection or section 3(f) [set out as a note under section 1397a of this title], payments under title IV [subchapter IV of this chapter] or section 2002(a)(1) of the Social Security Act [section 1397a(a)(1) of this title] with respect to expenditures made prior to October 1, 1978, in connection with the provision of child day care services in day care centers and group day care homes, in the case of children between the ages of six weeks and six years, may be made without regard to the requirements relating to staffing standards which are imposed by or under section 2002(a)(9)(A)(ii) of such Act [section 1397a(a)(9)(A)(ii) of this title], so long as the staffing standards actually being applied in the provision of the services involved (A) comply with applicable State law (as in effect at the time the services are provided), (B) are no lower than the corresponding staffing standards which were imposed or required by applicable State law on September 15, 1975, and (C) are no lower, in the case of any day care center or group day care home, than the corresponding standards actually being applied in such center or home on September 15, 1975.

“(b) The amendments made by section 3 of this Act [amending this section and sections 602, 603, 606, 622, 1203, 1308, 1315, 1316, 1320b note, and 1383 note of this title, repealing sections 801 to 805 and 1320b of this title, and enacting provisions set out as notes under section 1320b and 1397a of this title] shall be effective with respect to payments under sections 403 and 603 of the Social Security Act [sections 603 and 803 of this title] for quarters commencing after September 30, 1975, except that the amendments made by section 3(a) [amending sections 602, 603, 606, and 623 of this title] shall not be effective with respect to the Commonwealth of Puerto Rico, the Virgin Islands, or Guam.”

EFFECTIVE DATE OF 1972 AMENDMENT

Pub. L. 92-512, title III, §301(e), Oct. 20, 1972, 86 Stat. 947, provided that: “The amendments made by this section (other than by subsection (b)) [enacting section 1320b of this title and amending this section and sections 603, 1203, 1253, and 1383] shall be effective July 1, 1972, and the amendments made by subsection (b) [amending this section and sections 603, 1203, 1353, and 1383 of this title] shall be effective January 1, 1973.”

EFFECTIVE DATE OF 1968 AMENDMENT

Pub. L. 90-248, title II, §212(e), Jan. 2, 1968, 81 Stat. 898, provided that: “The amendments made by the preceding subsections of this section [amending this section and sections 1203, 1353, and 1383 of this title] shall take effect January 1, 1968.”

EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by section 221 of Pub. L. 89-97 applicable in the case of expenditures made after Dec. 31, 1965, under a State plan approved under this subchapter, see section 221(e) of Pub. L. 89-97, set out as a note under section 302 of this title.

Pub. L. 89-97, title IV, §401(f), July 30, 1965, 79 Stat. 415, provided that: “The amendments made by this section [amending this section and sections 603, 1203, 1353, and 1383 of this title] shall apply in the case of expenditures made after December 31, 1965, under a State plan approved under title I, IV, X, XIV, or XVI of the Social Security Act [subchapter I, IV, X, XIV, or XVI of this chapter].”

EFFECTIVE DATE OF 1962 AMENDMENT

Pub. L. 87-543, title II, §202(d), July 25, 1962, 76 Stat. 208, provided that: “The amendments made by sections

109 and 132 (other than subsections (d) and (e) thereof) [amending this section and sections 606, 1203, and 1353 of this title] shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act [subchapter I, IV, X, or XIV of this chapter], as the case may be, made after September 30, 1962.”

Pub. L. 87-543, title II, §202(f), July 25, 1962, 76 Stat. 208, provided that: “The amendments made by section 101(a) [amending this section and sections 603, 1203, and 1353 of this title] shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act [subchapter I, IV, X, or XIV of this chapter], as the case may be, made after August 31, 1962. The amendments made by section 101(b) [amending this section and sections 603, 608, 609, 1203, and 1353 of this title] shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act, as the case may be, made after June 30, 1963.”

EFFECTIVE DATE OF 1961 AMENDMENT

Pub. L. 87-64, title III, §303(e), June 30, 1961, 75 Stat. 143, as amended by Pub. L. 87-543, title I, §132(e), July 25, 1962, 76 Stat. 196, provided that: “The amendments made by subsections (a), (b), and (c) of this section [amending this section and sections 1203 and 1353 of this title] shall apply only in the case of expenditures made after September 30, 1961, and before October 1, 1962, under a State plan approved under title I, X, or XIV, as the case may be, of the Social Security Act [subchapter I, X, or XIV of this chapter].”

Pub. L. 87-31, §5(c), May 8, 1961, 75 Stat. 77, provided that: “The amendments made by subsections (a) and (b) [amending this section] shall apply in the case of expenditures made after June 30, 1961, under a State plan approved under title I of the Social Security Act [this subchapter].”

EFFECTIVE DATE OF 1960 AMENDMENT

Amendment by Pub. L. 86-778 effective Oct. 1, 1960, see section 604 of Pub. L. 86-778, set out as a note under section 301 of this title.

EFFECTIVE DATE OF 1958 AMENDMENT

Pub. L. 85-840, title V, §512, Aug. 28, 1958, 72 Stat. 1052, provided that: “Notwithstanding the provisions of sections 305 and 345 of the Social Security Amendments of 1956, as amended [set out as notes below], the amendments made by sections 501, 502, 503, 504, 505, and 506 [amending this section and sections 603, 1203, 1301, and 1353 of this title] shall be effective—

“(1) in the case of money payments, under a State plan approved under title I, IV, X, or XIV of the Social Security Act [subchapter I, IV, X, or XIV of this chapter], for months after September 1958, and

“(2) in the case of assistance in the form of medical or any other type of remedial care, under such a plan, with respect to expenditures made after September 1958.

The amendment made by section 506 [amending section 1301 of this title] shall also become effective, for purposes of title V of the Social Security Act [subchapter V of this chapter], for fiscal years ending after June 30, 1959. The amendments made by section 507 [amending section 1308 of this title] shall be effective for fiscal years ending after June 30, 1958. The amendment made by section 508 [amending section 1304 of this title] shall be effective for fiscal years ending after June 30, 1959. The amendment made by section 510 shall become effective October 1, 1958.”

EFFECTIVE AND TERMINATION DATE OF 1956 AMENDMENT

Act Aug. 1, 1956, ch. 836, title III, §345, 70 Stat. 854, provided that: “The amendments made by this part [part V (§§341-345) of title III of act Aug. 1, 1956, amending this section and sections 603, 1203, and 1353 of this title] shall be effective for the period beginning October

1, 1956, and ending with the close of June 30, 1959, and after such amendments cease to be in effect any provision of law amended thereby shall be in full force and effect as though this part had not been enacted."

EFFECTIVE DATE OF 1956 AMENDMENT

Act Aug. 1, 1956, ch. 836, title III, §305, 70 Stat. 848, as amended by Pub. L. 85-110, July 17, 1957, 71 Stat. 308, provided that:

"(a) Except as provided in subsection (b), the amendments made by this part [part I (§§301-305) of title III of act Aug. 1, 1956, amending this section and sections 603, 1203, and 1353 of this title] shall become effective July 1, 1957.

"(b) The amendments made by any section of this part shall not apply to any State (as defined in section 1101 of the Social Security Act [section 1301 of this title] for purposes of title I thereof [subchapter I of this chapter]) for any fiscal year for which there is in effect an election by it not to have the amendments made by such section apply to it. Any such election shall be in effect for a fiscal year only if notice of the election has been filed with the Secretary of Health, Education, and Welfare at some time prior to May 16 of the preceding fiscal year, except that any such election shall be in effect for the fiscal year beginning July 1, 1957, if notice of the election is filed with the Secretary prior to August 1, 1957. An election by a State under this subsection shall continue in effect until the close of any fiscal year designated in a notice of termination of such election which is filed with the Secretary of Health, Education, and Welfare prior to May 16 of such year. Elections hereunder shall be made, and notices thereof and notices of termination shall be filed, on such form or forms and in such manner as the Secretary of Health, Education, and Welfare may prescribe."

EFFECTIVE AND TERMINATION DATE OF 1952 AMENDMENT

Act July 18, 1952, ch. 945, §8(e), 66 Stat. 780, as amended by act Sept. 1, 1954, ch. 1206, title III, §301, 68 Stat. 1097, provided that: "The amendments made by this section [amending this section and sections 603, 1203, and 1353 of this title] shall be effective for the period beginning October 1, 1952, and ending with the close of September 30, 1956, and after such amendments cease to be in effect any provision of law amended thereby shall be in full force and effect as though this Act [July 18, 1952] had not been enacted."

EFFECTIVE DATE OF 1950 AMENDMENT

Act Aug. 28, 1950, ch. 809, title III, §302(b), 64 Stat. 549, provided that: "The amendment made by subsection (a) [amending this section] shall take effect October 1, 1950."

EFFECTIVE DATE OF 1948 AMENDMENT

Act June 14, 1948, ch. 468, §3(d), 62 Stat. 440, provided that: "The amendments made by this section [amending this section and sections 603 and 1203 of this title] shall become effective on October 1, 1948."

EFFECTIVE AND TERMINATION DATE OF 1946 AMENDMENT

Act Aug. 10, 1946, ch. 951, title V, §504, 60 Stat. 993, as amended by act Aug. 6, 1947, ch. 510, §3, 61 Stat. 794, provided that: "Sections 501, 502, and 503 [amending this section and sections 603 and 1203 of this title] shall be effective with respect to the period commencing October 1, 1946, and ending on June 30, 1950."

EFFECTIVE DATE OF 1939 AMENDMENT

Act Aug. 10, 1939, ch. 666, title I, §102, 53 Stat. 1361, provided that the amendment made by that section is effective Jan. 1, 1940.

TRANSFER OF FUNCTIONS

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare

and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3501 of this title. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96-88 which is classified to section 3508(b) of Title 20, Education.

"Fiscal Service" substituted for "Division of Disbursement" in subsec. (b)(3) on authority of section 1(a)(1) of Reorg. Plan No. III of 1940, eff. June 30, 1940, 5 F.R. 2107, 54 Stat. 1231, set out in the Appendix to Title 5, Government Organization and Employees, which consolidated such division into Fiscal Service of Treasury Department. See section 306 of Title 31, Money and Finance.

NONDUPLICATION OF PAYMENTS TO STATES: PROHIBITION OF PAYMENTS AFTER DECEMBER 31, 1969

Prohibition of payments under this subchapter to States with respect to aid or assistance in form of medical or other type of remedial care for any period for which States received payments under subchapter XIX of this chapter or for any period after Dec. 31, 1969, see section 121(b) of Pub. L. 89-97, set out as a note under section 1396b of this title.

§ 304. Stopping payment on deviation from required provisions of plan or failure to comply therewith

In the case of any State plan which has been approved under this subchapter by the Secretary, if the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, finds—

(1) that the plan has been so changed as to impose any age, residence, or citizenship requirement prohibited by section 302(b) of this title, or that in the administration of the plan any such prohibited requirement is imposed, with the knowledge of such State agency, in a substantial number of cases; or

(2) that in the administration of the plan there is a failure to comply substantially with any provision required by section 302(a) of this title to be included in the plan;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure) until the Secretary is satisfied that such prohibited requirement is no longer so imposed, and that there is no longer any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).

(Aug. 14, 1935, ch. 531, title I, §4, 49 Stat. 622; Aug. 28, 1950, ch. 809, title III, pt. 6, §361(c), (d), 64 Stat. 558; 1953 Reorg. Plan No. 1, §§5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631; Pub. L. 86-778, title VI, §601(e), Sept. 13, 1960, 74 Stat. 991; Pub. L. 90-248, title II, §245, Jan. 2, 1968, 81 Stat. 918; Pub. L. 96-88, title V, §509(b), Oct. 17, 1979, 93 Stat. 695.)

REPEAL OF SECTION

Pub. L. 92-603, title III, §303(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this section is