

BILL STATUS (September, 1995)

MEASURE: S. 1120

SPONSOR: Dole (R-KS)

OFFICIAL TITLE: A bill to enhance support and work opportunities for families with children, reduce welfare dependence, and control welfare spending.

INTRODUCED: 08/03/95

COSPONSORS: 32 (Dems. 0; Reps. 32)

COMMITTEES: Senate Finance

SHORT TITLE AS INTRODUCED:

Work Opportunity Act of 1995
Child Care and Development Block Grant Amendments Act of 1995
Workforce Development Act of 1995

LEGISLATIVE ACTION:

08/03/95: Referred to Committee on Finance

08/03/95: Original cosponsors:

Abraham (R-MI)	Hatch (R-UT)	Roth (R-DE)
Bennett (R-UT)	Helms (R-NC)	Santorum (R-PA)
Bond (R-MO)	Hutchison, K. (R-TX)	Shelby (R-AL)
Brown, H. (R-CO)	Inhofe (R-OK)	Simpson (R-WY)
Cochran (R-MS)	Lott (R-MS)	Stevens (R-AK)
D'Amato (R-NY)	Mack (R-FL)	Thomas, C. (R-WY)
DeWine (R-OH)	McCain (R-AZ)	Thompson, F. (R-TN)
Frist (R-TN)	Murkowski (R-AK)	Thurmond, S. (R-SC)
Gorton, S. (R-WA)	Nickles (R-OK)	Warner (R-VA)
Grassley (R-IA)	Packwood (R-OR)	Gregg (R-NH)
Pressler (R-SD)		

08/05/95: Provisions of this measure are included in amendment no. 2280 to HR4, as considered in the Senate.

08/08/95: Withdrawn for consideration by Majority Leader until 09/07/95.

August, 1995

104TH CONGRESS
1ST SESSION**S. 1120**

To enhance support and work opportunities for families with children, reduce welfare dependence, and control welfare spending.

IN THE SENATE OF THE UNITED STATES

AUGUST 3 (legislative day, JULY 10), 1995

Mr. DOLE (for himself, Mr. PACKWOOD, Mr. LOTT, Mr. NICKLES, Mr. COCHRAN, Mr. MACK, Mr. D'AMATO, Mr. THURMOND, Mr. ABRAHAM, Mr. BENNETT, Mr. BOND, Mr. BROWN, Mr. DEWINE, Mr. FRIST, Mr. GORTON, Mr. GRASSLEY, Mr. GREGG, Mr. HATCH, Mr. HELMS, Mrs. HUTCHISON, Mr. INHOFE, Mr. MCCAIN, Mr. MURKOWSKI, Mr. PRESLER, Mr. ROTH, Mr. SANTORUM, Mr. SHELBY, Mr. SIMPSON, Mr. STEVENS, Mr. THOMAS, Mr. THOMPSON, and Mr. WARNER) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To enhance support and work opportunities for families with children, reduce welfare dependence, and control welfare spending.

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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Work Opportunity Act of 1995”.

- 1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR
 NEEDY FAMILIES

- Sec. 100. References to Social Security Act.
 Sec. 101. Block grants to States.
 Sec. 102. Services provided by charitable, religious, or private organizations.
 Sec. 103. Limitations on use of financial assistance for certain purposes.
 Sec. 104. Continued application of current standards under medicaid program.
 Sec. 105. Reduction in personnel.
 Sec. 106. Conforming amendments to the Social Security Act.
 Sec. 107. Conforming amendments to the food stamp act of 1977 and related provisions.
 Sec. 108. Conforming amendments to other laws.
 Sec. 109. Secretarial submission of legislative proposal for technical and conforming amendments.
 Sec. 110. Effective date; transition rule.

TITLE II—SUPPLEMENTAL SECURITY INCOME

Sec. 200. Reference to Social Security Act.

Subtitle A—Eligibility Restrictions

- Sec. 201. Denial of supplemental security income benefits by reason of disability to drug addicts and alcoholics.
 Sec. 202. Denial of SSI benefits for 10 years to individuals found to have fraudulently misrepresented residence in order to obtain benefits simultaneously in 2 or more States.
 Sec. 203. Denial of SSI benefits for fugitive felons and probation and parole violators.
 Sec. 204. Effective dates; application to current recipients.

Subtitle B—Benefits for Disabled Children

- Sec. 211. Restrictions on eligibility for benefits.
 Sec. 212. Continuing disability reviews.
 Sec. 213. Treatment requirements for disabled individuals under the age of 18.

Subtitle C—Study of Disability Determination Process

Sec. 221. Study of disability determination process.

Subtitle D—National Commission on the Future of Disability

- Sec. 231. Establishment.
 Sec. 232. Duties of the Commission.
 Sec. 233. Membership.
 Sec. 234. Staff and support services.
 Sec. 235. Powers of Commission.
 Sec. 236. Reports.
 Sec. 237. Termination.

Subtitle E—State Supplementation Programs

- Sec. 241. Repeal of maintenance of effort requirements applicable to optional State programs for supplementation of SSI benefits.

TITLE III—FOOD STAMP PROGRAM

Subtitle A—Food Stamp Reform

- Sec. 301. Certification period.
 Sec. 302. Treatment of children living at home:
 Sec. 303. Optional additional criteria for separate household determinations.
 Sec. 304. Adjustment of thrifty food plan.
 Sec. 305. Definition of homeless individual.
 Sec. 306. State options in regulations.
 Sec. 307. Earnings of students.
 Sec. 308. Energy assistance.
 Sec. 309. Deductions from income.
 Sec. 310. Amount of vehicle asset limitation.
 Sec. 311. Benefits for aliens.
 Sec. 312. Disqualification.
 Sec. 313. Caretaker exemption.
 Sec. 314. Employment and training.
 Sec. 315. Comparable treatment for disqualification.
 Sec. 316. Cooperation with child support agencies.
 Sec. 317. Disqualification for child support arrears.
 Sec. 318. Permanent disqualification for participating in 2 or more States.
 Sec. 319. Work requirement.
 Sec. 320. Electronic benefit transfers.
 Sec. 321. Minimum benefit.
 Sec. 322. Benefits on recertification.
 Sec. 323. Optional combined allotment for expedited households.
 Sec. 324. Failure to comply with other welfare and public assistance programs.
 Sec. 325. Allotments for households residing in institutions.
 Sec. 326. Operation of food stamp offices.
 Sec. 327. State employee and training standards.
 Sec. 328. Exchange of law enforcement information.
 Sec. 329. Expedited coupon service.
 Sec. 330. Fair hearings.
 Sec. 331. Income and eligibility verification system.
 Sec. 332. Collection of overissuances.
 Sec. 333. Termination of Federal match for optional information activities.
 Sec. 334. Standards for administration.
 Sec. 335. Work supplementation or support program.
 Sec. 336. Waiver authority.
 Sec. 337. Authorization of pilot projects.
 Sec. 338. Response to waivers.
 Sec. 339. Private sector employment initiatives.
 Sec. 340. Reauthorization of appropriations.
 Sec. 341. Reauthorization of Puerto Rico nutrition assistance program.
 Sec. 342. Simplified food stamp program.
 Sec. 343. Optional State food assistance block grant.
 Sec. 344. Effective date.

Subtitle B—Anti-Fraud and Trafficking

- Sec. 351. Expanded definition of coupon.
- Sec. 352. Doubled penalties for violating food stamp program requirements.
- Sec. 353. Authority to establish authorization periods.
- Sec. 354. Specific period for prohibiting participation of stores based on lack of business integrity.
- Sec. 355. Information for verifying eligibility for authorization.
- Sec. 356. Waiting period for stores that initially fail to meet authorization criteria.
- Sec. 357. Bases for suspensions and disqualifications.
- Sec. 358. Disqualification of stores pending judicial and administrative review.
- Sec. 359. Disqualification of retailers who are disqualified under the WIC program.
- Sec. 360. Permanent debarment of retailers who intentionally submit falsified applications.
- Sec. 361. Expanded criminal forfeiture for violations.
- Sec. 362. Effective date.

TITLE IV—CHILD NUTRITION PROGRAMS

Subtitle A—Reimbursement Rates

- Sec. 401. Termination of additional payment for lunches served in high free and reduced price participation schools.
- Sec. 402. Value of food assistance.
- Sec. 403. Lunches, breakfasts, and supplements.
- Sec. 404. Summer food service program for children.
- Sec. 405. Special milk program.
- Sec. 406. Free and reduced price breakfasts.
- Sec. 407. Conforming reimbursement for paid breakfasts and lunches.

Subtitle B—Grant Programs

- Sec. 411. School breakfast startup grants.
- Sec. 412. Nutrition education and training programs.
- Sec. 413. Effective date.

Subtitle C—Other Amendments

- Sec. 421. Free and reduced price policy statement.
- Sec. 422. Summer food service program for children.
- Sec. 423. Child and adult care food program.
- Sec. 424. Reducing required reports to State agencies and schools.

Subtitle D—Reauthorization

- Sec. 431. Commodity distribution program; commodity supplemental food program.
- Sec. 432. Emergency food assistance program.
- Sec. 433. Soup kitchens program.
- Sec. 434. National commodity processing.
- Sec. 435. Commodity supplemental food program.

TITLE V—NONCITIZENS

- Sec. 501. State option to prohibit assistance for certain aliens.
- Sec. 502. Deemed income requirement for Federal and federally funded programs.
- Sec. 503. Limited eligibility of noncitizens for SSI benefits.

TITLE VI—CHILD CARE

- Sec. 601. Short title.
- Sec. 602. Amendments to the Child Care and Development Block Grant Act of 1990.
- Sec. 603. Repeals and technical and conforming amendments.

TITLE VII—WORKFORCE DEVELOPMENT AND WORKFORCE PREPARATION ACTIVITIES

Subtitle A—General Provisions

- Sec. 701. Short title.
- Sec. 702. Findings and purposes.
- Sec. 703. Definitions.

Subtitle B—Statewide Workforce Development Systems

CHAPTER 1—PROVISIONS FOR STATES AND OTHER ENTITIES

- Sec. 711. Statewide workforce development systems established.
- Sec. 712. State allotments.
- Sec. 713. State apportionment by activity.
- Sec. 714. State plans.
- Sec. 715. State workforce development boards.
- Sec. 716. Use of funds.
- Sec. 717. Indian workforce development activities.
- Sec. 718. Grants to outlying areas.

CHAPTER 2—LOCAL PROVISIONS

- Sec. 721. Local apportionment by activity.
- Sec. 722. Distribution for secondary school vocational education.
- Sec. 723. Distribution for postsecondary and adult vocational education.
- Sec. 724. Distribution for adult education.
- Sec. 725. Special rule for minimal allocation.
- Sec. 726. Redistribution.
- Sec. 727. Local application for workforce education activities.
- Sec. 728. Local partnerships, agreements, and workforce development boards.

CHAPTER 3—ADMINISTRATION

- Sec. 731. Accountability.
- Sec. 732. Incentives and sanctions.
- Sec. 733. Unemployment trust fund.
- Sec. 734. Authorization of appropriations.
- Sec. 735. Effective date.

Subtitle C—Job Corps and Other Workforce Preparation Activities for At-Risk Youth

CHAPTER 1—GENERAL JOB CORPS PROVISIONS

- Sec. 741. Purposes.
- Sec. 742. Definitions.
- Sec. 743. General authority.
- Sec. 744. Individuals eligible for the Job Corps.
- Sec. 745. Screening and selection of applicants.

- Sec. 746. Enrollment and assignment.
- Sec. 747. Job Corps centers.
- Sec. 748. Program activities.
- Sec. 749. Support.
- Sec. 750. Operating plan.
- Sec. 751. Standards of conduct.
- Sec. 752. Community participation.
- Sec. 753. Counseling and placement.
- Sec. 754. Leases and sales of centers.
- Sec. 755. Closure of Job Corps centers.
- Sec. 756. Interim operating plans for Job Corps centers.
- Sec. 757. Effective date.

CHAPTER 2—OTHER WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH

- Sec. 759. Workforce preparation activities for at-risk youth.

Subtitle D—Transition Provisions

- Sec. 761. Waivers.
- Sec. 762. Interim State plans.
- Sec. 763. Applications and plans under covered Acts.
- Sec. 764. Interim administration of school-to-work programs.
- Sec. 765. Interim authorizations of appropriations.

Subtitle E—National Activities

- Sec. 771. Federal Partnership.
- Sec. 772. National assessment of vocational education programs.
- Sec. 773. Labor market information.
- Sec. 774. National Center for Research in Education and Workforce Development.
- Sec. 775. Transfers to Federal Partnership.
- Sec. 776. Transfers to other Federal agencies and offices.
- Sec. 777. Elimination of certain offices.

Subtitle F—Repeals of Employment and Training and Vocational and Adult Education Programs

- Sec. 781. Repeals.
- Sec. 782. Conforming amendments.

TITLE VIII—WORKFORCE DEVELOPMENT-RELATED ACTIVITIES

Subtitle A—Amendments to the Rehabilitation Act of 1973

- Sec. 801. References.
- Sec. 802. Findings and purposes.
- Sec. 803. Consolidated rehabilitation plan.
- Sec. 804. Definitions.
- Sec. 805. Administration.
- Sec. 806. Reports.
- Sec. 807. Evaluation.
- Sec. 808. Declaration of policy.
- Sec. 809. State plans.
- Sec. 810. Individualized employment plans.
- Sec. 811. Scope of vocational rehabilitation services.

- Sec. 812. State Rehabilitation Advisory Council.
- Sec. 813. Evaluation standards and performance indicators.
- Sec. 814. Repeals.
- Sec. 815. Effective date.

Subtitle B—Amendments to Immigration and Nationality Act

- Sec. 821. Prohibition on use of funds for certain employment activities.

TITLE IX—CHILD SUPPORT

- Sec. 900. Reference to Social Security Act.

Subtitle A—Eligibility for Services; Distribution of Payments

- Sec. 901. State obligation to provide child support enforcement services.
- Sec. 902. Distribution of child support collections.
- Sec. 903. Rights to notification and hearings.
- Sec. 904. Privacy safeguards.

Subtitle B—Locate and Case Tracking

- Sec. 911. State Case Registry.
- Sec. 912. Collection and disbursement of support payments.
- Sec. 913. State Directory of New Hires.
- Sec. 914. Amendments concerning income withholding.
- Sec. 915. Locator information from interstate networks.
- Sec. 916. Expansion of the Federal parent locator service.
- Sec. 917. Collection and use of social security numbers for use in child support enforcement.

Subtitle C—Streamlining and Uniformity of Procedures

- Sec. 921. Adoption of uniform State laws.
- Sec. 922. Improvements to full faith and credit for child support orders.
- Sec. 923. Administrative enforcement in interstate cases.
- Sec. 924. Use of forms in interstate enforcement.
- Sec. 925. State laws providing expedited procedures.

Subtitle D—Paternity Establishment

- Sec. 931. State laws concerning paternity establishment.
- Sec. 932. Outreach for voluntary paternity establishment.
- Sec. 933. Cooperation by applicants for and recipients of temporary family assistance.

Subtitle E—Program Administration and Funding

- Sec. 941. Performance-based incentives and penalties.
- Sec. 942. Federal and State reviews and audits.
- Sec. 943. Required reporting procedures.
- Sec. 944. Automated data processing requirements.
- Sec. 945. Technical assistance.
- Sec. 946. Reports and data collection by the Secretary.

Subtitle F—Establishment and Modification of Support Orders

- Sec. 951. National Child Support Guidelines Commission.
- Sec. 952. Simplified process for review and adjustment of child support orders.

- Sec. 953. Furnishing consumer reports for certain purposes relating to child support.
- Sec. 954. Nonliability for depository institutions providing financial records to State child support enforcement agencies in child support cases.

Subtitle G—Enforcement of Support Orders

- Sec. 961. Internal Revenue Service collection of arrearages.
- Sec. 962. Authority to collect support from Federal employees.
- Sec. 963. Enforcement of child support obligations of members of the Armed Forces.
- Sec. 964. Voiding of fraudulent transfers.
- Sec. 965. Work requirement for persons owing child support.
- Sec. 966. Definition of support order.
- Sec. 967. Reporting arrearages to credit bureaus.
- Sec. 968. Liens.
- Sec. 969. State law authorizing suspension of licenses.
- Sec. 970. Denial of passports for nonpayment of child support.
- Sec. 971. International child support enforcement.

Subtitle H—Medical Support

- Sec. 975. Technical correction to ERISA definition of medical child support order.
- Sec. 976. Enforcement of orders for health care coverage.

Subtitle I—Enhancing Responsibility and Opportunity for Nonresidential Parents

- Sec. 981. Grants to States for access and visitation programs.

Subtitle J—Effect of Enactment

- Sec. 991. Effective dates.

TITLE X—REFORM OF PUBLIC HOUSING

- Sec. 1001. Ceiling rents.
- Sec. 1002. Definition of adjusted income for public housing.
- Sec. 1003. Exemption of tenants from labor standards.
- Sec. 1004. Failure to comply with other welfare and public assistance programs.
- Sec. 1005. Applicability to Indian housing.
- Sec. 1006. Implementation.
- Sec. 1007. Effective date.

1 **TITLE IX—CHILD SUPPORT**

2 **SEC. 900. REFERENCE TO SOCIAL SECURITY ACT.**

3 Except as otherwise specifically provided, whenever in
4 this title an amendment is expressed in terms of an
5 amendment to or repeal of a section or other provision,
6 the reference shall be considered to be made to that sec-
7 tion or other provision of the Social Security Act.

8 **Subtitle A—Eligibility for Services;**
9 **Distribution of Payments**

10 **SEC. 901. STATE OBLIGATION TO PROVIDE CHILD SUPPORT**

11 **ENFORCEMENT SERVICES.**

12 (a) STATE PLAN REQUIREMENTS.—Section 454 (42
13 U.S.C. 654) is amended—

14 (1) by striking paragraph (4) and inserting the
15 following new paragraph:

16 “(4) provide that the State will—

17 “(A) provide services relating to the estab-
18 lishment of paternity or the establishment,
19 modification, or enforcement of child support
20 obligations, as appropriate, under the plan with
21 respect to—

22 “(i) each child for whom (I) assist-
23 ance is provided under the State program
24 funded under part A of this title, (II) ben-
25 efits or services are provided under the

1 State program funded under part E of this
2 title, or (III) medical assistance is provided
3 under the State plan approved under title
4 XIX, unless the State agency administer-
5 ing the plan determines (in accordance
6 with paragraph (29)) that it is against the
7 best interests of the child to do so; and

8 “(ii) any other child, if an individual
9 applies for such services with respect to
10 the child; and

11 “(B) enforce any support obligation estab-
12 lished with respect to—

13 “(i) a child with respect to whom the
14 State provides services under the plan; or

15 “(ii) the custodial parent of such a
16 child.”; and

17 (2) in paragraph (6)—

18 (A) by striking “provide that” and insert-
19 ing “provide that—”;

20 (B) by striking subparagraph (A) and in-
21 sserting the following new subparagraph:

22 “(A) services under the plan shall be made
23 available to nonresidents on the same terms as
24 to residents;”;

1 (C) in subparagraph (B), by inserting "on
2 individuals not receiving assistance under any
3 State program funded under part A" after
4 "such services shall be imposed";

5 (D) in each of subparagraphs (B), (C),
6 (D), and (E)—

7 (i) by indenting the subparagraph in
8 the same manner as, and aligning the left
9 margin of the subparagraph with the left
10 margin of, the matter inserted by subpara-
11 graph (B) of this paragraph; and

12 (ii) by striking the final comma and
13 inserting a semicolon; and

14 (E) in subparagraph (E), by indenting
15 each of clauses (i) and (ii) 2 additional ems.

16 (b) CONTINUATION OF SERVICES FOR FAMILIES
17 CEASING TO RECEIVE ASSISTANCE UNDER THE STATE
18 PROGRAM FUNDED UNDER PART A.—Section 454 (42
19 U.S.C. 654) is amended—

20 (1) by striking "and" at the end of paragraph
21 (23);

22 (2) by striking the period at the end of para-
23 graph (24) and inserting "; and"; and

24 (3) by adding after paragraph (24) the follow-
25 ing new paragraph:

1 “(25) provide that when a family with respect
2 to which services are provided under the plan ceases
3 to receive assistance under the State program fund-
4 ed under part A, the State shall provide appropriate
5 notice to the family and continue to provide such
6 services, subject to the same conditions and on the
7 same basis as in the case of individuals to whom
8 services are furnished under this section, except that
9 an application or other request to continue services
10 shall not be required of such a family and paragraph
11 (6)(B) shall not apply to the family.”.

12 (c) CONFORMING AMENDMENTS.—

13 (1) Section 452(b) (42 U.S.C. 652(b)) is
14 amended by striking “454(6)” and inserting
15 “454(4)”.

16 (2) Section 452(g)(2)(A) (42 U.S.C.
17 652(g)(2)(A)) is amended by striking “454(6)” each
18 place it appears and inserting “454(4)(A)(ii)”.

19 (3) Section 466(a)(3)(B) (42 U.S.C.
20 666(a)(3)(B)) is amended by striking “in the case of
21 overdue support which a State has agreed to collect
22 under section 454(6)” and inserting “in any other
23 case”.

1 (4) Section 466(e) (42 U.S.C. 666(e)) is
2 amended by striking "paragraph (4) or (6) of sec-
3 tion 454" and inserting "section 454(4)".

4 **SEC. 902. DISTRIBUTION OF CHILD SUPPORT COLLEC-**
5 **TIONS.**

6 (a) IN GENERAL.—Section 457 (42 U.S.C. 657) is
7 amended to read as follows:

8 **"SEC. 457. DISTRIBUTION OF COLLECTED SUPPORT.**

9 "(a) IN GENERAL.—An amount collected on behalf
10 of a family as support by a State pursuant to a plan ap-
11 proved under this part shall be distributed as follows:

12 "(1) FAMILIES RECEIVING ASSISTANCE.—In the
13 case of a family receiving assistance from the State,
14 the State shall—

15 "(A) retain, or distribute to the family, the
16 State share of the amount so collected; and

17 "(B) pay to the Federal Government the
18 Federal share of the amount so collected.

19 "(2) FAMILIES THAT FORMERLY RECEIVED AS-
20 SISTANCE.—In the case of a family that formerly re-
21 ceived assistance from the State:

22 "(A) CURRENT SUPPORT PAYMENTS.—The
23 State shall, with regard to amounts collected
24 which represent amounts owed for the current

1 month, distribute the amounts so collected to
2 the family.

3 "(B) PAYMENT OF ARREARAGES.—The
4 State shall, with regard to amounts collected
5 which exceed amounts owed for the current
6 month, distribute the amounts so collected as
7 follows:

8 "(i) DISTRIBUTION TO THE FAMILY
9 TO SATISFY ARREARAGES THAT ACCRUED
10 AFTER THE FAMILY RECEIVED ASSIST-
11 ANCE.—The State shall distribute the
12 amount so collected to the family to the ex-
13 tent necessary to satisfy any support ar-
14 rearages with respect to the family that ac-
15 crued after the family stopped receiving as-
16 sistance from the State.

17 "(ii) DISTRIBUTION TO THE FAMILY
18 TO SATISFY ARREARAGES THAT ACCRUED
19 BEFORE OR WHILE THE FAMILY RECEIVED
20 ASSISTANCE TO THE EXTENT PAYMENTS
21 EXCEEDED ASSISTANCE RECEIVED.—In the
22 case of arrearages of support obligations
23 with respect to the family that were as-
24 signed to the State making the collection,
25 as a condition of receiving assistance from

1 the State, and which accrued before or
2 while the family received such assistance,
3 the State may retain all or a part of the
4 State share and if the State does so retain,
5 shall retain and pay to the Federal Gov-
6 ernment the Federal share of amounts so
7 collected, to the extent the amount so re-
8 tained does not exceed the amount of as-
9 sistance provided to the family by the
10 State.

11 “(iii) DISTRIBUTION OF THE REMAIN-
12 DER TO THE FAMILY.—To the extent that
13 neither clause (i) nor clause (ii) applies to
14 the amount so collected, the State shall
15 distribute the amount to the family.

16 “(3) FAMILIES THAT NEVER RECEIVED ASSIST-
17 ANCE.—In the case of any other family, the State
18 shall distribute the amount so collected to the fam-
19 ily.

20 “(b) TRANSITION RULE.—Any rights to support obli-
21 gations which were assigned to a State as a condition of
22 receiving assistance from the State under part A before
23 the effective date of the Work Opportunity Act of 1995
24 shall remain assigned after such date.

25 (c) DEFINITIONS.—As used in subsection (a):

1 “(1) ASSISTANCE.—The term ‘assistance from
2 the State’ means—

3 “(A) assistance under the State program
4 funded under part A or under the State plan
5 approved under part A of this title (as in effect
6 before October 1, 1995); or

7 “(B) benefits under the State plan ap-
8 proved under part B or E of this title.

9 “(2) FEDERAL SHARE.—The term ‘Federal
10 share’ means, with respect to an amount collected by
11 the State to satisfy a support obligation owed to a
12 family for a time period—

13 “(A) the greatest Federal medical assist-
14 ance percentage in effect for the State for fiscal
15 year 1995 or any succeeding fiscal year; or

16 “(B) if support is not owed to the family
17 for any month for which the family received aid
18 to families with dependent children under the
19 State plan approved under part A of this title
20 (as in effect before October 1, 1995), the Fed-
21 eral reimbursement percentage for the fiscal
22 year in which the time period occurs.

23 “(3) FEDERAL MEDICAL ASSISTANCE PERCENT-
24 AGE.—The term ‘Federal medical assistance per-
25 centage’ means—

1 “(A) the Federal medical assistance per-
2 centage (as defined in section 1905(b)) in the
3 case of any State for which subparagraph (B)
4 does not apply; or

5 “(B) the Federal medical assistance per-
6 centage (as defined in section 1118), in the case
7 of Puerto Rico, the Virgin Islands, Guam, and
8 American Samoa.

9 “(4) FEDERAL REIMBURSEMENT PERCENT-
10 AGE.—The term ‘Federal reimbursement percentage’
11 means, with respect to a fiscal year—

12 “(A) the total amount paid to the State
13 under section 403 for the fiscal year; divided by

14 “(B) the total amount expended by the
15 State to carry out the State program under
16 part A during the fiscal year.

17 “(5) STATE SHARE.—The term ‘State share’
18 means 100 percent minus the Federal share.”.

19 (b) CLERICAL AMENDMENTS.—Section 454 (42
20 U.S.C. 654) is amended—

21 (1) in paragraph (11)—

22 (A) by striking “(11)” and inserting
23 “(11)(A)”; and

24 (B) by inserting after the semicolon “and”;

25 and

1 (2) by redesignating paragraph (12) as sub-
2 paragraph (B) of paragraph (11).

3 (c) EFFECTIVE DATE.—

4 (1) GENERAL RULE.—Except as provided in
5 paragraphs (2) and (3), the amendment made by
6 subsection (a) shall become effective on October 1,
7 1999.

8 (2) EARLIER EFFECTIVE DATE FOR RULES RE-
9 LATING TO DISTRIBUTION OF SUPPORT COLLECTED
10 FOR FAMILIES RECEIVING ASSISTANCE.—Section
11 457(a)(1) of the Social Security Act, as added by
12 the amendment made by subsection (a), shall be-
13 come effective on October 1, 1995.

14 (3) SPECIAL RULE.—A State may elect to have
15 the amendment made by subsection (a) become ef-
16 fective on a date earlier than October 1, 1999, which
17 date shall coincide with the operation of the single
18 statewide automated data processing and informa-
19 tion retrieval system required by section 454A of the
20 Social Security Act (as added by section 944(a)(2))
21 and the State disbursement unit required by section
22 454B of the Social Security Act (as added by section
23 912(b)), and the existence of State requirements for
24 assignment of support as a condition of eligibility for

1 assistance under part A of the Social Security Act
2 (as added by title I).

3 (4) CLERICAL AMENDMENTS.—The amend-
4 ments made by subsection (b) shall become effective
5 on October 1, 1995.

6 **SEC. 903. RIGHTS TO NOTIFICATION AND HEARINGS.**

7 (a) IN GENERAL.—Section 454 (42 U.S.C. 654), as
8 amended by section 902(b), is amended by inserting after
9 paragraph (11) the following new paragraph:

10 “(12) establish procedures to provide that—

11 “(A) individuals who are applying for or
12 receiving services under this part, or are parties
13 to cases in which services are being provided
14 under this part—

15 “(i) receive notice of all proceedings in
16 which support obligations might be estab-
17 lished or modified; and

18 “(ii) receive a copy of any order estab-
19 lishing or modifying a child support obliga-
20 tion, or (in the case of a petition for modi-
21 fication) a notice of determination that
22 there should be no change in the amount
23 of the child support award, within 14 days
24 after issuance of such order or determina-
25 tion; and

1 “(B) individuals applying for or receiving
2 services under this part have access to a fair
3 hearing or other formal complaint procedure
4 that meets standards established by the Sec-
5 retary and ensures prompt consideration and
6 resolution of complaints (but the resort to such
7 procedure shall not stay the enforcement of any
8 support order);”.

9 (b) **EFFECTIVE DATE.**—The amendment made by
10 subsection (a) shall become effective on October 1, 1997.

11 **SEC. 904. PRIVACY SAFEGUARDS.**

12 (a) **STATE PLAN REQUIREMENT.**—Section 454 (42
13 U.S.C. 654), as amended by section 901(b), is amended—

14 (1) by striking “and” at the end of paragraph
15 (24);

16 (2) by striking the period at the end of para-
17 graph (25) and inserting “; and”; and

18 (3) by adding after paragraph (25) the follow-
19 ing new paragraph:

20 “(26) will have in effect safeguards, applicable
21 to all confidential information handled by the State
22 agency, that are designed to protect the privacy
23 rights of the parties, including—

24 “(A) safeguards against unauthorized use
25 or disclosure of information relating to proceed-

1 ings or actions to establish paternity, or to es-
2 tablish or enforce support;

3 “(B) prohibitions against the release of in-
4 formation on the whereabouts of 1 party to an-
5 other party against whom a protective order
6 with respect to the former party has been en-
7 tered; and

8 “(C) prohibitions against the release of in-
9 formation on the whereabouts of 1 party to an-
10 other party if the State has reason to believe
11 that the release of the information may result
12 in physical or emotional harm to the former
13 party.”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 subsection (a) shall become effective on October 1, 1997.

16 **Subtitle B—Locate and Case** 17 **Tracking**

18 **SEC. 911. STATE CASE REGISTRY.**

19 Section 454A, as added by section 944(a)(2), is
20 amended by adding at the end the following new sub-
21 sections:

22 “(e) STATE CASE REGISTRY.—

23 “(1) CONTENTS.—The automated system re-
24 quired by this section shall include a registry (which

1 shall be known as the 'State case registry') that con-
2 tains records with respect to—

3 “(A) each case in which services are being
4 provided by the State agency under the State
5 plan approved under this part; and

6 “(B) each support order established or
7 modified in the State on or after October 1,
8 1998.

9 “(2) LINKING OF LOCAL REGISTRIES.—The
10 State case registry may be established by linking
11 local case registries of support orders through an
12 automated information network, subject to this sec-
13 tion.

14 “(3) USE OF STANDARDIZED DATA ELE-
15 MENTS.—Such records shall use standardized data
16 elements for both parents (such as names, social se-
17 curity numbers and other uniform identification
18 numbers, dates of birth, and case identification
19 numbers), and contain such other information (such
20 as on-case status) as the Secretary may require.

21 “(4) PAYMENT RECORDS.—Each case record in
22 the State case registry with respect to which services
23 are being provided under the State plan approved
24 under this part and with respect to which a support

1 order has been established shall include a record
2 of—

3 “(A) the amount of monthly (or other peri-
4 odic) support owed under the order, and other
5 amounts (including arrearages, interest or late
6 payment penalties, and fees) due or overdue
7 under the order;

8 “(B) any amount described in subpara-
9 graph (A) that has been collected;

10 “(C) the distribution of such collected
11 amounts;

12 “(D) the birth date of any child for whom
13 the order requires the provision of support; and

14 “(E) the amount of any lien imposed with
15 respect to the order pursuant to section
16 466(a)(4).

17 “(5) UPDATING AND MONITORING.—The State
18 agency operating the automated system required by
19 this section shall promptly establish and maintain,
20 and regularly monitor, case records in the State case
21 registry with respect to which services are being pro-
22 vided under the State plan approved under this part,
23 on the basis of—

1 “(A) information on administrative actions
2 and administrative and judicial proceedings and
3 orders relating to paternity and support;

4 “(B) information obtained from compari-
5 son with Federal, State, or local sources of in-
6 formation;

7 “(C) information on support collections
8 and distributions; and

9 “(D) any other relevant information.

10 “(F) INFORMATION COMPARISONS AND OTHER DIS-
11 CLOSURES OF INFORMATION.—The State shall use the
12 automated system required by this section to extract infor-
13 mation from (at such times, and in such standardized for-
14 mat or formats, as may be required by the Secretary), to
15 share and compare information with, and to receive infor-
16 mation from, other data bases and information compari-
17 son services, in order to obtain (or provide) information
18 necessary to enable the State agency (or the Secretary or
19 other State or Federal agencies) to carry out this part,
20 subject to section 6103 of the Internal Revenue Code of
21 1986. Such information comparison activities shall include
22 the following:

23 “(1) FEDERAL CASE REGISTRY OF CHILD SUP-
24 PORT ORDERS.—Furnishing to the Federal Case
25 Registry of Child Support Orders established under

1 section 453(h) (and update as necessary, with infor-
2 mation including notice of expiration of orders) the
3 minimum amount of information on child support
4 cases recorded in the State case registry that is nec-
5 essary to operate the registry (as specified by the
6 Secretary in regulations).

7 “(2) FEDERAL PARENT LOCATOR SERVICE.—
8 Exchanging information with the Federal Parent
9 Locator Service for the purposes specified in section
10 453.

11 “(3) TEMPORARY FAMILY ASSISTANCE AND
12 MEDICAID AGENCIES.—Exchanging information with
13 State agencies (of the State and of other States) ad-
14 ministering programs funded under part A, pro-
15 grams operated under State plans under title XIX,
16 and other programs designated by the Secretary, as
17 necessary to perform State agency responsibilities
18 under this part and under such programs.

19 “(4) INTRASTATE AND INTERSTATE INFORMA-
20 TION COMPARISONS.—Exchanging information with
21 other agencies of the State, agencies of other States,
22 and interstate information networks, as necessary
23 and appropriate to carry out (or assist other States
24 to carry out) the purposes of this part.”

1 SEC. 912. COLLECTION AND DISBURSEMENT OF SUPPORT
2 PAYMENTS.

3 (a) STATE PLAN REQUIREMENT.—Section 454 (42
4 U.S.C. 654), as amended by sections 901(b) and 904(a),
5 is amended—

6 (1) by striking “and” at the end of paragraph
7 (25);

8 (2) by striking the period at the end of para-
9 graph (26) and inserting “; and”; and

10 (3) by adding after paragraph (26) the follow-
11 ing new paragraph.

12 “(27) provide that, on and after October 1,
13 1998, the State agency will—

14 “(A) operate a State disbursement unit in
15 accordance with section 454B; and

16 “(B) have sufficient State staff (consisting
17 of State employees), and (at State option) con-
18 tractors reporting directly to the State agency,
19 to—

20 “(i) monitor and enforce support col-
21 lections through the unit (including carry-
22 ing out the automated data processing re-
23 sponsibilities described in section 454A(g));
24 and

25 “(ii) take the actions described in sec-
26 tion 454A(f), in appropriate cases.

1 (b) ESTABLISHMENT OF STATE DISBURSEMENT
2 UNIT.—Part D of title IV (42 U.S.C. 651-669), as
3 amended by section 944(a)(2), is amended by inserting
4 after section 454A the following new section:

5 **"SEC. 454B. COLLECTION AND DISBURSEMENT OF SUP-**
6 **PORT PAYMENTS.**

7 "(a) STATE DISBURSEMENT UNIT.—

8 "(1) IN GENERAL.—In order for a State to
9 meet the requirements of this section, the State
10 agency must establish and operate a unit (which
11 shall be known as the 'State disbursement unit') for
12 the collection and disbursement of payments under
13 support orders in all cases being enforced by the
14 State pursuant to section 454(4).

15 "(2) OPERATION.—The State disbursement
16 unit shall be operated—

17 "(A) directly by the State agency (or 2 or
18 more State agencies under a regional cooper-
19 tive agreement), or (to the extent appropriate)
20 by a contractor responsible directly to the State
21 agency; and

22 "(B) in coordination with the automated
23 system established by the State pursuant to
24 section 454A.

1 “(3) LINKING OF LOCAL DISBURSEMENT
2 UNITS.—The State disbursement unit may be estab-
3 lished by linking local disbursement units through
4 an automated information network, subject to this
5 section. The Secretary must agree that the system
6 will not cost more nor take more time to establish
7 or operate than a centralized system. In addition,
8 employers shall be given 1 location to which income
9 withholding is sent.

10 “(b) REQUIRED PROCEDURES.—The State disburse-
11 ment unit shall use automated procedures, electronic proc-
12 esses, and computer-driven technology to the maximum
13 extent feasible, efficient, and economical, for the collection
14 and disbursement of support payments, including proce-
15 dures—

16 “(1) for receipt of payments from parents, em-
17 ployers, and other States, and for disbursements to
18 custodial parents and other obligees, the State agen-
19 cy, and the agencies of other States;

20 “(2) for accurate identification of payments;

21 “(3) to ensure prompt disbursement of the cus-
22 todial parent's share of any payment; and

23 “(4) to furnish to any parent, upon request,
24 timely information on the current status of support

1 payments under an order requiring payments to be
2 made by or to the parent.

3 “(c) TIMING OF DISBURSEMENTS.—

4 “(1) IN GENERAL.—Except as provided in para-
5 graph (2), the State disbursement unit shall distrib-
6 ute all amounts payable under section 457(a) within
7 2 business days after receipt from the employer or
8 other source of periodic income, if sufficient infor-
9 mation identifying the payee is provided.

10 “(2) PERMISSIVE RETENTION OF ARREAR-
11 AGES.—The State disbursement unit may delay the
12 distribution of collections toward arrearages until
13 the resolution of any timely appeal with respect to
14 such arrearages.

15 “(d) BUSINESS DAY DEFINED.—As used in this sec-
16 tion, the term ‘business day’ means a day on which State
17 offices are open for regular business.”

18 (c) USE OF AUTOMATED SYSTEM.—Section 454A, as
19 added by section 944(a)(2) and as amended by section
20 911, is amended by adding at the end the following new
21 subsection:

22 “(g) COLLECTION AND DISTRIBUTION OF SUPPORT
23 PAYMENTS.—

24 “(1) IN GENERAL.—The State shall use the
25 automated system required by this section, to the

1 maximum extent feasible, to assist and facilitate the
2 collection and disbursement of support payments
3 through the State disbursement unit operated under
4 section 454B, through the performance of functions,
5 including, at a minimum—

6 “(A) transmission of orders and notices to
7 employers (and other debtors) for the withhold-
8 ing of wages and other income—

9 “(i) within 2 business days after re-
10 ceipt from a court, another State, an em-
11 ployer, the Federal Parent Locator Service,
12 or another source recognized by the State
13 of notice of, and the income source subject
14 to, such withholding; and

15 “(ii) using uniform formats prescribed
16 by the Secretary;

17 “(B) ongoing monitoring to promptly iden-
18 tify failures to make timely payment of support;
19 and

20 “(C) automatic use of enforcement proce-
21 dures (including procedures authorized pursu-
22 ant to section 466(c)) where payments are not
23 timely made.

24 “(2) BUSINESS DAY DEFINED.—As used in
25 paragraph (1), the term ‘business day’ means a day

1 on which State offices are open for regular busi-
2 ness.”.

3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall become effective on October 1, 1998.

5 **SEC. 913. STATE DIRECTORY OF NEW HIRES.**

6 (a) STATE PLAN REQUIREMENT.—Section 454 (42
7 U.S.C. 654), as amended by sections 901(b), 904(a) and
8 912(a), is amended—

9 (1) by striking “and” at the end of paragraph
10 (26);

11 (2) by striking the period at the end of para-
12 graph (27) and inserting “; and”; and

13 (3) by adding after paragraph (27) the follow-
14 ing new paragraph:

15 “(28) provide that, on and after October 1,
16 1997, the State will operate a State Directory of
17 New Hires in accordance with section 453A.”.

18 (b) STATE DIRECTORY OF NEW HIRES.—Part D of
19 title IV (42 U.S.C. 651–669) is amended by inserting
20 after section 453 the following new section:

21 **“SEC. 453A. STATE DIRECTORY OF NEW HIRES.**

22 **“(a) ESTABLISHMENT.—**

23 **“(1) IN GENERAL.—**Not later than October 1,
24 1997, each State shall establish an automated direc-
25 tory (to be known as the ‘State Directory of New

1 Hires') which shall contain information supplied in
2 accordance with subsection (b) by employers on each
3 newly hired employee.

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

5 "(A) EMPLOYEE.—The term 'employee'—

6 "(i) means an individual who is an
7 employee within the meaning of chapter 24
8 of the Internal Revenue Code of 1986; and

9 "(ii) does not include an employee of
10 a Federal or State agency performing in-
11 telligence or counterintelligence functions,
12 if the head of such agency has determined
13 that reporting pursuant to paragraph (1)
14 with respect to the employee could endan-
15 ger the safety of the employee or com-
16 promise an ongoing investigation or intel-
17 ligence mission.

18 "(B) EMPLOYER.—The term 'employer' in-
19 cludes—

20 "(i) any governmental entity, and

21 "(ii) any labor organization.

22 "(C) LABOR ORGANIZATION.—The term
23 'labor organization' shall have the meaning
24 given such term in section 2(5) of the National
25 Labor Relations Act, and includes any entity

1 (also known as a 'hiring hall') which is used by
2 the organization and an employer to carry out
3 requirements described in section 8(f)(3) of
4 such Act of an agreement between the organiza-
5 tion and the employer.

6 "(b) EMPLOYER INFORMATION.—

7 "(1) REPORTING REQUIREMENT.—

8 "(A) IN GENERAL.—Except as provided in
9 subparagraphs (B) and (C), each employer shall
10 furnish to the Directory of New Hires of the
11 State in which a newly hired employee works, a
12 report that contains the name, address, and so-
13 cial security number of the employee, and the
14 name of, and identifying number assigned
15 under section 6109 of the Internal Revenue
16 Code of 1986 to, the employer.

17 "(B) MULTISTATE EMPLOYERS.—An em-
18 ployer that has employees who are employed in
19 2 or more States and that transmits reports
20 magnetically or electronically may comply with
21 subparagraph (A) by designating 1 State in
22 which such employer has employees to which it
23 will transmit the report described in subpara-
24 graph (A), and transmitting such report to such
25 State. Any employer that transmits reports pur-

1 suant to this subparagraph shall notify the Sec-
2 retary in writing as to which State such em-
3 ployer designates for the purpose of sending re-
4 ports.

5 "(C) FEDERAL GOVERNMENT EMPLOY-
6 ERS.—Any department, agency, or instrumentality of the United States shall comply with
7 subparagraph (A) by transmitting the report
8 described in subparagraph (A) to the National
9 Directory of New Hires established pursuant to
10 section 453.

11
12 "(2) TIMING OF REPORT.—The report required
13 by paragraph (1) with respect to an employee shall
14 be made not later than the later of—

15 "(A) 30 days after the date the employer
16 hires the employee; or

17 "(B) in the case of an employer that re-
18 ports by magnetic or electronic means, the 1st
19 business day of the week following the date on
20 which the employee 1st receives wages or other
21 compensation from the employer.

22 "(c) REPORTING FORMAT AND METHOD.—Each re-
23 port required by subsection (b) shall be made on a
24 W-4 form and may be transmitted by 1st class mail, mag-
25 netically, or electronically.

1 “(d) CIVIL MONEY PENALTIES ON NONCOMPLYING
2 EMPLOYERS.—An employer that fails to comply with sub
3 section (b) with respect to an employee shall be subject
4 to a State civil money penalty which shall be less than—

5 “(1) \$25; or

6 “(2) \$500 if, under State law, the failure is the
7 result of a conspiracy between the employer and the
8 employee to not supply the required report or to
9 supply a false or incomplete report.

10 “(e) ENTRY OF EMPLOYER INFORMATION.—Infor-
11 mation shall be entered into the data base maintained by
12 the State Directory of New Hires within 5 business days
13 of receipt from an employer pursuant to subsection (b).

14 “(f) INFORMATION COMPARISONS.—

15 “(1) IN GENERAL.—Not later than October 1,
16 1998, an agency designated by the State shall, di-
17 rectly or by contract, conduct automated compari-
18 sons of the social security numbers reported by em-
19 ployers pursuant to subsection (b) and the social se-
20 curity numbers appearing in the records of the State
21 case registry for cases being enforced under the
22 State plan.

23 “(2) NOTICE OF MATCH.—When an information
24 comparison conducted under paragraph (1) reveals a
25 match with respect to the social security number of

1 an individual required to provide support under a
2 support order, the State Directory of New Hires
3 shall provide the agency administering the State
4 plan approved under this part of the appropriate
5 State with the name, address, and social security
6 number of the employee to whom the social security
7 number is assigned, and the name of, and identify-
8 ing number assigned under section 6109 of the In-
9 ternal Revenue Code of 1986 to, the employer.

10 "(g) TRANSMISSION OF INFORMATION.—

11 "(1) TRANSMISSION OF WAGE WITHHOLDING
12 NOTICES TO EMPLOYERS.—Within 2 business days
13 after the date information regarding a newly hired
14 employee is entered into the State Directory of New
15 Hires, the State agency enforcing the employee's
16 child support obligation shall transmit a notice to
17 the employer of the employee directing the employer
18 to withhold from the wages of the employee an
19 amount equal to the monthly (or other periodic)
20 child support obligation of the employee, unless the
21 employee's wages are not subject to withholding pur-
22 suant to section 406(b)(3).

23 "(2) TRANSMISSIONS TO THE NATIONAL DIRECTO-
24 TORY OF NEW HIRES.—

1 “(A) NEW HIRE INFORMATION.—Within 2
2 business days after the date information re-
3 garding a newly hired employee is entered into
4 the State Directory of New Hires, the State Di-
5 rectory of New Hires shall furnish the informa-
6 tion to the National Directory of New Hires.

7 “(B) WAGE AND UNEMPLOYMENT COM-
8 PENSATION INFORMATION.—The State Direc-
9 tory of New Hires shall, on a quarterly basis,
10 furnish to the National Directory of New Hires
11 extracts of the reports required under section
12 303(a)(6) to be made to the Secretary of Labor
13 concerning the wages and unemployment com-
14 pensation paid to individuals, by such dates, in
15 such format, and containing such information
16 as the Secretary of Health and Human Services
17 shall specify in regulations.

18 “(3) BUSINESS DAY DEFINED.—As used in this
19 subsection, the term ‘business day’ means a day on
20 which State offices are open for regular business.

21 “(h) OTHER USES OF NEW HIRE INFORMATION.—

22 “(1) LOCATION OF CHILD SUPPORT OBLI-
23 GORS.—The agency administering the State plan ap-
24 proved under this part shall use information received
25 pursuant to subsection (f)(2) to locate individuals

1 for purposes of establishing paternity and establish-
2 ing, modifying, and enforcing child support obliga-
3 tions.

4 “(2) VERIFICATION OF ELIGIBILITY FOR CER-
5 TAIN PROGRAMS.—A State agency responsible for
6 administering a program specified in section 1137(b)
7 shall have access to information reported by employ-
8 ers pursuant to subsection (b) of this section for
9 purposes of verifying eligibility for the program.

10 “(3) ADMINISTRATION OF EMPLOYMENT SECU-
11 RITY AND WORKERS’ COMPENSATION.—State agen-
12 cies operating employment security and workers’
13 compensation programs shall have access to informa-
14 tion reported by employers pursuant to subsection
15 (b) for the purposes of administering such pro-
16 grams.”.

17 “(c) QUARTERLY WAGE REPORTING.—Section
18 1137(a)(3) (42 U.S.C. 1320b-7(a)(3)) is amended—

19 (1) by inserting “(including State and local gov-
20 ernmental entities)” after “employers”; and

21 (2) by inserting “, and except that no report
22 shall be filed with respect to an employee of a State
23 agency performing intelligence or counterintelligence
24 functions, if the head of such agency has determined
25 that filing such a report could endanger the safety

1 of the employee or compromise an ongoing investiga-
2 tion or intelligence mission" after "paragraph (2)".

3 **SEC. 914. AMENDMENTS CONCERNING INCOME WITHHOLD-**
4 **ING.**

5 (a) **MANDATORY INCOME WITHHOLDING.—**

6 (1) **IN GENERAL.—**Section 466(a)(1) (42
7 U.S.C. 666(a)(1)) is amended to read as follows:

8 "(1)(A) Procedures described in subsection (b)
9 for the withholding from income of amounts payable
10 as support in cases subject to enforcement under the
11 State plan.

12 "(B) Procedures under which the wages of a
13 person with a support obligation imposed by a sup-
14 port order issued (or modified) in the State before
15 October 1, 1996, if not otherwise subject to with-
16 holding under subsection (b), shall become subject to
17 withholding as provided in subsection (b) if arrears
18 are due, without the need for a judicial or admin-
19 istrative hearing."

20 (2) **CONFORMING AMENDMENTS.—**

21 (A) Section 466(b) (42 U.S.C. 666(b)) is
22 amended in the matter preceding paragraph
23 (1), by striking "subsection (b)(1)" and insert-
24 ing "subsection (a)(1)(A)".

1 (B) Section 466(b)(4) (42 U.S.C.

2 666(b)(4)) is amended to read as follows:

3 “(4)(A) Such withholding must be carried out
4 in full compliance with all procedural due process re-
5 quirements of the State, and the State must send
6 notice to each absent parent to whom paragraph (1)
7 applies—

8 “(i) that the withholding has commenced;

9 and

10 “(ii) of the procedures to follow if the ab-
11 sent parent desires to contest such withholding
12 on the grounds that the withholding or the
13 amount withheld is improper due to a mistake
14 of fact.

15 “(B) The notice under subparagraph (A) shall
16 include the information provided to the employer
17 under paragraph (6)(A).”

18 (C) Section 466(b)(5) (42 U.S.C.

19 666(b)(5)) is amended by striking all that fol-
20 lows “administered by” and inserting “the
21 State through the State disbursement unit es-
22 tablished pursuant to section 454B, in accord-
23 ance with the requirements of section 454B.”

24 (D) Section 466(b)(6)(A) (42 U.S.C.

25 666(b)(6)(A)) is amended—

1 (i) in clause (i), by striking "to the
2 appropriate agency" and all that follows
3 and inserting "to the State disbursement
4 unit within 2 business days after the date
5 the amount would (but for this subsection)
6 have been paid or credited to the employee,
7 for distribution in accordance with this
8 part.";

9 (ii) in clause (ii), by inserting "be in
10 a standard format prescribed by the Sec-
11 retary, and" after "shall"; and

12 (iii) by adding at the end the follow-
13 ing new clause:

14 "(iii) As used in this subparagraph, the term
15 'business day' means a day on which State offices
16 are open for regular business."

17 (E) Section 466(b)(6)(D) (42 U.S.C.
18 666(b)(6)(D)) is amended by striking "any em-
19 ployer" and all that follows and inserting "any
20 employer who—

21 "(i) discharges from employment, refuses
22 to employ, or takes disciplinary action against
23 any absent parent subject to wage withholding
24 required by this subsection because of the exist-
25 ence of such withholding and the obligations or

1 additional obligations which it imposes upon the
2 employer; or

3 “(ii) fails to withhold support from wages,
4 or to pay such amounts to the State disburse-
5 ment unit in accordance with this subsection.”.

6 (F) Section 466(b) (42 U.S.C. 666(b)) is
7 amended by adding at the end the following
8 new paragraph:

9 “(11) Procedures under which the agency ad-
10 ministering the State plan approved under this part
11 may execute a withholding order through electronic
12 means and without advance notice to the obligor.”.

13 (b) CONFORMING AMENDMENT.—Section 466(c) (42
14 U.S.C. 666(c)) is repealed.

15 **SEC. 915. LOCATOR INFORMATION FROM INTERSTATE NET-**
16 **WORKS.**

17 Section 466(a) (42 U.S.C. 666(a)) is amended by
18 adding at the end the following new paragraph:

19 “(12) Procedures to ensure that all Federal and
20 State agencies conducting activities under this part
21 have access to any system used by the State to lo-
22 cate an individual for purposes relating to motor ve-
23 hicles or law enforcement.”.

1 SEC. 916. EXPANSION OF THE FEDERAL PARENT LOCATOR
2 SERVICE.

3 (a) EXPANDED AUTHORITY TO LOCATE INDIVID-
4 UALS AND ASSETS.—Section 453 (42 U.S.C. 653) is
5 amended—

6 (1) in subsection (a), by striking all that follows
7 “subsection (c)” and inserting “, for the purpose of
8 establishing parentage, establishing, setting the
9 amount of, modifying, or enforcing child support ob-
10 ligations, or enforcing child visitation orders—

11 “(1) information on, or facilitating the discov-
12 ery of, the location of any individual—

13 “(A) who is under an obligation to pay
14 child support or provide child visitation rights;

15 “(B) against whom such an obligation is
16 sought;

17 “(C) to whom such an obligation is owed,
18 including the individual's social security number (or
19 numbers), most recent address, and the name, ad-
20 dress, and employer identification number of the in-
21 dividual's employer;

22 “(2) information on the individual's wages (or
23 other income) from, and benefits of, employment (in-
24 cluding rights to or enrollment in group health care
25 coverage); and

1 “(3) information on the type, status, location,
2 and amount of any assets of, or debts owed by or
3 to, any such individual.”; and

4 (2) in subsection (b), in the matter preceding
5 paragraph (1), by striking “social security” and all
6 that follows through “absent parent” and inserting
7 “information described in subsection (a)”.

8 (b) AUTHORIZED PERSON FOR INFORMATION RE-
9 GARDING VISITATION RIGHTS.—Section 453(c) (42
10 U.S.C. 653(e)) is amended—

11 (1) in paragraph (1), by striking “support” and
12 inserting “support or to seek to enforce orders pro-
13 viding child visitation rights”;

14 (2) in paragraph (2), by striking “, or any
15 agent of such court; and” and inserting “or to issue
16 an order against a resident parent for visitation
17 rights, or any agent of such court;”;

18 (3) by striking the period at the end of para-
19 graph (3) and inserting “; and”; and

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

22 “(4) the absent parent, only with regard to a
23 court order against a resident parent for child visita-
24 tion rights.”.

1 (c) REIMBURSEMENT FOR INFORMATION FROM FED-
2 ERAL AGENCIES.—Section 453(e)(2) (42 U.S.C.
3 653(e)(2)) is amended in the 4th sentence by inserting
4 “in an amount which the Secretary determines to be rea-
5 sonable payment for the information exchange (which
6 amount shall not include payment for the costs of obtain-
7 ing, compiling, or maintaining the information)” before
8 the period.

9 (d) REIMBURSEMENT FOR REPORTS BY STATE
10 AGENCIES.—Section 453 (42 U.S.C. 653) is amended by
11 adding at the end the following new subsection:

12 “(g) The Secretary may reimburse Federal and State
13 agencies for the costs incurred by such entities in furnish-
14 ing information requested by the Secretary under this sec-
15 tion in an amount which the Secretary determines to be
16 reasonable payment for the information exchange (which
17 amount shall not include payment for the costs of obtain-
18 ing, compiling, or maintaining the information).”

19 (e) TECHNICAL AMENDMENTS.—

20 (1) Sections 452(a)(9), 453(a), 453(b), 463(a),
21 463(e), and 463(f) (42 U.S.C. 652(a)(9), 653(a),
22 653(b), 663(a), 663(e), and 663(f)) are each amend-
23 ed by inserting “Federal” before “Parent” each
24 place such term appears.

1 (2) Section 453 (42 U.S.C. 653) is amended in
2 the heading by adding "FEDERAL" before "PAR-
3 ENT".

4 (f) NEW COMPONENTS.—Section 453 (42 U.S.C.
5 653), as amended by subsection (d) of this section, is
6 amended by adding at the end the following new sub-
7 section:

8 “(h)(1) Not later than October 1, 1998, in order to
9 assist States in administering programs under State plans
10 approved under this part and programs funded under part
11 A, and for the other purposes specified in this section, the
12 Secretary shall establish and maintain in the Federal Par-
13 ent Locator Service an automated registry (which shall be
14 known as the ‘Federal Case Registry of Child Support Or-
15 ders’), which shall contain abstracts of support orders and
16 other information described in paragraph (2) with respect
17 to each case in each State case registry maintained pursu-
18 ant to section 454A(e), as furnished (and regularly up-
19 dated), pursuant to section 454A(f), by State agencies ad-
20 ministering programs under this part.

21 “(2) The information referred to in paragraph (1)
22 with respect to a case shall be such information as the
23 Secretary may specify in regulations (including the names,
24 social security numbers or other uniform identification
25 numbers, and State case identification numbers) to iden-

1 tify the individuals who owe or are owed support (or with
2 respect to or on behalf of whom support obligations are
3 sought to be established), and the State or States which
4 have the case.

5 (i)(1) In order to assist States in administering pro-
6 grams under State plans approved under this part and
7 programs funded under part A, and for the other purposes
8 specified in this section, the Secretary shall, not later than
9 October 1, 1996, establish and maintain in the Federal
10 Parent Locator Service an automated directory to be
11 known as the National Directory of New Hires, which
12 shall contain the information supplied pursuant to section
13 453A(g)(2).

14 (2) Information shall be entered into the data base
15 maintained by the National Directory of New Hires within
16 2 business days of receipt pursuant to section 453A(g)(2).

17 (3) The Secretary of the Treasury shall have access
18 to the information in the National Directory of New Hires
19 for purposes of administering section 32 of the Internal
20 Revenue Code of 1986, or the advance payment of the
21 earned income tax credit under section 3507 of such Code,
22 and verifying a claim with respect to employment in a tax
23 return.

24 (4) The Secretary shall maintain within the Na-
25 tional Directory of New Hires a list of multistate employ-

1 ers that report information regarding newly hired employ-
2 ees pursuant to section 453A(b)(1)(B), and the State
3 which each such employer has designated to receive such
4 information.

5 “(j)(1)(A) The Secretary shall transmit information
6 on individuals and employers maintained under this sec-
7 tion to the Social Security Administration to the extent
8 necessary for verification in accordance with subparagraph
9 (B).

10 “(B) The Social Security Administration shall verify
11 the accuracy of, correct, or supply to the extent possible,
12 and report to the Secretary, the following information sup-
13 plied by the Secretary pursuant to subparagraph (A):

14 “(i) The name, social security number, and
15 birth date of each such individual.

16 “(ii) The employer identification number of
17 each such employer.

18 “(2) For the purpose of locating individuals in a pa-
19 ternity establishment case or a case involving the estab-
20 lishment, modification, or enforcement of a support order,
21 the Secretary shall—

22 “(A) compare information in the National Di-
23 rectory of New Hires against information in the sup-
24 port case abstracts in the Federal Case Registry of

1 Child Support Orders not less often than every 2
2 business days; and

3 “(B) within 2 such days after such a compari-
4 son reveals a match with respect to an individual, re-
5 port the information to the State agency responsible
6 for the case.

7 “(3) To the extent and with the frequency that the
8 Secretary determines to be effective in assisting States to
9 carry out their responsibilities under programs operated
10 under this part and programs funded under part A, the
11 Secretary shall—

12 “(A) compare the information in each compo-
13 nent of the Federal Parent Locator Service main-
14 tained under this section against the information in
15 each other such component (other than the compari-
16 son required by paragraph (2)), and report instances
17 in which such a comparison reveals a match with re-
18 spect to an individual to State agencies operating
19 such programs; and

20 “(B) disclose information in such registries to
21 such State agencies.

22 “(4) The National Directory of New Hires shall pro-
23 vide the Commissioner of Social Security with all informa-
24 tion in the National Directory, which shall be used to de-
25 termine the accuracy of payments under the supplemental

1 security income program under title XVI and in connec-
2 tion with benefits under title II.

3 “(5) The Secretary may provide access to information
4 reported by employers pursuant to section 453A(b) for re-
5 search purposes found by the Secretary to be likely to con-
6 tribute to achieving the purposes of part A or this part,
7 but without personal identifiers.

8 “(k)(1) The Secretary shall reimburse the Commis-
9 sioner of Social Security, at a rate negotiated between the
10 Secretary and the Commissioner, for the costs incurred
11 by the Commissioner in performing the verification serv-
12 ices described in subsection (j).

13 “(2) The Secretary shall reimburse costs incurred by
14 State directories of new hires in furnishing information
15 as required by subsection (j)(3), at rates which the Sec-
16 retary determines to be reasonable (which rates shall not
17 include payment for the costs of obtaining, compiling, or
18 maintaining such information).

19 “(3) A State or Federal agency that receives informa-
20 tion from the Secretary pursuant to this section shall re-
21 imburse the Secretary for costs incurred by the Secretary
22 in furnishing the information, at rates which the Secretary
23 determines to be reasonable (which rates shall include pay-
24 ment for the costs of obtaining, verifying, maintaining,
25 and comparing the information).

1 “(l) Information in the Federal Parent Locator Serv-
2 ice, and information resulting from comparisons using
3 such information, shall not be used or disclosed except as
4 expressly provided in this section, subject to section 6103
5 of the Internal Revenue Code of 1986.

6 “(m) The Secretary shall establish and implement
7 safeguards with respect to the entities established under
8 this section designed to—

9 “(1) ensure the accuracy and completeness of
10 information in the Federal Parent Locator Service;
11 and

12 “(2) restrict access to confidential information
13 in the Federal Parent Locator Service to authorized
14 persons, and restrict use of such information to au-
15 thorized purposes.

16 “(n) Each department, agency, and instrumentality
17 of the United States shall on a quarterly basis report to
18 the Federal Parent Locator Service the name and social
19 security number of each employee and the wages paid to
20 the employee during the previous quarter, except that no
21 report shall be filed with respect to an employee of a de-
22 partment, agency, or instrumentality performing intel-
23 ligence or counterintelligence functions, if the head of such
24 department, agency, or instrumentality has determined
25 that filing such a report could endanger the safety of the

1 employee or compromise an ongoing investigation or intel-
2 ligence mission.”

3 (f) CONFORMING AMENDMENTS.—

4 (1) TO PART D OF TITLE IV OF THE SOCIAL SE-
5 CURITY ACT.—Section 454(8)(B) (42 U.S.C.
6 654(8)(B)) is amended to read as follows:

7 “(B) the Federal Parent Locator Service
8 established under section 453;”

9 (2) TO FEDERAL UNEMPLOYMENT TAX ACT.—
10 Section 3304(a)(16) of the Internal Revenue Code of
11 1986 is amended—

12 (A) by striking “Secretary of Health, Edu-
13 cation, and Welfare” each place such term ap-
14 pears and inserting “Secretary of Health and
15 Human Services”;

16 (B) in subparagraph (B), by striking
17 “such information” and all that follows and in-
18 serting “information furnished under subpara-
19 graph (A) or (B) is used only for the purposes
20 authorized under such subparagraph;”;

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

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

1 (E) by inserting after subparagraph (A)
2 the following new subparagraph:

3 "(B) wage and unemployment compensa-
4 tion information contained in the records of
5 such agency shall be furnished to the Secretary
6 of Health and Human Services (in accordance
7 with regulations promulgated by such Sec-
8 retary) as necessary for the purposes of the Na-
9 tional Directory of New Hires established under
10 section 453(i) of the Social Security Act, and".

11 (3) TO STATE GRANT PROGRAM UNDER TITLE
12 III OF THE SOCIAL SECURITY ACT.—Subsection (h)
13 of section 303 (42 U.S.C. 503) is amended to read
14 as follows:

15 "(h)(1) The State agency charged with the adminis-
16 tration of the State law shall, on a reimbursable basis—

17 "(A) disclose quarterly, to the Secretary of
18 Health and Human Services wage and claim infor-
19 mation, as required pursuant to section 453(i)(1),
20 contained in the records of such agency;

21 "(B) ensure that information provided pursuant
22 to subparagraph (A) meets such standards relating
23 to correctness and verification as the Secretary of
24 Health and Human Services, with the concurrence
25 of the Secretary of Labor, may find necessary; and

1 “(C) establish such safeguards as the Secretary
2 of Labor determines are necessary to insure that in-
3 formation disclosed under subparagraph (A) is used
4 only for purposes of section 453(i)(1) in carrying out
5 the child support enforcement program under title
6 IV.

7 “(2) Whenever the Secretary of Labor, after reason-
8 able notice and opportunity for hearing to the State agen-
9 cy charged with the administration of the State law, finds
10 that there is a failure to comply substantially with the re-
11 quirements of paragraph (1); the Secretary of Labor shall
12 notify such State agency that further payments will not
13 be made to the State until the Secretary of Labor is satis-
14 fied that there is no longer any such failure. Until the
15 Secretary of Labor is so satisfied, the Secretary shall
16 make no future certification to the Secretary of the Treas-
17 ury with respect to the State.

18 “(3) For purposes of this subsection—

19 “(A) the term ‘wage information’ means infor-
20 mation regarding wages paid to an individual, the
21 social security account number of such individual,
22 and the name, address, State, and the Federal em-
23 ployer identification number of the employer paying
24 such wages to such individual; and

1 “(B) the term ‘claim information’ means infor-
2 mation regarding whether an individual is receiving,
3 has received, or has made application for, unemploy-
4 ment compensation, the amount of any such com-
5 pensation being received (or to be received by such
6 individual), and the individual’s current (or most re-
7 cent) home address.”.

8 **SEC. 917. COLLECTION AND USE OF SOCIAL SECURITY**
9 **NUMBERS FOR USE IN CHILD SUPPORT EN-**
10 **FORCEMENT.**

11 (a) **STATE LAW REQUIREMENT.**—Section 466(a) (42
12 U.S.C. 666(a)), as amended by section 915, is amended
13 by adding at the end the following new paragraph:

14 “(13) Procedures requiring that the social secu-
15 rity number of—

16 “(A) any applicant for a professional li-
17 cense, commercial driver’s license, occupational
18 license, or marriage license be recorded on the
19 application;

20 “(B) any individual who is subject to a di-
21 vorce decree, support order, or paternity deter-
22 mination or acknowledgment be placed in the
23 records relating to the matter; and

1 “(C) any individual who has died be placed
2 in the records relating to the death and be re-
3 corded on the death certificate.”.

4 (b) CONFORMING AMENDMENTS.—Section
5 205(c)(2)(C) (42 U.S.C. 405(c)(2)(C)), as amended by
6 section 321(a)(9) of the Social Security Independence and
7 Program Improvements Act of 1994, is amended—

8 (1) in clause (i), by striking “may require” and
9 inserting “shall require”;

10 (2) in clause (ii), by inserting after the 1st sen-
11 tence the following: “In the administration of any
12 law involving the issuance of a marriage certificate
13 or license, each State shall require each party named
14 in the certificate or license to furnish to the State
15 (or political subdivision thereof), or any State agen-
16 cy having administrative responsibility for the law
17 involved, the social security number of the party.”;

18 (3) in clause (vi), by striking “may” and insert-
19 ing “shall”; and

20 (4) by adding at the end the following new
21 clauses:

22 “(x) An agency of a State (or a politi-
23 cal subdivision thereof) charged with the
24 administration of any law concerning the
25 issuance or renewal of a license, certificate,

1 permit, or other authorization to engage in
2 a profession, an occupation, or a commer-
3 cial activity shall require all applicants for
4 issuance or renewal of the license, certifi-
5 cate, permit, or other authorization to pro-
6 vide the applicant's social security number
7 to the agency for the purpose of admin-
8 istering such laws, and for the purpose of
9 responding to requests for information
10 from an agency operating pursuant to part
11 D of title IV.

12 “(xi) All divorce decrees, support or-
13 ders, and paternity determinations issued,
14 and all paternity acknowledgments made,
15 in each State shall include the social secu-
16 rity number of each party to the decree,
17 order, determination, or acknowledgement
18 in the records relating to the matter.”

19 **Subtitle C—Streamlining and** 20 **Uniformity of Procedures**

21 **SEC. 921. ADOPTION OF UNIFORM STATE LAWS.**

22 Section 466 (42 U.S.C. 666) is amended by adding
23 at the end the following new subsection:

24 “(f)(1) In order to satisfy section 454(20)(A) on or
25 after January 1, 1997, each State must have in effect the

1 Uniform Interstate Family Support Act, as approved by
2 the National Conference of Commissioners on Uniform
3 State Laws in August 1992 (with the modifications and
4 additions specified in this subsection), and the procedures
5 required to implement such Act.

6 “(2) The State law enacted pursuant to paragraph
7 (1) may be applied to any case involving an order which
8 is established or modified in a State and which is sought
9 to be modified or enforced in another State.

10 “(3) The State law enacted pursuant to paragraph
11 (1) of this subsection shall contain the following provision
12 in lieu of section 611(a)(1) of the Uniform Interstate
13 Family Support Act:

14 “(1) the following requirements are met:

15 “(i) the child, the individual obligee, and
16 the obligor—

17 “(I) do not reside in the issuing
18 State; and

19 “(II) either reside in this State or
20 are subject to the jurisdiction of this State
21 pursuant to section 201; and

22 “(ii) in any case where another State is
23 exercising or seeks to exercise jurisdiction to
24 modify the order, the conditions of section 204

1 are met to the same extent as required for pro-
2 ceedings to establish orders; or.

3 “(4) The State law enacted pursuant to paragraph
4 (1) shall provide that, in any proceeding subject to the
5 law, process may be served (and proved) upon persons in
6 the State by any means acceptable in any State which is
7 the initiating or responding State in the proceeding.”

8 **SEC. 922. IMPROVEMENTS TO FULL FAITH AND CREDIT**
9 **FOR CHILD SUPPORT ORDERS.**

10 Section 1738B of title 28, United States Code, is
11 amended—

12 (1) in subsection (a)(2), by striking “subsection
13 (e)” and inserting “subsections (e), (f), and (i)”;

14 (2) in subsection (c), by inserting after the 2nd
15 undesignated paragraph the following:

16 “‘child’s home State’ means the State in which
17 a child lived with a parent or a person acting as par-
18 ent for at least 6 consecutive months immediately
19 preceding the time of filing of a petition or com-
20 parable pleading for support and, if a child is less
21 than 6 months old, the State in which the child lived
22 from birth with any of them. A period of temporary
23 absence of any of them is counted as part of the 6-
24 month period.”;

1 (3) in subsection (c), by inserting "by a court
2 of a State" before "is made";

3 (4) in subsection (c)(1), by inserting "and sub-
4 sections (e), (f), and (g)" after "located";

5 (5) in subsection (d)—

6 (A) by inserting "individual" before "con-
7 testant"; and

8 (B) by striking "subsection (e)" and in-
9 serting "subsections (e) and (f)";

10 (6) in subsection (e), by striking "make a modi-
11 fication of a child support order with respect to a
12 child that is made" and inserting "modify a child
13 support order issued";

14 (7) in subsection (e)(1), by inserting "pursuant
15 to subsection (i)" before the semicolon;

16 (8) in subsection (e)(2)—

17 (A) by inserting "individual" before "con-
18 testant" each place such term appears; and

19 (B) by striking "to that court's making the
20 modification and assuming" and inserting "with
21 the State of continuing, exclusive jurisdiction
22 for a court of another State to modify the order
23 and assume";

24 (9) by redesignating subsections (f) and (g) as
25 subsections (g) and (h), respectively;

1 (10) by inserting after subsection (a) the follow-
2 ing new subsection:

3 “(f) RECOGNITION OF CHILD SUPPORT ORDERS.—

4 If 1 or more child support orders have been issued in this
5 or another State with regard to an obligor and a child,
6 a court shall apply the following rules in determining
7 which order to recognize for purposes of continuing, exclu-
8 sive jurisdiction and enforcement:

9 “(1) If only 1 court has issued a child support
10 order, the order of that court must be recognized.

11 “(2) If 2 or more courts have issued child sup-
12 port orders for the same obligor and child, and only
13 1 of the courts would have continuing, exclusive ja-
14 risdiction under this section, the order of that court
15 must be recognized.

16 “(3) If 2 or more courts have issued child sup-
17 port orders for the same obligor and child, and more
18 than 1 of the courts would have continuing, exclusive
19 jurisdiction under this section, an order issued by a
20 court in the current home State of the child must
21 be recognized, but if an order has not been issued
22 in the current home State of the child, the order
23 most recently issued must be recognized.

24 “(4) If 2 or more courts have issued child sup-
25 port orders for the same obligor and child, and more

1 of the courts would have continuing, exclusive juris-
2 diction under this section, a court may issue a child
3 support order, which must be recognized.

4 "(5) The court that has issued an order recog-
5 nized under this subsection is the court having con-
6 tinuing, exclusive jurisdiction.";

7 (11) in subsection (g) (as so redesignated)—

8 (A) by striking "PRIOR" and inserting
9 "MODIFIED"; and

10 (B) by striking "subsection (e)" and in-
11 serting "subsections (e) and (f)";

12 (12) in subsection (h) (as so redesignated)—

13 (A) in paragraph (2), by inserting "includ-
14 ing the duration of current payments and other
15 obligations of support" before the comma; and

16 (B) in paragraph (3), by inserting "arrears
17 under" after "enforce"; and

18 (13) by adding at the end the following new
19 subsection:

20 "(i) REGISTRATION FOR MODIFICATION.—If there is
21 no individual contestant or child residing in the issuing
22 State, the party or support enforcement agency seeking
23 to modify, or to modify and enforce, a child support order
24 issued in another State shall register that order in a State

1 with jurisdiction over the nonmovant for the purpose of
2 modification."

3 **SEC. 923. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE**
4 **CASES.**

5 Section 466(a) (42 U.S.C. 666(a)), as amended by
6 sections 915 and 917(a), is amended by adding at the end
7 the following new paragraph:

8 "(14) Procedures under which—

9 "(A)(i) the State shall respond within 5
10 business days to a request made by another
11 State to enforce a support order; and

12 "(ii) the term 'business day' means a day
13 on which State offices are open for regular
14 business;

15 "(B) the State may, by electronic or other
16 means, transmit to another State a request for
17 assistance in a case involving the enforcement
18 of a support order, which request—

19 "(i) shall include such information as
20 will enable the State to which the request
21 is transmitted to compare the information
22 about the case to the information in the
23 data bases of the State; and

24 "(ii) shall constitute a certification by
25 the requesting State—

1 “(I) of the amount of support
2 under the order the payment of which
3 is in arrears; and

4 “(II) that the requesting State
5 has complied with all procedural due
6 process requirements applicable to the
7 case;

8 “(C) if the State provides assistance to an-
9 other State pursuant to this paragraph with re-
10 spect to a case; neither State shall consider the
11 case to be transferred to the caseload of such
12 other State; and

13 “(D) the State shall maintain records of—

14 “(i) the number of such requests for
15 assistance received by the State;

16 “(ii) the number of cases for which
17 the State collected support in response to
18 such a request; and

19 “(iii) the amount of such collected
20 support.”.

21 **SEC. 924. USE OF FORMS IN INTERSTATE ENFORCEMENT.**

22 (a) **PROMULGATION.**—Section 452(a) (42 U.S.C.
23 652(a)) is amended—

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

25 (9),

1 (2) by striking the period at the end of para-
2 graph (10) and inserting “; and”; and

3 (3) by adding at the end the following new
4 paragraph:

5 “(11) not later than 60 days after the date of
6 the enactment of the Work Opportunity Act of 1995,
7 establish an advisory committee, which shall include
8 State directors of programs under this part, and not
9 later than June 30, 1996, after consultation with
10 the advisory committee, promulgate forms to be used
11 by States in interstate cases for—

12 “(A) collection of child support through in-
13 come withholding;

14 “(B) imposition of liens; and

15 “(C) administrative subpoenas.”

16 (b) USE BY STATES.—Section 454(9) (42 U.S.C.
17 654(9)) is amended—

18 (1) by striking “and” at the end of subpara-
19 graph (C);

20 (2) by inserting “and” at the end of subpara-
21 graph (D); and

22 (3) by adding at the end the following new sub-
23 paragraph:

24 “(E) no later than October 1, 1996, in
25 using the forms promulgated pursuant to sec-

tion 452(a)(11) for income withholding, imposition of liens, and issuance of administrative subpoenas in interstate child support cases;

SEC. 925. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) STATE LAW REQUIREMENTS.—Section 466 (42 U.S.C. 666), as amended by section 914, is amended—

(1) in subsection (a)(2), by striking the 1st sentence and inserting the following: “Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations.”; and

(2) by inserting after subsection (b) the following new subsection:

“(c) The procedures specified in this subsection are the following:

“(1) Procedures which give the State agency the authority to take the following actions relating to establishment or enforcement of support orders, without the necessity of obtaining an order from any other judicial or administrative tribunal, and to recognize and enforce the authority of State agencies of other States) to take the following actions:

1 “(A) To order genetic testing for the pur-
2 pose of paternity establishment as provided in
3 section 466(a)(5).

4 “(B) To subpoena any financial or other
5 information needed to establish, modify, or en-
6 force a support order, and to impose penalties
7 for failure to respond to such a subpoena.

8 “(C) To require all entities in the State
9 (including for-profit, nonprofit, and govern-
10 mental employers) to provide promptly, in re-
11 sponse to a request by the State agency of that
12 or any other State administering a program
13 under this part, information on the employ-
14 ment, compensation, and benefits of any indi-
15 vidual employed by such entity as an employee
16 or contractor, and to sanction failure to respond
17 to any such request.

18 “(D) To obtain access, subject to safe-
19 guards on privacy and information security, to
20 the following records (including automated ac-
21 cess, in the case of records maintained in auto-
22 mated data bases):

23 “(i) Records of other State and local
24 government agencies, including--

1 “(I) vital statistics (including
2 records of marriage, birth, and di-
3 vorce);

4 “(II) State and local tax and rev-
5 enue records (including information
6 on residence address, employer, in-
7 come and assets);

8 “(III) records concerning real
9 and titled personal property;

10 “(IV) records of occupational and
11 professional licenses, and records con-
12 cerning the ownership and control of
13 corporations, partnerships, and other
14 business entities;

15 “(V) employment security
16 records;

17 “(VI) records of agencies admin-
18 istering public assistance programs;

19 “(VII) records of the motor vehi-
20 cle department; and

21 “(VIII) corrections records

22 “(ii) Certain records held by private
23 entities, including—

1 “(I) customer records of public
2 utilities and cable television compa-
3 nies; and

4 “(II) information (including in-
5 formation on assets and liabilities) on
6 individuals who owe or are owed sup-
7 port (or against or with respect to
8 whom a support obligation is sought)
9 held by financial institutions (subject
10 to limitations on liability of such enti-
11 ties arising from affording such ac-
12 cess).

13 “(E) In cases where support is subject to
14 an assignment in order to comply with a re-
15 quirement imposed pursuant to part A or sec-
16 tion 1912, or to a requirement to pay through
17 the State disbursement unit established pursa-
18 ant to section 454B, upon providing notice to
19 obligor and obligee, to direct the obligor or
20 other payor to change the payee to the appro-
21 priate government entity.

22 “(F) To order income withholding in ac-
23 cordance with subsections (a)(1) and (b) of sec-
24 tion 466.

1 “(G) In cases in which there is a support
2 arrearage, to secure assets to satisfy the arrear-
3 age by—

4 “(i) intercepting or seizing periodic or
5 lump-sum payments from—

6 “(I) a State or local agency, in-
7 cluding unemployment compensation,
8 workers’ compensation, and other ben-
9 efits; and

10 “(II) judgments, settlements, and
11 lotteries;

12 “(ii) attaching and seizing assets of
13 the obligor held in financial institutions;

14 “(iii) attaching public and private re-
15 tirement funds; and

16 “(iv) imposing liens in accordance
17 with subsection (a)(4) and, in appropriate
18 cases, to force sale of property and dis-
19 tribution of proceeds.

20 “(H) For the purpose of securing overdue
21 support, to increase the amount of monthly
22 support payments to include amounts for ar-
23 rearages, subject to such conditions or limita-
24 tions as the State may provide.

1 Such procedures shall be subject to due process safe-
2 guards, including (as appropriate) requirements for
3 notice, opportunity to contest the action, and oppor-
4 tunity for an appeal on the record to an independent
5 administrative or judicial tribunal.

6 “(2) The expedited procedures required under
7 subsection (a)(2) shall include the following rules
8 and authority, applicable with respect to all proceed-
9 ings to establish paternity or to establish, modify, or
10 enforce support orders:

11 “(A) Procedures under which—

12 “(i) each party to any paternity or
13 child support proceeding is required (sub-
14 ject to privacy safeguards) to file with the
15 tribunal and the State case registry upon
16 entry of an order, and to update as appro-
17 priate, information on location and identity
18 of the party, including social security num-
19 ber, residential and mailing addresses, tele-
20 phone number, driver’s license number,
21 and name, address, and name and tele-
22 phone number of employer; and

23 “(ii) in any subsequent child support
24 enforcement action between the parties,
25 upon sufficient showing that diligent effort

1 has been made to ascertain the location of
2 such a party, the tribunal may deem State
3 due process requirements for notice and
4 service of process to be met with respect to
5 the party, upon delivery of written notice
6 to the most recent residential or employer
7 address filed with the tribunal pursuant to
8 clause (i).

9 “(B) Procedures under which—

10 “(i) the State agency and any admin-
11 istrative or judicial tribunal with authority
12 to hear child support and paternity cases
13 exerts statewide jurisdiction over the par-
14 ties; and

15 “(ii) in a State in which orders are is-
16 sued by courts or administrative tribunals,
17 a case may be transferred between local ju-
18 risdictions in the State without need for
19 any additional filing by the petitioner, or
20 service of process upon the respondent, to
21 retain jurisdiction over the parties.”

22 (b) AUTOMATION OF STATE AGENCY FUNCTIONS.—

23 Section 454A, as added by section 944(a)(2) and as
24 amended by sections 911 and 912(e), is amended by add-
25 ing at the end the following new subsection:

1 “(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—
2 The automated system required by this section shall be
3 used, to the maximum extent feasible, to implement the
4 expedited administrative procedures required by section
5 466(e).”.

6 **Subtitle D—Paternity**
7 **Establishment**

8 **SEC. 931. STATE LAWS CONCERNING PATERNITY ESTAB-**
9 **LISHMENT.**

10 (a) STATE LAWS REQUIRED.—Section 466(a)(5) (42
11 U.S.C. 666(a)(5)) is amended to read as follows:

12 “(5)(A)(i) Procedures which permit the estab-
13 lishment of the paternity of a child at any time be-
14 fore the child attains 21 years of age.

15 “(ii) As of August 16, 1984, clause (i) shall
16 also apply to a child for whom paternity has not
17 been established or for whom a paternity action was
18 brought but dismissed because a statute of limita-
19 tions of less than 21 years was then in effect in the
20 State.

21 “(B)(i) Procedures under which the State is re-
22 quired, in a contested paternity case, unless other-
23 wise barred by State law, to require the child and
24 all other parties (other than individuals found under
25 section 454(29) to have good cause for refusing to

1 cooperate) to submit to genetic tests upon the re-
2 quest of any such party if the request is supported
3 by a sworn statement by the party—

4 “(I) alleging paternity, and setting forth
5 facts establishing a reasonable possibility of the
6 requisite sexual contact between the parties; or

7 “(II) denying paternity, and setting forth
8 facts establishing a reasonable possibility of the
9 nonexistence of sexual contact between the par-
10 ties.

11 “(ii) Procedures which require the State agency
12 in any case in which the agency orders genetic test-
13 ing—

14 “(I) to pay costs of such tests, subject to
15 recoupment (where the State so elects) from the
16 alleged father if paternity is established; and

17 “(II) to obtain additional testing in any
18 case where an original test result is contested,
19 upon request and advance payment by the con-
20 testant.

21 “(C)(i) Procedures for a simple civil process for
22 voluntarily acknowledging paternity under which the
23 State must provide that, before a mother and a pu-
24 tative father can sign an acknowledgment of pater-
25 nity, the mother and the putative father must be

1 given notice, orally and in writing, of the alter-
2 natives to, the legal consequences of, and the rights
3 (including, if 1 parent is a minor, any rights af-
4 forded due to minority status) and responsibilities
5 that arise from, signing the acknowledgment.

6 "(ii) Such procedures must include a hospital-
7 based program for the voluntary acknowledgment of
8 paternity focusing on the period immediately before
9 or after the birth of a child.

10 "(iii)(I) Such procedures must require the State
11 agency responsible for maintaining birth records to
12 offer voluntary paternity establishment services.

13 "(II)(aa) The Secretary shall prescribe regula-
14 tions governing voluntary paternity establishment
15 services offered by hospitals and birth record agen-
16 cies.

17 "(bb) The Secretary shall prescribe regulations
18 specifying the types of other entities that may offer
19 voluntary paternity establishment services, and gov-
20 erning the provision of such services, which shall in-
21 clude a requirement that such an entity must use
22 the same notice provisions used by, use the same
23 materials used by, provide the personnel providing
24 such services with the same training provided by,
25 and evaluate the provision of such services in the

1 same manner as the provision of such services is
2 evaluated by, voluntary paternity establishment pro-
3 grams of hospitals and birth record agencies.

4 "(iv) Such procedures must require the State to
5 develop and use an affidavit for the voluntary ac-
6 knowledgment of paternity which includes the mini-
7 mum requirements of the affidavit developed by the
8 Secretary under section 452(a)(7) for the voluntary
9 acknowledgments of paternity, and to give full faith
10 and credit to such an affidavit signed in any other
11 State according to its procedures.

12 "(D)(i) Procedures under which the name of
13 the father shall be included on the record of birth
14 of the child only if the father and mother have
15 signed an acknowledgment of paternity and under
16 which a signed acknowledgment of paternity is con-
17 sidered a legal finding of paternity, subject to the
18 right of any signatory to rescind the acknowledg-
19 ment within 60 days.

20 "(ii) Procedures under which, after the 60-day
21 period referred to in clause (i), a signed acknowledg-
22 ment of paternity may be challenged in court only
23 on the basis of fraud, duress, or material mistake of
24 fact, with the burden of proof upon the challenger,
25 and under which the legal responsibilities (including

1 child support obligations) of any signatory arising
2 from the acknowledgment may not be suspended
3 during the challenge, except for good cause shown.

4 “(E) Procedures under which judicial or admin-
5 istrative proceedings are not required or permitted
6 to ratify an unchallenged acknowledgment of pater-
7 nity.

8 “(F) Procedures—

9 “(i) requiring the admission into evidence,
10 for purposes of establishing paternity, of the re-
11 sults of any genetic test that is—

12 “(I) of a type generally acknowledged
13 as reliable by accreditation bodies des-
14 ignated by the Secretary; and

15 “(II) performed by a laboratory ap-
16 proved by such an accreditation body;

17 “(ii) requiring an objection to genetic test-
18 ing results to be made in writing not later than
19 a specified number of days before any hearing
20 at which the results may be introduced into evi-
21 dence (or, at State option, not later than a
22 specified number of days after receipt of the re-
23 sults); and

24 “(iii) making the test results admissible as
25 evidence of paternity without the need for foun-

1 dation testimony or other proof of authenticity
2 or accuracy, unless objection is made.

3 “(G) Procedures which create a rebuttable or,
4 at the option of the State, conclusive presumption of
5 paternity upon genetic testing results indicating a
6 threshold probability that the alleged father is the
7 father of the child.

8 “(H) Procedures requiring a default order to be
9 entered in a paternity case upon a showing of service
10 of process on the defendant and any additional
11 showing required by State law.

12 “(I) Procedures providing that the parties to an
13 action to establish paternity are not entitled to a
14 trial by jury.

15 “(J) Procedures which require that a temporary
16 order be issued, upon motion by a party, requiring
17 the provision of child support pending an adminis-
18 trative or judicial determination of parentage, where
19 there is clear and convincing evidence of paternity
20 (on the basis of genetic tests or other evidence).

21 “(K) Procedures under which bills for preg-
22 nancy, childbirth, and genetic testing are admissible
23 as evidence without requiring third-party foundation
24 testimony, and shall constitute prima facie evidence

1 of amounts incurred for such services or for testing
2 on behalf of the child.

3 "(L) Procedures ensuring that the putative fa-
4 ther has a reasonable opportunity to initiate a pater-
5 nity action.

6 "(M) Procedures under which voluntary ac-
7 knowledgments and adjudications of paternity by ju-
8 dicial or administrative processes are filed with the
9 State registry of birth records for comparison with
10 information in the State case registry."

11 (b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFI-
12 DAVIT.—Section 452(a)(7) (42 U.S.C. 652(a)(7)) is
13 amended by inserting ", and develop an affidavit to be
14 used for the voluntary acknowledgment of paternity which
15 shall include the social security number of each parent"
16 before the semicolon.

17 (c) TECHNICAL AMENDMENT.—Section 468 (42
18 U.S.C. 668) is amended by striking "a simple civil process
19 for voluntarily acknowledging paternity and".

20 **SEC. 932. OUTREACH FOR VOLUNTARY PATERNITY ESTAB-**
21 **LISHMENT.**

22 Section 454(23) (42 U.S.C. 654(23)) is amended by
23 inserting "and will publicize the availability and encourage
24 the use of procedures for voluntary establishment of pater-

1 nity and child support by means the State deems appro-
2 priate" before the semicolon.

3 **SEC. 933. COOPERATION BY APPLICANTS FOR AND RECIPI-**
4 **ENTS OF TEMPORARY FAMILY ASSISTANCE.**

5 Section 454 (42 U.S.C. 654), as amended by sections
6 901(b), 904(a), 912(a), and 913(a), is amended—

7 (1) by striking "and" at the end of paragraph
8 (27);

9 (2) by striking the period at the end of para-
10 graph (28) and inserting "; and"; and

11 (3) by inserting after paragraph (28) the fol-
12 lowing new paragraph:

13 "(29) provide that the State agency responsible
14 for administering the State plan—

15 "(A) shall make the determination (and re-
16 determination at appropriate intervals) as to
17 whether an individual who has applied for or is
18 receiving assistance under the State program
19 funded under part A or the State program
20 under title XIX is cooperating in good faith
21 with the State in establishing the paternity of,
22 or in establishing, modifying, or enforcing a
23 support order for, any child of the individual by
24 providing the State agency with the name of,
25 and such other information as the State agency

1 may require with respect to, the noncustodial
2 parent of the child, subject to such good cause
3 and other exceptions as the State shall establish
4 and taking into account the best interests of the
5 child;

6 “(B) shall require the individual to supply
7 additional necessary information and appear at
8 interviews, hearings, and legal proceedings;

9 “(C) shall require the individual and the
10 child to submit to genetic tests pursuant to ju-
11 dicial or administrative order; and

12 “(D) shall promptly notify the individual
13 and the State agency administering the State
14 program funded under part A and the State
15 agency administering the State program under
16 title XIX of each such determination, and if
17 noncooperation is determined, the basis there-
18 fore.”

19 **Subtitle E—Program**
20 **Administration and Funding**

21 **SEC. 941. PERFORMANCE-BASED INCENTIVES AND PEN-**
22 **ALTIES.**

23 **(a) INCENTIVE PAYMENTS.—**

24 **(1) IN GENERAL.—**Section 458 (42 U.S.C. 658)
25 is amended—

1 (A) in subsection (a), by striking "aid to
2 families" and all through the end period, and
3 inserting "assistance under a program funded
4 under part A, and regardless of the economic
5 circumstances of their parents, the Secretary
6 shall, from the support collected which would
7 otherwise represent the reimbursement to the
8 Federal government under section 457, pay to
9 each State for each fiscal year, on a quarterly
10 basis (as described in subsection (e)) beginning
11 with the quarter commencing October 1, 1999,
12 an incentive payment in an amount determined
13 under subsections (b) and (c).";

14 (B) by striking subsections (b) and (c) and
15 inserting the following:

16 "(b)(1) Not later than 60 days after the date of the
17 enactment of the Work Opportunity Act of 1995, the Sec-
18 retary shall establish a committee which shall include
19 State directors of programs under this part and which
20 shall develop for the Secretary's approval a formula for
21 the distribution of incentive payments to the States.

22 "(2) The formula developed and approved under
23 paragraph (1)—

24 "(A) shall result in a percentage of the collec-
25 tions described in subsection (a) being distributed to

1 each State based on the State's comparative per-
2 formance in the following areas and any other areas
3 approved by the Secretary under this subsection:

4 “(i) The IV-D paternity establishment per-
5 centage, as defined in section 452(g)(2).

6 “(ii) The percentage of cases with a sup-
7 port order with respect to which services are
8 being provided under the State plan approved
9 under this part.

10 “(iii) The percentage of cases with a sup-
11 port order in which child support is paid with
12 respect to which services are being so provided.

13 “(iv) In cases receiving services under the
14 State plan approved under this part, the
15 amount of child support collected compared to
16 the amount of outstanding child support owed.

17 “(v) The cost-effectiveness of the State
18 program;

19 “(B) shall take into consideration—

20 “(i) the impact that incentives can have on
21 reducing the need to provide public assistance
22 and on permanently removing families from
23 public assistance;

1 “(ii) the need to balance accuracy and fair-
2 ness with simplicity of understanding and data
3 gathering;

4 “(iii) the need to reward performance
5 which improves short- and long-term program
6 outcomes, especially establishing paternity and
7 support orders and encouraging the timely pay-
8 ment of support;

9 “(iv) the Statewide paternity establishment
10 percentage;

11 “(v) baseline data on current performance
12 and projected costs of performance increases to
13 assure that top performing States can actually
14 achieve the top incentive levels with a reason-
15 able resource investment;

16 “(vi) performance outcomes which would
17 warrant an increase in the total incentive pay-
18 ments made to the States; and

19 “(vii) the use or distribution of any portion
20 of the total incentive payments in excess of the
21 total of the payments which may be distributed
22 under subsection (c);

23 “(C) shall be determined so as to distribute to
24 the States total incentive payments equal to the total
25 incentive payments for all States in fiscal year 1994,

1 plus a portion of any increase in the reimbursement
2 to the Federal Government under section 457 for
3 fiscal year 1999 or any other increase based on
4 other performance outcomes approved by the Sec-
5 retary under this subsection;

6 “(D) shall use a definition of the term ‘State’
7 which does not include any area within the jurisdic-
8 tion of an Indian tribal government; and

9 “(E) shall use a definition of the term ‘State-
10 wide paternity establishment percentage’ to mean
11 with respect to a State and a fiscal year—

12 “(i) the total number of children in the
13 State who were born out of wedlock, who have
14 not attained 1 year of age and for whom pater-
15 nity is established or acknowledged during the
16 fiscal year; divided by

17 “(ii) the total number of children born out
18 of wedlock in the State during the fiscal year.

19 “(c) The total amount of the incentives payment
20 made by the Secretary to a State in a fiscal year shall
21 not exceed 90 percent of the total amounts expended by
22 such State during such year for the operation of the plan
23 approved under section 454, less payments to the State
24 pursuant to section 455 for such year.”;

1 (2) in subsection (d), by striking “, and any
2 amounts” through “shall be excluded”.

3 (b) PAYMENTS TO POLITICAL SUBDIVISIONS.—Sec-
4 tion 454(22) (42 U.S.C. 654(22)) is amended by inserting
5 before the semicolon the following: “, but a political sub-
6 division shall not be entitled to receive, and the State may
7 retain, any amount in excess of the amount the political
8 subdivision expends on the State program under this part,
9 less the amount equal to the percentage of that expendi-
10 ture paid by the Secretary under section 455”.

11 (c) CALCULATION OF IV-D PATERNITY ESTABLISH-
12 MENT PERCENTAGE.—

13 (1) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is
14 amended—

15 (A) in the matter preceding subparagraph
16 (A) by inserting “its overall performance in
17 child support enforcement is satisfactory (as de-
18 fined in section 458(b) and regulations of the
19 Secretary), and” after “1994,”; and

20 (B) in each of subparagraphs (A) and (B),
21 by striking “75” and inserting “90”.

22 (2) Section 452(g)(2)(A) (42 U.S.C.
23 652(g)(2)(A)) is amended in the matter preceding
24 clause (i)—

1 (A) by striking "paternity establishment
2 percentage" and inserting "IV-D paternity es-
3 tablishment percentage"; and

4 (B) by striking "(or all States, as the case
5 may be)".

6 (3) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is
7 amended—

8 (A) by striking subparagraph (A) and re-
9 designating subparagraphs (B) and (C) as sub-
10 paragraphs (A) and (B), respectively;

11 (B) in subparagraph (A) (as so redesign-
12 ated), by striking "the percentage of children
13 born out-of-wedlock in a State" and inserting
14 "the percentage of children in a State who are
15 born out of wedlock or for whom support has
16 not been established"; and

17 (C) in subparagraph (B) (as so redesign-
18 ated)—

19 (i) by inserting "and overall perform-
20 ance in child support enforcement" after
21 "paternity establishment percentages"; and

22 (ii) by inserting "and securing sup-
23 port" before the period.

24 (d) EFFECTIVE DATES.—

25 (1) INCENTIVE ADJUSTMENTS.—

1 (A) IN GENERAL.—The amendments made
2 by subsections (a) and (b) shall become effec-
3 tive on the date of the enactment of this Act,
4 except to the extent provided in subparagraph
5 (B).

6 (B) EXCEPTION.—Section 458 of the So-
7 cial Security Act, as in effect before the date of
8 the enactment of this section, shall be effective
9 for purposes of incentive payments to States for
10 fiscal years before fiscal year 2000.

11 (2) PENALTY REDUCTIONS.—The amendments
12 made by subsection (c) shall become effective with
13 respect to calendar quarters beginning on and after
14 the date of the enactment of this Act.

15 **SEC. 942. FEDERAL AND STATE REVIEWS AND AUDITS.**

16 (a) STATE AGENCY ACTIVITIES.—Section 454 (42
17 U.S.C. 654) is amended—

18 (1) in paragraph (14), by striking “(14)” and
19 inserting “(14)(A)”;

20 (2) by redesignating paragraph (15) as sub-
21 paragraph (B) of paragraph (14); and

22 (3) by inserting after paragraph (14) the fol-
23 lowing new paragraph:

24 “(15) provide for—

1 “(A) a process for annual reviews of and
2 reports to the Secretary on the State program
3 operated under the State plan approved under
4 this part, including such information as may be
5 necessary to measure State compliance with
6 Federal requirements for expedited procedures,
7 using such standards and procedures as are re-
8 quired by the Secretary, under which the State
9 agency will determine the extent to which the
10 program is operated in compliance with this
11 part; and

12 “(B) a process of extracting from the auto-
13 mated data processing system required by para-
14 graph (16) and transmitting to the Secretary
15 data and calculations concerning the levels of
16 accomplishment (and rates of improvement)
17 with respect to applicable performance indica-
18 tors (including IV-D paternity establishment
19 percentages and overall performance in child
20 support enforcement) to the extent necessary
21 for purposes of sections 452(g) and 458.”.

22 (b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42
23 U.S.C. 652(a)(4)) is amended to read as follows:

24 “(4)(A) review data and calculations transmit-
25 ted by State agencies pursuant to section

1 454(15)(B) on State program accomplishments with
2 respect to performance indicators for purposes of
3 subsection (g) of this section and section 458;

4 “(B) review annual reports submitted pursuant
5 to section 454(15)(A) and, as appropriate, provide
6 to the State comments, recommendations for addi-
7 tional or alternative corrective actions, and technical
8 assistance; and

9 “(C) conduct audits, in accordance with the
10 Government auditing standards of the Comptroller
11 General of the United States—

12 “(i) at least once every 3 years (or more
13 frequently, in the case of a State which fails to
14 meet the requirements of this part concerning
15 performance standards and reliability of pro-
16 gram data) to assess the completeness, reliabil-
17 ity, and security of the data, and the accuracy
18 of the reporting systems, used in calculating
19 performance indicators under subsection (g) of
20 this section and section 458;

21 “(ii) of the adequacy of financial manage-
22 ment of the State program operated under the
23 State plan approved under this part, including
24 assessments of—

1 “(I) whether Federal and other funds
2 made available to carry out the State pro-
3 gram are being appropriately expended,
4 and are properly and fully accounted for;
5 and

6 “(II) whether collections and disburse-
7 ments of support payments are carried out
8 correctly and are fully accounted for; and

9 “(iii) for such other purposes as the Sec-
10 retary may find necessary;”.

11 (c) **EFFECTIVE DATE.**—The amendments made by
12 this section shall be effective with respect to calendar
13 quarters beginning 12 months or more after the date of
14 the enactment of this Act.

15 **SEC. 943. REQUIRED REPORTING PROCEDURES.**

16 (a) **ESTABLISHMENT.**—Section 452(a)(5) (42 U.S.C.
17 652(a)(5)) is amended by inserting “, and establish proce-
18 dures to be followed by States for collecting and reporting
19 information required to be provided under this part, and
20 establish uniform definitions (including those necessary to
21 enable the measurement of State compliance with the re-
22 quirements of this part relating to expedited processes) to
23 be applied in following such procedures” before the semi-
24 colon.

1 (b) STATE PLAN REQUIREMENT.—Section 454 (42
2 U.S.C. 654), as amended by sections 901(b), 904(a),
3 912(a), 913(a), and 933, is amended—

4 (1) by striking “and” at the end of paragraph
5 (28);

6 (2) by striking the period at the end of para-
7 graph (29) and inserting “; and”; and

8 (3) by adding after paragraph (29) the follow-
9 ing new paragraph:

10 “(30) provide that the State shall use the defi-
11 nitions established under section 452(a)(5) in col-
12 lecting and reporting information as required under
13 this part.”.

14 **SEC. 944. AUTOMATED DATA PROCESSING REQUIREMENTS.**

15 (a) REVISED REQUIREMENTS.—

16 (1) IN GENERAL.—Section 454(16) (42 U.S.C.
17 654(16)) is amended—

18 (A) by striking “, at the option of the
19 State,”;

20 (B) by inserting “and operation by the
21 State agency” after “for the establishment”;

22 (C) by inserting “meeting the requirements
23 of section 454A” after “information retrieval
24 system”;

1 (D) by striking "in the State and localities
2 thereof, so as (A)" and inserting "so as";

3 (E) by striking "(i)"; and

4 (F) by striking "(including" and all that
5 follows and inserting a semicolon.

6 (2) AUTOMATED DATA PROCESSING.—Part D of
7 title IV (42 U.S.C. 651–669) is amended by insert-
8 ing after section 454 the following new section:

9 **"SEC. 454A. AUTOMATED DATA PROCESSING.**

10 "(a) IN GENERAL.—In order for a State to meet the
11 requirements of this section, the State agency administer-
12 ing the State program under this part shall have in oper-
13 ation a single statewide automated data processing and
14 information retrieval system which has the capability to
15 perform the tasks specified in this section with the fre-
16 quency and in the manner required by or under this part.

17 "(b) PROGRAM MANAGEMENT.—The automated sys-
18 tem required by this section shall perform such functions
19 as the Secretary may specify relating to management of
20 the State program under this part, including—

21 "(1) controlling and accounting for use of Fed-
22 eral, State, and local funds in carrying out the pro-
23 gram; and

1 “(2) maintaining the data necessary to meet
2 Federal reporting requirements under this part on a
3 timely basis.

4 “(c) CALCULATION OF PERFORMANCE INDICA-
5 TORS.—In order to enable the Secretary to determine the
6 incentive and penalty adjustments required by sections
7 452(g) and 458, the State agency shall—

8 “(1) use the automated system—

9 “(A) to maintain the requisite data on
10 State performance with respect to paternity es-
11 tablishment and child support enforcement in
12 the State; and

13 “(B) to calculate the IV-D paternity es-
14 tablishment percentage and overall performance
15 in child support enforcement for the State for
16 each fiscal year; and

17 “(2) have in place systems controls to ensure
18 the completeness and reliability of, and ready access
19 to, the data described in paragraph (1)(A), and the
20 accuracy of the calculations described in paragraph
21 (1)(B).

22 “(d) INFORMATION INTEGRITY AND SECURITY.—The
23 State agency shall have in effect safeguards on the integ-
24 rity, accuracy, and completeness of, access to, and use of
25 data in the automated system required by this section,

1 which shall include the following (in addition to such other
2 safeguards as the Secretary may specify in regulations):

3 “(1) POLICIES RESTRICTING ACCESS.—Written
4 policies concerning access to data by State agency
5 personnel, and sharing of data with other persons,
6 which—

7 “(A) permit access to and use of data only
8 to the extent necessary to carry out the State
9 program under this part; and

10 “(B) specify the data which may be used
11 for particular program purposes, and the per-
12 sonnel permitted access to such data.

13 “(2) SYSTEMS CONTROLS.—Systems controls
14 (such as passwords or blocking of fields) to ensure
15 strict adherence to the policies described in para-
16 graph (1).

17 “(3) MONITORING OF ACCESS.—Routine mon-
18 itoring of access to and use of the automated sys-
19 tem, through methods such as audit trails and feed-
20 back mechanisms, to guard against and promptly
21 identify unauthorized access or use.

22 “(4) TRAINING AND INFORMATION.—Proce-
23 dures to ensure that all personnel (including State
24 and local agency staff and contractors) who may
25 have access to or be required to use confidential pro-

1 gram data are informed of applicable requirements
2 and penalties (including those in section 6103 of the
3 Internal Revenue Code of 1986), and are adequately
4 trained in security procedures.

5 “(5) PENALTIES.—Administrative penalties (up
6 to and including dismissal from employment) for un-
7 authorized access to, or disclosure or use of, con-
8 fidential data.”

9 (3) REGULATIONS.—The Secretary of Health
10 and Human Services shall prescribe final regulations
11 for implementation of section 454A of the Social Se-
12 curity Act not later than 2 years after the date of
13 the enactment of this Act.

14 (4) IMPLEMENTATION TIMETABLE.—Section
15 454(24) (42 U.S.C. 654(24)), as amended by sec-
16 tions 904(a)(2) and 912(a)(1), is amended to read
17 as follows:

18 “(24) provide that the State will have in effect
19 an automated data processing and information re-
20 trieval system—

21 “(A) by October 1, 1997, which meets all
22 requirements of this part which were enacted on
23 or before the date of enactment of the Family
24 Support Act of 1988; and

1 “(B) by October 1, 1999, which meets all
2 requirements of this part enacted on or before
3 the date of the enactment of the Work Oppor-
4 tunity Act of 1995, except that such deadline
5 shall be extended by 1 day for each day (if any)
6 by which the Secretary fails to meet the dead-
7 line imposed by section 944(a)(3) of the Work
8 Opportunity Act of 1995.”.

9 (b) SPECIAL FEDERAL MATCHING RATE FOR DE-
10 VELOPMENT COSTS OF AUTOMATED SYSTEMS.—

11 (1) IN GENERAL.—Section 455(a) (42 U.S.C.
12 655(a)) is amended—

13 (A) in paragraph (1)(B)—

14 (i) by striking “90 percent” and in-
15 sserting “the percent specified in paragraph
16 (3)”;

17 (ii) by striking “so much of”; and

18 (iii) by striking “which the Secretary”
19 and all that follows and inserting “, and”;
20 and

21 (B) by adding at the end the following new
22 paragraph:

23 “(3)(A) The Secretary shall pay to each State, for
24 each quarter in fiscal years 1996 and 1997, 90 percent
25 of so much of the State expenditures described in para-

1 graph (1)(B) as the Secretary finds are for a system meet-
2 ing the requirements specified in section 454(16) (as in
3 effect on the day before the date of the enactment of the
4 Work Opportunity Act of 1995), but limited to the amount
5 approved for States in the advance planning documents
6 of such States submitted before May 1, 1995.

7 “(B)(i) The Secretary shall pay to each State, for
8 each quarter in fiscal years 1997 through 2001, the per-
9 centage specified in clause (ii) of so much of the State
10 expenditures described in paragraph (1)(B) as the Sec-
11 retary finds are for a system meeting the requirements
12 of sections 454(16) and 454A.

13 “(ii) The percentage specified in this clause is the
14 greater of—

15 “(I) 80 percent; or

16 “(II) the percentage otherwise applicable to
17 Federal payments to the State under subparagraph
18 (A) (as adjusted pursuant to section 458).”.

19 (2) TEMPORARY LIMITATION ON PAYMENTS
20 UNDER SPECIAL FEDERAL MATCHING RATE.—

21 (A) IN GENERAL.—The Secretary of
22 Health and Human Services may not pay more
23 than \$260,000,000 in the aggregate under sec-
24 tion 455(a)(3) of the Social Security Act for fis-
25 cal years 1996, 1997, 1998, 1999, and 2000.

1 (B) ALLOCATION OF LIMITATION AMONG
2 STATES.—The total amount payable to a State
3 under section 455(a)(3) of such Act for fiscal
4 years 1996, 1997, 1998, 1999, and 2000 shall
5 not exceed the limitation determined for the
6 State by the Secretary of Health and Human
7 Services in regulations.

8 (C) ALLOCATION FORMULA.—The regula-
9 tions referred to in subparagraph (B) shall pre-
10 scribe a formula for allocating the amount spec-
11 ified in subparagraph (A) among States with
12 plans approved under part D of title IV of the
13 Social Security Act, which shall take into ac-
14 count—

15 (i) the relative size of State caseloads
16 under such part; and

17 (ii) the level of automation needed to
18 meet the automated data processing re-
19 quirements of such part.

20 (c) CONFORMING AMENDMENT.—Section 123(c) of
21 the Family Support Act of 1988 (102 Stat. 2352; Public
22 Law 100-485) is repealed.

23 **SEC. 945. TECHNICAL ASSISTANCE.**

24 (a) FOR TRAINING OF FEDERAL AND STATE STAFF,
25 RESEARCH AND DEMONSTRATION PROGRAMS, AND SPE-

1 CLAL PROJECTS OF REGIONAL OR NATIONAL SIGNIFI-
2 CANCE.—Section 452 (42 U.S.C. 652) is amended by add-
3 ing at the end the following new subsection:

4 “(j) Out of any money in the Treasury of the United
5 States not otherwise appropriated, there is hereby appro-
6 priated to the Secretary for each fiscal year an amount
7 equal to 1 percent of the total amount paid to the Federal
8 Government pursuant to section 457(a) during the imme-
9 diately preceding fiscal year (as determined on the basis
10 of the most recent reliable data available to the Secretary
11 as of the end of the 3rd calendar quarter following the
12 end of such preceding fiscal year), to cover costs incurred
13 by the Secretary for—

14 “(1) information dissemination and technical
15 assistance to States, training of State and Federal
16 staff, staffing studies, and related activities needed
17 to improve programs under this part (including tech-
18 nical assistance concerning State automated systems
19 required by this part); and

20 “(2) research, demonstration, and special
21 projects of regional or national significance relating
22 to the operation of State programs under this
23 part.”.

24 (b) OPERATION OF FEDERAL PARENT LOCATOR
25 SERVICE.—Section 453 (42 U.S.C. 653), as amended by

1 section 916(f), is amended by adding at the end the follow-
 2 ing new subsection:

3 “(n) Out of any money in the Treasury of the United
 4 States not otherwise appropriated, there is hereby appro-
 5 priated to the Secretary for each fiscal year an amount
 6 equal to 2 percent of the total amount paid to the Federal
 7 Government pursuant to section 457(a) during the imme-
 8 diately preceding fiscal year (as determined on the basis
 9 of the most recent reliable data available to the Secretary
 10 as of the end of the 3rd calendar quarter following the
 11 end of such preceding fiscal year), to cover costs incurred
 12 by the Secretary for operation of the Federal Parent Loca-
 13 tor Service under this section, to the extent such costs are
 14 not recovered through user fees.”.

15 **SEC. 946. REPORTS AND DATA COLLECTION BY THE SEC-**
 16 **RETARY.**

17 (a) ANNUAL REPORT TO CONGRESS.—

18 (1) Section 452(a)(10)(A) (42 U.S.C.
 19 652(a)(10)(A)) is amended—

20 (A) by striking “this part;” and inserting
 21 “this part, including—”; and

22 (B) by adding at the end the following new
 23 clauses:

24 “(i) the total amount of child support
 25 payments collected as a result of services

1 furnished during the fiscal year to individ-
2 uals receiving services under this part;

3 “(ii) the cost to the States and to the
4 Federal Government of so furnishing the
5 services; and

6 “(iii) the number of cases involving
7 families—

8 “(I) who became ineligible for as-
9 sistance under State programs funded
10 under part A during a month in the
11 fiscal year; and

12 “(II) with respect to whom a
13 child support payment was received in
14 the month;”.

15 (2) Section 452(a)(10)(C) (42 U.S.C.
16 652(a)(10)(C)) is amended—

17 (A) in the matter preceding clause (i)—

18 (i) by striking “with the data required
19 under each clause being separately stated
20 for cases” and inserting “separately stated
21 for (1) cases”;

22 (ii) by striking “cases where the child
23 was formerly receiving” and inserting “or
24 formerly received”;

1 (iii) by inserting "or 1912" after
2 "471(a)(17)"; and

3 (iv) by inserting "(2)" before "all
4 other";

5 (B) in each of clauses (i) and (ii), by strik-
6 ing ", and the total amount of such obliga-
7 tions";

8 (C) in clause (iii), by striking "described
9 in" and all that follows and inserting "in which
10 support was collected during the fiscal year;";

11 (D) by striking clause (iv); and

12 (E) by redesignating clause (v) as clause
13 (vii), and inserting after clause (iii) the follow-
14 ing new clauses:

15 "(iv) the total amount of support col-
16 lected during such fiscal year and distrib-
17 uted as current support;

18 "(v) the total amount of support col-
19 lected during such fiscal year and distrib-
20 uted as arrearages;

21 "(vi) the total amount of support due
22 and unpaid for all fiscal years; and".

23 (3) Section 452(a)(10)(G) (42 U.S.C.
24 652(a)(10)(G)) is amended by striking "on the use
25 of Federal courts and".

1 (4) Section 452(a)(10) (42 U.S.C. 652(a)(10))
2 is amended--

3 (A) in subparagraph (H), by striking
4 "and";

5 (B) in subparagraph (I), by striking the
6 period and inserting "; and"; and

7 (C) by inserting after subparagraph (I) the
8 following new subparagraph:

9 "(J) compliance, by State, with the stand-
10 ards established pursuant to subsections (h)
11 and (i)."

12 (5) Section 452(a)(10) (42 U.S.C. 652(a)(10))
13 is amended by striking all that follows subparagraph
14 (J), as added by paragraph (4).

15 (b) EFFECTIVE DATE.—The amendments made by
16 subsection (a) shall be effective with respect to fiscal year
17 1996 and succeeding fiscal years.

18 **Subtitle F—Establishment and** 19 **Modification of Support Orders**

20 **SEC. 951. NATIONAL CHILD SUPPORT GUIDELINES COMMIS-** 21 **SION.**

22 (a) ESTABLISHMENT.—There is hereby established a
23 commission to be known as the National Child Support
24 Guidelines Commission (in this section referred to as the
25 "Commission").

1 (b) GENERAL DUTIES.—

2 (1) IN GENERAL.—The Commission shall deter-
3 mine—

4 (A) whether it is appropriate to develop a
5 national child support guideline for consider-
6 ation by the Congress or for adoption by indi-
7 vidual States; or

8 (B) based on a study of various guideline
9 models, the benefits and deficiencies of such
10 models, and any needed improvements.

11 (2) DEVELOPMENT OF MODELS.—If the Com-
12 mission determines under paragraph (1)(A) that a
13 national child support guideline is needed or under
14 paragraph (1)(B) that improvements to guideline
15 models are needed, the Commission shall develop
16 such national guideline or improvements.

17 (c) MATTERS FOR CONSIDERATION BY THE COMMIS-
18 SION.—In making the recommendations concerning guide-
19 lines required under subsection (b), the Commission shall
20 consider—

21 (1) the adequacy of State child support guide-
22 lines established pursuant to section 467;

23 (2) matters generally applicable to all support
24 orders, including—

1 (A) the feasibility of adopting uniform
2 terms in all child support orders;

3 (B) how to define income and under what
4 circumstances income should be imputed; and

5 (C) tax treatment of child support pay-
6 ments;

7 (3) the appropriate treatment of cases in which
8 either or both parents have financial obligations to
9 more than 1 family, including the effect (if any) to
10 be given to—

11 (A) the income of either parent's spouse;
12 and

13 (B) the financial responsibilities of either
14 parent for other children or stepchildren;

15 (4) the appropriate treatment of expenses for
16 child care (including care of the children of either
17 parent, and work-related or job-training-related child
18 care);

19 (5) the appropriate treatment of expenses for
20 health care (including uninsured health care) and
21 other extraordinary expenses for children with spe-
22 cial needs;

23 (6) the appropriate duration of support by 1 or
24 both parents, including—

1 (A) support (including shared support) for
2 postsecondary or vocational education; and

3 (B) support for disabled adult children;

4 (7) procedures to automatically adjust child
5 support orders periodically to address changed eco-
6 nomic circumstances, including changes in the
7 Consumer Price Index or either parent's income and
8 expenses in particular cases;

9 (8) procedures to help noncustodial parents ad-
10 dress grievances regarding visitation and custody or-
11 ders to prevent such parents from withholding child
12 support payments until such grievances are resolved;
13 and

14 (9) whether, or to what extent, support levels
15 should be adjusted in cases in which custody is
16 shared or in which the noncustodial parent has ex-
17 tended visitation rights.

18 (d) MEMBERSHIP.—

19 (1) NUMBER; APPOINTMENT.—

20 (A) IN GENERAL.—The Commission shall
21 be composed of 12 individuals appointed not
22 later than January 15, 1997, of which—

23 (i) 2 shall be appointed by the Chair-
24 man of the Committee on Finance of the
25 Senate, and 1 shall be appointed by the

1 ranking minority member of the Commit-
2 tee;

3 (ii) 2 shall be appointed by the Chair-
4 man of the Committee on Ways and Means
5 of the House of Representatives, and 1
6 shall be appointed by the ranking minority
7 member of the Committee; and

8 (iii) 6 shall be appointed by the Sec-
9 retary of Health and Human Services.

10 (B) QUALIFICATIONS OF MEMBERS.—

11 Members of the Commission shall have exper-
12 tise and experience in the evaluation and devel-
13 opment of child support guidelines. At least 1
14 member shall represent advocacy groups for
15 custodial parents, at least 1 member shall rep-
16 resent advocacy groups for noncustodial par-
17 ents, and at least 1 member shall be the direc-
18 tor of a State program under part D of title IV
19 of the Social Security Act.

20 (2) TERMS OF OFFICE.—Each member shall be
21 appointed for a term of 2 years. A vacancy in the
22 Commission shall be filled in the manner in which
23 the original appointment was made.

24 (e) COMMISSION POWERS, COMPENSATION, ACCESS
25 TO INFORMATION, AND SUPERVISION.—The 1st sentence

1 of subparagraph (C), the 1st and 3rd sentences of sub-
2 paragraph (D), subparagraph (F) (except with respect to
3 the conduct of medical studies), clauses (ii) and (iii) of
4 subparagraph (G), and subparagraph (H) of section
5 1886(e)(6) of the Social Security Act shall apply to the
6 Commission in the same manner in which such provisions
7 apply to the Prospective Payment Assessment Commis-
8 sion.

9 (f) REPORT.—Not later than 2 years after the ap-
10 pointment of members, the Commission shall submit to
11 the President, the Committee on Ways and Means of the
12 House of Representatives, and the Committee on Finance
13 of the Senate, a recommended national child support
14 guideline and a final assessment of issues relating to such
15 a proposed national child support guideline.

16 (g) TERMINATION.—The Commission shall terminate
17 6 months after the submission of the report described in
18 subsection (e).

19 **SEC. 952. SIMPLIFIED PROCESS FOR REVIEW AND ADJUST-**
20 **MENT OF CHILD SUPPORT ORDERS.**

21 Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amend-
22 ed to read as follows:

23 “(10) Procedures under which the State shall
24 review and adjust each support order being enforced
25 under this part upon the request of either parent or

1 the State if there is an assignment. Such procedures
2 shall provide the following:

3 “(A) The State shall review and, as appro-
4 priate, adjust the support order every 3 years,
5 taking into account the best interests of the
6 child involved.

7 “(B)(i) The State may elect to review and,
8 if appropriate, adjust an order pursuant to sub-
9 paragraph (A) by—

10 “(I) reviewing and, if appropriate, ad-
11 justing the order in accordance with the
12 guidelines established pursuant to section
13 467(a) if the amount of the child support
14 award under the order differs from the
15 amount that would be awarded in accord-
16 ance with the guidelines; or

17 “(II) applying a cost-of-living adjust-
18 ment to the order in accordance with a for-
19 mula developed by the State and permit ei-
20 ther party to contest the adjustment, with-
21 in 30 days after the date of the notice of
22 the adjustment, by making a request for
23 review and, if appropriate, adjustment of
24 the order in accordance with the child sup-

1 port guidelines established pursuant to sec-
2 tion 467(a).

3 "(ii) Any adjustment under clause (i) shall
4 be made without a requirement for proof or
5 showing of a change in circumstances.

6 "(C) The State may use automated meth-
7 ods (including automated comparisons with
8 wage or State income tax data) to identify or-
9 ders eligible for review, conduct the review,
10 identify orders eligible for adjustment, and
11 apply the appropriate adjustment to the orders
12 eligible for adjustment under the threshold es-
13 tablished by the State.

14 "(D)(i) The State shall, at the request of
15 either parent subject to such an order or of any
16 State child support enforcement agency, review
17 and, if appropriate, adjust the order in accord-
18 ance with the guidelines established pursuant to
19 section 467(a) based upon a substantial change
20 in the circumstances of either parent.

21 "(ii) The State shall provide notice to the
22 parents subject to such an order informing
23 them of their right to request the State to re-
24 view and, if appropriate, adjust the order pur-

1 suant to clause (i). The notice may be included
2 in the order.”.

3 **SEC. 953. FURNISHING CONSUMER REPORTS FOR CERTAIN**
4 **PURPOSES RELATING TO CHILD SUPPORT.**

5 Section 604 of the Fair Credit Reporting Act (15
6 U.S.C. 1681b) is amended by adding at the end the follow-
7 ing new paragraphs:

8 “(4) In response to a request by the head of a
9 State or local child support enforcement agency (or
10 a State or local government official authorized by
11 the head of such an agency), if the person making
12 the request certifies to the consumer reporting agen-
13 cy that—

14 “(A) the consumer report is needed for the
15 purpose of establishing an individual’s capacity
16 to make child support payments or determining
17 the appropriate level of such payments;

18 “(B) the paternity of the consumer for the
19 child to which the obligation relates has been
20 established or acknowledged by the consumer in
21 accordance with State laws under which the ob-
22 ligation arises (if required by those laws);

23 “(C) the person has provided at least 10
24 days’ prior notice to the consumer whose report
25 is requested, by certified or registered mail to

1 the last known address of the consumer, that
2 the report will be requested; and

3 "(D) the consumer report will be kept con-
4 fidential, will be used solely for a purpose de-
5 scribed in subparagraph (A), and will not be
6 used in connection with any other civil, admin-
7 istrative, or criminal proceeding, or for any
8 other purpose.

9 "(5) To an agency administering a State plan
10 under section 454 of the Social Security Act (42
11 U.S.C. 654) for use to set an initial or modified
12 child support award."

13 **SEC. 954. NONLIABILITY FOR DEPOSITORY INSTITUTIONS**
14 **PROVIDING FINANCIAL RECORDS TO STATE**
15 **CHILD SUPPORT ENFORCEMENT AGENCIES**
16 **IN CHILD SUPPORT CASES.**

17 (a) IN GENERAL.—Notwithstanding any other provi-
18 sion of Federal or State law, a depository institution shall
19 not be liable under any Federal or State law to any person
20 for disclosing any financial record of an individual to a
21 State child support enforcement agency attempting to es-
22 tablish, modify, or enforce a child support obligation of
23 such individual.

24 (b) PROHIBITION OF DISCLOSURE OF FINANCIAL
25 RECORD OBTAINED BY STATE CHILD SUPPORT EN-

1 FORCEMENT AGENCY.—A State child support enforcement
2 agency which obtains a financial record of an individual
3 from a financial institution pursuant to subsection (a)
4 may disclose such financial record only for the purpose
5 of, and to the extent necessary in, establishing, modifying,
6 or enforcing a child support obligation of such individual.

7 (e) CIVIL DAMAGES FOR UNAUTHORIZED DISCLO-
8 SURE.—

9 (1) DISCLOSURE BY STATE OFFICER OR EM-
10 PLOYEE.—If any person knowingly, or by reason of
11 negligence, discloses a financial record of an individ-
12 ual in violation of subsection (b), such individual
13 may bring a civil action for damages against such
14 person in a district court of the United States.

15 (2) NO LIABILITY FOR GOOD FAITH BUT ERRO-
16 NEOUS INTERPRETATION.—No liability shall arise
17 under this subsection with respect to any disclosure
18 which results from a good faith, but erroneous, in-
19 terpretation of subsection (b).

20 (3) DAMAGES.—In any action brought under
21 paragraph (1), upon a finding of liability on the part
22 of the defendant, the defendant shall be liable to the
23 plaintiff in an amount equal to the sum of—

24 (A) the greater of—

1 (i) \$1,000 for each act of unauthor-
2 ized disclosure of a financial record with
3 respect to which such defendant is found
4 liable; or

5 (ii) the sum of—

6 (I) the actual damages sustained
7 by the plaintiff as a result of such un-
8 authorized disclosure; plus

9 (II) in the case of a willful disclo-
10 sure or a disclosure which is the re-
11 sult of gross negligence, punitive dam-
12 ages; plus

13 (B) the costs (including attorney's fees) of
14 the action.

15 (d) DEFINITIONS.—For purposes of this section:

16 (1) The term "depository institution" means—

17 (A) a depository institution, as defined in
18 section 3(e) of the Federal Deposit Insurance
19 Act (12 U.S.C. 1813(e));

20 (B) an institution-affiliated party, as de-
21 fined in section 3(u) of such Act (12 U.S.C.
22 1813(v)); and

23 (C) any Federal credit union or State cred-
24 it union, as defined in section 101 of the Fed-
25 eral Credit Union Act (12 U.S.C. 1752), includ-

1 ing an institution-affiliated party of such a
2 credit union, as defined in section 206(r) of
3 such Act (12 U.S.C. 1786(r)).

4 (2) The term "financial record" has the mean-
5 ing given such term in section 1101 of the Right to
6 Financial Privacy Act of 1978 (12 U.S.C. 3401).

7 (3) The term "State child support enforcement
8 agency" means a State agency which administers a
9 State program for establishing and enforcing child
10 support obligations.

11 **Subtitle G—Enforcement of** 12 **Support Orders**

13 **SEC. 981. INTERNAL REVENUE SERVICE COLLECTION OF** 14 **ARREARAGES.**

15 (a) AMENDMENT TO INTERNAL REVENUE CODE.—

16 Section 6305(a) of the Internal Revenue Code of 1986 (re-
17 lating to collection of certain liability) is amended—

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

19 (3);

20 (2) by striking the period at the end of para-
21 graph (4) and inserting ", and";

22 (3) by adding at the end the following new
23 paragraph:

24 "(5) no additional fee may be assessed for ad-
25 justments to an amount previously certified pursu-

1 ant to such section 452(b) with respect to the same
2 obligor.”; and

3 (4) by striking “Secretary of Health, Edu-
4 cation, and Welfare” each place it appears and in-
5 serting “Secretary of Health and Human Services”.

6 (b) EFFECTIVE DATE.—The amendments made by
7 this section shall become effective October 1, 1997.

8 **SEC. 962. AUTHORITY TO COLLECT SUPPORT FROM FED-**
9 **ERAL EMPLOYEES.**

10 (a) CONSOLIDATION AND STREAMLINING OF AU-
11 THORITIES.—Section 459 (42 U.S.C. 659) is amended to
12 read as follows:

13 **“SEC. 459. CONSENT BY THE UNITED STATES TO INCOME**
14 **WITHHOLDING, GARNISHMENT, AND SIMILAR**
15 **PROCEEDINGS FOR ENFORCEMENT OF CHILD**
16 **SUPPORT AND ALIMONY OBLIGATIONS.**

17 “(a) CONSENT TO SUPPORT ENFORCEMENT.—Not-
18 withstanding any other provision of law (including section
19 207 of this Act and section 5301 of title 38, United States
20 Code), effective January 1, 1975, moneys (the entitlement
21 to which is based upon remuneration for employment) due
22 from, or payable by, the United States or the District of
23 Columbia (including any agency, subdivision, or instru-
24 mentality thereof) to any individual, including members
25 of the Armed Forces of the United States, shall be subject,

1 in like manner and to the same extent as if the United
2 States or the District of Columbia were a private person,
3 to withholding in accordance with State law enacted pur-
4 suant to subsections (a)(1) and (b) of section 466 and reg-
5 ulations of the Secretary under such subsections, and to
6 any other legal process brought, by a State agency admin-
7 istering a program under a State plan approved under this
8 part or by an individual obligee, to enforce the legal obliga-
9 tion of the individual to provide child support or alimony.

10 “(b) CONSENT TO REQUIREMENTS APPLICABLE TO
11 PRIVATE PERSON.—With respect to notice to withhold in-
12 come pursuant to subsection (a)(1) or (b) of section 466,
13 or any other order or process to enforce support obliga-
14 tions against an individual (if the order or process con-
15 tains or is accompanied by sufficient data to permit
16 prompt identification of the individual and the moneys in-
17 volved), each governmental entity specified in subsection
18 (a) shall be subject to the same requirements as would
19 apply if the entity were a private person, except as other-
20 wise provided in this section.

21 “(c) DESIGNATION OF AGENT; RESPONSE TO NOTICE
22 OR PROCESS—

23 “(1) DESIGNATION OF AGENT.—The head of
24 each agency subject to this section shall—

1 “(A) designate an agent or agents to re-
2 ceive orders and accept service of process in
3 matters relating to child support or alimony;
4 and

5 “(B) annually publish in the Federal Reg-
6 ister the designation of the agent or agents,
7 identified by title or position, mailing address,
8 and telephone number.

9 “(2) RESPONSE TO NOTICE OR PROCESS.—If an
10 agent designated pursuant to paragraph (1) of this
11 subsection receives notice pursuant to State proce-
12 dures in effect pursuant to subsection (a)(1) or (b)
13 of section 466, or is effectively served with any
14 order, process, or interrogatory, with respect to an
15 individual’s child support or alimony payment obli-
16 gations, the agent shall—

17 “(A) as soon as possible (but not later
18 than 15 days) thereafter, send written notice of
19 the notice or service (together with a copy of
20 the notice or service) to the individual at the
21 duty station or last-known home address of the
22 individual;

23 “(B) within 30 days (or such longer period
24 as may be prescribed by applicable State law)
25 after receipt of a notice pursuant to such State

1 procedures, comply with all applicable provi-
2 sions of section 466; and

3 “(C) within 30 days (or such longer period
4 as may be prescribed by applicable State law)
5 after effective service of any other such order,
6 process, or interrogatory, respond to the order,
7 process, or interrogatory.

8 “(d) PRIORITY OF CLAIMS.—If a governmental entity
9 specified in subsection (a) receives notice or is served with
10 process, as provided in this section, concerning amounts
11 owed by an individual to more than 1 person—

12 “(1) support collection under section 466(b)
13 must be given priority over any other process, as
14 provided in section 466(b)(7);

15 “(2) allocation of moneys due or payable to an
16 individual among claimants under section 466(b)
17 shall be governed by section 466(b) and the regula-
18 tions prescribed under such section; and

19 “(3) such moneys as remain after compliance
20 with paragraphs (1) and (2) shall be available to
21 satisfy any other such processes on a 1st-come, 1st-
22 served basis, with any such process being satisfied
23 out of such moneys as remain after the satisfaction
24 of all such processes which have been previously
25 served.

1 “(e) NO REQUIREMENT TO VARY PAY CYCLES.—A
2 governmental entity that is affected by legal process
3 served for the enforcement of an individual’s child support
4 or alimony payment obligations shall not be required to
5 vary its normal pay and disbursement cycle in order to
6 comply with the legal process.

7 “(f) RELIEF FROM LIABILITY.—

8 “(1) Neither the United States, nor the govern-
9 ment of the District of Columbia, nor any disbursing
10 officer shall be liable with respect to any payment
11 made from moneys due or payable from the United
12 States to any individual pursuant to legal process
13 regular on its face, if the payment is made in ac-
14 cordance with this section and the regulations issued
15 to carry out this section.

16 “(2) No Federal employee whose duties include
17 taking actions necessary to comply with the require-
18 ments of subsection (a) with regard to any individ-
19 ual shall be subject under any law to any discipli-
20 nary action or civil or criminal liability or penalty
21 for, or on account of, any disclosure of information
22 made by the employee in connection with the carry-
23 ing out of such actions.

24 “(g) REGULATIONS.—Authority to promulgate regu-
25 lations for the implementation of this section shall, insofar

1 as this section applies to moneys due from (or payable
2 by)—

3 “(1) the United States (other than the legisla-
4 tive or judicial branches of the Federal Government)
5 or the government of the District of Columbia, be
6 vested in the President (or the designee of the Presi-
7 dent);

8 “(2) the legislative branch of the Federal Gov-
9 ernment, be vested jointly in the President pro tem-
10 pore of the Senate and the Speaker of the House of
11 Representatives (or their designees), and

12 “(3) the judicial branch of the Federal Govern-
13 ment, be vested in the Chief Justice of the United
14 States (or the designee of the Chief Justice).

15 “(h) MONEYS SUBJECT TO PROCESS.—

16 “(1) IN GENERAL.—Subject to paragraph (2),
17 moneys paid or payable to an individual which are
18 considered to be based upon remuneration for em-
19 ployment, for purposes of this section—

20 “(A) consist of—

21 “(i) compensation paid or payable for
22 personal services of the individual, whether
23 the compensation is denominated as wages,
24 salary, commission, bonus, pay, allowances,

1 or otherwise (including severance pay, sick
2 pay, and incentive pay);

3 “(ii) periodic benefits (including a
4 periodic benefit as defined in section
5 228(h)(3)) or other payments—

6 “(I) under the insurance system
7 established by title II;

8 “(II) under any other system or
9 fund established by the United States
10 which provides for the payment of
11 pensions, retirement or retired pay,
12 annuities, dependents' or survivors'
13 benefits, or similar amounts payable
14 on account of personal services per-
15 formed by the individual or any other
16 individual;

17 “(III) as compensation for death
18 under any Federal program;

19 “(IV) under any Federal pro-
20 gram established to provide 'black
21 lung' benefits; or

22 “(V) by the Secretary of Veter-
23 ans Affairs as pension, or as com-
24 pensation for a service-connected dis-
25 ability or death (except any compensa-

1 tion paid by the Secretary to a mem-
2 ber of the Armed Forces who is in re-
3 ceipt of retired or retainer pay if the
4 member has waived a portion of the
5 retired pay of the member in order to
6 receive the compensation); and

7 “(iii) workers’ compensation benefits
8 paid under Federal or State law; but

9 “(B) do not include any payment—

10 “(i) by way of reimbursement or oth-
11 erwise, to defray expenses incurred by the
12 individual in carrying out duties associated
13 with the employment of the individual; or

14 “(ii) as allowances for members of the
15 uniformed services payable pursuant to
16 chapter 7 of title 37, United States Code,
17 as prescribed by the Secretaries concerned
18 (defined by section 101(5) of such title) as
19 necessary for the efficient performance of
20 duty.

21 “(2) CERTAIN AMOUNTS EXCLUDED.—In deter-
22 mining the amount of any moneys due from, or pay-
23 able by, the United States to any individual, there
24 shall be excluded amounts which—

1 “(A) are owed by the individual to the
2 United States;

3 “(B) are required by law to be, and are,
4 deducted from the remuneration or other pay-
5 ment involved, including Federal employment
6 taxes, and fines and forfeitures ordered by
7 court-martial;

8 “(C) are properly withheld for Federal,
9 State, or local income tax purposes, if the with-
10 holding of the amounts is authorized or re-
11 quired by law and if amounts withheld are not
12 greater than would be the case if the individual
13 claimed all dependents to which he was entitled
14 (the withholding of additional amounts pursu-
15 ant to section 3402(i) of the Internal Revenue
16 Code of 1986 may be permitted only when the
17 individual presents evidence of a tax obligation
18 which supports the additional withholding);

19 “(D) are deducted as health insurance pre-
20 miums;

21 “(E) are deducted as normal retirement
22 contributions (not including amounts deducted
23 for supplementary coverage); or

24 “(F) are deducted as normal life insurance
25 premiums from salary or other remuneration

1 for employment (not including amounts de-
2 ducted for supplementary coverage).

3 “(i) DEFINITIONS.—As used in this section:

4 “(1) UNITED STATES.—The term ‘United
5 States’ includes any department, agency, or instru-
6 mentality of the legislative, judicial, or executive
7 branch of the Federal Government, the United
8 States Postal Service, the Postal Rate Commission,
9 any Federal corporation created by an Act of Con-
10 gress that is wholly owned by the Federal Govern-
11 ment, and the governments of the territories and
12 possessions of the United States.

13 “(2) CHILD SUPPORT.—The term ‘child sup-
14 port’, when used in reference to the legal obligations
15 of an individual to provide such support, means peri-
16 odic payments of funds for the support and mainte-
17 nance of a child or children with respect to which
18 the individual has such an obligation, and (subject
19 to and in accordance with State law) includes pay-
20 ments to provide for health care, education, recre-
21 ation, clothing, or to meet other specific needs of
22 such a child or children, and includes attorney’s
23 fees, interest, and court costs, when and to the ex-
24 tent that the same are expressly made recoverable as
25 such pursuant to a decree, order, or judgment issued

1. in accordance with applicable State law by a court
2. of competent jurisdiction.

3. “(3) ALIMONY.—The term ‘alimony’, when used
4. in reference to the legal obligations of an individual
5. to provide the same, means periodic payments of
6. funds for the support and maintenance of the spouse
7. (or former spouse) of the individual, and (subject to
8. and in accordance with State law) includes separate
9. maintenance, alimony pendente lite, maintenance,
10. and spousal support, and includes attorney’s fees,
11. interest, and court costs when and to the extent that
12. the same are expressly made recoverable as such
13. pursuant to a decree, order, or judgment issued in
14. accordance with applicable State law by a court of
15. competent jurisdiction. Such term does not include
16. any payment or transfer of property or its value by
17. an individual to the spouse or a former spouse of the
18. individual in compliance with any community prop-
19. erty settlement, equitable distribution of property, or
20. other division of property between spouses or former
21. spouses.

22. “(4) PRIVATE PERSON.—The term ‘private per-
23. son’ means a person who does not have sovereign or
24. other special immunity or privilege which causes the
25. person not to be subject to legal process.

1 “(5) LEGAL PROCESS.—The term ‘legal process’ means any writ, order, summons, or other similar process in the nature of garnishment—

2
3
4 “(A) which is issued by—

5 “(i) a court of competent jurisdiction
6 in any State, territory, or possession of the
7 United States;

8 “(ii) a court of competent jurisdiction
9 in any foreign country with which the
10 United States has entered into an agree-
11 ment which requires the United States to
12 honor the process; or

13 “(iii) an authorized official pursuant
14 to an order of such a court of competent
15 jurisdiction or pursuant to State or local
16 law; and

17 “(B) which is directed to, and the purpose
18 of which is to compel, a governmental entity
19 which holds moneys which are otherwise pay-
20 able to an individual to make a payment from
21 the moneys to another party in order to satisfy
22 a legal obligation of the individual to provide
23 child support or make alimony payments.”.

24 (b) CONFORMING AMENDMENTS.—

1 (1) TO PART D OF TITLE IV.—Sections 461 and
2 462 (42 U.S.C. 661 and 662) are repealed.

3 (2) TO TITLE 5, UNITED STATES CODE.—Sec-
4 tion 5520a of title 5, United States Code, is amend-
5 ed, in subsections (h)(2) and (i), by striking “sec-
6 tions 459, 461, and 462 of the Social Security Act
7 (42 U.S.C. 659, 661, and 662)” and inserting “sec-
8 tion 459 of the Social Security Act (42 U.S.C.
9 659)”.

10 (e) MILITARY RETIRED AND RETAINER PAY.—

11 (1) DEFINITION OF COURT.—Section
12 1408(a)(1) of title 10, United States Code, is
13 amended—

14 (A) by striking “and” at the end of sub-
15 paragraph (B);

16 (B) by striking the period at the end of
17 subparagraph (C) and inserting “; and”; and

18 (C) by adding after subparagraph (C) the
19 following new subparagraph:

20 “(D) any administrative or judicial tribu-
21 nal of a State competent to enter orders for
22 support or maintenance (including a State
23 agency administering a program under a State
24 plan approved under part D of title IV of the
25 Social Security Act), and, for purposes of this

1 subparagraph, the term 'State' includes the
2 District of Columbia, the Commonwealth of
3 Puerto Rico, the Virgin Islands, Guam, and
4 American Samoa."

5 (2) DEFINITION OF COURT ORDER.—Section
6 1408(a)(2) of such title is amended by inserting "or
7 a court order for the payment of child support not
8 included in or accompanied by such a decree or set-
9 tlement," before "which—".

10 (3) PUBLIC PAYEE.—Section 1408(d) of such
11 title is amended—

12 (A) in the heading, by inserting "(OR FOR
13 BENEFIT OF)" before "SPOUSE OR"; and

14 (B) in paragraph (1), in the 1st sentence,
15 by inserting "(or for the benefit of such spouse
16 or former spouse to a State disbursement unit
17 established pursuant to section 454B of the So-
18 cial Security Act or other public payee des-
19 ignated by a State, in accordance with part D
20 of title IV of the Social Security Act, as di-
21 rected by court order, or as otherwise directed
22 in accordance with such part D)" before "in an
23 amount sufficient".

1 (4) RELATIONSHIP TO PART D OF TITLE IV.—

2 Section 1408 of such title is amended by adding at
3 the end the following new subsection:

4 “(j) RELATIONSHIP TO OTHER LAWS.—In any case
5 involving an order providing for payment of child support
6 (as defined in section 459(i)(2) of the Social Security Act)
7 by a member who has never been married to the other
8 parent of the child, the provisions of this section shall not
9 apply, and the case shall be subject to the provisions of
10 section 459 of such Act.”.

11 (d) EFFECTIVE DATE.—The amendments made by
12 this section shall become effective 6 months after the date
13 of the enactment of this Act.

14 **SEC. 963. ENFORCEMENT OF CHILD SUPPORT OBLIGA-**
15 **TIONS OF MEMBERS OF THE ARMED FORCES.**

16 (a) AVAILABILITY OF LOCATOR INFORMATION.—

17 (1) MAINTENANCE OF ADDRESS INFORMA-
18 TION.—The Secretary of Defense shall establish a
19 centralized personnel locator service that includes
20 the address of each member of the Armed Forces
21 under the jurisdiction of the Secretary. Upon re-
22 quest of the Secretary of Transportation, addresses
23 for members of the Coast Guard shall be included in
24 the centralized personnel locator service.

25 (2) TYPE OF ADDRESS.—

1 (A) RESIDENTIAL ADDRESS.—Except as
2 provided in subparagraph (B), the address for
3 a member of the Armed Forces shown in the lo-
4 cator service shall be the residential address of
5 that member.

6 (B) DUTY ADDRESS.—The address for a
7 member of the Armed Forces shown in the loca-
8 tor service shall be the duty address of that
9 member in the case of a member—

10 (i) who is permanently assigned over-
11 seas, to a vessel, or to a routinely
12 deployable unit; or

13 (ii) with respect to whom the Sec-
14 retary concerned makes a determination
15 that the member's residential address
16 should not be disclosed due to national se-
17 curity or safety concerns.

18 (3) UPDATING OF LOCATOR INFORMATION.—

19 Within 30 days after a member listed in the locator
20 service establishes a new residential address (or a
21 new duty address, in the case of a member covered
22 by paragraph (2)(B)), the Secretary concerned shall
23 update the locator service to indicate the new ad-
24 dress of the member.

1 (4) AVAILABILITY OF INFORMATION.—The Sec-
2 retary of Defense shall make information regarding
3 the address of a member of the Armed Forces listed
4 in the locator service available, on request, to the
5 Federal Parent Locator Service established under
6 section 453 of the Social Security Act.

7 (b) FACILITATING GRANTING OF LEAVE FOR AT-
8 TENDANCE AT HEARINGS.—

9 (1) REGULATIONS.—The Secretary of each
10 military department, and the Secretary of Transpor-
11 tation with respect to the Coast Guard when it is
12 not operating as a service in the Navy, shall pre-
13 scribe regulations to facilitate the granting of leave
14 to a member of the Armed Forces under the juris-
15 diction of that Secretary in a case in which—

16 (A) the leave is needed for the member to
17 attend a hearing described in paragraph (2);

18 (B) the member is not serving in or with
19 a unit deployed in a contingency operation (as
20 defined in section 101 of title 10, United States
21 Code); and

22 (C) the exigencies of military service (as
23 determined by the Secretary concerned) do not
24 otherwise require that such leave not be grant-
25 ed.

1 (2) COVERED HEARINGS.—Paragraph (1) ap-
2 plies to a hearing that is conducted by a court or
3 pursuant to an administrative process established
4 under State law, in connection with a civil action—

5 (A) to determine whether a member of the
6 Armed Forces is a natural parent of a child; or

7 (B) to determine an obligation of a mem-
8 ber of the Armed Forces to provide child sup-
9 port.

10 (3) DEFINITIONS.—For purposes of this sub-
11 section:

12 (A) The term “court” has the meaning
13 given that term in section 1408(a) of title 10,
14 United States Code.

15 (B) The term “child support” has the
16 meaning given such term in section 459(i) of
17 the Social Security Act (42 U.S.C. 659(i)).

18 (c) PAYMENT OF MILITARY RETIRED PAY IN COM-
19 PLIANCE WITH CHILD SUPPORT ORDERS.—

20 (1) DATE OF CERTIFICATION OF COURT
21 ORDER.—Section 1408 of title 10, United States
22 Code, as amended by section 962(c)(4), is amend-
23 ed—

24 (A) by redesignating subsections (i) and (j)
25 as subsections (j) and (k), respectively; and

1 (B) by inserting after subsection (h) the
2 following new subsection:

3 "(i) CERTIFICATION DATE.—It is not necessary that
4 the date of a certification of the authenticity or complete-
5 ness of a copy of a court order for child support received
6 by the Secretary concerned for the purposes of this section
7 be recent in relation to the date of receipt by the Sec-
8 retary."

9 (2) PAYMENTS CONSISTENT WITH ASSIGN-
10 MENTS OF RIGHTS TO STATES.—Section 1408(d)(1)
11 of such title is amended by inserting after the 1st
12 sentence the following: "In the case of a spouse or
13 former spouse who assigns to a State the rights of
14 the spouse or former spouse to receive support, the
15 Secretary concerned may make the child support
16 payments referred to in the preceding sentence to
17 that State in amounts consistent with that assign-
18 ment of rights."

19 (3) ARREARAGES OWED BY MEMBERS OF THE
20 UNIFORMED SERVICES.—Section 1408(d) of such
21 title is amended by adding at the end the following
22 new paragraph:

23 "(6) In the case of a court order for which effective
24 service is made on the Secretary concerned on or after
25 the date of the enactment of this paragraph and which

1 provides for payments from the disposable retired pay of
2 a member to satisfy the amount of child support set forth
3 in the order, the authority provided in paragraph (1) to
4 make payments from the disposable retired pay of a mem-
5 ber to satisfy the amount of child support set forth in a
6 court order shall apply to payment of any amount of child
7 support arrearages set forth in that order as well as to
8 amounts of child support that currently become due.”.

9 (4) PAYROLL DEDUCTIONS.—The Secretary of
10 Defense shall begin payroll deductions within 30
11 days after receiving notice of withholding, or for the
12 1st pay period that begins after such 30-day period.

13 **SEC. 964. VOIDING OF FRAUDULENT TRANSFERS.**

14 Section 466 (42 U.S.C. 666), as amended by section
15 921, is amended by adding at the end the following new
16 subsection:

17 “(g) In order to satisfy section 454(20)(A), each
18 State must have in effect—

19 “(1)(A) the Uniform Fraudulent Conveyance
20 Act of 1981;

21 “(B) the Uniform Fraudulent Transfer Act of
22 1984; or

23 “(C) another law, specifying indicia of fraud
24 which create a prima facie case that a debtor trans-
25 ferred income or property to avoid payment to a

1 child support creditor, which the Secretary finds af-
2 fords comparable rights to child support creditors;
3 and

4 “(2) procedures under which, in any case in
5 which the State knows of a transfer by a child sup-
6 port debtor with respect to which such a prima facie
7 case is established, the State must—

8 “(A) seek to void such transfer; or

9 “(B) obtain a settlement in the best inter-
10 ests of the child support creditor.”.

11 **SEC. 965. WORK REQUIREMENT FOR PERSONS OWING**
12 **CHILD SUPPORT.**

13 Section 466(a) of the Social Security Act (42 U.S.C.
14 666(a)), as amended by sections 901(a), 915, 917(a), and
15 923, is amended by adding at the end the following new
16 paragraph:

17 “(16) Procedures requiring the State, in any
18 case in which an individual owes support with re-
19 spect to a child receiving services under this part, to
20 seek a court order or administrative order that re-
21 quires the individual to—

22 “(A) pay such support in accordance with
23 a plan approved by the court; or

24 “(B) if the individual is not working and
25 is not incapacitated, participate in work activi-

1 ties (including, at State option, work activities
2 as defined in section 482) as the court deems
3 appropriate.”.

4 **SEC. 966. DEFINITION OF SUPPORT ORDER.**

5 Section 453 (42 U.S.C. 653) as amended by sections
6 916 and 945(b), is amended by adding at the end the fol-
7 lowing new subsection:

8 “(o) As used in this part, the term ‘support order’
9 means a judgment, decree, or order, whether temporary,
10 final, or subject to modification, issued by a court or an
11 administrative agency of competent jurisdiction, for the
12 support and maintenance of a child, including a child who
13 has attained the age of majority under the law of the issu-
14 ing State, or a child and the parent with whom the child
15 is living, which provides for monetary support, health care,
16 arrearages, or reimbursement, and which may include re-
17 lated costs and fees, interest and penalties, income with-
18 holding, attorneys’ fees, and other relief.”.

19 **SEC. 967. REPORTING ARREARAGES TO CREDIT BUREAUS.**

20 Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended
21 to read as follows:

22 “(7)(A) Procedures (subject to safeguards pur-
23 suant to subparagraph (B)) requiring the State to
24 report periodically to consumer reporting agencies
25 (as defined in section 603(f) of the Fair Credit Re-

1 reporting Act (15 U.S.C. 1681a(f)) the name of any
2 absent parent who is delinquent in the payment of
3 support, and the amount of overdue support owed by
4 such parent.

5 “(B) Procedures ensuring that, in carrying out
6 subparagraph (A), information with respect to an
7 absent parent is reported—

8 “(i) only after such parent has been af-
9 firmed all due process required under State law,
10 including notice and a reasonable opportunity
11 to contest the accuracy of such information;
12 and

13 “(ii) only to an entity that has furnished
14 evidence satisfactory to the State that the en-
15 tity is a consumer reporting agency.”.

16 **SEC. 666. LIENS.**

17 Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended
18 to read as follows:

19 “(4) Procedures under which—

20 “(A) liens arise by operation of law against
21 real and personal property for amounts of over-
22 due support owed by an absent parent who re-
23 sides or owns property in the State; and

24 “(B) the State accords full faith and credit
25 to liens described in subparagraph (A) arising

1 in another State, without registration of the un-
2 derlying order.”.

3 **SEC. 969. STATE LAW AUTHORIZING SUSPENSION OF LI-**
4 **CENSES.**

5 Section 466(a) (42 U.S.C. 666(a)), as amended by
6 sections 915, 917(a), and 923, is amended by adding at
7 the end the following new paragraph:

8 “(15) Procedures under which the State has
9 (and uses in appropriate cases) authority to withhold
10 or suspend, or to restrict the use of, driver’s li-
11 censes, professional and occupational licenses, and
12 recreational licenses of individuals owing overdue
13 support or failing, after receiving appropriate notice,
14 to comply with subpoenas or warrants relating to
15 paternity or child support proceedings.”.

16 **SEC. 970. DENIAL OF PASSPORTS FOR NONPAYMENT OF**
17 **CHILD SUPPORT.**

18 (a) HHS CERTIFICATION PROCEDURE.—

19 (1) SECRETARIAL RESPONSIBILITY.—Section
20 452 (42 U.S.C. 652), as amended by section 945, is
21 amended by adding at the end the following new
22 subsection:

23 “(k)(1) If the Secretary receives a certification by a
24 State agency in accordance with the requirements of sec-
25 tion 454(31) that an individual owes arrearages of child

1 support in an amount exceeding \$5,000, the Secretary
2 shall transmit such certification to the Secretary of State
3 for action (with respect to denial, revocation, or limitation
4 of passports) pursuant to section 470(b) of the Work Op-
5 portunity Act of 1995.

6 “(2) The Secretary shall not be liable to an individual
7 for any action with respect to a certification by a State
8 agency under this section.”

9 (2) STATE CSE AGENCY RESPONSIBILITY.—Sec-
10 tion 454 (42 U.S.C. 654), as amended by sections
11 901(b), 904(a), 912(b), 913(a), 933, and 943(a), is
12 amended—

13 (A) by striking “and” at the end of para-
14 graph (29);

15 (B) by striking the period at the end of
16 paragraph (30) and inserting “; and”; and

17 (C) by adding after paragraph (30) the fol-
18 lowing new paragraph:

19 “(31) provide that the State agency will have in
20 effect a procedure (which may be combined with the
21 procedure for tax refund offset under section 464)
22 for certifying to the Secretary, for purposes of the
23 procedure under section 452(k) (concerning denial of
24 passports), determinations that individuals owe ar-

1 rearages of child support in an amount exceeding
2 \$5,000, under which procedure—

3 “(A) each individual concerned is afforded
4 notice of such determination and the con-
5 sequences thereof, and an opportunity to con-
6 test the determination; and

7 “(B) the certification by the State agency
8 is furnished to the Secretary in such format,
9 and accompanied by such supporting docu-
10 mentation, as the Secretary may require.”.

11 (b) STATE DEPARTMENT PROCEDURE FOR DENIAL
12 OF PASSPORTS.—

13 (1) IN GENERAL.—The Secretary of State shall,
14 upon certification by the Secretary of Health and
15 Human Services transmitted under section 452(k) of
16 the Social Security Act, refuse to issue a passport to
17 such individual, and may revoke, restrict, or limit a
18 passport issued previously to such individual.

19 (2) LIMIT ON LIABILITY.—The Secretary of
20 State shall not be liable to an individual for any ac-
21 tion with respect to a certification by a State agency
22 under this section.

23 (c) EFFECTIVE DATE.—This section and the amend-
24 ments made by this section shall become effective October
25 1, 1996.

1 SEC. 971. INTERNATIONAL CHILD SUPPORT ENFORCE-
2 MENT.

3 The Secretary of State is authorized to negotiate re-
4 ciprocal agreements with foreign nations on behalf of the
5 States, territories, and possessions of the United States
6 regarding the international enforcement of child support
7 obligations and designating the Department of Health and
8 Human Services as the central authority for such enforce-
9 ment.

10 **Subtitle H—Medical Support**

11 SEC. 976. TECHNICAL CORRECTION TO ERISA DEFINITION
12 OF MEDICAL CHILD SUPPORT ORDER.

13 (a) IN GENERAL.—Section 609(a)(2)(B) of the Em-
14 ployee Retirement Income Security Act of 1974 (29
15 U.S.C. 1169(a)(2)(B)) is amended—

16 (1) by striking “issued by a court of competent
17 jurisdiction”;

18 (2) by striking the period at the end of clause
19 (ii) and inserting a comma; and

20 (3) by adding, after and below clause (ii), the
21 following:

22 “if such judgment, decree, or order (I) is issued
23 by a court of competent jurisdiction or (II) is
24 issued through an administrative process estab-
25 lished under State law and has the force and ef-
26 fect of law under applicable State law.”.

1 (b) EFFECTIVE DATE.—

2 (1) IN GENERAL.—The amendments made by
3 this section shall take effect on the date of the en-
4 actment of this Act.

5 (2) PLAN AMENDMENTS NOT REQUIRED UNTIL
6 JANUARY 1, 1996.—Any amendment to a plan re-
7 quired to be made by an amendment made by this
8 section shall not be required to be made before the
9 1st plan year beginning on or after January 1,
10 1996, if—

11 (A) during the period after the date before
12 the date of the enactment of this Act and be-
13 fore such 1st plan year, the plan is operated in
14 accordance with the requirements of the amend-
15 ments made by this section; and

16 (B) such plan amendment applies retro-
17 actively to the period after the date before the
18 date of the enactment of this Act and before
19 such 1st plan year.

20 A plan shall not be treated as failing to be operated
21 in accordance with the provisions of the plan merely
22 because it operates in accordance with this para-
23 graph.

1 **SEC. 976. ENFORCEMENT OF ORDERS FOR HEALTH CARE**
 2 **COVERAGE.**

3 Section 466(a) (42 U.S.C. 666(a)), as amended by
 4 sections 915, 917(a), 923, and 968, is amended by adding
 5 at the end the following new paragraph:

6 “(16) Procedures under which all child support
 7 orders enforced under this part shall include a provi-
 8 sion for the health care coverage of the child, and
 9 in the case in which an absent parent provides such
 10 coverage and changes employment, and the new em-
 11 ployer provides health care coverage, the State agen-
 12 cy shall transfer notice of the provision to the em-
 13 ployer, which notice shall operate to enroll the child
 14 in the absent parent’s health plan, unless the absent
 15 parent contests the notice.”.

16 **Subtitle I—Enhancing Responsibility and Opportunity for**
 17 **Nonresidential Parents**
 18

19 **SEC. 981. GRANTS TO STATES FOR ACCESS AND VISITATION**
 20 **PROGRAMS.**

21 Part D of title IV (42 U.S.C. 651–669) is amended
 22 by adding at the end the following new section:

23 **“SEC. 489A. GRANTS TO STATES FOR ACCESS AND VISITA-**
 24 **TION PROGRAMS.**

25 “(a) **IN GENERAL.**—The Administration for Children
 26 and Families shall make grants under this section to en-

1 able States to establish and administer programs to sup-
2 port and facilitate absent parents' access to and visitation
3 of their children, by means of activities including medi-
4 ation (both voluntary and mandatory), counseling, edu-
5 cation, development of parenting plans, visitation enforce-
6 ment (including monitoring, supervision and neutral drop-
7 off and pickup), and development of guidelines for visita-
8 tion and alternative custody arrangements.

9 “(b) AMOUNT OF GRANT.—The amount of the grant
10 to be made to a State under this section for a fiscal year
11 shall be an amount equal to the lesser of—

12 “(1) 90 percent of State expenditures during
13 the fiscal year for activities described in subsection
14 (a); or

15 “(2) the allotment of the State under sub-
16 section (c) for the fiscal year.

17 “(c) ALLOTMENTS TO STATES.—

18 “(1) IN GENERAL.—The allotment of a State
19 for a fiscal year is the amount that bears the same
20 ratio to the amount appropriated for grants under
21 this section for the fiscal year as the number of chil-
22 dren in the State living with only 1 biological parent
23 bears to the total number of such children in all
24 States.

1 “(2) MINIMUM ALLOTMENT.—The Administra-
2 tion for Children and Families shall adjust allot-
3 ments to States under paragraph (1) as necessary to
4 ensure that no State is allotted less than—

5 “(A) \$50,000 for fiscal year 1996 or 1997;”

6 or

7 “(B) \$100,000 for any succeeding fiscal

8 year.

9 “(d) NO SUPPLANTATION OF STATE EXPENDITURES
10 FOR SIMILAR ACTIVITIES.—A State to which a grant is
11 made under this section may not use the grant to supplant
12 expenditures by the State for activities specified in sub-
13 section (a), but shall use the grant to supplement such
14 expenditures at a level at least equal to the level of such
15 expenditures for fiscal year 1995.

16 “(e) STATE ADMINISTRATION.—Each State to which
17 a grant is made under this section—

18 “(1) may administer State programs funded
19 with the grant, directly or through grants to or con-
20 tracts with courts, local public agencies, or nonprofit
21 private entities;

22 “(2) shall not be required to operate such pro-
23 grams on a statewide basis; and

1 “(3) shall monitor, evaluate, and report on such
2 programs in accordance with regulations prescribed
3 by the Secretary.”.

4 **Subtitle J—Effect of Enactment**

5 **SEC. 691. EFFECTIVE DATES.**

6 (a) **IN GENERAL.**—Except as otherwise specifically
7 provided (but subject to subsections (b) and (c))—

8 (1) the provisions of this title requiring the en-
9 actment or amendment of State laws under section
10 466 of the Social Security Act, or revision of State
11 plans under section 454 of such Act, shall be effec-
12 tive with respect to periods beginning on and after
13 October 1, 1996; and

14 (2) all other provisions of this title shall become
15 effective upon the date of the enactment of this Act.

16 (b) **GRACE PERIOD FOR STATE LAW CHANGES.**—The
17 provisions of this title shall become effective with respect
18 to a State on the later of—

19 (1) the date specified in this title, or

20 (2) the effective date of laws enacted by the leg-
21 islature of such State implementing such provisions,
22 but in no event later than the 1st day of the 1st calendar
23 quarter beginning after the close of the 1st regular session
24 of the State legislature that begins after the date of the
25 enactment of this Act. For purposes of the previous sen-

1 tence, in the case of a State that has a 2-year legislative
 2 session, each year of such session shall be deemed to be
 3 a separate regular session of the State legislature.

4 (c) GRACE PERIOD FOR STATE CONSTITUTIONAL
 5 AMENDMENT.—A State shall not be found out of compli-
 6 ance with any requirement enacted by this title if the State
 7 is unable to so comply without amending the State con-
 8 stitution until the earlier of—

9 (1) 1 year after the effective date of the nec-
 10 essary State constitutional amendment; or

11 (2) 5 years after the date of the enactment of
 12 this title.

13 TITLE X—REFORM OF PUBLIC 14 HOUSING

15 SEC. 1001. CEILING RENTS.

16 Section 3(a)(2) of the United States Housing Act of
 17 1937 (42 U.S.C. 1437a(a)(2)) is amended to read as fol-
 18 lows:

19 “(2) ESTABLISHMENT OF CEILING RENTS.—

20 “(A) IN GENERAL.—A public housing agency
 21 may provide that each family residing in a public
 22 housing project shall pay monthly rent in an amount
 23 established by such agency in accordance with this
 24 paragraph.