

106TH CONGRESS
1ST SESSION

S. 1844

To amend part D of title IV of the Social Security Act to provide for an alternative penalty procedure with respect to compliance with requirements for a State disbursement unit.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 2, 1999

Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. VOINOVICH, Mrs. FEINSTEIN, Mr. ROBERTS, Mrs. BOXER, Mr. ENZI, Mr. THOMAS, Mr. GRAMM, Mr. KERREY, Mrs. HUTCHISON, and Mr. BAYH) introduced the following bill; which was read twice, considered, read the third time, and passed

A BILL

To amend part D of title IV of the Social Security Act to provide for an alternative penalty procedure with respect to compliance with requirements for a State disbursement unit.

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 Mis-
5 cellaneous Amendments of 1999”.

1 **SEC. 2. ALTERNATIVE PENALTY PROCEDURE RELATING TO**
2 **COMPLIANCE WITH REQUIREMENTS RELAT-**
3 **ING TO STATE DISBURSEMENT UNIT.**

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 “(5)(A)(i) 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 subparagraphs (A) and (B)(i)
12 of section 454(27), and that the State has made and
13 is continuing to make a good faith effort to so com-
14 ply; and

15 “(II) the State has submitted to the Secretary,
16 not later than April 1, 2000, a corrective compliance
17 plan that describes how, by when, and at what cost
18 the State will achieve such compliance, which has
19 been approved by the Secretary,

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

25 “(ii) All failures of a State during a fiscal year to
26 comply with any of the requirements of section 454B shall

1 be considered a single failure of the State to comply with
2 section 454(27)(A) during the fiscal year for purposes of
3 this paragraph.

4 “(B) In this paragraph:

5 “(i) The term ‘penalty amount’ means, with re-
6 spect to a failure of a State to comply with subpara-
7 graphs (A) and (B)(i) of section 454(27)—

8 “(I) 4 percent of the penalty base, in the
9 case of the 1st fiscal year in which such a fail-
10 ure by the State occurs (regardless of whether
11 a penalty is imposed in that fiscal year under
12 this paragraph with respect to the failure), ex-
13 cept as provided in subparagraph (C)(ii);

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

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

18 “(IV) 25 percent of the penalty base, in
19 the case of the 4th such fiscal year; or

20 “(V) 30 percent of the penalty base, in the
21 case of the 5th or any subsequent such fiscal
22 year.

23 “(ii) The term ‘penalty base’ means, with re-
24 spect to a failure of a State to comply with subpara-
25 graphs (A) and (B)(i) of section 454(27) during a

1 fiscal year, the amount other wise payable to the
2 State under paragraph (1)(A) of this subsection for
3 the preceding fiscal year.

4 “(C)(i) The Secretary shall waive all penalties im-
5 posed against a State under this paragraph for any failure
6 of the State to comply with subparagraphs (A) and (B)(i)
7 of section 454(27) if the Secretary determines that, before
8 April 1, 2000, the State has achieved such compliance.

9 “(ii) If a State with respect to which a reduction is
10 required to be made under this paragraph with respect
11 to a failure to comply with subparagraphs (A) and (B)(i)
12 of section 454(27) achieves compliance with such section
13 on or after April 1, 2000, and on or before September
14 30, 2000, then the penalty amount applicable to the State
15 shall be 1 percent of the penalty base with respect to the
16 failure involved.

17 “(D) The Secretary may not impose a penalty under
18 this paragraph against a State for a fiscal year for which
19 the amount otherwise payable to the State under para-
20 graph (1)(A) of this subsection is reduced under para-
21 graph (4) for failure to comply with section 454(24)(A).”.

22 (b) INAPPLICABILITY OF PENALTY UNDER TANF
23 PROGRAM.—Section 409(a)(8)(A)(i)(III) of such Act (42
24 U.S.C. 609(a)(8)(A)(i)(III)) is amended by striking “sec-

1 tion 454(24)” and inserting “paragraph (24) or (27)(A)
2 of section 454”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall take effect on October 1, 1999.

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