

104TH CONGRESS  
1ST SESSION

# S. 456

To improve and strengthen the child support collection system, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 16 (legislative day, JANUARY 30), 1995

Mr. BRADLEY (for himself, Mr. DODD, Mr. ROCKEFELLER, Mr. CHAFEE, Mrs. FEINSTEIN, Ms. SNOWE, Mr. LIEBERMAN, Mr. DORGAN, and Mr. KENNEDY) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To improve and strengthen the child support collection system, and for other purposes.

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; REFERENCE; TABLE OF CON-**  
4 **TENTS.**

5 (a) SHORT TITLE.—This Act may be cited as the  
6 “Interstate Child Support Responsibility Act of 1995”.

7 (b) REFERENCE TO SOCIAL SECURITY ACT.—Except  
8 as otherwise specifically provided, wherever in this Act an  
9 amendment is expressed in terms of an amendment to or

1 repeal of a section or other provision, the reference shall  
2 be considered to be made to that section or other provision  
3 of the Social Security Act.

4 (c) TABLE OF CONTENTS.—The table of contents of  
5 this Act is as follows:

Sec. 1. Short title; reference; table of contents.

TITLE I—IMPROVEMENTS TO THE CHILD SUPPORT COLLECTION  
SYSTEM

Subtitle A—Eligibility and Other Matters Concerning Title IV-D Program  
Clients

- Sec. 101. State obligation to provide paternity establishment and child support enforcement services.
- Sec. 102. Distribution of payments.
- Sec. 103. Rights to notification and hearings.
- Sec. 104. Privacy safeguards.

Subtitle B—Program Administration and Funding

- Sec. 111. Federal matching payments.
- Sec. 112. Performance-based incentives and penalties.
- Sec. 113. Federal and State reviews and audits.
- Sec. 114. Required reporting procedures.
- Sec. 115. Automated data processing requirements.
- Sec. 116. Director of CSE program; staffing study.
- Sec. 117. Funding for secretarial assistance to State programs.
- Sec. 118. Data collection and reports by the Secretary.

Subtitle C—Locate and Case Tracking

- Sec. 121. Central State and case registry.
- Sec. 122. Centralized collection and disbursement of support payments.
- Sec. 123. Amendments concerning income withholding.
- Sec. 124. Locator information from interstate networks.
- Sec. 125. Expanded Federal parent locator service.
- Sec. 126. Use of social security numbers.

Subtitle D—Streamlining and Uniformity of Procedures

- Sec. 131. Adoption of uniform State laws.
- Sec. 132. Improvements to full faith and credit for child support orders.
- Sec. 133. State laws providing expedited procedures.

Subtitle E—Paternity Establishment

- Sec. 141. State laws concerning paternity establishment.
- Sec. 142. Outreach for voluntary paternity establishment.

Subtitle F—Establishment and Modification of Support Orders

- Sec. 151. National Child Support Guidelines Commission.
- Sec. 152. Simplified process for review and adjustment of child support orders.

Subtitle G—Enforcement of Support Orders

- Sec. 161. Federal income tax refund offset.
- Sec. 162. Internal Revenue Service collection of arrearages.
- Sec. 163. Authority to collect support from Federal employees.
- Sec. 164. Enforcement of child support obligations of members of the Armed Forces.
- Sec. 165. Motor vehicle liens.
- Sec. 166. Voiding of fraudulent transfers.
- Sec. 167. State law authorizing suspension of licenses.
- Sec. 168. Reporting arrearages to credit bureaus.
- Sec. 169. Extended statute of limitation for collection of arrearages.
- Sec. 170. Charges for arrearages.
- Sec. 171. Denial of passports for nonpayment of child support.
- Sec. 172. International child support enforcement.

Subtitle H—Medical Support

- Sec. 181. Technical correction to ERISA definition of medical child support order.

Subtitle I—Access and Visitation Programs

- Sec. 191. Grants to States for access and visitation programs.

TITLE II—EFFECT OF ENACTMENT

- Sec. 201. Effective dates.
- Sec. 202. Severability.

1 **TITLE I—IMPROVEMENTS TO**  
2 **THE CHILD SUPPORT COL-**  
3 **LECTION SYSTEM**

4 **Subtitle A—Eligibility and Other**  
5 **Matters Concerning Title IV–D**  
6 **Program Clients**

7 **SEC. 101. STATE OBLIGATION TO PROVIDE PATERNITY ES-**  
8 **TABLISHMENT AND CHILD SUPPORT EN-**  
9 **FORCEMENT SERVICES.**

10 (a) STATE LAW REQUIREMENTS.—Section 466(a)  
11 (42 U.S.C. 666(a)) is amended by adding at the end the  
12 following new paragraph:

13 “(12) Procedures under which—

14 “(A) every child support order established  
15 or modified in the State on or after October 1,  
16 1998, is recorded in the central case registry  
17 established in accordance with section 454A(e);  
18 and

19 “(B) child support payments are collected  
20 through the centralized collections unit estab-  
21 lished in accordance with section 454B—

22 “(i) on and after October 1, 1998,  
23 under each order subject to wage withhold-  
24 ing under section 466(b); and

1           “(ii) on and after October 1, 1999,  
2           under each other order required to be re-  
3           corded in such central case registry under  
4           this paragraph or section 454A(e), if re-  
5           quested by either party subject to such  
6           order.”.

7           (b) STATE PLAN REQUIREMENTS.—Section 454 (42  
8 U.S.C. 654) is amended—

9           (1) by striking paragraph (4) and inserting the  
10          following new paragraph:

11          “(4) provide that such State will undertake—

12               “(A) to provide appropriate services under  
13               this part to—

14                       “(i) each child with respect to whom  
15                       an assignment is effective under section  
16                       402(a)(26), 471(a)(17), or 1912 (except in  
17                       cases in which the State agency deter-  
18                       mines, in accordance with paragraph (25),  
19                       that it is against the best interests of the  
20                       child to do so); and

21                       “(ii) each child not described in clause

22                       (i)—

23                               “(I) with respect to whom an in-  
24                               dividual applies for such services; or

1                   “(II) on and after October 1,  
2                   1998, with respect to whom a support  
3                   order is recorded in the central State  
4                   case registry established under section  
5                   454A, if application is made for serv-  
6                   ices under this part; and

7                   (2) in paragraph (6)—

8                   (A) by striking “(6) provide that” and all  
9                   that follows through subparagraph (A) and in-  
10                  serting the following:

11                  “(6) provide that—

12                  “(A) services under the State plan shall be  
13                  made available to nonresidents on the same  
14                  terms as to residents;”;

15                  (B) in subparagraph (B)—

16                  (i) by inserting “on individuals not re-  
17                  ceiving assistance under part A” after  
18                  “such services shall be imposed”; and

19                  (ii) by inserting “but no fees or costs  
20                  shall be imposed on any absent or custo-  
21                  dial parent or other individual for inclusion  
22                  in the central State registry maintained  
23                  pursuant to section 454A(e)”; and

24                  (C) in each of subparagraphs (B), (C),  
25                  (D), and (E), by indenting such subparagraph

1 and aligning its left margin with the left margin  
2 of subparagraph (A); and

3 (D) in each of subparagraphs (B), (C),  
4 and (D), by striking the final comma and in-  
5 serting a semicolon.

6 (c) CONFORMING AMENDMENTS.—

7 (1) PATERNITY ESTABLISHMENT PERCENT-  
8 AGE.—Section 452(g)(2)(A) (42 U.S.C.  
9 652(g)(2)(A)) is amended by striking “454(6)” each  
10 place it appears and inserting “454(4)(A)(ii)”.

11 (2) STATE PLAN.—Section 454(23) (42 U.S.C.  
12 654(23)) is amended, effective October 1, 1998, by  
13 striking “information as to any application fees for  
14 such services and”.

15 (3) PROCEDURES TO IMPROVE ENFORCE-  
16 MENT.—Section 466(a)(3)(B) (42 U.S.C.  
17 666(a)(3)(B)) is amended by striking “in the case of  
18 overdue support which a State has agreed to collect  
19 under section 454(6)” and inserting “in any other  
20 case”.

21 (4) DEFINITION OF OVERDUE SUPPORT.—Sec-  
22 tion 466(e) (42 U.S.C. 666(e)) is amended by strik-  
23 ing “or (6)”.

1 **SEC. 102. DISTRIBUTION OF PAYMENTS.**

2 (a) DISTRIBUTIONS THROUGH STATE CHILD SUP-  
 3 PORT ENFORCEMENT AGENCY TO FORMER ASSISTANCE  
 4 RECIPIENTS.—Section 454(5) (42 U.S.C. 654(5)) is  
 5 amended—

6 (1) in subparagraph (A)—

7 (A) by inserting “except as otherwise spe-  
 8 cifically provided in section 464 or 466(a)(3),”  
 9 after “is effective,”; and

10 (B) by striking “except that” and all that  
 11 follows through the semicolon; and

12 (2) in subparagraph (B), by striking “, except”  
 13 and all that follows through “medical assistance”.

14 (b) DISTRIBUTION TO A FAMILY CURRENTLY RE-  
 15 CEIVING AFDC.—Section 457 (42 U.S.C. 657) is amend-  
 16 ed—

17 (1) by striking subsection (a) and redesignating  
 18 subsection (b) as subsection (a);

19 (2) in subsection (a), as redesignated—

20 (A) in the matter preceding paragraph (2),  
 21 to read as follows:

22 “(a) IN THE CASE OF A FAMILY RECEIVING  
 23 AFDC.—Amounts collected under this part during any  
 24 month as support of a child who is receiving assistance  
 25 under part A (or a parent or caretaker relative of such

1 a child) shall (except in the case of a State exercising the  
2 option under subsection (b)) be distributed as follows:

3 “(1) an amount equal to the amount that will  
4 be disregarded pursuant to section 402(a)(8)(A)(vi)  
5 shall be taken from each of—

6 “(A) the amounts received in a month  
7 which represent payments for that month; and

8 “(B) the amounts received in a month  
9 which represent payments for a prior month  
10 which were made by the absent parent in that  
11 prior month;

12 and shall be paid to the family without affecting its  
13 eligibility for assistance or decreasing any amount  
14 otherwise payable as assistance to such family dur-  
15 ing such month;”;

16 (B) in paragraph (4), by striking “or (B)”  
17 and all that follows through the period and in-  
18 serting “; then (B) from any remainder,  
19 amounts equal to arrearages of such support  
20 obligations assigned, pursuant to part A, to any  
21 other State or States shall be paid to such  
22 other State or States and used to pay any such  
23 arrearages (with appropriate reimbursement of  
24 the Federal Government to the extent of its

1 participation in the financing); and then (C)  
2 any remainder shall be paid to the family.”.

3 (3) by inserting after subsection (a), as redesign-  
4 nated, the following new subsection:

5 “(b) ALTERNATIVE DISTRIBUTION IN CASE OF FAM-  
6 ILY RECEIVING AFDC.—In the case of a State electing  
7 the option under this subsection, amounts collected as de-  
8 scribed in subsection (a) shall be distributed as follows:

9 “(1) an amount equal to the amount that will  
10 be disregarded pursuant to section 402(a)(8)(A)(vi)  
11 shall be taken from each of—

12 “(A) the amounts received in a month  
13 which represent payments for that month; and

14 “(B) the amounts received in a month  
15 which represent payments for a prior month  
16 which were made by the absent parent in that  
17 prior month;

18 and shall be paid to the family without affecting its  
19 eligibility for assistance or decreasing any amount  
20 otherwise payable as assistance to such family dur-  
21 ing such month;

22 “(2) second, from any remainder, amounts  
23 equal to the balance of support owed for the current  
24 month shall be paid to the family;

1           “(3) third, from any remainder, amounts equal  
2           to arrearages of such support obligations assigned,  
3           pursuant to part A, to the State making the collec-  
4           tion shall be retained and used by such State to pay  
5           any such arrearages (with appropriate reimburse-  
6           ment of the Federal Government to the extent of its  
7           participation in the financing);

8           “(4) fourth, from any remainder, amounts  
9           equal to arrearages of such support obligations as-  
10          signed, pursuant to part A, to any other State or  
11          States shall be paid to such other State or States  
12          and used to pay any such arrearages (with appro-  
13          priate reimbursement of the Federal Government to  
14          the extent of its participation in the financing); and

15          “(5) fifth, any remainder shall be paid to the  
16          family.”.

17          (c) DISTRIBUTION TO A FAMILY NOT RECEIVING  
18          AFDC.—

19                 (1) IN GENERAL.—Section 457(c) (42 U.S.C.  
20                 657(c)) is amended to read as follows:

21                 “(c) DISTRIBUTIONS IN CASE OF FAMILY NOT RE-  
22          CEIVING AFDC.—Amounts collected by a State agency  
23          under this part during any month as support of a child  
24          who is not receiving assistance under part A (or of a par-  
25          ent or caretaker relative of such a child) shall (subject to

1 the remaining provisions of this section) be distributed as  
2 follows:

3 “(1) first, amounts equal to the total of such  
4 support owed for such month shall be paid to the  
5 family;

6 “(2) second, from any remainder, amounts  
7 equal to arrearages of such support obligations for  
8 months during which such child did not receive as-  
9 sistance under part A shall be paid to the family;

10 “(3) third, from any remainder, amounts equal  
11 to arrearages of such support obligations assigned to  
12 the State making the collection pursuant to part A  
13 shall be retained and used by such State to pay any  
14 such arrearages (with appropriate reimbursement of  
15 the Federal Government to the extent of its partici-  
16 pation in the financing); and

17 “(4) fourth, from any remainder, amounts  
18 equal to arrearages of such support obligations as-  
19 signed to any other State pursuant to part A shall  
20 be paid to such other State or States, and used to  
21 pay such arrearages, in the order in which such ar-  
22 rearages accrued (with appropriate reimbursement  
23 of the Federal Government to the extent of its par-  
24 ticipation in the financing).”.

1           (2) EFFECTIVE DATE.—The amendment made  
2       by paragraph (1) shall become effective on October  
3       1, 1999.

4           (d) DISTRIBUTION TO A CHILD RECEIVING ASSIST-  
5       ANCE UNDER TITLE IV-E.—Section 457(d) (42 U.S.C.  
6       657(d)) is amended, in the matter preceding paragraph  
7       (1), by striking “Notwithstanding the preceding provisions  
8       of this section, amounts” and inserting the following:

9           “(d) DISTRIBUTIONS IN CASE OF A CHILD RECEIV-  
10       ING ASSISTANCE UNDER TITLE IV-E.—Amounts”.

11          (e) REGULATIONS.—The Secretary of Health and  
12       Human Services shall promulgate regulations—

13               (1) under part D of title IV of the Social Secu-  
14       rity Act, establishing a uniform nationwide standard  
15       for allocation of child support collections from an ob-  
16       ligor owing support to more than 1 family; and

17               (2) under part A of such title, establishing  
18       standards applicable to States electing the alter-  
19       native formula under section 457(b) of such Act for  
20       distribution of collections on behalf of families re-  
21       ceiving Aid to Families with Dependent Children,  
22       designed to minimize irregular monthly payments to  
23       such families.

24          (f) CLERICAL AMENDMENTS.—Section 454 (42  
25       U.S.C. 654) is amended—

1 (1) in paragraph (11)—

2 (A) by striking “(11)” and inserting  
3 “(11)(A)”; and

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

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

8 (g) MANDATORY CHILD SUPPORT PASS-THROUGH.—

9 (1) IN GENERAL.—Section 402(a)(8)(A)(vi) (42  
10 U.S.C. 602(a)(8)(A)(vi)) is amended—

11 (A) by striking “\$50” each place it ap-  
12 pears and inserting “\$50, or, if greater, \$50  
13 adjusted by the CPI (as prescribed in section  
14 406(i));”; and

15 (B) by striking the semicolon at the end  
16 and inserting “or, in lieu of each dollar amount  
17 specified in this clause, such greater amount as  
18 the State may choose (and provide for in its  
19 State plan);”.

20 (2) CPI ADJUSTMENT.—Section 406 (42  
21 U.S.C. 606) is amended by adding at the end the  
22 following new subsection:

23 “(i) For purposes of this part, an amount is ‘adjusted  
24 by the CPI’ for any month in a calendar year by multiply-  
25 ing the amount involved by the ratio of—

1           “(1) the Consumer Price Index (as prepared by  
2           the Department of Labor) for the third quarter of  
3           the preceding calendar year, to

4           “(2) such Consumer Price Index for the third  
5           quarter of calendar year 1996,

6           and rounding the product, if not a multiple of \$10, to the  
7           nearer multiple of \$10.”.

8   **SEC. 103. RIGHTS TO NOTIFICATION AND HEARINGS.**

9           (a) IN GENERAL.—Section 454 (42 U.S.C. 654), as  
10          amended by section 102(f), is amended by inserting after  
11          paragraph (11) the following new paragraph:

12           “(12) establish procedures to provide that—

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

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

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

1 after issuance of such order or determina-  
2 tion;

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

11 “(C) the State may not provide to any  
12 noncustodial parent of a child representation re-  
13 lating to the establishment or modification of  
14 an order for the payment of child support with  
15 respect to that child, unless the State makes  
16 provision for such representation outside the  
17 State agency;”.

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

20 **SEC. 104. PRIVACY SAFEGUARDS.**

21 (a) STATE PLAN REQUIREMENT.—Section 454 (42  
22 U.S.C. 454) is amended—

23 (1) by striking “and” at the end of paragraph  
24 (23);

1           (2) by striking the period at the end of para-  
2 graph (24) and inserting “; and”; and

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

5           “(25) provide that the State will have in effect  
6 safeguards applicable to all sensitive and confidential  
7 information handled by the State agency designed to  
8 protect the privacy rights of the parties, including—

9           “(A) safeguards against unauthorized use  
10 or disclosure of information relating to proceed-  
11 ings or actions to establish paternity, or to es-  
12 tablish or enforce support;

13           “(B) prohibitions on the release of infor-  
14 mation on the whereabouts of 1 party to an-  
15 other party against whom a protective order  
16 with respect to the former party has been en-  
17 tered; and

18           “(C) prohibitions on the release of infor-  
19 mation on the whereabouts of 1 party to an-  
20 other party if the State has reason to believe  
21 that the release of the information may result  
22 in physical or emotional harm to the former  
23 party.”.

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

1                   **Subtitle B—Program**  
2                   **Administration and Funding**

3 **SEC. 111. FEDERAL MATCHING PAYMENTS.**

4           (a) INCREASED BASE MATCHING RATE.—Section  
5 455(a)(2) (42 U.S.C. 655(a)(2)) is amended to read as  
6 follows:

7                   “(2) The applicable percent for a quarter for  
8 purposes of paragraph (1)(A) is—

9                           “(A) for fiscal year 1997, 69 percent,

10                           “(B) for fiscal year 1998, 72 percent, and

11                           “(C) for fiscal year 1999 and succeeding  
12 fiscal years, 75 percent.”.

13           (b) MAINTENANCE OF EFFORT.—Section 455 (42  
14 U.S.C. 655) is amended—

15                   (1) in subsection (a)(1), in the matter preced-  
16 ing subparagraph (A), by striking “From” and in-  
17 serting “Subject to subsection (c), from”; and

18                   (2) by inserting after subsection (b) the follow-  
19 ing new subsection:

20                   “(c) Notwithstanding the provisions of subsection (a),  
21 total expenditures for the State program under this part  
22 for fiscal year 1997 and each succeeding fiscal year (ex-  
23 cluding 1-time capital expenditures for automation), re-  
24 duced by the percentage specified for such fiscal year

1 under subsection (a)(2) shall not be less than such total  
2 expenditures for fiscal year 1996, reduced by 66 percent.”.

3 **SEC. 112. PERFORMANCE-BASED INCENTIVES AND PEN-**  
4 **ALTIES.**

5 (a) INCENTIVE ADJUSTMENTS TO FEDERAL MATCH-  
6 ING RATE.—Section 458 (42 U.S.C. 658) is amended to  
7 read as follows:

8 “INCENTIVE ADJUSTMENTS TO MATCHING RATE

9 “SEC. 458. (a) INCENTIVE ADJUSTMENT.—

10 “(1) IN GENERAL.—In order to encourage and  
11 reward State child support enforcement programs  
12 which perform in an effective manner, the Federal  
13 matching rate for payments to a State under section  
14 455(a)(1)(A), for each fiscal year beginning on or  
15 after October 1, 1998, shall be increased by a factor  
16 reflecting the sum of the applicable incentive adjust-  
17 ments (if any) determined in accordance with regu-  
18 lations under this section with respect to Statewide  
19 paternity establishment and to overall performance  
20 in child support enforcement.

21 “(2) STANDARDS.—

22 “(A) IN GENERAL.—The Secretary shall  
23 specify in regulations—

24 “(i) the levels of accomplishment, and  
25 rates of improvement as alternatives to  
26 such levels, which States must attain to

1           qualify for incentive adjustments under  
2           this section; and

3           “(ii) the amounts of incentive adjust-  
4           ment that shall be awarded to States  
5           achieving specified accomplishment or im-  
6           provement levels, which amounts shall be  
7           graduated, ranging up to—

8                   “(I) 5 percentage points, in con-  
9                   nection with Statewide paternity es-  
10                  tablishment; and

11                  “(II) 10 percentage points, in  
12                  connection with overall performance in  
13                  child support enforcement.

14           “(B) LIMITATION.—In setting performance  
15           standards pursuant to subparagraph (A)(i) and  
16           adjustment amounts pursuant to subparagraph  
17           (A)(ii), the Secretary shall ensure that the ag-  
18           gregate number of percentage point increases as  
19           incentive adjustments to all States do not ex-  
20           ceed such aggregate increases as assumed by  
21           the Secretary in estimates of the cost of this  
22           section as of June 1995, unless the aggregate  
23           performance of all States exceeds the projected  
24           aggregate performance of all States in such cost  
25           estimates.

1           “(3) DETERMINATION OF INCENTIVE ADJUST-  
2           MENT.—The Secretary shall determine the amount  
3           (if any) of incentive adjustment due each State on  
4           the basis of the data submitted by the State pursu-  
5           ant to section 454(15)(B) concerning the levels of  
6           accomplishment (and rates of improvement) with re-  
7           spect to performance indicators specified by the Sec-  
8           retary pursuant to this section.

9           “(4) FISCAL YEAR SUBJECT TO INCENTIVE AD-  
10          JUSTMENT.—The total percentage point increase de-  
11          termined pursuant to this section with respect to a  
12          State program in a fiscal year shall apply as an ad-  
13          justment to the applicable percent under section  
14          455(a)(2) for payments to such State for the suc-  
15          ceeding fiscal year.

16          “(5) RECYCLING OF INCENTIVE ADJUST-  
17          MENT.—A State shall expend in the State program  
18          under this part all funds paid to the State by the  
19          Federal Government as a result of an incentive ad-  
20          justment under this section.

21          “(b) MEANING OF TERMS.—

22                 “(1) STATEWIDE PATERNITY ESTABLISHMENT  
23                 PERCENTAGE.—

24                         “(A) IN GENERAL.—For purposes of this  
25                         section, the term ‘Statewide paternity establish-

1           ment percentage’ means, with respect to a fiscal  
2           year, the ratio (expressed as a percentage) of—

3                   “(i) the total number of out-of-wed-  
4                   lock children in the State under 1 year of  
5                   age for whom paternity is established or  
6                   acknowledged during the fiscal year, to

7                   “(ii) the total number of children re-  
8                   quiring paternity establishment born in the  
9                   State during such fiscal year.

10           “(B) ALTERNATIVE MEASUREMENT.—The  
11           Secretary shall develop an alternate method of  
12           measurement for the Statewide paternity estab-  
13           lishment percentage for any State that does not  
14           record the out-of-wedlock status of children on  
15           birth certificates.

16           “(2) the term ‘overall performance in child sup-  
17           port enforcement’ means a measure or measures of  
18           the effectiveness of the State agency in a fiscal year  
19           which takes into account factors including—

20                   “(A) the percentage of cases requiring a  
21                   child support order in which such an order was  
22                   established;

23                   “(B) the percentage of cases in which child  
24                   support is being paid;

1           “(C) the ratio of child support collected to  
2 child support due; and

3           “(D) the cost-effectiveness of the State  
4 program, as determined in accordance with  
5 standards established by the Secretary in regu-  
6 lations.”.

7           (b) ADJUSTMENT OF PAYMENTS UNDER PART D OF  
8 TITLE IV.—Section 455(a)(2) (42 U.S.C. 655(a)(2)), as  
9 amended by section 111(a), is amended—

10           (1) by striking the period at the end of sub-  
11 paragraph (C) and inserting a comma; and

12           (2) by adding after and below subparagraph  
13 (C), flush with the left margin of the paragraph, the  
14 following:

15 “increased by the incentive adjustment factor (if any) de-  
16 termined by the Secretary pursuant to section 458.”.

17           (c) CONFORMING AMENDMENTS.—Section 454(22)  
18 (42 U.S.C. 654(22)) is amended—

19           (1) by striking “incentive payments” the first  
20 place it appears and inserting “incentive adjust-  
21 ments”; and

22           (2) by striking “any such incentive payments  
23 made to the State for such period” and inserting  
24 “any increases in Federal payments to the State re-  
25 sulting from such incentive adjustments”.

1 (d) CALCULATION OF IV-D PATERNITY ESTABLISH-  
2 MENT PERCENTAGE.—

3 (1) OVERALL PERFORMANCE.—Section  
4 452(g)(1) (42 U.S.C. 652(g)(1)) is amended in the  
5 matter preceding subparagraph (A) by inserting “its  
6 overall performance in child support enforcement is  
7 satisfactory (as defined in section 458(b) and regula-  
8 tions of the Secretary), and” after “1994,”.

9 (2) DEFINITION.—Section 452(g)(2)(A) (42  
10 U.S.C. 652(g)(2)(A)) is amended, in the matter pre-  
11 ceding clause (i)—

12 (A) by striking “paternity establishment  
13 percentage” and inserting “IV-D paternity es-  
14 tablishment percentage”; and

15 (B) by striking “(or all States, as the case  
16 may be)”.

17 (3) MODIFICATION OF REQUIREMENTS.—Sec-  
18 tion 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

19 (A) by striking subparagraph (A) and re-  
20 designating subparagraphs (B) and (C) as sub-  
21 paragraphs (A) and (B), respectively;

22 (B) in subparagraph (A), as redesignated,  
23 by striking “the percentage of children born  
24 out-of-wedlock in the State” and inserting “the  
25 percentage of children in the State who are

1           born out of wedlock or for whom support has  
2           not been established”; and

3           (C) in subparagraph (B), as redesign-  
4           nated—

5           (i) by inserting “and overall perform-  
6           ance in child support enforcement” after  
7           “paternity establishment percentages”; and

8           (ii) by inserting “and securing sup-  
9           port” before the period.

10          (e) REDUCTION OF PAYMENTS UNDER PART D OF  
11          TITLE IV.—

12           (1) NEW REQUIREMENTS.—Section 455 (42  
13          U.S.C. 655) is amended—

14           (A) by redesignating subsection (e) as sub-  
15          section (f); and

16           (B) by inserting after subsection (d) the  
17          following new subsection:

18          “(e)(1) Notwithstanding any other provision of law,  
19          if the Secretary finds, with respect to a State program  
20          under this part in a fiscal year beginning on or after Octo-  
21          ber 1, 1997—

22           “(A)(i) on the basis of data submitted by a  
23          State pursuant to section 454(15)(B), that the State  
24          program in such fiscal year failed to achieve the IV-  
25          D paternity establishment percentage (as defined in

1 section 452(g)(2)(A)) or the appropriate level of  
2 overall performance in child support enforcement (as  
3 defined in section 458(b)(2)), or to meet other per-  
4 formance measures that may be established by the  
5 Secretary, or

6 “(ii) on the basis of an audit or audits of such  
7 State data conducted pursuant to section  
8 452(a)(4)(C), that the State data submitted pursu-  
9 ant to section 454(15)(B) is incomplete or unreli-  
10 able; and

11 “(B) that, with respect to the succeeding fiscal  
12 year—

13 “(i) the State failed to take sufficient cor-  
14 rective action to achieve the appropriate per-  
15 formance levels as described in subparagraph  
16 (A)(i) of this paragraph, or

17 “(ii) the data submitted by the State pur-  
18 suant to section 454(15)(B) is incomplete or  
19 unreliable,

20 the amounts otherwise payable to the State under this  
21 part for quarters following the end of such succeeding fis-  
22 cal year, prior to quarters following the end of the first  
23 quarter throughout which the State program is in compli-  
24 ance with such performance requirement, shall be reduced  
25 by the percentage specified in paragraph (2).

1       “(2) The reductions required under paragraph (1)  
2 shall be—

3           “(A) not less than 3 nor more than 5 percent,  
4       or

5           “(B) not less than 5 nor more than 7 percent,  
6       if the finding is the second consecutive finding made  
7       pursuant to paragraph (1), or

8           “(C) not less than 7 nor more than 10 percent,  
9       if the finding is the third or a subsequent consecu-  
10       tive such finding.

11       “(3) For purposes of this subsection, section  
12 402(a)(27), and section 452(a)(4), a State which is deter-  
13 mined as a result of an audit to have submitted incomplete  
14 or unreliable data pursuant to section 454(15)(B), shall  
15 be determined to have submitted adequate data if the Sec-  
16 retary determines that the extent of the incompleteness  
17 or unreliability of the data is of a technical nature which  
18 does not adversely affect the determination of the level of  
19 the State’s performance.”.

20           (2) CONFORMING AMENDMENTS.—

21           (A) PAYMENTS TO STATES.—Section 403  
22           (42 U.S.C. 603) is amended by striking sub-  
23           section (h).

24           (B) DUTIES OF SECRETARY.—Subsections  
25           (d)(3)(A), (g)(1), and (g)(3)(A) of section 452

1 (42 U.S.C. 652) are each amended by striking  
2 “403(h)” and inserting “455(e)”.

3 (f) EFFECTIVE DATES.—

4 (1) INCENTIVE ADJUSTMENTS.—

5 (A) IN GENERAL.—The amendments made  
6 by subsections (a), (b), and (c) shall become ef-  
7 fective on October 1, 1997, except to the extent  
8 provided in subparagraph (B).

9 (B) EXCEPTION.—Section 458 of the So-  
10 cial Security Act, as in effect prior to the enact-  
11 ment of this section, shall be effective for pur-  
12 poses of incentive payments to States for fiscal  
13 years prior to fiscal year 1999.

14 (2) PENALTY REDUCTIONS.—

15 (A) IN GENERAL.—The amendments made  
16 by subsection (d) shall become effective with re-  
17 spect to calendar quarters beginning on and  
18 after the date of the enactment of this Act.

19 (B) REDUCTIONS.—The amendments  
20 made by subsection (e) shall become effective  
21 with respect to calendar quarters beginning on  
22 and after the date 1 which is year after the  
23 date of the enactment of this Act.

1 **SEC. 113. FEDERAL AND STATE REVIEWS AND AUDITS.**

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

4 (1) in paragraph (14)—

5 (A) by striking “(14)” and inserting  
6 “(14)(A)”; and

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

8 (2) by redesignating paragraph (15) as sub-  
9 paragraph (B) of paragraph (14); and

10 (3) by inserting after paragraph (14) the fol-  
11 lowing new paragraph:

12 “(15) provide for—

13 “(A) a process for annual reviews of and  
14 reports to the Secretary on the State program  
15 under this part—

16 “(i) which shall include such informa-  
17 tion as may be necessary to measure State  
18 compliance with Federal requirements for  
19 expedited procedures and timely case proc-  
20 essing, using such standards and proce-  
21 dures as are required by the Secretary;  
22 and

23 “(ii) under which the State agency  
24 will determine the extent to which such  
25 program is in conformity with applicable  
26 requirements with respect to the operation

1 of State programs under this part (includ-  
2 ing the status of complaints filed under the  
3 procedure required under paragraph  
4 (12)(B)); and

5 “(B) a process of extracting from the  
6 State automated data processing system and  
7 transmitting to the Secretary data and calcula-  
8 tions concerning the levels of accomplishment  
9 (and rates of improvement) with respect to ap-  
10 plicable performance indicators (including IV–D  
11 paternity establishment percentages and overall  
12 performance in child support enforcement) to  
13 the extent necessary for purposes of sections  
14 452(g) and 458.”.

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

17 “(4)(A) review data and calculations transmit-  
18 ted by State agencies pursuant to section  
19 454(15)(B) on State program accomplishments with  
20 respect to performance indicators for purposes of  
21 section 452(g) and 458, and determine the amount  
22 (if any) of penalty reductions pursuant to section  
23 455(e) to be applied to the State;

24 “(B) review annual reports by State agencies  
25 pursuant to section 454(15)(A) on State program

1 conformity with Federal requirements; evaluate any  
2 elements of a State program in which significant de-  
3 ficiencies are indicated by such report on the status  
4 of complaints under the State procedure under sec-  
5 tion 454(12)(B); and, as appropriate, provide to the  
6 State agency comments, recommendations for addi-  
7 tional or alternative corrective actions, and technical  
8 assistance; and

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

12 “(i) at least once every 3 years (or more  
13 frequently, in the case of a State which fails to  
14 meet requirements of this part, or of regula-  
15 tions implementing such requirements, concern-  
16 ing performance standards and reliability of  
17 program data) to assess the completeness, reli-  
18 ability, and security of the data, and the accu-  
19 racy of the reporting systems, used for the cal-  
20 culations of performance indicators specified in  
21 subsection (g) and section 458;

22 “(ii) of the adequacy of financial manage-  
23 ment of the State program, including assess-  
24 ments of—

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

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

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

12          (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall be effective with respect to calendar  
14 quarters beginning on or after the date which is 1 year  
15 after the enactment of this section.

16 **SEC. 114. REQUIRED REPORTING PROCEDURES.**

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

1 (b) STATE PLAN REQUIREMENT.—Section 454 (42  
2 U.S.C. 654), as amended by section 104(a), is amended—

3 (1) by striking “and” at the end of paragraph  
4 (24);

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

7 (3) by adding after paragraph (25) the follow-  
8 ing:

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

13 **SEC. 115. AUTOMATED DATA PROCESSING REQUIREMENTS.**

14 (a) REVISED REQUIREMENTS.—

15 (1) STATE PLAN.—Section 454(16) (42 U.S.C.  
16 654(16)) is amended—

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

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

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

24 (D) by striking “in the State and localities  
25 thereof, so as (A)” and inserting “so as”;

1 (E) by striking “(i)”; and

2 (F) by striking “(including, but not limited  
3 to,” and all that follows and to the semicolon.

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

7 “AUTOMATED DATA PROCESSING

8 “SEC. 454A. (a) IN GENERAL.—In order to meet the  
9 requirements of this section, for purposes of the require-  
10 ment of section 454(16), a State agency shall have in op-  
11 eration a single statewide automated data processing and  
12 information retrieval system which has the capability to  
13 perform the tasks specified in this section, and performs  
14 such tasks with the frequency and in the manner specified  
15 in this part or in regulations or guidelines of the Sec-  
16 retary.

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

21 “(1) controlling and accounting for use of Fed-  
22 eral, State, and local funds to carry out such pro-  
23 gram; and

24 “(2) maintaining the data necessary to meet  
25 Federal reporting requirements on a timely basis.

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

5           “(1) use the automated system—

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

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

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

19       “(d) INFORMATION INTEGRITY AND SECURITY.—The  
20 State agency shall have in effect safeguards on the integ-  
21 rity, accuracy, and completeness of, access to, and use of  
22 data in the automated system required under this section,  
23 which shall include the following (in addition to such other  
24 safeguards as the Secretary specifies in regulations):

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

5           “(A) permit access to and use of data only  
6 to the extent necessary to carry out program re-  
7 sponsibilities;

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

11           “(C) ensure that data obtained or disclosed  
12 for a limited program purpose is not used or  
13 redisclosed for another, impermissible purpose.

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

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

23           “(4) TRAINING AND INFORMATION.—The State  
24 agency shall have in effect procedures to ensure that  
25 all personnel (including State and local agency staff

1 and contractors) who may have access to or be re-  
2 quired to use sensitive or confidential program data  
3 are fully informed of applicable requirements and  
4 penalties, and are adequately trained in security pro-  
5 cedures.

6 “(5) PENALTIES.—The State agency shall have  
7 in effect administrative penalties (up to and includ-  
8 ing dismissal from employment) for unauthorized ac-  
9 cess to, or disclosure or use of, confidential data.”.

10 (3) REGULATIONS.—Section 452 (42 U.S.C.  
11 652) is amended by adding at the end the following  
12 new subsection:

13 “(j) The Secretary shall prescribe final regulations  
14 for implementation of the requirements of section 454A  
15 not later than 2 years after the date of the enactment of  
16 this subsection.”.

17 (4) IMPLEMENTATION TIMETABLE.—Section  
18 454(24) (42 U.S.C. 654(24)), as amended by sec-  
19 tions 104(a)(2) and 114(b)(1), is amended to read  
20 as follows:

21 “(24) provide that the State will have in effect  
22 an automated data processing and information re-  
23 trieval system—

24 “(A) by October 1, 1996, meeting all re-  
25 quirements of this part which were enacted on

1 or before the date of the enactment of the Fam-  
2 ily Support Act of 1988; and

3 “(B) by October 1, 1999, meeting all re-  
4 quirements of this part enacted on or before the  
5 date of the enactment of the Interstate Child  
6 Support Responsibility Act of 1995 (but this  
7 provision shall not be construed to alter earlier  
8 deadlines specified for elements of such sys-  
9 tem), except that such deadline shall be ex-  
10 tended by 1 day for each day (if any) by which  
11 the Secretary fails to meet the deadline imposed  
12 by section 452(j);”.

13 (b) SPECIAL FEDERAL MATCHING RATE FOR DE-  
14 VELOPMENT COSTS OF AUTOMATED SYSTEMS.—Section  
15 455(a) (42 U.S.C. 655(a)) is amended—

16 (1) in paragraph (1)(B)—

17 (A) by striking “90 percent” and inserting  
18 “the percent specified in paragraph (3)”;

19 (B) by striking “so much of”; and

20 (C) by striking “which the Secretary” and  
21 all that follows through “thereof”; and

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

24 “(3)(A) The Secretary shall pay to each State, for  
25 each quarter in fiscal year 1996, 90 percent of so much

1 of State expenditures described in paragraph (1)(B) as the  
2 Secretary finds are for a system meeting the requirements  
3 specified in section 454(16), or meeting such requirements  
4 without regard to subparagraph (D) thereof.

5 “(B)(i) The Secretary shall pay to each State, for  
6 each quarter in fiscal years 1997 through 2001, the per-  
7 centage specified in clause (ii) of so much of State expend-  
8 itures described in paragraph (1)(B) as the Secretary  
9 finds are for a system meeting the requirements specified  
10 in section 454(16) and 454A, subject to clause (iii).

11 “(ii) The percentage specified in this clause, for pur-  
12 poses of clause (i), is the higher of—

13 “(I) 80 percent, or

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

17 (c) CONFORMING AMENDMENT.—Section 123(c) of  
18 the Family Support Act of 1988 (102 Stat. 2352; Public  
19 Law 100–485) is repealed.

20 **SEC. 116. DIRECTOR OF CSE PROGRAM; STAFFING STUDY.**

21 (a) REPORTING TO SECRETARY.—Section 452(a) (42  
22 U.S.C. 652(a)) is amended in the matter preceding para-  
23 graph (1) by striking “directly”.

24 (b) STAFFING STUDIES.—

1           (1) SCOPE.—The Secretary of Health and  
2 Human Services (in this subsection referred to as  
3 the “Secretary”) shall, directly or by contract, con-  
4 duct studies of the staffing of each State child sup-  
5 port enforcement program under part D of title IV  
6 of the Social Security Act. Such studies shall—

7           (A) include a review of the staffing needs  
8 created by requirements for automated data  
9 processing, maintenance of a central case reg-  
10 istry and centralized collections of child sup-  
11 port, and of changes in these needs resulting  
12 from changes in such requirements; and

13           (B) examine and report on effective staff-  
14 ing practices used by the States and on rec-  
15 ommended staffing procedures.

16           (2) FREQUENCY OF STUDIES.—The Secretary  
17 shall complete the first staffing study required under  
18 paragraph (1) not later than October 1, 1997, and  
19 may conduct additional studies subsequently at ap-  
20 propriate intervals.

21           (3) REPORT TO THE CONGRESS.—The Sec-  
22 retary shall submit a report to the Congress stating  
23 the findings and conclusions of each study conducted  
24 under this subsection.

1 **SEC. 117. FUNDING FOR SECRETARIAL ASSISTANCE TO**  
2 **STATE PROGRAMS.**

3 Section 452 (42 U.S.C. 652), as amended by section  
4 115(a)(3), is amended by adding at the end the following  
5 new subsection:

6 “(k)(1) There shall be available to the Secretary,  
7 from amounts appropriated for fiscal year 1996 and each  
8 succeeding fiscal year for payments to States under this  
9 part, the amount specified in paragraph (2) for the costs  
10 to the Secretary for—

11 “(A) information dissemination and technical  
12 assistance to States, training of State and Federal  
13 staff, staffing studies, and related activities needed  
14 to improve programs (including technical assistance  
15 concerning State automated systems);

16 “(B) research, demonstration, and special  
17 projects of regional or national significance relating  
18 to the operation of State programs under this part;  
19 and

20 “(C) operation of the Federal Parent Locator  
21 Service under section 453, to the extent such costs  
22 are not recovered through user fees.

23 “(2) The amount specified in this paragraph for a  
24 fiscal year is the amount equal to a percentage of the re-  
25 duction in Federal payments to States under part A on  
26 account of child support (including arrearages) collected

1 in the preceding fiscal year on behalf of children receiving  
2 aid under such part A in such preceding fiscal year (as  
3 determined on the basis of the most recent reliable data  
4 available to the Secretary as of the end of the third cal-  
5 endar quarter following the end of such preceding fiscal  
6 year), equal to—

7           “(A) 1 percent, for the activities specified in  
8           subparagraphs (A) and (B) of paragraph (1); and

9           “(B) 2 percent, for the activities specified in  
10          subparagraph (C) of paragraph (1).”.

11 **SEC. 118. DATA COLLECTION AND REPORTS BY THE SEC-**  
12 **RETARY.**

13       (a) ANNUAL REPORT TO CONGRESS.—

14           (1) IN GENERAL.—Section 452(a)(10)(A) (42  
15 U.S.C. 652(a)(10)(A)) is amended—

16           (A) by striking “this part;” and inserting  
17           “this part, including—”; and

18           (B) by adding at the end the following in-  
19           dented clauses:

20                   “(i) the total amount of child support  
21                   payments collected as a result of services  
22                   furnished during such fiscal year to indi-  
23                   viduals receiving services under this part;

1           “(ii) the cost to the States and to the  
2           Federal Government of furnishing such  
3           services to those individuals; and

4           “(iii) the number of cases involving  
5           families—

6                   “(I) who became ineligible for aid  
7                   under part A during a month in such  
8                   fiscal year; and

9                   “(II) with respect to whom a  
10                  child support payment was received in  
11                  the same month;”.

12           (2) CERTAIN DATA.—Section 452(a)(10)(C) (42  
13           U.S.C. 652(a)(10)(C)) is amended—

14                   (A) in the matter preceding clause (i), by  
15                   striking “with the data required under each  
16                   clause being separately stated for cases” and all  
17                   that follows through “part:” and inserting “sep-  
18                   arately stated for cases where the child is re-  
19                   ceiving aid to families with dependent children  
20                   (or foster care maintenance payments under  
21                   part E), or formerly received such aid or pay-  
22                   ments and the State is continuing to collect  
23                   support assigned to it under section 402(a)(26),  
24                   471(a)(17), or 1912, and all other cases under  
25                   this part—”;

1 (B) in each of clauses (i) and (ii), by strik-  
2 ing “, and the total amount of such obliga-  
3 tions”;

4 (C) in clause (iii), by striking “described  
5 in” and all that follows through the semicolon  
6 and inserting “in which support was collected  
7 during the fiscal year;”;

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

9 (E) by redesignating clause (v) as clause  
10 (vii), and inserting after clause (iii) the follow-  
11 ing new clauses:

12 “(iv) the total amount of support col-  
13 lected during such fiscal year and distrib-  
14 uted as current support;

15 “(v) the total amount of support col-  
16 lected during such fiscal year and distrib-  
17 uted as arrearages;

18 “(vi) the total amount of support due  
19 and unpaid for all fiscal years; and”.

20 (3) USE OF FEDERAL COURTS.—Section  
21 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amend-  
22 ed by striking “on the use of Federal courts and”.

23 (4) ADDITIONAL INFORMATION NOT NEC-  
24 ESSARY.—Section 452(a)(10) (42 U.S.C.

1       652(a)(10)) is amended by striking all that follows  
2       subparagraph (I).

3       (b) DATA COLLECTION AND REPORTING.—Section  
4       469 (42 U.S.C. 669) is amended—

5             (1) by striking subsections (a) and (b) and in-  
6       serting the following:

7       “(a) The Secretary shall collect and maintain, on a  
8       fiscal year basis, up-to-date statistics, by State, with re-  
9       spect to services to establish paternity and services to es-  
10      tablish child support obligations, the data specified in sub-  
11      section (b), separately stated, in the case of each such  
12      service, with respect to—

13             “(1) families (or dependent children) receiving  
14      aid under plans approved under part A (or E); and

15             “(2) families not receiving such aid.

16      “(b) The data referred to in subsection (a) are—

17             “(1) the number of cases in the caseload of the  
18      State agency administering the plan under this part  
19      in which such service is needed; and

20             “(2) the number of such cases in which the  
21      service has been provided.”; and

22             (2) in subsection (c), by striking “(a)(2)” and  
23      inserting “(b)(2)”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall be effective with respect to fiscal year  
3 1996 and succeeding fiscal years.

4 **Subtitle C—Locate and Case**  
5 **Tracking**

6 **SEC. 121. CENTRAL STATE AND CASE REGISTRY.**

7 Section 454A, as added by section 115(a)(2), is  
8 amended by adding at the end the following new sub-  
9 sections:

10 “(e) CENTRAL CASE REGISTRY.—

11 “(1) IN GENERAL.—The automated system re-  
12 quired under this section shall perform the func-  
13 tions, in accordance with the provisions of this sub-  
14 section, of a single central registry containing  
15 records with respect to each case in which services  
16 are being provided by the State agency (including,  
17 on and after October 1, 1998, each order specified  
18 in section 466(a)(12)), using such standardized data  
19 elements (such as names, social security numbers or  
20 other uniform identification numbers, dates of birth,  
21 and case identification numbers), and containing  
22 such other information (such as information on case  
23 status) as the Secretary may require.

24 “(2) PAYMENT RECORDS.—Each case record in  
25 the central registry shall include a record of—

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

6           “(B) all child support and related amounts  
7           collected (including such amounts as fees, late  
8           payment penalties, and interest on arrearages);

9           “(C) the distribution of such amounts col-  
10          lected; and

11          “(D) the birth date of the child for whom  
12          the child support order is entered.

13          “(3) UPDATING AND MONITORING.—The State  
14          agency shall promptly establish and maintain, and  
15          regularly monitor, case records in the registry re-  
16          quired by this subsection, on the basis of—

17                 “(A) information on administrative actions  
18                 and administrative and judicial proceedings and  
19                 orders relating to paternity and support;

20                 “(B) information obtained from matches  
21                 with Federal, State, or local data sources;

22                 “(C) information on support collections  
23                 and distributions; and

24                 “(D) any other relevant information.

1       “(f) DATA MATCHES AND OTHER DISCLOSURES OF  
2 INFORMATION.—The automated system required under  
3 this section shall have the capacity, and be used by the  
4 State agency, to extract data at such times, and in such  
5 standardized format or formats, as may be required by  
6 the Secretary, and to share and match data with, and re-  
7 ceive data from, other data bases and data matching serv-  
8 ices, in order to obtain (or provide) information necessary  
9 to enable the State agency (or Secretary or other State  
10 or Federal agencies) to carry out responsibilities under  
11 this part. Data matching activities of the State agency  
12 shall include at least the following:

13           “(1) DATA BANK OF CHILD SUPPORT OR-  
14 DERS.—Furnishing to the Data Bank of Child Sup-  
15 port Orders established under section 453(h) (and  
16 updating as necessary, with information, including  
17 notice of expiration of orders) minimal information  
18 specified by the Secretary on each child support case  
19 in the central case registry.

20           “(2) FEDERAL PARENT LOCATOR SERVICE.—  
21 Exchanging data with the Federal Parent Locator  
22 Service for the purposes specified in section 453.

23           “(3) AFDC AND MEDICAID AGENCIES.—Ex-  
24 changing data with State agencies (of the State and  
25 of other States) administering the programs under

1 part A and title XIX, as necessary for the perform-  
2 ance of State agency responsibilities under this part  
3 and under such programs.

4 “(4) INTRA- AND INTERSTATE DATA  
5 MATCHES.—Exchanging data with other agencies of  
6 the State, agencies of other States, and interstate  
7 information networks, as necessary and appropriate  
8 to carry out (or assist other States to carry out) the  
9 purposes of this part.”.

10 **SEC. 122. CENTRALIZED COLLECTION AND DISBURSEMENT**  
11 **OF SUPPORT PAYMENTS.**

12 (a) STATE PLAN REQUIREMENT.—Section 454 (42  
13 U.S.C. 654), as amended by sections 104(a) and 114(b),  
14 is amended—

15 (1) by striking “and” at the end of paragraph  
16 (25);

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

19 (3) by adding after paragraph (26) the follow-  
20 ing new paragraph:

21 “(27) provide that the State agency, on and  
22 after October 1, 1998—

23 “(A) will operate a centralized, automated  
24 unit for the collection and disbursement of child

1 support under orders being enforced under this  
2 part, in accordance with section 454B; and

3 “(B) will have sufficient State staff (con-  
4 sisting of State employees), and, at State op-  
5 tion, contractors reporting directly to the State  
6 agency to monitor and enforce support collec-  
7 tions through such centralized unit, including  
8 carrying out the automated data processing re-  
9 sponsibilities specified in section 454A(g) and  
10 to impose, as appropriate in particular cases,  
11 the administrative enforcement remedies speci-  
12 fied in section 466(c)(1).”.

13 (b) ESTABLISHMENT OF CENTRALIZED COLLECTION  
14 UNIT.—Part D of title IV (42 U.S.C. 651–669) is amend-  
15 ed by adding after section 454A the following new section:

16 “CENTRALIZED COLLECTION AND DISBURSEMENT OF  
17 SUPPORT PAYMENTS

18 “SEC. 454B. (a) IN GENERAL.—In order to meet the  
19 requirement of section 454(27), the State agency must op-  
20 erate a single, centralized, automated unit for the collec-  
21 tion and disbursement of support payments, coordinated  
22 with the automated data system required under section  
23 454A, in accordance with the provisions of this section,  
24 which shall be—

25 “(1) operated directly by the State agency (or  
26 by 2 or more State agencies under a regional cooper-

1       ative agreement), or by a single contractor respon-  
2       sible directly to the State agency; and

3           “(2) used for the collection and disbursement  
4       (including interstate collection and disbursement) of  
5       payments under support orders in all cases being en-  
6       forced by the State pursuant to section 454(4).

7       “(b) REQUIRED PROCEDURES.—The centralized col-  
8       lections unit shall use automated procedures, electronic  
9       processes, and computer-driven technology to the maxi-  
10      mum extent feasible, efficient, and economical, for the col-  
11      lection and disbursement of support payments, including  
12      procedures—

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

17           “(2) for accurate identification of payments;

18           “(3) to ensure prompt disbursement of the cus-  
19      todial parent’s share of any payment; and

20           “(4) to furnish to either parent, upon request,  
21      timely information on the current status of support  
22      payments.”.

23      (c) USE OF AUTOMATED SYSTEM.—Section 454A, as  
24      added by section 115(a)(2) and as amended by section

1 121, is amended by adding at the end the following new  
2 subsection:

3 “(g) CENTRALIZED COLLECTION AND DISTRIBUTION  
4 OF SUPPORT PAYMENTS.—The automated system re-  
5 quired under this section shall be used, to the maximum  
6 extent feasible, to assist and facilitate collections and dis-  
7 bursement of support payments through the centralized  
8 collections unit operated pursuant to section 454B,  
9 through the performance of functions including at a mini-  
10 mum—

11 “(1) generation of orders and notices to em-  
12 ployers (and other debtors) for the withholding of  
13 wages (and other income)—

14 “(A) within 2 working days after receipt  
15 (from the directory of New Hires established  
16 under section 453(i) or any other source) of no-  
17 tice of and the income source subject to such  
18 withholding; and

19 “(B) using uniform formats directed by  
20 the Secretary;

21 “(2) ongoing monitoring to promptly identify  
22 failures to make timely payment; and

23 “(3) automatic use of enforcement mechanisms  
24 (including mechanisms authorized pursuant to sec-  
25 tion 466(c)) where payments are not timely made.”.

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

3 **SEC. 123. AMENDMENTS CONCERNING INCOME WITHHOLD-**  
4 **ING.**

5 (a) MANDATORY INCOME WITHHOLDING.—

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

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

12 “(B) Procedures under which all child support  
13 orders issued (or modified) before October 1, 1996,  
14 and which are not otherwise subject to withholding  
15 under subsection (b), shall become subject to with-  
16 holding from wages as provided in subsection (b) if  
17 arrearages occur, without the need for a judicial or  
18 administrative hearing.”.

19 (2) REPEAL OF CERTAIN PROVISIONS CONCERN-  
20 ING ARREARAGES.—Section 466(a)(8) (42 U.S.C.  
21 666(a)(8)) is repealed.

22 (3) PROCEDURES DESCRIBED.—Section 466(b)  
23 (42 U.S.C. 666(b)) is amended—

1 (A) in the matter preceding paragraph (1),  
2 by striking “subsection (a)(1)” and inserting  
3 “subsection (a)(1)(A)”;

4 (B) in paragraph (5), by striking “a public  
5 agency” and all that follows through the period  
6 and inserting “the State through the central-  
7 ized collections unit established pursuant to sec-  
8 tion 454B, in accordance with the requirements  
9 of such section 454B.”;

10 (C) in paragraph (6)(A)(i)—

11 (i) by inserting “, in accordance with  
12 timetables established by the Secretary,”  
13 after “must be required”; and

14 (ii) by striking “to the appropriate  
15 agency” and all that follows through the  
16 period and inserting “to the State central-  
17 ized collections unit within 5 working days  
18 after the date such amount would (but for  
19 this subsection) have been paid or credited  
20 to the employee, for distribution in accord-  
21 ance with this part.”;

22 (D) in paragraph (6)(A)(ii), by inserting  
23 “be in a standard format prescribed by the Sec-  
24 retary, and” after “shall”; and

25 (E) in paragraph (6)(D) to read as follows:

1           “(D) Provision must be made for the imposition  
2 of a fine against any employer who—

3           “(i) discharges from employment, refuses  
4 to employ, or takes disciplinary action against  
5 any absent parent subject to wage withholding  
6 required by this subsection because of the exist-  
7 ence of such withholding and the obligations or  
8 additional obligations which it imposes upon the  
9 employer; or

10           “(ii) fails to withhold support from wages,  
11 or to pay such amounts to the State centralized  
12 collections unit in accordance with this sub-  
13 section.”.

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

16           (c) DEFINITION OF TERMS.—The Secretary of  
17 Health and Human Services shall promulgate regulations  
18 providing definitions, for purposes of part D of title IV  
19 of the Social Security Act, for the term “income” and for  
20 such other terms relating to income withholding under sec-  
21 tion 466(b) of such Act as the Secretary may find it nec-  
22 essary or advisable to define.

1 **SEC. 124. LOCATOR INFORMATION FROM INTERSTATE NET-**  
2 **WORKS.**

3 Section 466(a) (42 U.S.C. 666(a)), as amended by  
4 section 123(a)(2), is amended by inserting after para-  
5 graph (7) the following new paragraph:

6 “(8) Procedures ensuring that the State will  
7 neither provide funding for, nor use for any purpose  
8 (including any purpose unrelated to the purposes of  
9 this part), any automated interstate network or sys-  
10 tem used to locate individuals—

11 “(A) for purposes relating to the use of  
12 motor vehicles; or

13 “(B) providing information for law en-  
14 forcement purposes (where child support en-  
15 forcement agencies are otherwise allowed access  
16 by State and Federal law),

17 unless all Federal and State agencies administering  
18 programs under this part (including the entities es-  
19 tablished under section 453) have access to informa-  
20 tion in such system or network to the same extent  
21 as any other user of such system or network.”.

22 **SEC. 125. EXPANDED FEDERAL PARENT LOCATOR SERVICE.**

23 (a) EXPANDED AUTHORITY TO LOCATE INDIVID-  
24 UALS AND ASSETS.—Section 453 (42 U.S.C. 653) is  
25 amended—

1           (1) in subsection (a), by striking “information  
2 as to the whereabouts” and all that follows through  
3 the period and inserting “, for the purpose of estab-  
4 lishing parentage, establishing, setting the amount  
5 of, modifying, or enforcing child support obliga-  
6 tions—

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

9           “(A) who is under an obligation to pay  
10 child support;

11           “(B) against whom such an obligation is  
12 sought; or

13           “(C) to whom such an obligation is owed,  
14 including such individual’s social security number  
15 (or numbers), most recent residential address, and  
16 the name, address, and employer identification num-  
17 ber of such individual’s employer; and

18           “(2) information on the individual’s wages (or  
19 other income) from, and benefits of, employment (in-  
20 cluding rights to or enrollment in group health care  
21 coverage); and

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

25           (2) in subsection (b)—

1 (A) in the matter preceding paragraph (1),  
2 by striking “social security” and all that follows  
3 through “absent parent” and inserting “infor-  
4 mation specified in subsection (a)”;

5 (B) in paragraph (2), by inserting before  
6 the period “, or from any consumer reporting  
7 agency (as defined in section 603(f) of the Fair  
8 Credit Reporting Act (15 U.S.C. 1681a(f))”;  
9 and

10 (3) in subsection (e)(1), by inserting before the  
11 period “, or by consumer reporting agencies”.

12 (b) REIMBURSEMENT FOR DATA FROM FEDERAL  
13 AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is  
14 amended in the fourth sentence by inserting before the  
15 period “in an amount which the Secretary determines to  
16 be reasonable payment for the data exchange (which  
17 amount shall not include payment for the costs of obtain-  
18 ing, compiling, or maintaining the data)”.

19 (c) ACCESS TO CONSUMER REPORTS UNDER FAIR  
20 CREDIT REPORTING ACT.—

21 (1) IN GENERAL.—Section 608 of the Fair  
22 Credit Reporting Act (15 U.S.C. 1681f) is amend-  
23 ed—

24 (A) by striking “, limited to” and inserting  
25 “to a governmental agency (including the entire

1 consumer report, in the case of a Federal,  
2 State, or local agency administering a program  
3 under part D of title IV of the Social Security  
4 Act, and limited to”; and

5 (B) by striking “employment, to a govern-  
6 mental agency” and inserting “employment, in  
7 the case of any other governmental agency”).

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

12 “(g) The Secretary is authorized to reimburse to  
13 State agencies and consumer credit reporting agencies the  
14 costs incurred by such entities in furnishing information  
15 requested by the Secretary pursuant to this section in an  
16 amount which the Secretary determines to be reasonable  
17 payment for the data exchange (which amount shall not  
18 include payment for the costs of obtaining, compiling, or  
19 maintaining the data).”.

20 (d) DISCLOSURE OF TAX RETURN INFORMATION.—

21 (1) BY THE SECRETARY OF THE TREASURY.—  
22 Section 6103(l)(6)(A)(ii) of the Internal Revenue  
23 Code of 1986 (relating to disclosure of return infor-  
24 mation to Federal, State, and local child support en-

1 enforcement agencies) is amended by striking “, but  
2 only if” and all that follows to the period.

3 (2) BY THE SOCIAL SECURITY ADMINISTRA-  
4 TION.—Section 6103(l)(8) of the Internal Revenue  
5 Code of 1986 (relating to disclosure of certain re-  
6 turn information by Social Security Administration  
7 to State and local child support enforcement agen-  
8 cies) is amended—

9 (A) in subparagraph (A), by striking  
10 “State or local” and inserting “Federal, State,  
11 or local”; and

12 (B) in subparagraph (C), by inserting “(in-  
13 cluding any entity under contract with such  
14 agency)” after “thereof”.

15 (e) TECHNICAL AMENDMENTS.—

16 (1) Sections 452(a)(9), 453(a), 453(b), 463(a),  
17 and 463(e) (42 U.S.C. 652(a)(9), 653(a), 653(b),  
18 663(a), and 663(e)) are each amended by inserting  
19 “Federal” before “Parent” each place it appears.

20 (2) Section 453 (42 U.S.C. 653) is amended in  
21 the heading by inserting “FEDERAL” before “PAR-  
22 ENT”.

23 (f) NEW COMPONENTS.—Section 453 (42 U.S.C.  
24 653), as amended by subsection (c)(2), is amended by add-  
25 ing at the end the following new subsections:

1       “(h) DATA BANK OF CHILD SUPPORT ORDERS.—

2               “(1) IN GENERAL.—Not later than October 1,  
3       1998, in order to assist States in administering their  
4       State plans under this part and parts A, F, and G,  
5       and for the other purposes specified in this section,  
6       the Secretary shall establish and maintain in the  
7       Federal Parent Locator Service an automated reg-  
8       istry to be known as the Data Bank of Child Sup-  
9       port Orders, which shall contain abstracts of child  
10      support orders and other information described in  
11      paragraph (2) on each case in each State central  
12      case registry maintained pursuant to section  
13      454A(e), as furnished (and regularly updated), pur-  
14      suant to section 454A(f), by State agencies admin-  
15      istering programs under this part.

16              “(2) CASE INFORMATION.—The information re-  
17      ferred to in paragraph (1), as specified by the Sec-  
18      retary, shall include sufficient information (including  
19      names, social security numbers or other uniform  
20      identification numbers, and State case identification  
21      numbers) to identify the individuals who owe or are  
22      owed support (or with respect to or on behalf of  
23      whom support obligations are sought to be estab-  
24      lished), and the State or States which have estab-

1 lished or modified, or are enforcing or seeking to es-  
2 tablish, such an order.

3 “(i) DIRECTORY OF NEW HIRES.—

4 “(1) IN GENERAL.—Not later than October 1,  
5 1998, in order to assist States in administering their  
6 State plans under this part and parts A, F, and G,  
7 and for the other purposes specified in this section,  
8 the Secretary shall establish and maintain in the  
9 Federal Parent Locator Service an automated direc-  
10 tory to be known as the directory of New Hires, con-  
11 taining—

12 “(A) information supplied by employers on  
13 each newly hired individual, in accordance with  
14 paragraph (2); and

15 “(B) information supplied by State agen-  
16 cies administering State unemployment com-  
17 pensation laws, in accordance with paragraph  
18 (3).

19 “(2) EMPLOYER INFORMATION.—

20 “(A) INFORMATION REQUIRED.—Subject  
21 to subparagraph (D), each employer shall fur-  
22 nish to the Secretary, for inclusion in the direc-  
23 tory under this subsection, not later than 10  
24 days after the date (on or after October 1,  
25 1998) on which the employer hires a new em-

1           employee (as defined in subparagraph (C)), a re-  
2           port containing the name, date of birth, and so-  
3           cial security number of such employee, and the  
4           employer identification number of the employer.

5           “(B) REPORTING METHOD AND FOR-  
6           MAT.—The Secretary shall provide for trans-  
7           mission of the reports required under subpara-  
8           graph (A) using formats and methods which  
9           minimize the burden on employers, which shall  
10          include—

11                   “(i) automated or electronic trans-  
12                   mission of such reports;

13                   “(ii) transmission by regular mail;  
14                   and

15                   “(iii) transmission of a copy of the  
16                   form required for purposes of compliance  
17                   with section 3402 of the Internal Revenue  
18                   Code of 1986.

19          “(C) EMPLOYEE DEFINED.—For purposes  
20          of this paragraph, the term ‘employee’ means  
21          any individual subject to the requirement of  
22          section 3402(f)(2) of the Internal Revenue Code  
23          of 1986.

24          “(D) PAPERWORK REDUCTION REQUIRE-  
25          MENT.—As required by the information re-

1 sources management policies published by the  
2 Director of the Office of Management and  
3 Budget pursuant to section 3504(b)(1) of title  
4 44, United States Code, the Secretary, in order  
5 to minimize the cost and reporting burden on  
6 employers, shall not require reporting pursuant  
7 to this paragraph if an alternative reporting  
8 mechanism can be developed that either relies  
9 on existing Federal or State reporting or en-  
10 ables the Secretary to collect the needed infor-  
11 mation in a more cost-effective and equally ex-  
12 peditious manner, taking into account the re-  
13 porting costs on employers.

14 “(E) CIVIL MONEY PENALTY ON NON-  
15 COMPLYING EMPLOYERS.—

16 “(i) IN GENERAL.—Any employer that  
17 fails to make a timely report in accordance  
18 with this paragraph with respect to an in-  
19 dividual shall be subject to a civil money  
20 penalty, for each calendar year in which  
21 the failure occurs, of the lesser of \$500 or  
22 1 percent of the wages or other compensa-  
23 tion paid by such employer to such individ-  
24 ual during such calendar year.

1           “(ii) APPLICATION OF SECTION  
2           1128A.—Subject to clause (iii), the provi-  
3           sions of section 1128A (other than sub-  
4           sections (a) and (b) thereof) shall apply to  
5           a civil money penalty under clause (i) in  
6           the same manner as they apply to a civil  
7           money penalty or proceeding under section  
8           1128A(a).

9           “(iii) COSTS TO SECRETARY.—Any  
10          employer with respect to whom a penalty  
11          under this subparagraph is upheld after an  
12          administrative hearing shall be liable to  
13          pay all costs of the Secretary with respect  
14          to such hearing.

15          “(3) EMPLOYMENT SECURITY INFORMATION.—

16          “(A) REPORTING REQUIREMENT.—Each  
17          State agency administering a State unemploy-  
18          ment compensation law approved by the Sec-  
19          retary of Labor under the Federal Unemploy-  
20          ment Tax Act shall furnish to the Secretary ex-  
21          tracts of the reports to the Secretary of Labor  
22          concerning the wages and unemployment com-  
23          pensation paid to individuals required under  
24          section 303(a)(6), in accordance with subpara-  
25          graph (B).

1           “(B) MANNER OF COMPLIANCE.—The ex-  
2           tracts required under subparagraph (A) shall be  
3           furnished to the Secretary on a quarterly basis,  
4           with respect to calendar quarters beginning on  
5           and after October 1, 1996, by such dates, in  
6           such format, and containing such information  
7           as required by that Secretary in regulations.

8           “(j) DATA MATCHES AND OTHER DISCLOSURES.—

9           “(1) VERIFICATION BY SOCIAL SECURITY AD-  
10          MINISTRATION.—

11           “(A) TRANSMISSION OF DATA.—The Sec-  
12          retary shall transmit data on individuals and  
13          employers in the registries maintained under  
14          this section to the Social Security Administra-  
15          tion to the extent necessary for verification in  
16          accordance with subparagraph (B).

17           “(B) VERIFICATION.—The Commissioner of So-  
18          cial Security shall verify the accuracy of, correct or  
19          supply to the extent necessary and feasible, and re-  
20          port to the Secretary, the following information in  
21          data supplied by the Secretary pursuant to subpara-  
22          graph (A):

23           “(i) the name, social security number, and  
24          birth date of each individual; and

1           “(ii) the employer identification number of  
2           each employer.

3           “(2) CHILD SUPPORT LOCATOR MATCHES.—For  
4           the purpose of locating individuals for purposes of  
5           paternity establishment and establishment and en-  
6           forcement of child support, the Secretary shall—

7                   “(A) match data in the directory of New  
8                   Hires against the child support order abstracts  
9                   in the Data Bank of Child Support Orders not  
10                  less than every 2 working days; and

11                   “(B) report information obtained from a  
12                   match established under subparagraph (A) to  
13                   concerned State agencies operating programs  
14                   under this part not later than 2 working days  
15                   after such match.

16           “(3) DATA MATCHES AND DISCLOSURES OF  
17           DATA IN ALL REGISTRIES FOR TITLE IV PROGRAM  
18           PURPOSES.—The Secretary shall—

19                   “(A) perform matches of data in each com-  
20                   ponent of the Federal Parent Locator Service  
21                   maintained under this section against data in  
22                   each other such component (other than the  
23                   matches required pursuant to paragraph (1)),  
24                   and report information resulting from such

1 matches to State agencies operating programs  
2 under this part and parts A, F, and G; and

3 “(B) disclose data in such registries to  
4 such State agencies,

5 to the extent, and with the frequency, that the Sec-  
6 retary determines to be effective in assisting such  
7 States to carry out their responsibilities under such  
8 programs.

9 “(k) FEES.—

10 “(1) FOR SSA VERIFICATION.—The Secretary  
11 shall reimburse the Commissioner of Social Security,  
12 at a rate negotiated between the Secretary and the  
13 Commissioner, the costs incurred by the Commis-  
14 sioner in performing the verification services speci-  
15 fied in subsection (j).

16 “(2) FOR INFORMATION FROM SESAS.—The  
17 Secretary shall reimburse costs incurred by State  
18 employment security agencies in furnishing data as  
19 required by subsection (i)(3), at rates which the Sec-  
20 retary determines to be reasonable (which rates shall  
21 not include payment for the costs of obtaining, com-  
22 piling, or maintaining such data).

23 “(3) FOR INFORMATION FURNISHED TO STATE  
24 AND FEDERAL AGENCIES.—State and Federal agen-  
25 cies receiving data or information from the Secretary

1       pursuant to this section shall reimburse the costs in-  
2       curred by the Secretary in furnishing such data or  
3       information, at rates which the Secretary determines  
4       to be reasonable (which rates shall include payment  
5       for the costs of obtaining, verifying, maintaining,  
6       and matching such data or information).

7       “(l) RESTRICTION ON DISCLOSURE AND USE.—Data  
8       in the Federal Parent Locator Service, and information  
9       resulting from matches using such data, shall not be used  
10      or disclosed except as specifically provided in this section.

11      “(m) RETENTION OF DATA.—Data in the Federal  
12      Parent Locator Service, and data resulting from matches  
13      performed pursuant to this section, shall be retained for  
14      such period (determined by the Secretary) as appropriate  
15      for the data uses specified in this section.

16      “(n) INFORMATION INTEGRITY AND SECURITY.—The  
17      Secretary shall establish and implement safeguards with  
18      respect to the entities established under this section de-  
19      signed to—

20              “(1) ensure the accuracy and completeness of  
21              information in the Federal Parent Locator Service;  
22              and

23              “(2) restrict access to confidential information  
24              in the Federal Parent Locator Service to authorized

1 persons, and restrict use of such information to au-  
2 thorized purposes.

3 “(o) LIMIT ON LIABILITY.—The Secretary shall not  
4 be liable to either a State or an individual for inaccurate  
5 information provided to a component of the Federal Par-  
6 ent Locator Service and disclosed by the Secretary in ac-  
7 cordance with this section.”.

8 (g) CONFORMING AMENDMENTS.—

9 (1) TO PART D OF TITLE IV OF THE SOCIAL SE-  
10 CURITY ACT.—Section 454(8)(B) (42 U.S.C.  
11 654(8)(B)) is amended to read as follows:

12 “(B) the Federal Parent Locator Service  
13 established under section 453;”.

14 (2) TO FEDERAL UNEMPLOYMENT TAX ACT.—  
15 Section 3304(16) of the Internal Revenue Code of  
16 1986 (relating to approval of State laws) is amend-  
17 ed—

18 (A) by striking “Secretary of Health, Edu-  
19 cation, and Welfare” each place it appears and  
20 inserting “Secretary of Health and Human  
21 Services”;

22 (B) in subparagraph (B), by striking  
23 “such information” and all that follows through  
24 the semicolon and inserting “information fur-  
25 nished under subparagraph (A) or (B) is used

1           only for the purposes authorized under such  
2           subparagraph;”;

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

5           (D) by redesignating subparagraph (B) as  
6           subparagraph (C); and

7           (E) by inserting after subparagraph (A)  
8           the following new subparagraph:

9           “(B) wage and unemployment compensa-  
10          tion information contained in the records of  
11          such agency shall be furnished to the Secretary  
12          of Health and Human Services (in accordance  
13          with regulations promulgated by such Sec-  
14          retary) as necessary for the purposes of the di-  
15          rectory of New Hires established under section  
16          453(i) of the Social Security Act, and”.

17          (3) TO STATE GRANT PROGRAM UNDER TITLE  
18          III OF THE SOCIAL SECURITY ACT.—Section 303(a)  
19          (42 U.S.C. 503(a)) is amended—

20                 (A) by striking “and” at the end of para-  
21                 graph (8);

22                 (B) by striking the period at the end of  
23                 paragraph (9) and inserting “; and”; and

24                 (C) by adding after paragraph (9) the fol-  
25                 lowing new paragraph:

1           “(10) The making of quarterly electronic re-  
2           ports, at such dates, in such format, and containing  
3           such information, as required by the Secretary under  
4           section 453(i)(3), and compliance with such provi-  
5           sions as such Secretary may find necessary to en-  
6           sure the correctness and verification of such re-  
7           ports.”.

8   **SEC. 126. USE OF SOCIAL SECURITY NUMBERS.**

9           (a) STATE LAW REQUIREMENT.—Section 466(a) (42  
10          U.S.C. 666(a)), as amended by section 101(a), is amended  
11          by adding at the end the following new paragraph:

12                 “(13) Procedures requiring the recording of so-  
13                 cial security numbers—

14                         “(A) of both parties on marriage licenses  
15                         and divorce decrees;

16                         “(B) of both parents, on birth records and  
17                         child support and paternity orders; and

18                         “(C) on all applications for motor vehicle  
19                         licenses and professional licenses.”.

20           (b) CLARIFICATION OF FEDERAL POLICY.—Section  
21          205(c)(2)(C)(ii) (42 U.S.C. 405(c)(2)(C)(ii)) is amended  
22          by striking the third sentence and inserting “This clause  
23          shall not be considered to authorize disclosure of such  
24          numbers except as provided in the preceding sentence.”.

1           **Subtitle D—Streamlining and**  
2           **Uniformity of Procedures**

3   **SEC. 131. ADOPTION OF UNIFORM STATE LAWS.**

4           Section 466(a) (42 U.S.C. 666(a)), as amended by  
5 sections 101(a) and 126(a), is amended by adding at the  
6 end the following new paragraph:

7           “(14)(A) Procedures under which the State  
8 adopts in its entirety (with the modifications and ad-  
9 ditions specified in this paragraph) not later than  
10 January 1, 1997, and uses on and after such date,  
11 the Uniform Interstate Family Support Act, as ap-  
12 proved by the National Conference of Commissioners  
13 on Uniform State Laws in August 1992.

14           “(B) The State law adopted pursuant to sub-  
15 paragraph (A) shall be applied to any case—

16           “(i) involving an order established or modi-  
17 fied in one State and for which a subsequent  
18 modification is sought in another State; or

19           “(ii) in which interstate activity is required  
20 to enforce an order.

21           “(C) The State law adopted pursuant to sub-  
22 paragraph (A) of this paragraph shall contain the  
23 following provision in lieu of section 611(a)(1) of the  
24 Uniform Interstate Family Support Act described in  
25 such subparagraph (A):

1 “(1) the following requirements are met:

2 “(i) the child, the individual obligee, and  
3 the obligor—

4 “(I) do not reside in the issuing  
5 State; and

6 “(II) either reside in this State or  
7 are subject to the jurisdiction of this State  
8 pursuant to section 201; and

9 “(ii) in any case where another State is  
10 exercising or seeks to exercise jurisdiction to  
11 modify the order, the conditions of section 204  
12 are met to the same extent as required for pro-  
13 ceedings to establish orders; or’.

14 “(D) The State law adopted pursuant to sub-  
15 paragraph (A) shall recognize as valid, for purposes  
16 of any proceeding subject to such State law, service  
17 of process upon persons in the State (and proof of  
18 such service) by any means acceptable in another  
19 State which is the initiating or responding State in  
20 such proceeding.”.

21 **SEC. 132. IMPROVEMENTS TO FULL FAITH AND CREDIT**  
22 **FOR CHILD SUPPORT ORDERS.**

23 Section 1738B of title 28, United States Code, is  
24 amended—

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

3 (2) in subsection (b), by inserting after the first  
4 undesignated paragraph the following:

5 “‘child’s home State’ means the State in which  
6 a child lived with a parent or a person acting as par-  
7 ent for at least 6 consecutive months immediately  
8 preceding the time of filing of a petition or com-  
9 parable pleading for support and, if a child is less  
10 than 6 months old, the State in which the child lived  
11 from birth with any of them. A period of temporary  
12 absence of any of them is counted as part of the 6-  
13 month period.”;

14 (3) in subsection (c), by inserting “by a court  
15 of a State” before “is made”;

16 (4) in subsection (c)(1), by inserting “and sub-  
17 sections (e), (f), and (g)” after “located”;

18 (5) in subsection (d)—

19 (A) by inserting “individual” before “con-  
20 testant”; and

21 (B) by striking “subsection (e)” and in-  
22 serting “subsections (e) and (f)”;

23 (6) in subsection (e), by striking “make a modi-  
24 fication of a child support order with respect to a

1 child that is made” and inserting “modify a child  
2 support order issued”;

3 (7) in subsection (e)(1), by inserting “pursuant  
4 to subsection (i)” before the semicolon;

5 (8) in subsection (e)(2)—

6 (A) by inserting “individual” before “con-  
7 testant” each place such term appears; and

8 (B) by striking “to that court’s making the  
9 modification and assuming” and inserting “with  
10 the State of continuing, exclusive jurisdiction  
11 for a court of another State to modify the order  
12 and assume”;

13 (9) by redesignating subsections (f) and (g) as  
14 subsections (g) and (h), respectively;

15 (10) by inserting after subsection (e) the follow-  
16 ing new subsection:

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

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

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

1           “(2) If 2 or more courts have issued child sup-  
2           port orders for the same obligor and child, and only  
3           1 of the courts would have continuing, exclusive ju-  
4           risdiction under this section, the order of that court  
5           must be recognized.

6           “(3) If 2 or more courts have issued child sup-  
7           port orders for the same obligor and child, and only  
8           1 of the courts would have continuing, exclusive ju-  
9           risdiction under this section, an order issued by a  
10          court in the current home State of the child must  
11          be recognized, but if an order has not been issued  
12          in the current home State of the child, the order  
13          most recently issued must be recognized.

14          “(4) If 2 or more courts have issued child sup-  
15          port orders for the same obligor and child, and none  
16          of the courts would have continuing, exclusive juris-  
17          diction under this section, a court may issue a child  
18          support order, which must be recognized.

19          “(5) The court that has issued an order recog-  
20          nized under this subsection is the court having con-  
21          tinuing, exclusive jurisdiction.”;

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

23                         (A) by striking “PRIOR” and inserting  
24                         “MODIFIED”; and

1 (B) by striking “subsection (e)” and in-  
2 serting “subsections (e) and (f)”;

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

4 (A) in paragraph (2), by inserting “includ-  
5 ing the duration of current payments and other  
6 obligations of support” before the comma; and

7 (B) in paragraph (3), by inserting “arrear  
8 under” after “enforce”; and

9 (13) by adding at the end the following new  
10 subsection:

11 “(i) REGISTRATION FOR MODIFICATION.—If there is  
12 no individual contestant or child residing in the issuing  
13 State, the party or support enforcement agency seeking  
14 to modify, or to modify and enforce, a child support order  
15 issued in another State shall register that order in a State  
16 with jurisdiction over the nonmovant for the purpose of  
17 modification.”.

18 **SEC. 133. STATE LAWS PROVIDING EXPEDITED PROCE-**  
19 **DURES.**

20 (a) STATE LAW REQUIREMENTS.—Section 466 (42  
21 U.S.C. 666), as amended by section 123(b), is amended—

22 (1) in subsection (a)(2), in the first sentence, to  
23 read as follows: “Expedited administrative and judi-  
24 cial procedures (including the procedures specified in  
25 subsection (c)) for establishing paternity and for es-

1       tablishing, modifying, and enforcing support obliga-  
2       tions.”; and

3               (2) by adding after subsection (b) the following  
4       new subsection:

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

7               “(1) Procedures which give the State agency  
8       the authority (and recognize and enforce the author-  
9       ity of State agencies of other States), without the  
10      necessity of obtaining an order from any other judi-  
11      cial or administrative tribunal (but subject to due  
12      process safeguards, including (as appropriate) re-  
13      quirements for notice, opportunity to contest the ac-  
14      tion, and opportunity for an appeal on the record to  
15      an independent administrative or judicial tribunal),  
16      to take the following actions relating to establish-  
17      ment or enforcement of orders:

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

21               “(B) To enter a default order, upon a  
22      showing of service of process and any additional  
23      showing required by State law—

1           “(i) establishing paternity, in the case  
2           of any putative father who refuses to sub-  
3           mit to genetic testing; and

4           “(ii) establishing or modifying a sup-  
5           port obligation, in the case of a parent (or  
6           other obligor or obligee) who fails to re-  
7           spond to notice to appear at a proceeding  
8           for such purpose.

9           “(C) To subpoena any financial or other  
10          information needed to establish, modify, or en-  
11          force an order, and to sanction failure to re-  
12          spond to any such subpoena.

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

23          “(E) To obtain access, subject to safe-  
24          guards on privacy and information security, to  
25          the following records (including automated ac-

1           cess, in the case of records maintained in auto-  
2           mated data bases):

3                   “(i) Records of other State and local  
4                   government agencies, including—

5                           “(I) vital statistics (including  
6                           records of marriage, birth, and di-  
7                           vorce);

8                           “(II) State and local tax and rev-  
9                           enue records (including information  
10                          on residence address, employer, in-  
11                          come and assets);

12                          “(III) records concerning real  
13                          and titled personal property;

14                          “(IV) records of occupational and  
15                          professional licenses, and records con-  
16                          cerning the ownership and control of  
17                          corporations, partnerships, and other  
18                          business entities;

19                          “(V)       employment       security  
20                          records;

21                          “(VI) records of agencies admin-  
22                          istering public assistance programs;

23                          “(VII) records of the motor vehi-  
24                          cle department; and

25                          “(VIII) corrections records.

1           “(ii) Certain records held by private  
2           entities, including—

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

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

15                  “(F) To order income withholding in ac-  
16                  cordance with subsection (a)(1) and (b) of sec-  
17                  tion 466.

18                  “(G) In cases where support is subject to  
19                  an assignment under section 402(a)(26),  
20                  471(a)(17), or 1912, or to a requirement to pay  
21                  through the centralized collections unit under  
22                  section 454B) upon providing notice to obligor  
23                  and obligee, to direct the obligor or other payor  
24                  to change the payee to the appropriate govern-  
25                  ment entity.

1           “(H) For the purpose of securing overdue  
2 support—

3           “(i) to intercept and seize any peri-  
4 odic or lump-sum payment to the obligor  
5 by or through a State or local government  
6 agency, including—

7           “(I) unemployment compensa-  
8 tion, workers’ compensation, and  
9 other benefits;

10           “(II) judgments and settlements  
11 in cases under the jurisdiction of the  
12 State or local government; and

13           “(III) lottery winnings;

14           “(ii) to attach and seize assets of the  
15 obligor held by financial institutions;

16           “(iii) to attach public and private re-  
17 tirement funds in appropriate cases, as de-  
18 termined by the Secretary; and

19           “(iv) to impose liens in accordance  
20 with paragraph (a)(4) and, in appropriate  
21 cases, to force sale of property and dis-  
22 tribution of proceeds.

23           “(I) For the purpose of securing overdue  
24 support, to increase the amount of monthly  
25 support payments to include amounts for ar-

1 rearages (subject to such conditions or restric-  
2 tions as the State may provide).

3 “(J) To suspend drivers’ licenses of indi-  
4 viduals owing past-due support, in accordance  
5 with subsection (a)(16).

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

11 “(A) Procedures under which—

12 “(i) the parties to any paternity or  
13 child support proceedings are required  
14 (subject to privacy safeguards) to file with  
15 the tribunal before entry of an order, and  
16 to update as appropriate, information on  
17 location and identity (including social secu-  
18 rity number, residential and mailing ad-  
19 dresses, telephone number, driver’s license  
20 number, and name, address, and telephone  
21 number of employer); and

22 “(ii) in any subsequent child support  
23 enforcement action between the same par-  
24 ties, the tribunal shall be authorized, upon  
25 sufficient showing that diligent effort has

1           been made to ascertain such party’s cur-  
2           rent location, to deem due process require-  
3           ments for notice and service of process to  
4           be met, with respect to such party, by de-  
5           livery to the most recent residential or em-  
6           ployer address so filed pursuant to clause  
7           (i).

8           “(B) Procedures under which—

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

15               “(ii) in the case of a State in which  
16                orders in such cases are issued by local ju-  
17                risdictions, a case may be transferred be-  
18                tween jurisdictions in the State without  
19                need for any additional filing by the peti-  
20                tioner, or service of process upon the re-  
21                spondent, to retain jurisdiction over the  
22                parties.”.

23           (c) EXCEPTIONS FROM STATE LAW REQUIRE-  
24           MENTS.—Section 466(d) (42 U.S.C. 666(d)) is amend-  
25           ed—

1           (1) by striking “(d) If” and inserting “(d)(1)  
2     Subject to paragraph (2), if”; and

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

5     “(2) The Secretary shall not grant an exemption  
6     from the requirements of—

7           “(A) subsection (a)(5) (concerning procedures  
8     for paternity establishment);

9           “(B) subsection (a)(10) (concerning modifica-  
10    tion of orders);

11          “(C) subsection (a)(12) (concerning recording  
12    of orders in the central State case registry);

13          “(D) subsection (a)(13) (concerning recording  
14    of social security numbers);

15          “(E) subsection (a)(14) (concerning interstate  
16    enforcement); or

17          “(F) subsection (c) (concerning expedited pro-  
18    cedures), other than paragraph (1)(A) thereof (con-  
19    cerning establishment or modification of support  
20    amount).”.

21     (c) AUTOMATION OF STATE AGENCY FUNCTIONS.—  
22     Section 454A, as added by section 115(a)(2) and as  
23     amended by sections 121 and 122(c), is amended by add-  
24     ing at the end the following new subsection:

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

## 6                   **Subtitle E—Paternity** 7                   **Establishment**

8       **SEC. 141. STATE LAWS CONCERNING PATERNITY ESTAB-**  
9                   **LISHMENT.**

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

12               (1) in subparagraph (B)—

13                       (A) by striking “(B)” and inserting  
14                       “(B)(i)”;

15                       (B) in clause (i), as redesignated, by in-  
16                       serting before the period “, where such request  
17                       is supported by a sworn statement—

18                       “(I) by such party alleging paternity setting  
19                       forth facts establishing a reasonable possibility of  
20                       the requisite sexual contact of the parties; or

21                       “(II) by such party denying paternity setting  
22                       forth facts establishing a reasonable possibility of  
23                       the nonexistence of sexual contact of the parties;”;  
24                       and

1 (C) by inserting after clause (i) (as reded-  
2 igned) the following new clause:

3 “(ii) Procedures which require the State agen-  
4 cy, in any case in which such agency orders genetic  
5 testing—

6 “(I) to pay the costs of such tests, subject  
7 to recoupment (where the State so elects) from  
8 the putative father if paternity is established;  
9 and

10 “(II) to obtain additional testing in any  
11 case where an original test result is disputed,  
12 upon request and advance payment by the dis-  
13 puting party.”;

14 (2) by striking subparagraphs (C), (D), (E),  
15 and (F) and inserting the following:

16 “(C)(i) Procedures for a simple civil process for  
17 voluntarily acknowledging paternity under which the  
18 State must provide that, before a mother and a pu-  
19 tative father can sign an acknowledgment of pater-  
20 nity, the putative father and the mother must be  
21 given notice, orally, in writing, and in a language  
22 that each can understand, of the alternatives to, the  
23 legal consequences of, and the rights (including, if 1  
24 parent is a minor, any rights afforded due to minor-

1       ity status) and responsibilities that arise from, sign-  
2       ing the acknowledgment.

3           “(ii) Such procedures must include a hospital-  
4       based program for the voluntary acknowledgment of  
5       paternity focusing on the period immediately before  
6       or after the birth of a child.

7           “(iii) Such procedures must require the State  
8       agency responsible for maintaining birth records to  
9       offer voluntary paternity establishment services.

10          “(iv) The Secretary shall prescribe regulations  
11       governing voluntary paternity establishment services  
12       offered by hospitals and birth record agencies. The  
13       Secretary shall prescribe regulations specifying the  
14       types of other entities that may offer voluntary pa-  
15       ternity establishment services, and governing the  
16       provision of such services, which shall include a re-  
17       quirement that such an entity must use the same  
18       notice provisions used by, the same materials used  
19       by, provide the personnel providing such services  
20       with the same training provided by, and evaluate the  
21       provision of such services in the same manner as,  
22       voluntary paternity establishment programs of hos-  
23       pitals and birth record agencies.

24          “(D)(i) Procedures under which a signed ac-  
25       knowledgment of paternity is considered a legal find-

1 ing of paternity, subject to the right of any signa-  
2 tory to rescind the acknowledgment within 60 days.

3 “(ii)(I) Procedures under which, after the 60-  
4 day period referred to in clause (i), a signed ac-  
5 knowledgment of paternity may be challenged in  
6 court only on the basis of fraud, duress, or material  
7 mistake of fact, with the burden of proof upon the  
8 challenger, and under which the legal responsibilities  
9 (including child support obligations) of any signatory  
10 arising from the acknowledgment may not be sus-  
11 pended during the challenge, except for good cause  
12 shown.

13 “(II) Procedures under which, after the 60-day  
14 period referred to in clause (i), a minor who signs  
15 an acknowledgment of paternity other than in the  
16 presence of a parent or court-appointed guardian ad  
17 litem may rescind the acknowledgment in a judicial  
18 or administrative proceeding, until the earlier of—

19 “(aa) attaining the age of majority; or

20 “(bb) the date of the first judicial or ad-  
21 ministrative proceeding brought (after the sign-  
22 ing) to establish a child support obligation, visi-  
23 tation rights, or custody rights with respect to  
24 the child whose paternity is the subject of the  
25 acknowledgment, and at which the minor is rep-

1           resented by a parent, guardian ad litem, or at-  
2           torney.

3           “(E) Procedures under which no judicial or ad-  
4           ministrative proceedings are required or permitted to  
5           ratify an unchallenged acknowledgment of paternity.

6           “(F) Procedures requiring—

7                 “(i) that the State admit into evidence, for  
8                 purposes of establishing paternity, results of  
9                 any genetic test that is—

10                         “(I) of a type generally acknowledged,  
11                         by accreditation bodies designated by the  
12                         Secretary, as reliable evidence of paternity;  
13                         and

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

16                 “(ii) that any objection to genetic testing  
17                 results must be made in writing not later than  
18                 a specified number of days before any hearing  
19                 at which such results may be introduced into  
20                 evidence (or, at State option, not later than a  
21                 specified number of days after receipt of such  
22                 results); and

23                 “(iii) that, if no objection is made, the test  
24                 results are admissible as evidence of paternity

1 without the need for foundation testimony or  
2 other proof of authenticity or accuracy.”; and

3 (3) by adding after subparagraph (H) the fol-  
4 lowing new subparagraphs:

5 “(I) Procedures providing that the parties to an  
6 action to establish paternity are not entitled to a  
7 jury trial.

8 “(J) Procedures which require that a temporary  
9 order be issued, upon motion by a party, requiring  
10 the provision of child support pending an adminis-  
11 trative or judicial determination of parentage, where  
12 there is clear and convincing evidence of paternity  
13 (on the basis of genetic tests or other evidence).

14 “(K) Procedures under which bills for preg-  
15 nancy, childbirth, and genetic testing are admissible  
16 as evidence without requiring third-party foundation  
17 testimony, and shall constitute prima facie evidence  
18 of amounts incurred for such services and testing on  
19 behalf of the child.

20 “(L) At the option of the State, procedures  
21 under which the tribunal establishing paternity and  
22 support has discretion to waive rights to all or part  
23 of amounts owed to the State (but not to the moth-  
24 er) for costs related to pregnancy, childbirth, and  
25 genetic testing and for public assistance paid to the

1 family where the father cooperates or acknowledges  
2 paternity before or after genetic testing.

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

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

12 (c) TECHNICAL AMENDMENT.—Section 468 (42  
13 U.S.C. 668) is amended by striking “a simple civil process  
14 for voluntarily acknowledging paternity and”.

15 **SEC. 142. OUTREACH FOR VOLUNTARY PATERNITY ESTAB-**  
16 **LISHMENT.**

17 (a) STATE PLAN REQUIREMENT.—Section 454(23)  
18 (42 U.S.C. 654(23)) is amended—

19 (1) by striking “(23)” and inserting “(23)(A)”;

20 (2) by inserting “and” after the semicolon; and

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

23 “(B) publicize the availability and encourage  
24 the use of procedures for voluntary establishment of

1 paternity and child support through a variety of  
2 means, which—

3 “(i) include distribution of written mate-  
4 rials at health care facilities (including hospitals  
5 and clinics), and other locations such as  
6 schools;

7 “(ii) may include pre-natal programs to  
8 educate expectant couples on individual and  
9 joint rights and responsibilities with respect to  
10 paternity (and may require all expectant recipi-  
11 ents of assistance under part A to participate in  
12 such pre-natal programs, as an element of co-  
13 operation with efforts to establish paternity and  
14 child support);

15 “(iii) include, with respect to each child  
16 discharged from a hospital after birth for whom  
17 paternity or child support has not been estab-  
18 lished, reasonable follow-up efforts, providing—

19 “(I) in the case of a child for whom  
20 paternity has not been established, infor-  
21 mation on the benefits of and procedures  
22 for establishing paternity; and

23 “(II) in the case of a child for whom  
24 paternity has been established but child  
25 support has not been established, informa-

1           tion on the benefits of and procedures for  
 2           establishing a child support order, and an  
 3           application for child support services;”.

4           (b) ENHANCED FEDERAL MATCHING.—Section  
 5 455(a)(1)(C) (42 U.S.C. 655(a)(1)(C)) is amended—

6           (1) by inserting “(i)” before “laboratory costs”,  
 7           and

8           (2) by inserting before the semicolon “, and (ii)  
 9           costs of outreach programs designed to encourage  
 10          voluntary acknowledgment of paternity”.

11          (c) EFFECTIVE DATES.—

12           (1) IN GENERAL.—The amendments made by  
 13          subsection (a) shall become effective October 1,  
 14          1997.

15           (2) EXCEPTION.—The amendments made by  
 16          subsection (b) shall be effective with respect to cal-  
 17          endar quarters beginning on and after October 1,  
 18          1996.

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

21           **SEC. 151. NATIONAL CHILD SUPPORT GUIDELINES COMMIS-**  
 22           **SION.**

23           (a) ESTABLISHMENT.—There is hereby established a  
 24          commission to be known as the “National Child Support

1 Guidelines Commission” (in this section referred to as the  
2 “Commission”).

3 (b) GENERAL DUTIES.—

4 (1) IN GENERAL.—The Commission shall deter-  
5 mine—

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

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

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

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

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

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

3           (A) the feasibility of adopting uniform  
4 terms in all child support orders;

5           (B) how to define income and under what  
6 circumstances income should be imputed; and

7           (C) tax treatment of child support pay-  
8 ments;

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

13           (A) the income of either parent's spouse;

14           and

15           (B) the financial responsibilities of either  
16 parent for other children or stepchildren;

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

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

1           (6) the appropriate duration of support by 1 or  
2 both parents, including

3               (A) support (including shared support) for  
4 post-secondary or vocational education; and

5               (B) support for disabled adult children;

6           (7) procedures to automatically adjust child  
7 support orders periodically to address changed eco-  
8 nomic circumstances, including changes in the  
9 consumer price index or either parent's income and  
10 expenses in particular cases;

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

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

20           (d) MEMBERSHIP.—

21               (1) NUMBER; APPOINTMENT.—

22                   (A) IN GENERAL.—The Commission shall  
23 be composed of 12 individuals appointed jointly  
24 by the Secretary of Health and Human Services

1 and the Congress, not later than January 15,  
2 1997, of which—

3 (i) 2 shall be appointed by the Chair-  
4 man of the Committee on Finance of the  
5 Senate, and 1 shall be appointed by the  
6 ranking minority member of the Commit-  
7 tee;

8 (ii) 2 shall be appointed by the Chair-  
9 man of the Committee on Ways and Means  
10 of the House of Representatives, and 1  
11 shall be appointed by the ranking minority  
12 member of the Committee; and

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

15 (B) QUALIFICATIONS OF MEMBERS.—

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

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

5           (e) COMMISSION POWERS, COMPENSATION, ACCESS  
6           TO INFORMATION, AND SUPERVISION.—The first sentence  
7           of subparagraph (C), the first and third sentences of sub-  
8           paragraph (D), subparagraph (F) (except with respect to  
9           the conduct of medical studies), clauses (ii) and (iii) of  
10          subparagraph (G), and subparagraph (H) of section  
11          1886(e)(6) of the Social Security Act shall apply to the  
12          Commission in the same manner in which such provisions  
13          apply to the Prospective Payment Assessment Commis-  
14          sion.

15          (f) REPORT.—Not later than 2 years after the ap-  
16          pointment of members, the Commission shall submit to  
17          the President, the Committee on Ways and Means of the  
18          House of Representatives, and the Committee on Finance  
19          of the Senate, a recommended national child support  
20          guideline and a final assessment of issues relating to such  
21          a proposed national child support guideline.

22          (g) TERMINATION.—The Commission shall terminate  
23          6 months after the submission of the report described in  
24          subsection (e).

1 **SEC. 152. SIMPLIFIED PROCESS FOR REVIEW AND ADJUST-**  
2 **MENT OF CHILD SUPPORT ORDERS.**

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

5 “(10)(A)(i) Procedures under which—

6 “(I) every 3 years, at the request of either  
7 parent subject to a child support order, the  
8 State shall review and, as appropriate, adjust  
9 the order in accordance with the guidelines es-  
10 tablished under section 467(a) if the amount of  
11 the child support award under the order differs  
12 from the amount that would be awarded in ac-  
13 cordance with such guidelines, without a re-  
14 quirement for any other change in cir-  
15 cumstances; and

16 “(II) upon request at any time of either  
17 parent subject to a child support order, the  
18 State shall review and, as appropriate, adjust  
19 the order in accordance with the guidelines es-  
20 tablished under section 467(a) based on a sub-  
21 stantial change in the circumstances of either  
22 such parent.

23 “(ii) Such procedures shall require both parents  
24 subject to a child support order to be notified of  
25 their rights and responsibilities provided for under  
26 clause (i) at the time the order is issued and in the

1 annual information exchange form provided under  
2 subparagraph (B).

3 “(B) Procedures under which each child sup-  
4 port order issued or modified in the State after the  
5 effective date of this subparagraph shall require the  
6 parents subject to the order to provide each other  
7 with a complete statement of their respective finan-  
8 cial condition annually on a form which shall be pro-  
9 vided by the State. The Secretary shall establish reg-  
10 ulations for the enforcement of such exchange of in-  
11 formation.”.

## 12 **Subtitle G—Enforcement of** 13 **Support Orders**

### 14 **SEC. 161. FEDERAL INCOME TAX REFUND OFFSET.**

15 (a) CHANGED ORDER OF REFUND DISTRIBUTION  
16 UNDER INTERNAL REVENUE CODE.—Section 6402(c) of  
17 the Internal Revenue Code of 1986 (relating to offset of  
18 past-due support against overpayments) is amended—

19 (1) by striking “The amount” and inserting

20 “(1) IN GENERAL.—The amount”;

21 (2) by striking “paid to the State. A reduction”  
22 and inserting “paid to the State.

23 “(2) PRIORITIES FOR OFFSET.—A reduction”;

24 (3) by striking “has been assigned” and insert-  
25 ing “has not been assigned”; and

1           (4) by striking “and shall be applied” and all  
2 that follows and inserting “and shall thereafter be  
3 applied to satisfy any past-due support that has  
4 been so assigned.”.

5           (b) ELIMINATION OF DISPARITIES IN TREATMENT  
6 OF ASSIGNED AND NON-ASSIGNED ARREARAGES.—

7           (1) IN GENERAL.—Section 464(a) (42 U.S.C.  
8 664(a)) is amended—

9           (A) in paragraph (1)—

10           (i) in the first sentence, by striking  
11 “which has been assigned to such State  
12 pursuant to section 402(a)(26) or section  
13 471(a)(17)”; and

14           (ii) in the second sentence, by striking  
15 “in accordance with section 457 (b)(4) or  
16 (d)(3)” and inserting “as provided in para-  
17 graph (2)”; and

18           (B) in paragraph (2), to read as follows:

19           “(2) The State agency shall distribute amounts  
20 paid by the Secretary of the Treasury pursuant to  
21 paragraph (1)—

22           “(A) in accordance with subsection (a)(4)  
23 or (d)(3) of section 457, in the case of past-due  
24 support assigned to a State pursuant to section  
25 402(a)(26) or section 471(a)(17); and

1           “(B) to or on behalf of the child to whom  
2           the support was owed, in the case of past-due  
3           support not so assigned.”;

4           (C) in paragraph (3)—

5                 (i) by striking “or (2)” each place it  
6                 appears; and

7                 (ii) in subparagraph (B), by striking  
8                 “under paragraph (2)” and inserting “on  
9                 account of past-due support described in  
10                 paragraph (2)(B)”.

11           (2) NOTICES OF PAST-DUE SUPPORT.—Section  
12           464(b) (42 U.S.C. 664(b)) is amended—

13                 (A) by striking “(b)(1)” and inserting  
14                 “(b)”; and

15                 (B) by striking paragraph (2).

16           (3) DEFINITION OF PAST-DUE SUPPORT.—Sec-  
17           tion 464(c) (42 U.S.C. 664(c)) is amended—

18                 (A) by striking “(c)(1) Except as provided  
19                 in paragraph (2), as” and inserting “(c) As”;  
20                 and

21                 (B) by striking paragraphs (2) and (3).

22           (c) TREATMENT OF LUMP-SUM TAX REFUND  
23           UNDER AFDC.—

24                 (1) EXEMPTION FROM LUMP-SUM RULE.—Sec-  
25                 tion 402(a)(17) (42 U.S.C. 602(a)(17)) is amended

1 by inserting before the semicolon at the end the fol-  
2 lowing: “, but this paragraph shall not apply to in-  
3 come received by a family that is attributable to a  
4 child support obligation owed with respect to a mem-  
5 ber of the family and that is paid to the family from  
6 amounts withheld from a Federal income tax refund  
7 otherwise payable to the person owing such obliga-  
8 tion, to the extent that such income is placed in a  
9 qualified asset account (as defined in section 406(j))  
10 the total amounts in which, after such placement,  
11 does not exceed \$10,000”.

12 (2) QUALIFIED ASSET ACCOUNT DEFINED.—  
13 Section 406 (42 U.S.C. 606), as amended by section  
14 102(g)(2), is amended by adding at the end the fol-  
15 lowing new subsection:

16 “(j)(1) The term ‘qualified asset account’ means a  
17 mechanism approved by the State (such as individual re-  
18 tirement accounts, escrow accounts, or savings bonds) that  
19 allows savings of a family receiving aid to families with  
20 dependent children to be used for qualified distributions.

21 “(2) The term ‘qualified distribution’ means a dis-  
22 tribution from a qualified asset account for expenses di-  
23 rectly related to 1 or more of the following purposes:

24 “(A) The attendance of a member of the family  
25 at any education or training program.

1           “(B) The improvement of the employability (in-  
2           cluding self-employment) of a member of the family  
3           (such as through the purchase of an automobile).

4           “(C) The purchase of a home for the family.

5           “(D) A change of the family residence.”.

6           (d) EFFECTIVE DATE.—The amendments made by  
7           this section shall become effective October 1, 1999.

8           **SEC. 162. INTERNAL REVENUE SERVICE COLLECTION OF**  
9                                   **ARREARAGES.**

10          (a) AMENDMENT TO INTERNAL REVENUE CODE.—  
11          Section 6305(a) of the Internal Revenue Code of 1986 (re-  
12          lating to collection of certain liability) is amended—

13                 (1) in paragraph (1), by inserting “except as  
14                 provided in paragraph (5)” after “collected”;

15                 (2) by striking “and” at the end of paragraph  
16                 (3);

17                 (3) by striking the period at the end of para-  
18                 graph (4) and inserting “, and”;

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

21                         “(5) no additional fee may be assessed for ad-  
22                         justments to an amount previously certified pursu-  
23                         ant to such section 452(b) with respect to the same  
24                         obligor.”; and

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

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

6 **SEC. 163. AUTHORITY TO COLLECT SUPPORT FROM FED-**  
7 **ERAL EMPLOYEES.**

8           (a) CONSOLIDATION AND STREAMLINING OF AU-  
9 THORITIES.—

10           (1) Section 459 (42 U.S.C. 659) is amended—

11           (1) in the heading, by inserting “INCOME WITH-  
12           HOLDING,” before “GARNISHMENT”;

13           (2) in subsection (a)—

14           (A) by striking “section 207” and insert-  
15           ing “section 207 and section 5301 of title 38,  
16           United States Code”; and

17           (B) by striking “to legal process” and all  
18           that follows through the period and inserting  
19           “to withholding in accordance with State law  
20           pursuant to subsections (a)(1) and (b) of sec-  
21           tion 466 and regulations of the Secretary there-  
22           under, and to any other legal process brought,  
23           by a State agency administering a program  
24           under this part or by an individual obligee, to

1 enforce the legal obligation of such individual to  
2 provide child support or alimony.”;

3 (3) in subsection (b), to read as follows:

4 “(b) Except as otherwise provided herein, each entity  
5 specified in subsection (a) shall be subject, with respect  
6 to notice to withhold income pursuant to subsection (a)(1)  
7 or (b) of section 466, or to any other order or process  
8 to enforce support obligations against an individual (if  
9 such order or process contains or is accompanied by suffi-  
10 cient data to permit prompt identification of the individual  
11 and the moneys involved), to the same requirements as  
12 would apply if such entity were a private person.”;

13 (4) by striking subsections (c) and (d) and in-  
14 serting the following new subsections:

15 “(c)(1) The head of each agency subject to the re-  
16 quirements of this section shall—

17 “(A) designate an agent or agents to receive or-  
18 ders and accept service of process; and

19 “(B) publish—

20 “(i) in the appendix of such regulations;

21 “(ii) in each subsequent republication of  
22 such regulations; and

23 “(iii) annually in the Federal Register,

1 the designation of such agent or agents, identified  
2 by title of position, mailing address, and telephone  
3 number.

4 “(2) Whenever an agent designated pursuant to para-  
5 graph (1) receives notice pursuant to subsection (a)(1) or  
6 (b) of section 466, or is effectively served with any order,  
7 process, or interrogatories, with respect to an individual’s  
8 child support or alimony payment obligations, such agent  
9 shall—

10 “(A) as soon as possible (but not later than 15  
11 days) thereafter, send written notice of such notice  
12 or service (together with a copy thereof) to such in-  
13 dividual at his duty station or last-known home ad-  
14 dress;

15 “(B) not later than 30 days (or such longer pe-  
16 riod as may be prescribed by applicable State law)  
17 after receipt of a notice pursuant to subsection  
18 (a)(1) or (b) of section 466, comply with all applica-  
19 ble provisions of such section 466; and

20 “(C) not later than 30 days (or such longer pe-  
21 riod as may be prescribed by applicable State law)  
22 after effective service of any other such order, proc-  
23 ess, or interrogatories, respond thereto.

24 “(d) In the event that a governmental entity receives  
25 notice or is served with process, as provided in this section,

1 concerning amounts owed by an individual to more than  
2 1 person—

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

6 “(2) allocation of moneys due or payable to an  
7 individual among claimants under section 466(b)  
8 shall be governed by the provisions of such section  
9 466(b) and regulations thereunder; and

10 “(3) such moneys as remain after compliance  
11 with subparagraphs (A) and (B) shall be available to  
12 satisfy any other such processes on a first-come,  
13 first-served basis, with any such process being satis-  
14 fied out of such moneys as remain after the satisfac-  
15 tion of all such processes which have been previously  
16 served.”;

17 (5) in subsection (f)—

18 (A) by striking “(f)” and inserting  
19 “(f)(1)”; and

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

22 “(2) No Federal employee whose duties include tak-  
23 ing actions necessary to comply with the requirements of  
24 subsection (a) with regard to any individual shall be sub-  
25 ject under any law to any disciplinary action or civil or

1 criminal liability or penalty for, or on account of, any dis-  
2 closure of information made by him in connection with the  
3 carrying out of such duties.”; and

4           (6) by adding at the end the following new sub-  
5 sections:

6           “(g) Authority to promulgate regulations for the im-  
7 plementation of the provisions of this section shall, insofar  
8 as the provisions of this section are applicable to moneys  
9 due from (or payable by)—

10           “(1) the executive branch of the Federal Gov-  
11 ernment (including in such branch, for the purposes  
12 of this subsection, the territories and possessions of  
13 the United States, the United States Postal Service,  
14 the Postal Rate Commission, any wholly owned Fed-  
15 eral corporation created by an Act of Congress, and  
16 the government of the District of Columbia), be  
17 vested in the President (or the President’s designee);

18           “(2) the legislative branch of the Federal Gov-  
19 ernment, be vested jointly in the President pro tem-  
20 pore of the Senate and the Speaker of the House of  
21 Representatives (or their designees); and

22           “(3) the judicial branch of the Federal Govern-  
23 ment, be vested in the Chief Justice of the United  
24 States (or the Chief Justice’s designee).

1       “(h) Subject to subsection (i), moneys paid or payable  
2 to an individual which are considered to be based upon  
3 remuneration for employment, for purposes of this sec-  
4 tion—

5               “(1) consist of—

6                       “(A) compensation paid or payable for per-  
7 sonal services of such individual, whether such  
8 compensation is denominated as wages, salary,  
9 commission, bonus, pay, allowances, or other-  
10 wise (including severance pay, sick pay, and in-  
11 centive pay);

12                       “(B) periodic benefits (including a periodic  
13 benefit as defined in section 228(h)(3)) or other  
14 payments—

15                               “(i) under the insurance system estab-  
16 lished by title II;

17                               “(ii) under any other system or fund  
18 established by the United States which  
19 provides for the payment of pensions, re-  
20 tirement or retired pay, annuities, depend-  
21 ents’ or survivors’ benefits, or similar  
22 amounts payable on account of personal  
23 services performed by the individual or any  
24 other individual;

1           “(iii) as compensation for death under  
2 any Federal program;

3           “(iv) under any Federal program es-  
4 tablished to provide ‘black lung’ benefits;  
5 or

6           “(v) by the Secretary of Veterans Af-  
7 fairs as pension, or as compensation for a  
8 service-connected disability or death (ex-  
9 cept any compensation paid by such Sec-  
10 retary to a former member of the Armed  
11 Forces who is in receipt of retired or re-  
12 tainer pay if such former member has  
13 waived a portion of his retired pay in order  
14 to receive such compensation); and

15           “(C) worker’s compensation benefits paid  
16 under Federal or State law; but

17           “(2) do not include any payment—

18           “(A) by way of reimbursement or other-  
19 wise, to defray expenses incurred by such indi-  
20 vidual in carrying out duties associated with his  
21 employment; or

22           “(B) as allowances for members of the uni-  
23 formed services payable pursuant to chapter 7  
24 of title 37, United States Code, as prescribed  
25 by the Secretaries concerned (defined by section

1           101(5) of such title) as necessary for the effi-  
2           cient performance of duty.

3           “(i) In determining the amount of any moneys due  
4 from, or payable by, the United States to any individual,  
5 there shall be excluded amounts which—

6           “(1) are owed by such individual to the United  
7 States;

8           “(2) are required by law to be, and are, de-  
9 ducted from the remuneration or other payment in-  
10 volved, including Federal employment taxes, and  
11 fines and forfeitures ordered by court-martial;

12           “(3) are properly withheld for Federal, State,  
13 or local income tax purposes, if the withholding of  
14 such amounts is authorized or required by law and  
15 if amounts withheld are not greater than would be  
16 the case if such individual claimed all the depend-  
17 ents that the individual was entitled to (the with-  
18 holding of additional amounts pursuant to section  
19 3402(i) of the Internal Revenue Code of 1986 may  
20 be permitted only when such individual presents evi-  
21 dence of a tax obligation which supports the addi-  
22 tional withholding);

23           “(4) are deducted as health insurance pre-  
24 miums;

1           “(5) are deducted as normal retirement con-  
2 tributions (not including amounts deducted for sup-  
3 plementary coverage); or

4           “(6) are deducted as normal life insurance pre-  
5 miums from salary or other remuneration for em-  
6 ployment (not including amounts deducted for sup-  
7 plementary coverage).

8           “(j) For purposes of this section—”.

9           (b) TRANSFER OF SUBSECTIONS.—Subsections (a)  
10 through (e) of section 462 (42 U.S.C. 662), are trans-  
11 ferred and redesignated as paragraphs (1) through (4),  
12 respectively of section 459(j) (as added by subsection  
13 (a)(6)), and the left margin of each of such paragraphs  
14 (1) through (4) is indented 2 ems to the right of the left  
15 margin of subsection (j) (as added by subsection (a)(6)).

16           (c) CONFORMING AMENDMENTS.—

17           (1) TO PART D OF TITLE IV.—Sections 461 and  
18 462 (42 U.S.C. 661) are repealed.

19           (2) TO TITLE 5, UNITED STATES CODE.—Sec-  
20 tion 5520a of title 5, United States Code, is amend-  
21 ed, in subsections (h)(2) and (i), by striking “sec-  
22 tions 459, 461, and 462 of the Social Security Act  
23 (42 U.S.C. 659, 661, and 662)” each place it ap-  
24 pears and inserting “section 459 of the Social Secu-  
25 rity Act (42 U.S.C. 659)”.

1 (d) MILITARY RETIRED AND RETAINER PAY.—Sec-  
2 tion 1408(a)(1) of title 10, United States Code, is amend-  
3 ed—

4 (1) in paragraph (1)—

5 (A) in subparagraph (B), by striking  
6 “and”;

7 (B) in subparagraph (C), by striking the  
8 period and inserting “; and”; and

9 (C) by adding at the end the following new  
10 subparagraph:

11 “(D) any administrative or judicial tribu-  
12 nal of a State competent to enter orders for  
13 support or maintenance (including a State  
14 agency administering a State program under  
15 part D of title IV of the Social Security Act).”;

16 (2) in paragraph (2), by inserting “or a court  
17 order for the payment of child support not included  
18 in or accompanied by such a decree or settlement,”  
19 before “which—”;

20 (3) in subsection (d)—

21 (A) in the heading, by inserting “(OR FOR  
22 BENEFIT OF)” after “CONCERNED”; and

23 (B) in paragraph (1), in the first sentence,  
24 by inserting “(or for the benefit of such spouse  
25 or former spouse to a State central collections

1 unit or other public payee designated by a  
2 State, in accordance with part D of title IV of  
3 the Social Security Act, as directed by court  
4 order, or as otherwise directed in accordance  
5 with such part D)” before “in an amount suffi-  
6 cient”; and

7 (4) by adding at the end the following new sub-  
8 section:

9 “(j) RELATIONSHIP TO OTHER LAWS.—In any case  
10 involving a child support order against a member who has  
11 never been married to the other parent of the child, the  
12 provisions of this section shall not apply, and the case  
13 shall be subject to the provisions of section 459 of the  
14 Social Security Act.”.

15 (e) EFFECTIVE DATE.—The amendments made by  
16 this section shall become effective 6 months after the date  
17 of the enactment of this Act.

18 **SEC. 164. ENFORCEMENT OF CHILD SUPPORT OBLIGA-**  
19 **TIONS OF MEMBERS OF THE ARMED FORCES.**

20 (a) AVAILABILITY OF LOCATOR INFORMATION.—

21 (1) MAINTENANCE OF ADDRESS INFORMA-  
22 TION.—The Secretary of Defense shall establish a  
23 centralized personnel locator service that includes  
24 the address of each member of the Armed Forces  
25 under the jurisdiction of the Secretary. Upon re-

1 quest of the Secretary of Transportation, addresses  
2 for members of the Coast Guard shall be included in  
3 the centralized personnel locator service.

4 (2) TYPE OF ADDRESS.—

5 (A) RESIDENTIAL ADDRESS.—Except as  
6 provided in subparagraph (B), the address for  
7 a member of the Armed Forces shown in the lo-  
8 cator service shall be the residential address of  
9 that member.

10 (B) DUTY ADDRESS.—The address for a  
11 member of the Armed Forces shown in the loca-  
12 tor service shall be the duty address of that  
13 member in the case of a member—

14 (i) who is permanently assigned over-  
15 seas, to a vessel, or to a routinely  
16 deployable unit; or

17 (ii) with respect to whom the Sec-  
18 retary concerned makes a determination  
19 that the member's residential address  
20 should not be disclosed due to national se-  
21 curity or safety concerns.

22 (3) UPDATING OF LOCATOR INFORMATION.—

23 Not later than 30 days after a member listed in the  
24 locator service establishes a new residential address  
25 (or a new duty address, in the case of a member cov-

1       ered by paragraph (2)(B)), the Secretary concerned  
2       shall update the locator service to indicate the new  
3       address of the member.

4               (4) AVAILABILITY OF INFORMATION.—The Sec-  
5       retary of Defense shall make information regarding  
6       the address of a member of the Armed Forces listed  
7       in the locator service available, on request, to the  
8       Federal Parent Locator Service.

9               (b) FACILITATING GRANTING OF LEAVE FOR AT-  
10      TENDANCE AT HEARINGS.—

11              (1) REGULATIONS.—The Secretary of each  
12      military department, and the Secretary of Transpor-  
13      tation with respect to the Coast Guard when it is  
14      not operating as a service in the Navy, shall pre-  
15      scribe regulations to facilitate the granting of leave  
16      to a member of the Armed Forces under the juris-  
17      diction of that Secretary in a case in which—

18                      (A) the leave is needed for the member to  
19                      attend a hearing described in paragraph (2);

20                      (B) the member is not serving in or with  
21                      a unit deployed in a contingency operation (as  
22                      defined in section 101 of title 10, United States  
23                      Code); and

24                      (C) the exigencies of military service (as  
25                      determined by the Secretary concerned) do not

1 otherwise require that such leave not be grant-  
2 ed.

3 (2) COVERED HEARINGS.—Paragraph (1) ap-  
4 plies to a hearing that is conducted by a court or  
5 pursuant to an administrative process established  
6 under State law, in connection with a civil action—

7 (A) to determine whether a member of the  
8 Armed Forces is a natural parent of a child; or

9 (B) to determine an obligation of a mem-  
10 ber of the Armed Forces to provide child sup-  
11 port.

12 (3) DEFINITIONS.—For purposes of this sub-  
13 section:

14 (A) The term “court” has the meaning  
15 given that term in section 1408(a) of title 10,  
16 United States Code.

17 (B) The term “child support” has the  
18 meaning given such term in section 462 of the  
19 Social Security Act (42 U.S.C. 662).

20 (c) PAYMENT OF MILITARY RETIRED PAY IN COM-  
21 PLIANCE WITH CHILD SUPPORT ORDERS.—Section 1408  
22 of title 10, United States Code, as amended by section  
23 163(d)(4), is amended—

24 (1) by redesignating subsections (i) and (j) as  
25 subsections (j) and (k), respectively;

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

3           “(i) CERTIFICATION DATE.—It is not necessary that  
4           the date of a certification of the authenticity or complete-  
5           ness of a copy of a court order or an order of an adminis-  
6           trative process established under State law for child sup-  
7           port received by the Secretary concerned for the purposes  
8           of this section be recent in relation to the date of receipt  
9           by the Secretary.”; and

10           (3) in subsection (d)—

11           (A) in paragraph (1), by inserting after  
12           the first sentence the following: “In the case of  
13           a spouse or former spouse who, pursuant to  
14           section 402(a)(26) of the Social Security Act  
15           (42 U.S.C. 602(26)), assigns to a State the  
16           rights of the spouse or former spouse to receive  
17           support, the Secretary concerned may make the  
18           child support payments referred to in the pre-  
19           ceding sentence to that State in amounts con-  
20           sistent with that assignment of rights.”; and

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

23           “(6) In the case of a court order or an order of an  
24           administrative process established under State law for  
25           which effective service is made on the Secretary concerned

1 on or after the date of the enactment of this paragraph  
2 and which provides for payments from the disposable re-  
3 tired pay of a member to satisfy the amount of child sup-  
4 port set forth in the order, the authority provided in para-  
5 graph (1) to make payments from the disposable retired  
6 pay of a member to satisfy the amount of child support  
7 set forth in a court order or an order of an administrative  
8 process established under State law shall apply to payment  
9 of any amount of child support arrearages set forth in that  
10 order as well as to amounts of child support that currently  
11 become due.”.

12 **SEC. 165. MOTOR VEHICLE LIENS.**

13 Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amend-  
14 ed—

15 (1) by striking “(4)” and inserting “(4)(A)”;

16 and

17 (2) by adding at the end the following new sub-  
18 paragraph:

19 “(B) Procedures for placing liens for arrearages  
20 of child support on motor vehicle titles of individuals  
21 owing such arrearages equal to or exceeding 1  
22 month of support (or other minimum amount set by  
23 the State), under which—

24 “(i) any person owed such arrearages may  
25 place such a lien;

1           “(ii) the State agency administering the  
2 program under this part shall systematically  
3 place such liens;

4           “(iii) expedited methods are provided for—

5               “(I) ascertaining the amount of ar-  
6 rears;

7               “(II) affording the person owing the  
8 arrears or other titleholder to contest the  
9 amount of arrears or to obtain a release  
10 upon fulfilling the support obligation;

11           “(iv) such a lien has precedence over all  
12 other encumbrances on a vehicle title other than  
13 a purchase money security interest; and

14           “(v) the individual or State agency owed  
15 the arrears may execute on, seize, and sell the  
16 property in accordance with State law.”.

17 **SEC. 166. VOIDING OF FRAUDULENT TRANSFERS.**

18           Section 466(a) (42 U.S.C. 666(a)), as amended by  
19 sections 101(a), 126(a), and 131, is amended by adding  
20 at the end the following new paragraph:

21           “(15) Procedures under which—

22               “(A) the State has in effect—

23               “(i) the Uniform Fraudulent Convey-  
24 ance Act of 1981,

1           “(ii) the Uniform Fraudulent Trans-  
2           fer Act of 1984, or

3           “(iii) another law, specifying indicia of  
4           fraud which create a prima facie case that  
5           a debtor transferred income or property to  
6           avoid payment to a child support creditor,  
7           which the Secretary finds affords com-  
8           parable rights to child support creditors;  
9           and

10          “(B) in any case in which the State knows  
11          of a transfer by a child support debtor with re-  
12          spect to which such a prima facie case is estab-  
13          lished, the State must—

14                 “(i) seek to void such transfer; or

15                 “(ii) obtain a settlement in the best  
16                 interests of the child support creditor.”.

17 **SEC. 167. STATE LAW AUTHORIZING SUSPENSION OF LI-**  
18 **CENSES.**

19          Section 466(a) (42 U.S.C. 666(a)), as amended by  
20          sections 101(a), 126(a), 131, and 166, is amended by add-  
21          ing at the end the following new paragraph:

22                 “(16) Procedures under which the State has  
23                 (and uses in appropriate cases) authority (subject to  
24                 appropriate due process safeguards) to withhold or  
25                 suspend, or to restrict the use of driver’s licenses,

1 professional and occupational licenses, and rec-  
2 reational licenses of individuals owing overdue child  
3 support or failing, after receiving appropriate notice,  
4 to comply with subpoenas or warrants relating to  
5 paternity or child support proceedings.”.

6 **SEC. 168. REPORTING ARREARAGES TO CREDIT BUREAUS.**

7 Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended  
8 to read as follows:

9 “(7)(A) Procedures (subject to safeguards pur-  
10 suant to subparagraph (B)) requiring the State to  
11 report periodically to consumer reporting agencies  
12 (as defined in section 603(f) of the Fair Credit Re-  
13 porting Act (15 U.S.C. 1681a(f)) the name of any  
14 absent parent who is delinquent in the payment of  
15 support, and the amount of overdue support owed by  
16 such parent.

17 “(B) Procedures ensuring that, in carrying out  
18 subparagraph (A), information with respect to an  
19 absent parent is reported—

20 “(i) only after such parent has been af-  
21 farded all due process required under State law,  
22 including notice and a reasonable opportunity  
23 to contest the accuracy of such information;  
24 and

1           “(ii) only to an entity that has furnished  
2           evidence satisfactory to the State that the en-  
3           tity is a consumer reporting agency.”.

4 **SEC. 169. EXTENDED STATUTE OF LIMITATION FOR COL-**  
5 **LECTION OF ARREARAGES.**

6           (a) IN GENERAL.—Section 466(a)(9) (42 U.S.C.  
7 666(a)(9)) is amended—

8           (1) by redesignating subparagraphs (A), (B),  
9           and (C) as clauses (i), (ii), and (iii), respectively;

10           (2) by striking “(9)” and inserting “(9)(A)”;  
11           and

12           (3) by adding at the end the following new sub-  
13           paragraph:

14           “(B) Procedures under which the statute  
15           of limitations on any arrearages of child sup-  
16           port extends at least until the child owed such  
17           support is 30 years of age.”.

18           (b) APPLICATION OF REQUIREMENT.—The amend-  
19           ment made by this section shall not be interpreted to re-  
20           quire any State law to revive any payment obligation  
21           which had lapsed prior to the effective date of such State  
22           law.

23 **SEC. 170. CHARGES FOR ARREARAGES.**

24           (a) STATE LAW REQUIREMENT.—Section 466(a) (42  
25 U.S.C. 666(a)), as amended by sections 101(a), 126(a),

1 131, 166, and 167, is amended by adding at the end the  
2 following new paragraph:

3 “(17) Procedures providing for the calculation  
4 and collection of interest or penalties for arrearages  
5 of child support, and for distribution of such interest  
6 or penalties collected for the benefit of the child (ex-  
7 cept where the right to support has been assigned to  
8 the State).”.

9 (b) REGULATIONS.—The Secretary of Health and  
10 Human Services shall establish by regulation a rule to re-  
11 solve choice of law conflicts arising in the implementation  
12 of the amendment made by subsection (a).

13 (c) CONFORMING AMENDMENT.—Section 454(21)  
14 (42 U.S.C. 654(21)) is repealed.

15 (d) EFFECTIVE DATE.—The amendments made by  
16 this section shall be effective with respect to arrearages  
17 accruing on or after October 1, 1998.

18 **SEC. 171. DENIAL OF PASSPORTS FOR NONPAYMENT OF**  
19 **CHILD SUPPORT.**

20 (a) HHS CERTIFICATION PROCEDURE.—

21 (1) SECRETARIAL RESPONSIBILITY.—Section  
22 452 (42 U.S.C. 652), as amended by sections  
23 115(a)(3) and 117, is amended by adding at the end  
24 the following new subsection:

1       “(l)(1) If the Secretary receives a certification by a  
2 State agency in accordance with the requirements of sec-  
3 tion 454(28) that an individual owes arrearages of child  
4 support in an amount exceeding \$5,000 or in an amount  
5 exceeding 24 months’ worth of child support, the Sec-  
6 retary shall transmit such certification to the Secretary  
7 of State for action (with respect to denial, revocation, or  
8 limitation of passports) pursuant to section 171(b) of the  
9 Interstate Child Support Responsibility Act of 1995.

10       “(2) The Secretary shall not be liable to an individual  
11 for any action with respect to a certification by a State  
12 agency under this section.”.

13               (2) STATE CSE AGENCY RESPONSIBILITY.—Sec-  
14 tion 454 (42 U.S.C. 654), as amended by sections  
15 104(a), 114(b), and 122(a), is amended—

16                       (A) by striking “and” at the end of para-  
17 graph (26);

18                       (B) by striking the period at the end of  
19 paragraph (27) and inserting “; and”; and

20                       (C) by adding after paragraph (27) the fol-  
21 lowing new paragraph:

22               “(28) provide that the State agency will have in  
23 effect a procedure (which may be combined with the  
24 procedure for tax refund offset under section 464)  
25 for certifying to the Secretary, for purposes of the

1 procedure under section 452(l) (concerning denial of  
2 passports) determinations that individuals owe ar-  
3 rearages of child support in an amount exceeding  
4 \$5,000 or in an amount exceeding 24 months' worth  
5 of child support, under which procedure—

6 “(A) each individual concerned is afforded  
7 notice of such determination and the con-  
8 sequences thereof, and an opportunity to con-  
9 test the determination; and

10 “(B) the certification by the State agency  
11 is furnished to the Secretary in such format,  
12 and accompanied by such supporting docu-  
13 mentation, as the Secretary may require.”.

14 (b) STATE DEPARTMENT PROCEDURE FOR DENIAL  
15 OF PASSPORTS.—

16 (1) IN GENERAL.—The Secretary of State,  
17 upon certification by the Secretary of Health and  
18 Human Services, in accordance with section 452(l)  
19 of the Social Security Act, that an individual owes  
20 arrearages of child support in excess of \$5,000, shall  
21 refuse to issue a passport to such individual, and  
22 may revoke, restrict, or limit a passport issued pre-  
23 viously to such individual.

24 (2) LIMIT ON LIABILITY.—The Secretary of  
25 State shall not be liable to an individual for any ac-



1 the State treats interstate child support cases under  
2 the plan.”.

### 3 **Subtitle H—Medical Support**

#### 4 **SEC. 181. TECHNICAL CORRECTION TO ERISA DEFINITION** 5 **OF MEDICAL CHILD SUPPORT ORDER.**

6 (a) IN GENERAL.—Section 609(a)(2)(B) of the Em-  
7 ployee Retirement Income Security Act of 1974 (29  
8 U.S.C. 1169(a)(2)(B)) is amended—

9 (1) by striking “issued by a court of competent  
10 jurisdiction”;

11 (2) in clause (ii) by striking the period and in-  
12 serting a comma; and

13 (3) by adding after clause (ii), the following  
14 flush left language:

15 “if such judgment, decree, or order (I) is issued  
16 by a court of competent jurisdiction or (II) is  
17 issued by an administrative adjudicator and has  
18 the force and effect of law under applicable  
19 State law.”.

20 (b) EFFECTIVE DATE.—

21 (1) IN GENERAL.—The amendments made by  
22 this section shall become effective on the date of the  
23 enactment of this Act.

24 (2) PLAN AMENDMENTS NOT REQUIRED UNTIL  
25 JANUARY 1, 1996.—

1           (A) IN GENERAL.—Any amendment to a  
2 plan required to be made by an amendment  
3 made by this section shall not be required to be  
4 made before the first plan year beginning on or  
5 after January 1, 1996, if—

6           (i) during the period after the date  
7 before the date of the enactment of this  
8 Act and before such first plan year, the  
9 plan is operated in accordance with the re-  
10 quirements of the amendments made by  
11 this section; and

12           (ii) such plan amendment applies  
13 retroactively to the period after the date  
14 before the date of the enactment of this  
15 Act and before such first plan year.

16           (B) NO FAILURE FOR COMPLIANCE WITH  
17 THIS PARAGRAPH.—A plan shall not be treated  
18 as failing to be operated in accordance with the  
19 provisions of the plan merely because it oper-  
20 ates in accordance with this paragraph.

1     **Subtitle I—Access and Visitation**  
2                     **Programs**

3     **SEC. 191. GRANTS TO STATES FOR ACCESS AND VISITATION**  
4                     **PROGRAMS.**

5             (a) IN GENERAL.—Part D of title IV is amended by  
6 adding at the end the following new section:

7             “GRANTS TO STATES FOR ACCESS AND VISITATION  
8                                     PROGRAMS

9             “SEC. 469A. (a) PURPOSES; AUTHORIZATION OF AP-  
10 PROPRIATIONS.—For purposes of enabling States to es-  
11 tablish and administer programs to support and facilitate  
12 absent parents’ access to and visitation of their children,  
13 by means of activities including mediation (both voluntary  
14 and mandatory), counseling, education, development of  
15 parenting plans, visitation enforcement (including mon-  
16 itoring, supervision, and neutral drop-off and pickup), and  
17 development of guidelines for visitation and alternative  
18 custody arrangements, there are authorized to be appro-  
19 priated \$5,000,000 for each of fiscal years 1996 and  
20 1997, and \$10,000,000 for each succeeding fiscal year.

21             “(b) PAYMENTS TO STATES.—

22                     “(1) IN GENERAL.—Each State shall be enti-  
23 tled to payment under this section for each fiscal  
24 year in an amount equal to its allotment under sub-  
25 section (c) for such fiscal year, to be used for pay-

1       ment of 90 percent of State expenditures for the  
2       purposes specified in subsection (a).

3           “(2) SUPPLEMENTARY USE.—Payments under  
4       this section shall be used by a State to supplement  
5       (and not to substitute for) expenditures by the  
6       State, for activities specified in subsection (a), at a  
7       level at least equal to the level of such expenditures  
8       for fiscal year 1994.

9           “(c) ALLOTMENTS TO STATES.—

10          “(1) IN GENERAL.—For purposes of subsection  
11       (b), each State shall be entitled (subject to para-  
12       graph (2)) to an amount for each fiscal year bearing  
13       the same ratio to the amount authorized to be ap-  
14       propriated pursuant to subsection (a) for such fiscal  
15       year as the number of children in the State living  
16       with only 1 biological parent bears to the total num-  
17       ber of such children in all States.

18          “(2) MINIMUM ALLOTMENT.—Allotments to  
19       States under paragraph (1) shall be adjusted as nec-  
20       essary to ensure that no State is allotted less than  
21       \$50,000 for fiscal year 1996 or 1997, or \$100,000  
22       for any succeeding fiscal year.

23          “(d) FEDERAL ADMINISTRATION.—The program  
24       under this section shall be administered by the Adminis-  
25       tration for Children and Families.

1 “(e) STATE PROGRAM ADMINISTRATION.—

2 “(1) IN GENERAL.—Each State may administer  
3 the program under this section directly or through  
4 grants to or contracts with courts, local public agen-  
5 cies, or non-profit private entities.

6 “(2) STATEWIDE PLAN PERMISSIBLE.—State  
7 programs under this section may, but need not, be  
8 statewide.

9 “(3) EVALUATION.—States administering pro-  
10 grams under this section shall monitor, evaluate,  
11 and report on such programs in accordance with re-  
12 quirements established by the Secretary.”.

13 **TITLE II—EFFECT OF**  
14 **ENACTMENT**

15 **SEC. 201. EFFECTIVE DATES.**

16 (a) IN GENERAL.—Except as otherwise specifically  
17 provided (but subject to subsections (b) and (c))—

18 (1) provisions of title I requiring enactment or  
19 amendment of State laws under section 466 of the  
20 Social Security Act, or revision of State plans under  
21 section 454 of such Act, shall be effective with re-  
22 spect to periods beginning on and after October 1,  
23 1996; and

24 (2) all other provisions of title I shall become  
25 effective upon the date of the enactment of this Act.

1           (b) GRACE PERIOD FOR STATE LAW CHANGES.—The  
2 provisions of title I shall become effective with respect to  
3 a State on the later of—

4                   (1) the date specified in title I, or

5                   (2) the effective date of laws enacted by the leg-  
6 islature of such State implementing such provisions,  
7 but in no event later than the first day of the first cal-  
8 endar quarter beginning after the close of the first regular  
9 session of the State legislature that begins after the date  
10 of the enactment of this Act. For purposes of the previous  
11 sentence, in the case of a State that has a 2-year legisla-  
12 tive session, each year of such session shall be deemed to  
13 be a separate regular session of the State legislature.

14           (c) GRACE PERIOD FOR STATE CONSTITUTIONAL  
15 AMENDMENT.—A State shall not be found out of compli-  
16 ance with any requirement enacted by title I if it is unable  
17 to comply without amending the State constitution until  
18 the earlier of—

19                   (1) the date which is 1 year after the effective  
20 date of the necessary State constitutional amend-  
21 ment, or

22                   (2) the date which is 5 years after the date of  
23 the enactment of this Act.

1 **SEC. 202. SEVERABILITY.**

2       If any provision of title I or the application thereof  
 3 to any person or circumstance is held invalid, the invalid-  
 4 ity shall not affect other provisions or applications of title  
 5 I which can be given effect without regard to the invalid  
 6 provision or application, and to this end the provisions of  
 7 title I shall be severable.

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S 456 IS—2

S 456 IS—3

S 456 IS—4

S 456 IS—5

S 456 IS—6

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