

registry established under section 454A,  
regardless of whether application is made for  
services under this part; and

"(B) to enforce the support obligation established  
with respect to the custodial parent of a child  
described in subparagraph (A).";

(2) in paragraph (6)--

(A) by striking all that precedes subparagraph (C)  
and inserting the following:

"(6) provide that--

"(A) services under the State plan shall be made  
available to non-residents on the same terms as to  
residents;

"(B) no fees or costs shall be imposed on any  
absent or custodial parent or other individual--

"(i) on or after October 1, 1997, for  
application for child support enforcement services  
under this part; or

"(ii) for inclusion in the central State  
registry maintained pursuant to section 454A(e);  
and

"(C) fees or costs may not be imposed on the  
custodial parent (but may be imposed on the  
noncustodial parent) for child support collection  
services provided through the central collections unit  
operated pursuant to section 454B, or for related

automated procedures pursuant to section 454A(g) (but only if such fees or costs are added to, and not deducted from, amounts collected as child support);";

(B) in each of subparagraphs (C) through (E)--

(i) by indenting such subparagraph and aligning its left margin with the left margin of paragraph (B); and

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

(C) by adding "and" at the end of subparagraph (D): and

(D) in subparagraph (E), to read as follows:

"(E) (at State option, in the case of a State that imposed fees in fiscal year 1994 (on either the custodial or the noncustodial parent) to recover costs of activities not described in the preceding provisions of this paragraph) impose fees to recover other costs from the noncustodial parent;".

(c) Conforming Amendments.--

(1) Section 452(g)(2)(A) is amended by striking "454(6)" each place it appears and inserting "454(4)(A)(ii)".

(2) Section 454(23) is amended, effective October 1, 1997, by striking "information as to any application fees for such services and".

(3) Section 466(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) is amended by striking "or (6)".

SEC. 603. DISTRIBUTION OF PAYMENTS.

(a) Distributions through State Child Support Enforcement Agency to Former Assistance Recipients.--Section 454(5) is amended--

(1) in subparagraph (A)--

(A) by inserting "except as otherwise specifically provided in section 464 or 466(a)(3)," after "is effective,"; and

(B) by striking "except that" and all that follows through the semicolon; and

(2) in subparagraph (B), by striking ", except" and all that follows through "medical assistance".

(b) Distribution to a Family Currently Receiving AFDC.--Section 457 is amended--

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

(2) in subsection (a), as redesignated--

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

"(a) In the Case of a Family Receiving AFDC.--Amounts collected under this part during any month as support of a child who is receiving assistance under part A (or a parent or caretaker relative of such a child) shall (except in the case of a State exercising the option under subsection (b)) be distributed as follows:

"(1) an amount equal to the amount specified in section 402(a)(8)(A)(vi) shall be taken from each of--

"(A) amounts received in a month which represent payments for that month; and

"(B) amounts received in a month which represent payments for a prior month which were made by the absent parent in the month when due;

and shall be paid to the family without affecting its eligibility for assistance or decreasing any amount otherwise payable as assistance to such family during such month;"

(B) in paragraph (4), by striking "or (B)" and all that follows and inserting "; then (B) from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to any other State or States shall be paid to such other State or States and used to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing); and then (C) any remainder shall be paid to the family."

(3) by inserting after subsection (a), as redesignated, the following new subsection:

"(b) Alternative Distribution in Case of Family Receiving AFDC.--In the case of a State electing the option under this subsection, amounts collected as described in subsection (a) shall be distributed as follows:

"(1) an amount equal to the amount specified in section 402(a)(8)(A)(vi) shall be taken from each of--

"(A) amounts received in a month which represent payments for that month; and

"(B) amounts received in a month which represent payments for a prior month which were made by the absent parent in the month when due;

and shall be paid to the family without affecting its eligibility for assistance or decreasing any amount otherwise payable as assistance to such family during such month;

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

"(3) third, from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to the State making the collection shall be retained and used by such State to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing);

"(4) fourth, from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to any other State or States shall be paid to such other State or States and used to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing); and

"(5) fifth, any remainder shall be paid to the family."

(c) Distribution to a Family Not Receiving AFDC.--Section 457(c) is amended to read as follows:

"(c) In Case of Family Not Receiving AFDC.--Amounts collected by a State agency under this part during any month as support of a child who is not receiving assistance under part A (or of a parent or caretaker relative of such a child) shall (subject to the remaining provisions of this section) be distributed as follows:

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

"(2) second, from any remainder, amounts equal to arrearages of such support obligations for months during which such child did not receive assistance under part A shall be paid to the family;

"(3) third, from any remainder, amounts equal to arrearages of such support obligations assigned to the State making the collection pursuant to part A shall be retained and used by such State to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing);

"(4) fourth, from any remainder, amounts equal to arrearages of such support obligations assigned to any other State pursuant to part A shall be paid to such other State or States, and used to pay such arrearages, in the order in

which such arrearages accrued (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing).".

(d) Distribution to a Child Receiving Assistance under Title IV-E.--Subsection (d) is amended, in the matter preceding paragraph (1), by striking "Notwithstanding the preceding provisions of this section, amounts" and inserting "In Case of a Child Receiving Assistance under Title IV-E.--Amounts".

(e) Suspension or Cancellation of Debts Upon Marriage of Parents.--Section 457 is further amended by adding at the end the following new subsection:

"(e) Suspension or Cancellation of Debts to State Upon Marriage of Parents.--(1) Circumstances Requiring Suspension or Cancellation.--In any case in which a State has been assigned rights to support owed with respect to a child who is receiving or has received assistance under part A and--

"(A) the parent owing such support marries (or remarries) the parent with whom such child is living and to whom such support is owed and applies to the State for relief under this subsection;

"(B) the State determines (in accordance with procedures and criteria established by the Secretary) that the marriage is not a sham marriage entered into solely to satisfy this subsection; and

"(C) the combined income of such parents is less than twice the Federal poverty line,

the State shall afford relief to the parent owing such support in accordance with paragraph (2).

"(2) Suspension or Cancellation.--In the case of a marriage or remarriage described in paragraph (1), the State shall either--

"(A) cancel all debts owed to the State pursuant to such assignment, or

"(B) suspend collection of such debts for the duration of such marriage, and cancel such debts if such duration extends beyond the end of the period with respect to which support is owed.

"(3) Notice Required.--The State shall notify custodial parents of children who are receiving aid under part A of the relief available under this subsection to individuals who marry (or remarry)."

(f) Regulations.--The Secretary shall promulgate regulations--

(1) under title IV-D of the Social Security Act, establishing a uniform nationwide standard for allocation of child support collections from an obligor owing support to more than one family; and

(2) under title IV-A of such Act, establishing standards applicable to States electing the alternative formula under section 457(b) of the Social Security Act for distribution of collections on behalf of families receiving

Aid to Families with Dependent Children, designed to minimize irregular monthly payments to such families.

(g) Clerical Amendment.--Section 454 is amended--

(1) in paragraph (11), by striking "(11)" and inserting "(11)(A)"; and

(2) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

(h) Conforming Amendment.--Section 402(a)(26)(A)(i), as redesignated by section 601(b)(2)(A), is amended--

(1) by striking "(I)"; and

(2) by striking ", and (II)" and all that follows before the semicolon.

SEC. 604. DUE PROCESS RIGHTS.

(a) Section 454, as amended by section 603(g), is further amended by inserting after paragraph (11) the following new paragraph:

"(12) provide for procedures to ensure that--

"(A) individuals who are parties to cases in which services are being provided under this part--

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

"(ii) receive a copy of any order establishing or modifying a child support obligation within 14 days after issuance of such order; and

"(B) individuals receiving services under this part have access to a fair hearing or other formal complaint procedure, meeting standards established by the Secretary, that ensures prompt consideration and resolution of complaints (but the resort to such procedure shall not stay the enforcement of any support order);".

(b) Effective Date.--The amendments made by this section shall become effective on October 1, 1996.

SEC. 605. PRIVACY SAFEGUARDS.

(a) State Plan Requirement.--Section 454, as amended by section 601, is further 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 sensitive and confidential information handled by the State agency 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 paternity, or to establish or enforce support; and

"(B) prohibitions on the release of information on the whereabouts of one party to another party against whom a protective order with respect to such party has been entered.".

(b) The amendments made by this section shall become effective on October 1, 1996.

SEC. 606. REQUIREMENT TO FACILITATE ACCESS TO SERVICES.

(a) State Plan Requirement.--Section 454(23) is amended--

(1) by striking "the State will regularly" and inserting "the State will--

"(A) regularly";

(2) by incorporating the remainder of the text within subparagraph (A);

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

(4) by adding after and below subparagraph (A) the following new subparagraph:

"(B) have a plan for outreach to parents designed to disseminate information about and increase access to child support enforcement services, including plans responding to needs--

"(i) of working parents to obtain such services without taking time off work; and

"(ii) of parents with limited proficiency in English for elimination of language barriers to use of such services; and".

(b) The amendments made by this section shall become effective on October 1, 1996.

**Part B - Program Administration and Funding**

**SEC. 611. FEDERAL MATCHING PAYMENTS.**

(a) Increased Base Matching Rate.--Section 455(a)(2) is amended to read as follows:

"(2) The applicable percent for a quarter for purposes of paragraph (1)(A) is--

"(A) for fiscal year 1996, 69 percent,

"(B) for fiscal year 1997, 72 percent, and

"(C) for fiscal year 1998 and succeeding fiscal years, 75 percent."

(b) Maintenance of Effort.--Section 455 is amended--

(1) in subsection (a)(1), in the matter preceding subparagraph (A), by striking "From" and inserting "Subject to subsection (c), from"; and

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

"(c) Maintenance of Effort.--Notwithstanding the provisions of subsection (a), total expenditures for the State program under this part for fiscal year 1996 and each succeeding fiscal year, reduced by the percentage specified for such fiscal year under subsection (a)(2)(A), (B), or (C)(i), shall not be less than such total expenditures for fiscal year 1995, reduced by 66 percent.

SEC. 612. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) Incentive Adjustments to Federal Matching Rate.--(1) In General.--Section 458 is amended to read as follows:

"INCENTIVE ADJUSTMENTS TO MATCHING RATE

"Sec. 458. (a) Incentive Adjustment.--(1) In General.--In order to encourage and reward State child support enforcement programs which perform in an effective manner, the Federal matching rate for payments to a State under section 455(a)(1)(A), for each fiscal year beginning on or after October 1, 1997, shall be increased by a factor reflecting the sum of the applicable incentive adjustments (if any) determined in accordance with regulations under this section with respect to Statewide paternity establishment and to overall performance in child support enforcement.

"(2) Standards.--The Secretary shall specify in regulations--

"(A) the levels of accomplishment, and rates of improvement as alternatives to such levels, which States must attain to qualify for incentive adjustments under this section; and

"(B) the amounts of incentive adjustment that shall be awarded to States achieving specified accomplishment or improvement levels, which amounts shall be graduated, ranging up to--

"(i) 5 percentage points, in connection with Statewide paternity establishment; and

"(ii) 10 percentage points, in connection with overall performance in child support enforcement.

"(3) Determination of Incentive Adjustment.--The Secretary shall determine the amount (if any) of incentive adjustment due each State on the basis of the data submitted by the State pursuant to section 454(15)(B) concerning the levels of accomplishment (and rates of improvement) with respect to performance indicators specified by the Secretary pursuant to this section.

"(4) Fiscal Year Subject to Incentive Adjustment.--The total percentage point increase determined pursuant to this section with respect to a State program in a fiscal year shall apply as an adjustment to the applicable percent under section 455(a)(2) for payments to such State for the succeeding fiscal year.

"(b) Meaning of Terms.--For purposes of this section--

"(1) the term 'Statewide paternity establishment percentage' means, with respect to a fiscal year, the ratio (expressed as a percentage) of--

"(A) the total number of out-of-wedlock children in the State under one year of age for whom paternity is established or acknowledged during the fiscal year, to

"(B) the total number of children born out of wedlock in the State during such fiscal year; and

"(2) the term 'overall performance in child support enforcement' means a measure or measures of the

effectiveness of the State agency in a fiscal year which takes into account factors including--

"(A) the percentage of cases requiring a child support order in which such an order was established;

"(B) the percentage of cases in which child support is being paid;

"(C) the ratio of child support collected to child support due; and

"(D) the cost-effectiveness of the State program, as determined in accordance with standards established by the Secretary in regulations.".

(b) Title IV-D Payment Adjustment.--Section 455(a)(2), as amended by section 611, is further amended--

(1) by striking the period at the end of subparagraph (C)(ii) and inserting a period; and

(2) by adding after and below subparagraph (C), flush with the left margin of the subsection, the following:  
"increased by the incentive adjustment factor (if any) determined by the Secretary pursuant to section 458.".

(c) Conforming Amendments.--Section 454(22) is amended--

(A) by striking "incentive payments" the first place it appears and inserting "incentive adjustments"; and

(B) by striking "any such incentive payments made to the State for such period" and inserting "any increases in Federal payments to the State resulting from such incentive adjustments".

(d) Calculation of IV-D Paternity Establishment

Percentage.--(A) Section 452(g) is amended in paragraph (1), in the matter preceding subparagraph (A), by inserting "its overall performance in child support enforcement is satisfactory (as defined in section 458(b) and regulations of the Secretary), and" after "1994,".

(B) Section 452(g)(2) is amended--

(i) in subparagraph (A), 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)";

(ii) in subparagraph (A)(i), by striking "during the fiscal year";

(iii) in subclause (I) of subparagraph (A)(ii), by striking "as of the end of the fiscal year" and inserting "in the fiscal year or, at the option of the State, as of the end of such year";

(iv) in subclause (II) of subparagraph (A)(ii), by striking "or (E) as of the end of the fiscal year" and inserting "in the fiscal year or, at the option of the State, as of the end of such year";

(v) in subparagraph (A)(iii)--

(I) by striking "during the fiscal year"; and

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

(vi) in the matter following subparagraph (A)--

(I) by striking "who were born out of wedlock during the immediately preceding fiscal year" and inserting "born out of wedlock";

(II) by striking "such preceding fiscal year" both places it appears and inserting "the preceding fiscal year"; and

(III) by striking "or (E)" the second place it appears.

(C) Section 452(g)(3) is amended--

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

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

(iii) in subparagraph (B), as redesignated--

(I) by inserting "and overall performance in child support enforcement" after "paternity establishment percentages"; and

(II) by inserting "and securing support" before the period.

(e) Title IV-A Payment Reduction.--Section 403 is amended--

(1) in subsection (a), by striking "1958--" and inserting "1958 (subject to subsection (h))--";

(2) in subsection (h), by striking all that precedes paragraph (3) and inserting the following:

"(h)(1) If the Secretary finds, with respect to a State program under this part in a fiscal year beginning on or after October 1, [1996]--

"(A)(i) on the basis of data submitted by a State pursuant to section 454(15)(B), that the State program in such fiscal year failed to achieve the IV-D paternity establishment percentage (as defined in section 452(g)(2)(A)) or the appropriate level of overall performance in child support enforcement (as defined in section 458(b)(2)), or to meet other performance measures that may be established by the Secretary, or

"(ii) on the basis of an audit or audits of such State data conducted pursuant to section 452(a)(4)(C), that the State data submitted pursuant to section 454(15)(B) is incomplete or unreliable; and

"(B) that, with respect to the succeeding fiscal year--

"(i) the State failed to take sufficient corrective action to achieve the appropriate performance levels as described in subparagraph (A)(i), or

"(ii) the data submitted by the State pursuant to section 454(15)(B) is incomplete or unreliable,

the amounts otherwise payable to the State under this part for quarters following the end of such succeeding fiscal year, prior to quarters following the end of the first quarter throughout which the State program is in compliance with such performance requirement, shall be reduced by the percentage specified in paragraph (2).

"(2) The reductions required under paragraph (1) shall be--

"(A) not less than one nor more than two percent, or

"(B) not less than two nor more than three percent, if the finding is the second consecutive finding made pursuant to paragraph (1), or

"(C) not less than three nor more than five percent, if the finding is the third or a subsequent consecutive such finding."; and

(3) in subsection (h)(3), by striking "not in full compliance" and all that follows and inserting "determined as a result of an audit to have submitted incomplete or unreliable data pursuant to section 454(15)(B), shall be determined to have submitted adequate data if the Secretary determines that the extent of the incompleteness or unreliability of the data is of a technical nature which

does not adversely affect the determination of the level of the State's performance."

(f) Effective Dates.--

(1) Incentive Adjustments.--(A) The amendments made by subsections (a), (b), and (c) shall become effective October 1, 1996, except to the extent provided in subparagraph (B).

(B) The provisions of section 458 of the Act, as in effect prior to the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years prior to fiscal year 1998.

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

(B) The amendments made by subsection (e) shall become effective with respect to calendar quarters beginning on and after the date one year after the date of enactment of this Act.

SEC. 613. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) State Agency Activities.--Section 454 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 under this part, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which such program is in conformity with applicable requirements with respect to the operation of State programs under this part (including the status of complaints filed under the procedure required under paragraph (12)(B)); and

"(B) an annual process of extracting from the State automated data processing system and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including IV-D paternity establishment percentages and overall performance in child support enforcement) to

the extent necessary for purposes of sections 452(g) and 458."

(b) Federal Activities.--Section 452(a)(4) is amended to read as follows:

"(4)(A) review data and calculations transmitted annually by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of section 452(g) and 458, and determine the amount (if any) of penalty reductions pursuant to section 403(h) to be applied to the State;

"(B) review annual reports by State agencies pursuant to section 454(15)(A) on State program conformity with Federal requirements; evaluate any elements of a State program in which significant deficiencies are indicated by such report on the status of complaints under the State procedure under section 454(12)(B); and, as appropriate, provide to the State agency comments, recommendations for additional or alternative corrective actions, and technical assistance; and

"(C) conduct audits, in accordance with the government auditing standards of the United States Comptroller General--

"(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet requirements of this part, or of regulations implementing such requirements, 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 for the calculations of performance indicators specified in subsection (g) and section 458;

"(ii) of the adequacy of financial management of the State program, including assessments of--

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

"(II) whether collections and disbursements of support payments and program income are carried out correctly and are properly and 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 fiscal years beginning on or after the date one year after enactment of this section.

SEC. 614. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) Revised Requirements.--(1) Section 454(16) is amended--

(A) by striking ", at the option of the State, for the establishment" and inserting "for the establishment and operation by the State agency, on and after October 1, 1995,"; and

(B) by striking all that follows "in the administration of the State plan" and inserting "meeting the requirements of section 454A;".

(2) Part D of title IV is amended by inserting after section 454 the following new section:

"AUTOMATED DATA PROCESSING

"Sec. 454A. (a) In General.--In order to meet the requirements of this section, for purposes of the requirement of section 454(16), a State agency 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, and performs such tasks with the frequency and in the manner specified in this part or in regulations or guidelines of the Secretary.

"(b) Program Management.--The automated system required under this section shall perform such functions as the Secretary may specify relating to management of the program under this part, including controlling and accounting for use of Federal, State, and local funds to carry out such program.

"(c) Calculation of Performance Indicators.--In order to enable the Secretary to determine the incentive 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 IV-D paternity establishment percentage and overall performance in child support enforcement 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 under this section, which shall include the following (in addition to such other safeguards as the Secretary specifies in regulations):

"(1) Policies Restricting Access.--Written policies concerning access to data of 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 program responsibilities;

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

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

"(2) Systems Controls.--Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies specified under 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.--The State agency shall have in effect procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use sensitive or confidential program data are fully informed of applicable requirements and penalties, and are adequately trained in security procedures.

"(5) Penalties.--The State agency shall have in effect administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data."

(3) Extension of Deadline.--Section 454(24) 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, 1995, meeting all requirements of this part which were enacted prior to August 10, 1993; and

"(B) by October 1, 1998, meeting all requirements of this part enacted on or before the date of enactment of the Comprehensive Welfare Reform and Family Support Amendments of 1994 (but this provision shall not be construed to alter earlier deadlines specified for elements of such system);".

(b) Enhanced Federal Matching for Development Costs of Automated Systems.--Section 455(a) is amended--

(1) in paragraph (1)(B)--

(A) by striking "90 percent" and inserting "the percent specified in paragraph (3)";

(B) by striking "so much of"; and

(C) by striking "which the Secretary" and all that follows and inserting , and"; and

(2) by adding at the end the following new paragraph"

"(3)(A) The Secretary shall pay to each State, for each quarter in fiscal year 1995, 90 percent of so much of State expenditures described in subparagraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in

section 454(16), or meeting such requirements without regard to clause (D) thereof.

"(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1996 through 2000, the percentage specified in clause (ii) of so much of State expenditures described in subparagraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16) and 454A, subject to clause (iii).

"(ii) The percentage specified in this clause, for purposes of clause (i), is the higher of--

"(I) 80 percent, or

"(II) the percentage otherwise applicable to Federal payments to the State under subparagraph (A) (as adjusted in pursuant to section 458).

"(iii) Notwithstanding any other provision of this section, the total amount payable by the Secretary with respect to expenditures during fiscal years specified in clause (i) shall not exceed \$260,000,000, to be distributed among the States, and to be made available at such time or times over the five-year period, as is provided in regulations issued by the Secretary, taking into account the relative size of State caseloads and the level of automation needed to meet the requirements of this part, and payments under clause (i) shall be made to a State at such times and in such a manner as provided in the advance planning document approved under section 452(d).".

(c) Additional Provisions.--For additional provisions of section 454A, as added by subsection (a), see sections 621, 622, and 636 of this Act.

SEC. 615. DIRECTOR OF CSE PROGRAM; TRAINING AND STAFFING.

(a) Reporting to Secretary.--Section 452(a) is amended, in the matter preceding paragraph (1), by striking "directly".

(b) Training Program.--Section 452(a)(7) is amended by striking "paternity;" and inserting "paternity, through activities including--

"(A) development of a core curriculum and training standards to be used by States in the development of State-specific training guides; and

"(B) development of a national training program for directors of State programs under this part;".

(c) State Plan Requirement.--Section 454, as amended by sections 602 and 604, is further 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 the State agency will develop and implement a training program which--

"(A) is consistent with the national training standards and core curriculum developed by the Secretary pursuant to section 452(a)(7), and uses a State-specific training guide incorporating such core curriculum;

"(B) provides for initial and ongoing training of all staff (including State and local agency staff and contractors) of the program under this part, including annual training for case workers and special training when significant changes are made in statutes, regulations, policies, or procedures; and

"(C) may provide (subject to approval by the Secretary) for appropriate training of other persons with responsibilities relating to the implementation of the State program under this part (including staff administering programs under part A, part E, title XIX, and other related and complementary programs; judges and other staff of judicial and administrative tribunals; law enforcement personnel; staff of social services organizations; and the private bar).

(d) Staffing Studies.--(1) Scope of Study.--The Secretary of Health and Human Services shall, directly or by contract, conduct studies of the staffing of each State child support enforcement program under title IV-D of the Act. Such studies shall include a review of the staffing needs created by requirements for automated data processing, maintenance of a central case registry, and centralized collections of child support, and of changes in these needs resulting from changes in such requirements.

(2) Frequency of Studies.--The Secretary shall complete the first staffing study required under paragraph (1) by October 1,

1996, and may conduct additional studies subsequently at appropriate intervals.

(3) Report to Congress.--The Secretary shall submit a report to the Congress stating the findings and conclusions of each study conducted under this subsection.

SEC. 616. FUNDING FOR SECRETARIAL ASSISTANCE TO STATE PROGRAMS.

Section 452 is amended by adding at the end the following new subsection:

"(j) Funding for Federal Activities Assisting State Programs.--(1) There shall be available to the Secretary, from amounts appropriated for fiscal year 1995 and each succeeding fiscal year for payments to States under this part, the amount specified in paragraph (2) for the costs to the Secretary for--

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

"(B) research, demonstrations, and special projects of regional or national significance relating to the operation of State programs under this part; and

"(C) operation of the Federal Parent Locator Service under section 453 and the National Welfare Reform Information Clearinghouse under section 453A, to the extent such costs are not recovered through user fees.

"(2) The amount specified in this paragraph for a fiscal year is the amount equal to a percentage of the reduction in Federal payments to States under part A on account of child support (including arrearages) collected in the preceding fiscal year on behalf of children receiving aid under such part A in such preceding fiscal year, equal to--

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

"(B) 2 percent, for the activities specified in subparagraph (C) of paragraph (1).".

SEC. 617. DATA COLLECTION AND REPORTS BY THE SECRETARY.

(a) Annual Report to Congress.--(1) Section 452(a)(10)(A) is amended--

(A) by striking "this part;" and inserting "this part, including--"; and

(B) by adding at the end the following indented clauses:

"(i) the total amount of child support payments collected as a result of services furnished during such fiscal year to individuals receiving services under this part;

"(ii) the cost to the States and to the Federal Government of furnishing such services to those individuals; and

"(iii) the number of cases involving families--

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

"(II) with respect to whom a child support payment was received in the same month;".

(2) Section 452(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 (1) cases";

(ii) by striking "cases where the child was formerly receiving" and inserting "or formerly received";

(iii) by inserting "or 1912" after "471(a)(17)";

and

(iv) by inserting "(2)" 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);

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:

"(iv) the total amount of support collected during such fiscal year and distributed as current support;

"(v) the total amount of support collected during such fiscal year and distributed as arrearages;

"(vi) the total amount of support due and unpaid for all fiscal years; and".

(3) Section 452(a)(10)(G) is amended by striking "on the use of Federal courts and".

(4) Section 452(a)(10) is further amended by striking the matter following the end of subparagraph (I).

(b) Data Collection and Reporting.--Section 469 is amended--

(1) in subsections (a) and (b), to read as follows:

"(a) The Secretary shall collect and maintain, on a fiscal year basis, up-to-date statistics, by State, with respect to services to establish paternity and services to establish child support obligations, the data specified in subsection (b), separately stated, in the case of each such service, with respect to--

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

"(2) families not receiving such aid.

"(b) The data referred to in subsection (a) are--

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

"(2) the number of such cases in which the service has been provided."; and

(2) in subsection (c), by striking "(a)(2)" and inserting "(b)(2)".

(c) Effective Date.--The amendments made by this section shall be effective with respect to fiscal year 1994 and succeeding fiscal years.

**Part C - Locate and Case Tracking**

**SEC. 621. CENTRAL STATE CASE REGISTRY.**

Section 454A, as added by section 614, is further amended by adding at the end the following new subsections:

"(e) Central Case Registry.--(1) In General.--The automated system required under this section shall perform the functions, in accordance with the provisions of this subsection, of a single central registry containing records with respect to each case in which services are being provided by the State agency (including, on and after October 1, 1997, each order specified in section 466(a)(12)), using such standardized data elements (such as names, social security numbers or other uniform identification numbers, dates of birth, and case identification numbers), and containing such other information (such as information on case status) as the Secretary may require.

"(2) Payment Records.--Each case record in the central registry shall include a record of--

"(A) the amount of monthly (or other periodic) support owed under the support order, and other amounts due or overdue (including arrears, interest or late payment penalties, and fees);

"(B) the date on which the support obligation will terminate under such order;

"(C) all child support and related amounts collected (including such amounts as fees, late payment penalties, and interest on arrearages); and

"(D) the distribution of such amounts collected.

"(3) Updating and Monitoring.--The State agency shall promptly establish and maintain, and regularly monitor, case records in the registry required by this subsection, 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 matches with Federal, State, or local data sources;

"(C) information on support collections and distributions; and

"(D) any other relevant information.

"(f) Data Matches.--The automated system required under this section shall have the capacity, and be used by the State agency, to extract data at such times, and in such standardized format or formats, as may be required by the Secretary, and to share and match data with, and receive data from, other data bases and data matching 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 responsibilities under this part. Data matching activities of the State agency shall include at least the following:

"(A) National Child Support Registry.--Furnish to the National Child Support Registry established under section 453A (and update as necessary, with information including

notice of expiration of orders) minimal information (to be specified by the Secretary) on each child support case in the central case registry.

"(B) Federal Parent Locator Service.--Exchange data with the Federal Parent Locator Service for the purposes specified in section 453.

"(C) Intra- and Interstate Data Matches.--Exchange data 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. 622. CENTRALIZED COLLECTION AND DISBURSEMENT OF SUPPORT  
PAYMENTS.

(a) State Plan Requirement.--Section 454, as previously amended by sections 601, 605, and 615, is further amended--

(A) by striking "and" at the end of paragraph (26);

(B) by striking the period at the end of paragraph (27) and inserting "; and"; and

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

"(28) provide that the State agency, on and after October 1, 1997--

"(A) will operate a centralized, automated unit for the collection and disbursement of child support under orders being enforced under this part, in accordance with section 454B; and

"(B) will have sufficient State staff (consisting of State employees, and (at State option) contractors reporting directly to the State agency) to monitor and enforce support collections through such centralized unit, including carrying out the automated data processing responsibilities specified in section 454A(g) and to impose, as appropriate in particular cases, the administrative enforcement remedies specified in section 466(c)(1).".

(b) Establishment of Centralized Collection Unit.--Part D of title IV is amended by adding after section 454A the following new section:

"CENTRALIZED COLLECTION AND DISBURSEMENT OF  
SUPPORT PAYMENTS

"Sec. 454B. (a) In General.--In order to meet the requirement of section 454(28), the State agency must operate a single centralized, automated unit for the collection and disbursement of support payments, coordinated with the automated data system required under section 454A, in accordance with the provisions of this section, which shall be--

"(1) operated directly by the State agency (or by two or more State agencies under a regional cooperative agreement), or by a single contractor responsible directly to the State agency; and

"(2) used for the collection and disbursement (including interstate collection and disbursement) of payments under support orders in all cases being enforced by the State pursuant to section 454(4).

"(b) Required Procedures.--The centralized collections 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 State 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 either parent, upon request, timely information on the current status of support payments."

(c) Use of Automated System.--Section 454A, as added by section 614 and amended by section 621, is further amended by adding at the end the following new subsection:

"(g) Centralized Collection and Distribution of Support Payments.--The automated system required under this section shall be used, to the maximum extent feasible, to assist and facilitate collections and disbursement of support payments through the centralized collections unit operated pursuant to section 454B, through the performance of functions including at a minimum--

"(1) generation of orders and notices to employers (and other debtors) for the withholding of wages (and other income)--

"(A) within two working days after receipt (from the National Directory of New Hires or any other source) of notice of and the income source subject to such withholding; and

"(B) using uniform formats directed by the Secretary;

"(2) ongoing monitoring to promptly identify failures to make timely payment; and

"(3) automatic use of enforcement mechanisms (including mechanisms authorized pursuant to section 466(c)) where payments are not timely made.".

(d) The amendments made by this section shall become effective on October 1, 1997.

SEC. 623. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) Mandatory Income Withholding--(1) Section 466(a)(1) is amended to read as follows:

"(1) Income Withholding.--(A) Under Orders Enforced Under the State Plan.--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) Under Certain Orders Predating Change in Requirement.--Procedures under which all child support orders issued (or modified) before October 1, 1995, and which are not otherwise subject to withholding under subsection (b), shall become subject to withholding from wages as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing."

(2) Section 466(a)(8) is repealed.

(3) Section 466(b) is amended--

(A) in the matter preceding paragraph (1), by striking "subsection (a)(1) and inserting "subsection (a)(1)(A)";

(B) in paragraph (5), by striking all that follows "administered by" and inserting "the State through the centralized collections unit established pursuant to section 454B, in accordance with the requirements of such section 454B.";

(C) in paragraph (6)(A)(i)--

(i) by inserting ", in accordance with timetables established by the Secretary," after "must be required"; and

(ii) by striking "to the appropriate agency" and all that follows and inserting "to the State centralized collections unit within 5 working days after the date such amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part.";

(D) in paragraph (6)(A)(ii), by inserting "be in a standard format prescribed by the Secretary, and" after "shall"; and

(E) in paragraph (6)(D)--

(i) by striking "employer who discharges" and inserting "employer who--(A) discharges";

(ii) by relocating subparagraph (A), as designated, as an indented subparagraph after and below the introductory matter;

(iii) by striking the period at the end; and

(iv) by adding after and below subparagraph (A) the following new subparagraph:

"(B) fails to withhold support from wages, or to pay such amounts to the State centralized collections unit in accordance with this subsection.

(b) Conforming Amendment.--Section 466(c) is repealed.

(c) Definition of Terms.--The Secretary shall promulgate regulations providing definitions, for purposes of title IV-D of the Act, for the term "income". and for such other terms relating to income withholding under section 466(b) of the Act as the Secretary may find it necessary or advisable to define.

SEC. 624. LOCATOR INFORMATION FROM INTERSTATE NETWORKS AND LABOR  
UNIONS.

State Law Requirement.--Section 466(a), as amended by section 623, is amended by adding after paragraph (7) the following new paragraph:

"(8) Locator Information.--(A) Interstate Networks.-- Procedures ensuring that the State will neither provide funding for, nor use for any purpose (including any purpose unrelated to the purposes of this part), any automated interstate network or system used to locate individuals--

"(i) for purposes relating to the use of motor vehicles; or

"(ii) providing information for law enforcement purposes (where child support enforcement agencies are otherwise allowed access by State and Federal law), unless all Federal and State agencies administering programs under this part (including the entities established under sections 453 and 453A) have access to information in such system or network to the same extent as any other user of such system or network.

"(B) Labor Unions.--Procedures under which labor unions, and their hiring halls, must furnish to the State agency, upon request, with respect to any union member against whom paternity or a support obligation is sought to be established or enforced, such information as the union or hiring hall may have on such member's residential address

and telephone number, employer's name, address, and  
telephone number, and wages and medical insurance  
benefits."

SEC. 625. NATIONAL WELFARE REFORM INFORMATION CLEARINGHOUSE.

(a) Part D of title IV is amended by adding after section 453 the following new section:

"NATIONAL WELFARE REFORM INFORMATION CLEARINGHOUSE

"Sec. 453A. (a)(1) In order to assist States in administering their State plans under this part and parts A, F, and G, and for the other purposes specified in this section, the Secretary shall establish and operate a National Welfare Reform Information Clearinghouse, performing the functions and meeting the requirements specified in this section, and containing the registries and directory specified in paragraph (2).

"(2) Components Specified.--The registries and directory specified in this paragraph, for purposes of paragraph (1), are:

"(A) the National Child Support Registry established pursuant to subsection (b);

"(B) the National Directory of New Hires established pursuant to subsection (c);

"(C) the Federal Parent Locator Service established pursuant to section 453; and

"(D) the National Welfare Receipt Registry established pursuant to section 411.

"(3) Use of Term.--For purposes of this section, references to registries maintained under this section shall be considered to include the National Directory of New Hires and the Federal Parent Locator Service.

"(b) National Child Support Registry.--(1) In General.--The Secretary shall establish by October 1, 1997, and maintain thereafter, an automated registry, to be known as the National Child Support Registry, containing minimal information (in accordance with paragraph (2)) on each case in each State central 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 case information required to be furnished pursuant to this subsection, as specified by the Secretary, shall include sufficient information (including 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 established or modified, or are enforcing or seeking to establish, such an order.

"(c) National Directory of New Hires.--(1) In General.--The Secretary shall establish by October 1, 1997, and maintain thereafter, an automated directory, to be known as the National Directory of New Hires, containing--

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

"(B) information supplied by State agencies administering State unemployment compensation laws, in accordance with paragraph (3).

"(2) Employer Information.--(A) Information Required.-- Subject to subparagraph (D), each employer shall furnish to the Secretary, for inclusion in the directory under this subsection, not later than 10 days after the date (on or after October 1, 1997) on which the employer hires a new employee (as defined in subparagraph (C)), a report containing the name, date of birth, and social security number of such employee, and the employer identification number of the employer.

"(B) Reporting Method and Format.--The Secretary shall provide for transmission of the reports required under subparagraph (A) using formats and methods which minimize the burden on employers, which shall include--

"(i) automated or electronic transmission of such reports;

"(ii) transmission by regular mail; and

"(iii) transmission of a copy of the form required for purposes of compliance with section 3402 of the Internal Revenue Code of 1986.

"(C) Employee Defined.--For purposes of this paragraph, the term 'employee'--

"(i) means (subject to clause (ii)) any individual subject to the requirement of section 3402(f)(2) of the Internal Revenue Code of 1986; and

"(ii) does not include an employee of a Federal or State agency performing law enforcement functions, or of a Federal agency performing intelligence or

counterintelligence functions, where the head of such agency has determined that reporting pursuant to this paragraph with respect to such employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

"(D) Paperwork Reduction Requirement.--As required by the information resources management policies published by the Director of the Office of Management and Budget pursuant to 44 U.S.C. 3504(b)(1), the Secretary, in order to minimize the cost and reporting burden on employers, shall not require reporting pursuant to this paragraph if an alternative reporting mechanism can be developed that either relies on existing Federal or State reporting or enables the Secretary to collect the needed information in a more cost-effective and equally expeditious manner, taking into account the reporting costs on employers.

"(E) Civil Money Penalty on Noncomplying Employers.--(i) Any employer that fails to make a timely report in accordance with this paragraph with respect to an individual shall be subject to a civil money penalty, for each calendar year in which the failure occurs, of the lesser of \$500 or 1 percent of the wages paid by such employer to such individual during such calendar year.

"(ii) Subject to clause (iii), the provisions of section 1128A (other than subsections (a) and (b) thereof) shall apply to a civil money penalty under clause (i) in the same manner as they

apply to a civil money penalty or proceeding under section 1128A(a).

"(iii) Any employer with respect to whom a penalty under this subparagraph is upheld after an administrative hearing shall be liable to pay all costs of the Secretary with respect to such hearing.

"(3) Employment Security Information.--(A) Reporting Requirement.--Each State agency administering a State unemployment compensation law approved by the Secretary of Labor under the Federal Unemployment Tax Act shall furnish to the Secretary of Health and Human Services extracts of the reports to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals required under section 303(a)(6), in accordance with subparagraph (B).

"(B) Manner of Compliance.--The extracts required under subparagraph (A) shall be furnished to the Secretary of Health and Human Services on a quarterly basis, with respect to calendar quarters beginning on and after October 1, 1995, by such dates, in such format, and containing such information as required by that Secretary in regulations.

"(d) Data Matches and Other Disclosures.--(1) Verification by Social Security Administration.--(A) The Secretary shall transmit data on individuals and employers in the registries maintained under this section to the Commissioner of Social Security to the extent necessary for verification in accordance with subparagraph (B).

"(B) The Commissioner of Social Security shall verify the accuracy of, correct or supply to the extent necessary and feasible, and report to the Secretary, the following information in data supplied by the Secretary pursuant to subparagraph (A):

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

"(ii) the employer identification number of each employer.

"(2) Child Support Locator Matches.--For the purpose of locating individuals for purposes of paternity establishment and establishment and enforcement of child support, the Secretary shall--

"(A) match data in the New Hire Directory against data in the Child Support Registry not less often than every 2 working days; and

"(B) report information obtained from such a match to concerned State agencies operating programs under this part not later than 2 working days after such match.

"(3) Data Matches and Disclosures for Other Welfare Reform Purposes.--The Secretary is authorized--

"(A) to perform matches of data in each registry maintained under this section against data in each other such registry (other than the matches required pursuant to paragraph (1)), and to report information resulting from such matches to State agencies operating programs under this part and parts A, F, and G; and

"(B) to disclose data in such registries to such State agencies--

to the extent, and with the frequency, that the Secretary determines to be effective in assisting such States to carry out their responsibilities under such programs.

"(4) Other Disclosures of New Hire Data.--The Secretary is authorized to disclose data in the New Hire Directory under subsection (c)--

"(A) to the Secretary of the Treasury for purposes directly connected with--

"(i) the administration of the earned income tax credit under section 32 of the Internal Revenue Code of 1986, or the advance payment of such credit under section 3507 of such Code; or

"(ii) verification of a dependency exemption claim in an individual tax return; and

"(B) to State agencies operating employment security and workers compensation programs, for the purpose of assisting such agencies to determine the allowability of claims for benefits under such programs.

"(5) Disclosures for Research Purposes.--The Secretary is authorized to disclose data in registries maintained under this section for research purposes found by the Secretary to be likely to contribute to achieving the purposes of this part or part A, F, or G, but without personal identifiers.

"(f) Fees.--(1) For SSA Verification.--The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, the costs incurred by the Commissioner in performing the verification services specified in subsection (d).

"(2) For Information from SESAs.--The Secretary shall reimburse costs incurred by State employment security agencies in furnishing data as required by subsection (c)(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 data).

"(3) For Information Furnished to State Agencies.--State agencies receiving data or information from the Secretary pursuant to this section shall reimburse the costs incurred by the Secretary in furnishing such data or information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and matching such data or information).

"(g) Restriction on Disclosure and Use.--Data in registries maintained pursuant to this section, and information resulting from matches using data maintained in such registries, shall not be used or disclosed except as specifically provided in this section.

"(h) Retention of Data.--Data in registries maintained pursuant to this title, and data resulting from matches performed pursuant to this section, shall be retained for such period

(determined by the Secretary) as appropriate for the data uses specified in this section.

"(i) Information Integrity and Security.--The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to--

"(1) ensure the accuracy and completeness of information in the system; and

"(2) restrict access to confidential information in the registries to authorized persons, and restrict use of such information to authorized purposes.

"(j) Limit on Liability.--The Secretary shall not be liable to either a State or an individual for inaccurate information provided to a registry maintained under this section and disclosed by the Secretary in accordance with this section.

(b) Exemption from Certain Computer Matching Requirements.--  
5 U.S.C. 552a(a)(8)(B) is amended--

(1) by striking "or" at the end of clause (v);

(2) by adding "or" at the end of clause (vi); and

(3) by adding after clause (vi) the following new

clause:

"(vii) matches--

"(I) by the Federal Parent Locator Service pursuant to section 453 of the Social Security Act; or