

1 “(i) The term ‘penalty amount’ means, with re-
2 spect to a failure of a State to comply with a sub-
3 paragraph of section 454(24)—

4 “(I) 4 percent of the penalty base, in the
5 case of the 1st fiscal year in which such a fail-
6 ure by the State occurs (regardless of whether
7 a penalty is imposed under this paragraph with
8 respect to the failure);

9 “(II) 8 percent of the penalty base, in the
10 case of the 2nd such fiscal year;

11 “(III) 16 percent of the penalty base, in
12 the case of the 3rd such fiscal year; or

13 “(IV) ²⁵20 percent of the penalty base, in
14 the case of the 4th or any subsequent such fis-
15 cal year.

16 “(v) ³⁰(ii) The term ‘penalty base’ means, with re-
17 spect to a failure of a State to comply with a sub-
18 paragraph of section 454(24) during a fiscal year,
19 the amount otherwise payable to the State under
20 paragraph (1)(A) of this subsection for the preced-
21 ing fiscal year.

22 “(C)(i) The Secretary shall waive a penalty under
23 this paragraph for any failure of a State to comply with
24 section 454(24)(A) during fiscal year 1998 if—



5-06-1998 3:23PM FROM MARY BOURDETTE 96905/50 P. 2

THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

May 6, 1998

LETTER TO CONFEREES ON H.R. 3130

Dear Conferee:

I am writing to convey the Department's views on H.R. 3130, the "Child Support Enforcement and Incentive Act of 1998". The bill provides for a performance-based incentive funding system for the child support enforcement program and an alternative penalty structure for the enforcement of requirements for state automated systems. We are pleased that Congress has acted expeditiously on this important legislation.

The House and Senate versions of H.R. 3130 include identical provisions for performance-based child support enforcement program incentives. We strongly support these provisions and appreciate the efforts of the Congress to closely track the proposal we submitted last year.

With regard to the penalties for state failure to complete essential automated child support enforcement systems, we support the automatic and escalating penalties included in both bills. While we support the penalty structure included in the House bill, we do, however, have serious concerns with the one-year extension of the systems deadline and the penalty earnback provisions in the Senate bill. We believe it is important that the new penalties give the states a strong incentive to complete their child support systems quickly. The penalty structure in the House bill is tough yet fair and will send a clear message to the states about the importance of automation to the child support enforcement program. We are troubled that the relaxation of the penalties in the Senate bill will send states the wrong message.

We would also like to reiterate our concern about the provision, included in both the House and Senate versions of the bill, that would allow Federal reimbursement for linked-country based child support enforcement systems. Such reimbursements may encourage states to try inappropriately to link local computer systems instead of creating functioning state-wide systems.

With respect to the miscellaneous provisions, the House bill includes a provision that would make aliens ineligible to receive visas and exclude them from admission to the United States for failure to pay child support. Although we support the goal of this amendment, we urge the conferees to consider language which would better target the population the provision seeks to reach. We would be happy to offer assistance to that end. Furthermore, we understand that the Department of Justice is concerned about implementation of this amendment as currently drafted. We encourage the conferees to work with the Department of Justice to address its concerns.

We strongly support the provisions in the Senate bill concerning the successful establishment and enforcement of medical support. In particular, we support the language providing for use of a National Standardized Medical Support Notice, because it is an important first step in eliminating the remaining impediments to ensuring that children are covered by health insurance available to their parents.

Page 2 - Letter to Conferees on H.R. 3130

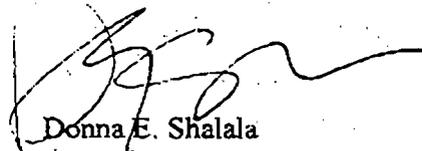
We also support the Senate bill's penalty for unauthorized access to, or disclosure or use of, information in the National Directory of New Hires (NDNH), as well as the bill's restrictions on the use of data. However, we have serious concerns about the limit on retention of data in the NDNH included in the Senate bill. All NDNH data must be retained for at least two years to achieve the underlying legislative intent of the system. First and foremost, data must be retained for two years to determine employer compliance with new hire reporting requirements. Failure to do so could jeopardize the usefulness of the NDNH in improving the enforcement of child support.

Furthermore, we strongly believe that a two-year retention limit should include an exception permitting the Secretary to retain a limited sample of information in the New Hire Data Base for longer than 24 months. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, which enacted the NDNH requirement, authorized the Secretary to use these data to determine whether the purposes of titles IV-A and IV-D are being achieved. The ability to examine over time the wages of current and former TANF recipients and other parents (many of whom move from state to state) is an important tool for determining the long term effects of welfare reform. We would be happy to work with the Committee to develop language that gives the Secretary this limited authority.

Together we have made great strides to craft legislation to resolve issues of automation of state child support systems and aligning incentives to performance. We urge consideration of the comments above to ensure enactment of the strongest bill possible.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the program of the President.

Sincerely,



Donna E. Shalala

DATE: _____



U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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OFFICE OF THE ASSISTANT SECRETARY FOR LEGISLATION
HUMAN SERVICES LEGISLATION
ROOM 413 H HUMPHREY BUILDING

FROM:

TO :	<u>Cynthia</u>	<input type="checkbox"/>	MARY BOURDETTE
OFFICE :	_____	<input type="checkbox"/>	BARBARA CLARK
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FAX NO :	<u>456-7431</u>	<input checked="" type="checkbox"/>	LAUREN GRIFFIN
		<input type="checkbox"/>	AMY LOCKHART
		<input type="checkbox"/>	SARA COSTIN
		<input type="checkbox"/>	ALIX HOWARD

TOTAL PAGES INCLUDING COVER: 43

REMARKS Here is the entire bill.

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6/17/98

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Resolved, That, upon the adoption of this resolution, the House shall be considered to have taken from the Speaker's table the bill H.R. 3130, and the amendments of the Senate thereto, and to have (1) concurred in the amendment of the Senate to the title with an amendment as follows: in lieu of the matter proposed to be inserted by the Senate amendment, insert the following: "An Act to provide for an alternative penalty procedure for States that fail to meet Federal child support data processing requirements, to reform Federal incentive payments for effective child support performance, to provide for a more flexible penalty procedure for States that violate inter-jurisdictional adoption requirements, to amend the Immigration and Nationality Act to make certain aliens determined to be delinquent in the payment of child support inadmissible, and for other purposes."; and (2) concurred in the amendment of the Senate to the text with an amendment as follows: in lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the "Child Support Per-
3 formance and Incentive Act of 1998".

4 **SEC. 2. TABLE OF CONTENTS.**

5 The table of contents of this Act is as follows:

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2

- Sec. 1. Short title.
 Sec. 2. Table of contents.

TITLE I—CHILD SUPPORT DATA PROCESSING REQUIREMENTS

- Sec. 101. Alternative penalty procedure.
 Sec. 102. Authority to waive single statewide automated data processing and information retrieval system requirement.

TITLE II—CHILD SUPPORT INCENTIVE SYSTEM

- Sec. 201. Incentive payments to States.

TITLE III—ADOPTION PROVISIONS

- Sec. 301. More flexible penalty procedure to be applied for failing to permit interjurisdictional adoption.

TITLE IV—MISCELLANEOUS

- Sec. 401.
 Sec. 402. Safeguard of new employee information.
 Sec. 403. Conforming amendments regarding the collection and use of social security numbers for purposes of child support enforcement.
 Sec. 404. Clarification of meaning of high-volume automated administrative enforcement of child support in interstate cases.
 Sec. 405. General Accounting Office reports.
 Sec. 406. Data matching by multistate financial institutions.
 Sec. 407. Elimination of unnecessary data reporting.
 Sec. 408. Expansion of class of required beneficiaries under welfare-to-work programs.
 Sec. 409. Technical corrections.

TITLE V—IMMIGRATION PROVISIONS

- Sec. 501. Aliens ineligible to receive visas and excluded from admission for non-payment of child support.
 Sec. 502. Authorization to serve legal process in child support cases on certain arriving aliens.
 Sec. 503. Authorization to obtain information on child support payments by aliens.

1 **TITLE I—CHILD SUPPORT DATA** 2 **PROCESSING REQUIREMENTS**

3 **SEC. 101. ALTERNATIVE PENALTY PROCEDURE.**

- 4 (a) IN GENERAL.—Section 455(a) of the Social Secu-
 5 rity Act (42 U.S.C. 655(a)) is amended by adding at the
 6 end the following:

- 7 “(4)(A)(i) If—

1 “(I) the Secretary determines that a State plan
2 under section 454 would (in the absence of this
3 paragraph) be disapproved for the failure of the
4 State to comply with a particular subparagraph of
5 section 454(24), and that the State has made and
6 is continuing to make a good faith effort to so com-
7 ply; and

8 “(II) the State has submitted to the Secretary
9 a corrective compliance plan that describes how, by
10 when, and at what cost the State will achieve such
11 compliance, which has been approved by the Sec-
12 retary,

13 then the Secretary shall not disapprove the State plan
14 under section 454, and the Secretary shall reduce the
15 amount otherwise payable to the State under paragraph
16 (1)(A) of this subsection for the fiscal year by the penalty
17 amount.

18 “(ii) All failures of a State during a fiscal year to
19 comply with any of the requirements described in the same
20 subparagraph of section 454(24) shall be considered a sin-
21 gle failure of the State to comply with that subparagraph
22 during the fiscal year for purposes of this paragraph.

23 “(B) In this paragraph:

1 “(i) The term ‘penalty amount’ means, with re-
2 spect to a failure of a State to comply with a sub-
3 paragraph of section 454(24)—

4 “(I) 4 percent of the penalty base, in the
5 case of the 1st fiscal year in which such a fail-
6 ure by the State occurs (regardless of whether
7 a penalty is imposed under this paragraph with
8 respect to the failure);

9 “(II) 8 percent of the penalty base, in the
10 case of the 2nd such fiscal year;

11 “(III) 16 percent of the penalty base, in
12 the case of the 3rd such fiscal year; or

13 “(IV) ²⁵~~20~~ percent of the penalty base, in
14 the case of the 4th or any subsequent such fis-
15 cal year.

16 “(v) ³⁰ (ii) The term ‘penalty base’ means, with re-
17 spect to a failure of a State to comply with a sub-
18 paragraph of section 454(24) during a fiscal year,
19 the amount otherwise payable to the State under
20 paragraph (1)(A) of this subsection for the preced-
21 ing fiscal year.

22 “(C)(i) The Secretary shall waive a penalty under
23 this paragraph for any failure of a State to comply with
24 section 454(24)(A) during fiscal year 1998 if—

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1 “(I) ⁵ ~~at any time during fiscal year~~ ^{by August 1} 1998, the
2 State has submitted to the Secretary a request that
3 the Secretary certify the State as having met the re-
4 quirements of such section;

5 “(II) the Secretary subsequently provides the
6 certification as a result of a timely review conducted
7 pursuant to the request; and

8 “(III) the State has not failed such a review.

9 “(ii) If a State with respect to which a reduction is
10 made under this paragraph for a fiscal year with respect
11 to a failure to comply with a subparagraph of section
12 454(24) achieves compliance with such subparagraph by
13 the beginning of the succeeding fiscal year, the Secretary
14 shall increase the amount otherwise payable to the State
15 under paragraph (1)(A) of this subsection for the succeed-
16 ing fiscal year by an amount equal to 90 percent of the
17 reduction for the fiscal year.

18 “(iii) The Secretary shall reduce the amount of any
19 reduction that, in the absence of this clause, would be re-
20 quired to be made under this paragraph by reason of the
21 failure of a State to achieve compliance with section
22 454(24)(B) during the fiscal year, by an amount equal
23 to 20 percent of the amount of the otherwise required re-
24 duction, for each State performance measure described in
25 section 458A(b)(4) with respect to which the applicable

1 percentage under section 458A(b)(6) for the fiscal year
2 is 100 percent, if the Secretary has made the determina-
3 tion described in section 458A(b)(5)(B) with respect to the
4 State for the fiscal year.

5 “(D) The Secretary may not impose a penalty under
6 this paragraph against a State with respect to a failure
7 to comply with section 454(24)(B) for a fiscal year if the
8 Secretary is required to impose a penalty under this para-
9 graph against the State with respect to a failure to comply
10 with section 454(24)(A) for the fiscal year.”.

11 (b) **INAPPLICABILITY OF PENALTY UNDER TANF**
12 **PROGRAM.**—Section 409(a)(8)(A)(i)(III) of such Act (42
13 U.S.C. 609(a)(8)(A)(i)(III)) is amended by inserting
14 “(other than section 454(24))” before the semicolon.

15 **SEC. 102. AUTHORITY TO WAIVE SINGLE STATEWIDE AUTO-**
16 **MATED DATA PROCESSING AND INFORMA-**
17 **TION RETRIEVAL SYSTEM REQUIREMENT.**

18 (a) **IN GENERAL.**—Section 452(d)(3) of the Social
19 Security Act (42 U.S.C. 652(d)(3)) is amended to read
20 as follows:

21 “(3) The Secretary may waive any requirement of
22 paragraph (1) or any condition specified under section
23 454(16), and shall waive the single statewide system re-
24 quirement under sections 454(16) and 454A, with respect
25 to a State if—

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1 “(A) the State demonstrates to the satisfaction
2 of the Secretary that the State has or can develop
3 an alternative system or systems that enable the
4 State—

5 “(i) for purposes of section 409(a)(8), to
6 achieve the paternity establishment percentages
7 (as defined in section 452(g)(2)) and other per-
8 formance measures that may be established by
9 the Secretary;

10 “(ii) to submit data under section
11 454(15)(B) that is complete and reliable;

12 “(iii) to substantially comply with the re-
13 quirements of this part; and

14 “(iv) in the case of a request to waive the
15 single statewide system requirement, to—

16 “(I) meet all functional requirements
17 of sections 454(16) and 454A;

18 “(II) ensure that calculation of dis-
19 tributions meets the requirements of sec-
20 tion 457 and accounts for distributions to
21 children in different families or in different
22 States or sub-State jurisdictions, and for
23 distributions to other States;

24 “(III) ensure that there is only 1
25 point of contact in the State which pro-

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1 vides seamless case processing for all inter-
2 state case processing and coordinated,
3 automated intrastate case management;

4 “(IV) ensure that standardized data
5 elements, forms, and definitions are used
6 throughout the State;

7 “(V) complete the alternative system
8 in no more time than it would take to com-
9 plete a single statewide system that meets
10 such requirement: and

11 “(VI) process child support cases as
12 quickly, efficiently, and effectively as such
13 cases would be processed through a single
14 statewide system that meets such require-
15 ment;

16 “(B)(i) the waiver meets the criteria of para-
17 graphs (1), (2), and (3) of section 1115(c); or

18 “(ii) the State provides assurances to the Sec-
19 retary that steps will be taken to otherwise improve
20 the State’s child support enforcement program; and

21 “(C) in the case of a request to waive the single
22 statewide system requirement, the State has submit-
23 ted to the Secretary separate estimates of the total
24 cost of a single statewide system that meets such re-
25 quirement, and of any such alternative system or

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1 systems, which shall include estimates of the cost of
2 developing and completing the system and of operat-
3 ing and maintaining the system for 5 years, and the
4 Secretary has agreed with the estimates.”

5 (b) PAYMENTS TO STATES.—Section 455(a)(1) of
6 such Act (42 U.S.C. 655(a)(1)) is amended—

7 (1) by striking “and” at the end of subpara-
8 graph (B);

9 (2) by striking the semicolon at the end of sub-
10 paragraph (C) and inserting “, and”; and

11 (3) by inserting after subparagraph (C) the fol-
12 lowing:

13 “(D) equal to 66 percent of the sums expended
14 by the State during the quarter for an alternative
15 statewide system for which a waiver has been grant-
16 ed under section 452(d)(3), but only to the extent
17 that the total of the sums so expended by the State
18 on or after the date of the enactment of this sub-
19 paragraph does not exceed the least total cost esti-
20 mate submitted by the State pursuant to section
21 452(d)(3)(C) in the request for the waiver;”

1 **TITLE II—CHILD SUPPORT**
2 **INCENTIVE SYSTEM**

3 **SEC. 201. INCENTIVE PAYMENTS TO STATES.**

4 (a) IN GENERAL.—Part D of title IV of the Social
5 Security Act (42 U.S.C. 651–669) is amended by inserting
6 after section 458 the following:

7 ~~“SEC. 458A. INCENTIVE PAYMENTS TO STATES.~~

8 “(a) IN GENERAL.—In addition to any other pay-
9 ment under this part, the Secretary shall, subject to sub-
10 section (f), make an incentive payment to each State for
11 each fiscal year in an amount determined under subsection
12 (b).

13 “(b) AMOUNT OF INCENTIVE PAYMENT.—

14 “(1) IN GENERAL.—The incentive payment for
15 a State for a fiscal year is equal to the incentive
16 payment pool for the fiscal year, multiplied by the
17 State incentive payment share for the fiscal year.

18 “(2) INCENTIVE PAYMENT POOL.—

19 “(A) IN GENERAL.—In paragraph (1), the
20 term ‘incentive payment pool’ means—

21 “(i) \$422,000,000 for fiscal year
22 2000;

23 “(ii) \$429,000,000 for fiscal year
24 2001;

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1 “(iii) \$450,000,000 for fiscal year
2 2002;

3 “(iv) \$461,000,000 for fiscal year
4 2003;

5 “(v) \$454,000,000 for fiscal year
6 2004;

7 “(vi) \$446,000,000 for fiscal year
8 2005;

9 “(vii) \$458,000,000 for fiscal year
10 2006;

11 “(viii) \$471,000,000 for fiscal year
12 2007;

13 “(ix) \$483,000,000 for fiscal year
14 2008; and

15 “(x) for any succeeding fiscal year,
16 the amount of the incentive payment pool
17 for the fiscal year that precedes such suc-
18 ceeding fiscal year, multiplied by the per-
19 centage (if any) by which the CPI for such
20 preceding fiscal year exceeds the CPI for
21 the 2nd preceding fiscal year.

22 “(B) CPI.—For purposes of subparagraph
23 (A), the CPI for a fiscal year is the average of
24 the Consumer Price Index for the 12-month pe-
25 riod ending on September 30 of the fiscal year.

1 As used in the preceding sentence, the term
2 'Consumer Price Index' means the last
3 Consumer Price Index for all-urban consumers
4 published by the Department of Labor.

5 "(3) STATE INCENTIVE PAYMENT SHARE.—In
6 paragraph (1), the term 'State incentive payment
7 share' means, with respect to a fiscal year—

8 "(A) the incentive base amount for the
9 State for the fiscal year; divided by

10 "(B) the sum of the incentive base
11 amounts for all of the States for the fiscal year.

12 "(4) INCENTIVE BASE AMOUNT.—In paragraph
13 (3), the term 'incentive base amount' means, with
14 respect to a State and a fiscal year, the sum of the
15 applicable percentages (determined in accordance
16 with paragraph (6)) multiplied by the corresponding
17 maximum incentive base amounts for the State for
18 the fiscal year, with respect to each of the following
19 measures of State performance for the fiscal year:

20 "(A) The paternity establishment perform-
21 ance level.

22 "(B) The support order performance level.

23 "(C) The current payment performance
24 level.

1 “(D) The arrearage payment performance
2 level.

3 “(E) The cost-effectiveness performance
4 level.

5 “(5) MAXIMUM INCENTIVE BASE AMOUNT.—

6 “(A) IN GENERAL.—For purposes of para-
7 graph (4), the maximum incentive base amount
8 for a State for a fiscal year is—

9 “(i) with respect to the performance
10 measures described in subparagraphs (A),
11 (B), and (C) of paragraph (4), the State
12 collections base for the fiscal year; and

13 “(ii) with respect to the performance
14 measures described in subparagraphs (D)
15 and (E) of paragraph (4), 75 percent of
16 the State collections base for the fiscal
17 year.

18 “(B) DATA REQUIRED TO BE COMPLETE
19 AND RELIABLE.—Notwithstanding subpara-
20 graph (A), the maximum incentive base amount
21 for a State for a fiscal year with respect to a
22 performance measure described in paragraph
23 (4) is zero, unless the Secretary determines, on
24 the basis of an audit performed under section
25 452(a)(4)(C)(i), that the data which the State

1 submitted pursuant to section 454(15)(B) for
2 the fiscal year and which is used to determine
3 the performance level involved is complete and
4 reliable.

5 “(C) STATE COLLECTIONS BASE.—For
6 purposes of subparagraph (A), the State collec-
7 tions base for a fiscal year is equal to the sum
8 of—

9 “(i) 2 times the sum of—

10 “(I) the total amount of support
11 collected during the fiscal year under
12 the State plan approved under this
13 part in cases in which the support ob-
14 ligation involved is required to be as-
15 signed to the State pursuant to part
16 A or E of this title or title XIX; and

17 “(II) the total amount of support
18 collected during the fiscal year under
19 the State plan approved under this
20 part in cases in which the support ob-
21 ligation involved was so assigned but,
22 at the time of collection, is not re-
23 quired to be so assigned; and

24 “(ii) the total amount of support col-
25 lected during the fiscal year under the

1 State plan approved under this part in all
2 other cases.

3 “(6) DETERMINATION OF APPLICABLE PER-
4 CENTAGES BASED ON PERFORMANCE LEVELS.—

5 “(A) PATERNITY ESTABLISHMENT.—

6 “(i) DETERMINATION OF PATERNITY
7 ESTABLISHMENT PERFORMANCE LEVEL.—

8 The paternity establishment performance
9 level for a State for a fiscal year is, at the
10 option of the State, the IV-D paternity es-
11 tablishment percentage determined under
12 section 452(g)(2)(A) or the statewide pa-
13 ternity establishment percentage deter-
14 mined under section 452(g)(2)(B).

15 “(ii) DETERMINATION OF APPLICABLE
16 PERCENTAGE.—The applicable percentage
17 with respect to a State’s paternity estab-
18 lishment performance level is as follows:

“If the paternity establishment performance level is:		The applicable percentage is:
At least:	But less than:	
80% .....	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79

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*If the paternity establishment performance level is:		The applicable percentage is:
At least:	But less than:	
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
0%	50%	0.

1 Notwithstanding the preceding sentence, if
2 the paternity establishment performance
3 level of a State for a fiscal year is less
4 than 50 percent but exceeds by at least 10
5 percentage points the paternity establish-
6 ment performance level of the State for the
7 immediately preceding fiscal year, then the
8 applicable percentage with respect to the
9 State's paternity establishment perform-
10 ance level is 50 percent.

11 "(B) ESTABLISHMENT OF CHILD SUPPORT
12 ORDERS.—

13 "(i) DETERMINATION OF SUPPORT
14 ORDER PERFORMANCE LEVEL.—The sup-

1 port order performance level for a State
 2 for a fiscal year is the percentage of the
 3 total number of cases under the State plan
 4 approved under this part in which there is
 5 a support order during the fiscal year.

6 “(ii) DETERMINATION OF APPLICABLE
 7 PERCENTAGE.—The applicable percentage
 8 with respect to a State’s support order per-
 9 formance level is as follows:

*If the support order performance level is:		The applicable percentage is:
At least:	But less than:	
80%	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60

If the support order performance level is:		The applicable percentage is:
At least:	But less than:	
0%	50%	0.

1 Notwithstanding the preceding sentence, if
2 the support order performance level of a
3 State for a fiscal year is less than 50 per-
4 cent but exceeds by at least 5 percentage
5 points the support order performance level
6 of the State for the immediately preceding
7 fiscal year, then the applicable percentage
8 with respect to the State's support order
9 performance level is 50 percent.

10 "(C) COLLECTIONS ON CURRENT CHILD
11 SUPPORT DUE.—

12 "(i) DETERMINATION OF CURRENT
13 PAYMENT PERFORMANCE LEVEL.—The
14 current payment performance level for a
15 State for a fiscal year is equal to the total
16 amount of current support collected during
17 the fiscal year under the State plan ap-
18 proved under this part divided by the total
19 amount of current support owed during the
20 fiscal year in all cases under the State
21 plan, expressed as a percentage.

1 “(ii) DETERMINATION OF APPLICABLE
2 PERCENTAGE.—The applicable percentage
3 with respect to a State’s current payment
4 performance level is as follows:

“If the current payment performance level is:		The applicable percentage is:
At least:	But less than:	
80%	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
49%	50%	59
48%	49%	58
47%	48%	57
46%	47%	56
45%	46%	55
44%	45%	54
43%	44%	53
42%	43%	52
41%	42%	51
40%	41%	50

"If the current payment performance level is:		The applicable percentage is:
At least:	But less than:	
0%	40%	0.

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Notwithstanding the preceding sentence, if the current payment performance level of a State for a fiscal year is less than 40 percent but exceeds by at least 5 percentage points the current payment performance level of the State for the immediately preceding fiscal year, then the applicable percentage with respect to the State's current payment performance level is 50 percent.

"(D) COLLECTIONS ON CHILD SUPPORT ARREARAGES.—

"(i) DETERMINATION OF ARREARAGE PAYMENT PERFORMANCE LEVEL.—The arrearage payment performance level for a State for a fiscal year is equal to the total number of cases under the State plan approved under this part in which payments of past-due child support were received during the fiscal year and part or all of the payments were distributed to the family to whom the past-due child support was owed (or, if all past-due child support owed to

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21

1 the family was, at the time of receipt, sub-
 2 ject to an assignment to the State, part or
 3 all of the payments were retained by the
 4 State) divided by the total number of cases
 5 under the State plan in which there is
 6 past-due child support, expressed as a per-
 7 centage.

8 "(ii) DETERMINATION OF APPLICABLE
 9 PERCENTAGE.—The applicable percentage
 10 with respect to a State's arrearage pay-
 11 ment performance level is as follows:

"If the arrearage payment perform- ance level is:		The applicable percentage is:
At least:	But less than:	
80%	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
.....

1 **SEC. 408. EXPANSION OF CLASS OF REQUIRED BENE-**
 2 **FICIARIES UNDER WELFARE-TO-WORK PRO-**
 3 **GRAMS.**

4 Section 403(a)(5)(C)(ii) of the Social Security Act
 5 (42 U.S.C. 603(a)(5)(C)(ii)) is amended in the matter
 6 preceding subclause (I) by striking "of minors whose cus-
 7 todial parent is such a recipient".

*do this
the right
for
??*

8 **SEC. 409. TECHNICAL CORRECTIONS.**

9 (a) Section 413(g)(1) of the Social Security Act (42
 10 U.S.C. 613(g)(1)) is amended by striking "Economic and
 11 Educational Opportunities" and inserting "Education and
 12 the Workforce".

13 (b) Section 422(b)(2) of the Social Security Act (42
 14 U.S.C. 622(b)(2)) is amended by striking "under under"
 15 and inserting "under".

16 (c) Section 432(a)(8) of the Social Security Act (42
 17 U.S.C. 632(a)(8)) is amended by adding "; and" at the
 18 end.

19 (d) Section 453(a)(2) of the Social Security Act (42
 20 U.S.C. 653(a)(2)) is amended—

21 (1) by striking "parentage," and inserting
 22 "parentage or";

23 (2) by striking "or making or enforcing child
 24 custody or visitation orders,"; and

25 (3) in subparagraph (A), by decreasing the in-
 26 dentation of clause (iv) by 2 ems.



JSA

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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OFFICE OF THE ASSISTANT SECRETARY FOR LEGISLATION
HUMAN SERVICES LEGISLATION
ROOM 413 H HUMPHREY BUILDING

FROM:

TO: : Cynthia
OFFICE : _____
ROOM NO : _____
PHONE NO : _____
FAX NO : 456-7431

- MARY BOURDETTE
- BARBARA CLARK
- GREG JONES
- PATRICIA BRAVO
- LAUREN GRIFFIN
- AMY LOCKHART
- SARA COSTIN
- ALIX HOWARD

TOTAL PAGES INCLUDING COVER: 43

REMARKS

~~Here is the entire bill.~~
pages 22-42
(this didn't go at first)

"If the arrearage payment performance level is:		The applicable percentage is:
At least:	But less than:	
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
49%	50%	59
48%	49%	58
47%	48%	57
46%	47%	56
45%	46%	55
44%	45%	54
43%	44%	53
42%	43%	52
41%	42%	51
40%	41%	50
0%	40%	0.

1 Notwithstanding the preceding sentence, if
 2 the arrearage payment performance level
 3 of a State for a fiscal year is less than 40
 4 percent but exceeds by at least 5 percent-
 5 age points the arrearage payment perform-
 6 ance level of the State for the immediately
 7 preceding fiscal year, then the applicable
 8 percentage with respect to the State's ar-
 9 rearage payment performance level is 50
 10 percent.

11 "(E) COST-EFFECTIVENESS.—

12 "(i) DETERMINATION OF COST-EF-
 13 FECTIVENESS PERFORMANCE LEVEL.—The
 14 cost-effectiveness performance level for a
 15 State for a fiscal year is equal to the total
 16 amount collected during the fiscal year

1 under the State plan approved under this
 2 part divided by the total amount expended
 3 during the fiscal year under the State plan,
 4 expressed as a ratio.

5 “(ii) DETERMINATION OF APPLICABLE
 6 PERCENTAGE.—The applicable percentage
 7 with respect to a State’s cost-effectiveness
 8 performance level is as follows:

“If the cost-effectiveness perform- ance level is:		The applicable percentage is:
At least:	But less than:	
5.00 .....	.....	100
4.50	4.99	90
4.00	4.50	80
3.50	4.00	70
3.00	3.50	60
2.50	3.00	50
2.00	2.50	40
0.00	2.00	0.

9 “(e) TREATMENT OF INTERSTATE COLLECTIONS.—
 10 In computing incentive payments under this section, sup-
 11 port which is collected by a State at the request of another
 12 State shall be treated as having been collected in full by
 13 both States, and any amounts expended by a State in car-
 14 rying out a special project assisted under section 455(e)
 15 shall be excluded.

16 “(d) ADMINISTRATIVE PROVISIONS.—The amounts
 17 of the incentive payments to be made to the States under
 18 this section for a fiscal year shall be estimated by the Sec-
 19 retary at or before the beginning of the fiscal year on the

1 basis of the best information available. The Secretary shall
2 make the payments for the fiscal year, on a quarterly basis
3 (with each quarterly payment being made no later than
4 the beginning of the quarter involved), in the amounts so
5 estimated, reduced or increased to the extent of any over-
6 payments or underpayments which the Secretary deter-
7 mines were made under this section to the States involved
8 for prior periods and with respect to which adjustment has
9 not already been made under this subsection. Upon the
10 making of any estimate by the Secretary under the preced-
11 ing sentence, any appropriations available for payments
12 under this section are deemed obligated.

13 “(e) REGULATIONS.—The Secretary shall prescribe
14 such regulations as may be necessary governing the cal-
15 culation of incentive payments under this section, includ-
16 ing directions for excluding from the calculations certain
17 closed cases and cases over which the States do not have
18 jurisdiction.

19 “(f) REINVESTMENT.—A State to which a payment
20 is made under this section shall expend the full amount
21 of the payment to supplement, and not supplant, other
22 funds used by the State—

23 “(1) to carry out the State plan approved under
24 this part; or

1 “(2) for any activity (including cost-effective
2 contracts with local agencies) approved by the Sec-
3 retary, whether or not the expenditures for the activ-
4 ity are eligible for reimbursement under this part,
5 which may contribute to improving the effectiveness
6 or efficiency of the State program operated under
7 this part.”.

8 (b) **TRANSITION RULE.**—Notwithstanding any other
9 provision of law—

10 (1) for fiscal year 2000, the Secretary shall re-
11 duce by $\frac{1}{3}$ the amount otherwise payable to a State
12 under section 458 of the Social Security Act, and
13 shall reduce by $\frac{2}{3}$ the amount otherwise payable to
14 a State under section 458A of such Act; and

15 (2) for fiscal year 2001, the Secretary shall re-
16 duce by $\frac{2}{3}$ the amount otherwise payable to a State
17 under section 458 of the Social Security Act, and
18 shall reduce by $\frac{1}{3}$ the amount otherwise payable to
19 a State under section 458A of such Act.

20 (c) **REGULATIONS.**—Within 9 months after the date
21 of the enactment of this section, the Secretary of Health
22 and Human Services shall prescribe regulations governing
23 the implementation of section 458A of the Social Security
24 Act when such section takes effect and the implementation
25 of subsection (b) of this section.

1 (d) STUDIES.—

2 (1) GENERAL REVIEW OF NEW INCENTIVE PAY-
3 MENT SYSTEM.—

4 (A) IN GENERAL.—The Secretary of
5 Health and Human Services shall conduct a
6 study of the implementation of the incentive
7 payment system established by section 458A of
8 the Social Security Act, in order to identify the
9 problems and successes of the system.

10 (B) REPORTS TO THE CONGRESS.—

11 (i) REPORT ON VARIATIONS IN STATE
12 PERFORMANCE ATTRIBUTABLE TO DEMO-
13 GRAPHIC VARIABLES.—Not later than Oc-
14 tober 1, 2000, the Secretary shall submit
15 to the Congress a report that identifies any
16 demographic or economic variables that ac-
17 count for differences in the performance
18 levels achieved by the States with respect
19 to the performance measures used in the
20 system, and contains the recommendations
21 of the Secretary for such adjustments to
22 the system as may be necessary to ensure
23 that the relative performance of States is
24 measured from a baseline that takes ac-
25 count of any such variables.

1 (ii) INTERIM REPORT.—Not later than
2 March 1, 2001, the Secretary shall submit
3 to the Congress an interim report that con-
4 tains the findings of the study required by
5 subparagraph (A).

6 (iii) FINAL REPORT.—Not later than
7 October 1, 2003, the Secretary shall sub-
8 mit to the Congress a final report that
9 contains the final findings of the study re-
10 quired by subparagraph (A). The report
11 shall include any recommendations for
12 changes in the system that the Secretary
13 determines would improve the operation of
14 the child support enforcement program.

15 (2) DEVELOPMENT OF MEDICAL SUPPORT IN-
16 CENTIVE.—

17 (A) IN GENERAL.—The Secretary of
18 Health and Human Services, in consultation
19 with State directors of programs operated
20 under part D of title IV of the Social Security
21 Act and representatives of children potentially
22 eligible for medical support, shall develop a per-
23 formance measure based on the effectiveness of
24 States in establishing and enforcing medical
25 support obligations, and shall make rec-

1 ommendations for the incorporation of the
2 measure, in a revenue neutral manner, into the
3 incentive payment system established by section
4 458A of the Social Security Act.

5 (B) REPORT.—Not later than October 1,
6 1999, the Secretary shall submit to the Con-
7 gress a report that describes the performance
8 measure and contains the recommendations re-
9 quired by subparagraph (A).

10 (e) TECHNICAL AMENDMENTS.—

11 (1) IN GENERAL.—Section 341 of the Personal
12 Responsibility and Work Opportunity Reconciliation
13 Act of 1996 (42 U.S.C. 658 note) is amended—

14 (A) by striking subsection (a) and redesignig-
15 nating subsections (b), (c), and (d) as sub-
16 sections (a), (b), and (c), respectively; and

17 (B) in subsection (c) (as so redesignig-
18 nated)—

19 (i) by striking paragraph (1) and in-
20 serting the following:

21 “(1) CONFORMING AMENDMENTS TO PRESENT
22 SYSTEM.—The amendments made by subsection (a)
23 of this section shall become effective with respect to
24 a State as of the date the amendments made by sec-

1 tion 103(a) (without regard to section 116(a)(2))
 2 first apply to the State.”; and

3 (ii) in paragraph (2), by striking
 4 “(c)” and inserting “(b)”.

5 (2) EFFECTIVE DATE.—The amendments made
 6 by this subsection shall take effect as if included in
 7 the enactment of section 341 of the Personal Re-
 8 sponsibility and Work Opportunity Reconciliation
 9 Act of 1996.

10 (f) ELIMINATION OF PREDECESSOR INCENTIVE PAY-
 11 MENT SYSTEM.—

12 (1) REPEAL.—Section 458 of the Social Secu-
 13 rity Act (42 U.S.C. 658) is repealed.

14 (2) CONFORMING AMENDMENTS.—

15 (A) Section 458A of the Social Security
 16 Act, as added by section 201(a) of this Act, is
 17 redesignated as section 458.

18 (B) Section 455(a)(4)(C)(iii) of such Act
 19 (42 U.S.C. 655(a)(4)(C)(iii)), as added by sec-
 20 tion 101(a) of this Act, is amended—

21 (i) by striking “458A(b)(4)” and in-
 22 serting “458(b)(4)”;

23 (ii) by striking “458A(b)(6)” and in-
 24 serting “458(b)(6)”;

1 (iii) by striking "458A(b)(5)(B)" and
 2 inserting "458(b)(5)(B)".

3 (C) Subsection (d)(1) of this section is
 4 amended by striking "458A" and inserting
 5 "458".

6 (3) EFFECTIVE DATE.—The amendments made
 7 by this subsection shall take effect on October 1,
 8 2001.

9 (g) GENERAL EFFECTIVE DATE.—Except as other-
 10 wise provided in this section, the amendments made by
 11 this section shall take effect on October 1, 1999.

12 TITLE III—ADOPTION 13 PROVISIONS

14 SEC. 301. MORE FLEXIBLE PENALTY PROCEDURE TO BE AP- 15 PLIED FOR FAILING TO PERMIT INTERJURIS- 16 DICTIONAL ADOPTION.

17 (a) CONVERSION OF FUNDING BAN INTO STATE
 18 PLAN REQUIREMENT.—Section 471(a) of the Social Secu-
 19 rity Act (42 U.S.C. 671(a)) is amended—

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

21 (21);

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

24 (3) by adding at the end the following:

25 "(23) provides that the State shall not—

1 “(A) deny or delay the placement of a
2 child for adoption when an approved family is
3 available outside of the jurisdiction with respon-
4 sibility for handling the case of the child; or

5 “(B) fail to grant an opportunity for a fair
6 hearing, as described in paragraph (12), to an
7 individual whose allegation of a violation of sub-
8 paragraph (A) of this paragraph is denied by
9 the State or not acted upon by the State with
10 reasonable promptness.”

11 (b) PENALTY FOR NONCOMPLIANCE.—Section
12 474(d) of such Act (42 U.S.C. 674(d)) is amended in each
13 of paragraphs (1) and (2) by striking “section
14 471(a)(18)” and inserting “paragraph (18) or (23) of sec-
15 tion 471(a)”.

16 (c) CONFORMING AMENDMENT.—Section 474 of such
17 Act (42 U.S.C. 674) is amended by striking subsection
18 (e).

19 (d) RETROACTIVITY.—The amendments made by this
20 section shall take effect as if included in the enactment
21 of section 202 of the Adoption and Safe Families Act of
22 1997 (Public Law 105-89; 111 Stat. 2125).

TITLE IV—MISCELLANEOUS

[SEC. 401.]

SEC. 402. SAFEGUARD OF NEW EMPLOYEE INFORMATION.

(a) **PENALTY FOR UNAUTHORIZED ACCESS, DISCLOSURE, OR USE OF INFORMATION.**—Section 453(l) of the Social Security Act (42 U.S.C. 653(l)) is amended—

(1) by striking “Information” and inserting the following:

“(1) **IN GENERAL.**—Information”; and

(2) by adding at the end the following:

“(2) **PENALTY FOR MISUSE OF INFORMATION IN THE NATIONAL DIRECTORY OF NEW HIRES.**—The Secretary shall require the imposition of an administrative penalty (up to and including dismissal from employment), and a fine of \$1,000, for each act of unauthorized access to, disclosure of, or use of, information in the National Directory of New Hires established under subsection (i) by any officer or employee of the United States who knowingly and willfully violates this paragraph.”.

(b) **LIMITS ON RETENTION OF DATA IN THE NATIONAL DIRECTORY OF NEW HIRES.**—Section 453(i)(2) of such Act (42 U.S.C. 653(i)(2)) is amended to read as follows:

1 “(2) DATA ENTRY AND DELETION REQUIRE-
2 MENTS.—

3 “(A) DATA ENTRY.—Information provided
4 pursuant to section 453A(g)(2) shall be entered
5 into the data base maintained by the National
6 Directory of New Hires within 2 business days
7 after receipt.

8 “(B) DATA DELETION.—Information pro-
9 vided pursuant to section 453A(g)(2)(B) shall
10 be deleted from the data base maintained by
11 the National Directory of New Hires not later
12 than ~~24~~ months after the date of entry, except
13 to the extent necessary to preserve a sample (as
14 defined by the Secretary in regulations) of such
15 information for research purposes.”

16 (c) REPORT BY THE SECRETARY.—Within 3 years
17 after the date of the enactment of this Act, the Secretary
18 of Health and Human Services shall submit to the Com-
19 mittee on Ways and Means of the House of Representa-
20 tives and the Committee on Finance of the Senate a report
21 on the accuracy of the data maintained by the National
22 Directory of New Hires pursuant to section 453(i) of the
23 Social Security Act, and the effectiveness of the proce-
24 dures designed to provide for the security of such data.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on January 1, 1999.

3 **SEC. 403. CONFORMING AMENDMENTS REGARDING THE**
4 **COLLECTION AND USE OF SOCIAL SECURITY**
5 **NUMBERS FOR PURPOSES OF CHILD SUP-**
6 **PORT ENFORCEMENT.**

7 (a) CONFORMING AMENDMENTS.—Section
8 205(c)(2)(C) of the Social Security Act (42 U.S.C.
9 405(c)(2)(C)) is amended—

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

12 (2) in clause (ii)—

13 (A) by inserting after the 1st sentence the
14 following: “In the administration of any law in-
15 volving the issuance of a marriage certificate or
16 license, each State shall require each individual
17 named in the certificate or license to furnish to
18 the State (or political subdivision thereof), or
19 any State agency having administrative respon-
20 sibility for the law involved, the social security
21 number of the individual.”; and

22 (B) by inserting “or marriage certificate”
23 after “Such numbers shall not be recorded on
24 the birth certificate”;

1 (3) in clause (vi), by striking "may" and insert-
2 ing "shall"; and

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

4 “(x) An agency of a State (or a political subdivision
5 thereof) charged with the administration of any law con-
6 cerning the issuance or renewal of a professional license,
7 driver’s license, occupational license, or recreational li-
8 cense shall require each applicant for issuance or renewal
9 of the license to provide the applicant’s social security
10 number to the agency for the purpose of administering
11 such laws, and for the purpose of responding to requests
12 for information from an agency operating pursuant to part
13 D of title IV. If a State allows the use of a number other
14 than the social security number to be used on the face
15 of the document while the social security number is kept
16 on file at the agency, the State shall so advise any appli-
17 cants.

18 “(xi) All divorce decrees, support orders, and pater-
19 nity determinations issued, and all paternity acknowledg-
20 ments made, in each State shall include the social security
21 number of each individual subject to the decree, order, de-
22 termination, or acknowledgment in the records relating to
23 the matter, for the purpose of responding to requests for
24 information from an agency operating pursuant to part
25 D of title IV.”.

1 (b) RETROACTIVITY.—The amendments made by
 2 subsection (a) shall take effect as if included in the enact-
 3 ment of section 317 of the Personal Responsibility and
 4 Work Opportunity Reconciliation Act of 1996 (Public Law
 5 104-193; 110 Stat.2220).

6 **SEC. 404. CLARIFICATION OF MEANING OF HIGH-VOLUME**
 7 **AUTOMATED ADMINISTRATIVE ENFORCE-**
 8 **MENT OF CHILD SUPPORT IN INTERSTATE**
 9 **CASES.**

10 (a) IN GENERAL.—Section 466(a)(14)(B) of the So-
 11 cial Security Act (42 U.S.C. 666(a)(14)(B)) is amended
 12 to read as follows:

13 “(B) HIGH-VOLUME AUTOMATED ADMINIS-
 14 TRATIVE ENFORCEMENT.—In this part, the
 15 term ‘high-volume automated administrative en-
 16 forcement’, in interstate cases, means, on re-
 17 quest of another State, the identification by a
 18 State, through automated data matches with fi-
 19 nancial institutions and other entities where as-
 20 sets may be found, of assets owned by persons
 21 who owe child support in other States, and the
 22 seizure of such assets by the State, through levy
 23 or other appropriate processes.”

24 (b) RETROACTIVITY.—The amendment made by sub-
 25 section (a) shall take effect as if included in the enactment

1 of section 5550 of the Balanced Budget Act of 1997 (Pub-
2 lic Law 105-33; 111 Stat. 633).

3 **SEC. 405. GENERAL ACCOUNTING OFFICE REPORTS.**

4 (a) REPORT ON FEASIBILITY OF INSTANT CHECK
5 SYSTEM.—Not later than December 31, 1998, the Comp-
6 troller General of the United States shall report to the
7 Committee on Finance of the Senate and the Committee
8 on Ways and Means of the House of Representatives on
9 the feasibility and cost of creating and maintaining a na-
10 tionwide instant child support order check system under
11 which an employer would be able to determine whether
12 a newly hired employee is required to provide support
13 under a child support order.

14 (b) REPORT ON IMPLEMENTATION AND USE OF
15 CHILD SUPPORT DATABASES.—Not later than December
16 31, 1998, the Comptroller General of the United States
17 shall report to the Committee on Finance of the Senate
18 and the Committee on Ways and Means of the House of
19 Representatives on the implementation of the Federal
20 Parent Locator Service (including the Federal Case Reg-
21 istry of Child Support Orders and the National Directory
22 of New Hires) established under section 453 of the Social
23 Security Act (42 U.S.C. 653) and the State Directory of
24 New Hires established under section 453A of such Act (42
25 U.S.C. 653a). The report shall include a detailed discus-

1 sion of the purposes for which, and the manner in which,
2 the information maintained in such databases has been
3 used, and an examination as to whether such databases
4 are subject to adequate safeguards to protect the privacy
5 of the individuals with respect to whom information is re-
6 ported and maintained.

7 **SEC. 406. DATA MATCHING BY MULTISTATE FINANCIAL IN-**
8 **STITUTIONS.**

9 (a) **USE OF FEDERAL PARENT LOCATOR SERVICE.—**

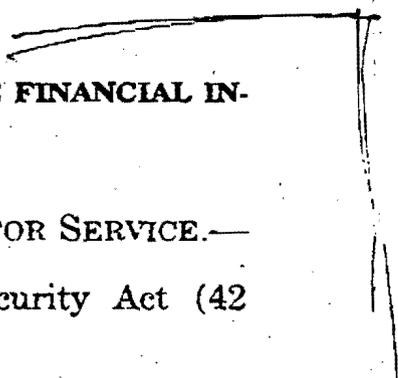
10 Section 466(a)(17)(A) of the Social Security Act (42
11 U.S.C. 666(a)(17)(A)) is amended—

12 ~~(1) by inserting “, or require,” after “agree-~~
13 ~~ments with”; and~~

14 (2) in clause (i), by inserting “and the Federal
15 Parent Locator Service in the case of multistate fi-
16 nancial institutions,” before “a data match system”.

17 (b) **FACILITATION OF AGREEMENTS.—**Section 452 of
18 such Act (42 U.S.C. 652) is amended by adding at the
19 end the following:

20 ~~“(1) Notwithstanding the Right to Financial Privacy~~
21 ~~Act of 1978,~~ the Secretary, through the Federal Parent
22 Locator Service, may aid State agencies providing services
23 under State programs operated pursuant to this part and
24 multistate financial institutions in reaching agreements
25 regarding the receipt from such institutions, and the



We would prefer to drop this language

1 transfer to the State agencies, of information that may
2 be provided pursuant to section 466(a)(17)(A).”.

3 (c) PROTECTION AGAINST LIABILITY.—Section
4 469A(a) of such Act (42 U.S.C. 669a(a)) is amended by
5 inserting “, or for disclosing any such record to the Fed-
6 eral Parent Locator Service pursuant to section
7 466(a)(17)(A)” before the period.

8 **SEC. 407. ELIMINATION OF UNNECESSARY DATA REPORT-**
9 **ING.**

10 (a) IN GENERAL.—Section 469 of the Social Security
11 Act (42 U.S.C. 669) is amended—

12 (1) by striking all that precedes subsection (c)
13 and inserting the following:

14 **“SEC. 469. COLLECTION AND REPORTING OF CHILD SUP-**
15 **PORT ENFORCEMENT DATA.**

16 “(a) IN GENERAL.—With respect to each type of
17 service described in subsection (b), the Secretary shall col-
18 lect and maintain up-to-date statistics, by State, and on
19 a fiscal year basis, on—

20 “(1) the number of cases in the caseload of the
21 State agency administering the plan approved under
22 this part in which the service is needed; and

23 “(2) the number of such cases in which the
24 service has actually been provided.

1 “(b) TYPES OF SERVICES.—The statistics required
2 by subsection (a) shall be separately stated with respect
3 to paternity establishment services and child support obli-
4 gation establishment services.

5 “(c) TYPES OF SERVICE RECIPIENTS.—The statistics
6 required by subsection (a) shall be separately stated with
7 respect to—

8 “(1) recipients of assistance under a State pro-
9 gram funded under part A or of payments or serv-
10 ices under a State plan approved under part E; and

11 “(2) individuals who are not such recipients.”;
12 and

13 (2) in subsection (c), by striking “(c)” and in-
14 serting “(d) RULE OF INTERPRETATION.—”.

15 (b) CONFORMING AMENDMENT.—Section 452(a)(10)
16 of such Act (42 U.S.C. 652(a)(10)) is amended—

17 (1) by adding “and” at the end of subpara-
18 graph (H); and

19 (2) by striking subparagraph (I) and redesignig-
20 nating subparagraph (J) as subparagraph (I).

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to information maintained with re-
23 spect to fiscal year 1995 or any succeeding fiscal year.

1 (e)(1) Section 5557(b) of the Balanced Budget Act
2 of 1997 (42 U.S.C. 608 note) is amended by adding at
3 the end the following: "The amendment made by section
4 5536(1)(A) shall not take effect with respect to a State
5 until October 1, 2000, or such earlier date as the State
6 may select."

7 (2) The amendment made by paragraph (1) shall
8 take effect as if included in the enactment of section 5557
9 of the Balanced Budget Act of 1997 (Public Law 105-
10 33; 111 Stat. 637).

11 (f) Section 473A(c)(2)(B) of the Social Security Act
12 (42 U.S.C. 673b(c)(2)(B)) is amended—

13 (1) by striking "November 30, 1997" and in-
14 serting "April 30, 1998"; and

15 (2) by striking "March 1, 1998" and inserting
16 "July 1, 1998".

17 (g) Section 474(a) of the Social Security Act (42
18 U.S.C. 674(a)) is amended by striking "(subject to the
19 limitations imposed by subsection (b))".

20 (h) Section 232 of the Social Security Act Amend-
21 ments of 1994 (42 U.S.C. 1314a) is amended—

22 (1) in subsection (b)(3)(D), by striking "En-
23 ergy and"; and

24 (2) in subsection (d)(4), by striking "(b)(3)(C)"
25 and inserting "(b)(3)".