

105TH CONGRESS
2^D SESSION

H. R. 3130

IN THE SENATE OF THE UNITED STATES

MARCH 5, 1998

Received; read twice and referred to the Committee on Finance

AN ACT

To provide for an alternative penalty procedure for States that fail to meet Federal child support data processing requirements, to reform Federal incentive payments for effective child support performance, to provide for a more flexible penalty procedure for States that violate inter-jurisdictional adoption requirements, to amend the Immigration and Nationality Act to make certain aliens determined to be delinquent in the payment of child support inadmissible and ineligible for naturalization, 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.**

4 This Act may be cited as the “Child Support Per-
5 formance and Incentive Act of 1998”.

6 **SEC. 2. TABLE OF CONTENTS.**

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

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

TITLE I—CHILD SUPPORT DATA PROCESSING REQUIREMENTS

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

TITLE II—CHILD SUPPORT INCENTIVE SYSTEM

- Sec. 201. Incentive payments to States.

TITLE III—ADOPTION PROVISIONS

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

TITLE IV—TECHNICAL CORRECTIONS

- Sec. 401. Technical corrections.

TITLE V—IMMIGRATION PROVISIONS

- Sec. 501. Aliens ineligible to receive visas and excluded from admission for nonpayment of child support.
- Sec. 502. Effect of nonpayment of child support on establishment of good moral character.
- Sec. 503. Authorization to serve legal process in child support cases on certain arriving aliens.
- Sec. 504. Authorization to obtain information on child support payments by aliens.

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

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

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

7 “(4)(A) If—

8 (i) the Secretary determines that a State plan
9 under section 454 would (in the absence of this
10 paragraph) be disapproved for the failure of the
11 State to comply with section 454(24)(A), and that
12 the State has made and is continuing to make a
13 good faith effort to so comply; and

14 (ii) the State has submitted to the Secretary
15 a corrective compliance plan that describes how, by
16 when, and at what cost the State will achieve such
17 compliance, which has been approved by the Sec-
18 retary,

19 then the Secretary shall not disapprove the State plan
20 under section 454, and the Secretary shall reduce the
21 amount otherwise payable to the State under paragraph
22 (1)(A) of this subsection for the fiscal year by the penalty
23 amount.

24 “(B) In this paragraph:

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

4 “(I) 4 percent of the penalty base, in the
5 case of the 1st fiscal year in which such a fail-
6 ure by the State occurs;

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

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

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

14 “(ii) The term ‘penalty base’ means, with re-
15 spect to a failure of a State to comply with section
16 454(24) during a fiscal year, the amount otherwise
17 payable to the State under paragraph (1)(A) of this
18 subsection for the preceding fiscal year.

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

22 “(I) by December 31, 1997, the State has sub-
23 mitted to the Secretary a request that the Secretary
24 certify the State as having met the requirements of
25 such section;

1 “(II) the Secretary has provided the certifi-
2 cation as a result of a review conducted pursuant to
3 the request; and

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

5 “(ii) If a State with respect to which a reduction is
6 made under this paragraph for a fiscal year achieves com-
7 pliance with section 454(24)(A) by the beginning of the
8 succeeding fiscal year, the Secretary shall increase the
9 amount otherwise payable to the State under paragraph
10 (1)(A) of this subsection for the succeeding fiscal year by
11 an amount equal to 75 percent of the reduction for the
12 fiscal year.

13 “(iii) The Secretary shall reduce the amount of any
14 reduction that, in the absence of this clause, would be re-
15 quired to be made under this paragraph by reason of the
16 failure of a State to achieve compliance with section
17 454(24)(B) during the fiscal year, by an amount equal
18 to 20 percent of the amount of the otherwise required re-
19 duction, for each State performance measure described in
20 section 458A(b)(4) with respect to which the applicable
21 percentage under section 458A(b)(6) for the fiscal year
22 is 100 percent, if the Secretary has made the determina-
23 tion described in section 458A(b)(5)(B) with respect to the
24 State for the fiscal year.

1 “(D) The preceding provisions of this paragraph (ex-
2 cept for subparagraph (C)(i)) shall apply, separately and
3 independently, to a failure to comply with section
4 454(24)(B) in the same manner in which the preceding
5 provisions apply to a failure to comply with section
6 454(24)(A).”.

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

11 **SEC. 102. AUTHORITY TO WAIVE SINGLE STATEWIDE AUTO-**
12 **MATED DATA PROCESSING AND INFORMA-**
13 **TION RETRIEVAL SYSTEM REQUIREMENT.**

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

17 “(3) The Secretary may waive any requirement of
18 paragraph (1) or any condition specified under section
19 454(16), and shall waive the single statewide system re-
20 quirement under sections 454(16) and 454A, with respect
21 to a State if—

22 “(A) the State demonstrates to the satisfaction
23 of the Secretary that the State has or can develop
24 an alternative system or systems that enable the
25 State—

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

6 “(ii) to submit data under section
7 454(15)(B) that is complete and reliable;

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

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

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

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

20 “(III) ensure that there is only 1
21 point of contact in the State which pro-
22 vides seamless case processing for all inter-
23 state case processing and coordinated,
24 automated intrastate case management;

1 “(IV) ensure that standardized data
2 elements, forms, and definitions are used
3 throughout the State;

4 “(V) complete the alternative system
5 in no more time than it would take to com-
6 plete a single statewide system that meets
7 such requirement; and

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

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

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

18 “(C) in the case of a request to waive the single
19 statewide system requirement, the State has submit-
20 ted to the Secretary separate estimates of the total
21 cost of a single statewide system that meets such re-
22 quirement, and of any such alternative system or
23 systems, which shall include estimates of the cost of
24 developing and completing the system and of operat-

1 ing and maintaining the system for 5 years, and the
2 Secretary has agreed with the estimates.”.

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

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

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

9 (3) by inserting after subparagraph (C) the fol-
10 lowing:

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

20 **TITLE II—CHILD SUPPORT**
21 **INCENTIVE SYSTEM**

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

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

1 **“SEC. 458A. INCENTIVE PAYMENTS TO STATES.**

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

7 “(b) AMOUNT OF INCENTIVE PAYMENT.—

8 “(1) IN GENERAL.—The incentive payment for
9 a State for a fiscal year is equal to the incentive
10 payment pool for the fiscal year, multiplied by the
11 State incentive payment share for the fiscal year.

12 “(2) INCENTIVE PAYMENT POOL.—

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

15 “(i) \$422,000,000 for fiscal year
16 2000;

17 “(ii) \$429,000,000 for fiscal year
18 2001;

19 “(iii) \$450,000,000 for fiscal year
20 2002;

21 “(iv) \$461,000,000 for fiscal year
22 2003;

23 “(v) \$454,000,000 for fiscal year
24 2004;

25 “(vi) \$446,000,000 for fiscal year
26 2005;

1 “(vii) \$458,000,000 for fiscal year
2 2006;

3 “(viii) \$471,000,000 for fiscal year
4 2007;

5 “(ix) \$483,000,000 for fiscal year
6 2008; and

7 “(x) for any succeeding fiscal year,
8 the amount of the incentive payment pool
9 for the fiscal year that precedes such suc-
10 ceeding fiscal year, multiplied by the per-
11 centage (if any) by which the CPI for such
12 preceding fiscal year exceeds the CPI for
13 the 2nd preceding fiscal year.

14 “(B) CPI.—For purposes of subparagraph
15 (A), the CPI for a fiscal year is the average of
16 the Consumer Price Index for the 12-month pe-
17 riod ending on September 30 of the fiscal year.
18 As used in the preceding sentence, the term
19 ‘Consumer Price Index’ means the last Con-
20 sumer Price Index for all-urban consumers pub-
21 lished by the Department of Labor.

22 “(3) STATE INCENTIVE PAYMENT SHARE.—In
23 paragraph (1), the term ‘State incentive payment
24 share’ means, with respect to a fiscal year—

1 “(A) the incentive base amount for the
2 State for the fiscal year; divided by

3 “(B) the sum of the incentive base
4 amounts for all of the States for the fiscal year.

5 “(4) INCENTIVE BASE AMOUNT.—In paragraph
6 (3), the term ‘incentive base amount’ means, with
7 respect to a State and a fiscal year, the sum of the
8 applicable percentages (determined in accordance
9 with paragraph (6)) multiplied by the corresponding
10 maximum incentive base amounts for the State for
11 the fiscal year, with respect to each of the following
12 measures of State performance for the fiscal year:

13 “(A) The paternity establishment perform-
14 ance level.

15 “(B) The support order performance level.

16 “(C) The current payment performance
17 level.

18 “(D) The arrearage payment performance
19 level.

20 “(E) The cost-effectiveness performance
21 level.

22 “(5) MAXIMUM INCENTIVE BASE AMOUNT.—

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

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

5 “(ii) with respect to the performance
6 measures described in subparagraphs (D)
7 and (E) of paragraph (4), 75 percent of
8 the State collections base for the fiscal
9 year.

10 “(B) DATA REQUIRED TO BE COMPLETE
11 AND RELIABLE.—Notwithstanding subpara-
12 graph (A), the maximum incentive base amount
13 for a State for a fiscal year with respect to a
14 performance measure described in paragraph
15 (4) is zero, unless the Secretary determines, on
16 the basis of an audit performed under section
17 452(a)(4)(C)(i), that the data which the State
18 submitted pursuant to section 454(15)(B) for
19 the fiscal year and which is used to determine
20 the performance level involved is complete and
21 reliable.

22 “(C) STATE COLLECTIONS BASE.—For
23 purposes of subparagraph (A), the State collec-
24 tions base for a fiscal year is equal to the sum
25 of—

1 “(i) 2 times the sum of—

2 “(I) the total amount of support
3 collected during the fiscal year under
4 the State plan approved under this
5 part in cases in which the support ob-
6 ligation involved is required to be as-
7 signed to the State pursuant to part
8 A or E of this title or title XIX; and

9 “(II) the total amount of support
10 collected during the fiscal year under
11 the State plan approved under this
12 part in cases in which the support ob-
13 ligation involved was so assigned but,
14 at the time of collection, is not re-
15 quired to be so assigned; and

16 “(ii) the total amount of support col-
17 lected during the fiscal year under the
18 State plan approved under this part in all
19 other cases.

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

22 “(A) PATERNITY ESTABLISHMENT.—

23 “(i) DETERMINATION OF PATERNITY
24 ESTABLISHMENT PERFORMANCE LEVEL.—

25 The paternity establishment performance

1 level for a State for a fiscal year is, at the
 2 option of the State, the IV–D paternity es-
 3 tablishment percentage determined under
 4 section 452(g)(2)(A) or the statewide pa-
 5 ternity establishment percentage deter-
 6 mined under section 452(g)(2)(B).

7 “(ii) DETERMINATION OF APPLICABLE
 8 PERCENTAGE.—The applicable percentage
 9 with respect to a State’s paternity estab-
 10 lishment performance level is as follows:

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

“If the paternity establishment performance level is:		The applicable percentage is:
At least:	But less than:	
51%	52%	61
50%	51%	60
0%	50%	0.

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

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

13 “(i) DETERMINATION OF SUPPORT
 14 ORDER PERFORMANCE LEVEL.—The sup-
 15 port order performance level for a State
 16 for a fiscal year is the percentage of the
 17 total number of cases under the State plan
 18 approved under this part in which there is
 19 a support order during the fiscal year.

20 “(ii) DETERMINATION OF APPLICABLE
 21 PERCENTAGE.—The applicable percentage

1 with respect to a State’s support order per-
 2 formance level is as follows:

“If the support order performance level is:		The applicable percentage is:
At least:	But less than:	
80% .....	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
0%	50%	0.

3 Notwithstanding the preceding sentence, if
 4 the support order performance level of a
 5 State for a fiscal year is less than 50 per-
 6 cent but exceeds by at least 5 percentage
 7 points the support order performance level
 8 of the State for the immediately preceding

1 fiscal year, then the applicable percentage
 2 with respect to the State’s support order
 3 performance level is 50 percent.

4 “(C) COLLECTIONS ON CURRENT CHILD
 5 SUPPORT DUE.—

6 “(i) DETERMINATION OF CURRENT
 7 PAYMENT PERFORMANCE LEVEL.—The
 8 current payment performance level for a
 9 State for a fiscal year is equal to the total
 10 amount of current support collected during
 11 the fiscal year under the State plan ap-
 12 proved under this part divided by the total
 13 amount of current support owed during the
 14 fiscal year in all cases under the State
 15 plan, expressed as a percentage.

16 “(ii) DETERMINATION OF APPLICABLE
 17 PERCENTAGE.—The applicable percentage
 18 with respect to a State’s current payment
 19 performance level is as follows:

“If the current payment perform- ance level is:		The applicable percentage is:
At least:	But less than:	
80% .....	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84

“If the current payment performance level is:		The applicable percentage is:
At least:	But less than:	
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
49%	50%	59
48%	49%	58
47%	48%	57
46%	47%	56
45%	46%	55
44%	45%	54
43%	44%	53
42%	43%	52
41%	42%	51
40%	41%	50
0%	40%	0.

1 Notwithstanding the preceding sentence, if
 2 the current payment performance level of a
 3 State for a fiscal year is less than 40 per-
 4 cent but exceeds by at least 5 percentage
 5 points the current payment performance
 6 level of the State for the immediately pre-
 7 ceding fiscal year, then the applicable per-

1 centage with respect to the State’s current
2 payment performance level is 50 percent.

3 “(D) COLLECTIONS ON CHILD SUPPORT
4 ARREARAGES.—

5 “(i) DETERMINATION OF ARREARAGE
6 PAYMENT PERFORMANCE LEVEL.—The ar-
7 rearage payment performance level for a
8 State for a fiscal year is equal to the total
9 number of cases under the State plan ap-
10 proved under this part in which payments
11 of past-due child support were received
12 during the fiscal year and part or all of the
13 payments were distributed to the family to
14 whom the past-due child support was owed
15 (or, if all past-due child support owed to
16 the family was, at the time of receipt, sub-
17 ject to an assignment to the State, part or
18 all of the payments were retained by the
19 State) divided by the total number of cases
20 under the State plan in which there is
21 past-due child support, expressed as a per-
22 centage.

23 “(ii) DETERMINATION OF APPLICABLE
24 PERCENTAGE.—The applicable percentage

1 with respect to a State’s arrearage pay-
 2 ment performance level is as follows:

“If the arrearage payment performance level is:		The applicable percentage is:
At least:	But less than:	
80% .....	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
49%	50%	59
48%	49%	58
47%	48%	57
46%	47%	56
45%	46%	55
44%	45%	54
43%	44%	53
42%	43%	52
41%	42%	51
40%	41%	50
0%	40%	0.

3 Notwithstanding the preceding sentence, if
 4 the arrearage payment performance level

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

9 “(E) COST-EFFECTIVENESS.—

10 “(i) DETERMINATION OF COST-EF-
 11 FECTIVENESS PERFORMANCE LEVEL.—The
 12 cost-effectiveness performance level for a
 13 State for a fiscal year is equal to the total
 14 amount collected during the fiscal year
 15 under the State plan approved under this
 16 part divided by the total amount expended
 17 during the fiscal year under the State plan,
 18 expressed as a ratio.

19 “(ii) DETERMINATION OF APPLICABLE
 20 PERCENTAGE.—The applicable percentage
 21 with respect to a State’s cost-effectiveness
 22 performance level is as follows:

“If the cost effectiveness perform- ance level is:		The applicable percentage is:
At least:	But less than:	
5.00 .....	.....	100
4.50	4.99	90
4.00	4.50	80

“If the cost effectiveness performance level is:		The applicable percentage is:
At least:	But less than:	
3.50	4.00	70
3.00	3.50	60
2.50	3.00	50
2.00	2.50	40
0.00	2.00	0.

1 “(c) TREATMENT OF INTERSTATE COLLECTIONS.—

2 In computing incentive payments under this section, sup-
 3 port which is collected by a State at the request of another
 4 State shall be treated as having been collected in full by
 5 both States, and any amounts expended by a State in car-
 6 rying out a special project assisted under section 455(e)
 7 shall be excluded.

8 “(d) ADMINISTRATIVE PROVISIONS.—The amounts

9 of the incentive payments to be made to the States under
 10 this section for a fiscal year shall be estimated by the Sec-
 11 retary at or before the beginning of the fiscal year on the
 12 basis of the best information available. The Secretary shall
 13 make the payments for the fiscal year, on a quarterly basis
 14 (with each quarterly payment being made no later than
 15 the beginning of the quarter involved), in the amounts so
 16 estimated, reduced or increased to the extent of any over-
 17 payments or underpayments which the Secretary deter-
 18 mines were made under this section to the States involved
 19 for prior periods and with respect to which adjustment has
 20 not already been made under this subsection. Upon the

1 making of any estimate by the Secretary under the preced-
2 ing sentence, any appropriations available for payments
3 under this section are deemed obligated.

4 “(e) REGULATIONS.—The Secretary shall prescribe
5 such regulations as may be necessary governing the cal-
6 culation of incentive payments under this section, includ-
7 ing directions for excluding from the calculations certain
8 closed cases and cases over which the States do not have
9 jurisdiction.

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

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

16 “(2) for any activity (including cost-effective
17 contracts with local agencies) approved by the Sec-
18 retary, whether or not the expenditures for the activ-
19 ity are eligible for reimbursement under this part,
20 which may contribute to improving the effectiveness
21 or efficiency of the State program operated under
22 this part.”.

23 (b) TRANSITION RULE.—Notwithstanding any other
24 provision of law—

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

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

11 (c) REGULATIONS.—Within 9 months after the date
12 of the enactment of this section, the Secretary of Health
13 and Human Services shall prescribe regulations governing
14 the implementation of section 458A of the Social Security
15 Act when such section takes effect and the implementation
16 of subsection (b) of this section.

17 (d) STUDIES.—

18 (1) GENERAL REVIEW OF NEW INCENTIVE PAY-
19 MENT SYSTEM.—

20 (A) IN GENERAL.—The Secretary of
21 Health and Human Services shall conduct a
22 study of the implementation of the incentive
23 payment system established by section 458A of
24 the Social Security Act, in order to identify the
25 problems and successes of the system.

1 (B) REPORTS TO THE CONGRESS.—

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

17 (ii) INTERIM REPORT.—Not later than
18 March 1, 2001, the Secretary shall submit
19 to the Congress an interim report that con-
20 tains the findings of the study required by
21 subparagraph (A).

22 (iii) FINAL REPORT.—Not later than
23 October 1, 2003, the Secretary shall sub-
24 mit to the Congress a final report that
25 contains the final findings of the study re-

1 required by subparagraph (A). The report
2 shall include any recommendations for
3 changes in the system that the Secretary
4 determines would improve the operation of
5 the child support enforcement program.

6 (2) DEVELOPMENT OF MEDICAL SUPPORT IN-
7 CENTIVE.—

8 (A) IN GENERAL.—The Secretary of
9 Health and Human Services, in consultation
10 with State directors of programs operated
11 under part D of title IV of the Social Security
12 Act and representatives of children potentially
13 eligible for medical support, shall develop a per-
14 formance measure based on the effectiveness of
15 States in establishing and enforcing medical
16 support obligations, and shall make rec-
17 ommendations for the incorporation of the
18 measure, in a revenue neutral manner, into the
19 incentive payment system established by section
20 458A of the Social Security Act.

21 (B) REPORT.—Not later than October 1,
22 1999, the Secretary shall submit to the Con-
23 gress a report that describes the performance
24 measure and contains the recommendations re-
25 quired by subparagraph (A).

1 (e) TECHNICAL AMENDMENTS.—

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

5 (A) by striking subsection (a) and redesignig-
6 nating subsections (b), (c), and (d) as sub-
7 sections (a), (b), and (c), respectively; and

8 (B) in subsection (c) (as so redesignig-
9 nated)—

10 (i) by striking paragraph (1) and in-
11 sserting the following:

12 “(1) CONFORMING AMENDMENTS TO PRESENT
13 SYSTEM.—The amendments made by subsection (a)
14 of this section shall become effective with respect to
15 a State as of the date the amendments made by sec-
16 tion 103(a) (without regard to section 116(a)(2))
17 first apply to the State.”; and

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

20 (2) EFFECTIVE DATE.—The amendments made
21 by this section shall take effect as if included in the
22 enactment of section 341 of the Personal Respon-
23 sibility and Work Opportunity Reconciliation Act of
24 1996.

1 (f) ELIMINATION OF PREDECESSOR INCENTIVE PAY-
2 MENT SYSTEM.—

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

5 (2) CONFORMING AMENDMENTS.—

6 (A) Section 458A of the Social Security
7 Act, as added by section 201(a) of this Act, is
8 redesignated as section 458.

9 (B) Section 455(a)(4)(C)(iii) of such Act
10 (42 U.S.C. 655(a)(4)(C)(iii)), as added by sec-
11 tion 101(a) of this Act, is amended—

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

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

16 (iii) by striking “458A(b)(5)(B)” and
17 inserting “458(b)(5)(B)”.

18 (C) Subsection (d)(1) of this section is
19 amended by striking “458A” and inserting
20 “458”.

21 (3) EFFECTIVE DATE.—The amendments made
22 by this subsection shall take effect on October 1,
23 2001.

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

4 **TITLE III—ADOPTION**
5 **PROVISIONS**

6 **SEC. 301. MORE FLEXIBLE PENALTY PROCEDURE TO BE AP-**
7 **PLIED FOR FAILING TO PERMIT INTERJURIS-**
8 **DICTIONAL ADOPTION.**

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

12 (1) by striking “and” at the end of paragraph
13 (21);

14 (2) by striking the period at the end of para-
15 graph (22) and inserting “; and”; and

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

17 “(23) provides that the State shall not—

18 “(A) deny or delay the placement of a
19 child for adoption when an approved family is
20 available outside of the jurisdiction with respon-
21 sibility for handling the case of the child; or

22 “(B) fail to grant an opportunity for a fair
23 hearing, as described in paragraph (12), to an
24 individual whose allegation of a violation of sub-
25 paragraph (A) of this paragraph is denied by

1 the State or not acted upon by the State with
2 reasonable promptness.”.

3 (b) PENALTY FOR NONCOMPLIANCE.—Section
4 474(d) of such Act (42 U.S.C. 674(d)) is amended in each
5 of paragraphs (1) and (2) by striking “section
6 471(a)(18)” and inserting “paragraph (18) or (23) of sec-
7 tion 471(a)”.

8 (c) CONFORMING AMENDMENT.—Section 474 of such
9 Act (42 U.S.C. 674) is amended by striking subsection
10 (e).

11 (d) RETROACTIVITY.—The amendments made by this
12 section shall take effect as if included in section 202(b)
13 of the Adoption and Safe Families Act of 1997.

14 **TITLE IV—TECHNICAL** 15 **CORRECTIONS**

16 **SEC. 401. TECHNICAL CORRECTIONS.**

17 (a) Section 413(g)(1) of the Social Security Act (42
18 U.S.C. 613(g)(1)) is amended by striking “Economic and
19 Educational Opportunities” and inserting “Education and
20 the Workforce”.

21 (b) Section 422(b)(2) of the Social Security Act (42
22 U.S.C. 622(b)(2)) is amended by striking “under under”
23 and inserting “under”.

1 (c) Section 432(a)(8) of the Social Security Act (42
2 U.S.C. 632(a)(8)) is amended by adding “; and” at the
3 end.

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

6 (1) by striking “parentage,” and inserting
7 “parentage or”;

8 (2) by striking “or making or enforcing child
9 custody or visitation orders,”; and

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

12 (e)(1) Section 5557(b) of the Balanced Budget Act
13 of 1997 (42 U.S.C. 608 note) is amended by adding at
14 the end the following: “The amendment made by section
15 5536(1)(A) shall not take effect with respect to a State
16 until October 1, 2000, or such earlier date as the State
17 may select.”.

18 (2) The amendment made by paragraph (1) shall
19 take effect as if included in the enactment of section 5557
20 of the Balanced Budget Act of 1997 (Public Law 105–
21 33; 111 Stat. 637).

22 (f) Section 473A(c)(2)(B) of the Social Security Act
23 (42 U.S.C. 673b(c)(2)(B)) is amended—

24 (1) by striking “November 30, 1997” and in-
25 serting “April 30, 1998”; and

1 (2) by striking “March 1, 1998” and inserting
2 “July 1, 1998”.

3 (g) Section 474(a) of the Social Security Act (42
4 U.S.C. 674(a)) is amended by striking “(subject to the
5 limitations imposed by subsection (b))”.

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

8 (1) in subsection (b)(3)(D), by striking “En-
9 ergy and”; and

10 (2) in subsection (d)(4), by striking
11 “(b)(3)(D)” and inserting “(b)(3)”.

12 **TITLE V—IMMIGRATION** 13 **PROVISIONS**

14 **SEC. 501. ALIENS INELIGIBLE TO RECEIVE VISAS AND EX-** 15 **CLUDED FROM ADMISSION FOR NON-** 16 **PAYMENT OF CHILD SUPPORT.**

17 (a) IN GENERAL.—Section 212(a)(10) of the Immi-
18 gration and Nationality Act (8 U.S.C. 1182(a)(10)) is
19 amended by adding at the end the following:

20 “(F) NONPAYMENT OF CHILD SUPPORT.—

21 “(i) IN GENERAL.—Any alien is inad-
22 missible who is legally obligated under a
23 judgment, decree, or order to pay child
24 support (as defined in section 459(i) of the
25 Social Security Act), and whose failure to

1 pay such child support has resulted in an
2 arrearage exceeding \$5,000, until child
3 support payments under the judgment, de-
4 cree, or order are satisfied or the alien is
5 in compliance with an approved payment
6 agreement.

7 “(ii) APPLICATION TO PERMANENT
8 RESIDENTS.—Notwithstanding section
9 101(a)(13)(C), an alien lawfully admitted
10 for permanent residence in the United
11 States who has been absent from the
12 United States for any period of time shall
13 be regarded as seeking an admission into
14 the United States for purposes of this sub-
15 paragraph.

16 “(iii) WAIVER AUTHORIZED.—The At-
17 torney General may waive the application
18 of clause (i) in the case of an alien, if the
19 Attorney General—

20 “(I) has received a request for
21 the waiver from the court or adminis-
22 trative agency having jurisdiction over
23 the judgment, decree, or order obligat-
24 ing the alien to pay child support that
25 is referred to in such clause; and

1 “(II) determines that the likeli-
2 hood of the arrearage being elimi-
3 nated, and all subsequent child sup-
4 port payments timely being made by
5 the alien, would increase substantially
6 if the waiver were granted.”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 this section shall take effect 180 days after the date of
9 the enactment of this Act.

10 **SEC. 502. EFFECT OF NONPAYMENT OF CHILD SUPPORT ON**
11 **ESTABLISHMENT OF GOOD MORAL CHAR-**
12 **ACTER.**

13 (a) IN GENERAL.—Section 101(f) of the Immigration
14 and Nationality Act (8 U.S.C. 1101(f)) is amended—

15 (1) in paragraph (8), by striking the period at
16 the end and inserting “; or”; and

17 (2) by inserting after paragraph (8) the follow-
18 ing:

19 “(9) one who is legally obligated under a judg-
20 ment, decree, or order to pay child support (as de-
21 fined in section 459(i) of the Social Security Act),
22 and whose failure to pay such child support has re-
23 sulted in any arrearage, unless child support pay-
24 ments under the judgment, decree, or order are sat-

1 isfied or the alien is in compliance with an approved
2 payment agreement.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 this section shall apply to aliens applying for a benefit
5 under the Immigration and Nationality Act on or after
6 180 days after the date of the enactment of this Act.

7 **SEC. 503. AUTHORIZATION TO SERVE LEGAL PROCESS IN**
8 **CHILD SUPPORT CASES ON CERTAIN ARRIV-**
9 **ING ALIENS.**

10 (a) **IN GENERAL.**—Section 235(d) of the Immigra-
11 tion and Nationality Act (8 U.S.C. 1225(d)) is amended
12 by adding at the end the following:

13 “(5) **AUTHORITY TO SERVE PROCESS IN CHILD**
14 **SUPPORT CASES.**—

15 “(A) **IN GENERAL.**—To the extent consist-
16 ent with State law, immigration officers are au-
17 thorized to serve on any alien who is an appli-
18 cant for admission to the United States legal
19 process with respect to any action to enforce or
20 establish a legal obligation of an individual to
21 pay child support (as defined in section 459(i)
22 of the Social Security Act).

23 “(B) **DEFINITION.**—For purposes of sub-
24 paragraph (A), the term ‘legal process’ means

1 any writ, order, summons or other similar proc-
2 ess, which is issued by—

3 “(i) a court or an administrative
4 agency of competent jurisdiction in any
5 State, territory, or possession of the
6 United States; or

7 (ii) an authorized official pursuant to
8 an order of such a court or agency or pur-
9 suant to State or local law.”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to aliens applying for admission
12 to the United States on or after 180 days after the date
13 of the enactment of this Act.

14 **SEC. 504. AUTHORIZATION TO OBTAIN INFORMATION ON**
15 **CHILD SUPPORT PAYMENTS BY ALIENS.**

16 Section 453(h) of the Social Security Act (42 U.S.C.
17 653(h)) is amended by adding at the end the following:

18 “(4) PROVISION TO ATTORNEY GENERAL AND
19 SECRETARY OF STATE OF INFORMATION ON PER-
20 SONS DELINQUENT IN CHILD SUPPORT PAY-
21 MENTS.—On request by the Attorney General or the
22 Secretary of State, the Secretary of Health and
23 Human Services shall provide the requestor with
24 such information as the Secretary of Health and
25 Human Services determines may aid them in deter-

1 mining whether an alien is delinquent in the pay-
2 ment of child support.”.

Passed the House of Representatives March 5,
1998.

Attest:

ROBIN H. CARLE,

Clerk.