determinations, reconsideration determinations, administrative
court proceedings, appeals, and Federal court

determinations; (3) historical and current data on characteristics of recipi-

ents and program costs, by recipient group (aged, blind, disabled

adults, and disabled children); (4) historical and current data on prior enrollment by

recipients in public benefit programs, including State programs

funded under part A of title IV of the Social Security Act and State general assistance programs;

(5) projections of future number of recipients and program costs, through at least 25 years;

(6) number of redeterminations and continuing disability reviews, and the outcomes of such redeterminations and reviews;

(7) data on the utilization of work incentives;

(8) detailed information on administrative and other pro-

gram operation costs;

(9) summaries of relevant research undertaken by the

Social Security Administration, or by other researchers;

(10) State supplementation program operations;

(11) a historical summary of statutory changes to this
title; and

(12) such other information as the Commissioner deems

useful.

(b) Each member of the Social Security Advisory Board shall be per-

mitted to provide an individual report, or a joint report if agreed, of views of the program under this title, to be included in the annual report required under this section.

SEC. 232. STUDY BY GENERAL ACCOUNTING OFFICE.

Not later than January 1, 1999, the Comptroller General of the United States shall study and report on—

(1) the impact of the amendments made by, and the provi-

sions of, this title on the supplemental security income program under title XVI of the Social Security Act; and

(2) extra expenses incurred by families of children receiving

benefits under such title that are not covered by other Federal, State, or local programs.

TITLE III—CHILD SUPPORT

SEC. 300. REFERENCE TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, wherever in this

title an amendment is expressed in terms of an amendment to

or repeal of a section or other provision, the reference shall be

considered to be made to that section or other provision of the

Social Security Act.
Subtitle A—Eligibility for Services; Distribution of Payments

SEC. 301. STATE OBLIGATION TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES.

(a) State Plan Requirements.—Section 454 (42 U.S.C. 654) is amended—

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

"(4) provide that the State will—

(A) provide services relating to the establishment of paternity or the establishment, modification, or enforcement of child support obligations, as appropriate, under the plan with respect to—

(i) each child for whom (I) assistance is provided under the State program funded under part A of this title, (II) benefits or services for foster care maintenance are provided under the State program funded under part E of this title, or (III) medical assistance is provided under the State plan approved under title XIX, unless, in accordance with paragraph (29), good cause or other exceptions exist;

(ii) any other child, if an individual applies for such services with respect to the child; and

(B) enforce any support obligation established with respect to—

(i) a child with respect to whom the State provides services under the plan; or

(ii) the custodial parent of such a child;"

and

(2) in paragraph (6)—

(A) by striking "provide that" and inserting "provide that";

(B) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) services under the plan shall be made available to residents of other States on the same terms as to residents of the State submitting the plan;"

(C) in subparagraph (B), by inserting "on individuals not receiving assistance under any State program funded under part A" after "such services shall be imposed";

(D) in each of subparagraphs (B), (C), (D), and (E)—

(i) by indenting the subparagraph in the same manner as, and aligning the left margin of the subparagraph with the left margin of, the matter inserted by subparagraph (B) of this paragraph; and

(ii) by striking the final comma and inserting a semicolon; and

(E) in subparagraph (E), by indenting each of clauses (i) and (ii) 2 additional ems.

(b) Continuation of Services for Families Ceasing to Receive Assistance Under the State Program Funded Under Part A.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking "and" at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting ";"; and
(3) by adding after paragraph (24) the following new paragraph:

"(25) provide that if a family with respect to which services are provided under the plan ceases to receive assistance under the State program funded under part A, the State shall provide appropriate notice to the family and continue to provide such services, subject to the same conditions and on the same basis as in the case of other individuals to whom services are furnished under the plan, except that an application or other request to continue services shall not be required of such a family and paragraph (6)(B) shall not apply to the family."

(c) CONFORMING AMENDMENTS.—

(1) Section 452(b) (42 U.S.C. 652(b)) is amended by striking "454(6)" and inserting "454(4)".

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking "454(6)" each place it appears and inserting "454(4)(A)(ii)".

(3) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking "in the case of overdue support which a State has agreed to collect under section 454(6)" and inserting "in any other case".

(4) Section 466(e)(4) (42 U.S.C. 666(e)) is amended by striking "paragraph (4) or (6) of section 454" and inserting "section 454(4)".

SEC. 302. DISTRIBUTION OF CHILD SUPPORT COLLECTIONS.

(a) In general.—Section 457 (42 U.S.C. 657) is amended to read as follows:

"SEC. 457. DISTRIBUTION OF COLLECTED SUPPORT.

"(a) In general.—Subject to subsection (e), an amount collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

"(1) FAMILIES RECEIVING ASSISTANCE.—In the case of a family receiving assistance from the State, the State shall—

"(A) pay to the Federal Government the Federal share of the amount so collected; and

"(B) retain, or distribute to the family, the State share of the amount so collected.

"(2) FAMILIES THAT FORMERLY RECEIVED ASSISTANCE.—In the case of a family that formerly received assistance from the State:

"(A) CURRENT SUPPORT PAYMENTS.—To the extent that the amount so collected does not exceed the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected to the family.

"(B) PAYMENTS OF ARREARAGES.—To the extent that the amount so collected exceeds the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected as follows:

"(i) DISTRIBUTION OF ARREARAGES THAT ACCRUED AFTER THE FAMILY CEASED TO RECEIVE ASSISTANCE.—

"(I) PRE-OCTOBER 1997.—Except as provided in subclause (II), the provisions of this section (other than subsection (b)(1)) as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and

"(II) OCTOBER 1997 AND LATER.—The provisions of this section (other than subsection (b)(1)) as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and
Work Opportunity Act Reconciliation of 1996 shall apply with respect to the distribution of support arrearages that—

"(aa) accrued after the family ceased to receive assistance, and

"(bb) are collected before October 1, 1997.

“(II) POST-SEPTEMBER 1997.—With respect to the amount so collected on or after October 1, 1997 (or before such date, at the option of the State)—

“(aa) IN GENERAL.—The State shall first distribute the amount so collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued after the family ceased to receive assistance from the State.

“(bb) REIMBURSEMENT OF GOVERNMENTS FOR ASSISTANCE PROVIDED TO THE FAMILY.—After the application of division (aa) and clause (ii)(II)(aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share (as defined in subsection (c)(2)) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

“(cc) DISTRIBUTION OF THE REMAINDER TO THE FAMILY.—To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

“(ii) DISTRIBUTION OF ARREARAGES THAT ACCRUED BEFORE THE FAMILY RECEIVED ASSISTANCE.—

“(I) PRE-OCTOBER 2000.—Except as provided in subclause (If), the provisions of this section (other than subsection (b)(1)) as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall apply with respect to the distribution of support arrearages that—

"(aa) accrued before the family received assistance, and

"(bb) are collected before October 1, 2000.

“(II) POST-SEPTEMBER 2000.—Unless, based on the report required by paragraph (4), the Congress determines otherwise, with respect to the amount so collected on or after October 1, 2000 (or before such date, at the option of the State)—

“(aa) IN GENERAL.—The State shall first distribute the amount so collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family
that accrued before the family received assistance from the State.

(bb) Reimbursement of Governments for Assistance Provided to the Family.—After the application of clause (i)(II)(aa) and division (aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share (as defined in subsection (c)(2)) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

(cc) Distribution of the Remainder to the Family.—To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

(iii) Distribution of Arrearages That Accrued While the Family Received Assistance.—In the case of a family described in this subparagraph, the provisions of paragraph (1) shall apply with respect to the distribution of support arrearages that accrued while the family received assistance.

(iv) Amounts Collected Pursuant to Section 464.—Notwithstanding any other provision of this section, any amount of support collected pursuant to section 464 shall be retained by the State to the extent past-due support has been assigned to the State as a condition of receiving assistance from the State, up to the amount necessary to reimburse the State for amounts paid to the family as assistance by the State. The State shall pay to the Federal Government the Federal share of the amounts so retained. To the extent the amount collected pursuant to section 464 exceeds the amount so retained, the State shall distribute the excess to the family.

(v) Ordering Rules for Distributions.—For purposes of this subparagraph, unless an earlier effective date is required by this section, effective October 1, 2000, the State shall treat any support arrearages collected, except for amounts collected pursuant to section 464, as accruing in the following order:

(I) To the period after the family ceased to receive assistance.

(II) To the period before the family received assistance.

(III) To the period while the family was receiving assistance.

(3) Families That Never Received Assistance.—In the case of any other family, the State shall distribute the amount so collected to the family.

(4) Families Under Certain Agreements.—In the case of a family receiving assistance from an Indian tribe, distribute the amount so collected pursuant to an agreement entered into pursuant to a State plan under section 454(33).
"(5) STUDY AND REPORT.—Not later than October 1, 1998, the Secretary shall report to the Congress the Secretary’s findings with respect to—

"(A) whether the distribution of post-assistance arrearages to families has been effective in moving people off of welfare and keeping them off of welfare;

"(B) whether early implementation of a pre-assistance arrearage program by some States has been effective in moving people off of welfare and keeping them off of welfare;

"(C) what the overall impact has been of the amendments made by the Personal Responsibility and Work Opportunity Act of 1996 with respect to child support enforcement in moving people off of welfare and keeping them off of welfare; and

"(D) based on the information and data the Secretary has obtained, what changes, if any, should be made in the policies related to the distribution of child support arrears.

"(b) CONTINUATION OF ASSIGNMENTS.—Any rights to support obligations, which were assigned to a State as a condition of receiving assistance from the State under part A and which were in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, shall remain assigned after such date.

"(c) DEFINITIONS.—As used in subsection (a):

"(1) ASSISTANCE.—The term ‘assistance from the State’ means—

"(A) assistance under the State program funded under part A or under the State plan approved under part A of this title (as in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996); and

"(B) foster care maintenance payments under the State plan approved under part E of this title.

"(2) FEDERAL SHARE.—The term ‘Federal share’ means that portion of the amount collected resulting from the application of the Federal medical assistance percentage in effect for the fiscal year in which the amount is collected.

"(3) FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—The term ‘Federal medical assistance percentage’ means—

"(A) the Federal medical assistance percentage (as defined in section 1116), in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa; or

"(B) the Federal medical assistance percentage (as defined in section 1905(b), as in effect on September 30, 1996) in the case of any other State.

"(4) STATE SHARE.—The term ‘State share’ means 100 percent minus the Federal share.

"(d) HOLD HARMLESS PROVISION.—If the amounts collected which could be retained by the State in the fiscal year (to the extent necessary to reimburse the State for amounts paid to families as assistance by the State) are less than the State share of the amounts collected in fiscal year 1995 (determined in accordance with section 457 as in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity...
Act of 1996), the State share for the fiscal year shall be an amount equal to the State share in fiscal year 1995.

(c) GAP PAYMENTS NOT SUBJECT TO DISTRIBUTION UNDER THIS SECTION.—At State option, this section shall not apply to any amount collected on behalf of a family as support by the State (and paid to the family in addition to the amount of assistance otherwise payable to the family) pursuant to a plan approved under this part if such amount would have been paid to the family by the State under section 402(a)(28), as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. For purposes of subsection (d), the State share of such amount paid to the family shall be considered amounts which could be retained by the State if such payments were reported by the State as part of amounts collected in fiscal year 1995.

(b) CONFORMING AMENDMENTS.—
(1) Section 464(a)(1) (42 U.S.C. 664(a)(1)) is amended by striking “section 457(b)(4) or (d)(3)” and inserting “section 457”.
(2) Section 454 (42 U.S.C. 654) is amended—
(A) in paragraph (11)—
(i) by striking “(11)” and inserting “(11)”; and
(ii) by inserting after the semicolon “and”; and
(B) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

42 USC 657 note.

(c) EFFECTIVE DATES.—
(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall become effective on October 1, 1996, or earlier at the State’s option.
(2) CONFORMING AMENDMENTS.—The amendments made by subsection (b)(2) shall become effective on the date of the enactment of this Act.

SEC. 303. PRIVACY SAFEGUARDS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by section 301(b) of this Act, is amended—
(1) by striking “and” at the end of paragraph (24);
(2) by striking the period at the end of paragraph (25) and inserting “; and”;
and
(3) by adding after paragraph (25) the following new paragraph:
“(26) will have in effect safeguards, applicable to all confidential information handled by the State agency, that are designed to protect the privacy rights of the parties, including—
“A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish legitimacy, or to establish or enforce support;
“B) prohibitions against the release of information on the whereabouts of 1 party to another party against whom a protective order with respect to the former party has been entered; and
“C) prohibitions against the release of information on the whereabouts of 1 party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.”.

(b) EFFECTIVE DATE.—Section 303 shall become effective on October 1, 1996.

SEC. 304. RIGHTS TO NOT HINDER CHILD SUPPORT.

(a) IN GENERAL.—
by section 302(b)(2) of this Act
(12) provide for
the State to provide for
services under
in which services
“A) with
obligations may
“B) with
a child support
for modification
be no changes
within 14 days
”;
(b) EFFECTIVE DATE.—Section 304 shall become effective on October 1, 1996.

Subtitle B—

SEC. 311. STATE CASE REGISTER.

Section 454A, as amended by adding at the end of this section shall include—
“(e) STATE CASE REGISTER.
“(1) CONTENT.—The State case register shall include—
“(A) each
by the State
this part; and
“(B) each
State on or after
“(2) LINKING.—Orders may be established
through a
this section.
“(3) USE OF—The
shall use standards
as names, social
numbers, dates
and contain such
as the Secretary
“(4) PAYMENT.—The
registry will
under the State
by which a supports
a record of—
“(A) the
owed under
ages, interest
or overdue u
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SEC. 304. RIGHTS TO NOTIFICATION OF HEARINGS.

(a) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 302(b)(2) of this Act, is amended by inserting after paragraph (11) the following new paragraph:

"(12) provide for the establishment of procedures to require the State to provide individuals who are applying for or receiving services under the State plan, or who are parties to cases in which services are being provided under the State plan—

"(A) with notice of all proceedings in which support obligations might be established or modified; and

"(B) with a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;"

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

Subtitle B—Locate and Case Tracking

SEC. 311. STATE CASE REGISTRY.

Section 454A, as added by section 344(a)(2) of this Act, is amended by adding at the end the following new subsections:

"(e) STATE CASE REGISTRY.—

"(1) CONTENTS.—The automated system required by this section shall include a registry (which shall be known as the 'State case registry') that contains records with respect to—

"(A) each case in which services are being provided by the State agency under the State plan approved under this part; and

"(B) each support order established or modified in the State on or after October 1, 1998.

"(2) LINKING OF LOCAL REGISTRIES.—The State case registry may be established by linking local case registries of support orders through an automated information network, subject to this section.

"(3) USE OF STANDARDIZED DATA ELEMENTS.—Such records shall use standardized data elements for both parents (such as names, social security numbers and other uniform identification numbers, dates of birth, and case identification numbers), and contain such other information (such as on case status) as the Secretary may require.

"(4) PAYMENT RECORDS.—Each case record in the State case registry with respect to which services are being provided under the State plan approved under this part and with respect to which a support order has been established shall include a record of—

"(A) the amount of monthly (or other periodic) support owed under the order, and other amounts (including arrearages, interest or late payment penalties, and fees) due or overdue under the order;
“(B) any amount described in subparagraph (A) that has been collected;
“(C) the distribution of such collected amounts;
“(D) the birth date of any child for whom the order requires the provision of support; and
“(E) the amount of any lien imposed with respect to the order pursuant to section 466(a)(4).
“(5) UPDATING AND MONITORING.—The State agency operating the automated system required by this section shall promptly establish and update, maintain, and regularly monitor, case records in the State case registry with respect to which services are being provided under the State plan approved under this part, on the basis of—
“(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;
“(B) information obtained from comparison with Federal, State, or local sources of information;
“(C) information on support collections and distributions; and
“(D) any other relevant information.
“(f) INFORMATION COMPARISONS AND OTHER DISCLOSURES OF INFORMATION.—The State shall use the automated system required by this section to extract information from (at such times, and in such standardized format or formats, as may be required by the Secretary), to share and compare information with, and to receive information from, other data bases and information comparison services, in order to obtain (or provide) information necessary to enable the State agency (or the Secretary or other State or Federal agencies) to carry out this part, subject to section 6103 of the Internal Revenue Code of 1986. Such information comparison activities shall include the following:
“(1) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—
Furnishing to the Federal Case Registry of Child Support Orders established under section 453(h) (and update as necessary, with information including notice of expiration of orders) the minimum amount of information on child support cases recorded in the State case registry that is necessary to operate the registry (as specified by the Secretary in regulations).
“(2) FEDERAL PARENT LOCATOR SERVICE.—Exchanging information with the Federal Parent Locator Service for the purposes specified in section 453.
“(3) TEMPORARY FAMILY ASSISTANCE AND MEDICAID AGENCIES.—Exchanging information with State agencies (of the State and of other States) administering programs funded under part A, programs operated under a State plan approved under title XIX, and other programs designated by the Secretary, as necessary to perform State agency responsibilities under this part and under such programs.
“(4) INTRASTATE AND INTERSTATE INFORMATION COMPARISONS.—Exchanging information with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.”. 
SEC. 312. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) State Plan Requirement.—Section 454 (42 U.S.C. 654), as amended by sections 301(b) and 303(a) of this Act, is amended—
(1) by striking "and" at the end of paragraph (25);
(2) by striking the period at the end of paragraph (26) and inserting "; and"; and
(3) by adding after paragraph (26) the following new paragraph:
"(27) provide that, on and after October 1, 1998, the State agency will—
(A) operate a State disbursement unit in accordance with section 454B; and
(B) have sufficient State staff (consisting of State employees) and (at State option) contractors reporting directly to the State agency to—
(i) monitor and enforce support collections through the unit in cases being enforced by the State pursuant to section 454(4) (including carrying out the automated data processing responsibilities described in section 454A(g)); and
(ii) take the actions described in section 466(c)(1) in appropriate cases."

(b) Establishment of State Disbursement Unit.—Part D of title IV (42 U.S.C. 651–669), as amended by section 344(a)(2) of this Act, is amended by inserting after section 454A the following new section:

"SEC. 454B. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) State Disbursement Unit.—
(1) In general.—In order for a State to meet the requirements of this section, the State agency must establish and operate a unit (which shall be known as the 'State disbursement unit') for the collection and disbursement of payments under support orders—
(A) in all cases being enforced by the State pursuant to section 454(4); and
(B) in all cases not being enforced by the State under this part in which the support order is initially issued in the State on or after January 1, 1994, and in which the income of the noncustodial parent is subject to withholding pursuant to section 466(a)(3)(B).
(2) Operation.—The State disbursement unit shall be operated—
(A) directly by the State agency (or 2 or more State agencies under a regional cooperative agreement), or (to the extent appropriate) by a contractor responsible directly to the State agency; and
(B) except in cases described in paragraph (1)(B), in coordination with the automated system established by the State pursuant to section 454A.
(3) Linking of Local Disbursement Units.—The State disbursement unit may be established by linking local disbursement units through an automated information network, subject to this section, if the Secretary agrees that the system will not cost more nor take more time to establish or operate than
a centralized system. In addition, employers shall be given 1 location to which income withholding is sent.

(b) **REQUIRED PROCEDURES.**—The State disbursement unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the agencies of other States;

(2) for accurate identification of payments;

(3) to ensure prompt disbursement of the custodial parent’s share of any payment; and

(4) to furnish to any parent, upon request, timely information on the current status of support payments under an order requiring payments to be made by or to the parent, except that in cases described in subsection (a)(1)(B), the State disbursement unit shall not be required to convert and maintain in automated form records of payments kept pursuant to section 466(a)(8)(B)(iii) before the effective date of this section.

(c) **TIMING OF DISBURSEMENTS.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the State disbursement unit shall distribute all amounts payable under section 457(a) within 2 business days after receipt from the employer or other source of periodic income, if sufficient information identifying the payee is provided.

(2) **PERMISSIVE RETENTION OF ARREARAGES.**—The State disbursement unit may delay the distribution of collections toward arrearages until the resolution of any timely appeal with respect to such arrearages.

(d) **BUSINESS DAY DEFINED.**—As used in this section, the term ‘business day’ means a day on which State offices are open for regular business.

(c) **USE OF AUTOMATED SYSTEM.**—Section 454A, as added by section 344(a)(2) and as amended by section 311 of this Act, is amended by adding at the end following the new subsection:

(g) **COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.**—

(1) **IN GENERAL.**—The State shall use the automated system required by this section, to the maximum extent feasible, to assist and facilitate the collection and disbursement of support payments through the State disbursement unit operated under section 454B, through the performance of functions, including, at a minimum—

(A) transmission of orders and notices to employers (and other debtors) for the withholding of income—

(i) within 2 business days after receipt of notice of, and the income source subject to, such withholding from a court, another State, an employer, the Federal Parent Locator Service, or another source recognized by the State; and

(ii) using uniform formats prescribed by the Secretary;

(B) ongoing monitoring to promptly identify failures to make timely payment of support; and

SEC. 313. **STATE DIRECTIONS.**

(a) **STATE PLAN.**—As amended by section 313(a), the plan is amended—

(1) by striking “(28) provides” and inserting “(28) will operate a plan...”;

(3) by adding a new subsection—

(2) **STATE DIRECTIONS.**—U.S.C. 651–669) is, following new sections—

SEC. 453A. **STATE DIRECTIONS.**

(a) **ESTABLISHMENT.**—

(1) **IN GENERAL.**—

(A) **REQUIREMENT.**—Except for States other than the States participating in the automated direction of New Hires’ earnings and withholding, the Secretary shall establish procedure for those States that, in accordance with this Act, hire employees.

(B) **SPECIAL DIRECTIONS.**—A State may continue to direct at the State level the income withholding procedure if the State must ensure that the State method at the State level is at least as efficient and economical as the Federal method as of January 1, 1999.

(2) **DEFINITIONS.**—

(A) **EM.**—

(i) the meaning of the predecessor

(C) **OTHER STATUTES.**—The term ‘business day’ is defined in section 457(a) of the Internal Revenue Code of 1986.
“(C) automatic use of enforcement procedures (including procedures authorized pursuant to section 466(c)) if payments are not timely made.

(2) Business day defined.—As used in paragraph (1), the term ‘business day’ means a day on which State offices are open for regular business.”.

(d) Effective dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall become effective on October 1, 1998.

(2) Limited exception to unit handling payments.—Notwithstanding section 454B(b)(1) of the Social Security Act, as added by this section, any State which, as of the date of the enactment of this Act, processes the receipt of child support payments through local courts may, at the option of the State, continue to process through September 30, 1999, such payments through such courts as processed such payments on or before such date of enactment.

SEC. 313. STATE DIRECTORY OF NEW HIRES.

(a) State plan requirement.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), and 312(a) of this Act, is amended—

(1) by striking “and” at the end of paragraph (26);

(2) by striking the period at the end of paragraph (27) and inserting “; and”;

(3) by adding after paragraph (27) the following new paragraph:

“(28) provide that, on and after October 1, 1997, the State will operate a State Directory of New Hires in accordance with section 453A.”.

(b) State directory of new hires.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 453 the following new section:

“SEC. 453A. STATE DIRECTORY OF NEW HIRES.

(a) Establishment.—

(1) In general.—

“(A) Requirement for States that have no directory.—Except as provided in subparagraph (B), not later than October 1, 1997, each State shall establish an automated directory (to be known as the ‘State Directory of New Hires’) which shall contain information supplied in accordance with subsection (b) by employers on each newly hired employee.

“(B) States with new hire reporting law in existence.—A State which has a new hire reporting law in existence on the date of the enactment of this section may continue to operate under the State law, but the State must meet the requirements of subsection (g)(2) not later than October 1, 1997, and the requirements of this section (other than subsection (g)(2)) not later than October 1, 1998.

(2) Definitions.—As used in this section:

“(A) Employee.—The term ‘employee’—

“(i) means an individual who is an employee within the meaning of chapter 24 of the Internal Revenue Code of 1986; and
“(ii) does not include an employee of a Federal  
or State agency performing intelligence or counterintelligence  
functions, if the head of such agency has determined  
that reporting pursuant to paragraph (1) with  
respect to the employee could endanger the safety of  
the employee or compromise an ongoing investigation  
or intelligence mission.

“(B) EMPLOYER.—

“(i) IN GENERAL.—The term ‘employer’ has the  
meaning given such term in section 3401(d) of the  
Internal Revenue Code of 1986 and includes any  
governmental entity and any labor organization.

“(ii) LABOR ORGANIZATION.—The term ‘labor  
organization’ shall have the meaning given such term  
in section 2(3) of the National Labor Relations Act,  
and includes any entity (also known as a ‘labor hall’)  
which is used by the organization and an employer  
to carry out requirements described in section 8(f)(3)  
of such Act of an agreement between the organization  
and the employer.

“(b) EMPLOYER INFORMATION.—

“(1) REPORTING REQUIREMENT.—

“(A) IN GENERAL.—Except as provided in subparag-  
graphs (B) and (C), each employer shall furnish to the  
Directory of New Hires of the State in which a newly  
hired employee works, a report that contains the name,  
address, and social security number of the employee, and  
the name and address of, and identifying number assigned  
under section 6109 of the Internal Revenue Code of 1986  
to, the employer.

“(B) MULTISTATE EMPLOYERS.—An employer that has  
employees who are employed in 2 or more States and  
that transmits reports magnetically or electronically may  
comply with subparagraph (A) by designating 1 State in  
which such employer has employees to whom the employer  
will transmit the report described in subparagraph (A),  
and transmitting such report to such State. Any employer  
that transmits reports pursuant to this subparagraph shall  
notify the Secretary in writing as to which State such  
employer designates for the purpose of sending reports.

“(C) FEDERAL GOVERNMENT EMPLOYERS.—Any depart-  
ment, agency, or instrumentality of the United States shall  
comply with subparagraph (A) by transmitting the report  
described in subparagraph (A) to the National Directory  
of New Hires established pursuant to section 453.

“(2) TIMING OF REPORT.—Each State may provide the time  
within which the report required by paragraph (1) shall be  
made with respect to an employee, but such report shall  
be made—

“(A) not later than 20 days after the date the employer  
hires the employee; or

“(B) in the case of an employer transmitting reports  
magnetically or electronically, by 2 monthly transmissions  
(if necessary) not less than 12 days nor more than 16  
days apart.

“(c) REPORTING FORMAT AND METHOD.—Each report required  
by subsection (b) shall be made on a W-4 form or, at the option  

of the employer, an electronic format by return  
1st class mail, magnetic tape, or  
(d) CIVIL MONITOR.—

The State shall have the authority which shall be less than 500,  
“(1) $25; or  
“(2) $500  
of a conspiracy does not supply the State the report.

“(e) ENTRY OF NEW HIRER INTO THE DATABASE.—The  
New Hires within 30 days of the employer submitting  
pursuant to subsection (b).

“(f) INFORMATION.—

“(1) IN GENERAL.—The employer designated by the  
labor organization (including, by employers paying  
numbers appearing on those cases being processed  
for cases being processed  
“(2) NOTICE.—

Notices provided under this section shall be provided  
to the social security number of the employee, and  
the name and address of, and identifying number assigned  
under section 6109 of the Internal Revenue Code of 1986  
to the employer.

“(g) TRANSMISSION.—

“(1) TRANSMISSION.—

Employers.—Any employer that has employees  
that reports receipt of notices regarding a new employee  
by the New Hires shall provide copies of the notices  
transmitted to the employee of the  
Secretary shall provide copies of these notices to the  
employee’s child support attorney, and within 30 days  
from the time an actual notice is issued, and shall  
within 30 days of the employee’s income  
shall provide copies of these notices to the  
employee’s income determination  
agency, the agency shall provide  
the employee’s income determination  
agency, and the agency shall provide  
pursuant to section 466(b)(2) and  
section 467.

“(2) TRANSMISSION.—

“(A) NOTICE.—

Notices provided under this section shall be provided  
to the social security number of the employee, and  
the name and address of, and identifying number assigned  
under section 6109 of the Internal Revenue Code of 1986  
to the employer.

“(B) NOTICE.—

Notices provided under this section shall be provided  
to the social security number of the employee, and  
the name and address of, and identifying number assigned  
under section 6109 of the Internal Revenue Code of 1986  
to the employer.
of the employer, an equivalent form, and may be transmitted by
1st class mail, magnetically, or electronically.

(d) CIVIL MONEY PENALTIES ON NONCOMPLYING EMPLOYERS.—
The State shall have the option to set a State civil money penalty
which shall be less than—

(1) $25; or

(2) $500 if, under State law, the failure is the result
of a conspiracy between the employer and the employee to
not supply the required report or to supply a false or incomplete
report.

(e) ENTRY OF EMPLOYER INFORMATION.—Information shall be
entered into the data base maintained by the State Directory of
New Hires within 5 business days of receipt from an employer
pursuant to subsection (b).

(f) INFORMATION COMPARISONS.—

(1) IN GENERAL.—Not later than May 1, 1998, an agency
designated by the State shall, directly or by contract, conduct
automated comparisons of the social security numbers reported
by employers pursuant to subsection (b) and the social security
numbers appearing in the records of the State case registry
for cases being enforced under the State plan.

(2) NOTICE OF MATCH.—When an information comparison
conducted under paragraph (1) reveals a match with respect
to the social security number of an individual required to pro-
vide support under a support order, the State Directory of
New Hires shall provide the agency administering the State
plan approved under this part of the appropriate State with
the name, address, and social security number of the employee
to whom the social security number is assigned, and the name
and address of, and identifying number assigned under section
6109 of the Internal Revenue Code of 1986 to, the employer.

(g) TRANSMISSION OF INFORMATION.—

(1) TRANSMISSION OF WAGE WITHHOLDING NOTICES TO
EMPLOYERS.—Within 2 business days after the date information
regarding a newly hired employee is entered into the State
Directory of New Hires, the State agency enforcing the em-
ployee’s child support obligation shall transmit a notice to the
employer of the employee directing the employer to withhold
from the income of the employee an amount equal to the
monthly (or other periodic) child support obligation (including
any past due support obligation) of the employee, unless the
employee’s income is not subject to withholding pursuant to
section 466(b)(3).

(2) TRANSMISSIONS TO THE NATIONAL DIRECTORY OF NEW
HIRES.—

(A) NEW HIRE INFORMATION.—Within 3 business days
after the date information regarding a newly hired
employee is entered into the State Directory of New Hires,
the State Directory of New Hires shall furnish the informa-
tion to the National Directory of New Hires.

(B) WAGE AND UNEMPLOYMENT COMPENSATION
INFORMATION.—The State Directory of New Hires shall,
on a quarterly basis, furnish to the National Directory
of New Hires extracts of the reports required under section
303(a)(6) to be made to the Secretary of Labor concerning
the wages and unemployment compensation paid to individ-
uals, by such dates, in such format, and containing such
information as the Secretary of Health and Human Services shall specify in regulations.

"(3) BUSINESS DAY DEFINED.—As used in this subsection, the term 'business day' means a day on which State offices are open for regular business.

"(h) OTHER USES OF NEW HIRE INFORMATION.—

"(1) LOCATION OF CHILD SUPPORT OBLIGORS.—The agency administering the State plan approved under this part shall use information received pursuant to subsection (f)(2) to locate individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations, and may disclose such information to any agent of the agency that is under contract with the agency to carry out such purposes.

"(2) VERIFICATION OF ELIGIBILITY FOR CERTAIN PROGRAMS.—

A State agency responsible for administering a program specified in section 1137(b) shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of verifying eligibility for the program.

"(3) ADMINISTRATION OF EMPLOYMENT SECURITY AND WORKERS' COMPENSATION.—State agencies operating employment security and workers' compensation programs shall have access to information reported by employers pursuant to subsection (b) for the purposes of administering such programs."

"(c) QUARTERLY WAGE REPORTING.—Section 1320b–7(a)(3)(A) of 2 U.S.C. 1320b–7(a)(3)) is amended—

(1) by inserting "(including State and local governmental entities and labor organizations (as defined in section 463A(a)(2)(B)(ii))") after "employers"; and

(2) by inserting ", and that no report shall be filed with respect to an employee of a State or local agency performing intelligence or counterintelligence functions, if the head of such agency has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission" after "paragraph (2)".

"(d) DISCLOSURE TO CERTAIN AGENTS.—Section 303(e) of 2 U.S.C. 503(e) is amended by adding at the end the following:

"(5) A State or local child support enforcement agency may disclose to any agent of the agency that is under contract with the agency to carry out the purposes described in paragraph (1)(B) wage information that is disclosed to an officer or employee of the agency under paragraph (1)(A). Any agent of a State or local child support agency that receives wage information under this paragraph shall comply with the safeguards established pursuant to paragraph (1)(B)."

SEC. 314. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) MANDATORY INCOME WITHHOLDING.—

(1) IN GENERAL.—Section 466(a)(1) of 2 U.S.C. 666(a)(1)) is amended to read as follows:

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

"(B) Procedures under which the income of a person with a support obligation imposed by a support order issued (or modified) in the State before October 1, 1996, if not otherwise subject to withholding under subsection (b), shall become subject to withholding as provided in subsection (b) if arrearages occur, withholding is not in a

"(2) CONTENTS.—

(A) the manner of withholding,

(B) the amounts to be withheld,
occur, without the need for a judicial or administrative hearing.

(2) CONFORMING AMENDMENTS.—

(A) Section 466(b) (42 U.S.C. 666(b)) is amended in the matter preceding paragraph (1), by striking "subsection (a)(1)" and inserting "subsection (a)(1)(A)".

(B) Section 466(b)(4) (42 U.S.C. 666(b)(4)) is amended to read as follows:

"(A) Such withholding must be carried out in full compliance with all procedural due process requirements of the State, and the State must send notice to each noncustodial parent to whom paragraph (1) applies—

"(i) that the withholding has commenced; and

"(ii) of the procedures to follow if the noncustodial parent desires to contest such withholding on the grounds that the withholding or the amount withheld is improper due to a mistake of fact.

"(B) The notice under subparagraph (A) of this paragraph shall include the information provided to the employer under paragraph (6)(A)."

(C) Section 466(b)(5) (42 U.S.C. 666(b)(5)) is amended by striking all that follows "administered by" and inserting "the State through the State disbursement unit established pursuant to section 454B, in accordance with the requirements of section 454B.".

(D) Section 466(b)(6)(A) (42 U.S.C. 666(b)(6)(A)) is amended—

"(I) in clause (i), by striking "to the appropriate agency" and all that follows and inserting "to the State disbursement unit within 7 business days after the date the amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part. The employer shall withhold funds as directed in the notice, except that when an employer receives an income withholding order issued by another State, the employer shall apply the income withholding law of the state of the obligor's principal place of employment in determining—"

"(I) the employer's fee for processing an income withholding order;

"(II) the maximum amount permitted to be withheld from the obligor's income;

"(III) the time periods within which the employer must implement the income withholding order and forward the child support payment;

"(IV) the priorities for withholding and allocating income withheld for multiple child support obligees; and

"(V) any withholding terms or conditions not specified in the order.

An employer who complies with an income withholding notice that is regular on its face shall not be subject to civil liability to any individual or agency for conduct in compliance with the notice;"

"(ii) in clause (ii), by inserting "be in a standard format prescribed by the Secretary," after "shall," and

"(iii) by adding at the end the following new clause:
“(iii) As used in this subparagraph, the term ‘business day’ means a day on which State offices are open for regular business.”.

(E) Section 466(b)(6)(D) (42 U.S.C. 666(b)(6)(D)) is amended by striking “any employer” and all that follows and inserting “any employer who—

“(i) discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to income withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which it imposes upon the employer; or

“(ii) fails to withhold support from income or to pay such amounts to the State disbursement unit in accordance with this subsection.”.

(F) Section 466(b) (42 U.S.C. 666(b)) is amended by adding at the end the following new paragraph:

“(11) Procedures under which the agency administering the State plan approved under this part may execute a withholding order without advance notice to the obligor, including issuing the withholding order through electronic means.”.

(b) DEFINITION OF INCOME.—

(1) IN GENERAL.—Section 466(b)(8) (42 U.S.C. 666(b)(8)) is amended to read as follows:

“(8) For purposes of subsection (a) and this subsection, the term ‘income’ means any periodic form of payment due to an individual, regardless of source, including wages, salaries, commissions, bonuses, worker’s compensation, disability, payments pursuant to a pension or retirement program, and interest.”.

(2) CONFORMING AMENDMENTS.—

(A) Subsections (a)(6)(A), (a)(8)(B)(i), (b)(3)(A), (b)(3)(B), (b)(6)(A)(i), (b)(6)(C), and (b)(7) of section 466 (42 U.S.C. 666(a)(6)(A), (a)(6)(B)(i), (b)(3)(A), (b)(3)(B), (b)(6)(A)(i), and (b)(7)) are each amended by striking “wages” each place such term appears and inserting “income”.

(B) Section 466(b)(1) (42 U.S.C. 666(b)(1)) is amended by striking “wages (as defined by the State for purposes of this section)” and inserting “income”.

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

SEC. 315. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.

Section 466(a) (42 U.S.C. 666(a)) is amended by inserting after paragraph (11) the following new paragraph:

“(12) LOCATOR INFORMATION FROM INTERSTATE NETWORKS.—Procedures to ensure that all Federal and State agencies conducting activities under this part have access to any system used by the State to locate an individual for purposes relating to motor vehicles or law enforcement.”.

SEC. 316. EXPANSION OF THE FEDERAL PARENT LOCATOR SERVICE.

(a) EXPANDED AUTHORITY TO LOCATE INDIVIDUALS AND ASSETS.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking all that follows “subsection (c))” and inserting “, for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support orders—

“(1) informs the court of the location of any

“(A) vehicle

or provider of

“(B) a

“(C) that is subject to income withholding included in the most recent court order

identification

“(2) information

from, and by

information in

“(3) information

of any asset

individual,” and

(2) in subsection (b),

“social security

and

(A) and

(B) in

following:

if the State reasonably

and the child

to the

be

subject

454(26).”.

(b) AUTHORIZATIONS.

(1) IN GENERAL.—

Visitation Rights.—

(1) in paragraph (1), “support or visitation rights” and “court; and” are inserted.

(c) REIMBURSEMENTS.

AGENCIES.—Section 453 (42 U.S.C. 653) is amended by inserting after the 4th sentence of subsection (a) the following new sentence:

“(g) REIMBURSEMENTS.—

The Secretary may reimburse a State, or the Secretary upon

amount shown

compiling, or maintaining

(d) REIMBURSEMENTS.

determines to be

(1) in subsection (a), by striking all that follows “subsection (c))” and inserting “, for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support orders—

“(1) informs the court of the location of any

“(A) vehicle

or provider of

“(B) a

“(C) that is subject to income withholding included in the most recent court order

identification

“(2) information

from, and by

information in

“(3) information

of any asset

individual,” and

(2) in subsection (b),

“social security

and

(A) and

(B) in

following:

if the State reasonably

and the child

to the

be

subject

454(26).”.

(b) AUTHORIZATIONS.

(1) IN GENERAL.—

Visitation Rights.—

(1) in paragraph (1), “support or visitation rights” and “court; and” are inserted.

(c) REIMBURSEMENTS.

AGENCIES.—Section 453 (42 U.S.C. 653) is amended by inserting after the 4th sentence of subsection (a) the following new sentence:

“(g) REIMBURSEMENTS.—

The Secretary may reimburse a State, or the Secretary upon

amount shown

compiling, or maintaining

(d) REIMBURSEMENTS.
child support obligations, or enforcing child custody or visitation orders—
“(1) information on, or facilitating the discovery of, the
location of any individual—
“(A) who is under an obligation to pay child support
or provide child custody or visitation rights;
“(B) against whom such an obligation is sought;
“(C) to whom such an obligation is owed,
including the individual’s social security number (or numbers),
most recent address, and the name, address, and employer
identification number of the individual’s employer;
“(2) information on the individual’s wages (or other income)
from, and benefits of, employment (including rights to or enrollment
in group health care coverage); and
“(3) information on the type, status, location, and amount
of any assets of, or debts owed by or to, any such indi
cidual.”; and
(2) in subsection (b)—
“(A) in the matter preceding paragraph (1), by striking
“social security” and all that follows through “absent parent”
and inserting “information described in subsection
(a)”; and
“(B) in the flush paragraph at the end, by adding the
following: “No information shall be disclosed to any person
if the State has notified the Secretary that the State has
reasonable evidence of domestic violence or child abuse
and the disclosure of such information could be harmful
to the custodial parent or the child of such parent. Informa
tion received or transmitted pursuant to this section shall
be subject to the safeguard provisions contained in section
454(26).”.
(b) AUTHORIZED PERSON FOR INFORMATION REGARDING
VISITATION RIGHTS.—Section 453(c) (42 U.S.C. 653(c)) is amended—
(1) in paragraph (1), by striking “support” and inserting
“support or to seek to enforce orders providing child custody
or visitation rights”; and
(2) in paragraph (2), by striking “, or any agent of such
court; and” and inserting “or to issue an order against a resident
parent for child custody or visitation rights, or any agent of
such court.”;
(c) REIMBURSEMENT FOR INFORMATION FROM FEDERAL
AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in
the 4th sentence by inserting “in an amount which the Secretary
determines to be reasonable payment for the information exchange
(which amount shall not include payment for the costs of obtaining,
compiling, or maintaining the information)” before the period.
(d) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES.—Section
453 (42 U.S.C. 653) is amended by adding at the end the following
new subsection:
“(g) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES.—The
Secretary may reimburse Federal and State agencies for the costs
incurred by such entities in furnishing information requested by the
Secretary under this section in an amount which the Secretary
determines to be reasonable payment for the information exchange
(which amount shall not include payment for the costs of obtaining,
compiling, or maintaining the information).”.
(e) CONFORMING AMENDMENTS.—
(1) Sections 452(a)(9), 453(a), 453(b), 463(a), 463(e), and 463(f) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), 663(e), and 663(f)) are each amended by inserting "Federal" before "Parent" each place such term appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by adding "FEDERAL" before "PARENT".

(f) NEW COMPONENTS.—Section 453 (42 U.S.C. 653), as amended by subsection (d) of this section, is amended by adding at the end the following new subsections:

"(h) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—

"(1) IN GENERAL.—Not later than October 1, 1998, in order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry (which shall be known as the 'Federal Case Registry of Child Support Orders'), which shall contain abstracts of support orders and other information described in paragraph (2) with respect to each case in each State case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

"(2) CASE INFORMATION.—The information referred to in paragraph (1) with respect to a case shall be such information as the Secretary may specify in regulations (including the names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have the case.

"(i) NATIONAL DIRECTORY OF NEW HIRES.—

"(1) IN GENERAL.—In order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for other purposes specified in this section, the Secretary shall, not later than October 1, 1997, establish and maintain in the Federal Parent Locator Service an automated directory to be known as the National Directory of New Hires, which shall contain the information supplied pursuant to section 453A(g)(2).

"(2) ENTRY OF DATA.—Information shall be entered into the data base maintained by the National Directory of New Hires within 2 business days of receipt pursuant to section 453A(g)(2).

"(3) ADMINISTRATION OF FEDERAL TAX LAWS.—The Secretary of the Treasury shall have access to the information in the National Directory of New Hires for purposes of administering section 32 of the Internal Revenue Code of 1986, or the advance payment of the earned income tax credit under section 3507 of such Code, and verifying a claim with respect to employment in a tax return.

"(4) LIST OF MULTISTATE EMPLOYERS.—The Secretary shall maintain within the National Directory of New Hires a list of multistate employers that report information regarding newly hired employees pursuant to section 453A(b)(1)(B), and the State which each such employer has designated to receive such information.
"(j) INFORMATION COMPARISONS AND OTHER DISCLOSURES.—
   "(1) VERIFICATION BY SOCIAL SECURITY ADMINISTRATION.—
      "(A) IN GENERAL.—The Secretary shall transmit
      information on individuals and employers maintained
      under this section to the Social Security Administration
      to the extent necessary for verification in accordance with
      subparagraph (B).
      "(B) VERIFICATION BY SSA.—The Social Security
      Administration shall verify the accuracy of, correct, or supply
      to the extent possible, and report to the Secretary, the
      following information supplied by the Secretary pursuant to
      subparagraph (A):
      "(i) The name, social security number, and birth date
      of each such individual.
      "(ii) The employer identification number of each
      such employer.
      "(2) INFORMATION COMPARISONS.—For the purpose of locating
      individuals in a paternity establishment case or a case
      involving the establishment, modification, or enforcement of
      a support order, the Secretary shall—
      "(A) compare information in the National Directory
      of New Hires against information in the support case
      abstracts in the Federal Case Registry of Child Support
      Orders not less often than every 2 business days; and
      "(B) within 2 business days after such a comparison
      reveals a match with respect to an individual, report the
      information to the State agency responsible for the case.
      "(3) INFORMATION COMPARISONS AND DISCLOSURES OF
      INFORMATION IN ALL REGISTRIES FOR TITLE IV PROGRAM
      PURPOSES.—To the extent and with the frequency that the Secre-
      tary determines to be effective in assisting States to carry
      out their responsibilities under programs operated under this
      part and programs funded under part A, the Secretary shall—
      "(A) compare the information in each component of
      the Federal Parent Locator Service maintained under this
      section against the information in each other such compo-
      nent (other than the comparison required by paragraph
      (2)), and report instances in which such a comparison
      reveals a match with respect to an individual to State
      agencies operating such programs; and
      "(B) disclose information in such registries to such
      State agencies.
      "(4) PROVISION OF NEW HIRE INFORMATION TO THE SOCIAL
      SECURITY ADMINISTRATION.—The National Directory of New
      Hires shall provide the Commissioner of Social Security with
      all information in the National Directory.
      "(5) RESEARCH.—The Secretary may provide access to
      information reported by employers pursuant to section 453A(b)
      for research purposes found by the Secretary to be likely to
      contribute to achieving the purposes of part A or this part,
      but without personal identifiers.
      "(k) FEES.—
      "(1) FOR SSA VERIFICATION.—The Secretary shall reimburse
      the Commissioner of Social Security, at a rate negotiated
      between the Secretary and the Commissioner, for the costs
      incurred by the Commissioner in performing the verification
      services described in subsection (j).
“(2) FOR INFORMATION FROM STATE DIRECTORIES OF NEW HIRES.—The Secretary shall reimburse costs incurred by State directories of new hires in furnishing information as required by subsection (j)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such information).

“(3) FOR INFORMATION FURNISHED TO STATE AND FEDERAL AGENCIES.—A State or Federal agency that receives information from the Secretary pursuant to this section shall reimburse the Secretary for costs incurred by the Secretary in furnishing the information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and comparing the information).

“(l) RESTRICTION ON DISCLOSURE AND USE.—Information in the Federal Parent Locator Service, and information resulting from comparisons using such information, shall not be used or disclosed except as expressly provided in this section, subject to section 6103 of the Internal Revenue Code of 1986.

“(m) INFORMATION INTEGRITY AND SECURITY.—The Secretary shall establish and implement safeguards with respect to the entities established under this section to—

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

“(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and

restrict use of such information to authorized purposes.

“(n) FEDERAL GOVERNMENT REPORTING.—Each department, agency, and instrumentality of the United States shall, on a quarterly basis report to the Federal Parent Locator Service the name and social security number of each employee and the wages paid to the employee during the previous quarter, except that each report shall be filed with respect to an employee of a department, agency, or instrumentality performing intelligence or counterintelligence functions, if the head of such department, agency, or instrumentality has determined that filing such report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission."

(g) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—

(A) Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

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

(B) Section 454(13) (42 U.S.C. 654(13)) is amended by inserting “and provide that information requests by parents who are residents of other States be treated with the same priority as requests by parents who are residents of the State submitting the plan before the semicolon.”

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(a)(16) of the Internal Revenue Code of 1986 is amended—

(A) by striking “Secretary of Health, Education, and Welfare” each place such term appears and inserting “Secretary of Health and Human Services”;

(B) in subparagraph (B), by striking “such information” and all that follows and inserting “information furnished
under subparagraph (A) or (B) is used only for the purposes
authorized under such subparagraph;"
(C) by striking "and" at the end of subparagraph (A);
(D) by redesignating subparagraph (B) as subpara-
graph (C); and
(E) by inserting after subparagraph (A) the following
new subparagraph:
"(B) wage and unemployment compensation information
contained in the records of such agency shall be furnished
to the Secretary of Health and Human Services (in accordance
with regulations promulgated by such Secretary) as necessary
for the purposes of the National Directory of New Hires estab-
lished under section 453(i) of the Social Security Act, and".
(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE
SOCIAL SECURITY ACT.—Subsection (h) of section 303 (42 U.S.C.
503) is amended to read as follows:
"(h)(1) The State agency charged with the administration of
the State law shall, on a reimbursable basis—
(A) disclose quarterly, to the Secretary of Health and
Human Services, wage and claim information, as required
pursuant to section 453(i)(1), contained in the records of such
agency;
(B) ensure that information provided pursuant to subpara-
graph (A) meets such standards relating to correctness and
verification as the Secretary of Health and Human Services,
with the concurrence of the Secretary of Labor, may find nec-
essary; and
(C) establish such safeguards as the Secretary of Labor
determines are necessary to insure that information disclosed
under subparagraph (A) is used only for purposes of section
453(i)(1) in carrying out the child support enforcement program
under title IV.
(2) Whenever the Secretary of Labor, after reasonable notice
and opportunity for hearing to the State agency charged with the
administration of the State law, finds that there is a failure to
comply substantially with the requirements of paragraph (1), the
Secretary of Labor shall notify such State agency that further
payments will not be made to the State until the Secretary of
Labor is satisfied that there is no longer any such failure. Until
the Secretary of Labor is so satisfied, the Secretary shall make
no future certification to the Secretary of the Treasury with respect
to the State.
(3) For purposes of this subsection—
(A) the term 'wage information' means information regarding
wages paid to an individual, the social security account
number of such individual, and the name, address, State, and
the Federal employer identification number of the employer
paying such wages to such individual; and
(B) the term 'claim information' means information regarding
whether an individual is receiving, has received, or has
made application for, unemployment compensation, the amount
of any such compensation being received (or to be received
by such individual), and the individual's current (or most
recent) home address."
(4) DISCLOSURE OF CERTAIN INFORMATION TO AGENTS OF
CHILD SUPPORT ENFORCEMENT AGENCIES.—
(A) IN GENERAL.—Paragraph (6) of section 6103(l) of the Internal Revenue Code of 1986 (relating to disclosure of return information to Federal, State, and local child support enforcement agencies) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

“(B) DISCLOSURE TO CERTAIN AGENTS.—The following information disclosed to any child support enforcement agency under subparagraph (A) with respect to any individual with respect to whom child support obligations are sought to be established or enforced may be disclosed by such agency to any agent of such agency which is under contract with such agency to carry out the purposes described in subparagraph (C):

“(i) The address and social security account number (or numbers) of such individual.

“(ii) The amount of any reduction under section 6402(c) (relating to offset of past-due support against overpayments) in any overpayment otherwise payable to such individual.

(B) CONFORMING AMENDMENTS.—

(i) Paragraph (3) of section 6103(a) of such Code is amended by inserting “(12)” and inserting “paragraph (6) or (12) of subsection (l)”.

(ii) Subparagraph (C) of section 6103(l)(6) of such Code, as redesignated by subsection (a), is amended to read as follows:

“(C) RESTRICTION ON DISCLOSURE.—Information may be disclosed under this paragraph only for purposes of, and to the extent necessary in, establishing and collecting child support obligations from, and locating, individuals owing such obligations.”.

(iii) The material following subparagraph (F) of section 6103(p)(4) of such Code is amended by striking “subsection (l)(12)(B)” and inserting “paragraph (6)(A) or (12)(B) of subsection (l)”.

(h) REQUIREMENT FOR COOPERATION.—The Secretary of Labor and the Secretary of Health and Human Services shall work jointly to develop cost-effective and efficient methods of assessing the information in the various State directories of new hires and the National Directory of New Hires as established pursuant to the amendments made by this subtitle. In developing these methods the Secretaries shall take into account the impact, including costs, on the States, and shall also consider the need to ensure the proper and authorized use of wage record information.

SEC. 317. COLLECTION AND USE OF SOCIAL SECURITY NUMBERS FOR USE IN CHILD SUPPORT ENFORCEMENT.

Section 466(a) (42 U.S.C. 666(a)), as amended by section 315 of this Act, is amended by inserting after paragraph (12) the following new paragraph:

“(13) RECORDING OF SOCIAL SECURITY NUMBERS IN CERTAIN FAMILY MATTERS.—Procedures requiring that the social security number of—

“(A) any applicant for a professional license, commercial driver’s license, occupational license, or marriage license be recorded on the application;
“(B) any individual who is subject to a divorce decree, support order, or paternity determination or acknowledgment be placed in the records relating to the matter; and
“(C) any individual who has died be placed in the records relating to the death and be recorded on the death certificate.

For purposes of subparagraph (A), if a State allows the use of a number other than the social security number, the State shall so advise any applicants.”.

Subtitle C—Streamlining and Uniformity of Procedures

SEC. 321. ADOPTION OF UNIFORM STATE LAWS.

Section 466 (42 U.S.C. 666) is amended by adding at the end the following new subsection:
“(f) UNIFORM INTERSTATE FAMILY SUPPORT ACT.—In order to satisfy section 454(20)(A), on and after January 1, 1998, each State must have in effect the Uniform Interstate Family Support Act, as approved by the American Bar Association on February 9, 1993, together with any amendments officially adopted before January 1, 1998 by the National Conference of Commissioners on Uniform State Laws.”.

SEC. 322. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.

Section 1738B of title 28, United States Code, is amended—
(1) in subsection (a)(2), by striking “subsection (e)” and inserting “subsections (e), (f), and (i)”;
(2) in subsection (b), by inserting after the 2nd undesignated paragraph the following:
“‘child’s home State’ means the State in which a child lived with a parent or a person acting as parent for at least 6 consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than 6 months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the 6-month period.”;
(3) in subsection (c), by inserting “by a court of a State” before “is made”;
(4) in subsection (c)(1), by inserting “and subsections (e), (f), and (g)” after “located”;
(5) in subsection (d)—
(A) by inserting “individual” before “contestant”; and
(B) by striking “subsection (e)” and inserting “subsections (e) and (f)”;
(6) in subsection (e), by striking “make a modification of a child support order with respect to a child that is made” and inserting “modify a child support order issued”;
(7) in subsection (e)(1), by inserting “pursuant to subsection (i)” before the semicolon;
(8) in subsection (e)(2)—
(A) by inserting “individual” before “contestant” each place such term appears; and
(B) by striking “to that court’s making the modification and assuming” and inserting “with the State of continuing,
exclusive jurisdiction for a court of another State to modify the order and assume;
(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;
(10) by inserting after subsection (e) the following new subsection:
“(f) RECOGNITION OF CHILD SUPPORT ORDERS.—If 1 or more child support orders have been issued with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:
“(1) If only 1 court has issued a child support order, the order of that court must be recognized.
“(2) If 2 or more courts have issued child support orders for the same obligor and child, and only 1 of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.
“(3) If 2 or more courts have issued child support orders for the same obligor and child, and more than 1 of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.
“(4) If 2 or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.
“(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.”;
(11) in subsection (g) (as so redesignated)—
(A) by striking “PRIOR” and inserting “MODIFIED”; and
(B) by inserting “subsection (e)” and inserting “subsection (e) and (f)”; and
(12) in subsection (h) (as so redesignated)—
(A) in paragraph (2), by inserting “including the duration of current payments and other obligations of support” before the comma; and
(B) in paragraph (3), by inserting “arrears under” after “enforce”;
and
(13) by adding at the end the following new subsection:
“(i) REGISTRATION FOR MODIFICATION.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.”.

SEC. 323. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315 and 317 of this Act, is amended by inserting after paragraph (13) the following new paragraph:
“(14) ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.—Procedures under which—
"(A)(i) the State shall respond within 5 business days to a request made by another State to enforce a support order; and
 "(ii) the term ‘business day’ means a day on which State offices are open for regular business;
 "(B) the State may, by electronic or other means, transmit to another State a request for assistance in a case involving the enforcement of a support order, which request—
 "(i) shall include such information as will enable the State to which the request is transmitted to compare the information about the case to the information in the data bases of the State; and
 "(ii) shall constitute a certification by the requesting State—
 "(I) of the amount of support under the order the payment of which is in arrears; and
 "(II) that the requesting State has complied with all procedural due process requirements applicable to the case;
 "(C) if the State provides assistance to another State pursuant to this paragraph with respect to a case, neither State shall consider the case to be transferred to the case-load of such other State; and
 "(D) the State shall maintain records of—
 "(i) the number of such requests for assistance received by the State;
 "(ii) the number of cases for which the State collected support in response to such a request; and
 "(iii) the amount of such collected support.”.

SEC. 324. USE OF FORMS IN INTERSTATE ENFORCEMENT.
(a) PROMULGATION.—Section 452(a) (42 U.S.C. 652(a)) is amended—
 (1) by striking “and” at the end of paragraph (9);
 (2) by striking the period at the end of paragraph (10) (as amended by section 346(a) of this Act) and inserting “; and”; and
 (3) by adding at the end the following new paragraph:
 “(11) not later than October 1, 1996, after consulting with the State directors of programs under this part, promulgate forms to be used by States in interstate cases for—
 “(A) collection of child support through income withholding;
 “(B) imposition of liens; and
 “(C) administrative subpoenas.”.
(b) USE BY STATES.—Section 454(9) (42 U.S.C. 654(9)) is amended—
 (1) by striking “and” at the end of subparagraph (C);
 (2) by inserting “and” at the end of subparagraph (D); and
 (3) by adding at the end the following new subparagraph:
 “(E) not later than March 1, 1997, in using the forms promulgated pursuant to section 452(a)(11) for income withholding, imposition of liens, and issuance of administrative subpoenas in interstate child support cases;”.

Future Music Events
SEC. 325. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) State Law Requirements.—Section 466 (42 U.S.C. 666), as amended by section 314 of this Act, is amended—

(1) in subsection (a)(2), by striking the first sentence and inserting the following: “Expedited administrative and judicial procedures (including the procedures specified in subsection (c) for establishing paternity and for establishing, modifying, and enforcing support obligations.”; and

(2) by inserting after subsection (b) the following new subsection:

“(c) EXPEDITED PROCEDURES.—The procedures specified in this subsection are the following:

“(1) ADMINISTRATIVE ACTION BY STATE AGENCY.—Procedures which give the State agency the authority to take the following actions relating to establishment of paternity or to establishment, modification, or enforcement of support orders, without the necessity of obtaining an order from any other judicial or administrative tribunal, and to recognize and enforce the authority of State agencies of other States to take the following actions:

“(A) GENETIC TESTING.—To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

“(B) FINANCIAL OR OTHER INFORMATION.—To subpoena any financial or other information needed to establish, modify, or enforce a support order, and to impose penalties for failure to respond to such a subpoena.

“(C) RESPONSE TO STATE AGENCY REQUEST.—To require all entities in the State (including for-profit, nonprofit, and governmental employers) to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor, and to sanction failure to respond to any such request.

“(D) ACCESS TO INFORMATION CONTAINED IN CERTAIN RECORDS.—To obtain access, subject to safeguards on privacy and information security, and subject to the nonliability of entities that afford such access under this subparagraph, to information contained in the following records (including automated access, in the case of records maintained in automated data bases):

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

“(I) vital statistics (including records of marriage, birth, and divorce);

“(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

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

“(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

“(V) employment security records;
“(VI) records of agencies administering public assistance programs;
“(VII) records of the motor vehicle department; and
“(VIII) corrections records.
“(ii) Certain records held by private entities with respect to individuals who owe or are owed support (or against or with respect to whom a support obligation is sought), consisting of—
“(I) the names and addresses of such individuals and the names and addresses of the employers of such individuals, as appearing in customer records of public utilities and cable television companies, pursuant to an administrative subpoena authorized by subparagraph (B); and
“(II) information (including information on assets and liabilities) on such individuals held by financial institutions.
“(E) CHANGE IN PAYEE.—In cases in which support is subject to an assignment in order to comply with a requirement imposed pursuant to part A or section 1912, or to a requirement to pay through the State disbursement unit established pursuant to section 454B, upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.
“(F) INCOME WITHHOLDING.—To order income withholding in accordance with subsections (a)(1)(A) and (b) of section 466.
“(G) SECURING ASSETS.—In cases in which there is a support arrearage, to secure assets to satisfy the arrearage by—
“(i) intercepting or seizing periodic or lump-sum payments from—
“(I) a State or local agency, including unemployment compensation, workers’ compensation, and other benefits; and
“(II) judgments, settlements, and lotteries;
“(ii) attaching and seizing assets of the obligor held in financial institutions;
“(iii) attaching public and private retirement funds; and
“(iv) imposing liens in accordance with subsection (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.
“(H) INCREASE MONTHLY PAYMENTS.—For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages, subject to such conditions or limitations as the State may provide.

Such procedures shall be subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal.
“(2) SUBSTANTIVE AND PROCEDURAL RULES.—The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all
proceedings to establish paternity or to establish, modify, or enforce support orders:

"(A) LOCATOR INFORMATION: PRESUMPTIONS CONCERNING NOTICE.—Procedures under which—

"(i) each party to any paternity or child support proceeding is required (subject to privacy safeguards) to file with the tribunal and the State case registry upon entry of an order, and to update as appropriate, information on location and identity of the party, including Social Security number, residential and mailing addresses, telephone number, driver’s license number, and name, address, and telephone number of employer; and

"(ii) in any subsequent child support enforcement action between the parties, upon sufficient showing that diligent effort has been made to ascertain the location of such a party, the tribunal may deem State due process requirements for notice and service of process to be met with respect to the party, upon delivery of written notice to the most recent residential or employer address filed with the tribunal pursuant to clause (i).

"(B) STATEWIDE JURISDICTION.—Procedures under which—

"(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties; and

"(ii) in a State in which orders are issued by courts or administrative tribunals, a case may be transferred between local jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.

"(3) COORDINATION WITH ERISA.—Notwithstanding subsection (d) of section 514 of the Employee Retirement Income Security Act of 1974 (relating to effect of other laws), nothing in this subsection shall be construed to alter, amend, modify, invalidate, impair, or supersede subsections (a), (b), and (c) of such section 514 as it applies with respect to any procedure referred to in paragraph (1) and any expedited procedure referred to in paragraph (2), except to the extent that such procedure would be consistent with the requirements of section 206(d)(3) of such Act (relating to qualified domestic relations orders) or the requirements of section 609(a) of such Act (relating to qualified medical child support orders) if the reference in such section 206(d)(3) to a domestic relations order and the reference in such section 609(a) to a medical child support order were a reference to a support order referred to in paragraphs (1) and (2) relating to the same matters, respectively.

(b) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 344(a)(2) and as amended by sections 311 and 312(c) of this Act, is amended by adding at the end the following new subsection:

"(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required by this section shall be used, to the maximum extent feasible, to accomplish such purposes and to the extent required by law, to the extent necessary, to conduct and perform proceedings required by this section.

Subtitle I

SEC. 331. STATE LAWS.

(a) STATE LAW.—

666(a)(5) is amended by—

"(5) PROCEDIMENTS, AS COMPLIANCE OF—

"(A) ESTABLISHMENT.—

"(i) the paternity or support order is established under State law.

"(ii) a child is born before the State law is established.

"(B) TIMESTAMP—

"(i) the child has been tested for paternity, prior to the age of 18, and

"(ii) the child is supported by the agency.

(c) ESTABLISHMENT OF CUSTODY.—

if an alleged father is enrolled in a program to establish the relationship of the alleged father, as determined by the State agency or other appropriate personnel.

(C) VOLSUZATION.—

"(i) The State law shall apply to simple civil paternity cases, as defined by State law, and a mother has the right to establish the paternity of a child that arises from the relationship, and the State agency shall be responsible for the enforcement of the law.

"(ii) The State agency shall be responsible for the enforcement of the law, and the State agency shall be responsible for the enforcement of the law, and the State agency shall be responsible for the enforcement of the law.
Subitle D—Paternity Establishment

SEC. 331. STATE LAWS CONCERNING PATERNY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended to read as follows:

"(5) PROCEEDUES CONCERNING PATERNY ESTABLISHMENT.—

"(A) ESTABLISHMENT PROCESS AVAILABLE FROM BIRTH UNTIL AGE 18.—

"(i) Procedures which permit the establishment of the paternity of a child at any time before the child attains 18 years of age.

"(ii) As of August 16, 1984, clause (i) shall also apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because a statute of limitations of less than 18 years was then in effect in the State.

"(B) PROCEDURES CONCERNING GENETIC TESTING.—

"(i) GENETIC TESTING REQUIRED IN CERTAIN CONTESTED CASES.—Procedures under which the State is required, in a contested paternity case (unless otherwise barred by State law) to require the child and all other parties (other than individuals found under section 454(29) to have good cause and other exceptions for refusing to cooperate) to submit to genetic tests upon the request of any such party, if the request is supported by a sworn statement by the party—

"(I) alleging paternity, and setting forth facts establishing a reasonable possibility of the requisite sexual contact between the parties; or

"(II) denying paternity, and setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact between the parties.

"(ii) OTHER REQUIREMENTS.—Procedures which require the State agency, in any case in which the agency orders genetic testing—

"(I) to pay costs of such tests, subject to recoupment (if the State so elects) from the alleged father if paternity is established; and

"(II) to obtain additional testing in any case if an original test result is contested, upon request and advance payment by the contestant.

"(C) VOLUNTARY PATERNY ACKNOWLEDGMENT.—

"(i) SIMPLE CIVIL PROCESS.—Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the mother and the putative father must be given notice, orally and in writing, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment."
“(ii) HOSPITAL-BASED PROGRAM.—Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

“(iii) PATERNITY ESTABLISHMENT SERVICES.—

“(I) STATE-OFFERED SERVICES.—Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

“(II) REGULATIONS.—

“(aa) SERVICES OFFERED BY HOSPITALS AND BIRTH RECORD AGENCIES.—The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies.

“(bb) SERVICES OFFERED BY OTHER ENTITIES.—The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, use the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as the provision of such services is evaluated by, voluntary paternity establishment programs of hospitals and birth record agencies.

“(iv) USE OF PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Such procedures must require the State to develop and use an affidavit for the voluntary acknowledgment of paternity which includes the minimum requirements of the affidavit specified by the Secretary under section 452(a)(7) for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State according to its procedures.

“(D) STATUS OF SIGNED PATERNITY ACKNOWLEDGMENT.—

“(i) INCLUSION IN BIRTH RECORDS.—Procedures under which the name of the father shall be included on the record of birth of the child of unmarried parents only if—

“(I) the father and mother have signed a voluntary acknowledgment of paternity; or

“(II) a court or an administrative agency of competent jurisdiction has issued an adjudication of paternity.

Nothing in this clause shall preclude a State agency from obtaining an admission of paternity from the father for submission in a judicial or administrative proceeding, or prohibit the issuance of an order in a judicial or administrative proceeding which bases a legal finding of paternity on an admission of paternity.
by the father and any other additional showing required by State law.

(ii) Legal Finding of Paternity.—Procedures under which a signed voluntary acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within the earlier of—

(I) 60 days; or

(II) the date of an administrative or judicial proceeding relating to the child (including a proceeding to establish a support order) in which the signatory is a party.

(iii) Contest.—Procedures under which, after the 60-day period referred to in clause (ii), a signed voluntary acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

(E) Bar on Acknowledgment Ratification Proceedings.—Procedures under which judicial or administrative proceedings are not required or permitted to ratify an unchallenged acknowledgment of paternity.

(F) Admissibility of Genetic Testing Results.—Procedures—

(i) requiring the admission into evidence, for purposes of establishing paternity, of the results of any genetic test that is—

(I) of a type generally acknowledged as reliable by accreditation bodies designated by the Secretary; and

(II) performed by a laboratory approved by such an accreditation body;

(ii) requiring an objection to genetic testing results to be made in writing not later than a specified number of days before any hearing at which the results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of the results); and

(iii) making the test results admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy, unless objection is made.

(G) Presumption of Paternity in Certain Cases.—Procedures which create a rebuttable or, at the option of the State, conclusive presumption of paternity upon genetic testing results indicating a threshold probability that the alleged father is the father of the child.

(H) Default Orders.—Procedures requiring a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.
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“(I) No right to jury trial.—Procedures providing that the parties to an action to establish paternity are not entitled to a trial by jury.

“(K) Proof of certain support and paternity establishment costs.—Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, if there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

“(L) Standing of putative fathers.—Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.

“(M) Filing of acknowledgments and adjudications in state registry of birth records.—Procedures under which voluntary acknowledgments and adjudications of paternity by judicial or administrative processes are filed with the State registry of birth records for comparison with information in the State case registry.”

Section 452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting “,” and specify the minimum requirements of an affidavit to be used for the voluntary acknowledgment of paternity which shall include the Social Security number of each parent and, after consultation with the States, other common elements as determined by such designee before the semicolon.

Section 468 (42 U.S.C. 668) is amended by striking “a simple civil process for voluntarily acknowledging paternity and”.

SEC. 332. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.

Section 454(23) (42 U.S.C. 654(23)) is amended by inserting “and will publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support by means the State deems appropriate” before the semicolon.

SEC. 333. COOPERATION BY APPLICANTS FOR AND RECIPIENTS OF PART A ASSISTANCE.

Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(a), and 313(a) of this Act, is amended—

(1) by striking “and” at the end of paragraph (27);

(2) by striking the period at the end of paragraph (28) and inserting “; and”; and

(3) by inserting after paragraph (28) the following new paragraph:

“(29) provide that the State agency responsible for administering the State plan—

(A) shall make the determination (and redetermination at appropriate intervals) as to whether an individual who has applied for or is receiving assistance under the State program funded under part A of this title or the

Subtitle E—Part A Assistance

SEC. 341. PERFORMANCE MEASURES.

(a) Development.

The Secretary of Health and Human Services, in consultation with the States, the Regional Administrator for the Federal Office of Child Support Enforcement, and representatives of providers of services and programs under part D of title XIX, shall develop a new incentive and accountability framework, the system under which States shall provide additional Federal funds to States that increase the number of children served by the State's program to at least 75% of the maximum number of children for whom services are available subject to the level of funding available to States from the Federal program. The Secretary shall report to the Committee on Ways and Means, the House of Representatives, and the Committee on Finance, Senate, on the progress of such program to such level of funding, including the extent to which States are meeting the performance measure established, and the actions being taken by the Secretary to meet such measure. The Secretary shall report to the Committee on Ways and Means, the House of Representatives, and the Committee on Finance, Senate, on the progress of such program to such level of funding, including the extent to which States are meeting the performance measure established, and the actions being taken by the Secretary to meet such measure.
State program under title XIX is cooperating in good faith with the State in establishing the paternity of, or in establishing, modifying, or enforcing a support order for, any child of the individual by providing the State agency with the name of, and such other information as the State agency may require with respect to, the noncustodial parent of the child, subject to good cause and other exceptions which—

"(i) shall be defined, taking into account the best interests of the child, and

(ii) shall be applied in each case,

by, at the option of the State, the State agency administering the State program under part A, this part, or title XIX;

(B) shall require the individual to supply additional necessary information and appear at interviews, hearings, and legal proceedings;

(C) shall require the individual and the child to submit to genetic tests pursuant to judicial or administrative order;

(D) may request that the individual sign a voluntary acknowledgment of paternity, after notice of the rights and consequences of such an acknowledgment, but may not require the individual to sign an acknowledgment or otherwise relinquish the right to genetic tests as a condition of cooperation and eligibility for assistance under the State program funded under part A, or the State program under title XIX; and

(E) shall promptly notify the individual, the State agency administering the State program funded under part A, and the State agency administering the State program under title XIX, of each such determination, and if non-cooperation is determined, the basis therefor."

Subtitle E—Program Administration and Funding

SEC. 341. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) DEVELOPMENT OF NEW SYSTEM.—The Secretary of Health and Human Services, in consultation with State directors of programs under part D of title IV of the Social Security Act, shall develop a new incentive system to replace, in a revenue neutral manner, the system under section 458 of such Act. The new system shall provide additional payments to any State based on such State’s performance under such a program. Not later than March 1, 1997, the Secretary shall report on the new system to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(b) CONFORMING AMENDMENTS TO PRESENT SYSTEM.—Section 458 (42 U.S.C. 658) is amended—

(1) in subsection (a), by striking “aid to families with dependent children under a State plan approved under part A of this title” and inserting “assistance under a program funded under part A”;

(2) in subsection (b)(1A), by striking “section 402(a)(26)” and inserting “section 408(a)(4)”;

(3) in subsections (b) and (c)—
(A) by striking "AFDC collections" each place it appears and inserting "title IV–A collections"; and

(B) by striking "non-AFDC collections" each place it appears and inserting "non-title IV–A collections"; and

(4) in subsection (c), by striking "combined AFDC/non-AFDC administrative costs" both places it appears and inserting "combined title IV–A/non-title IV–A administrative costs".

(c) CALCULATION OF PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) Section 452(g)(1)(A) (42 U.S.C. 652(g)(1)(A)) is amended by striking "75" and inserting "90".

(2) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended—

(A) by redesignating subparagraphs (B) through (E) as subparagraphs (C) through (F), respectively, and by inserting after subparagraph (A) the following new subparagraph:

"(B) for a State with a paternity establishment percentage of not less than 75 percent but less than 90 percent for such fiscal year, the paternity establishment percentage of the State for the immediately preceding fiscal year plus 2 percentage points;"

and

(B) by adding at the end the following new flush sentence:

"In determining compliance under this section, a State may use as its paternity establishment percentage either the State's IV–D paternity establishment percentage (as defined in paragraph (2)(A)) or the State's statewide paternity establishment percentage (as defined in paragraph (2)(B));"

(3) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by striking "paternity establishment percentage" and inserting "IV–D paternity establishment percentage"; and

(II) by striking "(or all States, as the case may be)"; and

(ii) by striking "and" at the end; and

(B) by redesigning subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) the term 'statewide paternity establishment percentage' means, with respect to a State for a fiscal year, the ratio (expressed as a percentage) that the total number of minor children—

(i) who have been born out of wedlock, and

(ii) the paternity of whom has been established or acknowledged during the fiscal year, bears to the total number of children born out of wedlock during the preceding fiscal year; and"

(4) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) in subparagraph (A) (as so redesignated), by striking "the percentage of children born out-of-wedlock in a State" and inserting "the percentage of children in a State who are born out of wedlock for whom support has not been established".

SEC. 342. FEDERAL AND STATE AGENCIES.

(a) STATE AGENCY.—Section 452(g)(2)(B) is amended—

(1) in paragraph (1)(A), by striking "(14)(X)"

(2) by redesigning paragraph (14) as paragraph (15) and

(3) by inserting at the end of that paragraph:

"(15) provide for reporting to the Secretary of the States' performance in the plan approved under section 454(15)(A) and, for purposes of subsection (b), assessing the extent to which the States have complied with this part, and for other purposes.

(b) FEDERAL ACTIVITY.—Section 454(15)(A) is amended to read as follows:

"(4)(A) review and, with respect to agencies pursuant to paragraphs (1) and (2), review accomplishments with respect to the goals and objectives of subsection (a)(1) and (8), and

(B) review annually the performance of the States, pursuant to paragraphs (1) and (2), for the fiscal year ending with the fiscal year in which the report is submitted, and

(C) conduct audits of the States—"
(d) Effective Dates.—

(1) In General.—The system developed under subsection (a) and the amendments made by subsection (b) shall become effective on October 1, 1999, except to the extent provided in subparagraph (B).

(2) Penalty Reductions.—The amendments made by subsection (c) shall become effective with respect to calendar quarters beginning on or after the date of the enactment of this Act.

SEC. 342. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) State Agency Activities.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14), by striking "(14)" and inserting "(14)(A)";

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following new paragraph:

"(15) provide for—

(A) a process for annual reviews of and reports to the Secretary on the State program operated under the State plan approved under this part, including such information as may be necessary to measure State compliance with Federal requirements for expedited procedures, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which the program is operated in compliance with this part; and

(B) a process of extracting from the automated data processing system required by paragraph (16) and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including paternity establishment percentages) to the extent necessary for purposes of sections 452(g) and 458.".

(b) Federal Activities.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

"(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of subsection (g) of this section and section 458;

(B) review annual reports submitted pursuant to section 454(15)(A) and, as appropriate, provide to the State comments, recommendations for additional or alternative corrective actions, and technical assistance; and

(C) conduct audits, in accordance with the Government auditing standards of the Comptroller General of the United States—
“(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet the requirements of this part concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data and the accuracy of the reporting systems used in calculating performance indicators under subsection (g) of this section and section 458;

(ii) of the adequacy of financial management of the State program operated under the State plan approved under this part, including assessments of—

(I) whether Federal and other funds made available to carry out the State program are being appropriately expended, and are properly and fully accounted for; and

(II) whether collections and disbursements of support payments are carried out correctly and are fully accounted for; and

(iii) for such other purposes as the Secretary may find necessary.”

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning 12 months or more after the date of the enactment of this Act.

SEC. 343. REQUIRED REPORTING PROCEDURES.

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting “, and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes)” before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(a), 313(a), and 333 of this Act, is amended—

(1) by striking “and” at the end of paragraph (28);

(2) by striking the period at the end of paragraph (29) and inserting “;”;

(3) by adding after paragraph (29) the following new paragraph:

“(30) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.”

SEC. 344. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) REVISED REQUIREMENTS.—

(1) IN GENERAL.—Section 454(16) (42 U.S.C. 654(16)) is amended—

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

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

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

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

(E) by striking “(i)”;

(F) by striking “(including)” and all that follows and inserting a semicolon.

(2) AUTOMATED DATA PROCESSING REQUIREMENTS.—

(a) IN GENERAL.—Section 454A (42 U.S.C. 654A) is amended—

(1) by inserting “, and” after “shall” in paragraph (1); and

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

(3) by adding after paragraph (3) the following new paragraph:

“(3) MONITORING the extent to which performance indicators described in paragraph (1) are met and promptly notify the Secretary of any failure to meet such indicators.”

(4) TRAINING.—The Secretary shall ensure that all personnel...
(2) AUTOMATED DATA PROCESSING.—Part D of title IV (42 U.S.C. 651—669) is amended by inserting after section 454 the following new section:

"SEC. 464A. AUTOMATED DATA PROCESSING.

"(a) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency administering the State program under this part shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section with the frequency and in the manner required by or under this part.

"(b) PROGRAM MANAGEMENT.—The automated system required by this section shall perform such functions as the Secretary may specify relating to management of the State program under this part, including—

"(1) controlling and accounting for use of Federal, State, and local funds in carrying out the program; and

"(2) maintaining the data necessary to meet Federal reporting requirements under this part on a timely basis.

"(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive payments and penalty adjustments required by sections 452(g) and 458, the State agency shall—

"(1) use the automated system—

"(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

"(B) to calculate the paternity establishment percentage for the State for each fiscal year; and

"(2) have in place systems controls to ensure the completeness and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

"(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required by this section, which shall include the following (in addition to such other safeguards as the Secretary may specify in regulations):

"(1) POLICIES Restricting ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

"(A) permit access to and use of data only to the extent necessary to carry out the State program under this part; and

"(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data.

"(2) SYSTEMS controls.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies described in paragraph (1).

"(3) MONITORING OF access.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

"(4) TRAINING AND information.—Procedures to ensure that all personnel (including State and local agency staff and
(A) contractors) who may have access to or be required to use confidential program data are informed of applicable requirements and penalties (including those in section 6103 of the Internal Revenue Code of 1986), and are adequately trained in security procedures.

(5) PENALTIES.—Administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure of use of, confidential data.

(3) REGULATIONS.—The Secretary of Health and Human Services shall prescribe final regulations for implementation of section 454A of the Social Security Act not later than 2 years after the date of the enactment of this Act.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by section 303(a)(1) of this Act, is amended to read as follows:

“(24) provide that the State will have in effect an automated data processing and information retrieval system—

“(A) by October 1, 1997, which meets all requirements of this part which were enacted on or before the date of enactment of the Family Support Act of 1988; and

“(B) by October 1, 2000, which meets all requirements of this part enacted on or before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 344(a)(3) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.”

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS—

(1) IN GENERAL.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(A) in paragraph (1)(B)—

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

(ii) by striking “so much of”; and

(iii) by striking “which the Secretary” and all that follows and inserting “, and”; and

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

“(3)(A) The Secretary shall pay to each State, for each quarter in fiscal years 1996 and 1997, 90 percent of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16) (as in effect on September 30, 1995) but limited to the amount approved for States in the advance planning documents of such States submitted on or before September 30, 1995.

“(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1996 through 2001, the percentage specified in clause (ii) of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements of sections 454(16) and 454A.

“(ii) The percentage specified in this clause is 80 percent.”.

(2) TEMPORARY LIMITATION ON PAYMENTS UNDER SPECIAL FEDERAL MATCHING RATE.—

(A) IN GENERAL.—The Secretary of Health and Human Services may not pay more than $400,000,000 in the aggregate under section 455 during the fiscal year.

(B) ALL.—The amount of such Act not in excess of the limitation in subsection (A) shall be used for the fiscal year.

(C) ALLOWANCES.—The Secretary shall ensure that the amount made available for any fiscal year under such Act is used for the fiscal year.

(d) CONFORMING AMENDMENT.—Section 151 of the Temporary Assistance to Needy Families and Elderly Assistance Act of 1988 is amended by striking “47 U.S.C. 4308” and inserting “47 U.S.C. 4701”.

(e) EFFECTIVE DATE.—This section shall apply for fiscal years beginning after the fiscal year in which this Act takes effect.
gate under section 455(a)(3)(B) of the Social Security Act

(B) ALLOCATION OF LIMITATION AMONG STATES.—The
total amount payable to a State under section 455(a)(3)(B)
of such Act for fiscal years 1996 through 2001 shall not
exceed the limitation determined for the State by the Sec-
retary of Health and Human Services in regulations.

(C) ALLOCATION FORMULA.—The regulations referred
to in subparagraph (B) shall prescribe a formula for allocat-
ing the amount specified in subparagraph (A) among States
with plans approved under part D of title IV of the Social
Security Act, which shall take into account—

(i) the relative size of State caseloads under such
part; and

(ii) the level of automation needed to meet the
automated data processing requirements of such part.

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

SEC. 945. TECHNICAL ASSISTANCE.

(a) FOR TRAINING OF FEDERAL AND STATE STAFF, RESEARCH
AND DEMONSTRATION PROGRAMS, AND SPECIAL PROJECTS OF
REGIONAL OR NATIONAL SIGNIFICANCE.—Section 452 (42 U.S.C. 652)
is amended by adding at the end the following new subsection:

"(j) Out of any money in the Treasury of the United States
not otherwise appropriated, there is hereby appropriated to the
Secretary for each fiscal year an amount equal to 1 percent of
the total amount paid to the Federal Government pursuant to
section 457(a) during the immediately preceding fiscal year (as
determined on the basis of the most recent reliable data available
to the Secretary as of the end of the third calendar quarter following
the end of such preceding fiscal year), to cover costs incurred
by the Secretary for—

"(1) information dissemination and technical assistance to
States, training of State and Federal staff, staffing studies,
and related activities needed to improve programs under this
part (including technical assistance concerning State automated
systems required by this part); and

"(2) research, demonstration, and special projects of
regional or national significance relating to the operation of
State programs under this part.

The amount appropriated under this subsection shall remain avail-
able until expended."

(b) OPERATION OF FEDERAL PARENT LOCATOR SERVICE.—Section
453 (42 U.S.C. 653), as amended by section 316 of this Act, is
amended by adding at the end the following new subsection:

"(c) RECOVERY OF COSTS.—Out of any money in the Treasury
of the United States not otherwise appropriated, there is hereby
appropriated to the Secretary for each fiscal year an amount equal
to 2 percent of the total amount paid to the Federal Government
pursuant to section 457(a) during the immediately preceding fiscal
year (as determined on the basis of the most recent reliable data
available to the Secretary as of the end of the third calendar
quarter following the end of such preceding fiscal year), to cover
costs incurred by the Secretary for operation of the Federal Parent
SEC. 346. REPORTS AND DATA COLLECTION BY THE SECRETARY.

(a) ANNUAL REPORT TO CONGRESS.—

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

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

(B) by adding at the end the following new clauses:
   (i) the total amount of child support payments collected as a result of services furnished during the fiscal year to individuals receiving services under this part;
   (ii) the cost to the States and to the Federal Government of so furnishing the services; and
   (iii) the number of cases involving families—
      (I) who became ineligible for assistance under State programs funded under part A during a month in the fiscal year; and
      (II) with respect to whom a child support payment was received in the month;”.

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

(A) in the matter preceding clause (i)—
   (i) by striking “with the data required under each clause being separately stated for cases” and inserting “separately stated for cases”;
   (ii) by striking “cases where the child was formerly receiving” and inserting “of formerly received”;
   (iii) by inserting “and or 1912” after “471(a)(17)”; and
   (iv) by inserting “for” before “all other”;

(B) in each of clauses (i) and (ii), by striking “,” and the total amount of such obligations;

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

(D) by striking clause (iv); and

(E) by redesigning clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:
   (vii) the total amount of support collected during such fiscal year and distributed as current support;
   (viii) the total amount of support collected during such fiscal year and distributed as arrearages;
   (ix) the total amount of support due and unpaid for all fiscal years; and”,


(4) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended—

(A) in subparagraph (H), by striking “and”;

(B) in subparagraph (I), by striking the period and inserting “; and”;

(C) by inserting after subparagraph (I) the following new subparagraph:
   “(J) compliance, by State, with the standards established pursuant to subsections (h) and (i).”.

Subtitle E. Modifications

SEC. 351. SIMPLIFIED CHILD SUPPORT.

Section 466(a)(10) of title 42, United States Code, is amended as follows:

“(10) REVIEW AND REQUEST—

“(A) 3-YEAR VERIFICATION

“(i) In general.—

3 years (or such shorter period as the Secretary of Health and Human Services may determine), upon request of the Secretary or State, is an appropriate period for review of the accuracy of the information provided by the State for the purpose of ensuring the best information by which to determine if the child support assistance is being enforced effectively; and

“(ii) Order.—If the Secretary or the State, in the course of verification, have reason to believe that the child support assistance is not being enforced effectively, the Secretary or the State may order the nonsubject parent, by written request, to appear in court and at such time as may be fixed by the court:

“(I) to provide in the best information possible with respect to the income, whereabouts, or other data relative to the nonsubject parent; and

“(II) to appear before the court and to answer any questions relative to the enforcement of support and an , adjustment of the estimated child support payments is necessary and may be made.”.

MENT.—If any financial or other data relative to the nonsubject parent are not provided or are not accurate, the court may permit either the subject or nonsubject parent to bring additional or corrected data, and the court may order the nonsubject parent to appear for the purpose of providing additional or corrected data in the best information possible within 30 days after the date of issuance of the order, and by making such additional or corrected adjustment of the estimated child support payments as the court may deem appropriate.”.
(5) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (J), as added by paragraph (4).

(b) Effective Date.—The amendments made by subsection (a) shall be effective with respect to fiscal year 1997 and succeeding fiscal years.

Subtitle F—Establishment and Modification of Support Orders

SEC. 351. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.

Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

"(10) REVIEW AND ADJUSTMENT OF SUPPORT ORDERS UPON REQUEST.—

"(A) 3-YEAR CYCLE.—

"(i) In general.—Procedures under which every 3 years (or such shorter cycle as the State may determine), upon the request of either parent, or, if there is an assignment under part A, upon the request of the State agency under the State plan or of either parent, the State shall with respect to a support order being enforced under this part, taking into account the best interests of the child involved—

"(I) review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines;

"(II) apply a cost-of-living adjustment to the order in accordance with a formula developed by the State; or

"(III) use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under any threshold that may be established by the State.

(ii) Opportunity to request review of adjustment.—If the State elects to conduct the review under subclause (I) or (III) of clause (i), procedures which permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a).

(iii) No proof of change in circumstances necessary in 3-year cycle review.—Procedures which provide that any adjustment under clause (i) shall be made without a requirement for proof or showing of a change in circumstances.
“(B) Proof of substantial change in circumstances necessary in request for review outside 3-year cycle.—Procedures under which, in the case of a request for a review, and if appropriate, an adjustment outside the 3-year cycle (or such shorter cycle as the State may determine) under clause (i), the State shall review and, if the requesting party demonstrates a substantial change in circumstances, adjust the order in accordance with the guidelines established pursuant to section 467(a).

“(C) Notice of right to review.—Procedures which require the State to provide notice not less than once every 3 years to the parents subject to the order informing the parents of their right to request the State to review and, if appropriate, adjust the order pursuant to this paragraph. The notice may be included in the order.”

SEC. 352. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT.

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by adding at the end the following new paragraphs:

“(4) In response to a request by the head of a State or local child support enforcement agency (or a State or local government official authorized by the head of such an agency), if the person making the request certifies to the consumer reporting agency that:

“(A) the consumer report is needed for the purpose of establishing an individual’s capacity to make child support payments or determining the appropriate level of such payments;

“(B) the paternity of the consumer for whom the report is sought is not established or has been successfully challenged in court or by paternity proceeding; and

“(C) the person has provided at least 10 days’ prior notice to the consumer whose report is requested, by certified or registered mail to the last known address of the consumer, that the report will be released; and

“(D) the consumer report will be kept confidential, will be used solely for a purpose described in subparagraph (A), and will not be used in connection with any other civil, administrative, or criminal proceeding, or for any other purpose.

“(5) To an agency administering a State plan under section 454 of the Social Security Act (42 U.S.C. 654) for use to set an initial or modified child support award.”

SEC. 353. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.

Part D of title IV (42 U.S.C. 651-669) is amended by adding at the end the following:

“SEC. 469A. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.

“(a) In general.—Notwithstanding any other provision of Federal or State law, a financial institution shall not be liable under any Federal or State law to any person for disclosing any financial record of an individual to a State child support enforce-
ment agency attempting to establish, modify, or enforce a child support obligation of such individual.

"(b) Prohibition of Disclosure of Financial Record Obtained by State Child Support Enforcement Agency.—A State child support enforcement agency which obtains a financial record of an individual from a financial institution pursuant to subsection (a) may disclose such financial record only for the purpose of, and to the extent necessary in, establishing, modifying, or enforcing a child support obligation of such individual.

"(c) Civil Damages for Unauthorized Disclosure.—

"(1) Disclosure by State Officer or Employee.—If any person knowingly, or by reason of negligence, discloses a financial record of an individual in violation of subsection (b), such individual may bring a civil action for damages against such person in a district court of the United States.

"(2) No Liability for Good Faith but Erroneous Interpretation.—No liability shall arise under this subsection with respect to any disclosure which results from a good faith, but erroneous, interpretation of subsection (b).

"(3) Damages.—In any action brought under paragraph (1), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the sum of—

"(A) the greater of—

"(i) $1,000 for each act of unauthorized disclosure of a financial record with respect to which such defendant is found liable; or

"(ii) the sum of—

"(I) the actual damages sustained by the plaintiff as a result of such unauthorized disclosure; plus

"(II) in the case of a willful disclosure or a disclosure which is the result of gross negligence, punitive damages; plus

"(B) the costs (including attorney's fees) of the action.

"(d) Definitions.—For purposes of this section—

"(1) Financial Institution.—The term 'financial institution' means—

"(A) a depository institution, as defined in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c));

"(B) an institution-affiliated party, as defined in section 3(u) of such Act (12 U.S.C. 1813(u));

"(C) any Federal credit union or State credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752), including an institution-affiliated party of such a credit union, as defined in section 206(r) of such Act (12 U.S.C. 1786(r)); and

"(D) any benefit association, insurance company, safe deposit company, money-market mutual fund, or similar entity authorized to do business in the State.

"(2) Financial Record.—The term 'financial record' has the meaning given such term in section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401)."
Subtitle G—Enforcement of Support Orders

SEC. 381. INTERNAL REVENUE SERVICE COLLECTION OF ARREARAGES.

(a) COLLECTION OF FEES.—Section 6305(a) of the Internal Revenue Code of 1986 (relating to collection of certain liability) is amended—
(1) by striking “and” at the end of paragraph (3);
(2) by striking the period at the end of paragraph (4) and inserting “and”;
(3) by adding at the end the following new paragraph: “(5) no additional fee may be assessed for adjustments to an amount previously certified pursuant to such section 452(b) with respect to the same obligor.”; and
(4) by striking “Secretary of Health, Education, and Welfare” each place it appears and inserting “Secretary of Health and Human Services”.

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

SEC. 382. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.

(a) CONSOLIDATION AND STREAMLINING OF AUTHORITIES.—Section 459 (42 U.S.C. 659) is amended to read as follows:

“SEC. 459. CONSENT BY THE UNITED STATES TO INCOME WITHHOLDING, GARNISHMENT, AND SIMILAR PROCEEDINGS FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS.

“(a) CONSENT TO SUPPORT ENFORCEMENT.—Notwithstanding any other provision of law (including section 207 of this Act and section 5301 of title 38, United States Code), effective January 1, 1975, moneys (the entitlement to which is based upon remuneration for employment) due from, or payable by, the United States or the District of Columbia (including any agency, subdivision, or instrumentality thereof) to any individual, including members of the Armed Forces of the United States, shall be subject, in like manner and to the same extent as if the United States or the District of Columbia were a private person, to withholding in accordance with State law enacted pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary under such subsections, and to any other legal process brought by a State agency administering a program under a State plan approved under this part or by an individual obligee, to enforce the legal obligation of the individual to provide child support or alimony.

“(b) CONSENT TO REQUIREMENTS APPLICABLE TO PRIVATE PERSON.—With respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or any other order or process to enforce support obligations against an individual (if the order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), each governmental entity specified in subsection (a) shall be subject to the same requirements as would apply if the entity were a private person, except as otherwise provided in this section.

26 USC 6305 note.

(c) DESIGNATION OF DEBT COLLECTOR.—

“(1) DESIGNATION.—The Secretary of the Treasury shall designate a person subject to this section as the Secretary’s debt collector.

“(2) REQUIREMENTS.—The person designated under subsection (1) shall—

“(A) be financially sound;

“(B) have applicable recordkeeping and disclosure procedures in place;

“(C) have applicable internal control procedures in place;

“(D) have procedures for handling and reporting complaints from individual debtors; and

“(E) maintain a current list of the names, addresses, and telephone numbers of the different States to which the person’s procedures apply.

“(3) DEBT OR ORGANIZATION.—The term ‘debt collector’ means a person designated under subsection (1) as the Secretary’s debt collector.

“(4) MANAGEMENT OF DEBT.—The Secretary shall—

“(A) develop and adopt, in consultation with the National Advisory Committee on the Collection of Support, a program for the management of debt owed to the United States;

“(B) make available procedures for the collection of support owed to the United States through the employment of the person designated under subsection (1); and

“(C) establish procedures for the management of the debt owed to the United States.

“(d) EFFECTIVE DATE.—This section and subsection (2) shall take effect on the day that the Secretary designates a person under subsection (1) as the Secretary’s debt collector.

(e) DEPARTMENTAL DIRECTIVE.—The Secretary shall, not later than 30 days after the effective date of this section, issue a departmental directive providing procedures and practices for the management of debt owed to the United States.

(f) REPORT.—The Secretary shall report to Congress on the effectiveness of the procedures and practices under subsection (e) within 180 days after the effective date of this section.
"(c) Designation of Agent; Response to Notice or Process—

"(1) Designation of Agent.—The head of each agency subject to this section shall—

"(A) designate an agent or agents to receive orders and accept service of process in matters relating to child support or alimony; and

"(B) annually publish in the Federal Register the designation of the agent or agents, identified by title or position, mailing address, and telephone number.

"(2) Response to Notice or Process.—If an agent designated pursuant to paragraph (1) of this subsection receives notice pursuant to State procedures in effect pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatory, with respect to an individual’s child support or alimony payment obligations, the agent shall—

"(A) as soon as possible (but not later than 15 days) thereafter, send written notice of the notice or service (together with a copy of the notice or service) to the individual at the duty station or last-known home address of the individual;

"(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to such State procedures, comply with all applicable provisions of section 466; and

"(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatory, respond to the order, process, or interrogatory.

"(d) Priority of Claims.—If a governmental entity specified in subsection (a) receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than 1 person—

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

"(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by section 466(b) and the regulations prescribed under such section; and

"(3) such moneys as remain after compliance with paragraphs (1) and (2) shall be available to satisfy any other such processes on a first-come, first-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.

"(e) No Requirement to Vary Pay Cycles.—A governmental entity that is affected by legal process served for the enforcement of an individual’s child support or alimony payment obligations shall not be required to vary its normal pay and disbursement cycle in order to comply with the legal process.

"(f) Relief From Liability.—

"(1) Neither the United States, nor the government of the District of Columbia, nor any disbursing officer shall be liable with respect to any payment made from moneys due or payable from the United States to any individual pursuant to legal process regular on its face, if the payment is made in accordance
with this section and the regulations issued to carry out this section.

“(2) No Federal employee whose duties include taking actions necessary to comply with the requirements of subsection (a) with regard to any individual shall be subject under any law to any disciplinary action or civil or criminal liability or penalty for, or on account of, any disclosure of information made by the employee in connection with the carrying out of such actions.

“(g) REGULATIONS.—Authority to promulgate regulations for the implementation of this section shall, insofar as this section applies to moneys due from (or payable by)—

“(1) the United States (other than the legislative or judicial branches of the Federal Government) or the government of the District of Columbia, be vested in the President (or the designee of the President);

“(2) the legislative branch of the Federal Government, be vested jointly in the President pro tempore of the Senate and the Speaker of the House of Representatives (or their designees), and

“(3) the judicial branch of the Federal Government, be vested in the Chief Justice of the United States (or the designee of the Chief Justice).

“(h) MONEYS SUBJECT TO PROCESS.—

“(1) IN GENERAL.—Subject to paragraph (2), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

“(A) consist of—

“(i) compensation paid or payable for personal services of the individual, whether the compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

“(ii) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

“(I) under the insurance system established by title II;

“(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents’ or survivors’ benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

“(III) as compensation for death under any Federal program;

“(IV) under any Federal program established to provide black lung benefits; or

“(V) by the Secretary of Veterans Affairs as compensation for a service-connected disability paid by the Secretary to a former member of the Armed Forces who is in receipt of retired or retainer pay if the former member has waived a portion of the retired or retainer pay in order to receive such compensation; and
"(iii) worker's compensation benefits paid under Federal or State law but
(B) do not include any payment—
(i) by way of reimbursement or otherwise, to defray expenses incurred by the individual in carrying out duties associated with the employment of the individual; or
(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.
(2) CERTAIN AMOUNTS EXCLUDED.—In determining the amount of any moneys due from, or payable by, the United States to any individual, there shall be excluded amounts which—
(A) are owed by the individual to the United States;
(B) are required by law to be, and are, deducted from the remuneration or other payment involved, including Federal employment taxes, and fines and forfeitures ordered by court-martial;
(C) are properly withheld for Federal, State, or local income tax purposes, if the withholding of the amounts is authorized or required by law and if amounts withheld are not greater than would be the case if the individual claimed all dependents to which he was entitled (the withholding of additional amounts pursuant to section 3402(i) of the Internal Revenue Code of 1986 may be permitted only when the individual presents evidence of a tax obligation which supports the additional withholding);
(D) are deducted as health insurance premiums;
(E) are deducted as normal retirement contributions (not including amounts deducted for supplementary coverage); or
(F) are deducted as normal life insurance premiums from salary or other remuneration for employment (not including amounts deducted for supplementary coverage).
(i) DEFINITIONS.—For purposes of this section—
(1) UNITED STATES.—The term 'United States' includes any department, agency, or instrumentality of the legislative, judicial, or executive branch of the Federal Government, the United States Postal Service, the Postal Rate Commission, any Federal corporation created by an Act of Congress that is wholly owned by the Federal Government, and the governments of the territories and possessions of the United States.
(2) CHILD SUPPORT.—The term 'child support', when used in reference to the legal obligations of an individual to provide such support, means amounts required to be paid under a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages or reimbursement, and which may include other related costs and fees, interest and penalties, income withholding, attorney's fees, and other relief.
"(3) ALIMONY.—

(A) IN GENERAL.—The term ‘alimony’, when used in reference to the legal obligations of an individual to provide the same, means periodic payments of funds for the support and maintenance of the spouse (or former spouse) of the individual, and (subject to and in accordance with State law) includes separate maintenance, alimony pendente lite, maintenance, and spousal support, and includes attorney’s fees, interest, and court costs when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction.

(B) EXCEPTIONS.—Such term does not include—

(i) any child support; or

(ii) any payment or transfer of property or its value by an individual to the spouse or a former spouse of the individual in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.

(4) PRIVATE PERSON.—The term ‘private person’ means a person who does not have sovereign or other special immunity or privilege which causes the person not to be subject to legal process.

(5) LEGAL PROCESS.—The term ‘legal process’ means any writ, order, summons, or other similar process in the nature of garnishment—

(A) which is issued by—

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

(ii) a court or an administrative agency of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor the process; or

(iii) an authorized official pursuant to an order of such a court or an administrative agency of competent jurisdiction or pursuant to State or local law; and

(B) which is directed to, and the purpose of which is to compel, a governmental entity which holds moneys which are otherwise payable to an individual to make a payment from the moneys to another party in order to satisfy a legal obligation of the individual to provide child support or make alimony payments.”.

(b) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661 and 662) are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (b)(2) and (3), by striking “sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)” and inserting “section 459 of the Social Security Act (42 U.S.C. 659)”.

(c) MILITARY RETIRED AND RETAINER PAY.—

(1) DEFINITION OF COURT.—Section 1408(a)(1) of title 10, United States Code, is amended—
(A) by striking "and" at the end of subparagraph (B);
(B) by striking the period at the end of subparagraph (C) and inserting "; and;
and
(C) by adding after subparagraph (C) the following new subparagraph:
"(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a program under a State plan approved under part D of title IV of the Social Security Act), and, for purposes of this subparagraph, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.".
(2) DEFINITION OF COURT ORDER.—Section 1408(a)(2) of such title is amended—
(A) by inserting "or a support order, as defined in section 459(p) of the Social Security Act (42 U.S.C. 659(p))," before "which—";
(B) in subparagraph (B)(i), by striking "(as defined in section 462(b) of the Social Security Act (42 U.S.C. 662(b)))" and inserting "(as defined in section 459(i)(2) of the Social Security Act (42 U.S.C. 659(i)(2)))";
(C) in subparagraph (B)(ii), by striking "(as defined in section 462(c) of the Social Security Act (42 U.S.C. 662(c)))" and inserting "(as defined in section 459(i)(3) of the Social Security Act (42 U.S.C. 659(i)(3)))";
(3) PUBLIC PAYEE.—Section 1408(d) of such title is amended—
(A) in the heading, by inserting "(OR FOR BENEFIT OF)" before "SPOUSE OR"; and
(B) in paragraph (1), in the first sentence, by inserting "or for the benefit of such spouse or former spouse to a State disbursement unit established pursuant to section 454B of the Social Security Act or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)" before "in an amount sufficient".
(4) RELATIONSHIP TO PART D OF TITLE IV.—Section 1408 of such title is amended by adding at the end the following new subsection:
"(j) RELATIONSHIP TO OTHER LAWS.—In any case involving an order providing for payment of child support (as defined in section 459(i)(2) of the Social Security Act) by a member who has never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of such Act.".
(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

SEC. 363. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.

(a) AVAILABILITY OF LOCATOR INFORMATION.—
(b) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed
Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member’s residential address should not be disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Within 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to reflect the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service established under section 453 of the Social Security Act.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted.

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

(3) DEFINITIONS.—For purposes of this subsection—

(A) The term “court” has the meaning given that term in section 1408(a) of title 10, United States Code.
(B) The term "child support" has the meaning given such term in section 459(i) of the Social Security Act (42 U.S.C. 659(i)).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—

(1) DATE OF CERTIFICATION OF COURT ORDER.—Section 1408 of title 10, United States Code, as amended by section 362(c)(4) of this Act, is amended—

(A) by redesignating subsections (i) and (j) as subsections (j) and (k), respectively; and

(B) by inserting after subsection (h) the following new subsection:

"(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary."

(2) PAYMENTS CONSISTENT WITH ASSIGNMENTS OF RIGHTS TO STATES.—Section 1408(d)(1) of such title is amended by inserting after the first sentence the following new sentence:

"In the case of a spouse or former spouse who, pursuant to section 408(a)(3) of the Social Security Act (42 U.S.C. 608(a)(4)), assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights."

(3) ARREARAGES OWED BY MEMBERS OF THE UNIFORMED SERVICES.—Section 1408(d) of such title is amended by adding at the end the following new paragraph:

"(6) In the case of a court order for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisfy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisfy the amount of child support set forth in a court order shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due."

(4) PAYROLL DEDUCTIONS.—The Secretary of Defense shall begin payroll deductions within 30 days after receiving notice of withholding, or for the first pay period that begins after such 30-day period.

SEC. 384. VOIDING OF FRAUDULENT TRANSFERS.

Section 466 (42 U.S.C. 666), as amended by section 321 of this Act, is amended by adding at the end the following new subsection:

"(g) LAWS VOIDING FRAUDULENT TRANSFERS.—In order to satisfy section 454(20)(A), each State must have in effect—

"(1) the Uniform Fraudulent Conveyance Act of 1981;

"(B) the Uniform Fraudulent Transfer Act of 1984; or

"(C) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the
Secretary finds affords comparable rights to child support creditors; and

“(2) procedures under which, in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

(A) seek to void such transfer; or
(B) obtain a settlement in the best interests of the child support creditor.”.

SEC. 365. WORK REQUIREMENT FOR PERSONS OWING PAST-DUE CHILD SUPPORT.

(a) IN GENERAL.—Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, and 323 of this Act, is amended by inserting after paragraph (14) the following new paragraph:

“(15) PROCEDURES TO ENSURE THAT PERSONS OWING PAST-DUE SUPPORT WORK OR HAVE A PLAN FOR PAYMENT OF SUCH SUPPORT.—

(A) IN GENERAL.—Procedures under which the State has the authority, in any case in which an individual owes past-due support with respect to a child receiving assistance under a State program funded under part A, to issue an order or to request that a court or an administrative process established pursuant to State law issue an order that requires the individual to—

(i) pay such support in accordance with a plan approved by the court, or, at the option of the State, a plan approved by the State agency administering the State program under this part; or

(ii) if the individual is subject to such a plan and is not incapacitated, participate in such work activities (as defined in section 407(d)) as the court, or, at the option of the State, the State agency administering the State program under this part, deems appropriate.

(B) PAST-DUE SUPPORT DEFINED.—For purposes of subparagraph (A), the term ‘past-due support’ means the amount of a delinquency, determined under a court order, or an order of an administrative process established under State law, for support and maintenance of a child, or of a child and the parent with whom the child is living.”.

(b) CONFORMING AMENDMENT.—The flush paragraph at the end of section 466(a) (42 U.S.C. 666(a)) is amended by striking “and (7)” and inserting “(7)”.

SEC. 366. DEFINITION OF SUPPORT ORDER.

Section 453 (42 U.S.C. 653) as amended by sections 316 and 345(b) of this Act, is amended by adding at the end the following new subsection:

“(p) SUPPORT ORDER DEFINED.—As used in this part, the term ‘support order’ means a decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages, or reimbursement, and which may include income withholding.”.

SEC. 367. REPORTING PROCEDURE

Section 466(a)(7) is amended to read as follows:

“(7) REPORTING

(A) In general.—Section 666(a)(7) of this title (42 U.S.C. 666(a)(7)) is amended by substituting in the flush paragraph—

(B) the following for the last sentence—

(i) due process, and

(ii) the satisfaction of the noncustodial parent’s obligations,

SEC. 368. LIENS.

Section 466(a) is amended as follows:

“(4) LIENS.—

(A) lien on personal property.—A noncustodial parent may establish a lien on personal property of a child over which the noncustodial parent has possession or control, or a lien on personal property of the noncustodial parent relating to such child, on notice or hearing.

SEC. 369. STATE LAWS.

Section 466(a) of title 42 (42 U.S.C. 666(a)) is amended in paragraph (15) by the following

“(A) AUTOMOBILE PROCEEDINGS

Procedures under this paragraph (and any other cases) authority, and of driver’s license to issue, recreational license to issue, or failing, after either of those proceedings.”.

SEC. 370. DENIAL OF SUPPORT

(a) HHS CERTIFICATION

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and which may include related costs and fees, interest and penalties, income withholding, attorneys' fees, and other relief.

SEC. 367. REPORTING ARREARAGES TO CREDIT BUREAUS.

Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended to read as follows:

"(7) REPORTING ARREARAGES TO CREDIT BUREAUS.—

(A) IN GENERAL.—Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) the name of any noncustodial parent who is delinquent in the payment of support, and the amount of overdue support owed by such parent.

(B) SAFEGUARDS.—Procedures ensuring that, in carrying out subparagraph (A), information with respect to a noncustodial parent is reported—

(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency (as so defined)."

SEC. 368. LIENS.

Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended to read as follows:

"(4) LIENS.—Procedures under which—

(A) liens arise by operation of law against real and personal property for amounts of overdue support owed by a noncustodial parent who resides or owns property in the State; and

(B) the State accords full faith and credit to liens described in subparagraph (A) arising in another State, when the State agency, party, or other entity seeking to enforce such a lien complies with the procedural rules relating to recording or serving liens that arise within the State, except that such rules may not require judicial notice or hearing prior to the enforcement of such a lien."

SEC. 369. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, and 365 of this Act, is amended by inserting after paragraph (15) the following:

"(16) AUTHORITY TO WITHHOLD OR SUSPEND LICENSES.—

Procedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational licenses of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings."

SEC. 370. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT.

(a) HHS CERTIFICATION PROCEDURE.—
(1) SECRETARIAL RESPONSIBILITY.—Section 452 (42 U.S.C. 652), as amended by section 345 of this Act, is amended by adding at the end the following new subsection:

"(k) If the Secretary receives a certification by a State agency in accordance with the requirements of section 454(b) that an individual owes arrearages of child support in an amount exceeding $5,000, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to paragraph (2).

(2) The Secretary of State shall, upon certification by the Secretary transmitted under paragraph (1), refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

(3) The Secretary and the Secretary of State shall not be liable to an individual for any action with respect to a certification by a State agency under this section.

(2) STATE AGENCY RESPONSIBILITY.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(b), 313(a), 333, and 343(b) of this Act, is amended—

(A) by striking "and" at the end of paragraph (29);

(B) by striking the period at the end of paragraph (30) and inserting ";"; and

(C) by adding after paragraph (30) the following new paragraph:

"31) provide that the State agency will have in effect a procedure for certifying to the Secretary, for purposes of the procedure under section 452(k), determinations that individuals owe arrearages of child support in an amount exceeding $5,000, under which procedure—

"(A) each individual concerned is afforded notice of such determination and the consequences thereof, and an opportunity to contest the determination; and

"(B) the certification by the State agency is furnished to the Secretary in such format, and accompanied by such supporting documentation, as the Secretary may require."

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective October 1, 1997.

SEC. 371. INTERNATIONAL SUPPORT ENFORCEMENT.

(a) AUTHORITY FOR INTERNATIONAL AGREEMENTS.—Part D of title IV, as amended by section 362(a) of this Act, is amended by adding after section 459 the following new section:

"SEC. 459A. INTERNATIONAL SUPPORT ENFORCEMENT.

(a) AUTHORITY FOR DECLARATIONS.—

"(1) DECLARATION.—The Secretary of State, with the concurrence of the Secretary of Health and Human Services, is authorized to declare any foreign country (or a political subdivision thereof) to be a foreign reciprocating country if the foreign country has established, or undertakes to establish, procedures for the establishment and enforcement of duties of support owed to obligors who are residents of the United States, and such procedures are substantially in conformity with the standards prescribed under subsection (b).

"(2) REVOCATION.—A declaration with respect to a foreign country made pursuant to paragraph (1) may be revoked if the Secretaries of State and Health and Human Services determine that—
"(A) the procedures established by the foreign country regarding the establishment and enforcement of duties of support have been so changed, or the foreign country's implementation of such procedures is so unsatisfactory, that such procedures do not meet the criteria for such a declaration; or

"(B) continued operation of the declaration is not consistent with the purposes of this part.

"(3) FORM OF DECLARATION.—A declaration under paragraph (1) may be made in the form of an international agreement, in connection with an international agreement or corresponding foreign declaration, or on a unilateral basis.

"(b) STANDARDS FOR FOREIGN SUPPORT ENFORCEMENT PROCEDURES.—

"(1) MANDATORY ELEMENTS.—Support enforcement procedures of a foreign country which may be the subject of a declaration pursuant to subsection (a)(1) shall include the following elements:

"(A) The foreign country (or political subdivision thereof) has in effect procedures, available to residents of the United States—

"(i) for establishment of paternity, and for establishment of orders of support for children and custodial parents; and

"(ii) for enforcement of orders to provide support to children and custodial parents, including procedures for collection and appropriate distribution of support payments under such orders.

"(B) The procedures described in subparagraph (A), including legal and administrative assistance, are provided to residents of the United States at no cost.

"(C) An agency of the foreign country is designated as a Central Authority responsible for—

"(i) facilitating support enforcement in cases involving residents of the foreign country and residents of the United States; and

"(ii) ensuring compliance with the standards established pursuant to this subsection.

"(2) ADDITIONAL ELEMENTS.—The Secretary of Health and Human Services and the Secretary of State, in consultation with the States, may establish such additional standards as may be considered necessary to further the purposes of this section.

"(c) DESIGNATION OF UNITED STATES CENTRAL AUTHORITY.—It shall be the responsibility of the Secretary of Health and Human Services to facilitate support enforcement in cases involving residents of the United States and residents of foreign countries that are the subject of a declaration under this section, by activities including—

"(1) development of uniform forms and procedures for use in such cases;

"(2) notification of foreign reciprocating countries of the State of residence of individuals sought for support enforcement purposes, on the basis of information provided by the Federal Parent Locator Service; and

"(3) such other oversight, assistance, and coordination activities as the Secretary may find necessary and appropriate.
“(d) EFFECT ON OTHER LAWS.—States may enter into reciprocal arrangements for the establishment and enforcement of support obligations with foreign countries that are not the subject of a declaration pursuant to subsection (a), to the extent consistent with Federal law.”

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(b), 313(a), 333, 343(b), and 370(a)(2) of this Act, is amended—

(1) by striking “and” at the end of paragraph (30);
(2) by striking the period at the end of paragraph (31) and inserting “; and”;
(3) by adding after paragraph (31) the following new paragraph:

“(32)(A) provide that any request for services under this part by a foreign reciprocating country or a foreign country with which the State has an arrangement described in section 459Ad(2) shall be treated as a request by a State;
(B) provide, at State option, notwithstanding paragraph (4) or any other provision of this part, for services under the plan for enforcement of a spousal support order not described in paragraph (4)(B) entered by such a country (or subdivision); and
(C) provide that no applications will be required from, and no costs will be assessed for such services against, the foreign reciprocating country or foreign obligee (but costs may at State option be assessed against the obligor).”.

SEC. 372. FINANCIAL INSTITUTION DATA MATCHES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, 365, and 369 of this Act, is amended by inserting after paragraph (16) the following new paragraph:

“(17) FINANCIAL INSTITUTION DATA MATCHES.—

(A) IN GENERAL.—Procedures under which the State agency shall enter into agreements with financial institutions doing business in the State—

(i) to develop and operate, in coordination with such financial institutions, a data match system, using automated data exchanges to the maximum extent feasible, in which each such financial institution is required to provide for each calendar quarter the name, record address, social security number or other taxpayer identification number, and other identifying information for each noncustodial parent who maintains an account at such institution and who owes past-due support, as identified by the State by name and social security number or other taxpayer identification number; and
(ii) in response to a notice of lien or levy, encumber or surrender, as the case may be, assets held by such institution on behalf of any noncustodial parent who is subject to a child support lien pursuant to paragraph (4).

(B) REASONABLE FEES.—The State agency may pay a reasonable fee to a financial institution for conducting the data match provided for in subparagraph (A)(i), not to exceed the actual costs incurred by such financial institution.
“(C) LIABILITY.—A financial institution shall not be liable under any Federal or State law to any person—
“(i) for any disclosure of information to the State agency under subparagraph (A)(i);
“(ii) for encumbering or surrendering any assets held by such financial institution in response to a notice of lien or levy issued by the State agency as provided for in subparagraph (A)(ii); or
“(iii) for any other action taken in good faith to comply with the requirements of subparagraph (A).
“(D) DEFINITIONS.—For purposes of this paragraph—
“(i) FINANCIAL INSTITUTION.—The term 'financial institution' has the meaning given to such term by section 469A(d)(1).
“(ii) ACCOUNT.—The term 'account' means a demand deposit account, checking or negotiable withdrawal order account, savings account, time deposit account, or money-market mutual fund account.”.

SEC. 373. ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS IN CASES OF MINOR PARENTS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, 365, 369, and 372 of this Act, is amended by inserting after paragraph (17) the following new paragraph:
“(18) ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS.—Procedures under which, at the State's option, any child support order enforced under this part with respect to a child of minor parents, if the custodial parent of such child is receiving assistance under the State program under part A, shall be enforceable, jointly and severally, against the parents of the noncustodial parent of such child.”.

SEC. 374. NONDISCHARGEABILITY IN BANKRUPTCY OF CERTAIN DEBTS FOR THE SUPPORT OF A CHILD.

(a) AMENDMENT TO TITLE 11 OF THE UNITED STATES CODE.—

Section 523(a) of title 11, United States Code, is amended—

(1) by striking “or” at the end of paragraph (16);

(2) by striking the period at the end of paragraph (17) and inserting “; or”;

(3) by adding at the end the following:
“(18) owed under State law to a State or municipality that is—
“(A) in the nature of support, and
“(B) enforceable under part D of title IV of the Social Security Act (42 U.S.C. 601 et seq.).”; and

(4) in paragraph (5), by striking “section 402(a)(26)” and inserting “section 408(a)(3)”.

(b) AMENDMENT TO THE SOCIAL SECURITY ACT.—Section 456(b) (42 U.S.C. 656(b)) is amended to read as follows:
“(b) NONDISCHARGEABILITY.—A debt (as defined in section 101 of title 11 of the United States Code) owed under State law to a State (as defined in such section) or municipality (as defined in such section) that is in the nature of support and that is enforceable under this part is not released by a discharge in bankruptcy under title 11 of the United States Code.”.
SEC. 378. CHILD SUPPORT ENFORCEMENT FOR INDIAN TRIBES.

(a) Child Support Enforcement Agreements.-(Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(b), 313(a), 333, 343(b), 370(a)(3), and 371(b) of this Act, is amended—
(1) by striking "and" at the end of paragraph (31);
(2) by striking the period at the end of paragraph (32) and inserting "; and";
(3) by adding after paragraph (32) the following new paragraph:
"(33) provide that a State that receives funding pursuant to section 428 and that has within its borders Indian country (as defined in section 1151 of title 18, United States Code) may enter into cooperative agreements with an Indian tribe or tribal organization (as defined in subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), if the Indian tribe or tribal organization demonstrates that such tribe or organization has an established tribal court system or a Court of Indian Offenses with the authority to establish paternity, establish, modify, and enforce support orders, and to enter support orders in accordance with child support guidelines established by such tribe or organization, under which the State and tribe or organization shall provide for the cooperative delivery of child support enforcement services in Indian country and for the forwarding of all funding collected pursuant to the functions performed by the tribe or organization to the State agency, or conversely, by the State agency to the tribe or organization, which shall distribute such funding in accordance with such agreement;" and
(4) by adding at the end the following new sentence:"Nothing in paragraph (33) shall void any provision of any cooperative agreement entered into before the date of the enactment of such paragraph, nor shall such paragraph deprive any State of jurisdiction over Indian country (as so defined) that is lawfully exercised under section 402 of the Act entitled 'An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes', approved April 11, 1968 (25 U.S.C. 1322)."

(b) Direct Federal Funding to Indian Tribes and Tribal Organizations.-(Section 455 (42 U.S.C. 655) is amended by adding at the end the following new subsection:
"(b) The Secretary may, in appropriate cases, make direct payments under this part to an Indian tribe or tribal organization which has an approved child support enforcement plan under this title. In determining whether such payments are appropriate, the Secretary shall, at a minimum, consider whether services are being provided to eligible Indian recipients by the State agency through an agreement entered into pursuant to section 458(e)(4)."

(c) Cooperative Enforcement Agreements.-(Paragraph (7) of section 454 (42 U.S.C. 654) is amended by inserting "and Indian tribes or tribal organizations (as defined in subsections (e) and

SEC. 381. CORRECTIVE EFFECTIVE DATES.
(a) In General.-(The amendment made by section 415 of the Social Security Amendments of 1984 (42 U.S.C. 654 note) shall take effect on November 5, 1984.
(b) Effective Date of Amendment.-(The amendment made by section 415 of the Social Security Amendments of 1984 (42 U.S.C. 654 note) shall take effect on January 1, 1987, if—
(A) during the first year of the period of time covered by such amendment, the State shall adopt a plan for the enforcement of support orders and the collection of support arrears, and for the enforcement of the Indian Child Welfare Act (25 U.S.C. 1901 et seq.) in accordance with the plan, and
(B) during the second year of the period of time covered by such amendment, the Secretary shall enter into an agreement with the State for the enforcement of support orders and the collection of support arrears and the enforcement of the Indian Child Welfare Act (25 U.S.C. 1901 et seq.) in accordance with the plan;"
Subtitle H—Medical Support

SEC. 381. CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.


(1) by striking "issued by a court of competent jurisdiction";

(2) by striking the period at the end of clause (ii) and inserting a comma; and

(3) by adding, after and below clause (ii), the following: "if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued through an administrative process established under State law and has the force and effect of law under applicable State law."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1997.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the 1st plan year beginning on or after January 1, 1997, if—

(A) during the period after the date before the date of the enactment of this Act and before such 1st plan year, the plan is operated in accordance with the requirements of the amendments made by this section; and

(B) such plan amendment applies retroactively to the period after the date before the date of the enactment of this Act and before such 1st plan year.

A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

SEC. 382. ENFORCEMENT OF ORDERS FOR HEALTH CARE COVERAGE.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, 365, 369, 372, and 373 of this Act, is amended by inserting after paragraph (18) the following new paragraph:

"(19) HEALTH CARE COVERAGE.—Procedures under which all child support orders enforced pursuant to this part shall include a provision for the health care coverage of the child, and in the case in which a noncustodial parent provides such coverage and changes employment, and the new employer provides health care coverage, the State agency shall transfer notice of the provision to the employer, which notice shall..."
operate to enroll the child in the noncustodial parent's health plan, unless the noncustodial parent contests the notice.

Subtitle I—Enhancing Responsibility and Opportunity for Non-Residential Parents

SEC. 391. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

Part D of title IV (42 U.S.C. 651–669), as amended by section 353 of this Act, is amended by adding at the end the following new section:

SEC. 469B. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

"(a) IN GENERAL.—The Administration for Children and Families shall make grants under this section to enable States to establish and administer programs to support and facilitate noncustodial parents' access to and visitation of their children, by means of activities including mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision and neutral drop-off and pickup), and development of guidelines for visitation and alternative custody arrangements.

"(b) AMOUNT OF GRANT.—The amount of the grant to be made to a State under this section for a fiscal year shall be an amount equal to the lesser of—

"(1) 90 percent of State expenditures during the fiscal year for activities described in subsection (a); or
"(2) the allotment of the State under subsection (c) for the fiscal year.

"(c) ALLOTMENTS TO STATES.—

"(1) IN GENERAL.—The allotment of a State for a fiscal year is the amount that bears the same ratio to $10,000,000 for grants under this section for the fiscal year as the number of children in the State living with only 1 biological parent bears to the total number of such children in all States.

"(2) MINIMUM ALLOTMENT.—The Administration for Children and Families shall adjust allotments to States under paragraph (1) as necessary to ensure that no State is allotted less than—

"(A) $50,000 for fiscal year 1997 or 1998; or
"(B) $100,000 for any succeeding fiscal year.

"(d) NO SUPPLANTATION OF STATE EXPENDITURES FOR SIMILAR ACTIVITIES.—A State to which a grant is made under this section may not use the grant to supplant expenditures by the State for activities specified in subsection (a), but shall use the grant to supplement such expenditures at a level at least equal to the level of such expenditures for fiscal year 1995.

"(e) STATE ADMINISTRATION.—Each State to which a grant is made under this section—

"(1) may administer State programs funded with the grant, directly or through grants to or contracts with courts, local public agencies, or nonprofit private entities;
"(2) shall not be required to operate such programs on a statewide basis; and

"(3) shall not receiving any grant under this section until they are in accordance with the following:

SEC. 395. EFFECTIVE DATE.

(a) IN GENERAL.—The provisions of this title shall be applicable to programs for grants under this section—

"(1) the provisions of which are subject to paragraphs (1) and (2) of subsection (a) of section 101 of the Family Security Act, or amendments to such Act, shall be applicable to a program for grants under this section on and after October 1, 1995;

"(2) all other programs for grants under this section, upon the date of enactment of this title.

(b) GRACE PERIOD.—The provisions of this title shall be applicable to programs for grants under this section—

"(1) the date specified in paragraph (1) of subsection (a);

"(2) the effective date of such State implementing regulations, but in no event later than 5 years beginning after the date of enactment of this title, and thereafter as determined by the legislature that began such State implementing regulations under this title.

(c) GRACE PERIOD.—A State shall not be deemed to have enacted by this title any amendment to the State constitution or statute, as separately specified in subsections (a) and (b) of section 102 of the Family Security Act, or amendments to such Act, that has a 2-year implementation period, which shall be deemed to be the State implementing regulations under this title.

(d) CONFORMING AMENDMENTS.—The following shall apply—

"(1) The following shall be deemed to be absent each place in this title—

(A) Section
(B) Subsection
and (h) of section
(C) Section
(D) Paragraph

(2) The following shall be deemed to be absent each place in this title—

(A) Subsection
(B) Paragraph
and (ii) of section
(C) Paragraph
(e) of section
(F) Section
such as
(G) Section
such as

"(3) The following shall be deemed to be absent each place in this title—

(A) Section
(B) Paragraph
and (ii) of section
(C) Paragraph
(e) of section
(F) Section
such as
(G) Section
such as

"(4) The following shall be deemed to be absent each place in this title—

(A) Section
(B) Paragraph
and (ii) of section
(C) Paragraph
(e) of section
(F) Section
such as
(G) Section
such as

"(5) The following shall be deemed to be absent each place in this title—

(A) Section
(B) Paragraph
and (ii) of section
(C) Paragraph
(e) of section
(F) Section
such as
(G) Section
such as

substituting
“(3) shall monitor, evaluate, and report on such programs in accordance with regulations prescribed by the Secretary.”

Subtitle J—Effective Dates and Conforming Amendments

SEC. 395. EFFECTIVE DATES AND CONFORMING AMENDMENTS.

(a) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) the provisions of this title requiring the enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of this title shall become effective upon the date of the enactment of this Act.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this title shall become effective with respect to a State on the later of—

(1) the date specified in this title, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions, but in no event later than the 1st day of the 1st calendar year following after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by this title if the State is unable to so comply without amending the State constitution until the earlier of—

(1) 1 year after the effective date of the necessary State constitutional amendment; or

(2) 5 years after the date of the enactment of this Act

(d) CONFORMING AMENDMENTS.—

(1) The following provisions are amended by striking “absent” each place it appears and inserting “noncustodial”:

(A) Section 451 (42 U.S.C. 651).

(B) Subsections (a)(1), (a)(3), and (a)(10)(E), (a)(10)(F), (f), and (h) of section 452 (42 U.S.C. 652).

(C) Section 453(f) (42 U.S.C. 653(f)).

(D) Paragraphs (8), (13), and (21)(A) of section 454 (42 U.S.C. 654).

(E) Section 455(e)(1) (42 U.S.C. 655(e)(1)).

(F) Section 458(a) (42 U.S.C. 658(a)).

(G) Subsections (a), (b), and (c) of section 463 (42 U.S.C. 663).

(H) Subsections (a)(3)(A), (a)(3)(C), (a)(6), and (a)(8)(B)(ii), the last sentence of subsection (a), and subsections (b)(1), (b)(3)(B), (b)(3)(D)(i), (b)(6)(A)(i), (b)(9), and (e) of section 466 (42 U.S.C. 666).

(2) The following provisions are amended by striking “an absent” each place it appears and inserting “a noncustodial”:
TITLe IV—RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS

SEC. 400. STATEMENTS OF NATIONAL POLICY CONCERNING WELFARE AND IMMIGRATION.

The Congress makes the following statements concerning national policy with respect to welfare and immigration:

(A) Paragraphs (2) and (3) of section 453(c) (42 U.S.C. 653(c)).
(B) Subparagraphs (B) and (C) of section 454(9) (42 U.S.C. 654(9)).
(C) Section 456(a)(3) (42 U.S.C. 656(a)(3)).
(D) Subsections (a)(3)(A), (a)(6), (a)(8)(B)(i), (b)(3)(A), and (b)(3)(B) of section 466 (42 U.S.C. 666).
(E) Paragraphs (2) and (4) of section 469(b) (42 U.S.C. 669(b)).

3 USC 1601.

SEC. 401. ALIENS WHO WOULD BE CONTRARY TO NATIONAL POLICY.

(a) IN GENERAL. No alien shall be entitled to any Federal public benefit, unless he is a qualified alien under section 1 of this Act.

(b) EXCEPTIONS.

(1) The following Federal public benefits shall not be denied...

(A) Medical care and other care...

(B) Employment assistance...

(C) Public assistance...

(D) Public assistance...

(E) Public assistance...

(2) Subsections...

(3) Subsections...

(4) Subsections...

(5) Subsections...

(6) Subsections...

(7) Subsections...

(8) Subsections...

(9) Subsections...