

103^D CONGRESS
2^D SESSION

H. R. 4051

To reform the child support system.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 1994

Ms. WOOLSEY (for herself, Mr. CLYBURN, Mr. FRANK of Massachusetts, Mr. SCOTT, and Ms. VELÁZQUEZ) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To reform the child support system.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Secure Assurance for
5 Families Everywhere (SAFE) Act”.

6 **SEC. 2. NATIONAL CHILD SUPPORT ORDER REGISTRY.**

7 (a) ESTABLISHMENT.—

8 (1) IN GENERAL.—The Secretary of the Treas-
9 ury shall establish in the Internal Revenue Service
10 a national registry of all child support orders.

1 (2) CHILD SUPPORT ORDER DEFINED.—As
2 used in this section, the term “child support order”
3 means an order, issued or modified by a State court
4 or an administrative process established under State
5 law, that requires an individual to make payments
6 for support and maintenance of a child or of a child
7 and the parent with whom the child is living.

8 (b) TRANSMISSION OF COPIES OF CHILD SUPPORT
9 ORDERS TO THE NATIONAL REGISTRY.—Section 466(a)
10 of the Social Security Act (42 U.S.C. 666(a)) is amended
11 by inserting after paragraph (11) the following:

12 “(12) Procedures to ensure that—

13 “(A) each child support order issued or
14 modified in the State contains the social secu-
15 rity account number of each parent with rights
16 or obligations under the order;

17 “(B) within 5 days after the issuance or
18 modification of a child support order in the
19 State, a copy of the order is transmitted to the
20 national child support order registry established
21 under section 2(a) of the Secure Assurance for
22 Families Everywhere (SAFE) Act;

23 “(C) within 2 years after the date of the
24 enactment of this paragraph, a copy of each
25 child support order being enforced by the State

1 pursuant to this part which has not been trans-
2 mitted pursuant to subparagraph (B) is trans-
3 mitted to the national child support order
4 registry;

5 “(D) within 5 years after the date of the
6 enactment of this paragraph, a copy of each
7 child support issued or modified in the State
8 which has not been transmitted pursuant to
9 subparagraph (B) or (C) and which a party to
10 the order has requested be sent to the national
11 child support order registry be transmitted to
12 the registry; and

13 “(E) with each order transmitted pursuant
14 to subparagraph (B), (C), or (D)—

15 “(i) a notice is included as to the date
16 the order is required or scheduled to be re-
17 viewed by a court or an administrative
18 process established under State law; and

19 “(ii) a certified statement of arrears
20 (if any) owed under the order is included
21 if a party to the order is receiving services
22 under the State plan.”.

23 (c) MAINTENANCE OF ABSTRACTS OF CHILD SUP-
24 PORT ORDERS.—The national registry shall maintain an

1 abstract of each child support order, which shall contain
2 the following information:

3 (1) The names, addresses, and social security
4 account numbers of each individual with rights or
5 obligations under the order, to the extent that the
6 authority that issued the order has not prohibited
7 the release of such information.

8 (2) The name and date of birth of any child
9 with respect to whom payments are to be made
10 under the order.

11 (3) The dollar amount of child support required
12 to be paid on a monthly basis under the order.

13 (4) The date the order was issued or most re-
14 cently modified, and each date the order is required
15 or scheduled to be reviewed by a court or an admin-
16 istrative process established under State law.

17 (5) Any orders superseded by the order.

18 (6) Such other information as the Secretary of
19 the Treasury, in consultation with the Secretary of
20 Health and Human Services, shall, by regulation
21 require.

22 (d) PROVISION OF CHILD SUPPORT INFORMATION
23 TO EMPLOYERS.—Upon receipt from an employer of a W-
24 4 form completed pursuant to section 3(b) of this Act by
25 an employee of the employer, the national registry shall

1 report to the employer such information as the national
2 registry may have as to—

3 (1) whether the employee has a legal obligation
4 to provide child support (as defined in section
5 462(b) of the Social Security Act) which is to be col-
6 lected, in whole or in part, through wage withholding
7 pursuant to an order issued by a State court or an
8 order of an administrative process established under
9 State law; and

10 (2) the aggregate amount of all such obliga-
11 tions.

12 **SEC. 3. MODIFICATION OF W-4 REPORTING REQUIREMENTS**
13 **TO PROVIDE FOR REPORTING OF CHILD SUP-**
14 **PORT OBLIGATIONS OF EMPLOYEES.**

15 (a) ESTABLISHMENT OF REPORTING SYSTEM.—The
16 Secretary of the Treasury, in consultation with the Sec-
17 retary of Labor, shall establish a system for the reporting
18 of information relating to child support obligations of em-
19 ployees that meets the requirements of this section.

20 (b) EMPLOYEE OBLIGATIONS.—Under the system,
21 each employee shall be required to file with the employer
22 of the employee, within 5 days after the later of the effec-
23 tive date of this section or the date the employee is hired,
24 a W-4 form that indicates—

1 (1) whether the employee has a legal obligation
 2 to provide child support (as defined in section
 3 462(b) of the Social Security Act) which is to be col-
 4 lected, in whole or in part, through wage withholding
 5 pursuant to an order issued by a State court or an
 6 order of an administrative process established under
 7 State law; and

8 (2) if so—

9 (A) the aggregate amount of all such obli-
 10 gations; and

11 (B) the name and address of any person to
 12 whom the employee has such an obligation.

13 (c) EMPLOYER OBLIGATIONS.—

14 (1) IN GENERAL.—Subtitle C of the Internal
 15 Revenue Code of 1986 (relating to employment
 16 taxes) is amended by inserting after chapter 24 the
 17 following new chapter:

18 **“CHAPTER 24A—COLLECTION OF CHILD**
 19 **SUPPORT OBLIGATIONS AT SOURCE**
 20 **ON WAGES**

“Sec. 3411. Child support obligations collected at source.

21 **“SEC. 3411. CHILD SUPPORT OBLIGATIONS COLLECTED AT**
 22 **SOURCE.**

23 **“(a) REQUIREMENT OF WITHHOLDING.—**

1 “(1) WAGE WITHHOLDING AS INDICATED BY
2 THE EMPLOYEE.—Each employer who receives a
3 completed W-4 form from an employee pursuant to
4 section 3(b) of the Secure Assurance for Families
5 Everywhere (SAFE) Act which indicates that the
6 employee has a legal obligation to provide child sup-
7 port (as defined in section 462(b) of the Social Secu-
8 rity Act) shall—

9 “(A) deduct and withhold from the wages
10 of the employee the amount indicated on the
11 W-4 form as a child support obligation;

12 “(B) send such amount to Secretary; and

13 “(C) forward the form to the national child
14 support order registry.

15 “(2) CORRECTION OF WITHHOLDING INSTRUC-
16 TIONS.—If the national child support order registry
17 notifies the employer that an employee has an obli-
18 gation referred to in paragraph (1), the employer
19 shall—

20 “(A) deduct and withhold from the wages
21 of the employee the greater of—

22 “(i) the amount indicated on the
23 W-4 form as a child support obligation;

24 or

1 “(ii) the amount that such registry in-
2 dicates is to be deducted and withheld
3 from the wages of the employee to satisfy
4 such obligation; and

5 “(B) send the amount so withheld to the
6 Secretary.

7 “(b) CERTAIN OBLIGATIONS EXEMPT.—This section
8 shall not apply to a child support obligation if the order
9 requiring payment of such obligation specifies that such
10 obligation is exempt from the requirements of this section.

11 “(c) LIABILITY FOR PAYMENT.—The employer shall
12 be liable for the payment of amounts deducted and with-
13 held under subsection (a) to the Secretary.

14 “(d) NATIONAL CHILD SUPPORT ORDER REG-
15 ISTRY.—For purposes of this section, the term ‘national
16 child support order registry’ means the national registry
17 of all child support orders established under section 2 of
18 the Secure Assurance for Families Everywhere (SAFE)
19 Act.

20 “(e) SPECIAL RULES.—For purposes of this chapter
21 (and so much of subtitle F as relates to this chapter), any
22 amount required to be deducted and withheld under this
23 section shall be treated as if it were a tax withheld under
24 chapter 24 and rules similar to the rules of chapter 24
25 shall apply.”

1 (2) CLERICAL AMENDMENT.—The table of
2 chapters for subtitle C of such Code is amended by
3 inserting after the item relating to chapter 24 the
4 following new item:

“Chapter 24A. Child support obligations collected at source.”

5 **SEC. 4. COLLECTION OF CHILD SUPPORT.**

6 (a) IN GENERAL.—Chapter 77 of the Internal Reve-
7 nue Code of 1986 (relating to miscellaneous provisions)
8 is amended by adding at the end thereof the following new
9 section:

10 **“SEC. 7524. COLLECTION OF CHILD SUPPORT.**

11 “(a) MONTHLY PAYMENTS BY INDIVIDUALS WITH
12 NO OR INSUFFICIENT WAGE WITHHOLDING FOR CHILD
13 SUPPORT.—

14 “(1) IN GENERAL.—Each individual who has a
15 child support payment shortfall for any month shall
16 pay an amount equal to such shortfall to the Sec-
17 retary not later than the close of such month or
18 such earlier date specified by the Secretary.

19 “(2) CHILD SUPPORT PAYMENT SHORTFALL.—
20 For purposes of this subsection, the term ‘child sup-
21 port payment shortfall’ means, with respect to any
22 month, an amount equal to the excess (if any) of—

23 “(A) the amount of the applicable child
24 support obligation for such month, over

1 “(B) the amount (if any) deducted and
2 withheld under section 3411 from the wages
3 paid to such individual during such month.

4 “(3) CERTAIN OBLIGATIONS EXEMPT.—This
5 subsection shall not apply to a child support obliga-
6 tion if the order requiring payment of such obliga-
7 tion specifies that such obligation is exempt from the
8 requirements of this subsection.

9 “(b) PAYMENTS OF ARREARAGES BY INDIVIDUALS
10 NO LONGER EXEMPT FROM WITHHOLDING OR MONTHLY
11 PAYMENTS.—

12 “(1) IN GENERAL.—If—

13 “(A) for any month ending with or within
14 the taxable year, a child support obligation was
15 exempt from section 3111 and subsection (a) of
16 this section,

17 “(B) such obligation ceases to be so ex-
18 empt during such year, and

19 “(C) such individual failed to pay the full
20 amount of such obligation for any month end-
21 ing with or within such year for which such ob-
22 ligation was so exempt,

23 then such individual shall pay (not later than the
24 date specified by the Secretary) an amount equal to
25 the excess of the full amount of such obligation for

1 the months referred to in subparagraph (A) over the
2 amount paid before such date under such obligation
3 for such months.

4 “(2) DETERMINATION OF AMOUNT REQUIRED
5 TO BE PAID.—Subsection (d) shall apply to an
6 amount required to be paid under this subsection
7 only after the Secretary’s determination of such
8 amount (after a hearing on the record) becomes
9 final.

10 “(c) RECONCILIATION OF CHILD SUPPORT OBLIGA-
11 TION AND PAYMENTS ON INCOME TAX RETURN.—

12 “(1) IN GENERAL.—Each applicable child sup-
13 port obligation of any individual for months ending
14 with or within any taxable year shall be paid—

15 “(A) not later than the last date (deter-
16 mined without regard to extensions) prescribed
17 for filing the individual’s return of tax imposed
18 by chapter 1 for such taxable year, and

19 “(B)(i) if such return is filed not later
20 than such date, with such return, or

21 “(ii) in any case not described in clause (i),
22 in such manner as the Secretary may by regula-
23 tions prescribe.

24 “(2) OFFSET FOR WITHHELD CHILD SUPPORT,
25 ETC.—There shall be allowed as a credit against the

1 amount required to be paid under paragraph (1) by
2 an individual the sum of—

3 “(A) the amount (if any) deducted and
4 withheld under section 3411 from the wages re-
5 ceived by such individual during the taxable
6 year,

7 “(B) the amount (if any) paid by such in-
8 dividual under section 6654 by reason of sub-
9 section (f)(3) thereof for such taxable year,

10 “(C) the amount (if any) paid by such in-
11 dividual under subsections (a) and (b) for such
12 taxable year, and

13 “(D) in the case of an obligation which
14 was exempt from the requirements of section
15 3411 and subsection (a) of this section for only
16 a portion of the taxable year, the amount paid
17 (for such portion of the taxable year) by such
18 individual directly to the person to whom the
19 obligation is owed (or, if such person has as-
20 signed to a State the right to collect the obliga-
21 tion, the State).

22 “(3) CREDIT OR REFUND FOR PAYMENTS IN
23 EXCESS OF ACTUAL OBLIGATION.—There shall be al-
24 lowed as a credit against the tax imposed by subtitle

1 A for the taxable year an amount equal to the excess
2 (if any) of—

3 “(A) the aggregate of the amounts de-
4 scribed in subparagraphs (A), (B), (C), and (D)
5 of paragraph (2) for such taxable year, over

6 “(B) the aggregate of the applicable child
7 support obligations of the taxpayer for such
8 taxable year.

9 The credit allowed by this paragraph shall be treated
10 for purposes of this title as allowed by subpart C of
11 part IV of subchapter A of chapter 1.

12 “(d) FAILURE TO PAY AMOUNT OWING.—If an indi-
13 vidual fails to pay the full amount required to be paid
14 under subsection (a), (b), or (c) on or before due date for
15 such payment, the Secretary shall assess and collect the
16 unpaid amount in the same manner, with the same pow-
17 ers, and subject to the same limitations applicable to a
18 tax imposed by subtitle C the collection of which would
19 be jeopardized by delay.

20 “(e) APPLICATION OF SECTION TO CHILD SUPPORT
21 ORDERS NOT INITIALLY SUBJECT TO SECTION.—

22 “(1) IN GENERAL.—In the case of a child sup-
23 port obligation which becomes an applicable child
24 support obligation for any month after January
25 1996, the amount required to be paid under sub-

1 section (a) for the first such month shall be in-
2 creased by the excess (if any) of—

3 “(A) the aggregate amount required to be
4 paid under such obligation for all months before
5 such month (including months in prior taxable
6 years), over

7 “(B) the aggregate amount paid under
8 such obligation for all months before such
9 month.

10 “(2) CROSS REFERENCE.—

“**For agreements to pay tax in installments, see section 6159.**”

11 “(f) APPLICABLE CHILD SUPPORT OBLIGATION.—
12 For purposes of this section, the term ‘applicable child
13 support obligation’ means a legal obligation to provide
14 child support (as defined in section 462(b) of the Social
15 Security Act), except that such term shall not include any
16 such obligation for any period during which section
17 466(a)(12) of the Social Security Act (42 U.S.C.
18 666(a)(12)) does not apply to the child support order with
19 respect thereto until the order is registered.”

20 (b) WITHHELD CHILD SUPPORT TO BE SHOWN ON
21 W-2.—Subsection (a) of section 6051 of such Code is
22 amended by striking “and” at the end of paragraph (8),
23 by striking the period at the end of paragraph (9) and

1 inserting “, and”, and by inserting after paragraph (9)
2 the following new paragraph:

3 “(10) the total amount deducted and withheld
4 as a child support obligation under section 3411.”

5 (c) APPLICATION OF ESTIMATED TAX PENALTY.—

6 (1) Subsection (f) of section 6654 of such Code
7 (relating to failure by individual to pay estimated in-
8 come tax) is amended by striking “minus” at the
9 end of paragraph (2) and inserting “plus”, by redesi-
10 gnating paragraph (3) as paragraph (4), and by in-
11 sserting after paragraph (2) the following new para-
12 graph:

13 “(3) the aggregate applicable child support obli-
14 gation (as defined in section 7524(a)) of the tax-
15 payer for months ending with or within the taxable
16 year, minus”.

17 (2) Paragraph (1) of section 6654(d) of such
18 Code is amended by adding at the end the following
19 new subparagraph:

20 “(D) DETERMINATION OF REQUIRED AN-
21 NUAL PAYMENT FOR TAXPAYERS REQUIRED TO
22 PAY CHILD SUPPORT.—In the case of a tax-
23 payer who is required under section 7524 to
24 pay an applicable child support obligation (as
25 defined in section 7524) for any month ending

1 with or within the taxable year, the required
2 annual payment shall be the sum of—

3 “(i) the amount determined under
4 subparagraph (B) without regard to sub-
5 section (f)(3), plus

6 “(ii) the aggregate amount of such
7 obligation for all months ending with or
8 within the taxable year.”

9 (3) CREDIT FOR WITHHELD AMOUNTS, ETC.—
10 Subsection (g) of section 6654 of such Code is
11 amended by adding at the end the following new
12 paragraph:

13 “(3) CHILD SUPPORT.—For purposes of apply-
14 ing this section, the sum of—

15 “(A) amounts deducted and withheld
16 under section 3411, and

17 “(B) amounts paid under subsections (a)
18 and (b) of section 7524,

19 shall be deemed to be a payment of the amount de-
20 scribed in subsection (f)(3) on the date such
21 amounts were actually withheld or paid, as the case
22 may be.”

23 (d) CLERICAL AMENDMENT.—The table of sections
24 for chapter 77 of such Code is amended by adding at the
25 end thereof the following new item:

“Sec. 7524. Collection of child support.”

1 **SEC. 5. DISTRIBUTION OF PORTION OF CHILD SUPPORT**
2 **COLLECTED.**

3 (a) IN GENERAL.—The Secretary of the Treasury
4 shall pay to the appropriate payee the sum of the following
5 amounts which are received by the Secretary on account
6 of a child support obligation payable to such payee:

7 (1) The amounts deducted and withheld under
8 section 3411 of the Internal Revenue Code of 1986.

9 (2) The amounts paid under section 6654 of
10 such Code (relating to estimated tax payments) by
11 reason of subsection (f)(3) thereof.

12 (3) The amounts paid under section 7524 of
13 such Code (relating to collection of child support).

14 (b) COORDINATION WITH CHILD SUPPORT ASSUR-
15 ANCE BENEFIT.—The amount required to be paid under
16 subsection (a) which is attributable to a child support obli-
17 gation payable for any month shall not exceed the excess
18 (if any) of—

19 (1) the amount of such obligation for such
20 month, over

21 (2) the child support assurance benefit paid for
22 such month under section 6(a) on account of such
23 obligation.

24 (c) APPROPRIATE PAYEE.—As used in this section,
25 the term “appropriate payee” means, with respect to a
26 child support obligation—

1 (1) the person to whom the obligation is owed;

2 or

3 (2) if such person has assigned to a State the
4 right to collect the obligation, the State.

5 (d) INTEREST PAYABLE ON LATE PAYMENTS BY
6 SECRETARY.—If, within 10 days after the Secretary of the
7 Treasury receives an amount referred to in a paragraph
8 of subsection (a), the Secretary fails to pay any cor-
9 responding amount required to be paid under subsection
10 (a), the Secretary shall pay, in addition to the amount re-
11 quired to be paid, to the appropriate payee interest at the
12 underpayment rate (determined under section 6621 of
13 such Code, and compounded daily) on such amount for
14 the period beginning on such date and ending on the date
15 paid.

16 (e) COORDINATION WITH RULES GOVERNING DIS-
17 TRIBUTION OF CHILD SUPPORT COLLECTED BY A
18 STATE.—Section 457 of the Social Security Act (42
19 U.S.C. 657) is amended by adding at the end the follow-
20 ing:

21 “(e) For purposes of this section, amounts received
22 by a State from the Secretary of the Treasury pursuant
23 to section 5(a) of the Secure Assurance for Families Ev-
24 erywhere (SAFE) Act shall be considered amounts col-

1 lected by the State as child support pursuant to a plan
2 approved under this part.”.

3 **SEC. 6. CHILD SUPPORT ASSURANCE.**

4 (a) MONTHLY CHILD SUPPORT ASSURANCE BENE-
5 FITS.—

6 (1) IN GENERAL.—The Secretary of the Treas-
7 ury shall pay to each eligible individual a monthly
8 child support assurance benefit under this sub-
9 section.

10 (2) AMOUNT OF BENEFIT.—

11 (A) GENERAL RULE.—The amount of the
12 child support assurance benefit payable under
13 this subsection to an eligible individual for a
14 calendar month is—

15 (i) the basic benefit payable to the in-
16 dividual; multiplied by

17 (ii) the inflation percentage in effect
18 for the calendar year in which the month
19 occurs.

20 (B) BASIC BENEFIT.—For purposes of
21 subparagraph (A), the amount of the basic ben-
22 efit payable to an eligible individual is—

23 (i) \$250 if the eligible individual is
24 such with respect to only 1 eligible child;
25 or

1 (ii) \$300 if the eligible individual is
2 such with respect to more than 1 eligible
3 child.

4 (C) INFLATION PERCENTAGE.—For pur-
5 poses of subparagraph (A), the inflation per-
6 centage in effect for a calendar year is the per-
7 centage (if any) by which—

8 (i) the average of the Consumer Price
9 Index (as defined in section 1(f)(5) of the
10 Internal Revenue Code of 1986) for the
11 12-month period comprising the imme-
12 diately preceding calendar year; exceeds

13 (ii) the average of the Consumer Price
14 Index (as so defined) for the 12-month pe-
15 riod comprising the 2nd preceding calendar
16 year.

17 (3) TIMING OF PAYMENTS.—The Secretary of
18 the Treasury shall make payments under this sub-
19 section on the 1st day of each calendar month.

20 (b) DEFINITIONS.—As used in this subsection (a):

21 (1) ELIGIBLE INDIVIDUAL.—The term “eligible
22 individual” means—

23 (A) an individual to whom child support is
24 payable with respect to an eligible child pursu-
25 ant to an order, issued or modified by a State

1 court or an administrative process established
2 under State law, which has been registered in
3 the national child support order registry estab-
4 lished under section 2(a) of this Act; and

5 (B) an individual who—

6 (i) more than 18 months before appli-
7 cation for benefits under this section, ap-
8 plied for services under a State plan ap-
9 proved under part D of title IV of the
10 Social Security Act; and

11 (ii) (I) has cooperated fully in—

12 (aa) establishing the paternity of
13 any child of the individual with re-
14 spect to whom such services have been
15 sought; and

16 (bb) seeking to establish a child
17 support order with respect to an eligi-
18 ble child with respect to whom such
19 services have been sought; or

20 (II) has refused to cooperate in the
21 matters described in subclause (I), for
22 good cause, in accordance with standards
23 prescribed by the Secretary in regulations,
24 which standards shall take into consider-
25 ation the best interests of the eligible child.

1 (2) ELIGIBLE CHILD.—The term “eligible
2 child” means a child who has not attained 18 years
3 of age.

4 (c) NOTICE TO STATE AFDC AGENCIES.—The Sec-
5 retary shall notify each State agency referred to in section
6 402(a)(3) of the Social Security Act of each individual in
7 the State to whom the Secretary makes a payment under
8 this section and the amount of the payment.

9 (d) EFFECT ON AFDC BENEFITS.—Section
10 402(a)(8)(A)(vi) of the Social Security Act (42 U.S.C.
11 602(a)(8)(A)(vi)) is amended to read as follows:

12 “(vi) shall, with respect to any family ap-
13 plying for or receiving aid to families with de-
14 pendent children, disregard the first \$100 of
15 the amounts paid during any month to any rel-
16 ative specified in clause (ii) of this subpara-
17 graph under section 6(a) of the Secure Assur-
18 ance for Families Everywhere (SAFE) Act, and
19 1/2 of the remainder thereof;”.

20 **SEC. 7. OUTREACH AND ACCESSIBILITY.**

21 (a) UNIFORM APPLICATION FOR CHILD SUPPORT
22 SERVICES.—

23 (1) REQUIREMENT THAT STATES USE FEDERAL
24 APPLICATION FORM.—Section 454(6)(A) of the So-
25 cial Security Act (42 U.S.C. 654(6)(A)) is amended

1 by inserting “(which shall be made on the service
2 application form developed under section
3 452(a)(7))” after “State”.

4 (2) DUTY TO DEVELOP APPLICATION FORM.—
5 Section 452(a)(7) of such Act (42 U.S.C. 652(a)(7))
6 is amended by inserting “, and develop a form to be
7 used to apply for services established under State
8 plans under this part” before the semicolon.

9 (b) OUTREACH.—

10 (1) STATE PLAN REQUIREMENT.—Section 454
11 of such Act (42 U.S.C. 654) is amended—

12 (A) in paragraph (23), by striking “and”
13 after the semicolon;

14 (B) in paragraph (24), by striking the pe-
15 riod and inserting “; and”; and

16 (C) by inserting after paragraph (24) the
17 following:

18 “(25) provide for the establishment and conduct
19 of an ongoing program of outreach to persons eligi-
20 ble for services under the plan, in accordance with
21 regulations issued under section 452(a)(11).”.

22 (2) REGULATIONS.—Section 452(a) of such Act
23 (42 U.S.C. 652(a)) is amended—

24 (A) in paragraph (9), by striking “and”
25 after the semicolon;

1 (B) in paragraph (10), by striking the 2nd
2 period and inserting “; and”; and

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

4 “(11) issue such regulations as are necessary to
5 ensure that State agencies—

6 “(A) develop and implement a plan for
7 serving underserved populations;

8 “(B) use appropriate personnel and print-
9 ed material for use by persons who do not
10 speak English or whose hearing is impaired;
11 and

12 “(C) work in cooperation with other Fed-
13 eral, State, and local government agencies and
14 private nonprofit organizations which serve low-
15 income families to publicize the availability of
16 such services and coordinate the delivery of
17 such services.”.

18 **SEC. 8. COMMISSION ON CHILD SUPPORT GUIDELINES.**

19 (a) ESTABLISHMENT OF COMMISSION.—There is
20 hereby established a Commission to be known as the Com-
21 mission on Child Support Guidelines (in this section re-
22 ferred to as the “Commission”) to be composed of 15
23 members appointed in accordance with subsection (b)(1).

24 (b) MEMBERSHIP.—

25 (1) APPOINTMENT.—

1 (A) APPOINTING AUTHORITIES.—Subject
2 to subparagraph (B), the members of the Com-
3 mission shall be appointed as follows:

4 (i) 4 members shall be appointed
5 jointly by the majority and minority lead-
6 ers of the Senate, in consultation with the
7 chairman and ranking minority member of
8 the Committee on Finance of the Senate.

9 (ii) 4 members shall be appointed
10 jointly by the Speaker and the minority
11 leader of the House of Representatives, in
12 consultation with the chairman and rank-
13 ing minority member of the Committee on
14 Ways and Means of the House of Rep-
15 resentatives.

16 (iii) 7 members shall be appointed by
17 the Secretary of Health and Human Serv-
18 ices.

19 (B) BALANCED REPRESENTATION.—The
20 persons with authority to make appointments
21 under subparagraph (A) shall, individually and
22 collectively, ensure that the composition of the
23 membership of the Commission reflects a bal-
24 anced representation of ethnic groups, groups
25 of various economic status, economists, persons

1 familiar with the cost of raising children, custo-
2 dial and noncustodial parents, judges and hear-
3 ing officers familiar with the use of guidelines,
4 and persons who have experience with the wel-
5 fare system.

6 (2) TERM OF OFFICE.—Members of the Com-
7 mission shall serve for the life of the Commission.

8 (3) VACANCIES.—A vacancy on the Commission
9 shall be filled in the manner in which the original
10 appointment was made and shall not affect the pow-
11 ers or duties of the Commission.

12 (4) TRANSACTION OF BUSINESS.—A majority of
13 the members of the Commission shall constitute a
14 quorum for the transaction of business. Decisions of
15 the Commission shall be according to the vote of a
16 simple majority of those present and voting at a
17 properly called meeting.

18 (5) FIRST MEETING.—As promptly as possible
19 after all of the members of the Commission are ap-
20 pointed, the Secretary of Health and Human Serv-
21 ices shall call the first meeting of the Commission.

22 (6) CHAIRPERSON.—At the first Commission
23 meeting, the members of the Commission shall select
24 a Chairperson from among such members and shall

1 meet thereafter at the call of the Chairperson or of
2 a majority of the members.

3 (c) COMPENSATION OF COMMISSION MEMBERS.—

4 (1) NO PAY.—Members of the Commission shall
5 serve as such without pay.

6 (2) TRAVEL EXPENSES AND PER DIEM.—Mem-
7 bers of the Commission shall be allowed travel ex-
8 penses, including a per diem allowance in lieu of
9 subsistence, in the same manner as persons serving
10 intermittently in the government service are allowed
11 travel expenses under section 5703 of title 5, United
12 States Code.

13 (d) REPORT TO THE CONGRESS ON RECOMMENDED
14 NATIONAL CHILD SUPPORT GUIDELINES.—The Commis-
15 sion shall submit to the Congress a report that contains
16 recommendations for national child support guidelines
17 that should be followed by State courts and administrative
18 bodies in setting the amount of child support awards. In
19 developing such guidelines, the Commission shall consider
20 the best interests of the child.

21 (e) POWERS OF THE COMMISSION.—

22 (1) MAILS.—The Commission may use the
23 United States mails in the same manner and upon
24 the same conditions as other departments and agen-
25 cies of the United States Government.

1 (2) GIFTS.—The Commission may accept, use,
2 and dispose of donations of money and property, and
3 may accept such volunteer services of individuals as
4 it deems appropriate.

5 (3) CONTRACT AUTHORITY.—The Commission
6 may procure supplies, services, and property, may
7 make contracts, and may procure temporary and
8 intermittent services under section 3109(b) of title
9 5, United States Code, but only to the extent and
10 in such amounts as are provided in appropriation
11 Acts.

12 (4) RULES OF PROCEDURE.—For purposes of
13 carrying out its duties under subsection (d), the
14 Commission may adopt such rules for its organiza-
15 tion and procedures as it deems appropriate.

16 (5) DIRECTOR AND STAFF.—

17 (A) DIRECTOR.—The Commission shall
18 have a Director who shall be appointed by the
19 Chairperson.

20 (B) STAFF.—The Director may appoint
21 and fix the pay of such additional personnel as
22 the Director considers appropriate.

23 (C) APPLICABILITY OF CERTAIN CIVIL
24 SERVICE LAWS.—The Director and staff of the
25 Commission may be appointed without regard

1 to the provisions of title 5, United States Code,
2 governing appointments in the competitive serv-
3 ice, and may be paid without regard to the pro-
4 visions of chapter 51 and subchapter III of
5 chapter 53 of such title relating to classification
6 and General Schedule pay rates, except that an
7 individual so appointed may not be paid at a
8 rate in excess of the rate for level IV of the Ex-
9 ecutive Schedule.

10 (6) STAFF OF FEDERAL AGENCIES.—On re-
11 quest of the Chairperson of the Commission, the
12 head of any Federal department or agency may de-
13 tail, on a reimbursable basis, any of the personnel
14 of such department or agency to the Commission to
15 assist the Commission in carrying out its duties
16 under this section without regard to section 3341 of
17 title 5, United States Code.

18 (f) EFFECTIVE DATE.—This section shall take effect
19 on the date of the enactment of this Act.

20 (g) TERMINATION OF THE COMMISSION.—

21 (1) TERMINATION DATE.—The Commission
22 shall terminate on the earlier of—

23 (A) the date that the Commission submits
24 to the Congress the report required by sub-
25 section (d); or

1 (B) the date that is 2 years after the date
2 of the enactment of this section.

3 (2) DISPOSITION OF COMMISSION PROPERTY.—

4 (A) FUNDS.—Any funds held by the Com-
5 mission on the date of termination of the Com-
6 mission shall be deposited in the general fund
7 of the Treasury of the United States and cred-
8 ited as miscellaneous receipts.

9 (B) OTHER PROPERTY.—Any property
10 (other than funds) held by the Commission on
11 such date shall be disposed of as excess or sur-
12 plus property.

13 **SEC. 9. RESOURCES.**

14 (a) DEADLINE FOR ISSUANCE OF STANDARDS FOR
15 STAFFING STATE CHILD SUPPORT PROGRAMS.—Within 1
16 year after the date of the enactment of this Act, the Sec-
17 retary of Health and Human Services shall establish the
18 staffing requirements required to be established under sec-
19 tion 452(a)(2) of the Social Security Act, including the
20 requirement that a State shall, to the extent practicable,
21 fill positions created in order to carry out the amendments
22 made by this title with personnel of the organizational unit
23 referred to in section 454(3) of such Act whose positions
24 are eliminated in order to carry out such amendments.

1 (b) INCENTIVE FOR STATES TO IMPROVE CHILD
2 SUPPORT PROGRAMS.—

3 (1) INCREASE IN FEDERAL MATCHING RATE.—

4 Section 455(a) of the Social Security Act (42 U.S.C.
5 655(a)) is amended—

6 (A) in paragraph (1)(A), by inserting “(or,
7 if applicable, paragraph (3))” after “paragraph
8 (2)”; and

9 (B) by adding at the end the following:

10 “(3)(A) Notwithstanding paragraph (2) of this sub-
11 section, the percent applicable to a State for a quarter
12 in a fiscal year for purposes of paragraph (1)(A) of this
13 subsection is 90 percent if the most recent review con-
14 ducted under section 452(a)(4), after the date of the en-
15 actment of this Act, of the State program operated under
16 this part confirms that—

17 “(i) the paternity establishment percentage of
18 the State for the fiscal year immediately preceding
19 the fiscal year in which the quarter occurs equals or
20 exceeds the threshold percentage;

21 “(ii) the State has met the standards included,
22 pursuant to subsections (h) and (i) of section 452,
23 in the standards required by section 452(a)(1), with
24 respect to at least the threshold percentage of the

1 cases in which services are provided under the State
2 plan under this part during the quarter; and

3 “(iii) during the quarter, the State has com-
4 plied with a plan approved by the Secretary for the
5 State to meet the staffing requirements established
6 under section 452(a)(2).

7 “(B) For purposes of subparagraph (A) of this para-
8 graph, the threshold percentage for a State with respect
9 to a quarter is the greater of—

10 “(i) 80 percent; or

11 “(ii) the lesser of—

12 “(I) the threshold percentage for the State
13 with respect to the most recent quarter for
14 which the percent applicable to a State for pur-
15 poses of paragraph (1)(A) is 90 percent by rea-
16 son of subparagraph (A) of this paragraph, in-
17 creased by 2 percentage points; or

18 “(II) 95 percent.”.

19 (2) EFFECTIVE DATE.—The amendments made
20 by paragraph (1) shall apply to payments under part
21 D of title IV of the Social Security Act for quarters
22 beginning after the 1-year period that begins with
23 the date of the enactment of this Act.

1 (c) DIRECT ACCOUNTABILITY OF CHILD SUPPORT
2 PROGRAMS.—Section 403(h) of such Act (42 U.S.C.
3 603(h))—

4 (1) is amended—

5 (A) in paragraph (1)—

6 (i) by striking “part D” and inserting
7 “this part”; and

8 (ii) by striking “such part” and in-
9 serting “this part”; and

10 (B) in paragraph (3), by striking “this
11 part” and inserting “part A”; and

12 (2) as so amended, is hereby transferred to sec-
13 tion 455 of such Act, inserted after subsection (b)
14 of such section 455 and designated as subsection (c)
15 of such section 455.

16 (d) MAINTENANCE OF EFFORT.—

17 (1) STATE CHILD SUPPORT PROGRAMS.—Sec-
18 tion 455 of such Act (42 U.S.C. 655) is amended by
19 adding at the end the following:

20 “(f) Notwithstanding any other provision of this sec-
21 tion, the amount otherwise payable to a State for a quar-
22 ter under this section shall be reduced to the extent that
23 the amount expended by the State to carry out the State
24 plan under this part during the most recently completed
25 fiscal year is less than the amount so expended during

1 the fiscal year that immediately precedes such most re-
2 cently completed fiscal year.”.

3 (2) STATE AFDC PROGRAMS.—Section 403 of
4 such Act (42 U.S.C. 603) is amended by inserting
5 after subsection (b) the following:

6 “(c) Notwithstanding any other provision of this sec-
7 tion, the amount otherwise payable to a State for a quar-
8 ter under this section shall be reduced to the extent that
9 the amount expended by the State to carry out the State
10 plan under this part during the most recently completed
11 fiscal year is less than the amount so expended during
12 the fiscal year that immediately precedes such most re-
13 cently completed fiscal year.”.

14 (e) STREAMLINING OF CHILD SUPPORT AUDITS.—
15 The Secretary of Health and Human Services shall
16 streamline the process for conducting audits under section
17 452(a)(4) of the Social Security Act in such a way as to—

18 (1) reduce the burden on States with programs
19 that are complying substantially with the require-
20 ments of part D of title IV of such Act;

21 (2) enable the audit process to produce a timely
22 analysis of State programs that are not complying
23 substantially with such requirements; and

1 (3) enable the Secretary to shift staff resources
2 to technical assistance in order to help States im-
3 prove their programs under such part.

4 **SEC. 10. PATERNITY ESTABLISHMENT PROCEDURES.**

5 (a) IN GENERAL.—Section 466(a)(5)(C) of the Social
6 Security Act (42 U.S.C. 666(a)(5)(C)) is amended—

7 (1) by redesignating the 1st sentence as clause
8 (i)(I);

9 (2) by inserting after such clause the following:

10 “(II) Such procedures must provide that any
11 such explanation to a mother include the following
12 information:

13 “(aa) Signing a paternity acknowledgment
14 affidavit is voluntary.

15 “(bb) Once paternity of a child is estab-
16 lished, the father of the child has the right to
17 seek custody of the child or visitation rights
18 with respect to the child.

19 “(cc) Once paternity of a child is estab-
20 lished, the mother of the child has the right to
21 seek from the father of the child financial and
22 medical support for the child.

23 “(dd) The effect that the courts of the
24 State will give to a signed paternity acknowl-
25 edgment affidavit.

1 “(III) Such procedures must provide that any
2 such explanation to a possible father include the fol-
3 lowing information:

4 “(aa) Signing a paternity acknowledgment
5 affidavit is voluntary.

6 “(bb) Genetic testing is available and will
7 be provided upon request.

8 “(cc) The policy of the State with respect
9 to payment for the cost of genetic testing.

10 “(dd) Once paternity of a child is estab-
11 lished, the father of the child has the right to
12 seek custody of the child or visitation rights
13 with respect to the child.

14 “(ee) Once paternity of a child is estab-
15 lished, the mother of the child has the right to
16 seek from the father of the child financial and
17 medical support for the child.

18 “(ff) The effect that the courts of the
19 State will give to a signed paternity acknowl-
20 edgment affidavit.

21 “(IV) Such procedures must provide that the
22 information required to be provided under subclause
23 (II) or (III) must be provided—

24 “(aa) orally and in writing;

1 “(bb) where appropriate, in the language
2 of the individual to whom the information is re-
3 quired to be provided; and

4 “(cc) if the individual is blind or hearing-
5 impaired, in a manner accessible to the individ-
6 ual.”;

7 (3) by indenting the 2nd sentence 2 ems and
8 redesignating such sentence as clause (ii); and

9 (4) by inserting after such clause (ii) the follow-
10 ing:

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

14 “(iv) Such procedures must require the State to
15 use only the affidavit developed under section
16 452(a)(7) for the voluntary acknowledgment of pa-
17 ternity, and to give full faith and credit to such an
18 affidavit signed in any other State.

19 “(v) The Secretary shall prescribe regulations
20 governing voluntary paternity establishment services
21 offered by entities other than hospitals, which shall
22 include a requirement that any State agency that
23 provides such services must use the same materials
24 used by, provide the personnel providing such serv-
25 ices with the same training provided by, and evalu-

1 ate the provision of such services in the same man-
2 ner as hospital-based voluntary paternity establish-
3 ment programs.”.

4 (b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFI-
5 DAVIT.—Section 452(a)(7) of such Act (42 U.S.C.
6 652(a)(7)), as amended by section 7(a)(2) of this Act, is
7 amended by inserting “, and develop an affidavit to be
8 used for the voluntary acknowledgment of paternity” be-
9 fore the semicolon.

10 (c) SIGNED PATERNITY ACKNOWLEDGMENT AFFIDA-
11 VIT CONCLUSIVELY PRESUMED TO ESTABLISH PATER-
12 NITY.—Section 466(a)(5)(D) of such Act (42 U.S.C.
13 666(a)(5)(D)) is amended—

14 (1) by inserting “(i)” after “(D)”; and

15 (2) by adding at the end the following:

16 “(ii)(I) Such procedures shall provide that the
17 written voluntary acknowledgment of the paternity
18 of a child shall, upon the expiration of the challenge
19 period, create a legal finding of paternity—

20 “(aa) without any further action; or

21 “(bb) at the option of the State, after a
22 court or administrative agency with which the
23 document containing the acknowledgment has
24 been filed within 5 business days after the expi-

1 ration of the challenge period issues an order
2 establishing such paternity.

3 “(II) As used in subclause (I), the term ‘chal-
4 lenge period’ means, with respect to an acknowledg-
5 ment of paternity—

6 “(aa) the 30-day period that begins on the
7 date of the acknowledgment; or

8 “(bb) if the person who executed the ac-
9 knowledgment undergoes genetic testing within
10 30 days after the date of the acknowledgment,
11 the 30-day period that begins with the date the
12 person is notified of the results of the genetic
13 testing.”.

14 **SEC. 11. COORDINATION OF COLLECTION ACTIVITIES.**

15 Section 452 of the Social Security Act (42 U.S.C.
16 652) is amended by adding at the end the following:

17 “(j)(1) Not later than 1 year after the date of the
18 enactment of this subsection, the Secretary and the Sec-
19 retary of the Treasury shall jointly issue regulations gov-
20 erning the coordination of State activities in collecting
21 child support pursuant to State plans approved under this
22 part and the activities of the Secretary of the Treasury
23 in collecting child support under section 7524 of the Inter-
24 nal Revenue Code of 1986.

1 “(2) The Secretary shall periodically report to the
2 Congress on any legislation needed to facilitate the coordi-
3 nation of such child support collection activities.”.

4 **SEC. 12. EFFECTIVE DATE.**

5 Except as otherwise provided in this Act, this Act and
6 the amendments made by this Act shall take effect on Jan-
7 uary 1, 1996, and shall apply to—

8 (1) child support orders issued or modified on
9 or after such date, and, beginning 3 years after such
10 date, to all orders whether issued before, on, or after
11 such date; and

12 (2) payments under part D of title IV of the
13 Social Security Act for quarters beginning on or
14 after such date.

○

HR 4051 IH—2

HR 4051 IH—3

HR 4051 IH—4