

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2790

To ensure economic equity for American women and their families by promoting fairness in the workplace; creating new economic opportunities for women workers and women business owners; helping workers better meet the competing demands of work and family; and enhancing economic self-sufficiency through public and private pension reform and improved child support enforcement.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 28, 1993

Mrs. SCHROEDER (for herself, Ms. SNOWE, Mrs. MINK, Ms. BROWN of Florida, Mrs. COLLINS of Illinois, Miss COLLINS of Michigan, Ms. DELAURO, Ms. ESHOO, Ms. HARMAN, Mrs. JOHNSON of Connecticut, Ms. KAPTUR, Mrs. KENNELLY, Ms. LAMBERT, Mrs. LLOYD, Mrs. LOWEY, Mrs. MEEK, Mrs. MORELLA, Ms. NORTON, Ms. PELOSI, Ms. ROYBAL-ALLARD, Ms. SCHENK, Mrs. UNSOELD, Ms. VELÁZQUEZ, Ms. WATERS, Ms. WOOLSEY, Mr. DELLUMS, Mr. FRANK of Massachusetts, Mr. LAFALCE, Mr. MCDERMOTT, Mr. MORAN, Mr. RANGEL, Mr. REED, Mr. SAWYER, Mr. STOKES, and Mr. STUDDS) introduced the following bill; which was referred jointly to the Committees on Education and Labor, Post Office and Civil Service, House Administration, Rules, Ways and Means, Small Business, Banking, Finance and Urban Affairs, the Judiciary, Natural Resources, Foreign Affairs, and Armed Services

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## A BILL

To ensure economic equity for American women and their families by promoting fairness in the workplace; creating new economic opportunities for women workers and women business owners; helping workers better meet the competing demands of work and family; and enhancing

economic self-sufficiency through public and private pension reform and improved child support enforcement.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Economic Equity Act  
5 of 1993”.

6 **TITLE I—WORKPLACE FAIRNESS**  
7 **Subtitle A—Equal Remedies Act**

8 **SEC. 101. SHORT TITLE.**

9 This subtitle may be cited as the “Equal Remedies  
10 Act of 1993”.

11 **SEC. 102. EQUALIZATION OF REMEDIES.**

12 Section 1977A of the Revised Statutes, as added by  
13 section 102 of the Civil Rights Act of 1991, is amended—

14 (1) in subsection (b)—

15 (A) by striking paragraph (3), and

16 (B) by redesignating paragraph (4) as  
17 paragraph (3), and

18 (2) in subsection (c) by striking “section—”  
19 and all that follows through the period, and insert-  
20 ing “section, any party may demand a jury trial.”.

1       **Subtitle B—Federal Employees**  
2                   **Fairness Act**

3       **SEC. 111. SHORT TITLE.**

4           This subtitle may be cited as the “Federal Employee  
5 Fairness Act of 1993”.

6       **SEC. 112. AMENDMENTS RELATING TO ADMINISTRATIVE**  
7                   **DETERMINATION OF FEDERAL EMPLOYEE**  
8                   **DISCRIMINATION CLAIMS.**

9           (a) DEFINITIONS.—Section 701 of the Civil Rights  
10 Act of 1964 (42 U.S.C. 2000e) is amended—

11               (1) in paragraph (f) by striking “The term”  
12               and inserting “Except when it appears as part of the  
13               term ‘Federal employee’, the term”, and

14               (2) by adding at the end the following:

15               “(o) The term ‘Commission’ means the Equal Em-  
16 ployment Opportunity Commission.

17               “(p) The term ‘entity of the Federal Government’  
18 means an entity to which section 717(a) applies, except  
19 that such term does not include the Library of Congress.

20               “(q) The term ‘Federal employee’ means an individ-  
21 ual employed by, or who applies for employment with, an  
22 entity of the Federal Government.

23               “(r) The term ‘Federal employment’ means employ-  
24 ment by an entity of the Federal Government.

1 “(s) The terms ‘government’, ‘government agency’,  
2 and ‘political subdivision’ do not include an entity of the  
3 Federal Government.”.

4 (b) EEOC DETERMINATION OF FEDERAL EMPLOY-  
5 MENT DISCRIMINATION CLAIMS.—Section 717 of the Civil  
6 Rights Act of 1964 (42 U.S.C. 2000e–16) is amended—

7 (1) in subsection (b)—

8 (A) by inserting “(1)” after “(b)”,

9 (B) in the second sentence—

10 (i) by redesignating paragraphs (1),  
11 (2), and (3), as subparagraphs (A), (B),  
12 and (C), respectively,

13 (ii) in the subparagraph (B), as so re-  
14 designated, by striking “and” at the end,

15 (iii) in subparagraph (C), as so redес-  
16 igned, by striking the period at the end  
17 and inserting “; and”, and

18 (iv) by inserting after subparagraph  
19 (C), as so redesignated, the following:

20 “(D) require each entity of the Federal Govern-  
21 ment—

22 “(i) to make counseling available to Fed-  
23 eral employees who choose to notify such entity  
24 that they believe such entity has discriminated  
25 against them in violation of subsection (a), for

1 the purpose of trying to resolve the matters  
2 with respect to which such discrimination is al-  
3 leged (Such entity shall assist such employee to  
4 identify the respondent required by subsection  
5 (c)(1) to be named in a complaint alleging such  
6 violation, shall inform such Federal employee  
7 individually of the procedures and deadlines  
8 that apply under this section to a claim alleging  
9 such discrimination, and shall make such coun-  
10 seling available throughout the administrative  
11 process.);

12 “(ii) to establish a voluntary alternative  
13 dispute process to resolve complaints, except  
14 that a Federal employee’s decision to forgo such  
15 process shall not affect the rights of such em-  
16 ployee under this title;

17 “(iii) not to discourage Federal employees  
18 from filing complaints on any matter relating to  
19 discrimination in violation of this section; and

20 “(iv) not to require Federal employees to  
21 participate in counseling made available under  
22 clause (i) or in a dispute resolution process  
23 made available under clause (ii).”,

24 (C) in the third sentence by striking “The”  
25 and inserting the following:

1 “(2) The”,

2 (D) in the fourth sentence by redesignating  
3 paragraphs (1) and (2) as subparagraphs (A)  
4 and (B), respectively,

5 (E) in the last sentence by striking “With”  
6 and inserting the following:

7 “(3) With”, and

8 (F) by adding at the end the following:

9 “(4)(A) Subject to subparagraph (B), an unlawful  
10 employment practice of the kind described in section  
11 704(a) is established under this section if an employee or  
12 applicant for employment demonstrates that his making  
13 a charge, testifying, assisting, or participating in any man-  
14 ner in an investigation, proceeding, or hearing under this  
15 title was a contributing factor in an adverse personnel ac-  
16 tion that was taken or is to be taken against such em-  
17 ployee or applicant.

18 “(B) Relief under this section may not be granted  
19 if the respondent demonstrates by clear and convincing  
20 evidence that it would have taken the same personnel ac-  
21 tion in the absence of such disclosure.”,

22 (2) by striking subsection (c),

23 (3) in subsection (d)—

24 (A) by inserting “(1)” after “(d)”,

25 (B) by striking “(k)” and inserting “(j)”,

1 (C) by striking “brought hereunder” and  
2 inserting “commenced under this section”, and

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

4 “(2) The head of the department, agency, or unit in  
5 which discrimination in violation of subsection (a) is al-  
6 leged to have occurred shall be the defendant in a civil  
7 action alleging such violation. If a department, unit, or  
8 agency is named as the defendant, the court shall freely  
9 grant leave to amend the complaint to name the head of  
10 such department, agency, or unit.

11 “(3) In any action or proceeding under this section,  
12 the court, in its discretion, may allow the prevailing party  
13 (other than an entity of the Federal Government) a rea-  
14 sonable attorney’s fee (including expert fees) and costs as  
15 a court has authority to award under section 706(k), as  
16 amended from time to time, and the same interest to com-  
17 pensate for delay in payment as in cases involving  
18 nonpublic parties.”,

19 (4) by redesignating subsections (d) and (e) as  
20 subsections (o) and (p), respectively, and

21 (5) by inserting after subsection (b) the follow-  
22 ing:

23 “(c)(1)(A) Except as provided in subparagraph (B),  
24 a complaint filed by or on behalf of a Federal employee  
25 or a class of Federal employees and alleging a claim of

1 discrimination arising under subsection (a) shall name as  
2 the respondent, and be filed with, the head of the depart-  
3 ment, agency, or unit in which such discrimination is al-  
4 leged to have occurred, or with the Commission, not later  
5 than 180 days after the alleged discrimination occurs.

6 “(B) If, not later than 180 days after the alleged dis-  
7 crimination occurs, the complaint is filed—

8 “(i) with such department, agency, or unit and  
9 fails to name the head of the department, agency, or  
10 unit as the respondent; or

11 “(ii) with any other entity of the Federal Gov-  
12 ernment, regardless of the respondent named;

13 the complaint shall be considered to be filed in compliance  
14 with subparagraph (A).

15 “(2)(A) If the complaint is filed with an entity of the  
16 Federal Government other than the department, agency,  
17 or unit in which such discrimination is alleged to have oc-  
18 curred, then—

19 “(i) such entity (other than the Commission)  
20 shall transmit the complaint to the Commission, not  
21 later than 15 days after receiving the complaint; and

22 “(ii) the Commission shall transmit a copy of  
23 the complaint, not later than 10 days after receiving  
24 the complaint, to the head of the department, agen-  
25 cy, or unit in which such discrimination is alleged to

1        have occurred (hereinafter in this section referred to  
2        as the ‘respondent’).

3        “(3)(A) Not later than 3 days after the respondent  
4 receives the complaint from a source other than the Com-  
5 mission, the respondent shall notify the Commission that  
6 the respondent has received the complaint and shall in-  
7 form the Commission of the identity of the Federal em-  
8 ployee aggrieved by the discrimination alleged in the com-  
9 plaint.

10       “(B) Not later than 10 days after the respondent or  
11 the Merit Systems Protection Board receives the com-  
12 plaint from a source other than the Commission, the re-  
13 spondent or the Board shall transmit to the Commission  
14 a copy of the complaint.

15       “(d) Throughout the period beginning on the date the  
16 respondent receives the complaint and ending on the latest  
17 date by which all administrative and judicial proceedings  
18 available under this section have been concluded with re-  
19 spect to such claim, the respondent shall collect and pre-  
20 serve documents and information (including the com-  
21 plaint) that are relevant to such claim, including the docu-  
22 ments and information that comply with rules issued by  
23 the Commission.

24       “(e)(1) The respondent shall make reasonable efforts  
25 to conciliate each claim alleged in the complaint during—

1           “(A) the 30-day period; or

2           “(B) with the written consent of the aggrieved

3       Federal employee, the 60-day period;

4 beginning on the date the respondent receives the com-  
5 plaint.

6       “(2) Before the expiration of the applicable period  
7 specified in paragraph (1) and with respect to such claim,  
8 the respondent shall—

9           “(A) enter into a settlement agreement with  
10       such Federal employee; or

11          “(B) give formal written notice to such Federal  
12       employee that such Federal employee may, before  
13       the expiration of the 90-day period beginning on the  
14       date such Federal employee receives such notice, ei-  
15       ther—

16               “(i) file with the Commission—

17                       “(I) a written request for a deter-  
18                       mination of such claim under subsection  
19                       (f) by an administrative judge of the Com-  
20                       mission;

21                       “(II) if such claim alleges discrimina-  
22                       tion in the Commission or alleges an action  
23                       appealable to the Merit Systems Protection  
24                       Board, a written request electing that a  
25                       determination of such claim be made under

1 the procedures specified in either subpara-  
2 graph (A) or (B) of section 7702(a)(2) of  
3 title 5, United States Code, or a request  
4 described in subclause (I); or

5 “(III) if such claim alleges a grievance  
6 that is subject to section 7121 of title 5,  
7 United States Code, but not appealable to  
8 the Merit Systems Protection Board, a  
9 written request to raise such claim under  
10 the administrative and judicial procedures  
11 provided in such section 7121 or a request  
12 described in subclause (I); or

13 “(ii) commence a civil action in an appro-  
14 priate district court of the United States for de  
15 novo review of such claim.

16 “(3)(A) Such Federal employee may file a written re-  
17 quest described in paragraph (2)(B)(i), or commence a  
18 civil action described in paragraph (2)(B)(ii), at any  
19 time—

20 “(i) after the expiration of the applicable period  
21 specified in paragraph (1); and

22 “(ii) before the expiration of the 90-day period  
23 specified in paragraph (2).

24 “(B) If such Federal employee files a written request  
25 under subclause (II) or (III) of paragraph (2)(B)(i) and

1 in accordance with subparagraph (A), the Commission  
2 shall transmit, not later than 10 days after receipt of such  
3 request, the complaint to the appropriate agency for deter-  
4 mination.

5 “(f)(1) If such Federal employee files a written re-  
6 quest under subsection (e)(2)(B)(i)(I) and in accordance  
7 with subsection (e)(3)(A) with the Commission for a deter-  
8 mination under this subsection of a claim with respect to  
9 which notice is required by subsection (e)(2), then the  
10 Commission shall transmit a copy of such request to the  
11 respondent and shall appoint an administrative judge of  
12 the Commission to determine such claim.

13 “(2) Immediately after receiving a copy of a request  
14 under subsection (e)(2)(B)(i), the respondent shall trans-  
15 mit—

16 “(A) to the Commission if such request is for  
17 a determination under this subsection; or

18 “(B) to the Merit Systems Protection Board if  
19 such request is for a determination be made under  
20 the procedures specified in section 7702(a)(2)(A) of  
21 title 5, United States Code;

22 a copy of all documents and information collected by the  
23 respondent under subsection (d) with respect to such  
24 claim.

1       “(3)(A)(i) If the administrative judge determines  
2 there are reasonable grounds to believe that to carry out  
3 the purposes of this section it is necessary to stay a per-  
4 sonnel action by the respondent against the aggrieved  
5 Federal employee, the administrative judge may request  
6 any member of the Commission to issue a stay against  
7 such personnel action for 15 calendar days.

8       “(ii) A stay requested under clause (i) shall take ef-  
9 fect on the earlier of—

10           “(I) the order of such member; and

11           “(II) the fourth calendar day (excluding Satur-  
12 day, Sunday, and any legal public holiday) following  
13 the date on which such stay is requested unless the  
14 request is denied before the expiration of the 15-day  
15 period beginning on such fourth day.

16       “(B) The administrative judge may request any  
17 member of the Commission to extend, for a period not to  
18 exceed 30 calendar days, a stay issued under subpara-  
19 graph (A).

20       “(C) The administrative judge may request the Com-  
21 mission to extend such stay for any period the Commission  
22 considers to be appropriate beyond the period in effect  
23 under subparagraph (A) or (B).

24       “(D)(i) Members of the Commission shall have au-  
25 thority to issue and extend a stay for the periods referred

1 to in subparagraphs (A) and (B). The Commission shall  
2 have authority to extend a stay in accordance with sub-  
3 paragraph (C) for any period.

4 “(ii) The respondent shall comply with a stay in ef-  
5 fect under this paragraph.

6 “(4) The administrative judge shall determine wheth-  
7 er the documents and information received under para-  
8 graph (2) comply with subsection (d) and are complete  
9 and accurate. If the administrative judge finds that the  
10 respondent has failed to produce the documents and infor-  
11 mation necessary to comply with such subsection, the ad-  
12 ministrative judge shall, in the absence of good cause  
13 shown by the respondent, impose any of the sanctions  
14 specified in paragraph (6)(C) and shall require the re-  
15 spondent—

16 “(A) to obtain any additional documents and  
17 information necessary to comply with such sub-  
18 section; and

19 “(B) to correct any inaccuracy in the docu-  
20 ments and information so received.

21 “(5)(A) After examining the documents and informa-  
22 tion received under paragraph (4), the administrative  
23 judge shall issue an order dismissing—

24 “(i) any frivolous claim alleged in the com-  
25 plaint; and

1           “(ii) the complaint if it fails to state a  
2 nonfrivolous claim for which relief may be granted  
3 under this section.

4           “(B)(i) If a claim or the complaint is dismissed under  
5 subparagraph (A), the administrative judge shall give for-  
6 mal written notice to the aggrieved Federal employee that  
7 such Federal employee may, before the expiration of the  
8 90-day period beginning on the date such Federal em-  
9 ployee receives such notice—

10           “(I) file with the Commission a written request  
11 for appellate review of such order; or

12           “(II) commence a civil action in an appropriate  
13 district court of the United States for de novo review  
14 of such claim or such complaint.

15           “(ii) Such Federal employee may commence such civil  
16 action in the 90-day period specified in clause (i).

17           “(6)(A)(i) If the complaint is not dismissed under  
18 paragraph (5)(A), the administrative judge shall make a  
19 determination, after an opportunity for a hearing, on the  
20 merits of each claim that is not dismissed under such  
21 paragraph. The administrative judge shall make a deter-  
22 mination on the merits of any other nonfrivolous claim  
23 under this title, and on any action such Federal employee  
24 may appeal to the Merit Systems Protection Board, rea-

1 sonably expected to arise from the facts on which the com-  
2 plaint is based.

3 “(ii) On the request of the aggrieved Federal em-  
4 ployee, the administrative judge shall—

5 “(I) determine whether the administrative pro-  
6 ceeding with respect to such claim may be main-  
7 tained as a class proceeding; and

8 “(II) if the administrative proceeding may be so  
9 maintained, shall describe those whom the adminis-  
10 trative judge finds to be members of such class.

11 “(B) With respect to such claim, a party may conduct  
12 discovery by such means as may be available in a civil ac-  
13 tion to the extent deemed appropriate by the administra-  
14 tive judge.

15 “(C) If the aggrieved Federal employee or the re-  
16 spondent fails without good cause to respond fully and in  
17 a timely fashion to a request made or approved by the  
18 administrative judge for information or the attendance of  
19 a witness, and if such information or such witness is solely  
20 in the control of the party who so fails to respond, then  
21 the administrative judge shall—

22 “(i) draw an adverse inference that the re-  
23 quested information, or the testimony of the re-  
24 quested witness, would have reflected unfavorably on  
25 the party who so fails to respond;

1           “(ii) consider the matters to which such infor-  
2           mation or such testimony pertains to be established  
3           in favor of the opposing party;

4           “(iii) exclude other evidence offered by the  
5           party who so fails to respond;

6           “(iv) grant full or partial relief, including—

7                 “(I) relief of the kinds described in section  
8                 706(g); and

9                 “(II) compensatory damages for unlawful  
10                intentional discrimination (not an employment  
11                practice that is unlawful because of its dispar-  
12                ate impact) prohibited under this section, sub-  
13                ject to the limitations specified in section  
14                1977A(b)(3) of the Revised Statutes of the  
15                United States;

16           to the aggrieved Federal employee; or

17           “(v) take such other action the administrative  
18           judge considers to be appropriate.

19           “(D) In a hearing on a claim, the administrative  
20           judge shall—

21                 “(i) limit attendance to persons who have a di-  
22                 rect connection with such claim;

23                 “(ii) bring out pertinent facts and relevant em-  
24                 ployment practices and policies, but—

1           “(I) exclude irrelevant or unduly repeti-  
2           tious information; and

3           “(II) not apply the Federal Rules of Evi-  
4           dence strictly;

5           “(iii) permit all parties to examine and cross  
6           examine witnesses; and

7           “(iv) require that testimony be given under  
8           oath or affirmation.

9           “(E) At the request of any party or the administra-  
10          tive judge, a transcript of all or part of such hearing shall  
11          be provided in a timely manner and simultaneously to the  
12          parties and the Commission. The respondent shall bear  
13          the cost of providing such transcript.

14          “(F) The administrative judge shall have authority—

15               “(i) to administer oaths and affirmations;

16               “(ii) to regulate the course of hearings;

17               “(iii) to rule on offers of proof and receive evi-  
18          dence;

19               “(iv) to issue subpoenas to compel—

20                       “(I) the production of documents or infor-  
21                       mation by the entity of the Federal Government  
22                       in which discrimination is alleged to have oc-  
23                       curred; and

24                       “(II) the attendance of witnesses who are  
25                       Federal officers or employees of such entity;

1           “(v) to request the Commission to issue subpoe-  
2           nas to compel the production of documents or infor-  
3           mation by any other entity of the Federal Govern-  
4           ment and the attendance of other witnesses, except  
5           that any witness who is not an officer or employee  
6           of an entity of the Federal Government may be com-  
7           pelled only to attend any place—

8                   “(I) less than 100 miles from the place  
9                   where such witness resides, is employed, trans-  
10                  acts business in person, or is served; or

11                  “(II) at such other convenient place as is  
12                  fixed by the administrative judge;

13           and shall be paid fees and allowances, by the party  
14           that requests the subpoena, to the same extent that  
15           fees and allowances are paid to witnesses under  
16           chapter 119 of title 28, United States Code, as  
17           amended from time to time;

18           “(vi) to exclude witnesses whose testimony  
19           would be unduly repetitious;

20           “(vii) to exclude any person from a hearing for  
21           contumacious conduct, or for misbehavior, that ob-  
22           structs such hearing; and

23           “(viii) to grant full or partial relief, including—

24                   “(I) relief of the kinds described in section  
25                  706(g); and

1           “(II) compensatory damages for unlawful  
2           intentional discrimination (not an employment  
3           practice that is unlawful because of its dispar-  
4           ate impact) prohibited under this section, sub-  
5           ject to the limitations specified in section  
6           1977A(b)(3) of the Revised Statutes of the  
7           United States.

8           “(G) The administrative judge and the Commission  
9 shall have authority to award—

10           “(i) a reasonable attorney’s fee (including ex-  
11           pert fees) and costs as a court has authority to  
12           award under section 706(k), as amended from time  
13           to time; and

14           “(ii) the same interest to compensate for delay  
15           in payment as in cases involving nonpublic parties.

16           “(H) The Commission shall have authority to issue  
17 subpoenas described in subparagraph (F)(v).

18           “(I) In the case of contumacy or failure to obey a  
19 subpoena issued under subparagraph (F) or (H), the Unit-  
20 ed States district court for the judicial district in which  
21 the person to whom the subpoena is addressed resides or  
22 is served may issue an order requiring such person to ap-  
23 pear at any designated place to testify or to produce docu-  
24 mentary or other evidence.

1       “(7)(A) Except as provided in subparagraph (B), the  
2 administrative judge shall issue a written order making  
3 the determination required by paragraph (6)(A), and  
4 granting or denying relief, not later than—

5           “(i) 210 days after the complaint containing  
6 such claim is filed on behalf of a Federal employee;  
7 or

8           “(ii) 270 days after the complaint containing  
9 such claim is filed on behalf of a class of Federal  
10 employees;

11 except that these time periods shall not begin running  
12 until 30 days after the administrative judge is assigned  
13 to the case if the administrative judge certifies, in writing,  
14 that such 30-day period is needed to secure additional doc-  
15 uments or information from the respondent to have a com-  
16 plete administrative record.

17       “(B) The administrative judge shall issue such order  
18 not later than 30 days after the applicable period specified  
19 in subparagraph (A) if the administrative judge certifies  
20 in writing, before the expiration of such applicable pe-  
21 riod—

22           “(i) that such 30-day period is necessary to  
23 make such determination; and

24           “(ii) the particular and unusual circumstances  
25 that prevent the administrative judge from comply-

1       ing with the applicable period specified in subpara-  
2       graph (A).

3       “(C) The administrative judge may apply to the Com-  
4       mission to extend any period applicable under subpara-  
5       graph (A) or (B) if manifest injustice would occur in the  
6       absence of such an extension.

7       “(D) The Commission—

8             “(i) may not grant such extension; or

9             “(ii) shall terminate such extension;

10       if the aggrieved Federal employee shows that such exten-  
11       sion would prejudice a claim of, or otherwise harm, such  
12       Federal employee.

13       “(E) In addition to findings of fact and conclusions  
14       of law, such order shall include formal written notice to  
15       each party that before the expiration of the 90-day period  
16       beginning on the date such party receives such order—

17             “(i) the aggrieved Federal employee may com-  
18       mence a civil action in an appropriate district court  
19       of the United States for de novo review of a claim  
20       with respect to which such order is issued; and

21             “(ii) unless and until a civil action is com-  
22       menced in such 90-day period under clause (i) with  
23       respect to such claim, any party may file with the  
24       Commission a written request for appellate review of

1 the determination made, and relief granted or de-  
2 nied, in such order with respect to such claim.

3 “(F) Such Federal employee may commence such  
4 civil action at any time—

5 “(i) after the expiration of the applicable period  
6 specified in subparagraph (A) or (B); and

7 “(ii) before the expiration of the 90-day period  
8 beginning on the date such Federal employee re-  
9 ceives an order described in subparagraph (A).

10 “(G) If such order applies to more than one claim  
11 and if such employee neither—

12 “(i) commences a civil action in accordance with  
13 subparagraph (E) (i); nor

14 “(ii) requests appellate review in accordance  
15 with subparagraph (E) (ii);

16 with respect to a particular claim, then the determination  
17 made, and relief granted, in such order with respect to  
18 such particular claim shall be enforceable immediately.

19 “(g)(1) If a party files timely a written request in  
20 accordance with subsection (f)(5)(B)(i) or (f)(7)(E)(ii)  
21 with the Commission for appellate review of the deter-  
22 mination made, and relief granted or denied, with respect  
23 to a claim in such order, then the Commission shall imme-  
24 diately transmit a copy of such request to the other parties

1 involved and to the administrative judge who issued such  
2 order.

3 “(2) Not later than 7 days after receiving a copy of  
4 such request, the administrative judge shall transmit to  
5 the Commission the record of the proceeding on which  
6 such order is based, including all documents and informa-  
7 tion collected by the respondent under subsection (d).

8 “(3)(A) After allowing the parties to file briefs with  
9 respect to such determination, the Commission shall issue  
10 an order with respect to such claim affirming, reversing,  
11 or modifying the applicable provisions of the order of the  
12 administrative judge not later than—

13 “(i) 150 days after receiving such request; or

14 “(ii) 30 days after such 150-day period if the  
15 Commission certifies in writing, before the expiration  
16 of such 150-day period—

17 “(I) that such 30-day period is necessary  
18 to review such claim; and

19 “(II) the particular and unusual cir-  
20 cumstances that prevent the Commission from  
21 complying with clause (i).

22 “(B) The Commission shall affirm the determination  
23 made, and relief granted or denied, by the administrative  
24 judge with respect to such claim if such determination and  
25 such relief are supported by substantial evidence in the

1 record taken as a whole and are otherwise in accordance  
2 with law. The findings of fact of the administrative judge  
3 shall be conclusive unless the Commission determines that  
4 they are clearly erroneous.

5 “(C) In addition to findings of fact and conclusions  
6 of law, the Commission shall include in its order formal  
7 written notice to the aggrieved Federal employee that, be-  
8 fore the expiration of the 90-day period beginning on the  
9 date such Federal employee receives such order, such Fed-  
10 eral employee may commence a civil action in an appro-  
11 priate district court of the United States for de novo re-  
12 view of a claim with respect to which such order is issued.

13 “(D) Such Federal employee may commence such  
14 civil action at any time—

15 “(i) after the expiration of the applicable period  
16 specified in subparagraph (A); and

17 “(ii) before the expiration of the 90-day period  
18 specified in subparagraph (C).

19 “(h)(1) In addition to the periods authorized by sub-  
20 sections (f)(7)(E) and (g)(3)(D)—

21 “(A) during the period beginning 300 days  
22 after an aggrieved Federal employee timely requests  
23 an administrative determination under subsection (f)  
24 with respect to a claim and ending on the date the

1 administrative judge issues an order under such sub-  
2 section with respect to such claim; and

3 “(B) during the period beginning 180 days  
4 after such Federal employee timely requests appel-  
5 late review under subsection (g) of such determina-  
6 tion with respect to such claim and ending on the  
7 date the Commission issues an order under such  
8 subsection with respect to such claim;

9 such Federal employee may commence a civil action in an  
10 appropriate district court of the United States for de novo  
11 review of such claim.

12 “(2) Whenever a civil action is commenced timely and  
13 otherwise in accordance with this section to determine the  
14 merits of a claim arising under this section, the jurisdic-  
15 tion of the administrative judge or the Commission (as  
16 the case may be) to determine the merits of such claim  
17 shall terminate.

18 “(i) A Federal employee who prevails on a claim aris-  
19 ing under this section, or the Commission, may bring a  
20 civil action in an appropriate district court of the United  
21 States to enforce—

22 “(1) the provisions of a settlement agreement  
23 applicable to such claim;

1           “(2) the provisions of an order issued by an ad-  
2 ministrative judge under subsection (f)(7)(A) appli-  
3 cable to such claim if—

4           “(A) a request is not filed timely under  
5 subsection (g)(1) for appellate review by the  
6 Commission; and

7           “(B) a civil action is not commenced time-  
8 ly under subsection (g)(3)(D) for de novo re-  
9 view;  
10 of such claim; or

11           “(3) the provisions of an order issued by the  
12 Commission under subsection (g)(3)(A) applicable to  
13 such claim if a civil action is not commenced timely  
14 under subsection (g)(3)(D) for de novo review of  
15 such claim.

16           “(j) Any amount awarded under this section (includ-  
17 ing fees, costs, and interest awarded under subsection  
18 (f)(6)(G)), or under title 28 of the United States Code,  
19 with respect to a violation of subsection (a), shall be paid  
20 by the entity of the Federal Government that violated such  
21 subsection from any funds made available to such entity  
22 by appropriation or otherwise.

23           “(k) An entity of the Federal Government against  
24 which a claim of discrimination is alleged in a complaint  
25 filed in an administrative proceeding or a civil action

1 under this section shall grant the aggrieved Federal em-  
2 ployee paid administrative leave for time reasonably ex-  
3 pended to prepare for, and participate in, such proceeding  
4 or action. Such leave shall be granted in accordance with  
5 regulations issued by the Commission, except that such  
6 leave shall include reasonable time for—

7           “(1) preparation of a complaint based on such  
8           allegation;

9           “(2) attendance at such proceeding or action;

10           “(3) attendance at depositions;

11           “(4) meetings with counsel; and

12           “(5) other ordinary and legitimate undertakings  
13           in such proceeding or action, that require the pres-  
14           ence of such Federal employee.

15           “(l)(1) In enforcing compliance with an order issued  
16 by an administrative judge or the Commission, the Com-  
17 mission may make a written determination that—

18           “(A) any officer or employee of the agency, de-  
19           partment, or unit charged with complying with such  
20           order, or

21           “(B) any officer or employee of the United  
22           States determined to be responsible for the failure of  
23           the agency, department, or unit to comply with such  
24           order,

1 who is not an officer or employee appointed by the Presi-  
2 dent by and with the advice and consent of the Senate,  
3 shall not be entitled to receive payment for service as an  
4 officer or employee for the period during which such order  
5 has not been complied with. The Commission shall certify  
6 to the Comptroller General of the United States that a  
7 determination under this paragraph has been made, and  
8 no payment shall be made out of the Treasury of the Unit-  
9 ed States for any service specified in such determination.

10       “(2) In enforcing compliance with such order with re-  
11 spect to any officer or employee described in subparagraph  
12 (A) or (B) of paragraph (1) who is an officer or employee  
13 appointed by the President by and with the advice and  
14 consent of the Senate, the Commission may notify the  
15 President that such officer or employee has failed to obey  
16 such order.

17       “(m) If with respect to the merits of a claim of inten-  
18 tional discrimination (other than an employment practice  
19 that is unlawful because of its disparate impact) prohib-  
20 ited by this section, a Federal employee prevails in a pro-  
21 ceeding under subsection (f) or a civil action commenced  
22 under this section, the finder of fact in such proceeding  
23 shall identify each individual believed to have engaged in  
24 conduct that is the basis of such discrimination. Not later  
25 than 15 days after issuing an order finding liability under

1 this section, the administrative judge or the district court  
2 involved shall notify the Office of Special Counsel of the  
3 identity of such individual and the fact that such individ-  
4 ual is believed to have engaged in conduct that is the basis  
5 of liability found on such claim in such proceeding or ac-  
6 tion.

7 “(n) This section, as in effect immediately before the  
8 effective date of the Federal Employee Fairness Act of  
9 1993, shall apply with respect to employment in the Li-  
10 brary of Congress.”.

11 **SEC. 113. AMENDMENTS TO THE AGE DISCRIMINATION IN**  
12 **EMPLOYMENT ACT AND THE REHABILITA-**  
13 **TION ACT OF 1973.**

14 (a) ENFORCEMENT BY EEOC.—(1) Section 15 of the  
15 Age Discrimination in Employment Act of 1967 (29  
16 U.S.C. 633a) is amended—

17 (A) by striking subsections (c) and (d), and

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

20 “(c)(1)(A) Except as provided in subparagraph (B),  
21 any individual aggrieved by a violation of subsection (a)  
22 of this section may file a complaint with the Commission  
23 in accordance with section 717 of the Civil Rights Act of  
24 1964.

1       “(B) Subsections (c) and (d) of this section, as in  
2 effect immediately before the effective date of the Federal  
3 Employee Fairness Act of 1993, shall apply with respect  
4 to employment in the Library of Congress.

5       “(2) Except as provided in paragraph (1)(B) and  
6 subsection (d), such section 717 shall apply to a violation  
7 alleged in a complaint filed under paragraph (1) in the  
8 same manner as such section applies to a claim arising  
9 under section 717 of such Act.

10       “(d)(1) If an individual aggrieved by a violation of  
11 this section does not file a complaint under subsection  
12 (c)(1), such individual may commence a civil action—

13               “(A) not less than 30 days after filing with the  
14 Commission a notice of intent to commence such ac-  
15 tion; and

16               “(B) not more than 2 years after the alleged  
17 violation of this section occurs;

18 in an appropriate district court of the United States for  
19 de novo review of such violation.

20       “(2) On receiving such notice, the Commission  
21 shall—

22               “(A) promptly notify all persons named in such  
23 notice as prospective defendants in such action; and

24               “(B) take any appropriate action to ensure the  
25 elimination of any unlawful practice.

1       “(3) Section 717(o) of the Civil Rights Act of 1964  
2 (42 U.S.C. 2000e–16(o)) shall apply to civil actions com-  
3 menced under this subsection in the same manner as such  
4 section applies to civil actions commenced under section  
5 717 of the Civil Rights Act of 1964.”.

6       (2) Section 505 of the Rehabilitation Act of 1973 (29  
7 U.S.C. 794a) is amended—

8           (A) in subsection (a)(1)—

9               (i) by inserting “(A)” after “(a)(1)”,

10               (ii) by striking “706(k)” and inserting  
11               “706(j)”,

12               (iii) by striking “through (k)” and insert-  
13               ing “through (j)”, and

14               (iv) by adding at the end the following:

15           “(B) The first sentence of this paragraph, as in effect  
16 immediately before the effective date of the Federal Em-  
17 ployee Fairness Act of 1993, shall apply with respect to  
18 employment in the Library of Congress.”, and

19           (B) in subsection (b) by striking “In” and in-  
20           serting “Except as provided in subsection (a)(1),  
21           in”.

22       (b) OPPORTUNITY TO COMMENCE CIVIL ACTION.—  
23 If a complaint filed under section 15 of the Age Discrimi-  
24 nation in Employment Act of 1967 (29 U.S.C. 633a), or  
25 section 501 of the Rehabilitation Act of 1973 (29 U.S.C.

1 791)), with the Equal Employment Opportunity Commis-  
2 sion is pending in the period beginning on the date of the  
3 enactment of this Act and ending on December 31, 1994,  
4 the individual who filed such complaint may commence a  
5 civil action under such section not later than June 30,  
6 1995.

7 **SEC. 114. AMENDMENTS TO TITLE 5 OF THE UNITED**  
8 **STATES CODE.**

9 (a) GRIEVANCE PROCEDURES.—Section 7121 of title  
10 5, United States Code, is amended—

11 (1) in subsection (a)(1) by inserting “adminis-  
12 trative” after “exclusive”, and

13 (2) in subsection (d)—

14 (A) by inserting “(1)” after “(d)”,

15 (B) in the first and second sentences by  
16 striking “An” and inserting “Except as pro-  
17 vided in paragraph (2), an”,

18 (C) in the last sentence by striking “Selec-  
19 tion” and all that follows through “any other”,  
20 and inserting the following:

21 “(3) An employee may commence, not later than 120  
22 days after a final decision, a civil action in an appropriate  
23 district court of the United States for de novo review of  
24 a”, and

1 (D) by inserting after the second sentence  
2 the following:

3 “(2) Matters covered under section 7702, or under  
4 a law administered by the Equal Employment Opportunity  
5 Commission, may be raised under the negotiated grievance  
6 procedure in accordance with this section only if an em-  
7 ployee elects under section 717(e)(2)(B)(i)(III) of the Civil  
8 Rights Act of 1964 to proceed under this section.”.

9 (b) ACTIONS INVOLVING DISCRIMINATION.—Section  
10 7702 of title 5, United States Code, is amended to read  
11 as follows:

12 **“§ 7702. Actions involving discrimination**

13 “(a)(1) Notwithstanding any other provision of law,  
14 in the case of any employee or applicant for employment  
15 who—

16 “(A) is affected by—

17 “(i) an action which the employee or appli-  
18 cant may appeal to the Merit Systems Protec-  
19 tion Board, or

20 “(ii) an action, not described in clause  
21 (i)—

22 “(I) on the part the Equal Employ-  
23 ment Opportunity Commission, and

24 “(II) with respect to which the em-  
25 ployee or applicant makes an election

1 under section 717(e)(2)(B)(i)(II) of the  
2 Civil Rights Act of 1964, and

3 “(B) alleges that a basis for the action was dis-  
4 crimination prohibited by—

5 “(i) section 717 of the Civil Rights Act of  
6 1964 (42 U.S.C. 2000a–16),

7 “(ii) section 6(d) of the Fair Labor Stand-  
8 ards Act of 1938 (29 U.S.C. 206(d)),

9 “(iii) section 501 of the Rehabilitation Act  
10 of 1973 (29 U.S.C. 791),

11 “(iv) sections 12 and 13 of the Age Dis-  
12 crimination in Employment Act of 1967 (29  
13 U.S.C. 631, 633a), or

14 “(v) any rule, regulation, or policy directive  
15 prescribed under any provision of law described  
16 in clauses (i) through (iv) of this subparagraph,  
17 the employee or applicant may raise the action as provided  
18 in paragraph (2).

19 “(2) For purposes of paragraph (1), the employee  
20 shall raise the action by filing a complaint with the Equal  
21 Employment Opportunity Commission in accordance with  
22 section 717 of the Civil Rights Act of 1964 and shall make  
23 a request under section 717(e)(2)(B)(i) selecting the pro-  
24 cedures specified in one of the following subparagraphs:

1           “(A) The administrative and judicial procedures  
2           provided under sections 7701 and 7703.

3           “(B) The administrative and judicial procedures  
4           provided under section 7121.

5           “(C) The administrative and judicial procedures  
6           provided under section 717 of the Civil Rights Act  
7           of 1964.

8           “(3) The agency (including the Board and the Equal  
9           Employment Opportunity Commission) that carries out  
10          such procedures shall apply the substantive law that is ap-  
11          plied by the agency that administers the particular law  
12          referred to in subsection (a)(1) that prohibits the conduct  
13          alleged to be the basis of the action referred to in sub-  
14          section (a)(1)(A).

15          “(b) If—

16                 “(1) an employee elects the procedures specified  
17                 in subsection (a)(2)(C), and

18                 “(2) the Equal Employment Opportunity Com-  
19                 mission dismisses under section 717(f)(5)(A) of the  
20                 Civil Rights Act of 1964 a claim that is based on  
21                 the action raised by the employee,

22          then the employee shall have 20 days in which to raise  
23          the action under the procedures specified in subparagraph  
24          (A) or (B) of subsection (a)(2), except that no allegation

1 of a kind described in subsection (a)(1)(B) may be raised  
2 under this subsection.

3 “(c) If at any time after the 120th day following an  
4 election made under section 717(e)(2)(B)(i) of the Civil  
5 Rights Act of 1964 to raise an action under the proce-  
6 dures specified in subsection (a)(2)(A) there is no judi-  
7 cially reviewable action, an employee shall be entitled to  
8 file, not later than 240 days after making such election,  
9 a civil action in an appropriate district court of the United  
10 States for de novo review of the action raised under sub-  
11 section (a).

12 “(d) Nothing in this section shall be construed to af-  
13 fect the right to trial de novo under any provision of law  
14 described in subsection (a)(1) after a judicially reviewable  
15 action.”.

16 (c) DISCIPLINARY ACTION.—(1) Section 1214 of title  
17 5, United States Code, is amended by adding at the end  
18 the following:

19 “(g)(1) Whenever the Office of Special Counsel re-  
20 ceives any notification, in accordance with section 717(m)  
21 of the Civil Rights Act of 1964, with respect to a claim  
22 arising under section 717(a) of the Civil Rights Act of  
23 1964, section 15(a) of the Age Discrimination in Employ-  
24 ment Act of 1967, or section 501 of the Rehabilitation  
25 Act of 1973, the Special Counsel shall investigate the mat-

1 ter to the extent necessary to determine whether there are  
2 reasonable grounds to believe that a prohibited personnel  
3 practice described in section 2302(b)(1) has occurred and,  
4 if so, shall seek the appropriate disciplinary action under  
5 section 1215.

6 “(2) A determination under this subsection shall be  
7 made not later than 180 days after the appropriate date  
8 under paragraph (3) for the last applicable event described  
9 in such paragraph.

10 “(3)(A) With respect to a claim—

11 “(i) to which an order issued by an administra-  
12 tive judge of the Equal Employment Opportunity  
13 Commission applies, and

14 “(ii) with respect to which the aggrieved em-  
15 ployee neither—

16 “(I) commences a civil action in accord-  
17 ance with section 717(f)(7)(E)(i) of the Civil  
18 Rights Act of 1964, nor

19 “(II) requests appellate review in accord-  
20 ance with section 717(f)(7)(E)(ii) of the Civil  
21 Rights Act of 1964,

22 the appropriate date is the date on which the Office of  
23 Special Counsel receives notification (referred to in para-  
24 graph (1)) from the administrative judge.

25 “(B) With respect to a claim—

1           “(i) to which an order issued by the Equal Em-  
2           ployment Opportunity Commission applies, and

3           “(ii) with respect to which the aggrieved em-  
4           ployee does not commence a civil action in accord-  
5           ance with section 717(g)(3)(D),

6 the appropriate date is the date on which the Office of  
7 Special Counsel receives notification (referred to in para-  
8 graph (1)) from the Commission.

9           “(C) With respect to a claim to which a final judg-  
10          ment issued by a court of the United States applies, the  
11          appropriate date is the date on which the Office of Special  
12          Counsel receives notification (referred to in paragraph (1))  
13          from such court.

14          “(4) For the purpose of this subsection—

15                 “(A) the term ‘order’ means an order issued on  
16                 the merits;

17                 “(B) the term ‘judgment’ means a judgment is-  
18                 sued on the merits; and

19                 “(C) the term ‘final judgment’ means a judg-  
20                 ment that is either—

21                         “(i) not reviewed by any other court that  
22                         has authority to review such judgment; or

23                         “(ii) not reviewable by any other court.”.

24          (2) Section 1218 of title 5, United States Code, is  
25          amended—

1 (A) by inserting “(a)” before the first sentence;

2 and

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

4 “(b) Any statistical or other information provided  
5 under the first sentence of subsection (a) shall specify the  
6 extent to which such information relates to any matter re-  
7 ferred to in section 1214(g).”.

8 (d) RECORDKEEPING.—(1) Chapter 23 of title 5,  
9 United States Code, is amended by adding at the end the  
10 following:

11 **“§ 2306. Federal personnel records**

12 “(a) For the purpose of this section—

13 “(1) the term ‘personnel action’ has the mean-  
14 ing given such term in section 2302(a)(2)(A);

15 “(2) the term ‘record’ has the meaning given  
16 such term in section 552a(a)(4); and

17 “(3) the term ‘employee’ means—

18 “(A) an employee as defined by section  
19 2105; and

20 “(B) an employee of the United States  
21 Postal Service or the Postal Rate Commission;  
22 but does not include any employee with respect to  
23 whom section 117, or title III (excluding section  
24 320), of the Civil Rights Act of 1991 applies.

1 “(b) Records relating to any personnel action taken  
2 with respect to an employee shall be maintained by the  
3 employing authority for at least the greater of—

4 “(1) 270 days after the effective date of the  
5 personnel action to which they relate; or

6 “(2) the period of time otherwise required  
7 under applicable provisions of law, rule, or regula-  
8 tion, if any.

9 “(c) The Office of Personnel Management shall pre-  
10 scribe regulations for the implementation of this section  
11 by an Executive agency.”.

12 (2) The table of sections for chapter 23 of title 5,  
13 United States Code, is amended by adding at the end the  
14 following:

“2306. Federal personnel records.”.

15 (e) FILING DEADLINE.—Section 7703(b)(2) of title  
16 5, United States Code, is amended by striking “30 days”  
17 and inserting “90 days”.

18 (f) RIGHT TO INTERVENE.—Section 1212(c)(2) of  
19 title 5, United States Code, is amended—

20 (1) by striking “(2)” and inserting “(2)(A)”;

21 and

22 (2) by adding at the end the following:

23 “(B) Consent under subparagraph (A) shall not be  
24 required, in the case of an appeal from an action, if—

1           “(i) section 7513(d) is the provision making the  
2           action appealable to the Board;

3           “(ii) the appeal is brought by an individual with  
4           respect to whom notification has been received by  
5           the Office of Special Counsel under section 717(m)  
6           of the Civil Rights Act of 1964; and

7           “(iii) 1 of the grounds for the action being ap-  
8           pealed is discrimination of a type described in sec-  
9           tion 2302(b)(1).”.

10 **SEC. 115. TECHNICAL AMENDMENTS.**

11           Section 717(b) of the Civil Rights Act of 1964 (42  
12 U.S.C. 2000e-16(b)) is amended by striking “Civil Service  
13 Commission” each place it appears and inserting “Com-  
14 mission”.

15 **SEC. 116. ISSUANCE OF PROCEDURAL GUIDELINES AND NO-**  
16 **TICE RULES.**

17           After providing notice in accordance with section  
18 553(b) of title 5, United States Code, and not later than  
19 1 year after the date of the enactment of this Act, the  
20 Equal Employment Opportunity Commission shall issue—

21           (1) rules to assist entities of the Federal Gov-  
22           ernment to comply with section 717(d) of the Civil  
23           Rights Act of 1964, as added by section 112 of this  
24           Act, and

25           (2) rules establishing—

1 (A) a uniform written official notice to be  
2 used to comply with section 717 of such Act, as  
3 added by section 112 of this Act, and

4 (B) detailed requirements applicable to col-  
5 lecting and preserving documents and informa-  
6 tion under section 717(d), as added by section  
7 112 of this Act.

8 **SEC. 117. RULES OF CONSTRUCTION.**

9 Any reference in any law (other than title VII of the  
10 Civil Rights Act of 1964) to any provision of title VII of  
11 the Civil Rights Act of 1964 amended by this Act shall  
12 be deemed to be a reference to such provision as amended  
13 by this Act.

14 **SEC. 118. EFFECTIVE DATE; APPLICATION OF AMEND-**  
15 **MENTS.**

16 (a) EFFECTIVE DATE.—Except as provided in sub-  
17 section (b), this Act and the amendments made by this  
18 Act shall take effect on January 1, 1995.

19 (b) APPLICATION OF AMENDMENTS.—Except as pro-  
20 vided in section 117, the amendments made by this Act  
21 (other than sections 113 and 114) shall apply only with  
22 respect to complaints filed under section 717 of the Civil  
23 Rights Act of 1964 (42 U.S.C. 2000e–16) on or after the  
24 effective date of this Act.

1                   **Subtitle C—Congressional**  
2                   **Employees Fairness Act**

3 **SEC. 121. SHORT TITLE.**

4           This subtitle may be cited as the “Congressional Em-  
5 ployees Fairness Act”.

6 **SEC. 122. APPLICATION OF FEDERAL LAWS.**

7           (a) **LAWS WHICH WILL APPLY.**—Within 90 days  
8 after the date final regulations take effect under section  
9 124(a)(2), the following laws shall apply to the Congress:

10                   (1) The Fair Labor Standards Act of 1938 (29  
11 U.S.C. 201 et seq.).

12                   (2) Title VII of the Civil Rights Act of 1964  
13 (42 U.S.C. 2000e et seq.).

14                   (3) Sections 102 through 104 of the Americans  
15 With Disabilities Act of 1990 (42 U.S.C. 12112-  
16 12114).

17                   (4) Section 15 of the Age Discrimination in  
18 Employment Act of 1967 (29 U.S.C. 633a).

19                   (5) The Family and Medical Leave Act of 1993  
20 (29 U.S.C. 2611 et seq.).

21           (b) **LAWS WHICH MAY BE MADE APPLICABLE.**—Any  
22 provision of Federal law shall, to the extent that it relates  
23 to—

24                   (1) the terms and conditions of employment (in-  
25 cluding hiring, promotion or demotion, salary and

1 wages, overtime compensation, benefits, work assign-  
2 ments or reassignments, and termination) of employ-  
3 ees,

4 (2) protection from discrimination in personnel  
5 actions,

6 (3) the health and safety of employees,

7 (4) the availability of information to the public,

8 or

9 (5) other areas deemed appropriate by the  
10 Independent Office of Compliance,

11 apply to the House of Representatives and the Senate  
12 (hereinafter in this Act referred to jointly as the “Con-  
13 gress”) in accordance with approval of a recommendation  
14 made under section 124(b).

15 **SEC. 123. OFFICE OF COMPLIANCE.**

16 (a) ESTABLISHMENT.—There is established in the  
17 legislative branch for the Congress an Independent Office  
18 of Compliance (hereinafter in this Act referred to as the  
19 “Office”).

20 (b) COMPOSITION.—

21 (1) IN GENERAL.—The Office shall be com-  
22 posed of a Board of Directors and staff. The Board  
23 of Directors shall consist of 15 individuals appointed  
24 jointly by the Speaker of the House of Representa-  
25 tives, the Majority Leader of the Senate, and the

1 Minority Leaders of the House of Representatives  
2 and the Senate after consultation with individuals  
3 who represent the interests of congressional employ-  
4 ees. Appointments to the Board of Directors shall be  
5 completed not later than 120 days after the date of  
6 the enactment of this Act.

7 (2) QUALIFICATIONS.—

8 (A) MEMBERS WITH GENERAL AUTHOR-  
9 ITY.—The members of the Board of Directors  
10 who shall have the authority to carry out the  
11 functions of the Office under this Act shall be  
12 9 individuals appointed under paragraph (1)  
13 from nominations submitted by organizations  
14 the membership of which are primarily com-  
15 posed of individuals experienced in adjudicating  
16 or arbitrating personnel matters. Individuals  
17 nominated by such organizations shall be indi-  
18 viduals with training or expertise in—

19 (i) the application of the laws referred  
20 to in section 122 to employment, and

21 (ii) employment in the Congress.

22 (B) MEMBERS WITH LIMITED AUTHOR-  
23 ITY.—The members of the Board of Directors  
24 who shall have the authority to issue the regu-  
25 lations, conduct the study, and take the con-

1 continuing action referred to in subsections (a),  
2 (b), and (c) of section 124 shall be 6 individuals  
3 appointed under paragraph (1) of which 2 shall  
4 be Members of the House of Representatives, 2  
5 shall be Senators, 1 shall be an employee of the  
6 House of Representatives, and 1 shall be an  
7 employee of the Senate.

8 (C) SPECIFIC QUALIFICATIONS.—

9 (i) LOBBYING.—No individual who en-  
10 gages in, or is otherwise employed in, lob-  
11 bying of the Congress shall be considered  
12 eligible for appointment to, or service on,  
13 the Board of Directors.

14 (ii) OFFICE.—No member appointed  
15 under subparagraph (A) may hold the po-  
16 sition of Member of the House of Rep-  
17 resentatives, Senator, or employee of the  
18 House of Representatives or the Senate.

19 (3) POLITICAL AFFILIATION.—Not more than  
20 one Member of the House of Representatives who is  
21 a member of the Board of Directors and not more  
22 than one Senator who is a member of the Board of  
23 Directors may be of the same political party.

24 (4) HOLDING OFFICE.—If during a term of of-  
25 fice a member of the Board of Directors no longer

1 holds the position qualifying such member or en-  
2 engages in an activity described in paragraph  
3 (2)(C)(i), such position shall be declared vacant and  
4 a successor shall be selected in accordance with  
5 paragraph (2). If the term of office of a member of  
6 the Board of Directors expires and such member is  
7 a member of a hearing board hearing a complaint  
8 under section 128, such member may continue in of-  
9 fice until the decision or order of the hearing board  
10 becomes final.

11 (4) VACANCIES.—A vacancy in the Board of  
12 Directors shall be filled in the manner in which the  
13 original appointment was made.

14 (c) AUTHORITY.—

15 (1) IN GENERAL.—The 15 members of the  
16 Board of Directors appointed under subsection  
17 (b)(1) shall have the authority to carry out the func-  
18 tions described in subsections (a) and (b) of section  
19 124.

20 (2) OFFICE.—The 9 members of the Board of  
21 Directors appointed under subsection (b)(2)(A) shall  
22 have the authority to carry out the functions de-  
23 scribed in sections 124 through 129A.

24 (d) TERM OF OFFICE.—

1           (1) IN GENERAL.—Except as provided in para-  
2           graph (2), membership on the Board of Directors  
3           shall be for 5 years.

4           (2) FIRST APPOINTMENTS.—Of the members  
5           first appointed to the Board of Directors—

6                   (A) 5 shall have a term of office of one  
7                   year,

8                   (B) 5 shall have a term of office of 3  
9                   years, and

10                   (C) 5 shall have a term of office of 5  
11                   years,

12           as designated at the time of appointment by the per-  
13           sons specified in subsection (b)(1).

14           (3) REAPPOINTMENT.—A member of the Board  
15           of Directors may not be reappointed.

16           (e) REMOVAL.—A member of the Board of Directors  
17           may only be removed for cause, including malfeasance in  
18           office, inefficiency, or a violation of subsection (b)(2)(C)(i)  
19           by a vote of a majority of the Board of Directors.

20           (f) CHAIRMAN.—The Chairman of the Board of Di-  
21           rectors shall be appointed from the members of the Board  
22           of Directors by the members of the Board.

23           (g) BASIC PAY.—Members of the Board of Directors  
24           shall serve without pay except that members of the Board  
25           of Directors who serve as hearing officers under section

1 128 shall receive for each day engaged in the performance  
2 of the duties of such an officer compensation at a rate  
3 not to exceed the daily equivalent of the annual rate of  
4 basic pay in effect for grade GS-15 of the General Sched-  
5 ule under subchapter III of chapter 53 of title 5, United  
6 States Code.

7 (h) STAFF.—The Board of Directors may appoint  
8 and fix the compensation of such staff as are necessary  
9 to carry out the Board of Director’s functions. Appoint-  
10 ments to the staff shall be made on the basis of experience  
11 in labor law and not on political affiliation. Current or  
12 former employees of the Congress are not eligible for ap-  
13 pointment to the staff.

14 (i) DETAILEES.—The Board of Directors may, with  
15 the prior consent of the Government department or agency  
16 concerned, use on a reimbursable or nonreimbursable  
17 basis the services of any such department or agency, in-  
18 cluding the services of members or personnel of the Gen-  
19 eral Accounting Office Personnel Appeals Board.

20 (j) CONSULTANTS.—In carrying out the functions of  
21 the Office, the Board of Directors may procure the tem-  
22 porary (not to exceed 1 year) or intermittent services of  
23 individual consultants, or organizations thereof.

1 **SEC. 124. BOARD FUNCTIONS.**

2 (a) REGULATIONS FOR THE APPLICATION OF LAWS  
3 APPLICABLE TO CONGRESS.—The Board of Directors  
4 shall issue regulations respecting the remedies available  
5 under sections 125 through 129A of this Act to individuals  
6 covered under the laws referred to in section 122(a). Reg-  
7 ulations respecting such laws shall be issued within 120  
8 days of the date of the first appointment of members of  
9 the Board of Directors.

10 (b) RECOMMENDATIONS FOR APPLICATION OF  
11 LAWS.—

12 (1) STUDY.—The Board of Directors shall con-  
13 duct a study of the application to Congress of the  
14 laws referred to in section 122(b) and as amended  
15 by section 129F. The Board of Directors shall com-  
16 plete such study and report the results to Congress  
17 not later than 180 days after the date of the first  
18 appointment of the Board of Directors. Act.

19 (2) RECOMMENDATIONS.—

20 (A) IN GENERAL.—Not later than 120  
21 days after the date of the completion of the  
22 study under subsection (a), the Board of Direc-  
23 tors shall, in accordance with section 553 of  
24 title 5, United States Code, make recommenda-  
25 tions to the Congress which specify which of the

1 laws referred to in section 122(b) should apply  
2 to Congress. Such recommendations—

3 (i) shall take into account the costs  
4 associated with the application of such  
5 laws to the Congress,

6 (ii) shall be consistent with the provi-  
7 sion of law made applicable to Congress,  
8 except as otherwise specifically provided in  
9 sections 125 through 129D of this Act,  
10 and

11 (iii) may specify specific dates for the  
12 application of specific laws and may specify  
13 specific means for the application of such  
14 laws.

15 (B) APPROVAL.—When a recommendation  
16 made under subparagraph (A) is received by  
17 the Congress, it shall be introduced as a joint  
18 resolution in the House of Representatives and  
19 the Senate. Such a joint resolution shall be a  
20 joint resolution which states after the resolving  
21 clause that the Congress approves the rec-  
22 ommendation and includes an appropriate iden-  
23 tification of such recommendation. When such a  
24 joint resolution is introduced in the House of  
25 Representatives it shall be referred to the ap-

1           appropriate committee and when it is introduced  
2           in the Senate it shall be referred to the appro-  
3           priate committee. Subsections (c), (d), (e), and  
4           (f) of section 152 of the Trade Act of 1974 (19  
5           U.S.C. 2912) shall be applicable to such a joint  
6           resolution, except that final action on such rec-  
7           ommendation shall be completed within 45 days  
8           of the date of the submission to Congress of the  
9           joint resolution.

10           (3) REGULATIONS FOR ACTIONS ON REC-  
11           COMMENDATIONS.—The Board of Directors shall  
12           issue regulations respecting the remedies available  
13           under sections 125 through 129A of this Act to indi-  
14           viduals covered under the laws made applicable to  
15           the Congress by approval of a recommendation made  
16           under paragraph (2). Regulations respecting such  
17           laws shall be issued within 60 days of the date of  
18           the enactment of a law in response to a rec-  
19           ommendation made under paragraph (2).

20           (c) CONTINUING ACTION.—On an ongoing basis the  
21           Board of Directors shall study the application to the Con-  
22           gress of laws referred to in section 122(b) which are en-  
23           acted after the date of the enactment of this Act and may  
24           issue recommendations and regulations with respect to  
25           such laws in accordance with subsection (b).

1 (d) RULES OF THE OFFICE.—The Board of Directors  
2 shall adopt rules governing the procedures of the Office,  
3 including the procedures under sections 125 through 128,  
4 which shall be submitted for publication in the Congres-  
5 sional Record. The rules may be amended in the same  
6 manner. The Board of Directors may consult with the  
7 Chairman of the Administrative Conference of the United  
8 States on the adoption of such rules.

9 (e) DUTIES.—The Office shall—

10 (1) carry out a program of education for Mem-  
11 bers of Congress and other employing authorities of  
12 the Congress respecting the laws made applicable to  
13 them and a program to inform individuals of their  
14 rights under laws applicable to Congress and under  
15 sections 125 through 129A,

16 (2) in carrying out the program under para-  
17 graph (1), distribute the telephone number and ad-  
18 dress of the Office, procedures for action under sec-  
19 tions 125 through 129A, and any other information  
20 the Board of Directors deems appropriate for dis-  
21 tribution, distribute such information to Members of  
22 Congress and other employing authorities in a man-  
23 ner suitable for posting, provide such information to  
24 new Congressional employees, distribute such infor-  
25 mation to the residences of Congressional employees,

1 and conduct seminars and other activities designed  
2 to educate employers and employees in such infor-  
3 mation,

4 (3) compile and publish statistics on the use of  
5 the Office by Congressional employees, including the  
6 number and type of contacts made with the Office,  
7 on the reason for such contacts, on the number of  
8 employees who initiated proceedings with the Office  
9 under sections 5 through 10 and the result of such  
10 proceedings, on the number of employees who filed  
11 a complaint under section 8, the basis for the com-  
12 plaint, and the action taken on the complaint, and

13 (4) within 180 days of the initial appointment  
14 of the members of the Board of Directors and in  
15 conjunction with the Clerk of the House of Rep-  
16 resentatives and the Secretary of the Senate, develop  
17 a system for the collection of demographic data re-  
18 specting the composition of the employees of the  
19 Congress, including race, sex, and wages, and a sys-  
20 tem for the collection of information on employment  
21 practices, including family leave and flexible work  
22 hours, in Congressional offices.

23 (f) REPORT.—Within one year of the date the system  
24 referred to in subsection (e)(5) is developed and annually  
25 thereafter, the Board of Directors shall submit to Con-

1 gress a report on the information collected under such sys-  
2 tem. Each report after the first report shall contain a com-  
3 parison and evaluation of data contained in the previous  
4 report.

5 (g) IDENTIFICATION OF DISCRIMINATORY PRAC-  
6 TICES.—From the information collected under subsection  
7 (e)(5) the Board of Directors shall identify discriminatory  
8 wage setting practices in the Congress and promptly re-  
9 port to the Congress such identification together with rec-  
10 ommendations for corrective action.

11 **SEC. 125. PROCEDURE FOR CONSIDERATION OF ALLEGED**  
12 **VIOLATIONS.**

13 The procedure for consideration of alleged violations  
14 of laws made applicable to Congress under the regulation  
15 promulgated under section 4(a) consists of 4 steps as fol-  
16 lows:

- 17 (1) Step I, counseling, as set forth in section 6.  
18 (2) Step II, mediation, as set forth in section  
19 7.  
20 (3) Step III, formal complaint and hearing by  
21 a hearing board, as set forth in section 8.  
22 (4) Step IV, judicial review of a hearing board  
23 decision, as set forth in section 9.

1 **SEC. 126. STEP I: COUNSELING.**

2 (a) IN GENERAL.—A Congressional employee alleg-  
3 ing a violation of a law made applicable to Congress under  
4 section 2(a) or 4(b) may request counseling by the Office.  
5 The Office shall provide the employee with all relevant in-  
6 formation with respect to the rights of the employee, in-  
7 cluding the procedures (including deadlines) for claims  
8 under section 8. A request for counseling shall be made  
9 not later than 180 days after the alleged violation forming  
10 the basis of the request for counseling occurred.

11 (b) PERIOD OF COUNSELING.—The period for coun-  
12 seling shall be 30 days unless the employee and the Office  
13 agree to reduce the period. The period shall begin on the  
14 date the request for counseling is received.

15 (c) EMPLOYEES OF THE ARCHITECT OF THE CAP-  
16 ITOL AND CAPITOL POLICE.—In the case of an employee  
17 of the Architect of the Capitol or an employee who is a  
18 member of the Capitol Police, the Director may refer the  
19 employee to the Architect of the Capitol or the Capitol  
20 Police Board for resolution of the employee's complaint  
21 through the internal grievance procedures of the Architect  
22 of the Capitol or the Capitol Police Board for a specific  
23 period of time, which shall not count against the time  
24 available for counseling or mediation under this Act.

1 **SEC. 127. STEP II: MEDIATION.**

2 (a) IN GENERAL.—Not later than 15 days after the  
3 end of the counseling period under section 6, the employee  
4 who alleged a violation of a law made applicable to Con-  
5 gress under section 4 may file a request for mediation with  
6 the Office. Mediation—

7 (1) may include the Office, the employee, the  
8 employing office, and individuals who are rec-  
9 ommended to the Director by the Federal Mediation  
10 and Conciliation Service, and

11 (2) shall be a process involving meetings with  
12 the parties separately or jointly for the purpose of  
13 resolving the dispute between the employee and the  
14 employing office.

15 (b) MEDIATION PERIOD.—The mediation period shall  
16 be 30 days beginning on the date the request for mediation  
17 is received and may be extended for an additional 30 days  
18 at the discretion of the Office. The Office shall notify the  
19 employee and the head of the employing office when the  
20 mediation period has ended. For purposes of this section,  
21 the term “head of employing office” means the individual  
22 who has final authority to appoint, hire, discharge, and  
23 set the terms, conditions or privileges of the Congressional  
24 employment of an employee.

1 **SEC. 128. STEP III: FORMAL COMPLAINT AND HEARING.**

2 (a) FORMAL COMPLAINT AND REQUEST FOR HEAR-  
3 ING.—Not later than 30 days after receipt by the Congres-  
4 sional employee of notice from the Office of the end of  
5 the mediation period under section 7, the Congressional  
6 employee may file a formal complaint with the Office. No  
7 complaint may be filed unless the employee has made a  
8 timely request for counseling and has completed the proce-  
9 dures set forth in sections 6 and 7.

10 (b) HEARING OFFICERS.—A board of 3 hearing offi-  
11 cers (hereinafter in this Act referred to as a “hearing  
12 board”), who are chosen by lot from the Board of Direc-  
13 tors (one of whom shall be designated by the Board of  
14 Directors as the presiding hearing officer) shall be as-  
15 signed to consider each complaint filed under subsection  
16 (a). A hearing board shall act by majority vote.

17 (c) DISMISSAL OF FRIVOLOUS CLAIMS.—Prior to a  
18 hearing under subsection (d), a hearing board may dismiss  
19 any claim that it finds to be frivolous.

20 (d) HEARING.—A hearing shall be conducted—

21 (1) in closed session on the record by a hearing  
22 board,

23 (2) no later than 30 days after filing of the  
24 complaint under subsection (a), except that the Of-  
25 fice may, for good cause, extend up to an additional  
26 60 days the time for conducting a hearing, and

1           (3) except as specifically provided in this Act  
2           and to the greatest extent practicable, in accordance  
3           with the principles and procedures set forth in sec-  
4           tions 554 through 557 of title 5, United States  
5           Code.

6           (e) DISCOVERY.—Reasonable prehearing discovery  
7           shall be permitted at the discretion of the hearing board.

8           (f) SUBPOENA POWER.—

9           (1) IN GENERAL.—A hearing board may au-  
10          thorize subpoenas, which shall be issued by the pre-  
11          siding hearing officer on behalf of the hearing board,  
12          for the attendance of witnesses at proceedings of the  
13          hearing board and for the production of correspond-  
14          ence, books, papers, documents, and other records.  
15          The attendance of witnesses and the production of  
16          evidence may be required from any place within the  
17          United States.

18          (2) FAILURE TO OBEY A SUBPOENA.—If a per-  
19          son refuses to obey a subpoena issued under para-  
20          graph (1), the hearing board may apply to a United  
21          States district court for an order requiring that per-  
22          son to appear before the hearing board to give testi-  
23          mony, produce evidence, or both, relating to the  
24          matter under investigation. The application may be  
25          made within the judicial district where the hearing

1 is conducted or where that person is found, resides,  
2 or transacts business. Any failure to obey the order  
3 of the court may be punished by the court as civil  
4 contempt.

5 (3) SERVICE OF SUBPOENAS.—The subpoenas  
6 of the hearing board shall be served in the manner  
7 provided for subpoenas issued by a United States  
8 district court under the Federal Rules of Civil Pro-  
9 cedure for the United States district courts.

10 (4) SERVICE OF PROCESS.—All process of any  
11 court to which application is be made under para-  
12 graph (2) may be served in the judicial district in  
13 which the person required to be served resides or  
14 may be found.

15 (5) IMMUNITY.—The hearing board is an  
16 agency of the United States for the purpose of  
17 part V of title 18, United States Code (relating  
18 to immunity of witnesses).

19 (g) DECISION.—As expeditiously as possible, but in  
20 no case more than 45 days after the conclusion of the  
21 hearing, the hearing board shall issue a decision in the  
22 matter for which the hearing was held. The decision of  
23 the hearing board shall be transmitted by the Office to  
24 the employee and the employing office. The decision shall  
25 state the issues raised by the complaint, describe the evi-

1 dence in the record, and contain a determination as to  
2 whether a violation of a law made applicable to Congress  
3 under section 4 has occurred. Any decision of the hearing  
4 board shall contain a written statement of the reasons for  
5 the Board's decision.

6 (h) REMEDY ORDER.—If the hearing board deter-  
7 mines that a violation of a law made applicable to Con-  
8 gress under section 2(a) or 4(b) has occurred, it shall  
9 order such remedies as would be appropriate under the  
10 law which has been violated, including attorneys' fees. The  
11 hearing board shall have no authority to award punitive  
12 damages. The entry of an order under this subsection shall  
13 constitute a final decision for purposes of review under  
14 section 9.

15 **SEC. 129. JUDICIAL REVIEW.**

16 (a) IN GENERAL.—Any Congressional employee ag-  
17 grieved by a dismissal under section 8(c), a final decision  
18 under section 8(g), or an order under section 8(h), or any  
19 Member of the House of Representatives or Senate ag-  
20 grieved by a final decision under section 8(g) or who would  
21 be subject to an order issued under section 8(h), may peti-  
22 tion for review by the United States Court of Appeals for  
23 the Federal Circuit.

1 (b) LAW APPLICABLE.—Chapter 158 of title 28,  
2 United States Code, shall apply to a review under sub-  
3 section (a) except that—

4 (1) with respect to section 2344 of title 28,  
5 United States Code, service of the petition shall be  
6 on the House or Senate Legal Counsel, as the case  
7 may be, rather than on the Attorney General,

8 (2) the provisions of section 2348 of title 28,  
9 United States Code, on the authority of the Attorney  
10 General, shall not apply,

11 (3) the petition for review shall be filed not  
12 later than 90 days after the entry in the Office of  
13 a final decision under section 8(g) or order under  
14 section 8(h),

15 (4) the Office shall be an “agency” as that  
16 term is used in chapter 158 of title 28, United  
17 States Code, and

18 (5) the Office shall be the respondent in any  
19 proceeding under subsection (a).

20 (c) STANDARD OF REVIEW.—To the extent necessary  
21 to decision and when presented, the court shall decide all  
22 relevant questions of law and interpret constitutional and  
23 statutory provisions. The court shall set aside a final deci-  
24 sion under section 8(h) or order under section 8(g) if it  
25 is determined that the decision or order was—

1           (1) arbitrary, capricious, an abuse of discretion,  
2           or otherwise not consistent with law;

3           (2) not made consistent with required proce-  
4           dures; or

5           (3) unsupported by substantial evidence.

6 In making the foregoing determinations, the court shall  
7 review the whole record, or those parts of it cited by a  
8 party, and due account shall be taken of the rule of preju-  
9 dicial error. The record on review shall include the record  
10 before the hearing board, the decision of the hearing  
11 board, and the order of the hearing board.

12       (d) FEES.—In an action brought under subsection  
13 (a), the court may allow the prevailing party a reasonable  
14 attorney’s fees (including expert witness fees) as part of  
15 the costs.

16 **SEC. 129A. OTHER REVIEW.**

17       (a) PERSONNEL APPEALS BOARD.—If the judicial re-  
18 view of a dismissal notice, decision, or order under section  
19 8(c), 8(g), or 8(h) under section 9 is held to be unconstitu-  
20 tional, the review of such notice, decision, or order shall  
21 be conducted by the Personnel Appeals Board of the Gen-  
22 eral Accounting Office (hereinafter in this section referred  
23 to as the “Board”).

24       (b) PETITION FOR REVIEW.—Any Congressional em-  
25 ployee aggrieved by a dismissal under section 8(c), a final

1 decision under section 8(g), or an order under section  
2 8(h), or any Member of the House of Representatives or  
3 Senate aggrieved by a final decision under section 8(g)  
4 or who would be subject to an order issued under section  
5 8(h), may petition for review by the Board.

6 (c) STANDARD OF REVIEW.—To the extent necessary  
7 to decision and when presented, the Board shall decide  
8 all relevant questions of law and interpret constitutional  
9 and statutory provisions. The Board shall set aside a final  
10 decision under section 8(h) or order under section 8(g)  
11 if it is determined that the decision or order was—

12 (1) arbitrary, capricious, an abuse of discretion,  
13 or otherwise not in accordance with law,

14 (2) made without observance of procedure re-  
15 quired by law, or

16 (3) unsupported by substantial evidence.

17 In making the foregoing determinations, the Board shall  
18 review the whole record, or those parts of it cited by a  
19 party, and due account shall be taken of the rule of preju-  
20 dicial error. The record on review shall include the record  
21 before the hearing board, the decision of the hearing  
22 board, and the order of the hearing board.

23 (d) ATTORNEY'S FEES.—If an employee is the pre-  
24 vailing party in a proceeding under this section, attorney's  
25 fees may be allowed by the Board in accordance with the

1 standards prescribed under section 706(k) of the Civil  
2 Rights Act of 1964 (42 U.S.C. 2000e-5(k)).

3 **SEC. 129B. RESOLUTION OF COMPLAINT.**

4 If, after a formal complaint is filed under section 8,  
5 the employee and the head of the employing office resolve  
6 the issues involved, the employee may withdraw the com-  
7 plaint or the parties may enter into a written agreement,  
8 subject to the approval of the Board of Directors.

9 **SEC. 129C. COLLECTION AND PRESERVATION OF DOCU-**  
10 **MENTS.**

11 Beginning on the date a respondent receives a com-  
12 plaint under section 8 and ending on the date final action  
13 has been taken on the complaint, the respondent shall col-  
14 lect and preserve all documents and other information rel-  
15 evant to such complaint.

16 **SEC. 129D. PROHIBITION OF INTIMIDATION.**

17 Any intimidation of, or reprisal against, any employee  
18 by any Member, officer, or employee of the House of Rep-  
19 resentatives or the Senate, or by the Architect of the Cap-  
20 itol, or anyone employed by the Architect of the Capitol,  
21 as the case may be, because of the exercise of a right  
22 under this Act or because of appearance as a witness in  
23 a case under this Act constitutes an unlawful employment  
24 practice, which may be remedied in the same manner

1 under this Act as is a violation of a law made applicable  
2 to Congress under section 2(a) or 4(b).

3 **SEC. 129E. CONFIDENTIALITY.**

4 (a) COUNSELING.—All counseling shall be strictly  
5 confidential except that the Office and the employee may  
6 agree to notify the head of the employing office of the alle-  
7 gations.

8 (b) MEDIATION.—All mediation shall be strictly con-  
9 fidential.

10 (c) HEARINGS.—Except as provided in subsection  
11 (d), the hearings, deliberations, and decisions of the hear-  
12 ing board shall be confidential.

13 (d) RELEASE OF RECORDS FOR REVIEW.—The  
14 records and decisions of hearing boards may be made pub-  
15 lic if required for the purpose of review under section 9  
16 or 10.

17 **SEC. 129F. TECHNICAL AND CONFORMING AMENDMENTS.**

18 (a) LAWS REFERRED TO IN SECTION 2(a).—

19 (1) FAIR LABOR STANDARDS ACT OF 1938.—

20 (A) DEFINITION.—Section 3(e)(2)(A)(iii)  
21 of the Fair Labor Standards Act of 1938 (29  
22 U.S.C. 203(e)(2)(A)(iii)) is amended to read as  
23 follows:

24 “(iii) in the Congress or in any unit  
25 of the judicial branch of the Government

1           which has positions in the competitive serv-  
2           ice.”.

3           (B) COVERAGE.—Section 8 of the Fair  
4           Labor Standards Amendments of 1989 is re-  
5           pealed.

6           (2) TITLE VII OF THE CIVIL RIGHTS ACT OF  
7           1964.—

8           (A) CIVIL RIGHTS ACT OF 1991.—Section  
9           117 and title III of the Civil Rights Act of  
10          1991 (2 U.S.C. 60l, 120l et seq.) are repealed.

11          (B) EQUAL EMPLOYMENT OPPOR-  
12          TUNITY.—Section 717(a) of the Civil Rights  
13          Act of 1964 (42 U.S.C. 2000e–16(a)) is amend-  
14          ed by striking out “in those units of the legisla-  
15          tive and judicial branches of the Federal Gov-  
16          ernment having positions in the competitive  
17          service” and inserting in lieu thereof “in all  
18          units of the Congress and in those units of the  
19          judicial branch of the Federal Government hav-  
20          ing positions in the competitive service”.

21          (3) AMERICANS WITH DISABILITIES ACT OF  
22          1990.—Section 509 of the Americans with Disabil-  
23          ities Act of 1990 (42 U.S.C. 12209) is repealed and  
24          section 101 of such Act (42 U.S.C. 12111) is  
25          amended—

1 (A) in paragraph (5)(B), by striking out  
2 “the United States” the first time it appears  
3 and inserting in lieu thereof “the United States  
4 (except as provided in paragraph (11))”, and

5 (B) by adding at the end the following:

6 “(11) The Congress shall be deemed an employer en-  
7 gaged in an industry affecting commerce.”.

8 (4) AGE DISCRIMINATION IN EMPLOYMENT  
9 ACT OF 1967.—Section 11(b) of the Age Discrimina-  
10 tion in Employment Act of 1967 (29 U.S.C. 630(b))  
11 is amended (A) by striking out “and” before “(2)”,  
12 (B) by inserting before “but” the following: “and (3)  
13 the Congress”, and (C) by striking out “the United  
14 States, or” and inserting in lieu thereof “the execu-  
15 tive and judicial branch of the United States, or”.

16 (5) FAMILY AND MEDICAL LEAVE ACT OF  
17 1993.—Title V of the Family and Medical Leave  
18 Act of 1993 (2 U.S.C. 60m, 60n) is repealed.

19 (b) LAWS REFERRED TO IN SECTION 2(b).—

20 (1) OCCUPATIONAL SAFETY AND HEALTH.—

21 (A) DEFINITION OF EMPLOYER.—Section  
22 3(5) of the Occupational Safety and Health Act  
23 of 1970 (29 U.S.C. 652(5)) is amended by  
24 striking out “, but does not include the United  
25 States or” and inserting in lieu thereof “and in-

1           cludes the Congress (to the extent authorized  
2           by a regulation of the Office of Compliance es-  
3           tablished under section 4(c) of the Congres-  
4           sional Accountability Act) but does not include  
5           executive or judicial branch of the Federal Gov-  
6           ernment or”.

7           (B) DEFINITION OF EMPLOYEE.—Section  
8           3(6) of such Act (29 U.S.C. 652(6)) is amend-  
9           ed by inserting before the period a comma and  
10          the following: “and, to the extent authorized by  
11          a regulation of the Office of Compliance estab-  
12          lished under section 4(c) of the Congressional  
13          Accountability Act, the employees of the Con-  
14          gress shall be deemed to be employed in a busi-  
15          ness affecting commerce for the purpose of this  
16          Act”.

17          (2) FREEDOM OF INFORMATION.—Section  
18          552(f) of title 5, United States Code, is amended by  
19          striking out “or” before “any independent” and by  
20          inserting before the period a comma and the follow-  
21          ing: “or the Congress (to the extent authorized by  
22          a regulation of the Office of Compliance established  
23          under section 4(c) of the Congressional Accountabil-  
24          ity Act)”.

1           (3) PRIVACY.—Section 552a(a)(1) of title 5,  
2 United States Code, is amended by striking out  
3 “552(e)” and inserting in lieu thereof “552(f)”.

4           (4) AGE DISCRIMINATION.—Section 309(3) of  
5 the Age Discrimination Act of 1975 (42 U.S.C.  
6 6107) is amended by inserting after “means” the  
7 following: “the Congress (to the extent authorized by  
8 a regulation of the Office of Compliance established  
9 under section 4(c) of the Congressional Accountabil-  
10 ity Act) and”.

11          (c) RULE OF THE HOUSE OF REPRESENTATIVES.—  
12 Rule LI of the House of Representatives is repealed.

13 **SEC. 129G. POLITICAL AFFILIATION AND PLACE OF RESI-**  
14 **DENCE.**

15          (a) IN GENERAL.—It shall not be a violation of a law  
16 made applicable to Congress under section 4 to consider  
17 the—

18           (1) party affiliation;

19           (2) domicile, or

20           (3) political compatibility with the employing  
21 office,

22 of an employee with respect to employment decisions.

23          (b) DEFINITION.—For purposes of subsection (a),  
24 the term “employee” means—

1 (1) an employee on the staff of the House of  
2 Representatives or Senate leadership;

3 (2) an employee on the staff of a committee or  
4 subcommittee;

5 (3) an employee on the staff of a Member of  
6 the House of Representatives or Senate;

7 (4) an officer or employee of the House of Rep-  
8 resentatives or Senate elected by the House of Rep-  
9 resentatives or Senate or appointed by a Member  
10 House of Representatives or Senate, other than  
11 those described in paragraphs (1) through (3); or

12 (5) an applicant for a position that is to be oc-  
13 cupied by an individual described in paragraphs (1)  
14 through (4).

15 **SEC. 129H. REVIEW LIMIT.**

16 No Congressional employee may commence a judicial  
17 proceeding to redress practices prohibited under a law  
18 made applicable to Congress under section 2(a) or 4(b)  
19 except as provided in this Act.

20 **Subtitle D—Sexual Harassment**

21 **SEC 131. SHORT TITLE.**

22 This subtitle may be cited as the “Sexual Harass-  
23 ment Prevention Act of 1993”.

24 **SEC. 132. FINDINGS AND PURPOSES.**

25 (a) FINDINGS.—The Congress finds the following:

1           (1) Sexual harassment in employment persists  
2 widely in the workplace, although it violates title VII  
3 of the Civil Rights Act of 1964 and adversely affects  
4 employees.

5           (2) According to guidelines issued by the Equal  
6 Employment Opportunity Commission in 1980, the  
7 most effective tool for eliminating sexual harassment  
8 is prevention.

9           (3) The United States Merit Systems Protec-  
10 tion Board found in 1981 and 1988 surveys of Fed-  
11 eral Government employees that 42 percent of fe-  
12 male employees and 14 percent of male employees  
13 questioned had experienced some kind of harassment  
14 in employment. The American Psychological Associa-  
15 tion estimates that at least 1/2 of all working women  
16 have been sexually harassed at the workplace during  
17 their careers.

18           (4) The vast majority of sexual harassment epi-  
19 sodes go unreported to a supervisory employee or  
20 other individual designated by the employer. Only 5  
21 percent of the Government employees who indicated  
22 in the 1988 Merit Systems Protection Board survey  
23 that they had been harassed filed a formal complaint  
24 or requested an investigation of the harassment.

1           (5) Sexual harassment has a significant cost for  
2 employees and employers. A 1988 study by *Working*  
3 *Woman Magazine* shows that sexual harassment  
4 costs a typical “Fortune 500” employer \$6,000,000,  
5 or \$292.53 per employee, each year. The same study  
6 estimates that it is 34 times more expensive for such  
7 an employer to ignore the problem than it is to es-  
8 tablish effective programs and policies to address the  
9 problem.

10           (6) Most job growth over the next decade is ex-  
11 pected to occur in employment by small employers.  
12 Sixty-six percent of the individuals who will enter  
13 the work force during this period are expected to be  
14 female. The establishment of programs and policies  
15 in small-business environments, at a low cost to em-  
16 ployers, will be a key prevention priority to reduce  
17 sexual harassment in employment.

18           (b) PURPOSES.—The purposes of this subtitle are—

19           (1) to establish workplace requirements that  
20 will reduce the incidence of sexual harassment in  
21 employment,

22           (2) to provide a low-cost system to assist em-  
23 ployers to establish programs and policies to prevent  
24 sexual harassment in employment,

1           (3) to raise the awareness of employees of the  
2 definition of sexual harassment and of available ave-  
3 nues of redress, and

4           (4) to increase the authority and capacity of the  
5 Equal Employment Opportunity Commission to as-  
6 sist in preventing sexual harassment in employment.

7 **SEC. 133. EMPLOYER REQUIREMENTS.**

8           (a) POSTING OF NOTICE IN THE WORKPLACE.—

9 Each employer shall post and keep posted in conspicuous  
10 places upon its premises where notices to employees and  
11 applicants for employment are customarily posted, a no-  
12 tice that shall be prepared or approved by the Commission  
13 and shall set forth—

14           (1) the definition of sexual harassment found in  
15 section 1604.11(a) of title 29 of the Code of Federal  
16 Regulations (July 1, 1992),

17           (2) the fact that sexual harassment in employ-  
18 ment is a violation of title VII of the Civil Rights  
19 Act of 1964,

20           (3) information describing how to file with the  
21 Commission a complaint alleging such harassment,  
22 including information on the time periods within  
23 which an alleged victim of discrimination (including  
24 sexual harassment) must file a charge with the  
25 Equal Employment Opportunity Commission, or a

1 State or local fair employment agency, in order to  
2 satisfy the statute of limitations applicable to claims  
3 under title VII.

4 (4) an address, and the toll-free telephone num-  
5 ber, to be used to contact the Commission regarding  
6 such harassment or compliance with the require-  
7 ments of this subtitle, and

8 (5) such other information as the Commission  
9 may require.

10 (b) SEPARATE NOTICE TO INDIVIDUAL EMPLOY-  
11 EES.—Each employer shall provide annually to each em-  
12 ployee separately a written notice that includes—

13 (1) the matters specified in paragraphs (1)  
14 through (4) of subsection (a),

15 (2) a description of the procedures established  
16 by such employer to resolve allegations of sexual  
17 harassment in employment, and

18 (3) such other information as the Commission  
19 may require.

20 Such notice shall be provided in a manner that ensures  
21 that such employee actually receives such notice.

22 (c) MANAGEMENT INFORMATION FOR SUPERVISORY  
23 EMPLOYEES.—Not later than 60 days after an employer  
24 places an individual in a supervisory employment position  
25 or 1 year after the date of the enactment of this Act,

1 whichever occurs later, such employer shall provide to the  
2 supervisory employee information specifying the respon-  
3 sibilities of, and the methods to be used by, such employee  
4 to ensure that immediate and corrective action is taken  
5 to address allegations of sexual harassment in employ-  
6 ment.

7 (d) CIVIL PENALTY.—A willful violation of this sec-  
8 tion shall be punishable by a civil penalty of not more than  
9 \$1,000 for each separate violation.

10 **SEC. 134. DUTIES OF THE COMMISSION.**

11 (a) TECHNICAL ASSISTANCE MATERIALS.—Not later  
12 than 180 days after the date of the enactment of this Act,  
13 the Commission shall prepare, revise from time to time  
14 as needed, and make available to employers at no cost (by  
15 publication in the Federal Register or other means)—

16 (1) a model notice of the kind required by sec-  
17 tion 133(a) to be posted,

18 (2) a model notice of the kind required by sec-  
19 tion 133(b) to be provided to employees, and

20 (3) voluntary guidelines for the establishment of  
21 policies and procedures by employers to address alle-  
22 gations of discrimination (including sexual harass-  
23 ment) in employment.

24 (b) TOLL-FREE TELEPHONE NUMBER.—Not later  
25 than 180 days after the date of the enactment of this Act,

1 the Commission shall provide a toll-free telephone number  
2 for use by employees and employers in the United States  
3 to obtain—

4 (1) information regarding compliance with this  
5 subtitle, and

6 (2) the model notices and guidelines prepared  
7 under subsection (a).

8 **SEC. 135. ENFORCEMENT.**

9 Section 133 shall be enforced—

10 (1) by the Commission with respect to viola-  
11 tions alleged by employees as defined in subpara-  
12 graphs (A), (B), and (E) of section 136(2),

13 (2) by the House of Representatives in the  
14 manner described in section 117(a)(2)(B) of the  
15 Civil Rights Act of 1992 (2 U.S.C. 60l) with respect  
16 to violations alleged by employees as defined in sec-  
17 tion 136(2)(C) of this subtitle, and

18 (3) by the Senate in the manner described in  
19 the Government Employee Rights Act of 1992 (2  
20 U.S. 120 et seq.) with respect to violations alleged  
21 by employees as defined in section 136(2)(D) of this  
22 subtitle.

23 **SEC. 136. DEFINITIONS.**

24 For purposes of this subtitle—

1           (1) the term “Commission” means the Equal  
2           Employment Opportunity Commission,

3           (2) the term “employee” means—

4                 (A) an employee as defined in section  
5                 701(f) of the Civil Rights Act of 1964 (42  
6                 U.S.C. 2000e(f)),

7                 (B) an employee referred to in section  
8                 717(a) of such Act (42 U.S.C. 2000e-16(a)),

9                 (C) an employee in an employment position  
10                of the House of Representatives,

11                (D) a Senate employee as defined in sec-  
12                tion 301(c)(1) of the Government Employee  
13                Rights Act of 1991 (2 U.S.C. 1201(c)(1)), or

14                (E) an employee (other than a Senate em-  
15                ployee) in an employment position of an instru-  
16                mentality of the Congress,

17           (3) the term “employer” means—

18                 (A) an employer as defined in section  
19                 701(b) of the Civil Rights Act of 1964 (42  
20                 U.S.C. 2000e(b)),

21                 (B) a Federal entity to which section  
22                 717(a) of the Civil Rights Act of 1964 (42  
23                 U.S.C. 2000e-716(a)) applies, or

1 (C) an employing authority of the House  
2 of Representatives, of the Senate, or of an in-  
3 strumentality of the Congress,

4 (4) the term “instrumentality of the Congress”  
5 means the Architect of the Capitol, the Congres-  
6 sional Budget Office, the Office of Technology As-  
7 sessment, the United States Botanic Garden, and  
8 those units of the Government Printing Office with  
9 positions in the excepted service, and

10 (5) the term “sexual harassment” has the same  
11 meaning as such term has for purposes of title VII  
12 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-  
13 2000e-17).

14 **SEC. 137. EFFECTIVE DATES.**

15 (a) GENERAL EFFECTIVE DATE.—Except as pro-  
16 vided in subsection (b), this subtitle shall take effect on  
17 the date of the enactment of this Act.

18 (b) EFFECTIVE DATE OF SECTION 3.—Section 133  
19 shall take effect 1 year after the date of the enactment  
20 of this Act.

21 **Subtitle E—Part-Time and**  
22 **Temporary Workers Protection Act**

23 **SEC. 141. SHORT TITLE.**

24 This subtitle may be cited as the “Part-Time and  
25 Temporary Workers Protection Act of 1993”.

1 **SEC. 142. ELIGIBILITY FOR UNEMPLOYMENT COMPENSA-**  
2 **TION OF CERTAIN INDIVIDUALS SEEKING**  
3 **PART-TIME EMPLOYMENT.**

4 (a) GENERAL RULE.—Subsection (a) of section 3304  
5 of the Internal Revenue Code of 1986 (relating to require-  
6 ments for approval of State unemployment compensation  
7 laws) is amended by striking “and” at the end of para-  
8 graph (17), by redesignating paragraph (18) as paragraph  
9 (19), and by inserting after paragraph (17) the following  
10 new paragraph:

11 “(18) in applying the State law provisions relat-  
12 ing to availability for work, active search for work,  
13 or refusal to accept work, the term ‘suitable work’  
14 shall not include any work where the individual  
15 would normally perform services for more hours per  
16 week than the number of hours per week for which  
17 the individual normally performed services in the in-  
18 dividual’s last job in the base period, and”.

19 (b) EFFECTIVE DATE.—The amendment made by  
20 subsection (a) shall take effect on the date of the enact-  
21 ment of this Act.

22 **SEC. 143. ANNUAL BUREAU OF LABOR STATISTICS SURVEY**  
23 **RELATING TO TEMPORARY WORKERS.**

24 The Secretary of Labor, acting through the Commis-  
25 sioner of the Bureau of Labor Statistics, shall establish  
26 and carry out an annual survey identifying—

1           (1) the characteristics of temporary workers in  
2 the United States;

3           (2) the relationship between such workers and  
4 the establishments at which such workers are tempo-  
5 rarily employed; and

6           (3) where appropriate, the relationship between  
7 such workers and their permanent employers.

8 **SEC. 144. PROTECTION OF PART-TIME AND TEMPORARY**  
9 **WORKERS.**

10           (a) TREATMENT OF EMPLOYEES WORKING AT LESS  
11 THAN FULL-TIME UNDER PARTICIPATION, VESTING, AND  
12 ACCRUAL RULES GOVERNING PENSION PLANS.—

13           (1) PARTICIPATION RULES.—

14           (A) IN GENERAL.—Section 202(a)(3) of  
15 the Employee Retirement Income Security Act  
16 of 1974 (29 U.S.C. 1052(a)(3)) is amended by  
17 adding at the end the following new subpara-  
18 graph:

19           “(E)(i) For purposes of this paragraph, in the case  
20 of any employee who, as of the beginning of the 12-month  
21 period referred to in subparagraph (A)—

22           “(I) has customarily completed 500 or more  
23 hours of service per year but less than 1,000 hours  
24 of service per year, or

1           “(II) is employed in a type of position in which  
2           employment customarily constitutes 500 or more  
3           hours of service per year but less than 1,000 hours  
4           of service per year,  
5           completion of 500 hours of service within such 12-month  
6           period shall be treated as completion of 1,000 hours of  
7           service.

8           “(ii) For purposes of this subparagraph, the extent  
9           to which employment in any type of position customarily  
10          constitutes less than 1,000 hours of service per year shall  
11          be determined with respect to each pension plan in accord-  
12          ance with such regulations as the Secretary may prescribe  
13          providing for consideration of facts and circumstances pe-  
14          culiar to the work-force constituting the participants in  
15          such plan.”.

16                   (B) CONFORMING AMENDMENT.—Section  
17                   204(b)(1)(E) of such Act (29 U.S.C.  
18                   1054(b)(1)(E)) is amended by striking “section  
19                   202(a)(3)(A)” and inserting “subparagraphs  
20                   (A) and (E) of section 202(a)(3)”.

21                   (2) VESTING RULES.—

22                   (A) IN GENERAL.—Section 203(b)(2) of  
23                   such Act (29 U.S.C. 1053(b)(2)) is amended by  
24                   adding at the end the following new subpara-  
25                   graph:

1       “(E)(i) For purposes of this paragraph, in the case  
2 of any employee who, as of the beginning of the period  
3 designated by the plan pursuant to subparagraph (A)—

4               “(I) has customarily completed 500 or more  
5 hours of service per year but less than 1,000 hours  
6 of service per year, or

7               “(II) is employed in a type of position in which  
8 employment customarily constitutes 500 or more  
9 hours of service per year but less than 1,000 hours  
10 of service per year,

11 completion of 500 hours of service within such period shall  
12 be treated as completion of 1,000 hours of service.

13       “(ii) For purposes of this subparagraph, the extent  
14 to which employment in any type of position customarily  
15 constitutes less than 1,000 hours of service per year shall  
16 be determined with respect to each pension plan in accord-  
17 ance with such regulations as the Secretary may prescribe  
18 providing for consideration of facts and circumstances pe-  
19 culiar to the work-force constituting the participants in  
20 such plan.”.

21               (B) 1-YEAR BREAKS IN SERVICE.—Section  
22               203(b)(3) of such Act (29 U.S.C. 1053(b)(3))  
23               is amended by adding at the end the following  
24               new subparagraph:

1       “(F)(i) For purposes of this paragraph, in the case  
2 of any employee who, as of the beginning of the period  
3 designated by the plan pursuant to subparagraph (A)—

4               “(I) has customarily completed 500 or more  
5 hours of service per year but less than 1,000 hours  
6 of service per year, or

7               “(II) is employed in a type of position in which  
8 employment customarily constitutes 500 or more  
9 hours of service per year but less than 1,000 hours  
10 of service per year,

11 completion of 250 hours of service within such period shall  
12 be treated as completion of 500 hours of service.

13       “(ii) For purposes of this subparagraph, the extent  
14 to which employment in any type of position customarily  
15 constitutes less than 1,000 hours of service per year shall  
16 be determined with respect to each pension plan in accord-  
17 ance with such regulations as the Secretary may prescribe  
18 providing for consideration of facts and circumstances pe-  
19 culiar to the work-force constituting the participants in  
20 such plan.”.

21               (3) ACCRUAL RULES.—Section 204(b)(4)(C) of  
22 such Act (29 U.S.C. 1054(b)(4)(C)) is amended—

23                       (A) by inserting “(i)” after “(C)”; and

24                       (B) by adding at the end the following new  
25 clauses:

1       “(ii) For purposes of this subparagraph, in the case  
2 of any employee who, as of the beginning of the period  
3 designated by the plan pursuant to clause (i)—

4               “(I) has customarily completed 500 or more  
5 hours of service per year but less than 1,000 hours  
6 of service per year, or

7               “(II) is employed in a type of position in which  
8 employment customarily constitutes 500 or more  
9 hours of service per year but less than 1,000 hours  
10 of service per year,

11 completion of 500 hours of service within such period shall  
12 be treated as completion of 1,000 hours of service.

13       “(iii) For purposes of clause (ii), the extent to which  
14 employment in any type of position customarily constitutes  
15 less than 1,000 hours of service per year shall be deter-  
16 mined with respect to each pension plan in accordance  
17 with such regulations as the Secretary may prescribe pro-  
18 viding for consideration of facts and circumstances pecu-  
19 liar to the work-force constituting the participants in such  
20 plan.”.

21       (b) TREATMENT OF EMPLOYEES WORKING AT LESS  
22 THAN FULL-TIME UNDER GROUP HEALTH PLANS.

23               (1) IN GENERAL.—Part 2 of subtitle B of title  
24 I of such Act is amended—

1 (A) by redesignating section 211 (29  
2 U.S.C. 1061) as section 212; and

3 (B) by inserting after section 210 (29  
4 U.S.C. 1060) the following new section:

5 “TREATMENT OF PART-TIME WORKERS UNDER GROUP  
6 HEALTH PLANS

7 “SEC. 211. (a) IN GENERAL.—A reduction in the em-  
8 ployer-provided premium under a group health plan with  
9 respect to any employee for any period of coverage solely  
10 because the employee’s customary employment is less than  
11 full-time may be provided under such plan only if the em-  
12 ployee is described in subsection (b) and only to the extent  
13 permitted under subsection (c).

14 “(b) REDUCTIONS APPLICABLE TO EMPLOYEES  
15 WORKING LESS THAN FULL-TIME.—

16 “(1) IN GENERAL.—An employee is described in  
17 this subsection if such employee, as of the beginning  
18 of the period of coverage referred to in subsection  
19 (a)—

20 “(A) has customarily completed less than  
21 30 hours of service per week, or

22 “(B) is employed in a type of position in  
23 which employment customarily constitutes less  
24 than 30 hours of service per week.

25 “(2) REGULATIONS.—For purposes of para-  
26 graph (1), whether employment in any type of posi-

1       tion customarily constitutes less than 30 hours of  
2       service per week shall be determined with respect to  
3       each group health plan in accordance with such reg-  
4       ulations as the Secretary may prescribe providing  
5       for consideration of facts and circumstances peculiar  
6       to the work-force constituting the participants in  
7       such plan.

8       “(c) AMOUNT OF PERMISSIBLE REDUCTION.—The  
9       employer-provided premium under a group health plan  
10      with respect to any employee for any period of coverage,  
11      after the reduction permitted under subsection (a), shall  
12      not be less than a ratable portion of the employer-provided  
13      premium which would be provided under such plan for  
14      such period of coverage with respect to an employee who  
15      completes 30 hours of service per week.

16      “(d) DEFINITIONS.—For purposes of this section—

17              “(1) GROUP HEALTH PLAN.—The term ‘group  
18              health plan’ has the meaning provided such term in  
19              section 607(1).

20              “(2) EMPLOYER-PROVIDED PREMIUM.—

21                      “(A) IN GENERAL.—The term ‘employer-  
22                      provided premium’ under a plan for any period  
23                      of coverage means the portion of the applicable  
24                      premium under the plan for such period of cov-

1 erage which is attributable under the plan to  
2 employer contributions.

3 “(B) APPLICABLE PREMIUM.—For pur-  
4 poses of subparagraph (A), in determining the  
5 applicable premium of a group health plan,  
6 principles similar to the principles applicable  
7 under section 604 shall apply.”.

8 (2) CONFORMING AMENDMENTS.—

9 (A) Section 201(1) of such Act (29 U.S.C.  
10 1051(1)) is amended by inserting “, except with  
11 respect to section 211” before the semicolon.

12 (B) The table of contents in section 1 of  
13 such Act is amended by striking the item relat-  
14 ing to section 211 and inserting the following  
15 new items:

“Sec. 211. Treatment of part-time workers under group health plans.

“Sec. 212. Effective date.”.

16 (c) EXPANSION OF DEFINITION OF EMPLOYEE TO  
17 INCLUDE CERTAIN INDIVIDUALS WHOSE SERVICES ARE  
18 LEASED OR CONTRACTED FOR.—Paragraph (6) of section  
19 3 of such Act (29 U.S.C. 1002(6)) is amended—

20 (1) by inserting “(A)” after “(6)”; and

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

23 “(B) Such term includes, with respect to any em-  
24 ployer, any person who is not an employee (within the

1 meaning of subparagraph (A)) of such employer and who  
2 provides services to such employer, if—

3 “(i) such person has (pursuant to an agreement  
4 with such employer or any other person) performed  
5 such services for such employer (or for such em-  
6 ployer and related persons (within the meaning of  
7 section 144(a)(3) of the Internal Revenue Code of  
8 1986)) for a period of at least 1 year (6 months in  
9 the case of core health benefits) at the rate of at  
10 least 500 hours of service per year, and

11 “(ii) such services are of a type historically per-  
12 formed, in the business field of the employer, by em-  
13 ployees (within the meaning of subparagraph (A)).”.

14 (d) EFFECTIVE DATES.

15 (1) IN GENERAL.—Except as provided in para-  
16 graph (2), the amendments made by this section  
17 shall apply with respect to plan years beginning on  
18 or after January 1, 1994.

19 (2) SPECIAL RULE FOR COLLECTIVELY BAR-  
20 GAINED PLANS.—In the case of a plan maintained  
21 pursuant to 1 or more collective bargaining agree-  
22 ments between employee representatives and 1 or  
23 more employers ratified on or before the date of the  
24 enactment of this Act, paragraph (1) shall be ap-  
25 plied to benefits pursuant to, and individuals covered

1 by, any such agreement by substituting for “Janu-  
2 ary 1, 1994” the date of the commencement of the  
3 first plan year beginning on or after the earlier of—

4 (A) the later of—

5 (i) January 1, 1994, or

6 (ii) the date on which the last of such  
7 collective bargaining agreements termi-  
8 nates (determined without regard to any  
9 extension thereof after the date of the en-  
10 actment of this Act), or

11 (B) January 1, 1996.

12 (3) PLAN AMENDMENTS.—If any amendment  
13 made by this section requires an amendment to any  
14 plan, such plan amendment shall not be required to  
15 be made before the first plan year beginning on or  
16 after January 1, 1995, if—

17 (A) during the period after such amend-  
18 ment made by this section takes effect and be-  
19 fore such first plan year, the plan is operated  
20 in accordance with the requirements of such  
21 amendment made by this section, and

22 (B) such plan amendment applies retro-  
23 actively to the period after such amendment  
24 made by this section takes effect and such first  
25 plan year.

1 A plan shall not be treated as failing to provide defi-  
2 nitely determinable benefits or contributions, or to  
3 be operated in accordance with the provisions of the  
4 plan, merely because it operates in accordance with  
5 this paragraph.

## 6 **Subtitle F—Unemployment** 7 **Insurance Reform**

### 8 **SEC. 151. UNEMPLOYMENT INSURANCE REFORM.**

9 (a) Subsection (a) of section 3304 of the Internal  
10 Revenue Code of 1986 (relating to approval of State un-  
11 employment compensation laws) is amended by striking  
12 “and” at the end of paragraph (17), by redesignating  
13 paragraph (18) as paragraph (19), and by inserting after  
14 paragraph (17) the following new paragraph:

15 “(18)(A) if any individual leaves employment  
16 for a qualified family-related reason, for purposes of  
17 determining such individual’s eligibility for com-  
18 pensation for any subsequent week for which such  
19 individual meets the State law requirements relating  
20 to availability for work and active search for work—

21 “(i) such individual shall be treated as  
22 leaving such employment for good cause, and

23 “(ii) any failure while the qualified family-  
24 related reason continues to return to such em-

1           ployment or to otherwise meet such State law  
2           requirements shall be disregarded,

3           “(B) for purposes of subparagraph (A), the  
4           term ‘qualified family reason’ means any cir-  
5           cumstance which entitles the individual to unpaid  
6           leave under the Family and Medical Leave Act of  
7           1993 (or would entitle the individual to such leave  
8           if the individual’s employer were subject to the re-  
9           quirements of such Act) whether or not the individ-  
10          ual returns to employment after the leave to which  
11          such individual is (or would be entitled); and”.

12          (b)(1) Except as provided by paragraph (2), the  
13          amendment made by subsection (a) shall take effect on  
14          November 1, 1993.

15          (2) In the case of any State the legislature of which  
16          has not been in session for at least 30 calendar days  
17          (whether or not successive) between the date of the enact-  
18          ment of this Act and November 1, 1993, the amendment  
19          made by subsection (a) shall take effect 30 calendar days  
20          after the first day on which such legislature is in session  
21          on or after November 1, 1993.

1       **Subtitle G—Federal Temporary**  
2                   **Workers Protection Act**

3       **SEC. 161. ELIGIBILITY FOR HEALTH BENEFITS.**

4           (a) IN GENERAL.—Paragraph (4) of section 8913(b)  
5 of title 5, United States Code, is amended to read as fol-  
6 lows:

7                   “(4) an employee who is occupying a position  
8           on a temporary basis, if such employee has, in the  
9           aggregate, completed the equivalent of at least 1  
10          year of service in such position within the preceding  
11          2 years.”.

12          (b) TECHNICAL AND CONFORMING AMENDMENTS.—  
13 (1) Section 8906a of title 5, United States Code, is re-  
14 pealed.

15          (2) The table of sections for chapter 89 of title 5,  
16 United States Code, is amended by striking the item relat-  
17 ing to section 8906a.

18       **SEC. 162. EFFECTIVE DATE.**

19          (a) IN GENERAL.—This Act and the amendments  
20 made by this Act shall take effect on the date of the enact-  
21 ment of this Act, and any change in contributions payable  
22 by or on behalf of an individual to the Employees Health  
23 Benefits Fund (described in section 8909 of title 5, United  
24 States Code) as a result of the enactment of this Act shall

1 take effect as of the first applicable pay period beginning  
2 on or after such date.

3 (b) CREDITABILITY OF PRIOR SERVICE.—Service  
4 performed before the effective date of this Act may be  
5 taken into account for purposes of the amendment made  
6 by section 161(a).

## 7 **Subtitle H—Legislative Pay Equity** 8 **Study**

### 9 **SEC. 171. DECLARATION OF POLICY.**

10 The Congress is committed to the elimination of all  
11 forms of discrimination that adversely affect pay or work-  
12 ing conditions of any employee because of the race, color,  
13 religion, sex, or national origin of the employee, and it is  
14 the policy of the Congress that persons employed in the  
15 legislative branch shall receive equal pay in cases in which  
16 the work performed is comparable, as measured by the  
17 composite of skill, effort, responsibility, and working con-  
18 ditions normally required in the performance of the job.

### 19 **SEC. 172. ESTABLISHMENT OF COMMISSION.**

20 (a) IN GENERAL.—There is established the Commis-  
21 sion on Employment Discrimination in the Legislative  
22 Branch (hereinafter in this resolution referred to as the  
23 “Commission”).

1 (b) APPOINTMENT OF MEMBERS.—The Commission  
2 shall consist of thirteen members to be appointed for the  
3 life of the Commission as follows:

4 (1) Four shall be Members of the House of  
5 Representatives, appointed by the Speaker of the  
6 House of Representatives, two upon recommendation  
7 of the majority leader and two upon recommendation  
8 of the minority leader.

9 (2) Four shall be Senators, appointed by the  
10 President pro tempore, two upon recommendation of  
11 the majority leader and two upon recommendation of  
12 the minority leader.

13 (3) Two shall be other than Members of Con-  
14 gress, appointed by the Speaker of the House of  
15 Representatives and shall, to the extent practicable,  
16 be persons with expertise in job evaluation. One such  
17 member shall be appointed upon recommendation of  
18 the majority leader and one upon recommendation of  
19 the minority leader.

20 (4) Two shall be other than Members of Con-  
21 gress, appointed by the President pro tempore of the  
22 Senate and shall, to the extent practicable, be per-  
23 sons with expertise in job evaluation. One such  
24 member shall be appointed upon recommendation of

1 the majority leader and one shall be appointed upon  
2 recommendation of the minority leader.

3 (5) One shall be appointed by the Speaker of  
4 the House of Representatives and the President pro  
5 tempore of the Senate, acting jointly, upon rec-  
6 ommendation of the members appointed under para-  
7 graphs (1) through (4).

8 (c) PREREQUISITES RELATING TO CERTAIN AP-  
9 POINTMENTS.—(1) Of the members of the Commission ap-  
10 pointed under subsection (b)(3)—

11 (A) one shall be a member of one of the two  
12 largest labor unions at the Library of Congress; and

13 (B) one shall be a manager at the Library of  
14 Congress.

15 (2) Of the members of the Commission appointed  
16 under subsection (b)(4)—

17 (A) one shall be a member of one of the two  
18 largest labor unions at the Library of Congress; and

19 (B) one shall be a manager at the Library of  
20 Congress.

21 (3) The member appointed under paragraph (1)(A)  
22 shall not be from the same labor union as the member  
23 appointed under paragraph (2)(A).

1 (d) REMOVAL.—The person making an appointment  
2 may remove a member of the Commission for neglect of  
3 duty or malfeasance in office.

4 (e) VACANCIES.—A vacancy in the Commission shall  
5 be filled in the manner in which the original appointment  
6 is made.

7 (f) CHAIRMAN; VICE CHAIRMAN.—The Commission  
8 shall elect a chairman and a vice chairman from among  
9 its members. The chairman and vice chairman shall not  
10 be of the same political party.

11 (g) QUORUM.—Seven members of the Commission  
12 shall constitute a quorum for the transaction of business,  
13 but the Commission may establish a lesser number for  
14 holding hearings, taking testimony, and receiving evi-  
15 dence.

16 (h) COMMENCEMENT OF OPERATIONS.—Members  
17 shall be appointed and the Commission shall commence  
18 operation not later than four weeks after the date on  
19 which this resolution is agreed to.

20 **SEC. 173. FUNCTIONS OF COMMISSION.**

21 (a) IN GENERAL.—The Commission shall—

22 (1) employ a nongovernmental consultant with  
23 expertise in job evaluation to study and compare the  
24 compensation paid within and between job classifica-  
25 tions in the Library of Congress and to analyze per-

1       sonnel policies and practices in the Library of Con-  
2       gress;

3           (2) evaluate the compensation system and per-  
4       sonnel policies and practices in the Library of Con-  
5       gress for compliance with title VII of the Civil  
6       Rights Act of 1964 and make specific recommenda-  
7       tions (other than any recommendation that, if imple-  
8       mented, would result in a reduction in the rate of  
9       pay payable for any position) to the Congress for  
10      such action as may be necessary to achieve that  
11      compliance;

12          (3) develop a comprehensive plan for applica-  
13      tion of the principles of title VII of the Civil Rights  
14      Act of 1964 throughout the legislative branch; and

15          (4) make specific recommendations (other than  
16      any recommendation that, if implemented, would re-  
17      sult in a reduction in the rate of pay payable for any  
18      position) to the Congress for improvement of person-  
19      nel policies and practices in the legislative branch  
20      that may be necessary to carry out the policy de-  
21      clared in section 171.

22      (b) SPECIFIC REQUIREMENT RELATING TO THE  
23      CONSULTANT.—In carrying out the requirements of para-  
24      graph (1) of subsection (a), the consultant employed under  
25      such paragraph shall use standard objective job-evaluation

1 techniques to determine whether the compensation system  
2 at the Library of Congress is in compliance with the policy  
3 objectives in section 171.

4 **SEC. 174. STAFF OF COMMISSION.**

5 (a) STAFF DIRECTOR.—The Commission shall have  
6 a Staff Director who shall be appointed by the Chairman  
7 and who shall be paid at a rate not to exceed the maximum  
8 rate of basic pay payable under the General Schedule (as  
9 determined under section 5376 of title 5, United States  
10 Code).

11 (b) ADDITIONAL STAFF.—With the approval of the  
12 Commission, the Chairman may appoint, terminate, and  
13 fix the pay of additional staff. Any person so appointed  
14 may be paid at a rate not to exceed the maximum rate  
15 of basic pay payable for grade GS-15 of the General  
16 Schedule, under section 5332 of title 5, United States  
17 Code.

18 **SEC. 175. COMPENSATION OF MEMBERS.**

19 (a) PROHIBITION OF COMPENSATION OF CERTAIN  
20 MEMBERS.—A member of the Commission who is a Mem-  
21 ber of Congress or a full-time officer or employee of the  
22 United States shall receive no additional pay by reason  
23 of service on the Commission.

24 (b) COMPENSATION OF OTHER MEMBERS.—Any  
25 other member of the Commission shall be paid at a rate

1 equal to the daily equivalent of the maximum annual rate  
2 of basic pay payable under the General Schedule (as deter-  
3 mined under section 5376 of title 5, United States Code)  
4 for each day, including travel time, such member is en-  
5 gaged in the performance of duties of the Commission.

6 **SEC. 176. POWERS OF COMMISSION.**

7 The Commission may hold hearings, take testimony,  
8 receive evidence, administer oaths or affirmations to wit-  
9 nesses appearing before it, and authorize any member or  
10 agent of the Commission to exercise such powers.

11 **SEC. 177. REPORTS AND TERMINATION OF COMMISSION.**

12 The Commission may submit interim reports to the  
13 Congress and shall submit a final report to the Congress  
14 not later than 18 months after the date on which this reso-  
15 lution is agreed to. The Commission shall cease to exist  
16 thirty days after submitting the final report.

17 **SEC. 178. ADMINISTRATIVE PROVISIONS.**

18 (a) FUNDING.—There shall be paid from the contin-  
19 gent fund of the House of Representatives and the contin-  
20 gent fund of the Senate such sums as may be necessary  
21 to carry out this resolution. One-half of the total of such  
22 sums shall be paid from each such fund. Payment shall  
23 be upon vouchers submitted by the Chairman of the Com-  
24 mission and approved by the Committee on House Admin-  
25 istration of the House of Representatives or the Commit-

1 tee on Rules and Administration of the Senate, as appro-  
2 priate.

3 (b) STATUS OF MEMBERS AND STAFF.—Members of  
4 the Commission (other than Members of Congress) and  
5 the staff of the Commission shall be treated as detailed  
6 employees, or as temporary or intermittent employees of  
7 the House or of the Senate, as appropriate.

8 (c) REGULATIONS.—The Committee on House Ad-  
9 ministration of the House of Representatives and the  
10 Committee on Rules and Administration of the Senate,  
11 acting jointly, shall prescribe such regulations as may be  
12 necessary to carry out this resolution. Employment of ex-  
13 perts and consultants, travel, procurement of support  
14 services, procedures for securing information, and other  
15 administrative matters with respect to the Commission  
16 shall be in accordance with such regulations.

17 **TITLE II—ECONOMIC**  
18 **OPPORTUNITY**

19 **Subtitle A—Women’s Business**  
20 **Procurement Assistance Act**

21 **SEC. 201. SHORT TITLE.**

22 This subtitle may be cited as the “Women’s Business  
23 Procurement Assistance Act of 1993”.

1 **SEC. 202. GOAL SETTING.**

2 Section 15(g) of the Small Business Act (15 U.S.C.  
3 644(g)) is amended—

4 (1) in paragraph (1) by inserting “, small busi-  
5 ness concerns owned and controlled by women,”  
6 after “small business concerns” the first place it ap-  
7 pears in the first sentence and the first place it ap-  
8 pears in the fourth sentence;

9 (2) in the first sentence of paragraph (2) by in-  
10 sserting “by small business concerns owned and con-  
11 trolled by women,” after “small business concerns,”;

12 (3) in the second sentence of paragraph (2) by  
13 inserting “, small business concerns owned and con-  
14 trolled by women,” after “small business concerns”  
15 the first place it appears; and

16 (4) in the fourth sentence of paragraph (2) by  
17 inserting “small business concerns owned and con-  
18 trolled by women and” after “including participation  
19 by”.

20 **SEC. 203. REPORTING.**

21 Section 15(h) of the Small Business Act (15 U.S.C.  
22 644(h)) is amended—

23 (1) by inserting “, small business concerns  
24 owned and controlled by women,” after “small busi-  
25 ness concerns” the first place it appears in para-  
26 graph (1), the first place it appears in paragraph

1 (2)(A), and the first place it appears in paragraph  
2 (2)(D);

3 (2) in paragraph (1) by inserting “and sub-  
4 contracts” after “contracts”;

5 (3) by adding at the end of paragraph (1) the  
6 following new sentence: “The Administration shall  
7 submit to the Committee on Small Business of the  
8 Senate and the Committee on Small Business of the  
9 House of Representatives information obtained from  
10 such reports, together with appropriate comments.”;  
11 and

12 (4) in paragraph (2)(F) by striking “women-  
13 owned small business enterprises” and inserting  
14 “small business concerns owned and controlled by  
15 women”.

16 **SEC. 204. SUBCONTRACTING.**

17 (a) STATEMENT OF POLICY.—Section 8(d)(1) of the  
18 Small Business Act (15 U.S.C. 637(d)(1)) is amended—

19 (1) in the first sentence by inserting “small  
20 business concerns owned and controlled by women,”  
21 after “small business concerns,”; and

22 (2) in the second sentence by inserting “, small  
23 business concerns owned and controlled by women,”  
24 after “small business concerns” the first place it  
25 appears.

1 (b) CONTRACT CLAUSE.—The contract clause speci-  
2 fied in section 8(d)(3) of the Small Business Act (15  
3 U.S.C. 637(d)(3)) is amended as follows:

4 (1) Subparagraph (A) of such clause is amend-  
5 ed by inserting “, small business concerns owned  
6 and controlled by women,” after “small business  
7 concerns” the first place it appears in the first sen-  
8 tence and the first place it appears in the second  
9 sentence.

10 (2) Subparagraph (C) of such clause is amend-  
11 ed to read as follows:

12 “(C)(i) As used in this contract, the term ‘small  
13 business concern’ means a small business concern as  
14 defined pursuant to section 3 of the Small Business  
15 Act and relevant regulations promulgated pursuant  
16 thereto.

17 “(ii) As used in this contract, the term ‘small  
18 business concern owned and controlled by socially  
19 and economically disadvantaged individuals’ means a  
20 small business concern—

21 “(I) which is at least 51 percent owned by  
22 one or more socially and economically disadvan-  
23 taged individuals; or, in the case of any publicly  
24 owned business, at least 51 percent of the stock

1 of which is owned by one or more socially and  
2 economically disadvantaged individuals; and

3 “(II) whose management and daily busi-  
4 ness operations are controlled by one or more of  
5 such individuals.

6 The contractor shall presume that socially and eco-  
7 nomically disadvantaged individuals include Black  
8 Americans, Hispanic Americans, Native Americans,  
9 Asian Pacific Americans, and other minorities, or  
10 any other individual found to be disadvantaged by  
11 the Administration pursuant to section 8(a) of the  
12 Small Business Act.

13 “(iii) As used in this contract, the term ‘small  
14 business concern owned and controlled by women’  
15 means a small business concern—

16 “(I) which is at least 51 percent owned by  
17 one or more women; or, in the case of any pub-  
18 licly owned business, at least 51 percent of the  
19 stock of which is owned by one or more women;  
20 and

21 “(II) whose management and daily busi-  
22 ness operations are controlled by such women.

23 The contractor shall presume that women have been  
24 subjected to gender based discrimination and may  
25 determine whether a small business concern meets

1 the percentage requirements under subclause (I)  
2 without regard to the community property laws of  
3 any jurisdiction.”.

4 (c) CONFORMING AMENDMENTS.—Section 8(d) of  
5 the Small Business Act (15 U.S.C. 637(d)) is amended  
6 by inserting “, small business concerns owned and con-  
7 trolled by women,” after “small business concerns” the  
8 first place it appears in paragraphs (3)(D), (4)(D),  
9 (4)(E), (6)(A), (6)(C), (6)(F), (10)(B), and (11).

10 (d) EXCLUSION.—No business concern shall be  
11 deemed eligible for any contract or other assistance pursu-  
12 ant to section 2323 of title 10, United States Code, due  
13 solely to the provisions of this section.

14 **SEC. 205. WOMEN-IN-BUSINESS SPECIALISTS.**

15 Section 15(k) of the Small Business Act (15 U.S.C.  
16 644(k)) is amended—

17 (1) by inserting “(1)” after “(k)”;

18 (2) by redesignating paragraphs (1), (2), (3),  
19 (4), (5), (6), (7), (8), and (9) as subparagraphs (A),  
20 (B), (C), (D), (E), (F), (G), (H), and (I), respec-  
21 tively;

22 (3) by striking “and” at the end of subpara-  
23 graph (H) (as redesignated);

24 (4) in subparagraph (I) (as redesignated), by  
25 striking out the period after “Code” and all that fol-

1        lows through “shall be made” and inserting in lieu  
2        thereof a comma, and by striking the period after  
3        “contract file” and inserting “, and”;

4            (5) by inserting after subparagraph (I) (as re-  
5        designated) the following new subparagraph:

6            “(J) subject to paragraph (2)(A), designate an  
7        employee of such office to be a women-in-business  
8        specialist responsible for the implementation and  
9        execution of programs designed to assist small busi-  
10        ness concerns owned and controlled by women.”;

11           (6) by designating the last sentence as para-  
12        graph (2); and

13           (7) by adding at the end the following new  
14        paragraph:

15        “(3)(A) The Director of Small and Disadvantaged  
16        Business Utilization in a Federal agency shall ensure that  
17        the women-in-business specialist designated pursuant to  
18        paragraph (1)(J) has sufficient knowledge of small busi-  
19        ness concerns owned and controlled by women and the  
20        Federal procurement process, other appropriate qualifica-  
21        tions, and appropriate training from the Office of Wom-  
22        en’s Business Ownership to effectively carry out the spe-  
23        cialist’s responsibilities under this Act.

24           “(B) Each women-in-business specialist designated  
25        pursuant to paragraph (1)(J) in a Federal agency shall

1 work full time to initiate and execute programs to assist  
2 small business concerns owned and controlled by women  
3 in participating in the performance of contracts let by the  
4 agency. The specialist shall—

5           “(i) respond to requests from small business  
6 concerns owned and controlled by women;

7           “(ii) identify and solicit offers from small busi-  
8 ness concerns owned and controlled by women, as  
9 required under section 15(p) of this Act, through  
10 means such as sending solicitation packages to such  
11 concerns for each proposed contract for which such  
12 concerns may be eligible to compete and holding  
13 workshops on procurement for such concerns; and

14           “(iii) regularly monitor the agency’s progress  
15 toward meeting the annual goal established under  
16 subsection (g) for participation by small business  
17 concerns owned and controlled by women.”.

18 **SEC. 206. OUTREACH.**

19       Section 15 the Small Business Act (15 U.S.C. 644)  
20 is amended by adding at the end the following new sub-  
21 section:

22       “(p) Each Federal agency having procurement pow-  
23 ers shall engage in affirmative efforts to identify and so-  
24 licit offers from small business concerns owned and con-  
25 trolled by women and the small business concerns owned

1 and controlled by socially and economically disadvantaged  
2 individuals. To the maximum extent practicable, a rep-  
3 resentative number of such concerns shall receive solicita-  
4 tion packages for each proposed acquisition for which such  
5 concerns may be eligible to compete.”.

6 **SEC. 207. ESTABLISHMENT OF THE OFFICE OF WOMEN'S**  
7 **BUSINESS OWNERSHIP.**

8 The Small Business Act (15 U.S.C. 631 et seq.) is  
9 amended by adding at the end the following new section:

10 **“SEC. 28. OFFICE OF WOMEN'S BUSINESS OWNERSHIP.**

11 “(a) ESTABLISHMENT.—There is established in the  
12 Small Business Administration the Office of Women's  
13 Business Ownership (hereinafter in this section referred  
14 to as the ‘Office’).

15 “(b) DIRECTOR.—The Director of the Office (herein-  
16 after in this section referred to as the ‘Director’) shall be  
17 appointed by the Administrator not later than sixty days  
18 after the date of the enactment of this section.

19 “(c) FUNCTIONS.—The Director shall perform the  
20 following functions:

21 “(1) Promote, coordinate, and monitor the  
22 plans, programs, and operations of Federal depart-  
23 ments and agencies which may contribute to the es-  
24 tablishment, preservation, and strengthening of  
25 small business concerns owned and controlled by

1 women. The Director may, as appropriate, develop  
2 comprehensive interagency plans and specific pro-  
3 gram goals for small business concerns owned and  
4 controlled by women with the cooperation of the  
5 departments and agencies.

6 “(2) Establish policies, definitions, procedures,  
7 and guidelines to govern the implementation, inter-  
8 pretation, and application of this section, and gen-  
9 erally perform such functions and take such steps as  
10 the Director may consider to be necessary or appro-  
11 priate to carry out this section.

12 “(3) Promote the mobilization of activities and  
13 resources of State and local governments, business  
14 and trade associations, private industry, colleges and  
15 universities, foundations, professional organizations,  
16 and volunteer and other groups toward the growth  
17 of small business concerns owned and controlled by  
18 women, and facilitate the coordination of the efforts  
19 of such groups with those of Federal departments  
20 and agencies.

21 “(4) Make an annual assessment of the  
22 progress made in the Federal Government toward  
23 assisting small business concerns owned and con-  
24 trolled by women to enter the mainstream of busi-

1       ness ownership and provide recommendations for fu-  
2       ture actions to the Administrator.

3               “(5) Convene and consult (as necessary) with  
4       persons inside and outside government to develop  
5       and promote new ideas concerning the development  
6       of small business concerns owned and controlled by  
7       women.

8               “(6) Consider the findings and recommenda-  
9       tions of government and private sector investigations  
10       and studies of the problems of women entrepreneurs,  
11       and promote further research into such problems.

12              “(7) Monitor the contracting and subcontract-  
13       ing performance of each department, agency, and  
14       business enterprise participating under this section.

15              “(8) Promote access and participation for small  
16       business concerns owned and controlled by women to  
17       a fair proportion of the broad array of purchases  
18       and contracts for property and services for the Fed-  
19       eral Government.

20              “(9) Provide training as needed to women-in-  
21       business specialists designated pursuant to section  
22       15(k)(1)(J) to carry out their responsibilities under  
23       this Act.”.

1 **SEC. 208. GENERAL ACCOUNTING OFFICE REPORT.**

2 (a) REPORT REQUIREMENT.—Not later than 3 years  
3 after the date of the enactment of this Act, the Comptrol-  
4 ler General shall submit to Congress a report comparing  
5 the number of small business concerns owned and con-  
6 trolled by women procuring Federal contracts during the  
7 year preceding the date of the enactment of this Act with  
8 the number of such businesses during each of the 3 years  
9 occurring after such date. If the number of such busi-  
10 nesses did not increase significantly by the end of the 3-  
11 year period beginning on the date of the enactment of this  
12 Act, the Comptroller General shall include in the report  
13 recommendations on actions that could be taken to  
14 increase the number.

15 (b) SENSE OF CONGRESS.—If the report required  
16 under subsection (a) shows that the number of small busi-  
17 ness concerns owned and controlled by women did not in-  
18 crease significantly by the end of the 3-year period begin-  
19 ning on the date of the enactment of this Act, it is the  
20 sense of Congress that further legislative steps should be  
21 taken to ensure that the number of Federal contracts en-  
22 tered into with small business concerns owned and con-  
23 trolled by women realistically reflects the potential of such  
24 business concerns to perform Federal contracting and sub-  
25 contracting work.

1           **Subtitle B—Microenterprise**  
2           **Opportunity Expansion Act**

3   **SEC. 211. SHORT TITLE.**

4           This subtitle may be cited as the “Microenterprise  
5 Opportunity Expansion Act”.

6   **SEC. 212. PUBLIC ASSISTANCE PROVISIONS.**

7           (a) BUSINESS ASSETS EXCLUDED FROM RESOURCES  
8 AND INCOME.—

9                 (1) AFDC.—

10                         (A) EXCLUSION FROM RESOURCES.—Sec-  
11                         tion 402(a)(7)(B) of the Social Security Act  
12                         (42 U.S.C. 602(a)(8)(A)) is amended—

13                                 (i) by striking “or” at the end of  
14                                 clause (iii); and

15                                 (ii) by inserting before the semicolon  
16                                 the following: “, or (v) any asset of the  
17                                 family which is primarily used for business  
18                                 purposes in a business owned, in whole or  
19                                 in part, by an individual eligible for aid  
20                                 under any State plan approved under this  
21                                 part; and”.

22                         (B) EXCLUSION FROM INCOME.—Section  
23                         402(a)(8)(A) of such Act (42 U.S.C.  
24                         602(a)(8)(A)) is amended—

1 (i) by striking “and” at the end of  
2 clause (vii); and

3 (ii) by inserting after clause (viii) the  
4 following:

5 “(ix) shall disregard from the income of  
6 any child, relative, or other individual specified  
7 in clause (ii) any asset which is primarily used  
8 for business purposes in a business owned, in  
9 whole or in part, by an individual eligible for  
10 aid under any State plan approved under this  
11 part; and”.

12 (2) SSI.—

13 (A) EXCLUSION FROM INCOME.—Section  
14 1612(b) of such Act (42 U.S.C. 1382a(b)) is  
15 amended—

16 (i) by striking “and” at the end of  
17 paragraph (17);

18 (ii) in paragraph (18), by striking the  
19 period and inserting “; and”; and

20 (iii) by adding at the end the follow-  
21 ing:

22 “(19) any asset of such individual (or such  
23 spouse) which is primarily used for business pur-  
24 poses in a business owned, in whole or in part, by

1 an individual eligible for aid under any State plan  
2 approved under part A of title IV.”.

3 (B) EXCLUSION FROM RESOURCES.—Sec-  
4 tion 1613(a) of such Act (42 U.S.C. 1382b(a))  
5 is amended—

6 (i) by striking “and” at the end of  
7 paragraph (9);

8 (ii) in paragraph (10), by striking the  
9 period and inserting “; and”; and

10 (iii) by inserting after paragraph (10)  
11 the following:

12 “(11) any asset of (including any amount re-  
13 ceived as a loan by) such individual (or such spouse)  
14 which is primarily used for business purposes in a  
15 business owned, in whole or in part, by an individual  
16 eligible for aid under any State plan approved under  
17 part A of title IV.”.

18 (b) PUBLIC ASSISTANCE BENEFITS EXTENDED FOR  
19 PERSONS WITH INCOME FROM OR RESOURCES IN A  
20 MICROENTERPRISE.—

21 (1) AFDC AND MEDICAID.—Section 402(a) of  
22 such Act (42 U.S.C. 602(a)) is amended by inserting  
23 after paragraph (28) the following:

24 “(29) notwithstanding paragraphs (7) and (8),  
25 provide that, during the 2-year period beginning on

1 the first day any member of a family eligible for  
2 benefits under the State plan sells any good or serv-  
3 ice as part of operating a commercial enterprise with  
4 5 or fewer employees, which is owned in whole or in  
5 part by such family member, all income of such fam-  
6 ily member attributable to the enterprise and all re-  
7 sources in which such family member has a bene-  
8 ficial interest used primarily in the enterprise shall  
9 be disregarded in determining the amount of aid to  
10 which the family is entitled under the State plan;”.

11 (2) SSI AND MEDICAID.—

12 (A) EXCLUSION FROM INCOME.—Section  
13 1612(b) of such Act (42 U.S.C. 1382a(b)), as  
14 amended by subsection (a)(2)(A) of this section,  
15 is amended—

16 (i) by striking “and” at the end of  
17 paragraph (18);

18 (ii) in paragraph (19), by striking the  
19 period and inserting “; and”; and

20 (iii) by adding at the end the follow-  
21 ing:

22 “(20) during the 2-year period beginning on the  
23 first day such individual (or such spouse) sells any  
24 good or service as part of operating a commercial  
25 enterprise with 5 or fewer employees, which is owned

1 in whole or in part by such individual (or such  
2 spouse), all income of such individual (or such  
3 spouse) attributable to the enterprise.”.

4 (B) EXCLUSION FROM RESOURCES.—Sec-  
5 tion 1613(a) of such Act (42 U.S.C. 1382b(a)),  
6 as amended by subsection (a)(2)(B) of this sec-  
7 tion, is amended—

8 (i) by striking “and” at the end of  
9 paragraph (10);

10 (ii) in paragraph (11), by striking the  
11 period and inserting “; and”; and

12 (iii) by inserting after paragraph (11)  
13 the following:

14 “(12) during the 2-year period beginning on the  
15 first day such individual (or such spouse) sells any  
16 good or service as part of operating a commercial  
17 enterprise with 5 or fewer employees, which is owned  
18 in whole or in part by such individual (or such  
19 spouse), all resources of such individual (or such  
20 spouse) that are used primarily in the enterprise.”.

21 **SEC. 213. UNEMPLOYMENT COMPENSATION FOR INDIVID-**  
22 **UALS STARTING MICROENTERPRISES.**

23 (a) STATE LAW REQUIREMENTS.—Subsection (a) of  
24 section 3304 of the Internal Revenue Code of 1986 (relat-  
25 ing to State law requirements) is amended by striking

1 “and” at the end of paragraph (17), by redesignating  
2 paragraph (18) as paragraph (19), and by inserting after  
3 paragraph (17) the following new paragraph:

4 “(18) compensation shall be payable to individ-  
5 uals starting microenterprises as provided in section  
6 3(b) of the Act for microenterprises; and”.

7 (b) PAYMENT OF COMPENSATION TO INDIVIDUALS  
8 STARTING MICROENTERPRISES.—

9 (1) IN GENERAL.—For purposes of section  
10 3304(a)(18) of the Internal Revenue Code of 1986,  
11 a State law shall provide that—

12 (A) each individual who is an eligible indi-  
13 vidual with respect to any benefit year shall be  
14 entitled to receive regular or extended unem-  
15 ployment compensation, as the case may be,  
16 without regard to any State or Federal require-  
17 ments relating to availability for work, active  
18 search for work, or refusal to accept suitable  
19 work, and

20 (B) such individual shall be considered to  
21 be unemployed for purposes of the State and  
22 Federal laws applicable to unemployment com-  
23 pensation, as long as the individual is actively  
24 involved in the ownership and operation of a  
25 microenterprise or the preparation of a business

1 plan for the ownership and operation of a  
2 microenterprise and is receiving guidance or  
3 consultation in starting up or operating a  
4 microenterprise from an experienced entre-  
5 preneur or provider of technical business assist-  
6 ance.

7 (2) AUTHORIZATION FOR USING UNEMPLOY-  
8 MENT FUNDS TO PROVIDE STARTUP ASSISTANCE.—  
9 Nothing in section 3304(a)(4) or 3306(f) of the In-  
10 ternal Revenue Code of 1986 or section 303(a)(5) of  
11 the Social Security Act shall prevent amounts in a  
12 State unemployment fund from being used to pro-  
13 vide assistance to eligible individuals in starting  
14 microenterprises. The amount of assistance so pro-  
15 vided shall be in the form of a lump sum and shall  
16 be in lieu of the periodic payments of compensation  
17 to which the individual would otherwise have been  
18 entitled and shall not exceed the aggregate amount  
19 of compensation to which the individual would other-  
20 wise have been so entitled.

21 (3) DEFINITIONS.—For purposes of this sec-  
22 tion—

23 (A) ELIGIBLE INDIVIDUAL.—The term “el-  
24 igible individual” means, with respect to any  
25 benefit year, an individual who—

1 (i) is eligible to receive regular or ex-  
2 tended compensation under the State law  
3 during such benefit year,

4 (ii) is starting a microenterprise in  
5 which the individual will have an ownership  
6 interest, and

7 (iii) submits a request to the State  
8 agency for compensation under this sub-  
9 section.

10 (B) MICROENTERPRISE.—The term  
11 “microenterprise” means any unincorporated  
12 trade or business with 5 or fewer employees, 1  
13 or more of whom own the enterprise.

14 (C) OTHER TERMS.—The terms “com-  
15 pensation”, “extended compensation”, “regular  
16 compensation”, “benefit year”, “State”, and  
17 “State law” have the respective meanings given  
18 to such terms under section 205 of the Federal-  
19 State Extended Unemployment Compensation  
20 Act of 1970.

21 **SEC. 214. TREATMENT OF MICROENTERPRISE LOANS AND**  
22 **GRANTS BY INSURED DEPOSITORY INSTITU-**  
23 **TIONS AS COMMUNITY REINVESTMENT.**

24 (a) IN GENERAL.—Section 804 of the Community  
25 Reinvestment Act of 1977 (12 U.S.C. 2903) is amended—

1           (1) by striking “SEC. 804. In connection with”  
2           and inserting “(a) IN GENERAL.—In connection  
3           with”; and

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

6           “(b) MICROENTERPRISE LOANS.—

7           “(1) TREATMENT OF LOANS AND GRANTS.—  
8           The following amounts shall be treated as an invest-  
9           ment in a regulated financial institution’s commu-  
10          nity for purposes of subsection (a):

11           “(A) The amount of any loan described in  
12           paragraph (2)(A) made by the regulated finan-  
13           cial institution directly to a microenterprise, if  
14           the loan is made in accordance with the require-  
15           ments of subsection (c).

16           “(B) The amount of any grant or donation  
17           made by the regulated financial institution to  
18           any microenterprise intermediary to meet oper-  
19           ating costs of the intermediary, including the  
20           costs associated with training, technical assist-  
21           ance, and other support services provided by  
22           the intermediary to microenterprises.

23           “(C) The amount of any regulated finan-  
24           cial institution’s investment in a revolving fund  
25           established by the institution for loans to

1 microenterprise intermediaries for lending to  
2 microenterprises if—

3 “(i) the amount of the investment in  
4 the revolving fund is equal to or greater  
5 than the amount which is equal to 0.05  
6 percent of the assets of the institution;

7 “(ii) the regulated financial institu-  
8 tion—

9 “(I) makes grants or donations  
10 described in subparagraph (B) to  
11 microenterprise intermediaries the  
12 total amount of which equals or ex-  
13 ceeds the amount which is equal to 15  
14 percent of the amount required to be  
15 invested in the revolving fund under  
16 clause (i); or

17 “(II) provides financial services,  
18 including the establishment and main-  
19 tenance of a transaction account, for  
20 a microenterprise (or any individual  
21 who controls the microenterprise) who  
22 receives a microenterprise loan from a  
23 microenterprise intermediary, at pref-  
24 erential or reduced rates which are  
25 at least as favorable to the

1 microenterprise as the rates offered  
2 for such services to the institution's  
3 most preferred commercial customers;  
4 and

5 “(iii) loans from the revolving fund  
6 may be made only to microenterprise  
7 intermediaries who agree to use the pro-  
8 ceeds of the loan to make microenterprise  
9 loans in accordance with the requirements  
10 of subsection (c).

11 “(2) MICROENTERPRISE LOAN.—For purposes  
12 of this subsection and subsection (c), the term  
13 ‘microenterprise loan’—

14 “(A) means a loan—

15 “(i) to a commercial enterprise with 5  
16 or fewer employees, 1 or more of whom  
17 own the enterprise;

18 “(ii) in amounts not less than \$100  
19 and not more than \$10,000;

20 “(iii) the interest rate on which is  
21 comparable to the interest rate charged on  
22 secured commercial loans offered by the  
23 regulated financial institution to the insti-  
24 tution's most preferred commercial cus-  
25 tomers;

1 “(iv) which—

2 “(I) is not secured by collateral;

3 or

4 “(II) is secured by collateral the  
5 value of which, as a percentage of the  
6 amount of the loan, is substantially  
7 less than the percentage generally re-  
8 quired by the institution for commer-  
9 cial loans; and

10 “(v) the terms of which may permit  
11 the deferral of principal or interest pay-  
12 ments otherwise due under such terms;  
13 and

14 “(B) includes a loan to a microenterprise  
15 intermediary the proceeds of which will be used  
16 by the intermediary for making loans described  
17 in subparagraph (A).

18 “(c) CRITERIA FOR MICROENTERPRISE LOANS.—

19 “(1) IN GENERAL.—A microenterprise loan  
20 meets the requirements of this subsection if the loan  
21 is made in accordance with the following criteria:

22 “(A) In considering any loan to a  
23 microenterprise, the lender takes into account—

24 “(i) the creditworthiness of any per-  
25 son who controls the microenterprise in

1           lieu of the creditworthiness of the enter-  
2           prise;

3           “(ii) in the case of a microenterprise  
4           which is a startup business, whether the  
5           microenterprise is soundly conceived; and

6           “(iii) the need of the microenterprise  
7           for expansion capital.

8           “(B) The lender accepts as collateral for  
9           the loan a security interest in any personal  
10          property of any person who controls the  
11          microenterprise which consists of consumer or  
12          household goods.

13          “(C) The lender does not require collateral  
14          or a secured interest for more than 50 percent  
15          of the face amount of the loan.

16          “(D) The loans are made in amounts not  
17          less than \$100 and not more than \$10,000 to  
18          persons who would not otherwise qualify for a  
19          commercial loan.

20          “(E) The lender provides technical assist-  
21          ance, training, and counseling in business prac-  
22          tices, such as accounting, marketing, manage-  
23          ment, sales, financial practices, and general  
24          business practices, and closely monitors the  
25          microenterprise during the period the loan is

1 outstanding, including the enterprise's loan re-  
2 payment performance.

3 “(2) LENDER DEFINED.—For purposes of  
4 paragraph (1), the term ‘lender’ means—

5 “(A) in the case of a microenterprise loan  
6 by a regulated financial institution to a  
7 microenterprise, the regulated financial institu-  
8 tion; and

9 “(B) in the case of a microenterprise loan  
10 by a microenterprise intermediary to a  
11 microenterprise, the microenterprise inter-  
12 mediary.”.

13 (b) CLERICAL AMENDMENT.—Section 804 of the  
14 Community Reinvestment Act of 1977 (12 U.S.C. 2903)  
15 is amended by inserting before subsection (a) (as so des-  
16 ignated by subsection (a)(1) of this section) the following  
17 new heading:

18 **“SEC. 804. ASSESSMENT OF RECORD OF MEETING COMMU-  
19 NITY CREDIT NEEDS.”.**

20 **SEC. 215. TREATMENT OF MICROENTERPRISE LOANS OF  
21 SAVINGS ASSOCIATIONS AS QUALIFIED  
22 THRIFT INVESTMENTS.**

23 (a) IN GENERAL.—Section 10(m)(4)(C)(ii) of the  
24 Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(C)(ii))

1 is amended by adding at the end the following new  
2 subclause:

3                   “(VII) The aggregate amount of  
4                   microenterprise loans held by the sav-  
5                   ings association.”.

6           (b) MICROENTERPRISE LOAN DEFINED.—Section  
7 10(m)(4) of the Home Owners’ Loan Act (12 U.S.C.  
8 1467a(m)(4)) is amended by adding at the end the follow-  
9 ing new subparagraph:

10                   “(D) MICROENTERPRISE LOAN.—For pur-  
11                   poses of this paragraph, the term  
12                   ‘microenterprise loan’—

13                   “(i) means a loan—

14                   “(I) to a commercial enterprise  
15                   with 5 or fewer employees, 1 or more  
16                   of whom own the enterprise;

17                   “(II) in amounts not less than  
18                   \$100 and not more than \$10,000; and

19                   “(III) the interest rate on which  
20                   is comparable to the interest rate  
21                   charged on secured commercial loans  
22                   offered by the savings association to  
23                   the association’s most preferred com-  
24                   mercial customers;

1           “(IV) which is not secured by  
2 collateral or is secured by collateral  
3 the value of which, as a percentage of  
4 the amount of the loan, is substan-  
5 tially less than the percentage gen-  
6 erally required by the institution for  
7 commercial loans; and

8           “(V) the terms of which may per-  
9 mit the deferral of principal or inter-  
10 est payments otherwise due under  
11 such terms;

12           “(ii) includes a loan to a  
13 microenterprise intermediary the proceeds  
14 of which will be used by the intermediary  
15 for making loans described in clause (i);  
16 and

17           “(iii) does not include—

18           “(I) any loan to a micro-  
19 enterprise which does not meet the re-  
20 quirements of paragraph (8); or

21           “(II) any loan to a micro-  
22 enterprise intermediary which does  
23 not agree to use the proceeds of the  
24 loan to make microenterprise loans in

1                   accordance with the requirements of  
2                   paragraph (8).”.

3           (c) CRITERIA FOR MICROENTERPRISE LOANS.—Sec-  
4 tion 10(m) of the Home Owners’ Loan Act (12 U.S.C.  
5 1467a(m)) is amended by adding at the end the following  
6 new paragraph:

7                   “(8) CRITERIA FOR MICROENTERPRISE  
8 LOANS.—

9                   “(A) IN GENERAL.—A microenterprise  
10 loan meets the requirements of this paragraph  
11 only if the savings association makes the  
12 microenterprise loan, or the microenterprise  
13 intermediary which receives a loan from the as-  
14 sociation, agrees to use the proceeds of the loan  
15 to make microenterprise loans in accordance  
16 with the following criteria:

17                   “(i) In considering any loan to a  
18 microenterprise, the lender takes into ac-  
19 count—

20                   “(I) the creditworthiness of any  
21 person who controls the  
22 microenterprise in lieu of the credit-  
23 worthiness of the enterprise;

24                   “(II) in the case of a  
25 microenterprise which is a startup

1 business, whether the microenterprise  
2 is soundly conceived; and

3 “(III) the need of the  
4 microenterprise for expansion capital.

5 “(ii) The lender accepts as collateral  
6 for the loan a security interest in any per-  
7 sonal property of any person who controls  
8 the microenterprise which consists of  
9 consumer or household goods.

10 “(iii) The lender does not require col-  
11 lateral or a secured interest for more than  
12 50 percent of the face amount of the loan.

13 “(iv) The loans are made in amounts  
14 not less than \$100 and not more than  
15 \$10,000 to persons who would not other-  
16 wise qualify for a commercial loan.

17 “(v) The lender provides technical as-  
18 sistance, training, and counseling in busi-  
19 ness practices, such as accounting, market-  
20 ing, management, financial practices, and  
21 general business practices and sales, to the  
22 microenterprise in connection with the loan  
23 and closely monitors the microenterprise,  
24 including the enterprise’s loan repayment  
25 performance.

1           “(B) LENDER DEFINED.—For purposes of  
2           subparagraph (A), the term ‘lender’ means—

3                   “(i) in the case of a microenterprise  
4                   loan by a savings association to a  
5                   microenterprise, the savings association;  
6                   and

7                   “(ii) in the case of a microenterprise  
8                   loan by a microenterprise intermediary to  
9                   a microenterprise, the microenterprise  
10                  intermediary.”.

11 **SEC. 216. USE OF CDBG ASSISTANCE FOR ADMINISTRATIVE**  
12 **COSTS OF ENTITIES ASSISTING**  
13 **MICROENTERPRISES.**

14           Section 105(a)(23) of the Housing and Community  
15 Development Act of 1974 (42 U.S.C. 5305(a)(23)) is  
16 amended by adding at the end the following flush material:

17           “assistance provided to such entities under this  
18           paragraph may be used for reasonable administra-  
19           tive and operating costs of such entities related to  
20           facilitating economic development through activities  
21           under subparagraphs (A) through (C);”.

22 **SEC. 217. ESTABLISHMENT OF MICROENTERPRISE DIVI-**  
23 **SION IN EACH FEDERAL BANKING AGENCY.**

24           (a) IN GENERAL.—Each Federal banking agency (as  
25 defined in section 3(z) of the Federal Deposit Insurance

1 Act) shall establish a division to be known as the  
2 “Microenterprise Technical and Operations Office” to pro-  
3 mote microenterprises by offering technical assistance,  
4 training, outreach, and other support to groups and indi-  
5 viduals engaged in, or desiring to establish, a  
6 microenterprise or an institution which offers credit or fi-  
7 nancial services to microenterprises.

8 (b) DUTIES OF MICROENTERPRISE DIVISION.—The  
9 Microenterprise Technical and Operations Office of each  
10 Federal banking agency shall—

11 (1) facilitate the creation and financing of  
12 microenterprises by—

13 (A) collecting information relating to  
14 microenterprises, including the ownership char-  
15 acteristics of microenterprises and the perform-  
16 ance of microenterprises by industry;

17 (B) providing such information without  
18 charge to interested persons; and

19 (C) generally serving as a clearinghouse  
20 for information relating to microenterprises;  
21 and

22 (2) monitor and provide assistance to the  
23 microenterprise divisions established pursuant to  
24 section 34 of the Federal Deposit Insurance Act.

1 (c) MICROENTERPRISE DEFINED.—As used in this  
2 section, the term “microenterprise” means any commer-  
3 cial enterprise with 5 or fewer employees, 1 or more of  
4 whom own the enterprise.

5 **SEC. 218. STUDY.**

6 (a) AVAILABILITY OF CREDIT FOR SMALL BUSI-  
7 NESSES WHICH ARE LARGER THAN  
8 MICROENTERPRISES.—The Financial Institutions Exam-  
9 ination Council shall conduct a study before the end of  
10 the 2-year period beginning on the date of the enactment  
11 of this Act, based on the agency’s experience in admin-  
12 istering the microenterprise loan provisions of this Act,  
13 and the amendments made by this Act, on the best means  
14 to make credit available for small businesses which—

15 (1) do not qualify for microenterprise loans or  
16 need credit in larger amounts than is available  
17 through microenterprise loans; and

18 (2) need credit in smaller amounts than is gen-  
19 erally available from financial institutions or the  
20 Small Business Administration.

21 (b) RECOMMENDATIONS AND REPORT.—The Finan-  
22 cial Institutions Examination Council shall submit a re-  
23 port to the Congress before the end of the 2-year period  
24 referred to in subsection (a) containing the findings and  
25 conclusions of the agency in connection with the study

1 conducted pursuant to subsection (a) and such rec-  
2 ommendations for legislative and administrative action as  
3 the agency may determine to be appropriate.

4       **Subtitle C—Equal Surety Bond**  
5                   **Opportunity Act**

6 **SEC. 221. SHORT TITLE.**

7       This subtitle may be cited as the “Equal Surety Bond  
8 Opportunity Act”.

9 **SEC. 222. EQUAL SURETY BOND OPPORTUNITY REQUIRE-**  
10                   **MENTS.**

11       (a) **ACTIVITIES CONSTITUTING DISCRIMINATION.**—It  
12 shall be unlawful for any surety to discriminate against  
13 any applicant, with respect to any aspect of a surety bond  
14 transaction—

15               (1) on the basis of race, color, religion, national  
16 origin, sex, marital status, sexual orientation, dis-  
17 ability, or age (if the applicant has the capacity to  
18 contract);

19               (2) because the applicant has in good faith ex-  
20 exercised any right under this Act;

21               (3) because the applicant previously obtained a  
22 bond through an individual or personal surety; or

23               (4) because the applicant previously obtained a  
24 bond through—

1 (A) any bonding assistance program ex-  
2 pressly authorized by law;

3 (B) any bonding assistance program ad-  
4 ministered by a nonprofit organization for its  
5 members or an economically disadvantaged  
6 class of persons; or

7 (C) any special purpose bonding program  
8 offered by a profit-making organization to meet  
9 special needs.

10 (b) ACTIVITIES NOT CONSTITUTING DISCRIMINA-  
11 TION.—It shall not constitute discrimination for purposes  
12 of this Act for a surety—

13 (1) to make an inquiry of marital status if such  
14 inquiry is for the purpose of ascertaining the sure-  
15 ty's rights and remedies applicable to the granting  
16 of a bond and not to discriminate in a determination  
17 of bondability;

18 (2) to make an inquiry of the applicant's age if  
19 such inquiry is for the purpose of determining the  
20 amount and probable continuance of bondability; or

21 (3) to make an inquiry as to where the appli-  
22 cant has previously obtained a bond, in order to de-  
23 termine bonding history, or other pertinent element  
24 of bondability, except that an applicant may not be

1 assigned a negative factor or value because the ap-  
2 plicant previously obtained a bond through—

3 (A) an individual or personal surety;

4 (B) a bonding assistance program ex-  
5 pressly authorized by law;

6 (C) any bonding program administered by  
7 a nonprofit organization for its members or an  
8 economically disadvantaged class of persons; or

9 (D) any special purpose bonding program  
10 offered by a profit-making organization to meet  
11 special needs.

12 (c) ADDITIONAL ACTIVITIES NOT CONSTITUTING  
13 DISCRIMINATION.—It is not a violation of this Act for a  
14 surety to refuse to issue a bond pursuant to—

15 (1) any bonding assistance program authorized  
16 by law for an economically disadvantaged class of  
17 persons;

18 (2) any bonding assistance program adminis-  
19 tered by a nonprofit organization for its members or  
20 an economically disadvantaged class of persons; or

21 (3) any special purpose bonding program of-  
22 fered by a profit-making organization to meet special  
23 needs;

24 if such refusal is required by or made pursuant to such  
25 program.

1 (d) REASONS FOR ADVERSE ACTION; PROCEDURE  
2 APPLICABLE; DEFINITION.—

3 (1) NOTICE REQUIRED.—

4 (A) IN GENERAL.—Except as provided in  
5 subparagraph (B), any surety approved under  
6 section 9304 of title 31, United States Code,  
7 shall notify an applicant of the surety's action  
8 on a completed application before the end of the  
9 10-day period beginning on the date the appli-  
10 cation is filed with the surety.

11 (B) EXTENSION.—The 10-day period re-  
12 ferred to in subparagraph (A) may be extended  
13 an additional 10 days if the surety has not is-  
14 sued a bond to the applicant during the 1-year  
15 period ending on the date the application is  
16 filed with the surety.

17 (2) STATEMENT OF REASONS.—

18 (A) IN GENERAL.—Each applicant against  
19 whom adverse action is taken shall be entitled  
20 to a statement of reasons for such action from  
21 the surety.

22 (B) ACCEPTABLE FORMS OF STATE-  
23 MENT.—A surety satisfies the requirement es-  
24 tablished under subparagraph (A) by—

1 (i) providing a statement of reasons in  
2 writing as a matter of course to applicants  
3 against whom adverse action is taken; or

4 (ii) giving written notification of ad-  
5 verse action which discloses—

6 (I) the applicant's right to a  
7 statement of reasons within 30 days  
8 after receipt by the surety of a re-  
9 quest made within 60 days after such  
10 notification; and

11 (II) the identity of the person or  
12 office from which such statement may  
13 be obtained.

14 (C) ORAL STATEMENT PERMITTED.—Such  
15 statement may be given orally if the written no-  
16 tification advises the applicant of the appli-  
17 cant's right to have the statement of reasons  
18 confirmed in writing on written request.

19 (3) SPECIFICITY OF REASONS.—A statement of  
20 reasons meets the requirements of this Act only if  
21 it contains specific reasons for the adverse action  
22 taken.

23 (4) APPLICABILITY IN CASE OF 3D PARTY AP-  
24 PPLICATIONS.—In the case of a request to a surety  
25 by a third party to issue a bond directly or indirectly

1 to an applicant, the notification and statement of  
2 reasons required by this section may be made di-  
3 rectly by such surety, or indirectly through the third  
4 party, if the identity of the surety is disclosed to the  
5 applicant.

6 (5) APPLICABILITY IN CASE OF SURETIES  
7 WHICH ACCEPT FEW APPLICATIONS.—The require-  
8 ments of paragraph (2), (3), or (4) may be satisfied  
9 by oral statements or notifications in the case of any  
10 surety who did not act on more than 100 applica-  
11 tions during the calendar year in which the adverse  
12 action is taken.

13 (e) ADVERSE ACTION DEFINED.—For purposes of  
14 this Act, the term “adverse action”—

15 (1) means a denial of a bond, a change in the  
16 terms of an existing bonding arrangement, or a re-  
17 fusal to issue a bond in the amount or on substan-  
18 tially the terms requested; and

19 (2) does not include any refusal to issue an ad-  
20 ditional bond under an existing bonding arrange-  
21 ment where the applicant is in default, or where  
22 such additional bond would exceed a previously es-  
23 tablished bonding limit.

1 **SEC. 223. CIVIL LIABILITY.**

2 (a) DAMAGES.—Any surety who fails to comply with  
3 section 222(a) shall be liable to the aggrieved applicant  
4 for—

5 (1) any actual damage sustained by such appli-  
6 cant (individually or as a member of a class); and

7 (2) in the case of any successful action under  
8 this section, the costs of the action, together with  
9 reasonable attorney's fees as determined by the  
10 court.

11 (b) EQUITABLE RELIEF.—Upon application by an  
12 aggrieved applicant, a court of competent jurisdiction may  
13 enjoin a surety from violating the requirements of this Act  
14 or grant such other equitable relief as the court deter-  
15 mines to be appropriate to enforce such requirements.

16 (c) JURISDICTION.—Any action under this section  
17 may be brought in any United States district court, or  
18 in any other court of competent jurisdiction, within 1 year  
19 after the date of the occurrence of the violation involved.

20 **SEC. 224. ADMINISTRATIVE ENFORCEMENT.**

21 (a) IN GENERAL.—A company may not be approved  
22 as a surety by the Secretary of the Treasury under section  
23 9304 of title 31, United States Code, or provide any surety  
24 bond pursuant to such section unless such company main-  
25 tains full compliance with the requirements of this Act.

1 (b) REQUIREMENTS RELATING TO ENFORCEABILITY  
2 OF ACT.—

3 (1) SIGNED STATEMENT OF COMPLIANCE WITH  
4 APPLICATION.—Section 9305(a) of title 31, United  
5 States Code, is amended—

6 (A) by striking “and” at the end of para-  
7 graph (1);

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

10 (C) by adding at the end the following new  
11 paragraph:

12 “(3) a statement of compliance with the Equal  
13 Surety Bond Opportunity Act which is signed under  
14 penalty of perjury by the president and the secretary  
15 of the corporation.”.

16 (2) COMPLIANCE AS A CONDITION FOR AP-  
17 PROVAL OF APPLICATION.—Section 9305(b) of title  
18 31, United States Code, is amended—

19 (A) by striking “and” at the end of para-  
20 graph (2);

21 (B) by striking the period at the end of  
22 paragraph (3) and inserting “; and”; and

23 (C) by adding at the end the following new  
24 paragraph:

1           “(4) the corporation is in full compliance with  
2 the Equal Surety Bond Opportunity Act.”.

3           (3) SIGNED STATEMENT OF COMPLIANCE WITH  
4 QUARTERLY REPORTS.—Section 9305(c) of title 31,  
5 United States Code, is amended by inserting “and a  
6 statement of compliance with the Equal Surety  
7 Bond Opportunity Act” before the period.

8           (4) ENFORCEMENT AUTHORITY OF SECRETARY  
9 OF THE TREASURY.—Section 9305(d) of title 31,  
10 United States Code, is amended—

11           (A) in paragraph (1), by inserting “or the  
12 provisions of the Equal Surety Bond Oppor-  
13 tunity Act” before the semicolon;

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

16           (C) by striking the period at the end of  
17 paragraph (3) and inserting “; and”; and

18           (D) by adding at the end the following new  
19 paragraph:

20           “(4) may, after the end of the 1-year period be-  
21 ginning on the effective date of any revocation under  
22 paragraph (1) of the authority of a surety corpora-  
23 tion for noncompliance with the Equal Surety Bond  
24 Opportunity Act, reauthorize such corporation to  
25 provide surety bonds under section 9304.”.

1           (5) REVOCATION FOR FAILURE TO PAY CER-  
2 TAIN JUDGMENTS.—Section 9305(e) of title 31,  
3 United States Code, is amended—

4           (A) by striking “and” at the end of para-  
5 graph (1);

6           (B) by redesignating paragraph (2) as  
7 paragraph (3); and

8           (C) by inserting after paragraph (1) the  
9 following new paragraph:

10           “(2) the corporation does not pay a final judg-  
11 ment or order against the corporation for noncompli-  
12 ance with the Equal Surety Bond Opportunity Act  
13 or fails to comply with any order under section 3(c)  
14 of such Act;”.

15           (c) TECHNICAL AND CONFORMING AMENDMENT.—  
16 Section 9304(a)(3) of title 31, United States Code, is  
17 amended by inserting “and section 4(a) of the Equal Sur-  
18 ety Bond Opportunity Act” before the period.

19           (d) REGULATIONS.—

20           (1) IN GENERAL.—The Secretary of the Treas-  
21 ury shall prescribe such regulations as may be nec-  
22 essary to carry out the purposes of this Act.

23           (2) INITIAL REGULATIONS.—The initial regula-  
24 tions prescribed pursuant to paragraph (1) shall  
25 take effect at the earliest practicable date after the

1 date of the enactment of this Act and not later than  
2 the end of the 1-year period beginning on such date  
3 of enactment.

4 **SEC. 225. EFFECTIVE DATE.**

5 Sections 222(d) and 224(a) shall take effect on the  
6 earlier of—

7 (1) the effective date of the initial regulations  
8 prescribed pursuant to section 224(d); or

9 (2) the end of the 1-year period beginning on  
10 the date of the enactment of this Act.

11 **Subtitle D—Women and Minorities**  
12 **in Science and Engineering**  
13 **Work Force Act**

14 **SEC. 231. SHORT TITLE.**

15 This subtitle may be cited as the “Women and Mi-  
16 norities in Science and Engineering Work Force Act”.

17 **SEC. 232. FINDINGS.**

18 The Congress finds that—

19 (1) despite a consistently high presence of  
20 women in the professional and total work forces of  
21 the United States, women continue to be  
22 underrepresented in the science and engineering  
23 work forces;

24 (2) women scientists and engineers have higher  
25 rates of unemployment and underemployment than

1 their male counterparts, although the number of  
2 women receiving degrees in scientific and engineer-  
3 ing disciplines has increased since 1981;

4 (3) artificial barriers exist in the recruitment,  
5 retention, and advancement of women in the science  
6 and engineering work forces;

7 (4) academia, industry, and government are in-  
8 creasingly aware of the necessity of and the advan-  
9 tages derived from diverse science and engineering  
10 work forces;

11 (5) initiatives of the White House Task Force  
12 on Women, Minorities, and the Handicapped in  
13 Science and Technology and of the Federal Coordi-  
14 nating Council on Science, Engineering, and Tech-  
15 nology have been instrumental in raising public  
16 awareness of—

17 (A) the underrepresentation of women in  
18 the science and engineering work forces; and

19 (B) the desirability of eliminating artificial  
20 barriers to the recruitment, retention, and ad-  
21 vancement of women in such work forces; and

22 (6) the establishment of a commission to exam-  
23 ine issues raised by these initiatives would help to—

24 (A) focus greater attention on the impor-  
25 tance of eliminating artificial barriers to the re-

1           cruitment, retention, and advancement of  
2           women in the science and engineering work  
3           forces and in all employment sectors of the  
4           United States;

5                   (B) promote work force diversity;

6                   (C) sensitize employers to the need to re-  
7           cruit and retain women scientists and engineers  
8           in order to overcome projected shortfalls within  
9           the science and engineering work forces of the  
10          United States during the next 20 years; and

11                   (D) encourage the replication of successful  
12          recruitment and retention programs by univer-  
13          sities, corporations, and Federal agencies hav-  
14          ing difficulties in employing women scientists  
15          and engineers.

16 **SEC. 233. ESTABLISHMENT.**

17          There is established a commission to be known as the  
18          “Commission on the Advancement of Women in the  
19          Science and Engineering Work Forces” (hereinafter in  
20          this Act referred to as the “Commission”).

21 **SEC. 234. DUTY OF COMMISSION.**

22          The Commission shall conduct a study to—

23                   (1) identify the number of women in the United  
24          States in the science and engineering work forces,  
25          the specific types of occupations in such workforces

1 in which women scientists and engineers are  
2 underrepresented;

3 (2) examine the preparedness of women to—

4 (A) pursue careers in the science and engi-  
5 neering work forces; and

6 (B) advance to positions of greater respon-  
7 sibility within academia, industry, and govern-  
8 ment;

9 (3) describe the practices and policies of em-  
10 ployers and labor unions relating to the recruitment,  
11 retention, and advancement of women scientists and  
12 engineers;

13 (4) identify the opportunities for, and artificial  
14 barriers to, the recruitment, retention, and advance-  
15 ment of women scientists and engineers in academia,  
16 industry, and government;

17 (5) describe the employment situations in which  
18 the recruitment, retention, and advancement of  
19 women scientists and engineers are comparable to  
20 their male counterparts, and identify those situa-  
21 tions in which such comparability does not exist;

22 (6) compile a synthesis of available research on  
23 practices, policies, and programs that have success-  
24 fully led to the recruitment, retention, and advance-  
25 ment of women in the science and engineering work

1 forces, including training programs, rotational as-  
2 signments, developmental programs, reward pro-  
3 grams, employee benefit structures, and family leave  
4 policies;

5 (7) examine such other issues and information  
6 relating to the advancement of women in the science  
7 and engineering work forces as determined by the  
8 Commission to be appropriate; and

9 (8) issue recommendations that government (in-  
10 cluding Congress and appropriate Federal agencies),  
11 academia, and private industry can follow to assist  
12 in the recruitment, retention, and advancement of  
13 women in science and engineering.

14 **SEC. 235. MEMBERSHIP.**

15 (a) NUMBER AND APPOINTMENT.—The Commission  
16 shall be composed of 17 members as follows:

17 (1) 5 members appointed by the President.

18 (2) 3 members appointed jointly by the Speaker  
19 of the House of Representatives and the majority  
20 leader of the Senate.

21 (3) 1 member appointed by the majority leader  
22 of the House of Representatives.

23 (4) 1 member appointed by the minority leader  
24 of the House of Representatives.

1           (5) 1 member appointed by the majority leader  
2 of the Senate.

3           (6) 1 member appointed by the minority leader  
4 of the Senate.

5           (7) 2 Members of the House of Representatives,  
6 appointed jointly by the majority leader and the mi-  
7 nority leader of the House of Representatives.

8           (8) 2 Senators appointed jointly by the majority  
9 leader and the minority leader of the Senate.

10          (9) The Director of the Office of Science and  
11 Technology Policy.

12          (b) ADDITIONAL QUALIFICATIONS.—Initial appoint-  
13 ments shall be made under subsection (a) not later than  
14 180 days after the date of the enactment of this Act. In  
15 making each appointment under subsection (a), the ap-  
16 pointing authority shall consider (among other factors)  
17 whether the individual—

18           (1) is a member of an organization representing  
19 women and minorities;

20           (2) holds executive management or senior deci-  
21 sion-making positions in any business entity; and

22           (3) possesses academic expertise or other recog-  
23 nized abilities relating to employment and employ-  
24 ment discrimination issues.

1 (c) POLITICAL AFFILIATION.—Not more than  $\frac{1}{2}$  of  
2 the members appointed from individuals who are officers  
3 or employees of the United States may be of the same  
4 political party.

5 (d) CONTINUATION OF MEMBERSHIP.—If a member  
6 was appointed to the Commission because the member was  
7 an officer or employee of any government and later ceases  
8 to be such an officer or employee, that member may con-  
9 tinue as a member of the Commission for not longer than  
10 the 60-day period beginning on the date the member  
11 ceases to be such an officer or employee.

12 (e) TERMS.—

13 (1) IN GENERAL.—Each Member shall be ap-  
14 pointed for the life of the Commission.

15 (2) VACANCIES.—A vacancy in the Commission  
16 shall be filled in the manner in which the original  
17 appointment was made.

18 (f) BASIC PAY.—

19 (1) RATES OF PAY.—Except as provided in  
20 paragraph (2), each member of the Commission  
21 shall receive compensation at the daily equivalent of  
22 the maximum rate of pay payable under section  
23 5376 of title 5, United States Code, for each day the  
24 member is engaged in the performance of duties for  
25 the Commission, including attendance at meetings

1 and conferences of the Commission, and travel to  
2 conduct the duties of the Commission.

3 (2) PROHIBITION OF COMPENSATION OF FED-  
4 ERAL EMPLOYEES.—Members of the Commission  
5 who are full-time officers or employees of the United  
6 States or Members of Congress may not receive ad-  
7 ditional pay, allowances, or benefits by reason of  
8 their service on the Commission.

9 (g) TRAVEL EXPENSES.—Each member shall receive  
10 travel expenses, including per diem in lieu of subsistence,  
11 in accordance with sections 5702 and 5703 of title 5,  
12 United States Code.

13 (h) QUORUM.—A majority of the members of the  
14 Commission shall constitute a quorum for the transaction  
15 of business.

16 (i) CHAIRPERSON.—The Director of the Office of  
17 Science and Technology Policy shall serve as the Chair-  
18 person of the Commission.

19 (j) MEETINGS.—

20 (1) MEETINGS PRIOR TO COMPLETION OF RE-  
21 PORT.—The Commission shall meet not fewer than  
22 5 times in connection with and pending the comple-  
23 tion of the reports described in subsections (a) and  
24 (b) of section 228. The Commission shall hold addi-  
25 tional meetings for such purpose if the Chairperson

1 or a majority of the members of the Commission re-  
2 quests the additional meetings in writing.

3 (2) MEETINGS AFTER COMPLETION OF RE-  
4 PORT.—The Commission shall meet at least once,  
5 but not more than twice after the completion of the  
6 report described in section 228(b), in connection  
7 with and pending completion of the report required  
8 by section 228(c).

9 (k) EMPLOYMENT STATUS.—A member of the Com-  
10 mission, who is not otherwise an officer or employee of  
11 the Federal Government, shall not be deemed to be an  
12 employee of the Federal Government except for the pur-  
13 poses of—

14 (1) the tort claims provisions of chapter 171 of  
15 title 28, United States Code; and

16 (2) subchapter I of chapter 81 of title 5, United  
17 States Code, relating to compensation for work  
18 injuries.

19 **SEC. 236. DIRECTOR AND STAFF OF COMMISSION; EXPERTS**  
20 **AND CONSULTANTS.**

21 (a) DIRECTOR.—The Commission shall have a Direc-  
22 tor who shall be appointed by the Chairperson. The Direc-  
23 tor shall be paid at a rate not to exceed the maximum  
24 annual rate of basic pay payable under section 5376 of  
25 title 5, United States Code.

1 (b) STAFF.—Subject to rules prescribed by the Com-  
2 mission, the Chairperson may appoint and fix the pay of  
3 additional personnel as the Chairperson considers appro-  
4 priate.

5 (c) APPLICABILITY OF CERTAIN CIVIL SERVICE  
6 LAWS.—The Director and staff of the Commission may  
7 be appointed without regard to the provisions of title 5,  
8 United States Code, governing appointments in the com-  
9 petitive service, and may be paid without regard to the  
10 provisions of chapter 51 and subchapter III of chapter 53  
11 of that title relating to classification and General Schedule  
12 pay rates, except that an individual so appointed may not  
13 receive pay in excess of the maximum annual rate of basic  
14 pay payable under section 5376 of title 5, United States  
15 Code.

16 (d) EXPERTS AND CONSULTANTS.—The Commission  
17 may procure temporary and intermittent services under  
18 section 3109(b) of title 5, United States Code, at rates  
19 for individuals not to exceed the maximum annual rate  
20 of basic pay payable under section 5376 of title 5, United  
21 States Code.

22 (e) STAFF OF FEDERAL AGENCIES.—Upon request  
23 of the Commission, the head of any Federal department  
24 or agency may detail, on a reimbursable basis, any of the

1 personnel of that department or agency to the Commission  
2 to assist it in carrying out its duties under this Act.

3 **SEC. 237. POWERS OF COMMISSION.**

4 (a) HEARINGS AND SESSIONS.—The Commission  
5 may, for the purpose of carrying out this Act, hold hear-  
6 ings, sit and act at times and places, take testimony, and  
7 receive evidence as the Commission considers appropriate.  
8 The Commission may administer oaths or affirmations to  
9 witnesses appearing before it.

10 (b) POWERS OF MEMBERS AND AGENTS.—Any mem-  
11 ber or agent of the Commission may, if authorized by the  
12 Commission, take any action which the Commission is au-  
13 thorized to take by this section.

14 (c) OBTAINING OFFICIAL DATA.—The Commission  
15 may secure directly from any department or agency of the  
16 United States information necessary to enable it to carry  
17 out this Act. Upon request of the Chairperson of the Com-  
18 mission, the head of that department or agency shall fur-  
19 nish that information to the Commission.

20 (d) GIFTS, BEQUESTS, AND DEVICES.—The Commis-  
21 sion may accept, use, and dispose of gifts, bequests, or  
22 devises of services or property, both real and personal, for  
23 the purpose of aiding or facilitating the work of the Com-  
24 mission. Gifts, bequests, or devises of money and proceeds  
25 from sales of other property received as gifts, bequests,

1 or devises shall be deposited in the Treasury and shall be  
2 available for disbursement upon order of the Commission.

3 (e) **MAILS.**—The Commission may use the United  
4 States mails in the same manner and under the same con-  
5 ditions as other departments and agencies of the United  
6 States.

7 (f) **ADMINISTRATIVE SUPPORT SERVICES.**—Upon the  
8 request of the Commission, the Administrator of General  
9 Services shall provide to the Commission, on a reimburs-  
10 able basis, the administrative support services necessary  
11 for the Commission to carry out its responsibilities under  
12 this Act.

13 (g) **CONTRACT AUTHORITY.**—To the extent provided  
14 in advance in appropriations Acts, the Commission may  
15 contract with and compensate government and private  
16 agencies or persons for the purpose of conducting research  
17 or surveys necessary to enable the Commission to carry  
18 out its duties under this Act.

19 **SEC. 238. REPORTS.**

20 (a) **STATUS REPORT.**—Not later than 1 year after  
21 the date on which the initial appointments under section  
22 235(a) are completed, the Commission shall submit to the  
23 President and the Congress a written report describing the  
24 current activities and findings of the Commission and the  
25 direction of the Commission.

1 (b) RECOMMENDATION REPORT.—Not later than 18  
2 months after the date on which the initial appointments  
3 under section 235(a) are completed, the Commission shall  
4 submit to the President and the Congress a written report  
5 containing—

6 (1) the findings and conclusions of the Commis-  
7 sion resulting from the study conducted under sec-  
8 tion 234; and

9 (2) recommendations, including specific pro-  
10 posed legislation and administrative action, based on  
11 the findings and conclusions referred to in para-  
12 graph (1).

13 (c) FOLLOW-UP REPORT.—After submission of the  
14 report required by subsection (b) and before the termi-  
15 nation of the Commission, the Commission shall submit  
16 to the President and to the Congress a written report—

17 (1) identifying which of the recommendations  
18 included in such report have been implemented; and

19 (2) containing any additional information the  
20 Commission considers to be appropriate.

21 **SEC. 239. TERMINATION.**

22 The Commission shall terminate 1 year after submit-  
23 ting the report required by section 238(b).

1 **SEC. 239A. AUTHORIZATION OF APPROPRIATIONS.**

2 There are authorized to be appropriated for fiscal  
3 years 1995, 1996, and 1997 such sums as may be nec-  
4 essary to carry out this Act.

5 **Subtitle E—Job Training Self-**  
6 **Sufficiency Act**

7 **SEC. 241. SHORT TITLE.**

8 This subtitle may be cited as the “Self-Sufficiency  
9 Standard Act”.

10 **SEC. 242. FINDINGS AND PURPOSE.**

11 (a) FINDINGS.—The Congress finds that—

12 (1) the principle objective of programs under  
13 part A of title II of the Job Training Partnership  
14 Act (29 U.S.C. 1601 et seq.) is to move economically  
15 disadvantaged adults into permanent, unsubsidized  
16 employment that pays a wage that enables such  
17 adults to achieve long-term economic self-sufficiency  
18 for themselves and their dependents;

19 (2) current measures of success of such pro-  
20 grams do not accurately assess the degree to which  
21 participants achieve long-term economic self-suffi-  
22 ciency;

23 (3) in order to ensure that such programs re-  
24 sult in long-term economic self-sufficiency for par-  
25 ticipants, performance standards must focus both on  
26 the wage and benefits a participant receives relative

1 to the participant's family size and needs, and on  
2 the duration and stability of the participant's em-  
3 ployment; and

4 (4) the wage and benefits needed to achieve  
5 long-term economic self-sufficiency will vary by fam-  
6 ily size and local market conditions governing prices  
7 of essential goods and services.

8 (b) PURPOSES.—The purposes of this Act are—

9 (1) to provide for the establishment and use of  
10 local economic self-sufficiency standards tables to ac-  
11 curately measure the effectiveness of adult training  
12 programs carried out under part A of title II of the  
13 Job Training Partnership Act (29 U.S.C. 1601 et  
14 seq.); and

15 (2) to provide grants to States to develop dem-  
16 onstration and exemplary programs to increase the  
17 number of participants under such programs who  
18 are trained and placed in jobs that yield long-term  
19 economic self-sufficiency using the local economic  
20 self-sufficiency standards tables.

21 **SEC. 243. DEFINITION OF ECONOMIC SELF-SUFFICIENCY.**

22 Section 4 of the Job Training Partnership Act (29  
23 U.S.C. 1503) is amended by adding at the end the follow-  
24 ing new paragraph:

1           “(41) The term ‘economic self-sufficiency’  
2 means the ability of an individual to meet the follow-  
3 ing basic needs for the individual and such individ-  
4 ual’s family:

5           “(A) Housing.

6           “(B) Child care.

7           “(C) Adult dependent care.

8           “(D) Food.

9           “(E) Transportation.

10          “(F) Health care.

11          “(G) Work-related expenses.”.

12 **SEC. 244. ESTABLISHMENT OF ECONOMIC SELF-SUFFI-**  
13 **CIENCY STANDARDS FOR ADULT TRAINING**  
14 **PROGRAMS.**

15          (a) IN GENERAL.—Section 106(b) of such Act (29  
16 U.S.C. 1516(b)) is amended by adding at the end the fol-  
17 lowing new paragraph:

18           “(9) ECONOMIC SELF-SUFFICIENCY STANDARDS  
19 FOR ADULT PROGRAMS.—

20           “(A) FORMULA DEVELOPED BY THE SEC-  
21 RETARY.—(i)(I) Not later than 6 months after  
22 the date of the enactment of this paragraph,  
23 the Secretary shall develop and publish in the  
24 Federal Register a proposed formula which  
25 measures the minimum amount of wages and

1 employment benefits that a participant enrolled  
2 in a program under part A of title II should re-  
3 ceive after termination from such program to  
4 ensure the long-term economic self-sufficiency  
5 of such participant.

6 “(II) The Secretary shall provide for public  
7 review and comment of the proposed formula  
8 described in subclause (I) within the 60-day pe-  
9 riod beginning on the date such formula is pub-  
10 lished in the Federal Register. Not later than  
11 4 months after the end of such 60-day period,  
12 the Secretary shall develop and publish in the  
13 Federal Register a final formula.

14 “(ii) The Secretary shall base the formula  
15 described in clause (i) on appropriate factors,  
16 which shall include—

17 “(I) the participant’s family size and  
18 composition, including the number and age  
19 of dependent adults and children;

20 “(II) 100 percent of the average hous-  
21 ing costs, which shall be based on the fair  
22 market rental in effect for the market area  
23 in which the participant resides, as estab-  
24 lished by the Secretary of Housing and  
25 Urban Development pursuant to section

1 8(c) of the United States Housing Act of  
2 1937;

3 “(III) 100 percent of the average  
4 child care costs (differentiated by the age  
5 of each child), which may be based on the  
6 actual cost of such care established under  
7 section 402(g)(1)(C)(i)(I) the Social Secu-  
8 rity Act or the applicable local market rate  
9 established under clause (ii) of such sec-  
10 tion;

11 “(IV) 100 percent of the average  
12 adult dependent care costs, which may be  
13 based on local surveys or the local average  
14 of such costs;

15 “(V) 100 percent of the average  
16 health care costs, which shall include costs  
17 incurred for full family health care cov-  
18 erage (including premiums, deductibles,  
19 and co-payments), and which may be based  
20 on local surveys or the local average of  
21 such costs;

22 “(VI) 100 percent of the average  
23 transportation costs, which may be based  
24 on local surveys or the local average of  
25 such costs;

1           “(VII) 100 percent of the food costs,  
2           which shall be equal to  $\frac{1}{3}$  of the official  
3           poverty line (as defined by the Office of  
4           Management and Budget, and revised an-  
5           nually in accordance with section 673(2) of  
6           the Omnibus Budget Reconciliation Act of  
7           1981 (42 U.S.C. 9902(2)); and

8           “(VIII) 100 percent of the average  
9           work-related costs, which shall include the  
10          cost of uniforms, tools, and other appro-  
11          priate work-related costs.

12          “(iii) The Secretary shall also designate,  
13          from among the needs identified through the  
14          needs assessment conducted under this Act,  
15          those needs which shall be used by a service de-  
16          livery area to develop the summary needs table  
17          under section 104(b)(14)(B).

18          “(B) LOCAL ECONOMIC SELF-SUFFICIENCY  
19          STANDARDS TABLES DEVELOPED BY SERVICE  
20          DELIVERY AREAS.—(i) Not later than 12  
21          months after the date on which the Secretary  
22          publishes the final formula in the Federal Reg-  
23          ister under subparagraph (A)(i)(II), each serv-  
24          ice delivery area shall, in accordance with such  
25          formula, develop and submit to the Governor a

1 local economic self-sufficiency standards table  
2 which measures the minimum amount of wages  
3 and employment benefits that a participant en-  
4 rolled in a program under part A of title II in  
5 such area should receive after termination from  
6 such program to ensure the long-term economic  
7 self-sufficiency of such participant.

8 “(ii) The Secretary shall provide technical  
9 assistance to States and service delivery areas  
10 for the purpose of assisting such service deliv-  
11 ery areas to develop the local economic self-suf-  
12 ficiency standards tables under clause (i).

13 “(C) APPROVAL AND DISAPPROVAL OF  
14 TABLE.—(i) Not later than 30 days after the  
15 date on which the Governor receives a local eco-  
16 nomic self-sufficiency standards table submitted  
17 by a service delivery area under subparagraph  
18 (B)(i), the Governor shall review such table and  
19 approve or disapprove such table in accordance  
20 with this subparagraph.

21 “(ii) The Governor shall approve each local  
22 economic self-sufficiency standards table only  
23 if—

24 “(I) such table accounts for the full  
25 range of variations of family size and com-

1 position described in subclause (I) of sub-  
2 paragraph (A)(ii);

3 “(II) such table accounts for 100 per-  
4 cent of each of the costs described in  
5 subclauses (II) through (VIII) of subpara-  
6 graph (A)(ii);

7 “(III) the methodology used to deter-  
8 mine such costs accurately represent such  
9 costs; and

10 “(IV) such table complies with all  
11 other provisions of the formula developed  
12 by the Secretary under subparagraph (A).

13 “(iii) If the Governor determines that the  
14 table does not meet the requirements of clause  
15 (ii) or is otherwise incomplete or unsatisfactory,  
16 the Governor shall, before the end of the period  
17 referred to in clause (i)—

18 “(I) notify the service delivery area of  
19 the reasons for the failure to approve the  
20 table;

21 “(II) notify the service delivery area  
22 that the table may be resubmitted during  
23 the period referred to in subclause (III);  
24 and

1           “(III) permit the service delivery area  
2           to resubmit a corrected or amended table  
3           during the 30-day period beginning on no-  
4           tification under this clause.

5           “(iv) The Governor shall review and ap-  
6           prove or disapprove any table resubmitted  
7           under clause (iii) beginning before the expira-  
8           tion of the 30-day period beginning upon such  
9           resubmission.

10           “(D) ANNUAL UPDATES.—Each service de-  
11           livery area shall update the local economic self-  
12           sufficiency standards table developed by such  
13           area on an annual basis and shall submit to the  
14           Governor a description of the updated version  
15           of such table.”.

16           (b) CONFORMING AMENDMENT.—Paragraph (3) of  
17           section 106(b) of such Act (29 U.S.C. 1516(b)(3)) is  
18           amended by striking “The Secretary” and inserting “In  
19           addition to the standards under local economic self-suffi-  
20           ciency standards tables developed pursuant to paragraph  
21           (9), the Secretary”.

1 **SEC. 245. PROHIBITION OF INCENTIVE GRANTS TO SERV-**  
2 **ICE DELIVERY AREAS THAT DO NOT HAVE IN**  
3 **EFFECT AN APPROVED LOCAL ECONOMIC**  
4 **SELF-SUFFICIENCY STANDARDS TABLE.**

5 (a) IN GENERAL.—Paragraph (7) of section 106(b)  
6 of such Act (29 U.S.C. 1516(b)(7)) is amended—

7 (1) by striking “From funds available” and in-  
8 serting “(A) Subject to subparagraph (B), from  
9 funds available”;

10 (2) by redesignating clauses (i) and (ii) of sub-  
11 paragraph (D) as subclauses (I) and (II), respec-  
12 tively;

13 (3) by redesignating subparagraphs (A) through  
14 (E) of such paragraph as clauses (i) through (v), re-  
15 spectively; and

16 (4) by adding at the end the following new sub-  
17 paragraph:

18 “(B) A Governor shall not award incentive  
19 grants for programs under part A of title II to serv-  
20 ice delivery areas that do not have in effect a local  
21 economic self-sufficiency standards table approved  
22 under paragraph (9)(C).

23 (b) EFFECTIVE DATE.—The amendments made by  
24 subsection (a) shall take effect 2 years after the date of  
25 the enactment of this Act.

1 **SEC. 246. INCLUSION OF LOCAL ECONOMIC SELF-SUFFI-**  
2 **CIENCY STANDARDS TABLE AND RELATED**  
3 **REPORTS IN JOB TRAINING PLAN.**

4 (a) LOCAL ECONOMIC SELF-SUFFICIENCY STAND-  
5 ARDS TABLE.—Subparagraph (B) of section 104(b)(5) of  
6 such Act (29 U.S.C. 1514(b)(5)(B)) is amended by insert-  
7 ing “, including the local economic self-sufficiency stand-  
8 ards table developed pursuant to subsection (b)(9) of such  
9 section” after “section 106”.

10 (b) ANNUAL REPORTS.—Subsection (b) of section  
11 104 of such Act (29 U.S.C. 1514(b)) is amended—

12 (1) in paragraph (12), by striking “; and” and  
13 inserting a semicolon;

14 (2) in paragraph (13), by striking the period at  
15 the end of such paragraph and inserting “; and”;  
16 and

17 (3) by adding at the end the following new  
18 paragraph:

19 “(14) procedures for the preparation and sub-  
20 mission of an annual report to the Governor, which  
21 shall include—

22 “(A) with respect to each participant who  
23 has completed training under a program carried  
24 out under part A of title II in the service deliv-  
25 ery area, information relating to—

1           “(i) the type and amount of services  
2 provided to such participant under the pro-  
3 gram;

4           “(ii) the subsequent employment of  
5 the participant, where appropriate, includ-  
6 ing the amount of wages and employment  
7 benefits received by the participant under  
8 such employment; and

9           “(iii) the degree of long-term eco-  
10 nomic self-sufficiency which the participant  
11 has achieved as a result of the training re-  
12 ceived by the participant under the pro-  
13 gram based upon the local economic self-  
14 sufficiency standards table; and

15          “(B) a summary needs table which—

16           “(i) ranks and places participants into  
17 at least 4 categories of equal size based  
18 upon the needs designated by the Sec-  
19 retary under section 106(b)(9)(A)(iii);

20           “(ii) includes a description of the level  
21 of measurements used to place the partici-  
22 pants into such categories; and

23           “(iii) includes a description of the de-  
24 gree to which participants in each category  
25 achieved long-term economic self-suffi-

1           ciency after termination from a program  
2           under part A of title II.”.

3 **SEC. 247. INCLUSION OF LOCAL ECONOMIC SELF-SUFFI-**  
4 **CIENCY STANDARDS TABLES AND RELATED**  
5 **REPORTS IN GOVERNOR’S COORDINATION**  
6 **AND SPECIAL SERVICES PLAN.**

7           Subsection (b) of section 121 of such Act (29 U.S.C.  
8 1531(b)) is amended—

9           (1) by redesignating paragraphs (6) and (7) as  
10          paragraphs (7) and (8), respectively; and

11          (2) by inserting after paragraph (5) the follow-  
12          ing new paragraph:

13               “(6) The plan shall include—

14                       “(A) the local economic self-sufficiency  
15                       standards table developed by each service deliv-  
16                       ery areas pursuant to section 106(b)(9);

17                       “(B) a compilation of the reports received  
18                       by the Governor under section 104(b)(14); and

19                       “(C) a description of goals and objectives  
20                       to assist participants enrolled in programs  
21                       under part A of title II achieve long-term eco-  
22                       nomic self-sufficiency.”.

1 **SEC. 248. DEMONSTRATION PROGRAMS TO IMPLEMENT**  
2 **LOCAL ECONOMIC SELF-SUFFICIENCY**  
3 **STANDARDS TABLES.**

4 (a) IN GENERAL.—Part D of title IV of such Act (29  
5 U.S.C. 1737 et seq.) is amended by adding at the end  
6 the following new section:

7 **“SEC. 457. ECONOMIC SELF-SUFFICIENCY DEMONSTRATION**  
8 **GRANT PROGRAM.**

9 “(a) AUTHORIZATION.—

10 “(1) IN GENERAL.—From funds available  
11 under this part for the fiscal years 1996, 1997, and  
12 1998, the Secretary shall use \$1,500,000 in each  
13 such fiscal year to provide grants to States to estab-  
14 lish and carry out demonstration and exemplary pro-  
15 grams to increase the number of participants in pro-  
16 grams under part A of title II who are trained and  
17 placed in jobs that yield long-term economic self-suf-  
18 ficiency in accordance with the local economic self-  
19 sufficiency standards tables under section 106(b)(9).

20 “(2) LIMITATION.—The Secretary may provide  
21 no more than 6 grants in each fiscal year under  
22 paragraph (1).

23 “(b) APPLICATION.—The Secretary may provide a  
24 grant to a State under subsection (a) only if such State  
25 submits to the Secretary an application which contains  
26 such information as the Secretary may reasonably require.

1 “(c) USE OF FUNDS.—

2 “(1) IN GENERAL.—A State shall use amounts  
3 received from a grant under subsection (a) to award  
4 grants to service delivery areas and eligible service  
5 providers described in paragraph (3) to develop and  
6 test strategies to train, place, and retain participants  
7 in jobs that yield long-term economic self-sufficiency  
8 in accordance with the local economic self-sufficiency  
9 standards tables under section 106(b)(9).

10 “(2) APPROPRIATE LEVEL OF SERVICES.—In  
11 providing grants under paragraph (1), a State shall  
12 ensure that each service delivery area or service pro-  
13 vider provides for an appropriate level of services, in-  
14 cluding supportive services, to participants using the  
15 relevant local economic self-sufficiency standards ta-  
16 bles developed by the service delivery area.

17 “(3) ELIGIBLE SERVICE PROVIDERS.—Eligible  
18 service providers described in this paragraph are  
19 community-based organizations, educational institu-  
20 tions, or any other service providers in the State  
21 that have a demonstrated success in—

22 “(A) providing occupational skills training  
23 to participants for high-wage jobs; and

1           “(B) ensuring that participants receive  
2           supportive services in order to successfully com-  
3           plete such training.

4           “(d) ADMINISTRATIVE AND RELATED COSTS.—In  
5 any fiscal year in which a State receives amounts from  
6 a grant under subsection (a), the State may retain an  
7 amount not to exceed 10 percent of the grant amount to—

8           “(1) pay the administrative costs of programs  
9           established and carried out under subsection (a);

10           “(2) facilitate the coordination of statewide ap-  
11           proaches to training and placing participants in jobs  
12           yielding long-term economic self-sufficiency; and

13           “(3) provide technical assistance to service de-  
14           livery areas and service providers.

15           “(e) SELECTION.—In providing grants to States  
16 under subsection (a), the Secretary shall consider—

17           “(1) the extent to which the State has dem-  
18           onstrated that the coordination of services provided  
19           under this Act with services provided by agencies  
20           and organizations addressing the basic needs of low-  
21           income individuals, including housing, food, trans-  
22           portation, dependent care, and health care, has re-  
23           sulted in the prompt and efficient delivery of services  
24           to participants under this Act;

1           “(2) the extent to which the State has dem-  
2           onstrated its capability to ensure the provision of all  
3           needed supportive services to participants in any job  
4           training program carried out in the State for the du-  
5           ration of such participants’ enrollment;

6           “(3) the extent of private sector involvement in  
7           the development and implementation of training pro-  
8           grams that increase opportunities for participants to  
9           achieve long-term economic self-sufficiency under  
10          this Act in the State;

11          “(4) the extent to which the initiatives proposed  
12          by a State in its application supplement or build  
13          upon existing efforts in the State to train and place  
14          individuals in jobs that increase opportunities for  
15          participants to achieve long-term economic self-suffi-  
16          ciency;

17          “(5) whether the proposed amount of the grant  
18          to be provided under subsection (a) is sufficient to  
19          accomplish measurable goals;

20          “(6) the extent to which the State is prepared  
21          to disseminate information on its demonstration  
22          training programs relating to training, placement,  
23          and other services; and

1           “(7) the extent to which the State is prepared  
2           to produce materials that allow for replication of  
3           such State’s demonstration training programs.

4           “(f) EVALUATION.—The Secretary shall provide for  
5           an evaluation of the programs established and carried out  
6           under subsection (a), including evaluation of the effective-  
7           ness of such programs in—

8           “(1) assisting participants with varying needs  
9           in achieving long-term economic self-sufficiency  
10          through training, placement, and other services;

11          “(2) effectively implementing the use of local  
12          economic self-sufficiency standards tables to increase  
13          the number of participants achieving long-term eco-  
14          nomic self-sufficiency; and

15          “(3) developing and replicating approaches to  
16          assist participants with varying needs in achieving  
17          long-term economic self-sufficiency through training,  
18          placement, and other services.”.

19          (b) CONFORMING AMENDMENT.—The table of con-  
20          tents of such Act is amended by inserting after the item  
21          relating to section 456 the following new item:

          “Sec. 457. Economic self-sufficiency demonstration grant program.”.

22       **SEC. 249. REPORT AND RECOMMENDATIONS.**

23          (a) REPORT.—Not later than 2 years after the date  
24          on which the Secretary provides the 1st grant to a State  
25          under section 457(a)(1) of the Job Training Partnership

1 Act and biennially thereafter, the Secretary of Labor shall  
2 submit to the Congress a report on—

3 (1) the extent to which States, service delivery  
4 areas, and other service providers have succeeded in  
5 training, placing, and retaining participants enrolled  
6 in programs under part A of title II of such Act in  
7 jobs yielding long-term economic self-sufficiency; and

8 (2) the effectiveness of the demonstration pro-  
9 grams established under section 457 of such Act in  
10 developing and replicating approaches to train,  
11 place, and retain participants in such jobs, including  
12 a summary of activities performed by grant recipi-  
13 ents under the demonstration programs authorized  
14 under such section.

15 (b) RECOMMENDATIONS.—The report described in  
16 subsection (a) shall include recommendations on—

17 (1) the need to continue, expand, or modify the  
18 demonstration programs established under section  
19 457 of the Job Training Partnership Act;

20 (2) legislative and administrative changes nec-  
21 essary to increase opportunities for participants to  
22 achieve long-term economic self-sufficiency; and

23 (3) legislative and administrative action nec-  
24 essary to institutionalize the use of local economic  
25 self-sufficiency standards tables as the principal

1 measure of performance for programs carried out  
2 under part A of title II of the Job Training Partner-  
3 ship Act (29 U.S.C. 1601 et seq.) such that—

4 (A) the basic measure of performance for  
5 such programs shall be the achievement of long-  
6 term economic self-sufficiency resulting from  
7 participation in the program;

8 (B) placements are evaluated according to  
9 whether the wages and employment benefits  
10 meet the participant's particular long-term eco-  
11 nomic self-sufficiency needs;

12 (C) both wages and the cash value of em-  
13 ployment benefits are used to determine wheth-  
14 er a participant has achieved the self-sufficiency  
15 standard for their particular family size and  
16 composition;

17 (D) in order to ensure that participants  
18 with varying needs are served equitably, the  
19 placements shall be equitably distributed among  
20 the categories contained in the summary needs  
21 table established by the service delivery area in  
22 the job training plan prepared under section  
23 104(b)(14)(B) of the Job Training Partnership  
24 Act; and

1 (E) incentive grants under section  
2 106(b)(7) of such Act (29 U.S.C. 1516(b)(7))  
3 are provided to service delivery areas based pri-  
4 marily on the extent to which such areas exceed  
5 the standards under the local economic self-suf-  
6 ficiency standards table for such areas.

7 **TITLE III—WORK AND FAMILY**  
8 **Subtitle A—Child Care Public-**  
9 **Private Partnership Act**

10 **SEC. 301. SHORT TITLE.**

11 This title may be cited as the “Child Care Public-  
12 Private Partnership Act of 1993”.

13 **SEC. 302. ESTABLISHMENT OF BUSINESS INCENTIVE**  
14 **GRANT PROGRAM.**

15 The Secretary of Health and Human Services shall  
16 establish a program to make grants to—

17 (1) businesses and consortia—

18 (A) to pay start-up costs incurred to pro-  
19 vide child care services; or

20 (B) to provide additional child care serv-  
21 ices;

22 needed by the employees of such businesses; and

23 (2) nonprofit business organizations to provide  
24 technical information and assistance to enable busi-  
25 nesses to provide child care services.

1 **SEC. 303. ELIGIBILITY TO RECEIVE GRANTS.**

2 To be eligible to receive a grant under section 302,  
3 a business, nonprofit business organization, or consortium  
4 shall submit to the Secretary an application in accordance  
5 with section 304.

6 **SEC. 304. APPLICATION.**

7 The application required by section 303 shall be sub-  
8 mitted by a business, nonprofit business organization, or  
9 consortium at such time, in such form, and containing  
10 such information as the Secretary may require by rule,  
11 except that such application shall contain—

12 (1) an assurance that the applicant shall ex-  
13 pend, for the purpose for which such grant is made,  
14 an amount not less than 200 percent of the amount  
15 of such grant;

16 (2) an assurance that such applicant will ex-  
17 pend such grant for the use specified in paragraph  
18 (1) or (2) of section 302, as the case may be;

19 (3) an assurance that such applicant will em-  
20 ploy strategies to ensure that child care services pro-  
21 vided by such applicant, or provided with the tech-  
22 nical information and assistance made available by  
23 such applicant, are provided at affordable rates, and  
24 on an equitable basis, to low- and moderate-income  
25 employees;

26 (4) an assurance that such applicant—

1 (A) in the case of a business or consor-  
2 tium, will comply with all State and local licens-  
3 ing requirements applicable to such business or  
4 consortium concerning the provision of child  
5 care services; or

6 (B) in the case of a nonprofit business or-  
7 ganization, will employ procedures to ensure  
8 that technical information and assistance pro-  
9 vided under this Act by such business organiza-  
10 tion will be provided only to businesses that  
11 provide child care services in compliance with  
12 all State and local licensing requirements appli-  
13 cable to child care providers in such State; and

14 (5) in the case of a business or consortium, an  
15 assurance that if the employees of such applicant do  
16 not require all the child care services for which such  
17 grant and the funds required by paragraph (1) are  
18 to be expended by such applicant, the excess of such  
19 child care services shall be made available to families  
20 in the community in which such applicant is located.

21 **SEC. 305. SELECTION OF GRANTEES.**

22 For purposes of selecting applicants to receive grants  
23 under this Act, the Secretary shall give priority to busi-  
24 nesses that have fewer than 100 full-time employees. To  
25 the extent practicable, the Secretary shall—

1           (1) make grants equitably under this Act to ap-  
2           plicants located in all geographical regions of the  
3           United States; and

4           (2) give priority to applicants for grants under  
5           section 302(1).

6 **SEC. 306. DEFINITIONS.**

7           As used in the Act:

8           (1) BUSINESS.—The term “business” means a  
9           person engaged in commerce whose primary activity  
10          is not providing child care services.

11          (2) CHILD CARE SERVICES.—The term “child  
12          care services” means care for a child that is—

13                (A) provided on the site at which a parent  
14                of such child is employed or at a site nearby in  
15                the community; and

16                (B) subsidized at least in part by the busi-  
17                ness that employs such parent.

18          (3) CONSORTIUM.—The term “consortium”  
19          means 2 or more businesses acting jointly. A consor-  
20          tium may also include a nonprofit private organiza-  
21          tion.

22          (4) SECRETARY.—The term ‘Secretary’ means  
23          the Secretary of Health and Human Services.

1 **SEC. 307. AUTHORIZATION OF APPROPRIATIONS.**

2 There is authorized to be appropriated to carry out  
3 this Act \$25,000,000 for each of the fiscal years 1994,  
4 1995, 1996, and 1997.

5 **Subtitle B—After-School Child**  
6 **Care**

7 **SEC. 311. SHORT TITLE.**

8 This subtitle may be cited as the “After-School Child  
9 Care Act of 1993”.

10 **SEC. 312. FINDINGS.**

11 The Congress makes the following findings:

12 (1) Major changes have occurred in America’s  
13 family and work life in the past two decades as  
14 women with children have entered the work force in  
15 large numbers.

16 (2) Between 1970 and 1988, the proportion of  
17 all women with children younger than 18 who were  
18 in the labor force rose from 40 to 65 percent.

19 (3) For many working parents, especially single  
20 parents, finding quality and affordable afterschool  
21 services to provide supervision for their children  
22 until the end of the work day is a major concern and  
23 challenge.

24 (4) Because of the cost or unavailability of serv-  
25 ices, afterschool care for many has been an insur-

1 mountable problem which has resulted in children  
2 being left along afterschool to fend for themselves.

3 (5) More than 2,000,000 children between the  
4 ages of 5 through 13 are left alone to care for them-  
5 selves after school.

6 (6) Because of the lack of adult supervision,  
7 such children are exposed to higher risks of physical  
8 injury at the hands of others or themselves.

9 (7) Recent studies have also found that children  
10 unsupervised for 1 or more hours per school day are  
11 at greater risk of substance abuse.

12 (8) The community as a whole also suffers from  
13 the limited availability of quality and affordable  
14 afterschool care for children.

15 **SEC. 313. PURPOSE.**

16 The purpose of this Act is to provide grants to assist  
17 State educational agencies and local educational agencies  
18 in establishing State and district-wide afterschool care  
19 programs that—

20 (1) provide affordable and quality afterschool  
21 supervision for students enrolled in kindergarten  
22 through grade 6 who could be without supervision of  
23 an adult after the end of the instructional school day  
24 as a result of parental employment;

1           (2) reinforce and expand learning experiences of  
2 children by providing a spectrum of opportunities  
3 and activities after regular school hours, including  
4 homework help, reading, tutorial assistance, enrich-  
5 ment in areas such as art, crafts and expressive  
6 arts, and access to school libraries and classrooms;

7           (3) improve the physical development of chil-  
8 dren by providing supervised recreational sports, and  
9 fitness activities;

10          (4) increase the utilization of school facilities;  
11 and

12          (5) enhance the relationship between home and  
13 school by collaboratively meeting the needs of chil-  
14 dren.

15 **SEC. 314. PROGRAM AUTHORIZED.**

16          (a) GENERAL AUTHORITY.—The Secretary of Edu-  
17 cation is authorized to make grants to State and local edu-  
18 cational agencies which have applications approved under  
19 section 315 to pay the Federal share of the cost of pro-  
20 grams designed to provide affordable and quality after-  
21 school care for students enrolled in kindergarten through  
22 grade 6.

23          (b) USES OF FUNDS.—State and local educational  
24 agencies that receive grants under this Act may use the  
25 funds to plan, develop, implement, administer, or expand

1 afterschool care programs through cooperative agree-  
2 ments, contracts for services, or direct employment of  
3 staff, which—

4           (1) provides stimulating afterschool activities  
5           such as homework assistance, tutoring, reading,  
6           physical activity, arts and crafts, and expressive  
7           arts;

8           (2) utilizes existing public school facilities, in-  
9           cluding classrooms, libraries, computers, and other  
10          school equipment; and

11          (3) utilizes school teachers, counselors, adminis-  
12          trators, other faculty and parents to provide after-  
13          school supervision.

14          (c) ELIGIBLE STUDENTS.—Participation in such an  
15          afterschool program shall be limited to public elementary  
16          school students enrolled in kindergarten through grade 6  
17          who—

18               (1) come from households headed by a single  
19               working parent or guardian, or two working parents  
20               or guardians;

21               (2) are children of persons who work in the  
22               afterschool program;

23               (3) are children of parents who attend school or  
24               job training for career development; or

1           (4) are recommended by the school on the basis  
2           of educational need, subject to available resources.

3 **SEC. 315. APPLICATION.**

4           (a) APPLICATION.—A State or local educational  
5 agency that desires to receive a grant under this Act shall  
6 submit an application to the Secretary of Education at  
7 such time, in such manner, and accompanied by such addi-  
8 tional information as the Secretary may reasonably re-  
9 quire.

10          (b) REQUIREMENTS.—Each such application shall  
11 contain a plan to develop and implement a State or dis-  
12 trict-wide afterschool program which includes—

13           (1) policies and procedures for the employment  
14 of adequate staff to administer the afterschool pro-  
15 gram;

16           (2) if applicable, procedures for contracting  
17 with private entities to provide afterschool services;

18           (3) policies and procedures for establishing af-  
19 fordable fees to be paid by parents and guardians to  
20 help pay for the cost of the afterschool care;

21           (4) policies to ensure that students who qualify  
22 for the school free or reduced-price lunch program  
23 are exempt from program fees;

24           (5) policies and procedures to establish under  
25 what circumstances students may be precluded from

1 continued participation in the program, including  
2 failure to pay the program fee, chronic late pick-ups,  
3 or conduct which jeopardizes the safety or welfare of  
4 the program's staff or participants;

5 (6) a plan to ensure optimum use of the edu-  
6 cational facilities and resource available at sites that  
7 are not in conflict with the goals and objectives of  
8 the State or local educational agency's regular edu-  
9 cation and afterschool instructional program;

10 (7) a plan to ensure adequate coordination with  
11 the public school system on such matters as shared  
12 use of facilities, materials and equipment, and cur-  
13 riculum;

14 (8) a plan to ensure the development of a  
15 meaningful curriculum consistent with objectives of  
16 the State or local educational agency's regular in-  
17 structional program; and

18 (9) a plan to ensure parental and community  
19 participation in the development of an afterschool  
20 program, including input from existing public and  
21 private providers of afterschool care.

22 (c) SPECIAL CONSIDERATION.—In making an award  
23 under this Act, the Secretary shall give special consider-  
24 ation to—

1 (1) the geographic distribution of awards, in-  
2 cluding urban and rural districts; and

3 (2) districts with high proportions of at-risk  
4 students.

5 **SEC. 316. LIMITATIONS.**

6 (a) FEDERAL SHARE.—Federal funds may be used  
7 for not more than 75 percent of the costs of the project  
8 with the remaining funds coming from non-Federal  
9 sources, including program fees paid by parents and in-  
10 kind services.

11 (b) LIMITATION ON PLANNING COSTS.—Not more  
12 than  $\frac{1}{3}$  of project funds may be used for planning an  
13 afterschool program.

14 (c) IMPLEMENTATION OF NON-FEDERAL FUNDS.—  
15 All Federal funds must be used to supplement and not  
16 supplant the funds that would otherwise be available from  
17 non-Federal sources for this project.

18 **SEC. 317. REPORTS.**

19 A State or local educational agency that receives a  
20 grant under this Act shall submit to the Secretary a report  
21 by March of each year that—

22 (1) describes the progress in meeting the pur-  
23 pose of this Act;

24 (2) includes information on the enrollment and  
25 costs of the afterschool program;

- 1 (3) describes the impact of the program on—  
2 (A) meeting the need of afterschool care in  
3 the State or district;  
4 (B) other existing public and private after-  
5 school care programs; and  
6 (C) functioning of the regular school pro-  
7 gram; and  
8 (4) any other information that may be pre-  
9 scribed by the Secretary of Education.

10 **SEC. 318. AUTHORIZATION OF FUNDS.**

11 There are authorized to be appropriated to carry out  
12 the provisions of this Act \$250,000,000 for the fiscal year  
13 1995 and such sums as may be necessary for each of the  
14 fiscal years, 1996, 1997, 1998, and 1999.

15 **Subtitle C—Dependent Care Tax**  
16 **Credit Refundability**

17 **SEC. 321. DEPENDENT CARE TAX CREDIT.**

18 (a) DEPENDENT CARE SERVICES.—Subpart C of  
19 part IV of subchapter A of chapter 1 of the Internal Reve-  
20 nue Code of 1986 (relating to refundable credits) is  
21 amended by redesignating section 35 as section 36 and  
22 by inserting after section 34 the following new section:

23 **“SEC. 35. DEPENDENT CARE SERVICES.**

24 **“(a) ALLOWANCE OF CREDIT.—**

1           “(1) IN GENERAL.—In the case of an individual  
2 who maintains a household which includes as a  
3 member 1 or more qualifying individuals, there shall  
4 be allowed as a credit against the tax imposed by  
5 this subtitle for the taxable year an amount equal to  
6 the applicable percentage of the sum of—

7           “(A) the employment-related expenses paid  
8 by such individual during the taxable year, plus

9           “(B) the respite care expenses paid by  
10 such individual during the taxable year.

11           “(2) APPLICABLE PERCENTAGE DEFINED.—

12           “(A) IN GENERAL.—For purposes of para-  
13 graph (1), the term ‘applicable percentage’  
14 means 50 percent reduced (but not below 20  
15 percent) by 1 percentage point for each full  
16 \$1,000 amount by which the taxpayer’s ad-  
17 justed gross income for the taxable year exceeds  
18 \$15,000.

19           “(B) COST-OF-LIVING ADJUSTMENT.—

20           “(i) IN GENERAL.—In the case of a  
21 taxable year beginning in a calendar year  
22 after 1994, subparagraph (A) shall be ap-  
23 plied by increasing the \$15,000 amount  
24 contained therein by the cost-of-living ad-  
25 justment (as defined in section 1(f)(3)) for

1 such calendar year determined by sub-  
2 stituting “1993” for “1989” in subpara-  
3 graph (B) of section 1(f)(3).

4 “(ii) ROUNDING.—If any increase de-  
5 termined under clause (i) is not a multiple  
6 of \$10, such increase shall be rounded to  
7 the nearest multiple of \$10 (or if such in-  
8 crease is a multiple of \$15, such increase  
9 shall be increased to the next highest mul-  
10 tiple of \$10).

11 “(b) EMPLOYMENT-RELATED EXPENSES.—For pur-  
12 poses of this section—

13 “(1) DETERMINATION OF ELIGIBLE EX-  
14 PENSES.—

15 “(A) IN GENERAL.—The term ‘employ-  
16 ment-related expenses’ means amounts paid for  
17 the following expenses, but only if such ex-  
18 penses are incurred to enable the taxpayer to be  
19 gainfully employed for any period for which  
20 there are 1 or more qualifying individuals with  
21 respect to the taxpayer:

22 “(i) expenses for household services,  
23 and

24 “(ii) expenses for the care of a quali-  
25 fying individual.

1           Such term shall not include any amount paid  
2           for services outside the taxpayer’s household at  
3           a camp where the qualifying individual stays  
4           overnight and shall not include any respite care  
5           expense taken into account under subsection  
6           (a).

7           “(B)   EXCEPTION.—Employment-related  
8           expenses described in subparagraph (A) which  
9           are incurred for services outside the taxpayer’s  
10          household shall be taken into account only if in-  
11          curred for the care of—

12                  “(i) a qualifying individual described  
13                  in subsection (d)(1), or

14                  “(ii) a qualifying individual (not de-  
15                  scribed in subsection (d)(1)) who regularly  
16                  spends at least 8 hours each day in the  
17                  taxpayer’s household.

18          “(C)   DEPENDENT CARE CENTERS.—Em-  
19          ployment-related expenses described in subpara-  
20          graph (A) which are incurred for services pro-  
21          vided outside the taxpayer’s household by a de-  
22          pendent care center (as defined in subpara-  
23          graph (D)) shall be taken into account only if—

1           “(i) such center complies with all ap-  
2           plicable laws and regulations of a State or  
3           unit of local government, and

4           “(ii) the requirements of subpara-  
5           graph (B) are met.

6           “(D) DEPENDENT CARE CENTER DE-  
7           FINED.—For purposes of this paragraph, the  
8           term ‘dependent care center’ means any facility  
9           which—

10           “(i) provides care for more than 6 in-  
11           dividuals (other than individuals who re-  
12           side at the facility), and

13           “(ii) receives a fee, payment, or grant  
14           for providing services for any of the indi-  
15           viduals (regardless of whether such facility  
16           is operated for profit).

17           “(2) DOLLAR LIMIT ON AMOUNT CRED-  
18           ITABLE.—

19           “(A) IN GENERAL.—The amount of the  
20           employment-related expenses incurred during  
21           any taxable year which may be taken into ac-  
22           count under subsection (a) shall not exceed—

23           “(i) \$2,400 if there is 1 qualifying in-  
24           dividual with respect to the taxpayer for  
25           such taxable year, or

1           “(ii) \$4,800 if there are 2 or more  
2           qualifying individuals with respect to the  
3           taxpayer for such taxable year.

4           The amount determined under clause (i) or (ii)  
5           (whichever is applicable) shall be reduced by the  
6           aggregate amount excludable from gross income  
7           under section 129 for the taxable year.

8           “(B) REDUCTION IN LIMIT FOR AMOUNT  
9           OF RESPITE CARE EXPENSES.—The limitation  
10          of subparagraph (A) shall be reduced by the  
11          amount of the respite care expenses taken into  
12          account by the taxpayer under subsection (a)  
13          for the taxable year.

14          “(3) EARNED INCOME LIMITATION.—

15          “(A) IN GENERAL.—Except as otherwise  
16          provided in this paragraph, the amount of the  
17          employment-related expenses incurred during  
18          any taxable year which may be taken into ac-  
19          count under subsection (a) shall not exceed—

20                  “(i) in the case of an individual who  
21                  is not married at the close of such year,  
22                  such individual’s earned income for such  
23                  year, or

24                  “(ii) in the case of an individual who  
25                  is married at the close of such year, the

1           lesser of such individual's earned income or  
2           the earned income of his spouse for such  
3           year.

4           “(B) SPECIAL RULE FOR SPOUSE WHO IS  
5           A STUDENT OR INCAPABLE OF CARING FOR  
6           HIMSELF.—In the case of a spouse who is a  
7           student or a qualified individual described in  
8           subsection (d)(3), for purposes of subparagraph  
9           (A), such spouse shall be deemed for each  
10          month during which such spouse is a full-time  
11          student at an educational institution, or is such  
12          a qualifying individual, to be gainfully employed  
13          and to have earned income of not less than—

14                 “(i) \$200 if paragraph (2)(A)(i) ap-  
15                 plies for the taxable year, or

16                 “(ii) \$400 if paragraph (2)(A)(ii) ap-  
17                 plies for the taxable year.

18          In the case of any husband and wife, this sub-  
19          paragraph shall apply with respect to only one  
20          spouse for any one month.

21          “(c) RESPITE CARE EXPENSES.—For purposes of  
22          this section—

23                 “(1) IN GENERAL.—The term ‘respite care ex-  
24                 penses’ means expenses paid (whether or not to en-  
25                 able the taxpayer to be gainfully employed) for—

1 “(A) the care of a qualifying individual—

2 “(i) who has attained the age of 13,

3 or

4 “(ii) who is under the age of 13 but

5 has a physical or mental impairment which

6 results in the individual being incapable of

7 caring for himself,

8 during any period when such individual regu-

9 larly spends at least 8 hours each day in the

10 taxpayer’s household, or

11 “(B) care (for not more than 14 days dur-

12 ing the calendar year) of a qualifying individual

13 described in subparagraph (A) during any pe-

14 riod during which the individual does not regu-

15 larly spend at least 8 hours each day in the tax-

16 payer’s household.

17 “(2) DOLLAR LIMIT.—The amount of the res-

18 pite care expenses incurred during any taxable year

19 which may be taken into account under subsection

20 (a) shall not exceed—

21 “(A) \$1,200 if such expenses are incurred

22 with respect to only 1 qualifying individual for

23 the taxable year, or

1           “(B) \$2,400 if such expenses are incurred  
2           for 2 or more qualifying individuals for such  
3           taxable year.

4           “(d) QUALIFYING INDIVIDUAL.—For purposes of this  
5 section, the term ‘qualifying individual’ means—

6           “(1) a dependent of the taxpayer who is under  
7           the age of 13 and with respect to whom the taxpayer  
8           is entitled to a deduction under section 151(e),

9           “(2) a dependent of the taxpayer who is phys-  
10          ically or mentally incapable of caring for himself, or

11          “(3) the spouse of the taxpayer, if he is phys-  
12          ically or mentally incapable of caring for himself.

13          “(e) SPECIAL RULES.—For purposes of this sec-  
14 tion—

15          “(1) MAINTAINING HOUSEHOLD.—An individ-  
16          ual shall be treated as maintaining a household for  
17          any period only if over half the cost of maintaining  
18          the household for such period is furnished by such  
19          individual (or, if such individual is married during  
20          such period, is furnished by such individual and his  
21          spouse).

22          “(2) MARRIED COUPLES MUST FILE JOINT RE-  
23          TURN.—If the taxpayer is married at the close of  
24          the taxable year, the credit shall be allowed under

1 subsection (a) only if the taxpayer and his spouse  
2 file a joint return for the taxable year.

3 “(3) MARITAL STATUS.—An individual legally  
4 separated from his spouse under a decree of divorce  
5 or of separate maintenance shall not be considered  
6 as married.

7 “(4) CERTAIN MARRIED INDIVIDUALS LIVING  
8 APART.—If—

9 “(A) an individual who is married and who  
10 files a separate return—

11 “(i) maintains as his home a house-  
12 hold which constitutes for more than one-  
13 half of the taxable year the principal place  
14 of abode of a qualifying individual, and

15 “(ii) furnishes over half the cost of  
16 maintaining such household during the  
17 taxable year, and

18 “(B) during the last 6 months of such tax-  
19 able year such individual’s spouse is not a mem-  
20 ber of such household,  
21 such individual shall not be considered as married.

22 “(5) SPECIAL DEPENDENCY TEST IN CASE OF  
23 DIVORCED PARENTS, ETC.—If—

1           “(A) paragraph (2) or (4) of section  
2           152(e) applies to any child with respect to any  
3           calendar year, and

4           “(B) such child is under the age of 13 or  
5           is physically or mentally incapable of caring for  
6           himself,

7           in the case of any taxable year beginning in such  
8           calendar year, such child shall be treated as a quali-  
9           fying individual with respect to the custodial parent  
10          (within the meaning of section 152(e)(1)), and shall  
11          not be treated as a qualifying individual with respect  
12          to the noncustodial parent.

13          “(6) PAYMENTS TO RELATED INDIVIDUALS.—  
14          No credit shall be allowed under subsection (a) for  
15          any amount paid by the taxpayer to an individual—

16                 “(A) with respect to whom, for the taxable  
17                 year, a deduction under section 151(e) (relating  
18                 to deduction for personal exemptions for de-  
19                 pendents) is allowable either to the taxpayer or  
20                 his spouse, or

21                 “(B) who is a child of the taxpayer (within  
22                 the meaning of section 151(e)(3)) who has not  
23                 attained the age of 19 at the close of the tax-  
24                 able year.

1 For purposes of this paragraph, the term ‘taxable  
2 year’ means the taxable year of the taxpayer in  
3 which the service is performed.

4 “(7) STUDENT.—The term ‘student’ means an  
5 individual who during each of 5 calendar months  
6 during the taxable year is a full-time student at an  
7 educational organization.

8 “(8) EDUCATIONAL ORGANIZATION.—The term  
9 ‘educational organization’ means an educational or-  
10 ganization described in section 170(b)(1)(A)(ii).

11 “(9) IDENTIFYING INFORMATION REQUIRED  
12 WITH RESPECT TO SERVICE PROVIDER.—No credit  
13 shall be allowed under subsection (a) for any amount  
14 paid to any person unless—

15 “(A) the name, address, and taxpayer  
16 identification number of such person are in-  
17 cluded on the return claiming the credit, or

18 “(B) if such person is an organization de-  
19 scribed in section 501(c)(3) and exempt from  
20 tax under section 501(a), the name and address  
21 of such person are included on the return  
22 claiming the credit.

23 In the case of a failure to provide the information  
24 required under the preceding sentence, the preceding  
25 sentence shall not apply if it is shown that the tax-

1 payer exercised due diligence in attempting to pro-  
2 vide the information so required.

3 “(f) REGULATIONS.—The Secretary shall prescribe  
4 such regulations as may be necessary to carry out the pur-  
5 poses of this section.”

6 (b) CONFORMING AMENDMENTS.—

7 (1) Section 21 of such Code is hereby repealed.

8 (2) Paragraph (2) of section 129(b) of such  
9 Code is amended by striking out “section 21(d)(2)”  
10 and inserting in lieu thereof “section 35(b)(3)(B)”.

11 (3) Subsection (e) of section 213 of such Code  
12 is amended by striking out “section 21” and insert-  
13 ing in lieu thereof “section 35”.

14 (c) TECHNICAL AMENDMENTS.—

15 (1) The table of sections for subpart C of part  
16 IV of subchapter A of chapter 1 of such Code is  
17 amended by striking out the item relating to section  
18 35 and inserting in lieu thereof the following:

“Sec. 35. Dependent care services.

“Sec. 36. Overpayments of tax.”

19 (2) The table of sections for subpart A of such  
20 part IV is amended by striking out the item relating  
21 to section 21.

22 (d) EFFECTIVE DATE.—The amendments made by  
23 this section shall apply to taxable years beginning after  
24 December 31, 1993.

1           **Subtitle D—Tax Incentives for**  
2           **Family-Friendly Workplaces**

3   **SEC. 331. SHORT TITLE.**

4           This subtitle may be cited as the “Tax Incentives for  
5 Family-Friendly Workplaces Act”.

6   **SEC. 332. SMALL BUSINESS FAMILY AND MEDICAL LEAVE**  
7           **CREDIT.**

8           (a) IN GENERAL.—Subpart D of part IV of sub-  
9 chapter A of chapter 1 of the Internal Revenue Code of  
10 1986 (relating to business related credits) is amended by  
11 adding at the end thereof the following new section:

12   **“SEC. 45A. SMALL BUSINESS FAMILY AND MEDICAL LEAVE**  
13           **CREDIT.**

14           “(a) AMOUNT OF CREDIT.—For purposes of section  
15 38, in the case of an eligible small business employer, the  
16 amount of the small business family and medical leave  
17 credit determined under this section for any taxable year  
18 shall be an amount equal to 50 percent of the qualified  
19 family and medical leave costs paid or incurred by the tax-  
20 payer during such taxable year.

21           “(b) LIMITATION ON CREDIT.—The credit allowed by  
22 subsection (a) with respect to each employee for qualified  
23 family and medical leave costs paid or incurred by the tax-  
24 payer during the taxable year with respect to such em-  
25 ployee shall not exceed \$2,000.

1 “(c) DEFINITIONS.—For purposes of this section—

2 “(1) ELIGIBLE SMALL BUSINESS EMPLOYER.—

3 The term ‘eligible small business employer’ means  
4 any employer who complies with title I of the Family  
5 and Medical Leave Act of 1993 but who is not re-  
6 quired to comply with such title by reason of em-  
7 ploying fewer than 50 employees during the periods  
8 described in section 101(4)(A) of such Act.

9 “(2) QUALIFIED FAMILY AND MEDICAL LEAVE  
10 COSTS.—The term ‘qualified family and medical  
11 leave costs’ means expenses incurred in connection  
12 with complying with title I of the Family and Medi-  
13 cal Leave Act of 1993.

14 “(d) DENIAL OF DOUBLE BENEFIT.—No deduction  
15 shall be allowed under this chapter for that portion of the  
16 qualified family and medical leave costs otherwise allow-  
17 able as a deduction for the taxable year which is equal  
18 to the amount of the credit determined for such taxable  
19 year under this section.”

20 (b) TECHNICAL AMENDMENT.—Subsection (b) of  
21 section 38 of such Code is amended by striking “plus”  
22 at the end of paragraph (7), by striking the period at the  
23 end of paragraph (8) and inserting “, plus”, and by add-  
24 ing at the end thereof the following new paragraph:

1           “(9) in the case of an eligible small business  
2           employer (as defined in section 45A(c)), the small  
3           business family and medical leave credit determined  
4           under section 45A.”

5           (c) CLERICAL AMENDMENT.—The table of sections  
6           for subpart D of part IV of subchapter A of chapter 1  
7           of such Code is amended by adding at the end the follow-  
8           ing new item:

                  “Sec. 45A. Small business family and medical leave credit.”

9           (d) EFFECTIVE DATE.—The amendments made by  
10          this section shall apply to expenses paid or incurred after  
11          the date which is 6 months after the date of the enactment  
12          of the Family and Medical Leave Act of 1993.

13       **SEC. 333. CREDIT FOR WAGES PAID TO EMPLOYEE WHO IS**  
14                       **ALLOWED TO SHIFT HOURS OF EMPLOYMENT**  
15                       **OR TO WORK AT HOME IN ORDER TO REDUCE**  
16                       **CHILD CARE NEEDS.**

17          (a) IN GENERAL.—Subpart D of part IV of sub-  
18          chapter A of chapter 1 of the Internal Revenue Code of  
19          1986 (relating to business related credits) is amended by  
20          adding at the end thereof the following new section:

1 **“SEC. 45B. WAGES PAID TO EMPLOYEE WHO IS ALLOWED**  
2 **TO SHIFT HOURS OF EMPLOYMENT OR WORK**  
3 **AT HOME IN ORDER TO REDUCE CHILD CARE**  
4 **NEEDS.**

5 “(a) IN GENERAL.—For purposes of section 38, the  
6 amount of the child care-related wage credit determined  
7 under this section for any taxable year shall be an amount  
8 equal to  $\frac{1}{3}$  of the aggregate wages paid or incurred during  
9 such year which are attributable to services performed by  
10 an employee of the taxpayer during the 1-year period be-  
11 ginning on the date the employee first becomes a qualified  
12 employee of the taxpayer.

13 “(b) QUALIFIED EMPLOYEE.—For purposes of this  
14 section, the term ‘qualified employee’ means any full-time  
15 employee if—

16 “(1) such employee is permitted by the em-  
17 ployer, solely in order to reduce the amount of de-  
18 pendent care services provided (to a dependent of  
19 the employee) outside the employee’s household, to  
20 perform services for the employer—

21 “(A) at the employee’s home, or

22 “(B) during a period which is not within  
23 the normal business hours of the employer, and

24 “(2) as a result of the services performed for  
25 the employer as described in subparagraphs (A) and  
26 (B) of paragraph (1), there is at least a 20 percent

1 reduction in the amount of time dependent care  
2 services are provided to a dependent of the employee  
3 outside the employee's household.

4 “(c) OTHER DEFINITIONS AND SPECIAL RULES.—

5 “(1) EMPLOYEE MUST BE QUALIFIED EM-  
6 PLOYEE FOR ENTIRE YEAR.—No credit shall be de-  
7 termined under subsection (a) with respect to any  
8 employee unless such employee is a qualified em-  
9 ployee throughout the 1-year period described in  
10 subsection (a).

11 “(2) ONLY \$6,000 OF WAGES PER YEAR TAKEN  
12 INTO ACCOUNT.—The amount of the wages which  
13 may be taken into account with respect to any indi-  
14 vidual shall not exceed \$6,000 per year.

15 “(3) WAGES.—For purposes of this section, the  
16 term ‘wages’ has the meaning given such term by  
17 section 51(c) (determined without regard to para-  
18 graph (4) thereof).

19 “(4) CERTAIN RULES TO APPLY.—Rules similar  
20 to the rules of section 52 and subsections (f)  
21 through (k) of section 51 shall apply for purposes of  
22 this section.”

23 (b) TECHNICAL AMENDMENT.—Subsection (b) of  
24 section 38 of such Code (relating to current year business  
25 credit) is amended by striking “plus” at the end of para-

1 graph (8), by striking the period at the end of paragraph  
2 (9) and inserting “, plus”, and by adding at the end there-  
3 of the following new paragraph:

4 “(10) the child care-related wage credit deter-  
5 mined under section 45B(a).”

6 (c) CLERICAL AMENDMENT.—The table of sections  
7 for subpart D of part IV of subchapter A of chapter 1  
8 of such Code is amended by adding at the end thereof  
9 the following new item:

“Sec. 45B. Wages paid to employee who is allowed to shift hours  
of employment or work at home in order to reduce  
child care needs.”

10 (d) EFFECTIVE DATE.—

11 (1) IN GENERAL.—The amendments made by  
12 this section shall apply to wages paid or incurred  
13 after the date which is 6 months after the date of  
14 the enactment of the Family and Medical Leave Act  
15 of 1993.

16 (2) EMPLOYER PRACTICES BEFORE EFFECTIVE  
17 DATE.—For purposes of section 45B(b)(2) of the In-  
18 ternal Revenue Code of 1986, as added by this sec-  
19 tion, no reduction before the 1st taxable year to  
20 which such section applies shall be taken into ac-  
21 count.

1 **Subtitle E—Federal Parental Leave**  
2 **for Education Activities**

3 **SEC. 341. PARENTAL LEAVE FOR EDUCATION-RELATED AC-**  
4 **TIVITIES.**

5 (a) IN GENERAL.—(1) Subchapter II of chapter 63  
6 of title 5, United States Code, is amended by adding at  
7 the end the following:

8 **“§6327. Parental leave for education-related activi-**  
9 **ties**

10 “(a) For the purpose of this section—

11 “(1) the term ‘dependent’ means a child under  
12 subparagraph (A) or (B) of section 8341(a)(4); and

13 “(2) the term ‘intimidate, threaten, or coerce’  
14 includes promising to confer or conferring any bene-  
15 fit (such as appointment, promotion, or compensa-  
16 tion), or effecting or threatening to effect any re-  
17 prisal (such as deprivation of appointment, pro-  
18 motion, or compensation).

19 “(b)(1) Subject to paragraph (2) and subsection (c),  
20 an employee is entitled to 1 day of leave in each calendar  
21 year, without loss of, or reduction in, pay, leave to which  
22 such employee is otherwise entitled, credit for time or serv-  
23 ice, or performance or efficiency rating, in order to partici-  
24 pate in or attend activities of a school which is attended  
25 by a dependent of such employee.

1       “(2) In the case of an employee serving on a part-  
2 time basis who is entitled to leave under this section, the  
3 length of the ‘day’ under paragraph (1) shall be prorated  
4 in accordance with regulations prescribed under sub-  
5 section (d).

6       “(c) An employee shall be eligible for leave under this  
7 section if such employee—

8           “(1) is employed in an Executive agency; and

9           “(2) has performed at least 12 months of serv-  
10 ice as an employee (continuously or otherwise) in 1  
11 or more Executive agencies.

12       “(d)(1) The Office of Personnel Management shall  
13 prescribe such regulations as may be necessary to carry  
14 out this section.

15       “(2) Such regulations—

16           “(A) may include provisions under which leave  
17 under this section may, at the option of the em-  
18 ployee, be used in units of hours or other periods al-  
19 lowable under the regulations; but

20           “(B) may not—

21           “(i) make an employee ineligible for leave  
22 under this section by virtue of the fact that  
23 such employee is serving on a temporary or  
24 intermittent basis; or

1           “(ii) for purposes of any determination  
2           under subsection (c)(2), exclude prior service by  
3           virtue of the fact that such service was per-  
4           formed on a temporary or intermittent basis.

5           “(e) Leave which is available to an employee under  
6           this section in a year, but which is not used by such em-  
7           ployee, shall not accumulate for use in a succeeding year.

8           “(f) An employee may not directly or indirectly in-  
9           timidate, threaten, or coerce, or attempt to intimidate,  
10          threaten, or coerce, any other employee for the purpose  
11          of interfering with such other employee’s rights under the  
12          preceding provisions of this section.”.

13          (2) The table of sections for chapter 63 of title 5,  
14          United States Code, is amended by adding after the item  
15          relating to section 6326 the following:

        “6327. Parental leave for education-related activities.”.

16          (b) TECHNICAL AMENDMENT.—Section 6129 of title  
17          5, United States Code, is amended by inserting “6327,”  
18          after “6326,”.

19          **SEC. 342. EFFECTIVE DATE; CREDITABILITY OF SERVICE.**

20          (a) EFFECTIVE DATE.—This Act shall take effect as  
21          of the first day of the calendar year in which this Act is  
22          enacted.

23          (b) CREDITABILITY OF SERVICE.—To determine if  
24          an individual satisfies the requirement under section  
25          6327(c)(2) of title 5, United States Code, as amended by

1 this Act, service shall be taken into account without regard  
2 to whether performed before, on, or after the date of en-  
3 actment of this Act.

4       **TITLE IV—ECONOMIC SELF-**  
5                   **SUFFICIENCY**  
6               **Subtitle A—Child Support**

7       **SEC. 401. SHORT TITLE.**

8           This subtitle may be cited as the “Child Support Eco-  
9 nomic Security Act of 1993”.

10       **PART A—CHILD SUPPORT ENFORCEMENT**  
11                   **AMENDMENTS**

12       **SEC. 411. UNIFORM STATEWIDE CHILD SUPPORT ENFORCE-**  
13                   **MENT PROGRAM.**

14           Section 454(3) of the Social Security Act (42 U.S.C.  
15 654(3)) is amended by striking “, which meets” and all  
16 that follows and inserting “at the State level to administer  
17 the plan under rules that apply uniformly throughout the  
18 State;”.

19       **SEC. 412. ACCESS OF STATE CHILD SUPPORT ENFORCE-**  
20                   **MENT AGENCY TO INFORMATION IN STATE**  
21                   **DATA BASES.**

22           Section 466(a) of the Social Security Act (42 U.S.C.  
23 666(a)) is amended by inserting after paragraph (10) the  
24 following:



1           “(ii) if disabled—

2                   “(I) marries; or

3                   “(II) is able to support himself or her-  
4                   self.

5           “(B) For purposes of subparagraph (A), the  
6           term ‘disabled’ means having a severe, chronic dis-  
7           ability which—

8                   “(i) is attributable to a mental or physical  
9                   impairment, or combination of mental and  
10                  physical impairments;

11                  “(ii) is likely to continue indefinitely;

12                  “(iii) results in substantial functional limi-  
13                  tations in 3 or more of the following areas of  
14                  major life activity:

15                   “(I) self-care;

16                   “(II) receptive and expressive lan-  
17                   guage;

18                   “(III) learning;

19                   “(IV) mobility;

20                   “(V) capacity for independent living;

21                   “(VI) economic self-sufficiency; and

22                  “(iv) reflects the need for a combination of  
23                  special, interdisciplinary, or generic care, treat-  
24                  ment, or other services that are of lifelong or  
25                  extended duration.”.

1 **SEC. 414. REQUIREMENT THAT ALL INCOME BE SUBJECT**  
2 **TO WITHHOLDING TO MEET CHILD SUPPORT**  
3 **OBLIGATIONS.**

4 Section 466(a) of the Social Security Act (42 U.S.C.  
5 666(a)), as amended by the preceding provisions of this  
6 Act, is amended by inserting after paragraph (12) the fol-  
7 lowing:

8 “(13)(A) Procedures which ensure that all in-  
9 come of an individual (other than benefits received  
10 through a Federal, State, or local program under  
11 which entitlement to benefits is based on the means  
12 of the beneficiary) is subject to withholding to meet  
13 the child support obligations of the individual.

14 “(B) Procedures which require the agency re-  
15 sponsible for the operation of any State lottery (in  
16 this subparagraph referred to as the ‘lottery agen-  
17 cy’)—

18 “(i) to inquire of the agency administering  
19 the plan under section 454 whether any person  
20 to whom the lottery agency is to directly pay  
21 lottery winnings owes overdue support;

22 “(ii) to defer payment of the winnings  
23 until the lottery agency receives a response to  
24 the inquiry; and

1           “(iii) if the person owes overdue support,  
2           to withhold from the payment of the winnings  
3           the amount of the overdue support.

4           “(C) Procedures which require any insurer sub-  
5           ject to regulation by the State—

6           “(i) to inquire of the agency administering  
7           the plan under section 454 whether any person  
8           claiming benefits under a policy of insurance is-  
9           sued by the insurer owes overdue support;

10          “(ii) to defer payment of such benefits  
11          until the insurer receives a response to the in-  
12          quiry; and

13          “(iii) if the person owes overdue support—

14                 “(I) to withhold from such benefits  
15                 the amount of the overdue support; and

16                 “(II) to provide to the agency the  
17                 amount withheld for payment to the indi-  
18                 vidual owed the support.

19          “(D) Procedures which prevent a State court  
20          from entering an order awarding the payment of  
21          money to any person, or accepting an agreement set-  
22          tling an action brought in the court that requires  
23          money to be paid to any person, until—

24                 “(i) the court has inquired of the agency  
25                 administering the plan under section 454

1           whether the person owes overdue support, and  
2           has received a response to the inquiry; and

3           “(ii) if the person owes overdue support,  
4           the person pays the amount of the overdue sup-  
5           port.

6           “(E) Procedures which prevent any agency of  
7           State or local government from recording a property  
8           transaction, until—

9           “(i) the agency has inquired of the agency  
10          administering the plan under section 454  
11          whether any party to the transaction owes over-  
12          due support, and has received a response to the  
13          inquiry; and

14          “(ii) any such party—

15                  “(I) pays the amount of any overdue  
16                  support; or

17                  “(II) demonstrates that the party has  
18                  made a good faith effort—

19                          “(aa) to pay the support due for  
20                          the month in which the transaction is  
21                          sought to be recorded; and

22                          “(bb) to provide for the payment  
23                          of the overdue support through regu-  
24                          lar, periodic payments.”.

1 **SEC. 415. STATE LICENSES DENIED TO PARENTS WITH**  
2 **PAST DUE CHILD SUPPORT OBLIGATIONS.**

3 Section 466(a) of the Social Security Act (42 U.S.C.  
4 666(a)), as amended by the preceding provisions of this  
5 Act, is amended by inserting after paragraph (13) the fol-  
6 lowing:

7 “(14) Procedures which prohibit the provision,  
8 renewal, or reissuance of any license, required under  
9 the law of the State or of any political subdivision  
10 thereof before engaging in conduct subject to the li-  
11 cense, to any person the amount of whose overdue  
12 support exceeds \$1,000, until the person dem-  
13 onstrates that the person has made a good faith ef-  
14 fort—

15 “(A) to pay the support due for the month  
16 in which the license was requested to be pro-  
17 vided, renewed, or reissued; and

18 “(B) to provide for the payment of the  
19 overdue support through regular, periodic pay-  
20 ments.”.

21 **SEC. 416. CERTAIN OVERDUE CHILD SUPPORT OBLIGA-**  
22 **TIONS REQUIRED TO BE REPORTED TO**  
23 **CONSUMER CREDIT REPORTING AGENCIES.**

24 Section 466(a)(7) of the Social Security Act (42  
25 U.S.C. 666(a)(7)) is amended to read as follows:

1           “(7) Procedures which ensure that the agency  
2           administering the plan under section 454—

3                   “(A) reports to the major consumer report-  
4           ing agencies (as defined in section 603(f) of the  
5           Fair Credit Reporting Act) the amount of over-  
6           due support owed by an individual residing in  
7           the State if the amount of the delinquency ex-  
8           ceeds the amount of child support payable by  
9           the individual on a monthly basis; and

10                   “(B) upon request of a consumer reporting  
11           agency, furnishes the consumer reporting agen-  
12           cy information on the amount of overdue sup-  
13           port owed by an individual residing in the  
14           State, for a fee equal to not more than the cost  
15           of furnishing the information;”.

16 **SEC. 417. ELIMINATION OF STATUTES OF LIMITATIONS IN**  
17 **CHILD SUPPORT CASES.**

18           Section 466(a) of the Social Security Act (42 U.S.C.  
19 666(a)), as amended by the preceding provisions of this  
20 Act, is amended by inserting after paragraph (14) the fol-  
21 lowing:

22                   “(15) Procedures which ensure that there is no  
23           limit to the period in which any court order, or order  
24           of an administrative process established under State

1 law, for support or maintenance of a child, may be  
2 enforced.”.

3 **SEC. 418. REQUIREMENT THAT SOCIAL SECURITY NUM-**  
4 **BERS APPEAR ON MARRIAGE LICENSES AND**  
5 **CHILD SUPPORT ORDERS.**

6 Section 466(a) of the Social Security Act (42 U.S.C.  
7 666(a)), as amended by the preceding provisions of this  
8 Act, is amended by inserting after paragraph (15) the fol-  
9 lowing:

10 “(16) Procedures which ensure that, on each  
11 marriage license issued by the State, and in each  
12 court order, or order of an administrative process es-  
13 tablished under State law, for support or mainte-  
14 nance of a child, there appear the social security ac-  
15 count numbers of each individual to whom the li-  
16 cense is issued or upon whom the order imposes a  
17 support obligation.”.

18 **SEC. 419. SEPARATE TREATMENT OF CASES ALLEGING**  
19 **NONSUPPORT AND CASES ALLEGING DENIAL**  
20 **OF VISITATION RIGHTS.**

21 Section 466(a) of the Social Security Act (42 U.S.C.  
22 666(a)), as amended by the preceding provisions of this  
23 Act, is amended by inserting after paragraph (16) the fol-  
24 lowing:

25 “(17) Procedures which ensure that—

1           “(A) conduct affecting the exercise of visi-  
2           tation rights under a court order, or an order  
3           of an administrative process established under  
4           State law, for support or maintenance of a  
5           child, shall be treated as irrelevant in any ac-  
6           tion brought to enforce the support provisions  
7           of the order; and

8           “(B) the provision of, or failure to provide,  
9           support pursuant to such an order shall be  
10          treated as irrelevant in any action brought to  
11          enforce visitation rights under the order.”.

12 **SEC. 420. TIMELY RESPONSE TO INTERSTATE LOCATE RE-**  
13 **QUESTS.**

14          Section 452(a) of the Social Security Act (42 U.S.C.  
15 652(a)) is amended—

16           (1) by striking “and” at the end of paragraph  
17           (9);

18           (2) by striking the period at the end of para-  
19           graph (10) and inserting “; and”; and

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

21           “(11) in establishing standards under para-  
22           graph (1) for locating absent parents—

23           “(A) not later than 1 year after the date  
24           of the enactment of this paragraph, prescribe  
25           deadlines by which States must respond to re-

1           quests from other States for information, tak-  
2           ing into account the state of available tech-  
3           nology; and

4                   “(B) review and, if appropriate, revise  
5           such deadlines every 3 years taking into ac-  
6           count the state of available technology.”.

7   **SEC. 421. REGULATIONS FOR PROCESSING OF INTERSTATE**  
8                   **CHILD SUPPORT CASES.**

9           Section 452 of the Social Security Act (42 U.S.C.  
10 652) is amended by adding at the end the following:

11           “(j) The Secretary shall issue regulations establishing  
12 standards and procedures governing the processing by  
13 States of cases involving the enforcement of child support  
14 obligations against parents in other States, including a  
15 deadline by which prosecutions must commence after the  
16 case first comes to the attention of the State, and a dead-  
17 line by which such actions must be decided or dismissed.”.

18   **SEC. 422. FINANCIAL INCENTIVES.**

19           (a) ONLY CHILD SUPPORT ENFORCEMENT FUNDS  
20 SUBJECT TO REDUCTION FOR SUBSTANTIAL NONCOMPLI-  
21 ANCE.—

22                   (1) IN GENERAL.—Subsection (h) of section  
23 403 of such Act (42 U.S.C. 603(h)) is hereby trans-  
24 ferred to section 455 of such Act, redesignated as  
25 subsection (f) of such section 455, and amended—

1 (A) in paragraph (1)—

2 (i) by striking “Act” and inserting  
3 “part”;

4 (ii) by striking “part D” and inserting  
5 “this part”; and

6 (iii) by striking “such part” and in-  
7 serting “this part”; and

8 (B) in paragraph (3), by striking “this  
9 part” and inserting “part A”.

10 (2) CONFORMING AMENDMENTS.—

11 (A) Section 452(a)(4) of such Act (42  
12 U.S.C. 652(a)(4)) is amended by striking  
13 “403(h)” each place such term appears and in-  
14 serting “455(f)”.

15 (B) Subsections (d)(3)(A), (g)(1), and  
16 (g)(3)(A) of section 452 of such Act (42 U.S.C.  
17 652) are each amended by striking “403(h)”  
18 and inserting “455(f)”.

19 (b) PAYMENTS TO STATES INCREASED.—

20 (1) IN GENERAL.—Section 455(a) of such Act  
21 (42 U.S.C. 655(a)) is amended—

22 (A) in paragraph (1)—

23 (i) by striking “(a)(1)” and inserting  
24 “(a)”; and

1 (ii) in subparagraph (A), by striking  
2 “the percent specified in paragraph (2)”  
3 and inserting “90 percent”; and

4 (iii) in each of subparagraphs (B) and  
5 (C), by striking “(rather than the percent-  
6 age specified in subparagraph (A))”;  
7 (B) by striking paragraph (2); and  
8 (C) by redesignating subparagraphs (A),  
9 (B), and (C) of paragraph (1) as paragraphs  
10 (1), (2), and (3), respectively.

11 (2) CONFORMING AMENDMENTS.—Paragraphs  
12 (1)(B), (2)(A), and (2)(B) of section 452(d) of such  
13 Act (42 U.S.C. 652(d)) are each amended by strik-  
14 ing “455(a)(1)(B)” and inserting “455(a)(2)”.

15 (c) REPEAL OF INCENTIVE PAYMENTS TO STATES.—  
16 Section 458 of such Act (42 U.S.C. 658) is hereby re-  
17 pealed.

18 **SEC. 423. DEADLINE FOR ADOPTION OF UNIFORM INTER-**  
19 **STATE FAMILY SUPPORT ACT.**

20 Part D of title IV of the Social Security Act (42  
21 U.S.C. 651–669) is amended by adding at the end the fol-  
22 lowing:

1 **“SEC. 469A. ADOPTION OF UNIFORM INTERSTATE FAMILY**  
2 **SUPPORT ACT.**

3 “As a condition for the approval of any State plan  
4 under this part, the State must, not later than the effec-  
5 tive date of this section, have in effect a law identical to  
6 the Uniform Interstate Family Support Act, in the form  
7 most recently adopted by the National Conference of Com-  
8 missioners on Uniform State Laws before the enactment  
9 of this section.”.

10 **SEC. 424. COMMISSION ON CHILD SUPPORT GUIDELINES.**

11 (a) ESTABLISHMENT.—There is hereby established a  
12 commission to be known as the Commission on Child Sup-  
13 port Guidelines (in this section referred to as the “Com-  
14 mission”).

15 (b) APPLICABLE RULES.—Subsection (b) (except the  
16 first sentence of paragraph (4) thereof), and subsections  
17 (c), (e), (f)(2), and (g), of section 126 of the Family Sup-  
18 port Act (42 U.S.C. 666 note; Public Law 100–485) shall  
19 apply to the Commission in the same manner as such pro-  
20 visions apply to the Commission on Interstate Child Sup-  
21 port.

22 (c) QUALIFICATIONS.—Each person with authority to  
23 make appointments to the Commission shall exercise the  
24 authority to ensure that the Commission includes—

1           (1) persons with judicial or administrative expe-  
2           rience in matters involving child support enforce-  
3           ment; and

4           (2) representatives of organizations which rep-  
5           resent custodial and noncustodial parents.

6           (d) DUTY.—Not later than 18 months after the last  
7 of the initial appointments to the Commission is made,  
8 the Commission shall submit to the Congress a report con-  
9 taining recommendations for national guidelines for child  
10 support award amounts, after consideration of the guide-  
11 lines established by each State pursuant to section 467(a)  
12 of the Social Security Act.

13          (e) TERMINATION.—The Commission shall terminate  
14 2 months after the date of submission of the report re-  
15 quired by subsection (d).

16          (f) EFFECTIVE DATE.—This section shall take effect  
17 on the date of the enactment of this Act.

18 **SEC. 425. EFFECTIVE DATE.**

19          Except as otherwise provided in this title (or in the  
20 amendments made by this title), the amendments made  
21 by this title shall take effect on the 1st day of the 12th  
22 calendar quarter beginning after the date of the enactment  
23 of this Act.

1 **PART B—INTERSTATE CHILD SUPPORT ACT OF**

2 **1993**

3 **SEC. 431. REFERENCE.**

4 Except as otherwise specifically provided, wherever in  
5 this Act an amendment is expressed in terms of an amend-  
6 ment to or repeal of a section or other provision, the ref-  
7 erence shall be considered to be made to that section or  
8 other provision of the Social Security Act.

9 **SEC. 432. FINDINGS, DECLARATIONS, AND PURPOSES.**

10 (a) FINDINGS.—The Congress finds that—

11 (1) there is a large and growing number of  
12 child support and parentage cases annually involving  
13 disputes between parents or presumed parents who  
14 reside in different States;

15 (2) the laws by which the courts of the various  
16 States determine their authority to establish, en-  
17 force, or modify a child support order, or to deter-  
18 mine parentage are not uniform;

19 (3) those laws, along with the limits imposed by  
20 a Federal system, on the authority of each State to  
21 take certain actions outside its own boundaries, con-  
22 tribute to—

23 (A) the pressing problem of parties moving  
24 to avoid jurisdiction;

25 (B) inequities based solely on choice of  
26 domicile;

1 (C) disregard of court orders resulting in  
2 massive arrearages nationwide;

3 (D) excessive relitigation of cases;

4 (E) the establishment of conflicting orders  
5 by the courts of various States; and

6 (F) inter-jurisdiction travel and commu-  
7 nication that is so expensive and time consum-  
8 ing as to disrupt parties' occupations and com-  
9 mercial activities; and

10 (4) among the results of these conditions are—

11 (A) the failure of the courts of such juris-  
12 dictions to give full faith and credit to the judi-  
13 cial proceedings of the other States;

14 (B) the deprivation of rights of liberty and  
15 property without due process of law;

16 (C) burdens on commerce among the  
17 States; and

18 (D) harm to the welfare of children and  
19 their parents and other custodians.

20 (b) DECLARATION.—Based on the findings stated in  
21 subsection (a), it is necessary to establish national stand-  
22 ards under which the courts of each State will determine  
23 their jurisdiction to establish, enforce, or modify a child  
24 support order, or to determine parentage and the effect

1 to be given by each State to such determinations by the  
2 courts of other States.

3 (c) PURPOSES.—The purposes of this Act are to—

4 (1) expand the forums available to establish,  
5 enforce, or modify a child support order, or to deter-  
6 mine parentage so that such actions may be heard  
7 in the State that has the strongest interest in the  
8 child’s financial security;

9 (2) promote and expand the exchange of infor-  
10 mation and other forms of mutual assistance be-  
11 tween States that are concerned with the same child;

12 (3) facilitate the enforcement of support decrees  
13 among the States;

14 (4) discourage continuing interstate controver-  
15 sies over child support in the interest of greater fi-  
16 nancial stability and secure family relationships for  
17 the child; and

18 (5) avoid jurisdictional competition and conflict  
19 between courts in matters relating to the establish-  
20 ment, enforcement, and modification of child support  
21 orders, and to the determination of parentage, which  
22 have resulted in the movement of parties among  
23 States and a low percentage of interstate cases with  
24 support orders, thereby adversely affecting children’s  
25 well-being.

1 (d) STATE.—For purposes of this section, the term  
2 “State” means the several States, the District of Colum-  
3 bia, the Commonwealth of Puerto Rico, the territories and  
4 possessions of the United States, and Indian country (as  
5 defined in section 1151 of title 18, United States Code).

6 **PART C—BANKRUPTCY AMENDMENTS RELATING**  
7 **TO CHILD SUPPORT, ALIMONY, AND PROP-**  
8 **ERTY SETTLEMENT AGREEMENTS**

9 **SEC. 441. EXCEPTIONS TO STAY.**

10 Section 362(b)(2) of title 11, United States Code, is  
11 amended to read as follows:

12 “(2) under subsection (a) of this section—

13 “(A) of the commencement or continuation  
14 of an action or proceeding for—

15 “(i) the establishment of paternity; or

16 “(ii) the establishment or modification  
17 of an order for alimony, maintenance, or  
18 support; or

19 “(B) of the collection of—

20 “(i) alimony, maintenance, or support  
21 from property that is not property of the  
22 estate; or

23 “(ii) a debt of the kind specified in  
24 section 523(a)(5) of this title to a child of

1                   the debtor if the claim for such debt arises  
2                   after the commencement of the case;”.

3 **SEC. 442. PRIORITY.**

4           Section 507(a) of title 11, United States Code, is  
5 amended—

6           (1) in paragraph (8) by striking “(8) Eighth”  
7           and inserting “(9) Ninth”,

8           (2) in paragraph (7) by striking “(7) Seventh”  
9           and inserting “(8) Eighth”, and

10           (3) by inserting after paragraph (6) the follow-  
11           ing:

12           “(7) Seventh, allowed claims of the kind speci-  
13           fied in section 523(a)(5) of this title.”.

14 **SEC. 443. EXEMPTIONS.**

15           Section 522(f) of title 11, United States Code, is  
16 amended—

17           (1) in paragraph (2)(C) by striking the period  
18           at the end and inserting a semicolon, and

19           (2) by adding at the end the following:

20           “and does not secure a claim for a debt of a kind specified  
21           in section 523(a)(5) of this title.”.

22 **SEC. 444. EXCEPTION TO DISCHARGE.**

23           Section 523(a)(5) of title 11, United States Code, is  
24           amended to read as follows:

1           “(5) to a spouse, former spouse, or child of the  
2 debtor—

3           “(A) for alimony to, maintenance for, or  
4 support of such spouse or child, in connection  
5 with a separation agreement, divorce decree or  
6 other order of a court of record, determination  
7 made in accordance with State or territorial law  
8 by a governmental unit, or property settlement  
9 agreement, but not the extent that such debt  
10 includes a liability designated as alimony, main-  
11 tenance, or support, unless such liability is ac-  
12 tually in the nature of alimony, maintenance, or  
13 support; or

14           “(B) for any liability under the terms of a  
15 property settlement agreement entered into in  
16 connection with a separation agreement or di-  
17 vorce decree;

18 except to the extent such debt is assigned to another  
19 entity, voluntarily, by operation of law, or otherwise  
20 (other than debts assigned pursuant to section  
21 402(a)(26) of the Social Security Act, or any such  
22 debt which has been assigned to the Federal Govern-  
23 ment or to a State or any political subdivision of  
24 such State).”.

1 **SEC. 445. PREFERENCES.**

2 Section 547(c) of title 11, United States Code,  
3 is amended—

4 (1) in paragraph (6) by striking “or” at  
5 the end,

6 (2) by redesignating paragraph (7) as  
7 paragraph (8), and

8 (3) by inserting after paragraph (6) the  
9 following:

10 “(7) to the extent such transfer was a bona fide  
11 payment of a debt of a kind specified in section  
12 523(a)(5) of this title; or”.

13 **SEC. 446. PROPERTY OF THE ESTATE.**

14 (a) PROPERTY UNDER CHAPTER 12.—Paragraphs  
15 (1) and (2) of section 1207(a) of title 11, United States  
16 Code, are amended by striking “but” and all that follows  
17 through “first”, and inserting the following:

18 “until the plan is confirmed, except that such prop-  
19 erty as is necessary to fund the plan and is specified  
20 in the plan or order confirming the plan shall re-  
21 main property of the estate”.

22 (b) PROPERTY UNDER CHAPTER 13.—Paragraphs  
23 (1) and (2) of section 1306(a) of title 11, United States  
24 Code, are amended by striking “but” and all that follows  
25 through “first”, and inserting the following:

1 “until the plan is confirmed, except that such prop-  
2 erty as is necessary to fund the plan and is specified  
3 in the plan or order confirming the plan shall re-  
4 main property of the estate”.

5 **SEC. 447. CONFIRMATION OF PLAN.**

6 (a) CONFIRMATION UNDER CHAPTER 12.—Section  
7 1225(a) of title 11, United States Code, is amended—

8 (1) in paragraph (5) by striking “and” at the  
9 end,

10 (2) by redesignating paragraph (6) as para-  
11 graph (7), and

12 (3) by inserting after paragraph (5) the follow-  
13 ing:

14 “(6) the debtor has paid all allowable claims  
15 arising after the order for relief for debts of the  
16 kinds specified in section 523(a)(5) of this title;  
17 and”.

18 (b) CONFIRMATION UNDER CHAPTER 13.—Section  
19 1325(a) of title 11, United States Code, is amended—

20 (1) in paragraph (5)(C) by striking “and” at  
21 the end,

22 (2) by redesignating paragraph (6) as para-  
23 graph (7), and

24 (3) by inserting after paragraph (5) the follow-  
25 ing:



**PART D—LOCATE AND CASE TRACKING****SEC. 451. EXPANSION OF FUNCTIONS OF FEDERAL PARENT  
LOCATOR SERVICE.**

(a) IN GENERAL.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking “enforcing support obligations against such parent” and inserting “establishing parentage, establishing, modifying, and enforcing child support obligations, and enforcing child visitation rights and responsibilities, and which shall use safeguards to prevent the disclosure of information in cases that would jeopardize the safety of the custodial parent or any child of the custodial parent”;

(2) in subsection (b), by inserting after the 2nd sentence the following: “Information with respect to an absent parent shall not be disclosed to any person if the disclosure would jeopardize the safety of the custodial parent or any child of the custodial parent. Information with respect to an absent parent shall not be disclosed to any person (other than the custodial parent) unless the custodial parent has been notified in advance of the disclosure.”; and

(3) in subsection (d), by inserting “and such reasonable fees” after “such documents”.

1 (b) SENSE OF THE CONGRESS.—It is the sense of  
2 the Congress that—

3 (1) the denial of visitation rights under a child  
4 support order should be treated as irrelevant in any  
5 action brought to enforce the support provisions of  
6 the order; and

7 (2) the failure to pay child support pursuant to  
8 a child support order should be treated as irrelevant  
9 in any action brought to enforce visitation rights  
10 under the order.

11 **SEC. 452. EXPANSION OF DATA BASES ACCESSED BY PAR-**  
12 **ENT LOCATOR SYSTEMS.**

13 (a) ADDITIONAL INFORMATION FOR FEDERAL PAR-  
14 ENT LOCATOR SERVICE.—Section 453 (42 U.S.C. 653) is  
15 amended—

16 (1) in subsection (b), by striking “the most re-  
17 cent address and place of employment” and insert-  
18 ing “the most recent residential address, employer  
19 name and address, and amounts and nature of in-  
20 come and assets”;

21 (2) in subsection (c)(3), by striking “the resi-  
22 dent parent” and inserting “either parent”; and

23 (3) in subsection (e), by adding at the end the  
24 following:

1       “(4) The Secretary of the Treasury shall enter into  
2 an agreement with the Secretary to provide prompt access  
3 by the Secretary (in accordance with this subsection and  
4 section 6103(l)(6) of the Internal Revenue Code of 1986)  
5 to the quarterly estimated Federal income tax returns  
6 filed by individuals with the Internal Revenue Service.”.

7       (b) STATE INFORMATION.—Section 466(a) (42  
8 U.S.C. 666(a)) is amended by inserting after paragraph  
9 (10) the following:

10           “(11) Procedures under which the State child  
11 support enforcement agency shall have automated  
12 on-line or batch access (or, if necessary,  
13 nonautomated access) to information regarding resi-  
14 dential addresses, employers and employer address-  
15 es, income and assets, and medical insurance bene-  
16 fits with respect to absent parents that is available  
17 through any data base maintained by—

18           “(A) any agency of the State or any politi-  
19 cal subdivision thereof, that contains informa-  
20 tion on residential addresses, or on employers  
21 and employer addresses, as the State deems ap-  
22 propriate;

23           “(B) any publicly regulated utility com-  
24 pany located in the State;

1           “(C) any credit reporting agency located in  
2           the State; and

3           “(D) any trade or labor union located in  
4           the State.

5           “(12) Procedures under which the State child  
6           support enforcement agency shall—

7           “(A) maintain a child support order reg-  
8           istry which shall include each child support  
9           order (or an abstract thereof) issued or modi-  
10          fied in the State on or after the effective date  
11          of this paragraph; and

12          “(B) transmit electronically to the Office  
13          of Child Support Enforcement an abstract of  
14          each such order, containing such information  
15          and in such form as the Secretary may pre-  
16          scribe pursuant to section 452(a)(11).”.

17          (c) FEDERAL REGISTRY OF ABSTRACTS OF CHILD  
18          SUPPORT ORDERS.—Section 452(a) (42 U.S.C 652(a)),  
19          as amended by section 472(a) of this Act, is amended—

20                 (1) in paragraph (10), by striking “and” after  
21                 the semicolon;

22                 (2) in paragraph (11), by striking the period at  
23                 the end of the 2nd sentence and inserting “; and”;  
24                 and

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



1           mation directly from one computer system  
2           to another; and

3           “(ii) accessing Federal sources of lo-  
4           cate information in the same fashion;

5           “(B) access the files of other States to de-  
6           termine whether there are other child support  
7           orders and obtain the details of those orders;

8           “(C) provide for both on-line and batch  
9           processing of locate requests, with on-line ac-  
10          cess restricted to cases in which the information  
11          is needed immediately (for such reasons as  
12          court appearances) and batch processing used  
13          to ‘troll’ data bases to locate individuals or up-  
14          date information periodically; and

15          “(D) direct locate requests to individual  
16          States or Federal agencies, broadcast requests  
17          to selected States, or broadcast cases to all  
18          States when there is no indication of the source  
19          of needed information;

20          “(2) provide for a maximum of 48-hour turn-  
21          around time for information to be broadcast and re-  
22          turned to a requesting State;

23          “(3) provide ready access to courts of the infor-  
24          mation on the network by location of a computer  
25          terminal in each court; and

1           “(4) access the registry of child support orders  
2           for public and private cases maintained at the State  
3           level by the State agencies as described in section  
4           466(a)(12).”.

5           (b) EXPANDED STATE INTERACTION WITH NA-  
6           TIONAL NETWORK.—Section 454(16) (42 U.S.C.  
7           654(16)) is amended—

8           (1) by striking “and (E)” and inserting “(E)”;  
9           and

10           (2) by striking “enforcement;” and inserting  
11           “enforcement, and (F) to provide access to the na-  
12           tional network developed pursuant to section  
13           453(g);”.

14           (c) SENSE OF THE CONGRESS.—It is the sense of the  
15           Congress that the national network established under sec-  
16           tion 453(g) of the Social Security Act should be used to  
17           access State records only through the agency that admin-  
18           isters the State plan approved under part D of title IV  
19           of such Act.

20           **SEC. 454. PRIVATE ACCESS TO LOCATE AND ENFORCEMENT**  
21           **SERVICES.**

22           Section 466(a) (42 U.S.C. 666(a)), as amended by  
23           section 452(b) of this Act, is amended by inserting after  
24           paragraph (12) the following:

1           “(13)(A) Procedures under which private attor-  
2           neys and pro se obligees must be given access to  
3           State locate resources and through enforcement  
4           techniques of the State child support enforcement  
5           agency, for the purpose of establishing, modifying,  
6           and enforcing child support, visitation, and parent-  
7           age orders, in accordance with safeguards estab-  
8           lished—

9                   “(i) to provide the custodial parent ad-  
10                  vance notice of any release of information with  
11                  respect to a noncustodial parent; and

12                   “(ii) to prevent release of information with  
13                  respect to a noncustodial parent if the release  
14                  may jeopardize the safety of the noncustodial  
15                  parent, the custodial parent, or any child of ei-  
16                  ther parent; and

17           “(B) The procedures described in subparagraph  
18           (A) must require the State—

19                   “(i) to develop and publish guidelines im-  
20                  plementing the safeguards described in sub-  
21                  paragraph (A); and

22                   “(ii) if the State provides for reasonable  
23                  fees for the access referred to in subparagraph  
24                  (A), to establish such fees in accordance with

1 guidelines developed and published by the State  
2 that set schedules for such fees.”.

3 **SEC. 455. NATIONAL REPORTING OF NEW HIRES AND CHILD**  
4 **SUPPORT INFORMATION.**

5 (a) FEDERAL IMPLEMENTATION OF SYSTEM.—

6 (1) IN GENERAL.—The Secretary of the Treas-  
7 ury, in consultation with the Secretary of Labor,  
8 shall establish a system of reporting of new employ-  
9 ees by requiring employers to provide a copy of every  
10 new employee’s W-4 form to the employment secu-  
11 rity agency of the State in which the employment is  
12 located.

13 (2) EXPANDED USE OF FORM.—The Secretary  
14 of the Treasury shall modify the W-4 form to be  
15 completed by a new employee to enable the employee  
16 to indicate on the form—

17 (A) whether the employee owes child sup-  
18 port, and if so—

19 (i) to whom the support is payable  
20 and the amount of the support payable;  
21 and

22 (ii) whether the support is to be paid  
23 through wage withholding; and

24 (B) whether health care insurance is avail-  
25 able to the new employee, and, if so, whether

1 the new employee has obtained such insurance  
2 for the dependent children of the new employee.

3 (3) EMPLOYER WITHHOLDING OBLIGATION.—

4 (A) IN GENERAL.—Subtitle C of the Inter-  
5 nal Revenue Code of 1986 (relating to employ-  
6 ment taxes) is amended by inserting after chap-  
7 ter 24 the following new chapter:

8 **“CHAPTER 24A—COLLECTION OF CHILD**  
9 **SUPPORT OBLIGATIONS AT SOURCE**  
10 **ON WAGES**

“Sec. 3411. Child support obligations collected at source.

11 **“SEC. 3411. CHILD SUPPORT OBLIGATIONS COLLECTED AT**  
12 **SOURCE.**

13 “(a) REQUIREMENT OF WITHHOLDING.—Every em-  
14 ployer making payment of wages shall deduct and with-  
15 hold upon such wages a specified child support obligation  
16 amount.

17 “(b) SPECIFIED CHILD SUPPORT OBLIGATION  
18 AMOUNT.—For purposes of this chapter, the specified  
19 child support obligation amount with respect to any em-  
20 ployee shall be determined based on—

21 “(1) information provided by the employee, or  
22 (if an agency of the State in which the employer is  
23 located notifies the employer that such information

1 is inaccurate) information provided by the agency;  
2 and

3 “(2) information contained in any wage with-  
4 holding order received by the employer from any  
5 State.

6 “(c) LIABILITY FOR PAYMENT.—The employer shall  
7 be liable for the payment of the specified child support  
8 obligation amount to the payee identified by the employee.

9 “(d) SPECIAL RULES.—For purposes of this chapter  
10 (and so much of subtitle F as relates to this chapter), any  
11 specified child support obligation amount shall be treated  
12 as if it were a tax withheld under chapter 24 and rules  
13 similar to the rules of such chapter shall apply.”

14 (B) CLERICAL AMENDMENT.—The table of  
15 chapters of subtitle C of the Internal Revenue  
16 Code of 1986 is amended by inserting after the  
17 item relating to chapter 24 the following new  
18 item:

“CHAPTER 24A. Child support obligations collected at source.”

19 (4) WITHHELD CHILD SUPPORT OBLIGATIONS  
20 REPORTED ON W-2 FORMS.—Subsection (a) of sec-  
21 tion 6051 of the Internal Revenue Code of 1986 (re-  
22 lating to receipts for employees) is amended by  
23 striking “and” at the end of paragraph (8), by strik-  
24 ing the period at the end of paragraph (9) and in-

1       serting “, and”, and by inserting after paragraph  
2       (9) the following new paragraph:

3               “(10) the total amount of specified child sup-  
4       port obligations withheld under section 3411.”

5       (b) STATE IMPLEMENTATION OF SYSTEM.—Section  
6       466(a) (42 U.S.C. 666(a)), as amended by section 454  
7       of this Act, is amended by inserting after paragraph (13)  
8       the following:

9               “(14) Procedures under which the State shall—

10               “(A) use the Parent Locator Service estab-  
11       lished under section 453 to access information  
12       in the national registry of child support orders  
13       maintained pursuant to section 452(a)(12) with  
14       respect to new employee, compare such infor-  
15       mation with the information reported on W-4  
16       forms of new employees, and identify child sup-  
17       port obligations not reported on such forms;

18               “(B) if child support information from the  
19       W-4 form of a new employee agrees with infor-  
20       mation with respect to the new employee in the  
21       national registry of child support orders main-  
22       tained pursuant to section 452(a)(12), notify  
23       the individual owed the support (or the individ-  
24       ual’s designee) of such information;

1           “(C) notify an employer of any new em-  
2           ployee who has not reported on the W-4 form  
3           a child support obligation of the new employee,  
4           using the wage withholding order developed  
5           under section 452(a)(14);

6           “(D) impose monetary penalties on—

7                   “(i) any individual who owes child  
8                   support and fails to report the obligation  
9                   to provide the support on a Federal income  
10                  tax W-4 form at time of employment;

11                  “(ii) any employer who fails to for-  
12                  ward a W-4 form for a new employee to  
13                  the State employment security agency  
14                  within 10 calendar days of the date of the  
15                  first payroll from which the new employee  
16                  is paid; and

17                  “(iii) any employer who fails to with-  
18                  hold from the pay of any new employee  
19                  who reports a child support obligation on  
20                  a W-4 form an amount equal to the sup-  
21                  port owed, or fails to pay to the individual  
22                  owed the obligation the amount so with-  
23                  held, within 10 calendar days of the date  
24                  of the payroll, using electronic funds trans-

1           fer, if possible, unless otherwise notified by  
2           a State agency;

3           “(E) provide the services described in this  
4           paragraph to any individual owed child support  
5           who applies for assistance under the State plan;  
6           and

7           “(F) on request of another State, broad-  
8           cast over the Parent Locator Service to such  
9           other State child support information from W-  
10          4 forms that have been sent to the State em-  
11          ployment security agency.”.

12 **SEC. 456. ACCESS TO LAW ENFORCEMENT RECORDS SYS-**  
13 **TEMS.**

14          (a) **ACCESS BY CHILD SUPPORT ENFORCEMENT**  
15 **AGENCIES.**—The head of the National Criminal Informa-  
16 tion Center, the head of the National Law Enforcement  
17 Telecommunications Network, and the head of any other  
18 national or regional system for tracking individuals shall  
19 each—

20           (1) allow Federal, State, and local child support  
21           enforcement agencies access to the information of  
22           the system for purposes of establishing paternity or  
23           a child support obligation of an individual tracked  
24           by the system, using appropriate safeguards to pre-  
25           vent improper release of such information; and



1 **SEC. 458. CASE MONITORING.**

2 Section 454(16)(E) (42 U.S.C. 654(16)(E)) is  
3 amended by inserting “, not less frequently that once  
4 every 3 years” before the semicolon.

5 **SEC. 459. ACCESS TO FINANCIAL RECORDS.**

6 Section 466(a) (42 U.S.C. 666(a)), as amended by  
7 section 455 of this Act, is amended by inserting after  
8 paragraph (15) the following:

9 “(16) Procedures under which the State may  
10 obtain access to financial records maintained with  
11 respect to any person by any financial institution  
12 doing business in the State, for the purpose of estab-  
13 lishing or enforcing a child support obligation of the  
14 person.”.

15 **PART E—ESTABLISHMENT**

16 **SEC. 461. INTERSTATE RECOGNITION OF CHILD SUPPORT**  
17 **AND PARENTAGE ORDERS.**

18 (a) IN GENERAL.—Chapter 115 of title 28, United  
19 States Code, is amended by inserting after section 1738A  
20 the following:

21 **“§1738B. Full faith and credit to child support and**  
22 **parentage orders**

23 “(a) DEFINITIONS.—As used in this section:

24 “(1) The term ‘child’ means any individual who  
25 has not attained the age of 18 years, and any indi-  
26 vidual who has attained the age of 18 years for

1 whom a child support order has been issued pursu-  
2 ant to the laws of a State.

3 “(2) The term ‘child support’ includes periodic  
4 and lump-sum payments for current and past due  
5 economic support, payments of premiums for health  
6 insurance for children, payments for or provision of  
7 child care, and payments for educational expenses.

8 “(3) The term ‘child support order’ means a  
9 judgment, decree or order of a court requiring the  
10 payment of money, whether in periodic amounts or  
11 lump sum, for the support of a child and includes  
12 permanent and temporary orders, initial orders and  
13 modifications, ongoing support and arrearages.

14 “(4) The term ‘child’s State’ means, with re-  
15 spect to a child, the State in which the child resides  
16 with a parent or an individual acting as a parent.

17 “(5) The term ‘contestant’ means an individual,  
18 including a parent, who claims a right to receive  
19 child support or is under an order to pay child sup-  
20 port, and includes States and political subdivisions  
21 to which support rights have been assigned.

22 “(6) The term ‘court’ means a court, adminis-  
23 trative process, or quasijudicial process of a State  
24 that is authorized to—

25 “(A) adjudicate parentage;

1           “(B) establish the amount of support pay-  
2           able by a contestant; or

3           “(C) modify the amount of support pay-  
4           able by a contestant.

5           “(7) The term ‘home State’ means, with respect  
6           to a child, the State in which, immediately preceding  
7           the time involved, the child lived with his or her par-  
8           ents, a parent, or an individual acting as parent, for  
9           at least 6 consecutive months (including any periods  
10          of temporary absence), and if the child has not at-  
11          tained the age of 6 months, the State in which the  
12          child lived from birth with any of such individuals.

13          “(8) The term ‘individual acting as a parent’  
14          means an individual, other than a parent, who has  
15          physical custody of a child and who has either been  
16          awarded custody by a court or claims a right to cus-  
17          tody.

18          “(9) The terms ‘modification’ and ‘modify’ refer  
19          to a change in a child support order or an order ad-  
20          judicating parentage that modifies, replaces, super-  
21          sedes, or otherwise is made subsequent to such prior  
22          order, whether or not made by the same court that  
23          issued such prior order.

24          “(10) The term ‘State’ means a State of the  
25          United States, the District of Columbia, the Com-

1 monwealth of Puerto Rico, a territory or possession  
2 of the United States, and Indian country as defined  
3 in section 1151 of title 18, United States Code.

4 “(b) FULL FAITH AND CREDIT.—The courts of each  
5 State shall recognize and enforce according to its terms  
6 a child support order or an order adjudicating parentage  
7 against an individual over whom personal jurisdiction has  
8 been exercised consistent with this section, and shall not  
9 modify such an order except as provided in subsection (f).

10 “(c) BASES OF JURISDICTION.—A court of a State  
11 may exercise personal jurisdiction over a nonresident con-  
12 testant if there is any basis consistent with the constitu-  
13 tion of the State and the Constitution of the United States  
14 for the exercise.

15 “(d) CONTINUING EXCLUSIVE JURISDICTION.—A  
16 court of a State which has issued a child support order  
17 or an order adjudicating parentage consistent with this  
18 section shall have continuing, exclusive jurisdiction of the  
19 order for so long as the State remains the child’s State  
20 or the residence of any contestant, unless another State,  
21 acting in accordance with subsection (f), has modified the  
22 order.

23 “(e) NOTICE AND HEARING.—Before a court of a  
24 State makes a child support order or adjudicates parent-

1 age, reasonable notice and opportunity to be heard shall  
2 be given to the contestants.

3 “(f) MODIFICATION.—A court of a State may modify  
4 a child support order or an order adjudicating parentage  
5 issued by a court of another State if—

6 “(1) each contestant has filed written consent  
7 for the court of the State to modify the order and  
8 assume continuing, exclusive jurisdiction of the  
9 order; and

10 “(2) the court of the State otherwise has juris-  
11 diction to issue such an order.

12 “(g) ENFORCEMENT OF PRIOR ORDERS.—A court of  
13 a State which no longer has continuing, exclusive jurisdic-  
14 tion of a child support order or an order adjudicating par-  
15 entage may enforce the order with respect to unsatisfied  
16 obligations which accrued before the date the order is  
17 modified in accordance with subsection (f).

18 “(h) WITHHOLDING EXERCISE OF JURISDICTION.—  
19 A court of a State shall not exercise jurisdiction in any  
20 proceeding for a child support order or an adjudication  
21 of parentage commenced during the pendency of a pro-  
22 ceeding in a court of another State when the court of the  
23 other State is exercising jurisdiction consistent with this  
24 section unless—

1           “(1) the proceeding was filed in the State be-  
2 fore the expiration of time allowed in the other State  
3 for filing a responsive pleading challenging the exer-  
4 cise of jurisdiction by the other State;

5           “(2) the contesting party timely challenges the  
6 exercise of jurisdiction by the other State; and

7           “(3) if applicable, the court is in the home  
8 State of the child.

9           “(i) CHOICE OF LAW.—(1) Except as provided in  
10 paragraphs (2) and (3), the forum State’s law shall apply  
11 in a proceeding to establish, modify, or enforce a child  
12 support order or an order adjudicating parentage.

13           “(2) The courts of a State shall apply the law of the  
14 State that issued a child support order or an order adju-  
15 dicating parentage in interpreting such an order.

16           “(3) In an action to enforce a child support order  
17 or an order adjudicating parentage, the statute of limita-  
18 tions under the laws of the forum State or the issuing  
19 State, whichever is longer, shall apply.”.

20           (b) CLERICAL AMENDMENT.—The chapter analysis  
21 for such chapter is amended by inserting after the item  
22 relating to section 1738A the following:

“1738B. Full faith and credit to child support and parentage orders.”.

1 **SEC. 462. SERVICE OF PROCESS ON FEDERAL EMPLOYEES**  
2 **AND MEMBERS OF THE ARMED SERVICES IN**  
3 **CONNECTION WITH PROCEEDINGS RELATING**  
4 **TO CHILD SUPPORT AND PARENTAGE OBLI-**  
5 **GATIONS.**

6 Part D of title IV (42 U.S.C. 651–670) is amended  
7 by inserting after section 460 the following:

8 **“SEC. 460A. SERVICE OF PROCESS ON FEDERAL EMPLOY-**  
9 **EES AND MEMBERS OF THE ARMED SERV-**  
10 **ICES IN CONNECTION WITH PROCEEDINGS**  
11 **RELATING TO CHILD SUPPORT AND PARENT-**  
12 **AGE OBLIGATIONS.**

13 “(a) IN GENERAL.—The head of each Government  
14 agency shall, in accordance with applicable regulations  
15 under subsection (b), designate an agent for receipt of  
16 service of process, for any Federal employee or member  
17 of the Armed Forces serving in or under such agency, in  
18 connection with an action, brought in a court of competent  
19 jurisdiction within any State, territory, or possession of  
20 the United States, for obtaining a child support order or  
21 for establishing parentage.

22 “(b) REGULATIONS.—Regulations governing the im-  
23 plementation of this section with respect to the executive,  
24 legislative, or judicial branch of the Government shall be  
25 promulgated by the authority or authorities responsible

1 for promulgating regulations under section 461 with re-  
2 spect to the branch of Government involved.

3 “(c) INTERPRETIVE RULE.—This section shall not be  
4 construed to prevent any otherwise eligible individual from  
5 requesting or being granted a stay or continuance in any  
6 judicial proceeding, including under the Soldiers’ and Sail-  
7 ors’ Civil Relief Act of 1940.

8 “(d) GOVERNMENT AGENCY DEFINED.—For pur-  
9 poses of this section, the term ‘Government agency’ means  
10 each agency of the Federal Government, including—

11 “(1) an Executive agency (as defined by section  
12 105 of title 5, United States Code);

13 “(2) the Department of Defense, to the extent  
14 that any Federal employee serving in or under that  
15 agency or any member of the armed services is in-  
16 volved;

17 “(3) the United States Postal Service and the  
18 Postal Rate Commission;

19 “(4) the government of the District of Colum-  
20 bia;

21 “(5) an agency within the legislative or judicial  
22 branch of the Government; and

23 “(6) an advisory committee to which the Fed-  
24 eral Advisory Committee Act applies.”.

1 **SEC. 463. PRESUMED ADDRESS OF OBLIGOR AND OBLIGEE.**

2 Section 466(a) (42 U.S.C. 666(a)), as amended by  
3 section 457 of this Act, is amended by inserting after  
4 paragraph (16) the following:

5 “(17) Procedures under which the State shall—

6 “(A) require the court or administrative  
7 agency with authority to issue the final order in  
8 a child support or parentage case to require  
9 each party subject to the order to file with the  
10 court or administrative agency, on or before the  
11 date the order is issued—

12 “(i) the party’s residential address or  
13 addresses;

14 “(ii) the party’s mailing address or  
15 addresses;

16 “(iii) the party’s home telephone num-  
17 ber or numbers;

18 “(iv) the party’s driver’s license num-  
19 ber;

20 “(v) the party’s social security ac-  
21 count number;

22 “(vi) the name of each employer of  
23 the party;

24 “(vii) the addresses of each place of  
25 employment of the party; and

1                   “(viii) the party’s work telephone  
2                   number or numbers;

3                   “(B) require the court or administrative  
4                   agency in any action related to child support to  
5                   presume, for the purpose of providing sufficient  
6                   notice (other than the initial notice in an action  
7                   to establish parentage or a child support order),  
8                   that the noncustodial parent resides at the last  
9                   residential address given by the noncustodial  
10                  parent to the court or agency, or a more recent  
11                  address provided in good faith by the parent  
12                  owed the support obligation; and

13                  “(C) ensure that information concerning  
14                  the location of a custodial parent or a child of  
15                  the custodial parent is not released to a  
16                  noncustodial parent if a court order has been  
17                  issued against the noncustodial parent for the  
18                  physical protection of the custodial parent or  
19                  the child.”.

20 **SEC. 464. NOTICE TO CUSTODIAL PARENTS.**

21                  Section 454 (42 U.S.C. 654) is amended—

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

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

1           (3) by inserting after paragraph (24) the fol-  
2           lowing:

3           “(25) provide that the agency administering the  
4           plan—

5                   “(A) shall make reasonable attempts to  
6                   provide timely notice to any individual owed  
7                   child support of any proceeding to establish,  
8                   modify, or enforce the support obligation;

9                   “(B) shall not delay any such proceeding  
10                  solely due to the failure of the custodial parent  
11                  to appear; and

12                  “(C) shall, within 14 days after the date  
13                  an order that establishes, modifies, or enforces  
14                  a child support obligation is issued, provide the  
15                  custodial parent of the child with a copy of the  
16                  order.”.

17 **SEC. 465. UNIFORM STATE RULES IN PARENTAGE AND**  
18 **CHILD SUPPORT CASES.**

19           Section 466(a) (42 U.S.C. 666(a)), as amended by  
20           section 463 of this Act, is amended by inserting after  
21           paragraph (17) the following:

22           “(18) Procedures under which, in the State—

23                   “(A) a party may, in a single cause of ac-  
24                   tion, seek judicial determination of the parent-

1 age of a child and judicial establishment of a  
2 child support order with respect to the child;

3 “(B) the venue for determination of par-  
4 entage of a child shall be in the county of resi-  
5 dence of the child;

6 “(C) a court or agency that issues a par-  
7 entage or child support order shall have con-  
8 tinuing and exclusive jurisdiction over the order  
9 until the court or agency transfers such juris-  
10 diction to the appropriate court or agency in  
11 the county of residence of the child, or the par-  
12 ties consent to be bound by another court or  
13 agency in the State that has subject matter ju-  
14 risdiction;

15 “(D) proceedings to enforce or modify of a  
16 child support order may be transferred to the  
17 city, county, or district in which the child re-  
18 sides without any requirement that the order be  
19 filed or the defendant be served again;

20 “(E) a court or agency that hears a par-  
21 entage or child support cases shall have state-  
22 wide jurisdiction over the parties to the case,  
23 and the parentage and child support orders is-  
24 sued by the court or agency shall have state-  
25 wide effect for enforcement purposes; and

1           “(F) denial of visitation rights may not be  
2           used as a defense in an action to enforce an ob-  
3           ligation to provide child support and the failure  
4           to provide child support may not be used as a  
5           defense in an action to enforce visitation  
6           rights.”.

7   **SEC. 466. FAIR CREDIT REPORTING ACT AMENDMENT.**

8           Section 604 of the Consumer Credit Protection Act  
9           (15 U.S.C. 1681b) is amended by adding at the end the  
10          following:

11          “(4) To a State agency administering a State plan  
12          under section 454 of the Social Security Act, for use to  
13          establish or modify a child support award.”.

14   **SEC. 467. NATIONAL CHILD SUPPORT GUIDELINES COMMIS-**  
15                                   **SION.**

16          (a) ESTABLISHMENT.—There is hereby established a  
17          commission to be known as the “National Child Support  
18          Guidelines Commission” (in this section referred to as the  
19          “Commission”).

20          (b) GENERAL DUTIES.—The Commission shall con-  
21          vene a conference to study the desirability of a national  
22          child support guideline, and if such guideline is advisable,  
23          the Commission shall develop for congressional consider-  
24          ation a national child support guideline that is based on  
25          the conference’s study of various guideline models, the de-

1 deficiencies of such models, and any needed improvements,  
2 taking into consideration differences in the cost of living  
3 in different areas of the United States. In developing such  
4 guideline, the Commission shall consider indexing the  
5 guideline to the cost of living, specifying minimum (rather  
6 than maximum) amounts, or using other methodologies to  
7 reflect such differences.

8 (c) MEMBERSHIP.—

9 (1) NUMBER; APPOINTMENT.—

10 (A) IN GENERAL.—The Commission shall  
11 be composed of 9 individuals appointed jointly  
12 by the Secretary of Health and Human Services  
13 and the Congress, not later than January 15,  
14 1995.

15 (B) QUALIFICATIONS OF MEMBERS.—

16 Members of the Commission shall be appointed  
17 from among those who are able to provide ex-  
18 pertise and experience in the evaluation and de-  
19 velopment of child support guidelines.

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

24 (d) COMMISSION POWERS, COMPENSATION, ACCESS  
25 TO INFORMATION, AND SUPERVISION.—The first sentence

1 of subparagraph (C), the first and third sentences of sub-  
2 paragraph (D), subparagraph (F) (except with respect to  
3 the conduct of medical studies), clauses (ii) and (iii) of  
4 subparagraph (G), and subparagraph (H) of section  
5 1886(e)(6) of the Social Security Act shall apply to the  
6 Commission in the same manner in which such provisions  
7 apply to the Prospective Payment Assessment Commis-  
8 sion.

9 (e) REPORT.—Not later than 2 years after the ap-  
10 pointment of members, the Commission shall submit to  
11 the President, the Committee on Ways and Means of the  
12 House of Representatives, and the Committee on Finance  
13 of the Senate, a report on the results of the study de-  
14 scribed in subsection (b) and the final assessment by the  
15 Commission of issues relating to a national child support  
16 guideline.

17 (f) TERMINATION.—The Commission shall terminate  
18 upon the submission of the report described in subsection  
19 (e).

20 **SEC. 468. GUIDELINE PRINCIPLES.**

21 Section 467 (42 U.S.C. 667) is amended by adding  
22 at the end the following:

23 “(d) The guidelines established pursuant to sub-  
24 section (a) shall be based on, and applied in accordance  
25 with, the following principles:

1           “(1) A change in the child support amount re-  
2           sulting from the application of the guidelines since  
3           the entry of the last support order is sufficient rea-  
4           son for modification of a child support obligation  
5           without the necessity of showing any other change in  
6           circumstance. The State may set a minimum time-  
7           frame between reviews of modifications based on the  
8           guidelines, absent other changes in circumstances.

9           “(2) Not later than 1995, each State shall es-  
10          tablish automatic child support order review proce-  
11          dures based on the automated calculation of the  
12          amount of support to which a child is entitled, to en-  
13          sure that the amount is sufficient to meet the needs  
14          of the child, and takes into account any changes in  
15          the income of the parents of the child.

16          “(3) The State shall advise any custodial parent  
17          who is not receiving aid under a State plan approved  
18          under part A of the review of a child support award  
19          made with respect to a child of the custodial parent,  
20          of any proposed modification in the amount of the  
21          award based on the review, and of the right of the  
22          custodial parent to decline to seek the modification.

23          “(e) The guidelines established pursuant to sub-  
24          section (a) may consider the treatment of the following:

1           “(1) Work-related or job-training-related child  
2           care expenses of either parent for the care of chil-  
3           dren of either parent.

4           “(2) Health insurance and related uninsured  
5           health care expenses, and school expenses incurred  
6           on behalf of the child for whom the child support  
7           order is sought.

8           “(3) Multiple family child raising obligations  
9           other than those for the child for whom the child  
10          support order is sought.

11          “(f) Each State must publish the guidelines estab-  
12          lished pursuant to subsection (a).”.

13          **SEC. 469. DURATION OF SUPPORT.**

14          (a) IN GENERAL.—Section 466(a) (42 U.S.C.  
15          666(a)), as amended by section 466 of this Act, is amend-  
16          ed by inserting after paragraph (17) the following:

17                 “(18) Procedures under which the State—

18                         “(A) imposes on 1 or both parents of a  
19                         child an obligation to continue to provide sup-  
20                         port for the child until not earlier than the later  
21                         of the date the child attains 18 years of age or  
22                         the date the child is graduated from or is no  
23                         longer enrolled in secondary school or its equiv-  
24                         alent, unless the child is married or is otherwise

1 emancipated by a court of competent jurisdic-  
2 tion;

3 “(B) provides that courts with jurisdiction  
4 over child support cases may, in accordance  
5 with criteria established by the State, order—

6 “(i) child support, payable to an adult  
7 child, at least up to the age of 22 years for  
8 a child enrolled in an accredited post-  
9 secondary or vocational school or college  
10 who is a student in good standing; and

11 “(ii) either or both parents to pay for  
12 postsecondary school support based on  
13 each parent’s financial ability to pay;

14 “(C) provides for child support to continue  
15 beyond the child’s minority if the child is dis-  
16 abled, unable to be self-supportive, and the dis-  
17 ability arose during the child’s minority; and

18 “(D) provides that courts should consider  
19 the effect of child support received on means-  
20 tested governmental benefits and whether to  
21 credit governmental benefits against a support  
22 award amount.”.

23 (b) SENSE OF THE CONGRESS.—It is the sense of  
24 the Congress that, if children receive child support while  
25 obtaining postsecondary education, they will attain higher

1 levels of education affording them a greater chance to  
2 break the welfare cycle.

3 **SEC. 470. EVIDENCE.**

4 (a) NATIONAL SUBPOENA DUCES TECUM.—Section  
5 452(a) (42 U.S.C. 652(a)), as amended by sections 471(a)  
6 and 452(c) of this Act, is amended—

7 (1) by striking “and” at the end of paragraph  
8 (11);

9 (2) by striking the period at the end of para-  
10 graph (12) and inserting a semicolon; and

11 (3) by inserting after paragraph (12) the fol-  
12 lowing:

13 “(13) develop and distribute a national sub-  
14 poena duces tecum, which shall be designed to be  
15 used by any State or local child support agency or  
16 child support litigant to reach income information on  
17 the prior 12 months of income or on accumulated in-  
18 come to date of any recipient of income;

19 “(14) establish a simplified certification process  
20 and admissibility procedure for out-of-State docu-  
21 ments in child support or parentage cases.”.

22 (b) STATE LAWS.—Section 466(a) (42 U.S.C.  
23 666(a)), as amended by section 469 of this Act, is amend-  
24 ed by inserting after paragraph (19) the following:

25 “(20) Procedures under which—

1 “(A) in a child support case in the State—

2 “(i) the subpoena duces tecum devel-  
3 oped pursuant to section 452(a)(13) shall  
4 be used, if necessary, to reach income in-  
5 formation on the prior 12 months of in-  
6 come or on accumulated income to date of  
7 any individual;

8 “(ii) an entity that is a source of in-  
9 come for the individual may comply with  
10 such a subpoena by timely mailing the in-  
11 formation described in the subpoena to an  
12 address supplied in the subpoena;

13 “(iii) the State shall permit such a  
14 subpoena to be enforced against such an  
15 entity in the State, with the entity bearing  
16 the burden of justifying any failure to com-  
17 ply with the subpoena; and

18 “(iv) information supplied by an en-  
19 tity in response to such a subpoena shall  
20 be admissible to prove the truth of the in-  
21 formation;

22 “(B) a certified copy of an out-of-State  
23 order, decree, or judgment related to child sup-  
24 port or parentage shall be admitted once of-

1           ferred in the courts of the State if the order, de-  
2           cree, or judgment is regular on its face;

3           “(C) electronically transmitted information  
4           and documents faxed to a court or administra-  
5           tive agency that contain information related to  
6           the amount of a child support obligation and  
7           the terms of the order imposing the obligation  
8           may be offered as evidence of the amount and  
9           the terms, and electronically transmitted  
10          records of payment of a child support agency  
11          that are regular on their face shall be admissi-  
12          ble as evidence in a child support or parentage  
13          proceeding to prove the truth of the matter as-  
14          serted in the records;

15          “(D) out-of-State depositions, interroga-  
16          tories, admissions of fact, and other discovery  
17          documents may be offered and shall be admit-  
18          ted in a child support or parentage proceeding  
19          to prove the truth of the matters asserted in  
20          the documents if regular on their face and if  
21          such documents comply with the appropriate  
22          discovery rule or law of the State where the dis-  
23          covery was conducted; and

24          “(E) written, videotaped, or audiotaped  
25          evidence related to a child support or parentage

1 proceeding may be offered and shall be admit-  
2 ted to prove the truth of the matter asserted  
3 therein.”.

4 **SEC. 471. TELEPHONIC APPEARANCE IN INTERSTATE**  
5 **CASES.**

6 Section 466(a) (42 U.S.C. 666(a)), as amended by  
7 section 472(b) of this Act, is amended by inserting after  
8 paragraph (20) the following:

9 “(21) Procedures under which the parties to an  
10 interstate parentage or child support administrative  
11 or judicial proceeding may appear and participate by  
12 telephonic means in lieu of appearing personally.”.

13 **SEC. 472. UNIFORM TERMS IN ORDERS.**

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

16 (1) in paragraph (9), by striking “and” after  
17 the semicolon;

18 (2) in paragraph (10), by striking the period at  
19 the end of the 2nd sentence and inserting “; and”;  
20 and

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

22 “(11) not later than 12 months after the date  
23 of the enactment of this paragraph, develop, in con-  
24 junction with State executive and judicial organiza-  
25 tions, a uniform abstract of a child support order,

1 for use by all State courts to record, with respect to  
2 each child support order in the child support order  
3 registry established under section 466(a)(12)—

4 “(A) the date support payments are to  
5 begin under the order;

6 “(B) the circumstances upon which sup-  
7 port payments are to end under the order;

8 “(C) the amount of child support payable  
9 pursuant to the order expressed as a sum cer-  
10 tain to be paid on a monthly basis, arrearages  
11 expressed as a sum certain as of a certain date,  
12 and any payback schedule for the arrearages;

13 “(D) whether the order awards support in  
14 a lump sum (nonallocated) or per child;

15 “(E) if the award is in a lump sum, the  
16 event causing a change in the support award  
17 and the amount of any change;

18 “(F) other expenses covered by the order;

19 “(G) the names of the parents subject to  
20 the order;

21 “(H) the social security account numbers  
22 of the parents;

23 “(I) the name, date of birth, and social se-  
24 curity account number (if any) of each child  
25 covered by the order;

1           “(J) the identification (FIPS code, name,  
2           and address) of the court that issued the order;

3           “(K) any information on health care sup-  
4           port required by the order; and

5           “(L) the party to contact if additional in-  
6           formation is obtained.”.

7           (b) EFFECTIVE DATE.—The amendments made by  
8           subsection (a) shall take effect on the date of the enact-  
9           ment of this Act.

10 **SEC. 473. SOCIAL SECURITY NUMBERS ON MARRIAGE LI-**  
11 **CENSES, DIVORCE DECREES, PARENTAGE DE-**  
12 **CREES, AND BIRTH CERTIFICATES.**

13           Section 466(a) (42 U.S.C. 666(a)), as amended by  
14           section 472 of this Act, is amended by inserting after  
15           paragraph (21) the following:

16           “(22) Procedures under which the social secu-  
17           rity account number (if any) of—

18           “(A) each individual applying for a mar-  
19           riage license is to be listed by the individual’s  
20           name on the license;

21           “(B) each party granted a divorce decree is  
22           to be listed by the party’s name on the decree,  
23           if any party to the decree is pregnant or a par-  
24           ent; and

1           “(C) each individual determined to be a  
2           parent of a child in an action to establish par-  
3           entage is to be listed by the individual’s name  
4           on the decree containing the determination; and

5           “(D) each parent of a child is to be listed  
6           by the parent’s name on the child’s birth certifi-  
7           cate.”.

8   **SEC. 474. ADMINISTRATIVE SUBPOENA POWER.**

9           Section 466(a) (42 U.S.C. 666(a)), as amended by  
10          section 474 of this Act, is amended by inserting after  
11          paragraph (22) the following:

12           “(23) Procedures under which the State child  
13          support enforcement agency may issue a subpoena  
14          which—

15           “(A) requires the individual served to  
16          produce and deliver documents to, or to appear  
17          at, a court or administrative agency on a cer-  
18          tain date; and

19           “(B) penalizes an individual for failing to  
20          comply with the subpoena.”.

21   **SEC. 475. LEGAL ASSISTANCE PROGRAMS.**

22          (a) USE OF FUNDS FOR CHILD SUPPORT CASES.—  
23          The Legal Services Corporation shall ensure that at least  
24          10 percent of the funds it provides to each recipient in

1 a fiscal year be used to assist eligible clients to obtain child  
2 support to which they may be entitled.

3 (b) DEFINITIONS.—For purposes of this section—

4 (1) the term “child support” means a payment  
5 of money or provision of a benefit for the support  
6 of a child, and includes periodic and lump-sum pay-  
7 ments for current and past due economic support,  
8 payments of premiums for health insurance for chil-  
9 dren, payments for or provision of child care, and  
10 payments for educational expenses; and

11 (2) the term “eligible client” has the meaning  
12 given that term in section 1002(3) of the Legal  
13 Services Corporation Act (42 U.S.C. 2996a(3)).

14 **SEC. 476. INDIAN CHILD SUPPORT.**

15 (a) SENSE OF THE CONGRESS.—It is the sense of the  
16 Congress that—

17 (1) children residing on Indian reservations be  
18 accorded the same right of support that is currently  
19 afforded off-reservation children; and

20 (2) State and tribal governments should, to the  
21 greatest extent possible, ensure that jurisdictional is-  
22 sues do not prevent any Indian child, on- or off-res-  
23 ervation, from receiving support to which the child  
24 is entitled.

1 (b) FULL FAITH AND CREDIT OF SUPPORT OR-  
2 DERS.—The Indian Child Welfare Act of 1978 (25 U.S.C.  
3 1901 et seq.) is amended by adding at the end the follow-  
4 ing:

5 **“TITLE IV—INDIAN CHILD**  
6 **SUPPORT**

7 **“SEC. 401. FULL FAITH AND CREDIT.**

8 “(a) Every Indian tribe shall give full faith and credit  
9 to the public acts, records, and judicial proceedings of the  
10 United States, every State, and every territory or posses-  
11 sion of the United States applicable to Indian child sup-  
12 port proceedings to the same extent that the Indian tribe  
13 gives full faith and credit to public acts, records, and judi-  
14 cial proceedings of any other entity pursuant to section  
15 101(d) of this Act.

16 “(b) The United States, every State, every territory  
17 or possession of the United States, and every Indian tribe  
18 shall give full faith and credit to the public acts, records,  
19 and judicial proceedings of any Indian tribe applicable to  
20 Indian child support proceedings to the same extent that  
21 such entities give full faith and credit to public acts,  
22 records, and judicial proceedings of any other entity.”.

1 **SEC. 477. SUPPORT ORDERS OUTREACH AND DEMONSTRATIONS.**  
2

3 (a) SENSE OF THE CONGRESS.—It is the sense of the  
4 Congress that States should work with community-based  
5 organizations with ties to underserved populations to de-  
6 velop better methods to reach and work with such popu-  
7 lations to encourage the filing of more support orders.

8 (b) STATES REQUIRED TO CONDUCT SURVEYS OF  
9 UNDERSERVED POPULATIONS.—

10 (1) IN GENERAL.—Part D of title IV (42  
11 U.S.C. 651–669) is amended by adding at the end  
12 the following:

13 **“SEC. 470. STATE SURVEYS OF UNDERSERVED POPU-**  
14 **LATIONS.**

15 “Each State, as a condition for having a State plan  
16 approved under this part, must conduct surveys to identify  
17 populations underserved by child support services, and de-  
18 velop outreach programs to serve such populations in  
19 places such as child care centers, parenting classes, pre-  
20 natal classes, and unemployment offices.”.

21 (2) FEDERAL FINANCIAL PARTICIPATION.—Sec-  
22 tion 455(a)(1) (42 U.S.C. 655(a)(1)) is amended—

23 (A) in subparagraph (B), by striking  
24 “and” at the end;

25 (B) in subparagraph (C) by adding “and”  
26 at the end; and

1 (C) by inserting after subparagraph (C)  
2 the following:

3 “(D) equal to 90 percent of so much of the  
4 sums expended during such quarter as are attrib-  
5 utable to operating programs described in section  
6 470,”.

7 (c) MATERIALS TO ASSIST PERSONS WITH LOW LIT-  
8 ERACY LEVELS.—The Secretary of Health and Human  
9 Services shall fund demonstration projects and technical  
10 assistance grants to States to develop applications and in-  
11 formational materials directed to individuals with low lit-  
12 eracy levels or difficulties reading English.

13 (d) REVIEW OF WRITTEN MATERIALS.—The Sec-  
14 retary of Health and Human Services shall review all writ-  
15 ten materials provided to persons served by the Office of  
16 Child Support Enforcement to ensure that any require-  
17 ment contained in the materials is presented clearly and  
18 in a manner that is easily understandable by such persons.

19 (e) DEMONSTRATION PROJECTS TO IMPROVE CO-  
20 ORDINATION BETWEEN CERTAIN STATE PUBLIC ASSIST-  
21 ANCE AGENCIES.—The Secretary of Health and Human  
22 Services shall make grants to States to conduct dem-  
23 onstration projects to test various methods for improving  
24 the coordination of services and case processing between  
25 the State agency referred to in section 402(a)(3) of the

1 Social Security Act and the State agency referred to in  
2 section 454(3) of such Act.

3 (f) REFERRAL OF CUSTODIAL PARENTS TO COMMU-  
4 NITY RESOURCES TO COMBAT DOMESTIC VIOLENCE.—  
5 Section 454 (42 U.S.C. 654) is amended—

6 (1) by striking “and” at the end of paragraph  
7 (24);

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

10 (3) by inserting after paragraph (25) the fol-  
11 lowing:

12 “(26) provide that the agency administering the  
13 plan—

14 “(A) may represent custodial parents in  
15 custody cases; and

16 “(B) must refer to appropriate community  
17 resources custodial parents against whom or  
18 whose children violence has been threatened as  
19 a result of cooperation with a State agency in  
20 establishing or enforcing a child support order,  
21 in accordance with procedures developed by the  
22 State to reduce the risk of violence, such as ex-  
23 emption of the custodial parent from any require-  
24 ment of face-to-face meetings with persons  
25 other than from the agency.”.

**PART F—PARENTAGE****SEC. 481. PARENTAGE.**

(a) STATE PLAN.—

(1) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 477(f) of this Act, is amended—

(A) by striking “and” at the end of paragraph (25);

(B) by striking the period at the end of paragraph (26) and inserting “; and”; and

(C) by inserting after paragraph (26) the following:

“(27) in order to encourage voluntary paternity acknowledgement, provide for—

“(A) the development and distribution of material at schools, hospitals (not later than 2 years after the effective date of this paragraph), agencies administering the programs under part A of this title and title XIX, prenatal health-care providers, WIC programs, health departments, clinics, and other appropriate locations that describe the benefits and responsibilities of paternity establishment and the process by which paternity services may be obtained;

“(B) outreach programs at hospitals and birthing facilities and programs for prenatal

1 care, child birth, and parenting, in accordance  
2 with regulations which shall be prescribed by  
3 the Secretary not later than 1 year after such  
4 effective date; and

5 “(C) the use of consent procedures.”.

6 (2) ENHANCED FEDERAL MATCH.—Section  
7 455(a)(1) (42 U.S.C. 655(a)(1)) is amended—

8 (A) by striking “and” at the end of sub-  
9 paragraph (B);

10 (B) by inserting “and” at the end of sub-  
11 paragraph (C); and

12 (C) by inserting after subparagraph (C)  
13 the following:

14 “(D) equal to 90 percent (rather than the  
15 percentage specified in subparagraph (A)) of so  
16 much of the sums expended during such quar-  
17 ter as are attributable to costs incurred in car-  
18 rying out section 454(27);”.

19 (b) STATE LAW.—Section 466(a) (42 U.S.C. 666(a)),  
20 as amended by section 475 of this Act, is amended by in-  
21 serting after paragraph (23) the following:

22 “(24) Procedures under which—

23 “(A) in a parentage case, an individual  
24 who signs the signature line provided for a fa-  
25 ther on a State birth certificate is rebuttably

1 presumed to be a parent of the child, and a  
2 birth certificate so signed is admissible as evi-  
3 dence of such parentage;

4 “(B) a simple, civil consent procedure is  
5 available for individuals who agree to acknowl-  
6 edge parentage of a child;

7 “(C) an acknowledgment of parentage of a  
8 child—

9 “(i) may be incorporated in a wit-  
10 nessed, written statement which includes a  
11 statement that the individual—

12 “(I) understands the con-  
13 sequences of paternity acknowledg-  
14 ment;

15 “(II) is signing the statement  
16 voluntarily; and

17 “(III) does not object to a court  
18 entering an order for parentage of the  
19 child based on the acknowledgment,  
20 without notice before the order is is-  
21 sued and without the requirement of  
22 pleadings, service, summons, testi-  
23 mony, or a hearing;

1           “(ii) is registered as part of the proc-  
2           ess of registering the birth certificate of  
3           the child; and

4           “(iii) is admissible in court as evi-  
5           dence of the individual’s parentage of the  
6           child;

7           “(D) collection of information for purposes  
8           of establishing a child support obligation may  
9           be done during the parentage acknowledgment  
10          process, to the maximum extent consistent with  
11          the State constitution;

12          “(E) a civil procedure (and not a criminal  
13          procedure) is used in parentage determination  
14          cases;

15          “(F) parentage is determined by a prepon-  
16          derance of the evidence;

17          “(G) a party may bring a parentage case  
18          without joinder of the named child, and State  
19          law regarding privity of the parties shall govern  
20          the res judicata effect of nonjoinder;

21          “(H) the results of a parentage test are  
22          rebuttably presumed to be accurate in a parent-  
23          age case, if the test results are admitted as evi-  
24          dence of the matter tested and are

1 uncontroverted, and the test has an accuracy  
2 rate of at least 98 percent;

3 “(I) a determination of parentage may be  
4 made against a noncooperative party who re-  
5 fuses to submit to a court order to submit to  
6 parentage testing;

7 “(J) an objection to parentage testing or  
8 to the results of a parentage test must be made  
9 in writing at least 21 days before trial, and if  
10 no such objection is made, the test results are  
11 admissible as evidence of the matter tested,  
12 without any requirement for the attendance of  
13 a representative of the hospital, clinic, or par-  
14 entage laboratory that conducted the test;

15 “(K) prenatal and post-natal parentage-  
16 testing bills are admissible as evidence of par-  
17 entage, without any requirement of third-party  
18 foundation testimony, and any such bill is  
19 prima facie evidence of the expenses incurred  
20 on behalf of the child for the procedures in-  
21 cluded in the bill;

22 “(L) a default order is entered in a parent-  
23 age case on a proper showing of evidence of  
24 parentage and of service of process on the de-

1           fendant, without regard to the personal pres-  
2           ence of the plaintiff;

3           “(M) a temporary child support order is  
4           entered against an individual if—

5                   “(i) the individual is presumed to be  
6                   the parent of the child by reason of the re-  
7                   sults of a parentage test;

8                   “(ii) the individual has signed a state-  
9                   ment acknowledging parentage of the child;  
10                  or

11                   “(iii) there is other clear and convinc-  
12                   ing evidence that the individual is a parent  
13                   of the child;

14                  “(N) an individual determined by law to be  
15                  the parent of a child is precluded from claiming  
16                  nonparentage of the child as a defense in a  
17                  child support case;

18                  “(O) a single action may be brought to de-  
19                  termine the parentage of a child and to estab-  
20                  lish a child support obligation with respect to  
21                  the child; and

22                  “(P)(i) an action to determine the parent-  
23                  age of a child may be brought only in the coun-  
24                  ty in which the child resides; and



1 oped under section 452(a)(14) that is regular on its  
2 face and has been issued by a court of any State—

3 “(i) immediately provide a copy of the  
4 order to the employee subject to the order;

5 “(ii) within 10 days after receipt of the  
6 order, comply with the order;

7 “(iii) forward the amount withheld pursu-  
8 ant to the order to the State or custodial parent  
9 specified in the order; and

10 “(iii) keep records of the amounts so with-  
11 held.

12 “(C) Such an order may be served on the in-  
13 come source directly or by first-class mail.

14 “(D) An individual or entity who complies with  
15 such an order may not be held liable for wrongful  
16 withholding of income from the employee subject to  
17 the order.

18 “(E)(i) The State shall impose a civil fine of  
19 \$1,000 on any individual or entity who receives such  
20 an order, and fails to comply with the order within  
21 10 days after receipt.

22 “(ii) The 10-day period described in clause (i)  
23 shall be extended by any period during which the in-  
24 dividual or entity contests the order, until the con-  
25 test is finally decided.

1           “(12) If the State transmits to an individual or  
2           entity engaged in commerce in another State a wage  
3           withholding order issued by the State with respect to  
4           an employee of the individual or entity, and the indi-  
5           vidual or entity contests or refuses to comply with  
6           the order, the State shall send an informational copy  
7           of the order to the registry established under sub-  
8           section (a)(12) of such other State or of the State  
9           from which the income of the employee is paid.

10           “(13) If an employee requests a hearing to con-  
11           test wage withholding based on claim of a mistake  
12           of fact, the hearing may be held in the State from  
13           which the income is paid or in which the employee  
14           is employed, and, within 45 days after the income  
15           source receives the withholding order, the entity con-  
16           ducting the hearing must adjudicate the claim. The  
17           State in which the hearing is held shall provide ap-  
18           propriate services in cases enforced under the State  
19           plan to ensure that the interests of the individual to  
20           whom the withheld income is to be paid are ade-  
21           quately represented.”.

22           (b) UNIFORM WITHHOLDING ORDER.—Section  
23           452(a) (42 U.S.C. 652(a)), as amended by sections  
24           471(a), 452(c), and 469(a) of this Act, is amended—

1 (1) by striking “and” at the end of paragraph  
2 (12);

3 (2) by striking the period at the end of para-  
4 graph (13) and inserting “; and”; and

5 (3) by inserting after paragraph (13) the fol-  
6 lowing:

7 “(14) develop a uniform order to be used in all  
8 cases in which income is to be withheld for the pay-  
9 ment of child support, which shall contain the name  
10 of the individual whose income is to be withheld, the  
11 number of children covered by the order, and the in-  
12 dividual or State to whom the withheld income is to  
13 be paid, and be generic to allow for the service of  
14 the order on all sources of income.”.

15 **SEC. 492. PRIORITIES IN APPLICATION OF WITHHELD**  
16 **WAGES.**

17 Section 466(b) (42 U.S.C. 666(a)), as amended by  
18 section 491(a) of this Act, is amended by inserting after  
19 paragraph (13) the following:

20 “(14) Procedures under which the amounts  
21 withheld pursuant to a child support or wage with-  
22 holding order are to be applied in the following  
23 order:

24 “(A) To payments of support due during  
25 the month of withholding.

1           “(B) To payments of premiums for health  
2           care insurance coverage for dependent children.

3           “(C) To payments of support due before  
4           the month of withholding, and of unreimbursed  
5           health-care expenses.”.

6 **SEC. 493. ADDITIONAL BENEFITS SUBJECT TO GARNISH-**  
7 **MENT.**

8           (a) FEDERAL DEATH BENEFITS, BLACK LUNG BEN-  
9           EFITS, AND VETERANS BENEFITS.—Section 462(f)(2) (42  
10           U.S.C. 662(f)(2)) is amended by striking “(not including”  
11           and all that follows through “compensation)”.

12           (b) WORKERS’ COMPENSATION.—Section 462(f) (42  
13           U.S.C. 662(f)) is amended—

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

15           (1);

16           (2) by striking the period at the end of para-  
17           graph (2) and inserting “, or”; and

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

19           “(3) workers’ compensation benefits.”.

20 **SEC. 494. CONSUMER CREDIT PROTECTION ACT AMEND-**  
21 **MENTS.**

22           (a) PREEMPTION OF STATE LAWS.—Section 307 of  
23           the Consumer Credit Protection Act (15 U.S.C. 1677) is  
24           amended—

1           (1) by striking “This” and inserting “(a) IN  
2       GENERAL.—Subject to subsection (b), this”;

3           (2) by striking “or” at the end of paragraph  
4       (1);

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

7           (4) by adding at the end the following:

8           “(3) providing a cause of action, either by the  
9       State or a private individual, to enforce a Federal or  
10      State law related to garnishment for the purpose of  
11      securing child support.

12          “(b) EXCEPTION.—Subsection (a)(1) shall not apply  
13      to the laws of any State that prohibit or restrict garnish-  
14      ments for the purpose of securing support for any per-  
15      son.”.

16          (b) OTHER FORMS OF INCOME.—Title III of such  
17      Act (15 U.S.C. 1671 et seq.) is amended by adding at  
18      the end the following:

19      **“SEC. 308. OTHER FORMS OF INCOME.**

20          “‘This title does not apply to forms of income that  
21      are not earnings within the definition contained in section  
22      302(a).’”.

23          (c) PRIORITY OF DEBTS.—Title III of such Act (15  
24      U.S.C. 1671 et seq.), as amended by subsection (b) of this  
25      section, is amended by adding at the end the following:

1 **“SEC. 309. PRIORITY OF DEBTS.**

2 “If an individual’s disposable earnings are not suffi-  
3 cient to pay—

4 “(1) a garnishment intended to satisfy a Fed-  
5 eral debt; and

6 “(2) a garnishment intended to satisfy a debt  
7 related to the support of any child,

8 the Federal debt shall be satisfied through garnishment  
9 only after the debt related to child support has first been  
10 satisfied.”.

11 (d) **ADDITIONAL INDEBTEDNESS IN ANTI-DIS-**  
12 **CHARGE SECTION.**—Section 304 of such Act (16 U.S.C.  
13 1674) is amended by adding at the end the following:

14 “(c) The prohibition contained in subsection (a) shall  
15 apply to any employee whose earnings are subject to gar-  
16 nishment for more than one indebtedness, if the additional  
17 indebtedness arises from an order for the support of a  
18 child.”.

19 **SEC. 495. PROHIBITION AGAINST USE OF ELECTION OF**  
20 **REMEDIES DOCTRINE TO PREVENT COLLEC-**  
21 **TION OF CHILD SUPPORT.**

22 Section 466(a) (42 U.S.C. 666(a)), as amended by  
23 section 481(b) of this Act, is amended by inserting after  
24 paragraph (24) the following:

25 “(25) Procedures which prohibit any State  
26 court from applying the doctrine of election of rem-

1 edies to prevent a custodial parent from collecting or  
2 seeking to collect child support from a noncustodial  
3 parent.”.

4 **SEC. 496. HOLD ON OCCUPATIONAL, PROFESSIONAL, AND**  
5 **BUSINESS LICENSES.**

6 (a) STATE HOLD BASED ON WARRANT OR SUPPORT  
7 DELINQUENCY.—Section 466(a) (42 U.S.C. 666(a)), as  
8 amended by section 495 of this Act, is amended by insert-  
9 ing after paragraph (25) the following:

10 “(26) Procedures under which the State occu-  
11 pational licensing and regulating departments and  
12 agencies may not issue or renew any occupational,  
13 professional, or business license of—

14 “(A) a noncustodial parent who is the sub-  
15 ject of an outstanding failure to appear war-  
16 rant, capias, or bench warrant related to a child  
17 support proceeding that appears on the State’s  
18 crime information system, until removed from  
19 the system; and

20 “(B) an individual who is delinquent in the  
21 payment of child support, until the obligee or a  
22 State prosecutor responsible for child support  
23 enforcement consents to, or a court that is re-  
24 sponsible for the order’s enforcement orders,  
25 the release of the hold on the license, or an ex-

1           pedited inquiry and review is completed while  
2           the individual is granted a 60-day temporary li-  
3           cense.”.

4           (b) FEDERAL HOLD BASED ON SUPPORT DELIN-  
5 QUENCY.—A Federal agency may not issue or renew any  
6 occupational, professional, or business license of an indi-  
7 vidual who is delinquent in the payment of child support,  
8 until the obligee, the obligee’s attorney or a State prosecu-  
9 tor responsible for child support enforcement consents to,  
10 or a court that is responsible for the order’s enforcement  
11 orders, the release of the hold on the license, or an expe-  
12 dited inquiry and review is completed while the individual  
13 is granted a 60-day temporary license.

14 **SEC. 497. DRIVER’S LICENSES AND VEHICLE REGISTRA-**  
15 **TIONS DENIED TO PERSONS FAILING TO AP-**  
16 **PEAR IN CHILD SUPPORT CASES.**

17           Section 466(a) (42 U.S.C. 666(a)), as amended by  
18 section 496(a) of this Act, is amended by inserting after  
19 paragraph (26) the following:

20           “(27) Procedures under which the State motor  
21           vehicle department—

22           “(A) may not issue or renew the driver’s li-  
23           cense or any vehicle registration (other than  
24           temporary) of any noncustodial parent who is  
25           the subject of an outstanding failure to appear

1 warrant, capias, or bench warrant related to a  
2 child support proceeding that appears on the  
3 State's crime information system, until removed  
4 from the system;

5 “(B) upon receiving notice that an individ-  
6 ual to whom a State driver's license or vehicle  
7 registration has been issued is the subject of a  
8 warrant related to a child support proceeding,  
9 shall issue a show cause order to the individual  
10 requesting the individual to demonstrate why  
11 the individual's driver's license or vehicle reg-  
12 istration should not be suspended until the war-  
13 rant is removed by the State responsible for is-  
14 suing the warrant; and

15 “(C) in any case in which a show cause  
16 order has been issued as described in subpara-  
17 graph (B), may grant a temporary license or  
18 vehicle registration to the individual pending  
19 the show cause hearing or the removal of the  
20 warrant, whichever occurs first.”.

21 **SEC. 498. LIENS ON CERTIFICATES OF VEHICLE TITLE.**

22 Section 466(a) (42 U.S.C. 666(a)), as amended by  
23 section 497 of this Act, is amended by inserting after  
24 paragraph (27) the following:

1           “(28) Procedures under which the State shall  
2           systematically place liens on vehicle titles for child  
3           support arrearages determined under a court order  
4           or an order of an administrative process established  
5           under State law, using a method for updating the  
6           value of the lien on a regular basis or allowing for  
7           an expedited inquiry to and response from a govern-  
8           mental payee for proof of the amount of arrears,  
9           with an expedited method for the titleholder or the  
10          individual owing the arrearage to contest the arrear-  
11          age or to request a release upon fulfilling the sup-  
12          port obligation, and under which such a lien has  
13          precedence over all other encumbrances on a vehicle  
14          title other than a purchase money security interest,  
15          and that the individual owed the arrearage may exe-  
16          cute on, seize, and sell the property in accordance  
17          with State law.”.

18 **SEC. 499. ATTACHMENT OF BANK ACCOUNTS.**

19          Section 466(a) (42 U.S.C. 666(a)), as amended by  
20          section 498 of this Act, is amended by inserting after  
21          paragraph (28) the following:

22                 “(29) Procedures under which—

23                         “(A) amounts on deposit in a bank account  
24                         may be seized to satisfy child support arrear-  
25                         ages determined under a court order or an

1 order of an administrative process established  
2 under State law, solely through an administra-  
3 tive process, pending notice to and an expedited  
4 opportunity to be heard from the account hold-  
5 er or holders; and

6 “(B) if the account holder or holders fail  
7 to successfully challenge the seizure (as deter-  
8 mined under State law), the bank may be re-  
9 quired to pay from the account to the entity  
10 with the right to collect the arrearage the lesser  
11 of—

12 “(i) the amount of the arrearage; or

13 “(ii) the amount on deposit in the ac-  
14 count.”.

15 **SEC. 499A. SEIZURE OF LOTTERY WINNINGS, SETTLE-**  
16 **MENTS, PAYOUTS, AWARDS, AND BEQUESTS,**  
17 **AND SALE OF FORFEITED PROPERTY, TO PAY**  
18 **CHILD SUPPORT ARREARAGES.**

19 Section 466(a) (42 U.S.C. 666(a)), as amended by  
20 section 499 of this Act, is amended by inserting after  
21 paragraph (29) the following:

22 “(30) Procedures, in addition to other income  
23 withholding procedures, under which a lien is im-  
24 posed against property with the following effect:

1           “(A) The distributor of the winnings from  
2 a State lottery or State-sanctioned or tribal-  
3 sanctioned gambling house or casino shall—

4           “(i) suspend payment of the winnings  
5 from the person otherwise entitled to the  
6 payment until an inquiry is made to and a  
7 response is received from the State child  
8 support enforcement agency as to whether  
9 the person owes a child support arrearage;  
10 and

11           “(ii) if there is such an arrearage,  
12 withhold from the payment the lesser of  
13 the amount of the payment or the amount  
14 of the arrearage, and pay the amount with-  
15 held to the agency for distribution.

16           “(B) The person required to make a pay-  
17 ment under a policy of insurance or a settle-  
18 ment of a claim made with respect to the policy  
19 shall—

20           “(i) suspend the payment until an in-  
21 quiry is made to and a response received  
22 from the agency as to whether the person  
23 otherwise entitled to the payment owes a  
24 child support arrearage; and

1           “(ii) if there is such an arrearage,  
2           withhold from the payment the lesser of  
3           the amount of the payment or the amount  
4           of the arrearage, and pay the amount with-  
5           held to the agency for distribution.

6           “(C) The payor of any amount pursuant to  
7           an award, judgment, or settlement in any ac-  
8           tion brought in Federal or State court shall—

9           “(i) suspend the payment of the  
10          amount until an inquiry is made to and a  
11          response is received from the agency as to  
12          whether the person otherwise entitled to  
13          the payment owes a child support arrear-  
14          age; and

15          “(ii) if there is such an arrearage,  
16          withhold from the payment the lesser of  
17          the amount of the payment or the amount  
18          of the arrearage, and pay the amount with-  
19          held to the agency for distribution.

20          “(D) If the State seizes property forfeited  
21          to the State by an individual by reason of a  
22          criminal conviction, the State shall—

23          “(i) hold the property until an inquiry  
24          is made to and a response is received from

1 the agency as to whether the individual  
2 owes a child support arrearage; and

3 “(ii) if there is such an arrearage, sell  
4 the property and, after satisfying the  
5 claims of all other private or public claim-  
6 ants to the property and deducting from  
7 the proceeds of the sale the attendant costs  
8 (such as for towing, storage, and the sale),  
9 pay the lesser of the remaining proceeds or  
10 the amount of the arrearage directly to the  
11 agency for distribution.

12 “(E) Any person required to make a pay-  
13 ment in respect of a decedent shall—

14 “(i) suspend the payment until an in-  
15 quiry is made to and a response received  
16 from the agency as to whether the person  
17 otherwise entitled to the payment owes a  
18 child support arrearage; and

19 “(ii) if there is such an arrearage,  
20 withhold from the payment the lesser of  
21 the amount of the payment or the amount  
22 of the arrearage, and pay the amount with-  
23 held to the agency for distribution.”.

1 **SEC. 499B. FRAUDULENT TRANSFER PURSUIT.**

2 Section 466(a) (42 U.S.C. 666(a)), as amended by  
3 section 499A of this Act, is amended by inserting after  
4 paragraph (30) the following:

5 “(31) Procedures requiring that, in any case re-  
6 lated to child support, any transfer of property by  
7 an individual who owes a child support arrearage  
8 shall be presumed to be made with the intent to  
9 avoid payment of the arrearage, and may be rebut-  
10 ted by evidence to the contrary.”.

11 **SEC. 499C. FULL IRS COLLECTION.**

12 (a) SENSE OF THE CONGRESS.—It is the sense of the  
13 Congress that the Commissioner of the Internal Revenue  
14 Services should instruct the field offices and agents of the  
15 Internal Revenue Service to give a high priority to re-  
16 quests for the use of full collection in delinquent child sup-  
17 port cases, and to set uniform standards for full collection  
18 to ensure its expeditious and effective implementation.

19 (b) SIMPLIFIED PROCEDURE.—The Secretary of the  
20 Treasury, in consultation with the Secretary of Health and  
21 Human Services, shall by regulation simplify the full col-  
22 lection process under section 6305 of the Internal Revenue  
23 Code of 1986 and reduce the amount of child support ar-  
24 rearage needed before an individual may apply for collec-  
25 tion under such section.

1 **SEC. 499D. TAX REFUND OFFSET PROGRAM EXPANDED TO**  
2 **COVER NON-AFDC POST-MINOR CHILDREN.**

3 Section 464(c) (42 U.S.C. 664(c)) is amended—

4 (1) by striking “(1) Except as provided in para-  
5 graph (2), as” and inserting “As”;

6 (2) by inserting “(whether or not a minor)”  
7 after “a child” each place such term appears; and

8 (3) by striking paragraphs (2) and (3).

9 **SEC. 499E. ATTACHMENT OF PUBLIC AND PRIVATE RETIRE-**  
10 **MENT FUNDS.**

11 Section 466(a) (42 U.S.C. 666(a)), as amended by  
12 section 499B of this Act, is amended by inserting after  
13 paragraph (31) the following:

14 “(32) Procedures under which an individual  
15 owed a child support arrearage (determined under a  
16 court order or an order of an administrative process  
17 established under State law) may, notwithstanding  
18 section 401(a)(13) of the Internal Revenue Code of  
19 1986, attach any interest in any public or private re-  
20 tirement plan of the individual who owes the sup-  
21 port, without the requirement of a separate court  
22 order, and with notice and an expedited hearing pro-  
23 vided if requested by the individual who owes the  
24 support.”.

1 **SEC. 499F. REPORTING OF CHILD SUPPORT ARREARAGES**  
2 **TO CREDIT BUREAUS.**

3 Section 466(a)(7)(A) (42 U.S.C. 666(a)(7)(A)) is  
4 amended by striking “\$1,000” and inserting “the amount  
5 of the monthly support obligation”.

6 **SEC. 499G. STATUTES OF LIMITATION.**

7 (a) IN GENERAL.—Section 466(a) (42 U.S.C.  
8 666(a)), as amended by section 499E of this Act, is  
9 amended by inserting after paragraph (32) the following:

10 “(33) Procedures which permit the enforcement  
11 of any child support order until the child attains at  
12 least 30 years of age.”.

13 (b) EFFECTIVE DATE.—The amendment made by  
14 this section shall apply to orders entered before, on, and  
15 after the date of the enactment of this Act.

16 **SEC. 499H. INTEREST.**

17 Section 466(a) (42 U.S.C. 666(a)), as amended by  
18 section 499G(a) of this Act, is amended by inserting after  
19 paragraph (33) the following:

20 “(34) Procedures under which the State child  
21 support enforcement agency must assess and collect  
22 interest on all child support judgments, at the rate  
23 determined for interest on money judgments, in ad-  
24 dition to any late payment fee imposed by the State  
25 under section 454(21).”.

1 **SEC. 499I. BANKRUPTCY.**

2 (a) DEFINITION.—Section 101 of title 11, United  
3 States Code, is amended by inserting after paragraph (12)  
4 the following:

5 “(12a) ‘debt for child support’ means a debt to  
6 a child for maintenance for or support of the child  
7 within the meaning of section 523(a)(5).”.

8 (b) EXCEPTION FROM AUTOMATIC STAY.—Section  
9 362(b) of such title is amended—

10 (1) by inserting “(A)” after “(2);

11 (2) by adding “or” after the semicolon; and

12 (3) by adding at the end the following new  
13 paragraph:

14 “(B) under subsection (a), of the commence-  
15 ment or continuation of a civil action or administra-  
16 tive proceeding against the debtor—

17 “(i) to establish parentage;

18 “(ii) to establish, review, adjust, or modify  
19 a judgment or order creating a debt for child  
20 support; or

21 “(iii) to enforce or collect on a judgment or  
22 order issued in such an action or proceeding;”.

23 (c) TREATMENT OF DEBT FOR CHILD SUPPORT IN  
24 PROCEEDINGS UNDER CHAPTERS 11, 12, AND 13.—

25 (1) CHAPTER 11.—Section 1123(a) of such title  
26 is amended—

1 (A) by striking “and” at the end of para-  
2 graph (6);

3 (B) by striking the period at the end of  
4 paragraph (7) and inserting “; and”; and

5 (C) by adding at the end the following new  
6 paragraph:

7 “(8) provide for the full payment when due of  
8 debts for child support, unless the parent in custody  
9 or guardian of the child agrees otherwise.”.

10 (2) CHAPTER 12.—Section 1222(a) of such title  
11 is amended—

12 (A) by striking “and” at the end of para-  
13 graph (2);

14 (B) by striking the period at the end of  
15 paragraph (3) and inserting “; and”; and

16 (C) by adding at the end the following new  
17 paragraph:

18 “(4) provide for the full payment when due of  
19 debts for child support, unless the parent in custody  
20 or guardian of the child agrees otherwise.”.

21 (3) CHAPTER 13.—Section 1322(a) of such title  
22 is amended—

23 (A) by striking “and” at the end of para-  
24 graph (2);

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

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

5 “(4) provide for the full payment when due of  
6 debts for child support, unless the parent in custody  
7 or guardian of the child agrees otherwise.”.

8 (d) ASSERTION OF CLAIM FOR CHILD SUPPORT.—

9 (1) IN GENERAL.—Subchapter I of chapter 5 of  
10 such title is amended by adding at the end the fol-  
11 lowing:

12 **“§ 511. Assertion of claim for child support**

13 “(a) IN GENERAL.—A claim for payment of a debt  
14 for child support may be asserted by the filing of a claim  
15 form that describes the debt.

16 “(b) FEE.—No fee shall be charged for the filing of  
17 a claim described in subsection (a).

18 “(c) REQUIREMENTS FOR APPEARANCE.—A claim  
19 described in subsection (a) may be made in any court by  
20 a person appearing—

21 “(1) in proper person; or

22 “(2) through an attorney admitted to practice  
23 in any district court, without the attorney’s being re-  
24 quired to meet any admission requirements other

1 than those applicable in the district in which the at-  
2 torney is admitted to practice.”.

3 (2) BANKRUPTCY RULES.—Pursuant to section  
4 2705 of title 28, United States Code, the Bank-  
5 ruptcy Rules shall be amended as necessary to im-  
6 plement section 511 of title 11, United States Code,  
7 as added by paragraph (1) of this subsection; until  
8 the Bankruptcy Rules are so amended, any provision  
9 of the Bankruptcy Rules or the rules of any court  
10 that is inconsistent with that section is superseded  
11 by that section.

12 (e) CLARIFICATION OF THE NONDISCHARGEABILITY  
13 OF STATE PUBLIC DEBTS AND ASSIGNED CHILD SUP-  
14 PORT BASED ON THE PROVISION OF EXPENDITURES  
15 UNDER PARTS A AND E OF TITLE IV OF THE SOCIAL  
16 SECURITY ACT.—Section 523 of title 11, United States  
17 Code, is amended by adding at the end the following:

18 “(f) For the purposes of subsection (a)(5), a debt to  
19 a child of the debtor for maintenance for or support of  
20 the child includes State public debts and assigned child  
21 support based on the provision of expenditures under  
22 parts A and E of title IV of the Social Security Act (43  
23 U.S.C. 401 et seq. and 470 et seq.).”.

1 **SEC. 499J. FEDERAL GOVERNMENT COOPERATION IN EN-**  
2 **FORCEMENT OF SUPPORT OBLIGATIONS OF**  
3 **MEMBERS AND FORMER MEMBERS OF THE**  
4 **ARMED FORCES.**

5 (a) AVAILABILITY OF CURRENT LOCATOR INFORMA-  
6 TION.—

7 (1) MAINTENANCE OF ADDRESS INFORMA-  
8 TION.—Each worldwide personnel locator service of  
9 the Armed Forces and each personnel locator service  
10 of the Armed Forces maintained for a military in-  
11 stallation shall include the residential address of  
12 each member of the Armed Forces listed in such  
13 service. Within 30 days after a change of duty sta-  
14 tion or residential address of a member listed in a  
15 locator service, the Secretary concerned shall update  
16 the locator service to indicate the new residential ad-  
17 dress of the member.

18 (2) AVAILABILITY OF INFORMATION.—The Sec-  
19 retary of Defense shall prescribe regulations to make  
20 information regarding the residential address of a  
21 member of the Armed Forces available, on request,  
22 to any authorized person for the purposes of part D  
23 of title IV of the Social Security Act.

24 (3) DEFINITIONS.—For purposes of this sub-  
25 section:

1           (A) The term “authorized person” has the  
2           meaning given that term in section 453(c) of  
3           the Social Security Act (42 U.S.C. 653(c)).

4           (B) The term “Secretary concerned” has  
5           the meaning given that term in section  
6           101(a)(9) of title 10, United States Code.

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

9           (1) REGULATIONS REQUIRED.—The Secretary  
10          concerned shall prescribe regulations to facilitate the  
11          granting of a leave of absence to a member of the  
12          Armed Forces under the jurisdiction of that Sec-  
13          retary when necessary for the member to attend a  
14          hearing of a court that is conducted in connection  
15          with a civil action—

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

18                (B) to determine an obligation of the mem-  
19                ber to provide child support.

20          (2) WAIVER AUTHORITY.—The regulations pre-  
21          scribed under paragraph (1) may authorize a waiver  
22          of the applicability of the regulations to a member  
23          of the Armed Forces when—

24                (A) the member is serving in an area of  
25                combat operations; or

1 (B) such a waiver is otherwise necessary in  
2 the national security interest of the United  
3 States.

4 (3) DEFINITIONS.—For purposes of this sub-  
5 section:

6 (A) The term “court” has the meaning  
7 given that term in section 1408(a) of title 10,  
8 United States Code.

9 (B) The term “child support” has the  
10 meaning given such term in section 462 of the  
11 Social Security Act (42 U.S.C. 662).

12 (C) The term “Secretary concerned” has  
13 the meaning given that term in section  
14 101(a)(9) of title 10, United States Code.

15 (c) PAYMENT OF MILITARY RETIRED PAY IN COM-  
16 PLIANCE WITH COURT ORDERS.—

17 (1) DATE OF CERTIFICATION OF COURT  
18 ORDER.—Section 1408 of title 10, United States  
19 Code, is amended—

20 (A) by redesignating subsection (i) as sub-  
21 section (j); and

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

24 “(i) CERTIFICATION DATE.—It is not necessary that  
25 the date of a certification of the authenticity or complete-

1 ness of a copy of a court order for child support received  
2 by the Secretary concerned for the purposes of this section  
3 be recent in relation to the date of receipt.”.

4 (2) PAYMENTS CONSISTENT WITH ASSIGN-  
5 MENTS OF RIGHTS TO STATES.—

6 (A) AUTHORITY.—Subsection (d)(1) of  
7 such section is amended by inserting after the  
8 first sentence the following: “In the case of a  
9 spouse or former spouse who, pursuant to sec-  
10 tion 402(a)(26) of the Social Security Act (42  
11 U.S.C. 602(26)), assigns to a State the rights  
12 of the spouse or former spouse to receive sup-  
13 port, the Secretary concerned may make the  
14 child support payments referred to in the pre-  
15 ceding sentence to that State in amounts con-  
16 sistent with the assignment of rights.”.

17 (B) RULE OF CONSTRUCTION.—Subsection  
18 (c)(2) of such section is amended—

19 (i) by inserting after the first sentence  
20 the following: “The second sentence of sub-  
21 section (d)(1) shall not be construed to  
22 create any such right, title, or interest.”;

23 (ii) by inserting “(A)” after “(2)”;  
24 and

1 (iii) by designating the last sentence  
2 as subparagraph (B) and conforming the  
3 margins accordingly.

4 (3) ARREARAGES OWED BY MEMBERS OF THE  
5 UNIFORMED SERVICES.—Part D of title IV (42  
6 U.S.C. 651–669) is amended by inserting after sec-  
7 tion 465 the following:

8 **“SEC. 465A. PAYMENT OF CHILD SUPPORT ARREARAGES**  
9 **OWED BY MEMBERS OF THE UNIFORMED**  
10 **SERVICES.**

11 “Any authority, requirement, or procedure provided  
12 in this part or section 1408 of title 10, United States  
13 Code, that applies to the payment of child support owed  
14 by a member of the uniformed services (as defined in sec-  
15 tion 101 of title 37, United States Code) shall apply to  
16 the payment of child support arrearages as well as to  
17 amounts of child support that are currently due.”.

18 **SEC. 499K. STATES REQUIRED TO ENACT THE UNIFORM**  
19 **INTERSTATE FAMILY SUPPORT ACT.**

20 (a) IN GENERAL.—Section 466 (42 U.S.C. 666) is  
21 amended by adding at the end the following:

22 “(f) In order to satisfy section 454(20)(A), each  
23 State must have in effect laws which—

24 “(1) adopt verbatim the officially approved ver-  
25 sion of the Uniform Interstate Family Support Act

1 adopted by the National Conference of Commis-  
2 sioners on Uniform State Laws in August 1992; and

3 “(2) require the courts of the State to recognize  
4 according to its terms an order issued by a court of  
5 any other State adjudicating parentage of an indi-  
6 vidual over whom the court of such other State has  
7 exercised personal jurisdiction.”.

8 (b) EFFECTIVE DATE.—The amendment made by  
9 subsection (a) shall apply to payments under part D of  
10 title IV of the Social Security Act for calendar quarters  
11 ending 2 or more years after the date of the enactment  
12 of this Act.

13 **SEC. 499L. IRS RECONCILIATION PROCESS.**

14 (a) IN GENERAL.—The Comptroller General and the  
15 Secretary of the Treasury shall jointly conduct a study  
16 of the feasibility of a procedure under which—

17 (1) past-due child support is collected from the  
18 taxpayer owing such support by increasing the tax-  
19 payer’s tax liability for a taxable year by the past-  
20 due child support for such taxable year, and

21 (2) the Internal Revenue Service remits the col-  
22 lected past-due child support to the individual or  
23 governmental agency entitled to receive it.

24 (b) FORM.—As part of the study, the Secretary of  
25 the Treasury shall develop an appropriate form which

1 could be filed with a taxpayer's income tax return and  
2 which shows—

3 (1) the child support required to be paid by the  
4 taxpayer during the taxable year,

5 (2) the unpaid amount of such support as of  
6 the time of filing the taxpayer's income tax return  
7 for such taxable year, and

8 (3) the name and address of the individual or  
9 governmental agency entitled to receive any payment  
10 of such unpaid amount.

11 (c) REPORT.—The report of such study shall be sub-  
12 mitted to Congress not later than 1 year after the date  
13 of the enactment of this Act.

14 **SEC. 499M. DENIAL OF PASSPORTS TO NONCUSTODIAL**  
15 **PARENTS SUBJECT TO STATE ARREST WAR-**  
16 **RANTS IN CASES OF NONPAYMENT OF CHILD**  
17 **SUPPORT.**

18 The Secretary of State is authorized to refuse a pass-  
19 port or revoke, restrict, or limit a passport in any case  
20 in which the Secretary of State determines or is informed  
21 by competent authority that the applicant or passport  
22 holder is a noncustodial parent who is the subject of an  
23 outstanding State warrant of arrest for nonpayment of  
24 child support, where the amount in controversy is not less  
25 than \$10,000.

1 **SEC. 499N. DENIAL OF FEDERAL BENEFITS, LOANS, GUAR-**  
2 **ANTEES, AND EMPLOYMENT TO CERTAIN**  
3 **PERSONS WITH LARGE CHILD SUPPORT AR-**  
4 **REARAGES.**

5 (a) **BENEFITS, LOANS, AND GUARANTEES.**—Not-  
6 withstanding any other provision of law, each agency or  
7 instrumentality of the Federal Government may not,  
8 under any program that the agency or instrumentality su-  
9 pervises or administers, provide a benefit to, make a loan  
10 to, or provide any guarantee for the benefit of, any per-  
11 son—

12 (1) whose child support arrearages, determined  
13 under a court order or an order of an administrative  
14 process established under State law, exceed \$1,000;  
15 and

16 (2) who is not in compliance with a plan or an  
17 agreement to repay the arrearages.

18 (b) **EMPLOYMENT.**—

19 (1) **IN GENERAL.**—Notwithstanding any other  
20 provision of law, an individual shall be considered in-  
21 eligible to accept employment in a position in the  
22 Federal Government if—

23 (A) such individual has child support ar-  
24 rearages, determined under a court order or an  
25 order of an administrative process established  
26 under State law, exceeding \$1,000; and

1           (B) such individual is not in compliance  
2           with a plan or agreement to repay the arrear-  
3           ages.

4           (2) REGULATIONS.—Regulations to carry out  
5           paragraph (1) shall—

6           (A) with respect to positions in the execu-  
7           tive branch, be prescribed by the President (or  
8           his designee);

9           (B) with respect to positions in the legisla-  
10          tive branch, be prescribed jointly by the Presi-  
11          dent pro tempore of the Senate and the Speak-  
12          er of the House of Representatives (or their  
13          designees); and

14          (C) with respect to positions in the judicial  
15          branch, be prescribed by the Chief Justice of  
16          the United States (or his designee).

17          (3) CHILD SUPPORT DEFINED.—For purposes  
18          of this subsection, the term “child support” has the  
19          meaning given such term in section 462 of the  
20          Social Security Act.

1 **SEC. 4990. STATES REQUIRED TO ORDER COURTS TO**  
2 **ALLOW ASSIGNMENT OF LIFE INSURANCE**  
3 **BENEFITS TO SATISFY CHILD SUPPORT AR-**  
4 **REARAGES.**

5 Section 466(a) (42 U.S.C. 666(a)), as amended by  
6 section 499H of this Act, is amended by inserting after  
7 paragraph (34) the following:

8 “(35) Procedures allowing State courts to—

9 “(A) order the issuer of a life insurance  
10 policy to change the beneficiary provisions of  
11 the policy to effect an assignment of the bene-  
12 fits payable to a beneficiary under the policy, in  
13 whole or in part, to a child to satisfy a child  
14 support arrearage, determined under a court  
15 order or an order of an administrative process  
16 established under State law, owed by the bene-  
17 ficiary with respect to the child; and

18 “(B) prohibit the sale, assignment, or  
19 pledge as collateral of the policy, in whole or in  
20 part, by the beneficiary of the policy.”.

21 **SEC. 499P. INTERESTS IN JOINTLY HELD PROPERTY SUB-**  
22 **JECT TO ASSIGNMENT TO SATISFY CHILD**  
23 **SUPPORT ARREARAGES.**

24 Section 466(a) (42 U.S.C. 666(a)), as amended by  
25 section 499O of this Act, is amended by inserting after  
26 paragraph (35) the following:

1           “(36) Procedures allowing State courts to order  
2           the assignment of an interest in jointly held property  
3           to an individual owed a child support arrearage (de-  
4           termined under a court order or an order of an ad-  
5           ministrative process established under State law) by  
6           a holder of an interest in the property, to the extent  
7           of the arrearage.”.

8   **SEC. 499Q. INTERNATIONAL CHILD SUPPORT ENFORCE-**  
9                                   **MENT.**

10           (a) SENSE OF THE CONGRESS THAT THE UNITED  
11           STATES SHOULD RATIFY THE UNITED NATIONS CON-  
12           VENTION OF 1956.—It is the sense of the Congress that  
13           the United States should ratify the United Nations Con-  
14           vention of 1956.

15           (b) TREATMENT OF INTERNATIONAL CHILD SUP-  
16           PORT CASES AS INTERSTATE CASES.—Section 454 (42  
17           U.S.C. 654), as amended by section 481 of this Act, is  
18           amended—

19                   (1) by striking “and” at the end of paragraph  
20                   (26);

21                   (2) by striking the period at the end of para-  
22                   graph (27) and inserting “; and”; and

23                   (3) by inserting after paragraph (27) the  
24                   following:



1 that accrued before assistance was provided  
2 with respect to the child under this title; or

3 “(B) to the State, to the extent necessary  
4 to reimburse the State for assistance provided  
5 with respect to the child under this title (with-  
6 out interest); and

7 “(4) then to other States, to the extent nec-  
8 essary to reimburse such other States for assistance  
9 provided with respect to the child under this title  
10 (without interest), in the order in which such assist-  
11 ance was provided.”.

12 (b) STUDY AND PILOT PROJECTS.—

13 (1) IN GENERAL.—The Comptroller General of  
14 the United States shall conduct studies and pilot  
15 projects of systems under which States would be re-  
16 quired to pay the child support collected pursuant to  
17 a State plan approved under part D of title IV of  
18 the Social Security Act to the individuals to whom  
19 the support is owed before making any payment to  
20 reimburse any State for assistance provided with re-  
21 spect to the child under part A of such title.

22 (2) REPORT TO THE CONGRESS.—Within 3  
23 years after the date of the enactment of this Act, the  
24 Comptroller General shall submit to the Committee  
25 on Ways and Means of the House of Representatives

1 and the Committee on Finance of the Senate a re-  
2 port on each study and pilot project conducted pur-  
3 suant to paragraph (1), including a cost-benefit  
4 analysis and an analysis of the costs that would be  
5 avoided under the program of aid to families with  
6 dependent children under part A of title IV of the  
7 Social Security Act, the program of medical assist-  
8 ance under title XIX of such Act, and the food  
9 stamp program under the Food Stamp Act of 1977,  
10 if the various systems studied were implemented.

11 (3) SENSE OF THE CONGRESS.—It is the sense  
12 of the Congress that, if the report submitted pursu-  
13 ant to paragraph (2) demonstrates that there would  
14 be a net benefit to society if a system described in  
15 paragraph (1) were implemented, then Federal law  
16 should provide that States implement the system.

17 (c) REVISION OF FEDERAL INCOME TAX REFUND  
18 OFFSET.—Section 6402 of the Internal Revenue Code of  
19 1986 (relating to authority to make credits or refunds)  
20 is amended—

21 (1) in subsection (c), by striking “after any  
22 other reductions allowed by law (but before” and in-  
23 serting “before any other reductions allowed by law  
24 (and before”); and

1           (2) in subsection (d), by striking “with respect  
2           to past-due support collected pursuant to an assign-  
3           ment under section 402(a)(26) of the Social Security  
4           Act”.

5           (d) \$50 DISREGARDED FOR ALL MEANS-TESTED  
6 PROGRAMS.—Section 457(b)(1) (42 U.S.C. 657(b)(1)) is  
7 amended by inserting “under this part or under any other  
8 Federal program which determines eligibility for or the  
9 amount of assistance based on the income or assets of the  
10 applicant for or recipient of the assistance” after “during  
11 such month”.

12          (e) FILL-THE-GAP POLICIES ALLOWED.—Section  
13 402(a)(28) (42 U.S.C. 602(a)(28)) is amended by striking  
14 the open parenthesis and all that follows through the close  
15 parenthesis.

16 **SEC. 499S. STATE CLAIMS AGAINST NONCUSTODIAL PAR-**  
17 **ENT LIMITED TO ASSISTANCE PROVIDED TO**  
18 **THE CHILD.**

19          Section 466(a) (42 U.S.C. 666(a)), as amended by  
20 section 499P of this Act, is amended by inserting after  
21 paragraph (36) the following:

22           “(37)(A) Procedures under which any claims  
23           the State may have against a noncustodial parent  
24           for a child’s portion of the assistance provided under  
25           a State plan approved under part A shall not exceed

1 the amount specified as child support under a court  
2 or administrative order.

3 “(B) As used in subparagraph (A), the term  
4 ‘child’s portion’ means the assistance that would  
5 have been provided with respect to the child if the  
6 needs of the caretaker relative of the child had not  
7 been taken into account in making the determination  
8 with respect to the child’s family under section  
9 402(a)(7).”.

10 **SEC. 499T. FEES FOR NON-AFDC CLIENTS.**

11 (a) IN GENERAL.—Section 454(6) (42 U.S.C.  
12 654(6)) is amended—

13 (1) in subparagraph (B), by striking “or recov-  
14 ered” and all that follows through “program”;

15 (2) in subparagraph (C), by inserting “on the  
16 parent who owes the child or spousal support obliga-  
17 tion involved” after “imposed”;

18 (3) in subparagraph (D), by striking “individ-  
19 ual who” and inserting “the noncustodial parent if  
20 the child whose parentage is to be determined  
21 through the tests”; and

22 (4) in subparagraph (E), by striking all that  
23 follows “may be collected” and inserting “from the  
24 parent who owes the child or spousal support obliga-



1 **SEC. 499V. SENSE OF THE CONGRESS THAT STATES**  
2 **SHOULD ENCOURAGE PARENTS TO USE THE**  
3 **STATE CHILD SUPPORT AGENCY TO COLLECT**  
4 **AND PROCESS CHILD SUPPORT PAYMENTS.**

5 It is the sense of the Congress that States should en-  
6 courage all parents to use the state child support agency  
7 to process and distribute child support payments in order  
8 to establish an official record of such payments.

9 **PART I—FEDERAL ROLE**

10 **SEC. 499W. PLACEMENT AND ROLE OF THE OFFICE OF**  
11 **CHILD SUPPORT ENFORCEMENT.**

12 Section 452(a) (42 U.S.C. 652(a)), as amended by  
13 section 491(b) of this Act, is amended—

14 (1) in the matter preceding paragraph (1), by  
15 striking “, under the direction” and all that follows  
16 through “and who” and inserting “which shall be  
17 known as the Office of Child Support Enforcement,  
18 shall be under the direction of an Assistant Sec-  
19 retary appointed by the President with the advice  
20 and consent of the Senate, and shall have its own  
21 legal counsel. The Assistant Secretary shall report  
22 directly to the Secretary and”;

23 (2) in paragraph (10)—

24 (A) in subparagraph (A), by inserting  
25 “using a methodology that reflects cost-avoid-

1           ance as well as cost-recovery” after “the States  
2           and the Federal Government”;

3           (B) by redesignating subparagraphs (H)  
4           and (I) as subparagraphs (I) and (J), respec-  
5           tively; and

6           (C) by inserting after subparagraph (G)  
7           the following:

8           “(H) the budgetary allocation of the \$50  
9           pass through equally between part A and this  
10          part;”;

11          (3) by striking “and” at the end of paragraph  
12          (13);

13          (4) by striking the period at the end of para-  
14          graph (14) and inserting “; and”; and

15          (5) by inserting after paragraph (14) the fol-  
16          lowing:

17          “(15) initiate and actively pursue with other  
18          Federal agencies, such as the Department of De-  
19          fense, coordinated efforts on Federal legislation.”.

20   **SEC. 499X. TRAINING.**

21          (a) FEDERAL TRAINING ASSISTANCE.—Section  
22   452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting  
23   “and training” after “technical assistance”.

1 (b) STATE TRAINING PROGRAM.—Section 454 (42  
2 U.S.C. 654), as amended by section 499U of this Act, is  
3 amended—

4 (1) by striking “and” at the end of paragraph  
5 (28);

6 (2) by striking the period at the end of para-  
7 graph (29) and inserting “; and”; and

8 (3) by inserting after paragraph (29) the fol-  
9 lowing:

10 “(30) provide that the State will develop and  
11 implement a training program under which training  
12 is to be provided not less frequently than annually  
13 to all personnel performing functions under the  
14 State plan.”.

15 (c) REPORT.—Section 452(a)(10) (42 U.S.C.  
16 652(a)(10)), as amended by section 499W(2) of this Act,  
17 is amended by redesignating subparagraphs (I) and (J)  
18 as subparagraphs (J) and (K), respectively, and by insert-  
19 ing after subparagraph (H) the following:

20 “(I) the training activities at the Federal  
21 and State levels, the training audit, and the  
22 amounts expended on training;”.

23 **SEC. 499Y. STAFFING.**

24 (a) STUDIES.—The Secretary of Health and Human  
25 Services shall conduct and, not later than 1 year after the

1 date of the enactment of this Act, complete staffing stud-  
2 ies for each State child support enforcement program, in-  
3 cluding each agency and court involved in the child sup-  
4 port process.

5 (b) REPORT TO THE CONGRESS.—Within 90 days  
6 after the end of the 1-year period described in subsection  
7 (a), the Secretary shall report to the Committee on Ways  
8 and Means of the House of Representatives and the Com-  
9 mittee on Finance of the Senate, and to each State, the  
10 results of the studies required by subsection (a).

11 (c) IMPLEMENTATION.—The Secretary of Health and  
12 Human Services shall reduce by 2 percent the amount oth-  
13 erwise payable to a State pursuant to section 455(a)(1)(A)  
14 of the Social Security Act for any calendar quarter ending  
15 2 or more years after the State receives a report transmit-  
16 ted pursuant to subsection (b), if the Secretary determines  
17 that, during the quarter, the State has not implemented  
18 the staffing levels recommended in the report.

19 **SEC. 499Z. DEMONSTRATION PROJECTS TO TEST ALTER-**  
20 **NATIVE APPROACHES TO INCENTIVE FUND-**  
21 **ING FOR STATE CHILD SUPPORT PROGRAMS.**

22 (a) IN GENERAL.—The Secretary of Health and  
23 Human Services shall authorize 3 States to carry out dem-  
24 onstration projects under which—

1           (1) the State is to implement the State plan ap-  
2           proved under part D of title IV of the Social Secu-  
3           rity Act so as to promote quality control and provide  
4           incentives for enforcement of health care support;

5           (2) in lieu of applying subsections (b) and (c)  
6           of section 458 of such Act to the States, the incen-  
7           tive payment to a State for a fiscal year shall be—

8                   (A) not less than 65 percent of the total  
9                   amount expended to carry out the plan during  
10                  the fiscal year if the performance of the State  
11                  in implementing the plan meets such minimum  
12                  performance standards as the Secretary shall  
13                  prescribe by regulation; and

14                   (B) not more than 90 percent of such total  
15                  amount if the performance significantly exceeds  
16                  the standards; and

17           (3) a payment to a State under this subsection  
18           is deemed a payment to the State under such section  
19           458.

20           (b) REPORT.—The Secretary of Health and Human  
21           Services and the Comptroller General of the United States  
22           shall evaluate each demonstration project carried out  
23           under subsection (a) and report to the Committee on Ways  
24           and Means of the House of Representatives and the Com-

1 mittee on Finance of the Senate the results and their rec-  
2 ommendations.

3 (c) HEALTH CARE SUPPORT INCLUDED IN INCEN-  
4 TIVE PAYMENT FORMULA.—Section 458 (42 U.S.C. 658)  
5 is amended by adding at the end the following:

6 “(f) For purposes of this section, the term ‘support’  
7 includes premiums paid for health insurance coverage pur-  
8 suant to a support order.”.

9 (d) MINIMUM STATE FUNDING OF CHILD SUPPORT  
10 ACTIVITIES.—The Secretary of Health and Human Serv-  
11 ices shall reduce by 2 percent the amount otherwise pay-  
12 able to a State pursuant to section 455(a)(1)(A) of the  
13 Social Security Act for any of the 5 fiscal years that begin  
14 after the date of the enactment of this Act (in this sub-  
15 section referred to as “investment years”), if the Secretary  
16 determines that, during the investment year, the State has  
17 not expended on the program under the State plan ap-  
18 proved under part D of title IV of such an amount equal  
19 to the sum of—

20 (1) the amount the State expends on the pro-  
21 gram during the fiscal year in which this Act be-  
22 comes law (in this subsection referred to as the  
23 “base year”); plus

1           (2)(A) in the case of the 1st investment year,  
2           60 percent of the amount paid to the State under  
3           section 458 of such Act for the base year;

4           (B) in the case of the 2nd investment year, 70  
5           percent of the amount so paid to the State;

6           (C) in the case of the 3rd investment year, 80  
7           percent of the amount so paid to the State;

8           (D) in the case of the 4th investment year, 90  
9           percent of the amount so paid to the State; and

10          (E) in the case of the 5th investment year, 100  
11          percent of the amount so paid to the State.

12          (e) SENSE OF THE CONGRESS.—It is the sense of the  
13 Congress that States should not use amounts paid to the  
14 States pursuant to part D of title IV of the Social Security  
15 Act, which are reinvested in child support activities, to  
16 supplant State funding of such activities.

17 **SEC. 499AA. CHILD SUPPORT DEFINITION.**

18          (a) IN GENERAL.—Section 452 (42 U.S.C. 652) is  
19 amended by adding at the end the following:

20          “(j) For purposes of this part, the term ‘child sup-  
21 port’ shall have the meaning given such term in section  
22 462(b).”.

23          (b) CONFORMING AMENDMENTS.—Section 462(b)  
24 (42 U.S.C. 662(b)) is amended—

1           (1) by inserting “and lump sum” after “peri-  
2       odic”, and

3           (2) by inserting “child care,” after “clothing.”.

4 **SEC. 499BB. AUDITS.**

5       (a) STUDY.—

6           (1) CONTRACT AUTHORITY.—The Secretary of  
7       Health and Human Services shall enter into a con-  
8       tract for a study of the audit process of the Office  
9       of Child Support Enforcement to develop criteria  
10      and methodology for auditing the activities of State  
11      child support enforcement agencies pursuant to part  
12      D of title IV of the Social Security Act.

13          (2) DESIGN OF STUDY.—The study shall be de-  
14      signed to—

15            (A) identify ways to improve the auditing  
16      process, including by—

17              (i) reducing the resources required to  
18      perform the audit;

19              (ii) simplifying procedures for States  
20      to follow in obtaining samples;

21              (iii) studying the feasibility of sam-  
22      pling cases for needed action rather than  
23      requiring sampling plans for each audit  
24      criterion; and

1 (iv) a more timely audit period of re-  
2 view; and

3 (B) develop a penalty process which—

4 (i) focuses on improving the delivery  
5 of child support services and not harming  
6 families;

7 (ii) uses a penalty not tied to any re-  
8 duction of funds payable to States under  
9 part A of title IV of the Social Security  
10 Act; and

11 (iii) should include the escrowing of  
12 funds withheld as penalties for use by  
13 States to improve their child support pro-  
14 grams in a manner approved by the Sec-  
15 retary of Health and Human Services.

16 (b) REPORT.—Not later than 90 days after comple-  
17 tion of the study required by subsection (a), the Secretary  
18 of Health and Human Services shall submit to the Com-  
19 mittee on Ways and Means of the House of Representa-  
20 tives and the Committee on Finance of the Senate a report  
21 on the results of the study.

22 (c) LIMITATION ON CASES INCLUDED IN AUDITS.—  
23 Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended—

24 (1) by inserting ‘(A) after ‘(4);

25 (2) by adding “and” at the end; and

1           (3) by adding after and below the end the fol-  
2           lowing:

3           “(B) notwithstanding subparagraph (A), each  
4           audit under subparagraph (A) shall be limited to  
5           cases open on the date the audit begins and cases  
6           closed within 180 days before such date, unless the  
7           Secretary has determined, in accordance with regula-  
8           tions, that there is a need for a longitudinal review  
9           of case handling that includes cases that have been  
10          closed for more than 180 days;”.

11 **SEC. 499CC. CHILD SUPPORT ASSURANCE DEMONSTRATION PROJECTS.**  
12

13          (a) SENSE OF THE CONGRESS.—It is the sense of the  
14 Congress that children should have a consistent source of  
15 income to meet their education and medical needs.

16          (b) SENSE OF THE CONGRESS.—It is the sense of  
17 the Congress that the provision of public assistance to a  
18 custodial parent for the support of a child with respect  
19 to whom a noncustodial parent owes child support does  
20 not absolve the noncustodial parent of the obligation to  
21 provide such support.

22          (c) SENSE OF THE CONGRESS.—It is the sense of the  
23 Congress that the States must continue to vigorously pur-  
24 sue efforts to establish parentage, and establish and en-  
25 force child support obligations.

1 (d) CHILD SUPPORT ASSURANCE DEMONSTRATION  
2 PROJECTS.—

3 (1) PURPOSE.—The purpose of this subsection  
4 is to test the feasibility and utility of ensuring that  
5 custodial parents owed child support have a consist-  
6 ent source of income for the support of their chil-  
7 dren, by authorizing States to conduct projects dem-  
8 onstrating various methods for doing so.

9 (2) CONSIDERATION OF APPLICATIONS.—

10 (A) IN GENERAL.—The Secretary of  
11 Health and Human Services (in this section re-  
12 ferred to as the “Secretary”) shall consider ap-  
13 plications to conduct demonstration projects  
14 under this subsection received only from eligible  
15 States.

16 (B) ELIGIBLE STATE DEFINED.—For pur-  
17 poses of subparagraph (A), a State is an eligi-  
18 ble State if—

19 (i) the child support collection ratio  
20 for the State for the most recent fiscal  
21 year for which such information is avail-  
22 able exceeds the child support collection  
23 ratio for the United States for the fiscal  
24 year; or

1 (ii) AFDC support collection ratio for  
2 the State for the most recent fiscal year  
3 for which such information is available ex-  
4 ceeds the AFDC support collection ratio  
5 for the United States for the fiscal year.

6 (C) CHILD SUPPORT COLLECTION  
7 RATIO.—As used in subparagraph (B), the term  
8 “child support collection ratio” means, with re-  
9 spect to a fiscal year—

10 (i) for a State—

11 (I) the total amount expended by  
12 the State during the fiscal year for  
13 the operation of the plan approved  
14 under section 454 of the Social Secu-  
15 rity Act; divided by

16 (II) the total amount of support  
17 collected by the State during the fiscal  
18 year in all cases under part D of title  
19 IV of such Act; and

20 (ii) for the United States—

21 (I) the total amount expended by  
22 the States during the fiscal year for  
23 the operation of the plans approved  
24 under such section; divided by

1 (II) the total amount of support  
2 collected by the State during the fiscal  
3 year in all cases under part D of title  
4 IV of such Act; and  
5 (ii) for the United States—

6 (I) the total amount expended by  
7 the States during the fiscal year for  
8 the operation of the plans approved  
9 under such section; divided by

10 (II) the total amount of support  
11 collected by the States during the fis-  
12 cal year in all cases under such part.

13 (D) AFDC SUPPORT COLLECTION  
14 RATIO.—As used in subparagraph (B), the term  
15 “AFDC support collection ratio” means, with  
16 respect to a fiscal year—

17 (i) for a State—

18 (I) the total amount expended by  
19 the State during the fiscal year for  
20 the operation of the plan approved  
21 under section 454 of the Social Secu-  
22 rity Act; divided by

23 (II) the total amount of support  
24 collected by the State under the plan  
25 during the fiscal year in cases in

1           which the support obligation involved  
2           is assigned to the State pursuant to  
3           section 402(a)(26) or section  
4           471(a)(17) of such Act; and  
5           (ii) for the United States—

6                   (I) the total amount expended by  
7                   the States during the fiscal year for  
8                   the operation of the plans approved  
9                   under such section 454; divided by

10                   (II) the total amount of support  
11                   collected by the States under the  
12                   plans during the fiscal year in cases in  
13                   which the support obligation involved  
14                   is assigned to a State pursuant to sec-  
15                   tion 402(a)(26) or section 471(a)(17)  
16                   of such Act.

17           (3) APPLICATION REQUIREMENTS.—Each appli-  
18           cation of a State to conduct a demonstration project  
19           under this subsection must describe a demonstration  
20           project that meets the following requirements:

21                   (A) PROJECT BENEFICIARIES.—A child  
22                   support assurance benefit is payable under the  
23                   project to the caretaker of a child if—

24                           (i) the child is an eligible child; and

1           (ii) the caretaker has applied for serv-  
2           ices under the State plan approved under  
3           part D of title IV of the Social Security  
4           Act.

5           (B) ELIGIBLE CHILDREN.—A child is an  
6           eligible child if—

7                   (i) the child resides in the State;

8                   (ii) the child has a living noncustodial  
9           parent;

10                   (iii) a good faith effort has been made  
11           to seek or enforce an order for such parent  
12           to provide support for the child, or there is  
13           good cause for not seeking or enforcing  
14           such an order; and

15                   (iv) any rights to support owed the  
16           child have been assigned to the State, to  
17           the extent of the child support assurance  
18           benefits received with respect to the child  
19           under the project.

20           (C) AMOUNT OF CHILD SUPPORT ASSUR-  
21           ANCE BENEFIT.—The amount of the child sup-  
22           port assurance benefit payable under the  
23           project to the caretaker of 1 or more eligible  
24           children is the amount by which—

1 (i) the child support assurance thresh-  
2 old; exceeds

3 (ii) the dollar value of the child sup-  
4 port (if any) received during the month by  
5 the caretaker from the noncustodial parent  
6 for the support of any eligible child.

7 (D) CHILD SUPPORT ASSURANCE THRESH-  
8 OLD.—The child support assurance threshold is  
9  $\frac{1}{12}$  of—

10 (i) \$2,000 for the 1st eligible child;  
11 plus

12 (ii) \$1,000 for the 2nd eligible child  
13 (if any); plus

14 (iii) \$500 for each subsequent eligible  
15 child (if any).

16 (4) METHODS TO BE TESTED.—In approving  
17 applications to conduct demonstration projects under  
18 this subsection, the Secretary shall ensure that the  
19 applications approved under this subsection describe  
20 projects which, in the aggregate, are designed to test  
21 the following:

22 (A) ADMINISTRATIVE VERSUS OTHER  
23 PROCESSING.—The feasibility of implementing  
24 a statewide child support assurance benefit in a  
25 State which processes child support and parent-

1 age cases administratively, as opposed to the  
2 feasibility of implementing such a benefit in a  
3 State which processes such cases only judicially  
4 or quasi-judicially.

5 (B) ALLOWANCE OF GOOD CAUSE EXCEP-  
6 TIONS.—The effects of prohibiting the provision  
7 of a child support assurance benefit with re-  
8 spect to a child unless an order for the support  
9 of the child has been established and the care-  
10 taker of the child has made a good faith effort  
11 to enforce the order, as opposed to allowing  
12 good cause exceptions to the prohibition.

13 (C) TIMING OF BENEFITS.—The effects of  
14 providing child support assurance benefits im-  
15 mediately upon the establishment of a child  
16 support order, as opposed to providing such  
17 benefits only after a period (determined by the  
18 Secretary) of nonreceipt of child support. The  
19 Secretary may select 1 or more such periods to  
20 be tested in different demonstration projects.

21 (D) RELATIONSHIP OF BENEFITS TO  
22 OTHER INCOME AND BENEFITS.—The effects of  
23 reducing the amount payable with respect to a  
24 child under the State plan approved under part  
25 A of title IV of the Social Security Act by a

1           portion (determined by the Secretary) of the  
2           child support assurance benefit provided by the  
3           State with respect to the child, as opposed to  
4           reducing the child support assurance benefit  
5           provided by the State with respect to the child  
6           by a portion (determined by the Secretary) of  
7           the earned income of the family of the child.  
8           The Secretary may select 1 or more such por-  
9           tions of benefits or of earned income to be test-  
10          ed in different demonstration projects.

11           (5) PRIORITY TO BE GIVEN TO PROJECTS THAT  
12          INCLUDE WORK INCENTIVES.—In approving applica-  
13          tions to conduct demonstration projects under this  
14          subsection, the Secretary shall give priority among  
15          otherwise equivalent applications to applications that  
16          describe projects that include work incentives for  
17          participants.

18           (6) APPROVAL OF CERTAIN APPLICATIONS.—  
19          The Secretary shall approve not more than 5 appli-  
20          cations to conduct demonstration projects under this  
21          subsection which appear likely to contribute signifi-  
22          cantly to the achievement of the purpose of this sub-  
23          section.

24           (7) OTHER REQUIREMENTS.—Each State whose  
25          application to conduct a demonstration project under

1 this subsection has been approved by the Secretary  
2 shall conduct the project in accordance with such  
3 regulations as the Secretary may prescribe.

4 (8) FUNDING.—From the sums appropriated to  
5 carry out this subsection, the Secretary shall pay to  
6 each State whose application to conduct a dem-  
7 onstration project under this subsection has been ap-  
8 proved by the Secretary, for each month, an amount  
9 equal to—

10 (A) 90 percent of the aggregate amount of  
11 the child support assurance benefits paid by the  
12 State during the month if, during the month,  
13 the project has met such performance goals as  
14 the Secretary has established for the project; or

15 (B) 80 percent of such aggregate amount,  
16 otherwise.

17 (9) MODIFIED PRIORITY OF DISTRIBUTION OF  
18 CHILD SUPPORT COLLECTED FOR CHILDREN WITH  
19 RESPECT TO WHOM CHILD SUPPORT ASSURANCE  
20 BENEFIT IS PAID.—In lieu of paragraph (1) of sec-  
21 tion 457(e) of the Social Security Act, child support  
22 collected from a noncustodial parent of a child with  
23 respect to whom a child support assurance benefit is  
24 paid under a demonstration project conducted under

1 this subsection shall (subject to section 457(d) of  
2 such Act) be paid—

3 (A) first to the State, to the extent nec-  
4 essary to reimburse the State for the portion of  
5 the benefit not paid from funds provided under  
6 paragraph (8) of this subsection; and

7 (B) then to the Federal Government, to  
8 the extent necessary to reimburse the Federal  
9 Government for the portion of the benefit paid  
10 from funds provided under paragraph (8) of  
11 this subsection.

12 (10) DURATION OF PROJECTS.—

13 (A) IN GENERAL.—Each State whose ap-  
14 plication to conduct a demonstration project  
15 under this subsection has been approved by the  
16 Secretary shall conduct the project for not less  
17 than 3 years and not more than 5 years.

18 (B) AUTHORITY TO TERMINATE  
19 PROJECTS.—The Secretary may terminate a  
20 demonstration project conducted under this  
21 subsection if the Secretary determines that the  
22 project is not being conducted consistent with  
23 or satisfactorily under this subsection.

24 (11) EVALUATIONS.—Each State which con-  
25 ducts a demonstration project under this subsection

1 shall prepare and submit to the Secretary an interim  
2 and a final evaluation of the project with respect to  
3 the impact of the project on—

4 (A) the economic and noneconomic well-  
5 being of the participants in the project and of  
6 the work force generally; and

7 (B) participation in and expenditures  
8 under the program of the State under the State  
9 plan approved under part A of title IV of the  
10 Social Security Act.

11 (12) REPORT TO THE CONGRESS.—Within 1  
12 year after the completion of all demonstration  
13 projects conducted under this subsection, the Sec-  
14 retary shall submit to the Committee on Ways and  
15 Means of the House of Representatives and the  
16 Committee on Finance of the Senate a report that  
17 contains a consolidated evaluation of the projects.

18 **SEC. 499DD. CHILDREN'S TRUST FUND.**

19 (a) DESIGNATION OF CONTRIBUTIONS.—

20 (1) IN GENERAL.—Subchapter A of chapter 61  
21 of the Internal Revenue Code of 1986 (relating to  
22 returns and records) is amended by adding at the  
23 end thereof the following new part:



1 of such amounts as may be appropriated or credited to  
2 the Trust Fund as provided in this section or section  
3 9602(b).

4 “(b) TRANSFER TO CHILDREN’S TRUST FUND OF  
5 AMOUNTS DESIGNATED.—There is hereby appropriated to  
6 the Children’s Trust Fund amounts equivalent to the  
7 amounts contributed to such Trust Fund under section  
8 6097.

9 “(c) EXPENDITURES FROM TRUST FUND.—

10 “(1) IN GENERAL.—Amounts in the Children’s  
11 Trust Fund shall be available as provided by appro-  
12 priation Acts for making expenditures for programs  
13 regarding child support and the specific mandates  
14 described in part D of title IV of the Social Security  
15 Act, especially such mandates established by the  
16 amendments made by the Interstate Child Support  
17 Act of 1993.

18 “(2) ADMINISTRATIVE EXPENSES.—Amounts in  
19 the Children’s Trust Fund shall be available to pay  
20 the administrative expenses of the Department of  
21 the Treasury directly allocable to—

22 “(A) modifying the individual income tax  
23 return forms to carry out section 6097,

24 “(B) carrying out this chapter with respect  
25 to such Trust Fund, and

1           “(C) processing amounts received under  
2           section 6097 and transferring such amounts to  
3           such Trust Fund.”.

4           (2) CLERICAL AMENDMENT.—The table of sec-  
5           tions for subchapter A of chapter 98 of the Internal  
6           Revenue Code of 1986 is amended by adding at the  
7           end thereof the following new item:

          “Sec. 9512. Children’s Trust Fund.”.

8   **SEC. 499EE. STUDY OF REASONS FOR NONPAYMENT OF**  
9           **CHILD SUPPORT; REPORT.**

10          (a) STUDY.—The Comptroller General of the United  
11         States shall—

12                 (1) conduct a study of the causes of delin-  
13                 quency in the payment of child support, including  
14                 the nonpayment of child support by noncustodial  
15                 parents and failure of custodial parents to cooperate  
16                 in the collection of child support; and

17                 (2) if a sufficient number of studies of this  
18                 matter are available, review the studies.

19          (b) REPORT TO THE CONGRESS.—Within 1 year after  
20         the date of the enactment of this Act, the Comptroller  
21         General shall submit to the Committee on Ways and  
22         Means of the House of Representatives and the Committee  
23         on Finance of the Senate, and to the Office of Child Sup-  
24         port Enforcement, a report that contains the results of

1 the study required by subsection (a), and a consolidated  
2 summary of the studies described in subsection (a)(2).

3 **SEC. 499FF. STUDY OF EFFECTIVENESS OF ADMINISTRA-**  
4 **TIVE PROCESSES; REPORT.**

5 (a) STUDY.—The Comptroller General of the United  
6 States shall conduct a study of the effectiveness of the  
7 processing of child support and parentage cases in States  
8 that use administrative processes as compared with States  
9 that use judicial or quasi-judicial processes.

10 (b) REPORT TO THE CONGRESS.—Within 1 year after  
11 the date of the enactment of this Act, the Comptroller  
12 General shall submit to the Committee on Ways and  
13 Means of the House of Representatives and the Committee  
14 on Finance of the Senate a report that contains the results  
15 of the study required by subsection (a).

16 **SEC. 499GG. PUBLICATION OF BEST CHILD SUPPORT PRAC-**  
17 **TICES.**

18 (a) SENSE OF THE CONGRESS.—It is the sense of the  
19 Congress that the Office of Child Support Enforcement  
20 should develop a mechanism to publicize the best practices  
21 of States in the area of child support.

22 (b) COMPENDIUM OF STATE CHILD SUPPORT STAT-  
23 UTES.—The Office of Child Support Enforcement shall  
24 produce and update the compendium entitled “A Guide

1 To State Child Support And Paternity Laws”, published  
2 by the National Conference of State Legislatures.

3 **SEC. 499HH. ESTABLISHMENT OF PERMANENT CHILD SUP-**  
4 **PORT ADVISORY COMMITTEE.**

5 (a) IN GENERAL.—The Office of Child Support En-  
6 forcement shall establish an advisory committee on child  
7 support matters composed of Federal and State legisla-  
8 tors, State child support officials, and representatives of  
9 custodial and noncustodial parents.

10 (b) FUNCTIONS.—The advisory committee estab-  
11 lished pursuant to subsection (a) shall—

12 (1) provide oversight of the implementation of  
13 Federal laws and regulations affecting child support,  
14 and the operation of Federal, State, and local child  
15 support programs; and

16 (2) provide a forum through which child sup-  
17 port problems experienced by parents, State agen-  
18 cies, the courts, and the private bar may be identi-  
19 fied, and from which recommendations on how to  
20 solve such problems may be reported to the Sec-  
21 retary of Health and Human Services and to the  
22 Congress.

23 (c) PERMANENCY.—Section 14 of the Federal Advi-  
24 sory Committee Act (5 U.S.C. App.) shall not apply to

1 the advisory committee established pursuant to subsection  
2 (a) of this section.

3 **PART J—STATE ROLE**

4 **SEC. 499II. ADVOCATION OF CHILDREN'S ECONOMIC SECUR-**  
5 **RITY.**

6 Section 454 (42 U.S.C. 654), as amended by section  
7 499X of this Act, is amended—

8 (1) by striking “and” at the end of paragraph  
9 (29);

10 (2) by striking the period at the end of para-  
11 graph (30) and inserting “; and”; and

12 (3) by inserting after paragraph (30) the fol-  
13 lowing:

14 “(31) provide that the agency administering the  
15 plan shall advocate to promote the greatest economic  
16 security possible for children, consistent with the  
17 ability of any individual who owes child support with  
18 respect to the child to provide the support.”.

19 **SEC. 499JJ. DUTIES OF STATE CHILD SUPPORT AGENCIES.**

20 Section 454 (42 U.S.C. 654), as amended by section  
21 499II of this Act, is amended—

22 (1) by striking “and” at the end of paragraph  
23 (30);

24 (2) by striking the period at the end of para-  
25 graph (31) and inserting “; and”; and

1           (3) by inserting after paragraph (31) the fol-  
2           lowing:

3           “(32) provide that the agency administering the  
4           plan shall provide to each custodial parent—

5                   “(A) a written description of the services  
6                   available under the plan, and a statement de-  
7                   scribing the priorities applied in distributing  
8                   collected child support and the rules governing  
9                   confidentiality of information in child support  
10                  matters;

11                   “(B) a statement that at least 30 days be-  
12                   fore the agency consents to the dismissal of a  
13                   child support case with prejudice or a reduction  
14                   of arrearages, the agency must provide notice to  
15                   the custodial parent at the last known address  
16                   of the custodial parent;

17                   “(C) written quarterly reports on the sta-  
18                   tus of any case involving the custodial parent;

19                   “(D) a statement that the State is re-  
20                   quired to provide services under the plan to any  
21                   custodial parent who is eligible for aid under  
22                   the State plan approved under part A; and

23                   “(E) a statement that any custodial parent  
24                   who applies for services under the plan is eligi-  
25                   ble for such services, and that any application

1 fee for such services is deferred pending deter-  
2 mination of the eligibility of the custodial par-  
3 ent for aid under the State plan approved under  
4 part A.”.

5 **SEC. 499KK. SENSE OF THE CONGRESS REGARDING QUAL-**  
6 **ITY OF AND ACCESSIBILITY TO CHILD SUP-**  
7 **PORT SERVICES.**

8 It is the sense of the Congress that—

9 (1) States should work closely with parents to  
10 improve the quality of child support services; and

11 (2) State and local child support enforcement  
12 agencies should have—

13 (A) offices in easily accessible locations  
14 near public transportation;

15 (B) office hours that allow parents to meet  
16 with attorneys and caseworkers without having  
17 to take time off from work; and

18 (C) office environments conducive to pri-  
19 vate discussion of legal and personal matters,  
20 such as in individual interview rooms and child  
21 care facilities.

1 **SEC. 499LL. ADMINISTRATIVE PROCESS FOR CHANGE OF**  
2 **PAYEE IN IV-D CASES.**

3 Section 466(a) (42 U.S.C. 666(a)), as amended by  
4 section 499S of this Act, is amended by inserting after  
5 paragraph (37) the following:

6 “(38) Procedures under which only administra-  
7 tive procedures are required to change the payee  
8 under a child support order in a case under this  
9 part, if a statement by an official of the State child  
10 support enforcement agency is included in the court  
11 or administrative file documenting the change.”.

12 **SEC. 499MM. SENSE OF THE CONGRESS SUPPORTING USE**  
13 **OF ADMINISTRATIVE PROCEDURES IN CHILD**  
14 **SUPPORT CASES.**

15 It is the sense of the Congress that each State should  
16 establish administrative procedures to process child sup-  
17 port cases.

18 **SEC. 499NN. SENSE OF THE CONGRESS SUPPORTING ES-**  
19 **TABLISHMENT OF STATE CHILD SUPPORT**  
20 **COUNCILS.**

21 It is the sense of the Congress that each State should  
22 establish a child support council, composed of members  
23 from all over the State, to—

24 (1) review State laws on child support and pa-  
25 ternity;

1           (2) recommend improvements in child support  
2           and paternity programs and in such laws; and

3           (3) serve as a public forum for custodial and  
4           noncustodial parents on matters related to child sup-  
5           port and paternity.

6           **PART K—JOBS FOR UNEMPLOYED**

7           **NONCUSTODIAL PARENTS**

8           **SEC. 49900. PARENTS FAIR SHARE DEMONSTRATION**  
9           **PROJECTS.**

10          (a) SENSE OF THE CONGRESS.—It is the sense of the  
11 Congress that any program established by the Federal  
12 Government to provide jobs for noncustodial parents  
13 should be administered so as not to adversely affect any  
14 Federal program for custodial parents, either directly or  
15 through competition for available funds.

16          (b) EVALUATION OF PROJECTS; REPORT TO THE  
17 CONGRESS; CONDITIONAL AUTHORITY TO CONDUCT AD-  
18 DITIONAL AND MORE EXTENSIVE PROJECTS.—Upon re-  
19 ceiving the evaluations required to be provided pursuant  
20 to section 482(d)(3) of the Social Security Act, the Sec-  
21 retary of Health and Human Services shall transmit the  
22 evaluations to the Secretary of Labor who shall—

23           (1) study the evaluations;

24           (2) within 12 months after receipt of the eval-  
25           uations, submit to the Committee on Ways and

1 Means of the House of Representatives and the  
2 Committee on Finance of the Senate a consolidated  
3 report on the activities evaluated; and

4 (3)(A) if the evaluations are sufficient to permit  
5 the Secretary to make recommendations with respect  
6 to the activities evaluated, include such rec-  
7 ommendations in the report required by paragraph  
8 (2) of this subsection; or

9 (B) if the evaluations are inconclusive, author-  
10 ize States to provide services, under programs estab-  
11 lished under section 402(a)(19) and part F of title  
12 IV of such Act, on a voluntary or mandatory basis,  
13 to noncustodial parents who are unemployed and un-  
14 able to meet their child support obligations, of great-  
15 er scope and for a greater duration than the services  
16 provided under section 482(d)(3) of such Act, in ac-  
17 cordance with regulations prescribed by the Sec-  
18 retary of Labor.

19 **PART L—EFFECTIVE DATE**

20 **SEC. 499PP. EFFECTIVE DATE.**

21 Except as otherwise provided in this Act, this Act and  
22 the amendments made by this Act shall take effect on Jan-  
23 uary 1, 1995.

1           **PART M—CHILD SUPPORT ENFORCEMENT**

2                           **IMPROVEMENTS ACT OF 1993**

3   **SEC. 499QQ. SHORT TITLE.**

4           This part may be cited as the “Child Support En-  
5   forcement Improvements Act of 1993”.

6   **SEC. 499RR. NONLIABILITY FOR DEPOSITORY INSTITU-**  
7                           **TIONS PROVIDING FINANCIAL RECORDS TO**  
8                           **STATE CHILD SUPPORT ENFORCEMENT**  
9                           **AGENCIES IN CHILD SUPPORT CASES.**

10           (a) **IN GENERAL.**—Notwithstanding any other provi-  
11   sion of Federal or State law, a depository institution shall  
12   not be liable under any Federal or State law to any person  
13   for disclosing any financial record of an individual to a  
14   State child support enforcement agency attempting to es-  
15   tablish, modify, or enforce a child support obligation of  
16   such individual.

17           (b) **PROHIBITION OF DISCLOSURE OF FINANCIAL**  
18   **RECORD OBTAINED BY STATE CHILD SUPPORT EN-**  
19   **FORCEMENT AGENCY.**—A State child support enforcement  
20   agency which obtains a financial record of an individual  
21   from a financial institution pursuant to subsection (a)  
22   may disclose such financial record only for the purpose  
23   of, and to the extent necessary in, establishing, modifying,  
24   or enforcing a child support obligation of such individual.

25           (c) **CIVIL DAMAGES FOR UNAUTHORIZED DISCLO-**  
26   **SURE.**—

1           (1) DISCLOSURE BY STATE OFFICER OR EM-  
2           PLOYEE.—If any officer or employee of a State  
3           knowingly, or by reason of negligence, discloses a fi-  
4           nancial record of an individual in violation of sub-  
5           section (b), such individual may bring a civil action  
6           for damages against such State in a district court of  
7           the United States.

8           (2) NO LIABILITY FOR GOOD FAITH BUT ERRO-  
9           NEOUS INTERPRETATION.—No liability shall arise  
10          under this subsection with respect to any disclosure  
11          which results from a good faith, but erroneous, in-  
12          terpretation of subsection (b).

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

17                 (A) the greater of—

18                         (i) \$1,000 for each act of unauthor-  
19                         ized disclosure of a financial record with  
20                         respect to which such defendant is found  
21                         liable; or

22                         (ii) the sum of—

23                                 (I) the actual damages sustained  
24                                 by the plaintiff as a result of such un-  
25                                 authorized disclosure; plus

1 (II) in the case of a willful disclo-  
2 sure or a disclosure which is the re-  
3 sult of gross negligence, punitive dam-  
4 ages; plus

5 (B) the costs of the action.

6 (d) DEFINITIONS.—For purposes of this section:

7 (1) The term “depository institution” means—

8 (A) a depository institution, as defined by  
9 section 3(c) of the Federal Deposit Insurance  
10 Act;

11 (B) an institution-affiliated party, as de-  
12 fined by section 3(u) of such Act; and

13 (C) any Federal credit union or State cred-  
14 it union, as defined by section 101 of the Fed-  
15 eral Credit Union Act, including an institution-  
16 affiliated party of such a credit union, as de-  
17 fined by section 206(r) of such Act.

18 (2) The term “financial record” has the mean-  
19 ing given such term by section 1101 of the Right to  
20 Financial Privacy Act of 1978.

21 (3) The term “State child support enforcement  
22 agency” means a State agency which administers a  
23 State program for establishing and enforcing child  
24 support obligations.

1 **SEC. 499SS. ACCESS TO AND USE OF CONSUMER REPORTS**  
2 **BY STATE CHILD SUPPORT ENFORCEMENT**  
3 **AGENCIES IN CHILD SUPPORT CASES.**

4 (a) IN GENERAL.—Section 604 of the Fair Credit  
5 Reporting Act (15 U.S.C. 1681b) is amended by adding  
6 at the end the following:

7 “(4) To a State child support enforcement  
8 agency that is seeking to establish, modify, or en-  
9 force a child support obligation against the  
10 consumer, if—

11 “(A) the paternity of the consumer for the  
12 child to which the obligation relates has been  
13 established or acknowledged by the consumer in  
14 accordance with State laws under which the ob-  
15 ligation arises (if required by those laws); and

16 “(B) the State child support enforcement  
17 agency—

18 “(i) before obtaining the consumer re-  
19 port, provides written notice to the  
20 consumer that the State agency intends to  
21 obtain a consumer report on the consumer;  
22 and

23 “(ii) certifies to the consumer report-  
24 ing agency that—

1                   “(I) the requirement in subpara-  
2                   graph (A) has been fulfilled (if appli-  
3                   cable); and

4                   “(II) the notice required by  
5                   clause (i) has been provided.”.

6           (b) STATE CHILD SUPPORT ENFORCEMENT AGENCY  
7   DEFINED.—Section 603 of such Act (15 U.S.C. 1681a)  
8   is amended by adding at the end the following new sub-  
9   section:

10           “(j) The term ‘State child support enforcement agen-  
11   cy’ means a State agency which administers a State pro-  
12   gram for establishing and enforcing child support obliga-  
13   tions.”.

14   **SEC. 499TT. HEALTH CARE SUPPORT.**

15           (a) INCLUSION IN CHILD SUPPORT ORDERS.—

16                   (1) IN GENERAL.—Section 466(a) of the Social  
17                   Security Act (42 U.S.C. 666(a)) is amended by in-  
18                   serting after paragraph (10) the following:

19                           “(11) Not later than the beginning of the 9th  
20                           calendar month that begins after the date the Sec-  
21                           retary prescribes final regulations as provided for in  
22                           section 467(d)(2):

23                                   “(A) Procedures which require any child  
24                                   support order, issued or modified by a court or  
25                                   administrative agency of the State on or after

1 the effective date of guidelines established by  
2 the State under section 467(d), to provide for  
3 coverage of the health care costs of the child in  
4 accordance with such guidelines.

5 “(B) Procedures which require the expe-  
6 dited consideration and disposition of any alle-  
7 gation of noncompliance with an obligation to  
8 cover the health care costs of a child imposed  
9 under a child support order issued or modified  
10 in the State.”.

11 (2) STATE GUIDELINES.—Section 467 of such  
12 Act (42 U.S.C. 667) is amended by adding at the  
13 end the following:

14 “(d)(1) Not later than the beginning of the 9th cal-  
15 endar month that begins after the date the Secretary pre-  
16 scribes final regulations in accordance with paragraph (2),  
17 each State, as a condition for having its State plan ap-  
18 proved under this part, must establish guidelines for the  
19 coverage of the health care costs of children pursuant to  
20 child support orders issued or modified in the State, which  
21 guidelines shall create a streamlined process that meets  
22 the minimum standards established by the Secretary in  
23 such regulations.

24 “(2)(A) The Secretary shall promulgate regulations  
25 which set forth minimum standards that any set of guide-

1 lines established pursuant to paragraph (1) must meet in  
2 providing for the coverage of the health care costs of chil-  
3 dren pursuant to child support orders issued or modified  
4 in the State, including—

5 “(i) the contents of such an order with respect  
6 to the coverage of such costs;

7 “(ii) the distribution of responsibility for such  
8 costs;

9 “(iii) to the extent that such costs are to be  
10 covered through health insurance—

11 “(I) the provision of such insurance;

12 “(II) the payment of insurance claims; and

13 “(III) the rights of the noncustodial parent  
14 and the custodial parent to insurance informa-  
15 tion;

16 “(iv) the circumstances under which a provider  
17 of health insurance may or may not deny coverage  
18 to a child who is the subject of such an order;

19 “(v) penalties to be imposed on providers of  
20 health insurance who fail to comply with the guide-  
21 lines; and

22 “(vi) how changes in the circumstances of the  
23 noncustodial parent and the custodial parent are to  
24 be taken into account with respect to the coverage  
25 of such costs.

1       “(B) In developing such standards, the Secretary  
2 shall ensure that, in establishing guidelines pursuant to  
3 paragraph (1), the State considers the following matters  
4 in the following order of importance:

5           “(i) The best interests of the child.

6           “(ii) The financial and other circumstances of  
7 the parents of the child.

8           “(iii) Cost-effectiveness.

9       “(3) The preceding subsections of this section shall  
10 apply in like manner to the guidelines established pursu-  
11 ant to this subsection.”.

12       (3) REGULATIONS.—

13           (A) PROPOSED REGULATIONS.—Within 9  
14 months after the date of the enactment of this  
15 Act, the Secretary of Health and Human Serv-  
16 ices shall issue proposed regulations to imple-  
17 ment the amendments made by this subsection.

18           (B) FINAL REGULATIONS.—Within 14  
19 months after the date of the enactment of this  
20 Act, the Secretary of Health and Human Serv-  
21 ices shall issue final regulations to implement  
22 the amendments made by this subsection.

23       (b) INCLUSION IN INCENTIVE PAYMENTS PROGRAM  
24 OF DEPENDENT HEALTH INSURANCE PROVIDED DUE TO  
25 SUCCESSFUL ENFORCEMENT.—

1           (1) IN GENERAL.—Section 458(b) of the Social  
2           Security Act (42 U.S.C. 658(b)) is amended by add-  
3           ing at the end the following:

4           “(5)(A) For purposes of this section, the successful  
5           enforcement by the State of a provision of a support order  
6           requiring an absent parent to obtain health insurance for  
7           1 or more children shall be considered the collection of  
8           support from the absent parent, without regard to the  
9           means by which such support is provided.

10          “(B) The amount of support collected in any case in  
11          which the State successfully enforces a provision of a sup-  
12          port order requiring an absent parent to obtain health in-  
13          surance for 1 or more children shall be the savings to the  
14          State from the provision of such health insurance to such  
15          children, as determined in accordance with a health insur-  
16          ance savings methodology adopted by the State in accord-  
17          ance with regulations prescribed by the Secretary.”.

18          (2) REGULATIONS.—Within 6 months after the  
19          date of the enactment of this Act, the Secretary of  
20          Health and Human Services shall prescribe such  
21          regulations as may be necessary to implement the  
22          amendment made by paragraph (1).

23          (3) STUDY; REPORT.—

24                  (A) STUDY.—The Secretary of Health and  
25          Human Services shall conduct a study to deter-

1 mine the incentives that should be provided to  
2 encourage States to enforce obligations of  
3 noncustodial parents to pay (and obtain medical  
4 insurance coverage with respect to) the reason-  
5 able and necessary health and dental expenses  
6 of the children to whom the noncustodial par-  
7 ents owe such obligations.

8 (B) REPORT.—Not later than 12 months  
9 after the date of the enactment of this Act, the  
10 Secretary of Health and Human Services shall  
11 submit to the Committee on Ways and Means  
12 of the House of Representatives and the Com-  
13 mittee on Finance of the Senate the results of  
14 the study required by subparagraph (A).

15 **SEC. 499UU. ANNUAL REPORTS ON STATE COMPLIANCE**  
16 **WITH TIME LIMITS WITHIN WHICH STATE**  
17 **MUST PROVIDE CERTAIN CHILD SUPPORT AS-**  
18 **SISTANCE.**

19 Section 452(a)(10) of the Social Security Act (42  
20 U.S.C. 652(a)(10)) is amended—

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

22 (2) in subparagraph (I), by striking the period  
23 and inserting “; and”; and

24 (3) by inserting after subparagraph (I) the fol-  
25 lowing:

1           “(J) compliance, by State, with the stand-  
2           ards established pursuant to subsections (h)  
3           and (i).”.

4 **SEC. 499VV. WAGES WITHHELD BY EMPLOYERS TO PAY**  
5           **CHILD SUPPORT OBLIGATIONS REQUIRED TO**  
6           **BE PAID TO STATE WITHIN 10 DAYS; LATE**  
7           **PAYMENT PENALTY IMPOSED ON EMPLOY-**  
8           **ERS.**

9           (a) IN GENERAL.—Section 466(b)(6)(A) of the Social  
10 Security Act (42 U.S.C. 666(b)(6)(A)) is amended—

11           (1) in clause (i), by inserting “within 10 days  
12           after the payment of such wages” before “to the ap-  
13           propriate agency”; and

14           (2) by adding at the end the following:

15           “(iii) The State must require any employer who  
16           fails to make any payment required in accordance  
17           with clause (i) within the 10-day period described  
18           therein to pay the State a \$1,000 penalty. The State  
19           must expend all penalties collected in accordance  
20           with this clause for the operation of the State plan  
21           approved under section 454, not later than the end  
22           of the calendar quarter following the calendar quar-  
23           ter in which collected.”.

24           (b) EFFECTIVE DATE.—

1           (1) IN GENERAL.—Except as provided in para-  
2           graph (2) of this subsection, the amendments made  
3           by subsection (a) of this section shall take effect on  
4           the date of the enactment of this Act and apply to  
5           wages paid on or after such date and payments  
6           under part D of title IV of the Social Security Act  
7           for calendar quarters beginning on or after such  
8           date.

9           (2) DELAY PERMITTED IF STATE LEGISLATION  
10          REQUIRED.—In the case of a State plan approved  
11          under section 454 of the Social Security Act which  
12          the Secretary of Health and Human Services deter-  
13          mines requires State legislation (other than legisla-  
14          tion appropriating funds) in order for the plan to  
15          meet the additional requirements imposed by the  
16          amendments made by subsection (a) of this section,  
17          the State plan shall not be regarded as failing to  
18          comply with the requirements of such section 454  
19          solely on the basis of the failure of the plan to meet  
20          such additional requirements before the 1st day of  
21          the 1st calendar quarter beginning after the close of  
22          the 1st regular session of the State legislature that  
23          begins after the date of the enactment of this Act.  
24          For purposes of the previous sentence, in the case  
25          of a State that has a 2-year legislative session, each

1 year of such session shall be deemed to be a sepa-  
2 rate regular session of the State legislature.

3 **SEC. 499WW. NATIONAL PARENT LOCATOR NETWORK.**

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

6 “(g) The Secretary shall expand the Parent Locator  
7 Service to establish a national network based on the com-  
8 prehensive statewide child support enforcement systems  
9 developed by the States, to—

10 “(1) allow each State to—

11 “(A) locate any absent parent who owes  
12 child support, for whom a child support obliga-  
13 tion is being established, or for whom an order  
14 for visitation is being enforced, by—

15 “(i) accessing the records of other  
16 State agencies and sources of locate infor-  
17 mation directly from one computer system  
18 to another; and

19 “(ii) accessing Federal sources of lo-  
20 cate information in the same fashion;

21 “(B) access the files of other States to de-  
22 termine whether there are other child support  
23 orders involving the same absent parent, and  
24 obtain the details of any such order;

1           “(C) provide for both on-line and batch  
2 processing of locate requests, with on-line ac-  
3 cess restricted to cases in which the information  
4 is needed immediately (for such reasons as  
5 court appearances) and batch processing used  
6 to ‘troll’ data bases to locate individuals or up-  
7 date information periodically; and

8           “(D) direct locate requests to individual  
9 States or Federal agencies, broadcast requests  
10 to selected States, or broadcast cases to all  
11 States when there is no indication of the source  
12 of needed information;

13           “(2) provide for a maximum of 48-hour turn-  
14 around time for information to be broadcast and re-  
15 turned to a requesting State; and

16           “(3) provide ready access to courts of the infor-  
17 mation on the network by location of a computer  
18 terminal in each court.”.

19   **PART N—REPORTING DELINQUENT PARENTS TO**  
20           **CONSUMER CREDIT AGENCIES**

21   **SEC. 499XX. INCLUSION IN CONSUMER CREDIT REPORTS**  
22           **OF INFORMATION ON OVERDUE CHILD SUP-**  
23           **PORT OBLIGATIONS OF THE CONSUMER.**

24           (a) PROVISION TO CONSUMER REPORTING AGENCIES  
25 OF INFORMATION ON OVERDUE CHILD SUPPORT OBLIGA-

1 TIONS OF ABSENT PARENTS.—Section 466(a)(7) of the  
2 Social Security Act (42 U.S.C. 666(a)(7)) is amended—

3 (1) by striking “will” and inserting “shall”;

4 (2) by striking “upon the request of such agen-  
5 cy”;

6 (3) by striking “, and (C)” and all that follows  
7 through “State”; and

8 (4) by striking “minor” from 466(e) and delet-  
9 ing “at the option” and all that follows through the  
10 word “section.”

11 (b) EFFECTIVE DATE.—The amendments made by  
12 this section shall take effect on the 1st day of the 1st cal-  
13 endar quarter that begins on or after the date of the en-  
14 actment of this Act.

## 15 **Subtitle B—Pension Reform**

### 16 **SEC. 501. SHORT TITLE.**

17 This subtitle may be cited as the “Pension Reform  
18 Act of 1993”.

### 19 **SEC. 502. PENSION INTEGRATION RULES.**

20 (a) APPLICABILITY OF NEW INTEGRATION RULES  
21 EXTENDED TO ALL EXISTING ACCRUED BENEFITS.—  
22 Notwithstanding subsection (c)(1) of section 1111 of the  
23 Tax Reform Act of 1986 (relating to effective date of ap-  
24 plication of nondiscrimination rules to integrated plans)  
25 (100 Stat. 2440), effective for plan years beginning after

1 the date of the enactment of this Act, the amendments  
2 made by subsection (a) of such section 1111 shall also  
3 apply to benefits attributable to plan years beginning on  
4 or before December 31, 1988.

5 (b) INTEGRATION DISALLOWED FOR SIMPLIFIED  
6 EMPLOYEE PENSIONS.—

7 (1) IN GENERAL.—Subparagraph (D) of section  
8 408(k)(3) of the Internal Revenue Code of 1986 (re-  
9 lating to permitted disparity under rules limiting  
10 discrimination under simplified employee pensions)  
11 is repealed.

12 (2) CONFORMING AMENDMENT.—Subparagraph  
13 (C) of such section 408(k)(3) is amended by striking  
14 “and except as provided in subparagraph (D),”.

15 (3) EFFECTIVE DATE.—The amendments made  
16 by this subsection shall apply with respect to taxable  
17 years beginning on or after January 1, 1993.

18 (c) EVENTUAL REPEAL OF INTEGRATION RULES.—  
19 Effective for plan years beginning on or after January 1,  
20 2002—

21 (1) subparagraphs (C) and (D) of section  
22 401(a)(5) of the Internal Revenue Code of 1986 (re-  
23 lating to pension integration exceptions under non-  
24 discrimination requirements for qualification) are re-

1       pealed, and subparagraph (E) of such section  
2       401(a)(5) is redesignated as subparagraph (C); and

3               (2) subsection (l) of section 401 of such Code  
4       (relating to nondiscriminatory coordination of de-  
5       fined contribution plans with OASDI) is repealed.

6       **SEC. 503. APPLICATION OF MINIMUM COVERAGE REQUIRE-**  
7                       **MENTS WITH RESPECT TO SEPARATE LINES**  
8                       **OF BUSINESS.**

9       (a) IN GENERAL.—Subsection (b) of section 410 of  
10      the Internal Revenue Code of 1986 (relating to minimum  
11      coverage requirements) is amended—

12               (1) in paragraph (1), by striking “A trust” and  
13      inserting “In any case in which the employer with  
14      respect to a plan is treated, under section 414(r), as  
15      operating separate lines of business for a plan year,  
16      a trust”, and by inserting “for such plan year” after  
17      “requirements”; and

18               (2) by redesignating paragraphs (3) through  
19      (6) as paragraphs (4) through (7), respectively and  
20      by inserting after paragraph (2) the following new  
21      paragraph:

22               “(3) SPECIAL RULE WHERE EMPLOYER OPER-  
23      ATES SINGLE LINE OF BUSINESS.—In any case in  
24      which the employer with respect to a plan is not  
25      treated, under section 414(r), as operating separate

1 lines of business for a plan year, a trust shall not  
2 constitute a qualified trust under section 401(a) un-  
3 less such trust is designated by the employer as part  
4 of a plan which benefits all employees of the em-  
5 ployer.”.

6 (b) LIMITATION ON LINE OF BUSINESS EXCEP-  
7 TION.—Paragraph (6) of section 410(b) of such Code (as  
8 redesignated by subsection (a)(2) of this section) is  
9 amended by inserting “other than paragraph (1)(A)” after  
10 “this subsection”.

11 **SEC. 504. ELIMINATION OF SPECIAL VESTING RULE FOR**  
12 **MULTIEMPLOYER PLANS.**

13 (a) INTERNAL REVENUE CODE AMENDMENT.—Para-  
14 graph (2) of section 411(a) of the Internal Revenue Code  
15 of 1986 (relating to minimum vesting standards) is  
16 amended—

17 (1) by striking “subparagraph (A), (B), or (C)”  
18 and inserting “subparagraph (A) or (B)”; and

19 (2) by striking subparagraph (C).

20 (b) ERISA AMENDMENT.—Paragraph (2) of section  
21 203(a)(2) of the Employee Retirement Income Security  
22 Act of 1974 (29 U.S.C. 1053(a)(2)) is amended—

23 (1) by striking “subparagraph (A), (B), or (C)”  
24 and inserting “subparagraph (A) or (B)”; and

25 (2) by striking subparagraph (C).

1 **SEC. 505. DIVISION OF PENSION BENEFITS UPON DIVORCE.**

2 (a) AMENDMENTS TO THE INTERNAL REVENUE  
3 CODE OF 1986.—

4 (1) IN GENERAL.—Subsection (a) of section  
5 401 of the Internal Revenue Code of 1986 (relating  
6 to requirements for qualification) is amended—

7 (A) by inserting after paragraph (31) the  
8 following new paragraph:

9 “(32) DIVISION OF PENSION BENEFITS UPON  
10 DIVORCE.—

11 “(A) IN GENERAL.—In the case of a di-  
12 vorce of a participant in a pension plan from a  
13 spouse who is, immediately before the divorce,  
14 a beneficiary under the plan, a trust forming a  
15 part of such plan shall not constitute a quali-  
16 fied trust under this section unless the plan  
17 provides that at least 50 percent of the marital  
18 share of the accrued benefit of the participant  
19 under the plan ceases to be an accrued benefit  
20 of such participant and becomes an accrued  
21 benefit of such divorced spouse, determined and  
22 payable upon the earlier of the retirement of  
23 the participant, the participant’s death, or the  
24 termination of the plan, except to the extent  
25 that a qualified domestic relations order in con-  
26 nection with such divorce provides otherwise.

1           “(B) LIMITATION.—Subparagraph (A)  
2 shall not be construed—

3           “(i) to require a plan to provide any  
4 type or form of benefit, or any option, not  
5 otherwise provided under the plan,

6           “(ii) to require the plan to provide in-  
7 creased benefits (determined on the basis  
8 of actuarial value),

9           “(iii) to require the payment of bene-  
10 fits to the divorced spouse which are re-  
11 quired to be paid to another individual in  
12 accordance with this paragraph or pursu-  
13 ant to a domestic relations order previously  
14 determined to be a qualified domestic rela-  
15 tions order, or

16           “(iv) to require payment of benefits to  
17 the divorced spouse in the form of a quali-  
18 fied joint and survivor annuity to the di-  
19 vorced spouse and his or her subsequent  
20 spouse.

21           “(C) DEFINITIONS.—For purposes of this  
22 paragraph—

23           “(i) DOMESTIC RELATIONS ORDER;  
24 QUALIFIED DOMESTIC RELATIONS  
25 ORDER.—The terms ‘domestic relations

1 order' and 'qualified domestic relations  
2 order' shall have the meanings provided in  
3 section 414(p).

4 “(ii) MARITAL SHARE.—The term  
5 'marital share' means, in connection with  
6 an accrued benefit under a pension plan,  
7 the product derived by multiplying—

8 “(I) the actuarial present value  
9 of the accrued benefit, by

10 “(II) a fraction, the numerator of  
11 which is the period of time, during the  
12 marriage between the spouse and the  
13 participant in the plan, which con-  
14 stitutes creditable service by the par-  
15 ticipant under the plan, and the de-  
16 nominator of which is the total period  
17 of time which constitutes creditable  
18 service by the participant under the  
19 plan.

20 “(iii) QUALIFIED JOINT AND SURVI-  
21 VOR ANNUITY.—The term 'qualified joint  
22 and survivor annuity' has the meaning pro-  
23 vided in section 417(b).

1           “(D) REGULATIONS.—In prescribing regu-  
2           lations under this paragraph, the Secretary  
3           shall consult with the Secretary of Labor.”; and

4           (B) in the last sentence, by striking “and  
5           (20)” and inserting “(20), and (32)”.

6           (2) CONFORMING AMENDMENTS.—

7           (A) Subparagraph (B) of section  
8           401(a)(13) of such Code (relating to special  
9           rules for domestic relations orders) is amended  
10          by inserting “or if such creation, assignment, or  
11          recognition pursuant to such order is necessary  
12          for compliance with the requirements of para-  
13          graph (32)” before the period.

14          (B) Subsection (p) of section 414 of such  
15          Code (defining qualified domestic relations or-  
16          ders) is amended—

17                 (i) in paragraph (3)(C), by inserting  
18                 “or to a divorced spouse of the participant  
19                 in connection with a previously occurring  
20                 divorce as required under section  
21                 401(a)(32)” before the period; and

22                 (ii) in paragraph (7)(C), by striking  
23                 “if there had been no order” and inserting  
24                 “in accordance with section 401(a)(32) as

1                   if there had been no qualified domestic re-  
2                   lations order”.

3           (b) AMENDMENTS TO THE EMPLOYEE RETIREMENT  
4 INCOME SECURITY ACT OF 1974.—

5           (1) IN GENERAL.—Section 206 of Employee  
6 Retirement Income Security Act of 1974 (29 U.S.C.  
7 1056) is amended by adding at the end the following  
8 new subsection:

9           “(e)(1) In the case of a divorce of a participant in  
10 a pension plan from a spouse who is, immediately before  
11 the divorce, a beneficiary under the plan, the plan shall  
12 provide that at least 50 percent of the marital share of  
13 the accrued benefit of the participant under the plan  
14 ceases to be an accrued benefit of such participant and  
15 becomes an accrued benefit of such divorced spouse, deter-  
16 mined and payable upon the earlier of the retirement of  
17 the participant, the participant’s death, or the termination  
18 of the plan, except to the extent that a qualified domestic  
19 relations order in connection with such divorce provides  
20 otherwise.

21           “(2) Paragraph (1) shall not be construed—

22                   “(A) to require a plan to provide any type or  
23 form of benefit, or any option, not otherwise pro-  
24 vided under the plan,

1           “(B) to require the plan to provide increased  
2 benefits (determined on the basis of actuarial value),

3           “(C) to require the payment of benefits to the  
4 divorced spouse which are required to be paid to an-  
5 other individual in accordance with this subsection  
6 or pursuant to a domestic relation order previously  
7 determined to be a qualified domestic relations  
8 order, or

9           “(D) to require payment of benefits to the di-  
10 vorced spouse in the form of a joint and survivor an-  
11 nuity to the divorced spouse and his or her subse-  
12 quent spouse.

13           “(3) For purposes of this subsection—

14           “(A) The terms ‘domestic relations order’ and  
15 ‘qualified domestic relations order’ shall have the  
16 meanings provided in subsection (d)(3)(B).

17           “(B) The term ‘marital share’ means, in con-  
18 nection with an accrued benefit under a pension  
19 plan, the product derived by multiplying—

20           “(i) the actuarial present value of the ac-  
21 crued benefit, by

22           “(ii) a fraction—

23           “(I) the numerator of which is the pe-  
24 riod of time, during the marriage between  
25 the spouse and the participant in the plan,

1           which constitutes creditable service by the  
2           participant under the plan, and

3           “(II) the denominator of which is the  
4           total period of time which constitutes cred-  
5           itable service by the participant under the  
6           plan.

7           “(C) The term ‘qualified joint and survivor an-  
8           nuity’ shall have the meaning provided in section  
9           205(d).

10          “(4) In prescribing regulations under this subsection,  
11 the Secretary shall consult with the Secretary of the  
12 Treasury.”.

13           (2) CONFORMING AMENDMENTS.—Section  
14           206(d) of such Act (29 U.S.C. 1056(d)) is amend-  
15           ed—

16           (A) in the first sentence of paragraph (3),  
17           by inserting “or if such creation, assignment, or  
18           recognition pursuant to such order is necessary  
19           for compliance with the requirements of sub-  
20           section (e)” before the period;

21           (B) in paragraph (3)(D)(iii), by inserting  
22           “or to a divorced spouse of the participant in  
23           connection with a previously occurring divorce  
24           as required under subsection (e)” before the pe-  
25           riod; and

1 (C) in paragraph (3)(H)(iii), by striking  
2 “if there had been no order” and inserting “in  
3 accordance with subsection (e) as if there had  
4 been no qualified domestic relations order”.

5 **SEC. 506. EFFECTIVE DATES.**

6 (a) IN GENERAL.—Except as provided in subsection  
7 (b), the amendments made by this Act, other than section  
8 502, shall apply with respect to plan years beginning on  
9 or after January 1, 1994, and the amendments made by  
10 section 505 shall apply only with respect to divorces be-  
11 coming final in such plan years.

12 (b) SPECIAL RULE FOR COLLECTIVELY BARGAINED  
13 PLANS.—In the case of a plan maintained pursuant to 1  
14 or more collective bargaining agreements between em-  
15 ployee representatives and 1 or more employers ratified  
16 on or before the date of the enactment of this Act, sub-  
17 section (a) shall be applied to benefits pursuant to, and  
18 individuals covered by, any such agreement by substituting  
19 for “January 1, 1994” the date of the commencement of  
20 the first plan year beginning on or after the earlier of—

21 (1) the later of—

22 (A) January 1, 1994, or

23 (B) the date on which the last of such col-  
24 lective bargaining agreements terminates (de-  
25 termined without regard to any extension there-

1           of after the date of the enactment of this Act),  
2           or  
3           (2) January 1, 1996.

4           (c) PLAN AMENDMENTS.—If any amendment made  
5 by this Act requires an amendment to any plan, such plan  
6 amendment shall not be required to be made before the  
7 first plan year beginning on or after January 1, 1994, if—

8           (1) during the period after such amendment  
9           made by this Act takes effect and before such first  
10          plan year, the plan is operated in accordance with  
11          the requirements of such amendment made by this  
12          Act, and

13          (2) such plan amendment applies retroactively  
14          to the period after such amendment made by this  
15          Act takes effect and such first plan year.

16 A plan shall not be treated as failing to provide definitely  
17 determinable benefits or contributions, or to be operated  
18 in accordance with the provisions of the plan, merely be-  
19 cause it operates in accordance with this subsection.

20 **SEC. 507. STUDY ON COST-OF-LIVING ADJUSTMENTS**  
21 **UNDER PRIVATE PENSION PLANS.**

22          (a) STUDY BY GENERAL ACCOUNTING OFFICE.—As  
23 soon as possible after the date of the enactment of this  
24 Act, the Comptroller General of the United States, in ac-  
25 cordance with the authority provided under section

1 11016(d) of the Single-Employer Pension Plan Amend-  
2 ments Act of 1986 (100 Stat. 275), shall undertake a  
3 thorough study with respect to alternative methods of re-  
4 quiring employee pension benefit plans to provide cost-of-  
5 living and other adjustments to benefits payable under  
6 such plans.

7 (b) MATTERS TO BE STUDIED.—The Comptroller  
8 General, in carrying out the study provided for in this sec-  
9 tion, shall address, analyze, and report specifically on—

10 (1) the effect inflation is having and may be ex-  
11 pected to have on women receiving private pension  
12 benefits as either plan participants or beneficiaries,

13 (2) the number of plans which provide for cost-  
14 of-living or other adjustments to benefits,

15 (3) the manner in which plans providing for  
16 such adjustments determine when, and for whom, an  
17 adjustment will be made,

18 (4) the frequency with which other plans make  
19 cost-of-living and other benefit adjustments, and  
20 how the determination to make such adjustments is  
21 made,

22 (5) the possible application of funds currently  
23 available for employer reversions for cost-of-living  
24 and other benefit adjustments, and

1           (6) the costs incurred in requiring such adjust-  
2           ments to benefits.

3           (c) REPORT.—Not later than 2 years after the date  
4 of the enactment of this Act, the Comptroller General shall  
5 submit to the Committee on Ways and Means and the  
6 Committee on Education and Labor of the House of Rep-  
7 resentatives and the Committee on Finance and the Com-  
8 mittee on Labor and Human Resources of the Senate a  
9 report of the findings of the study provided for by this  
10 section, together with any recommendations the Comptrol-  
11 ler General considers appropriate.

12 **SEC. 508. STUDY ON PENSION PORTABILITY.**

13           (a) STUDY BY GENERAL ACCOUNTING OFFICE.—As  
14 soon as possible after the date of the enactment of this  
15 Act, the Comptroller General of the United States, in ac-  
16 cordance with the authority provided under section  
17 11016(d) of the Single-Employer Pension Plan Amend-  
18 ments Act of 1986 (100 Stat. 275), shall undertake a  
19 thorough study with respect to alternative pension port-  
20 ability mechanisms, including mechanisms for promoting  
21 portability of benefits, credited service, and current values  
22 of cash distributions, for preserving and enhancing the  
23 real value of deferred vested pension benefits.

1 (b) MATTERS TO BE STUDIED.—The Comptroller  
2 General, in carrying out the study provided for in this sec-  
3 tion, shall address, analyze, and report specifically on—

4 (1) the types of possible portability mechanisms  
5 for both defined benefit plans and defined contribu-  
6 tion plans,

7 (2) the manner in which, and extent to which,  
8 each mechanism would preserve and enhance the  
9 real value of deferred vested benefits,

10 (3) the most effective ways to ensure that re-  
11 tirement money will be used for retirement,

12 (4) the measures necessary to be taken to effec-  
13 tively ensure that the joint and survivor annuity  
14 form of benefit will be preserved,

15 (5) the existing rules under the Employee Re-  
16 tirement Income Security Act of 1974, the Internal  
17 Revenue Code of 1986, and other applicable provi-  
18 sions of law which can be considered portability  
19 mechanisms, their effectiveness, and the frequency  
20 of their use, and

21 (6) the costs of establishing effective portability  
22 mechanisms for both defined benefit plans and de-  
23 fined contribution plans.

24 (c) REPORT.—Not later than 2 years after the date  
25 of the enactment of this Act, the Comptroller General shall

1 submit to the Committee on Ways and Means and the  
2 Committee on Education and Labor of the House of Rep-  
3 resentatives and the Committee on Finance and the Com-  
4 mittee on Labor and Human Resources of the Senate a  
5 report of the findings of the study provided for by this  
6 section, together with any recommendations the Comptrol-  
7 ler General considers appropriate.

8 **SEC. 509. CLARIFICATION OF CONTINUED AVAILABILITY OF**  
9 **REMEDIES RELATING TO MATTERS TREATED**  
10 **IN DOMESTIC RELATIONS ORDERS ENTERED**  
11 **BEFORE 1985.**

12 (a) IN GENERAL.—In any case in which—

13 (1) under a prior domestic relations order en-  
14 tered before January 1, 1985, in an action for di-  
15 vorce—

16 (A) the right of a spouse under a pension  
17 plan to an accrued benefit under such plan was  
18 not divided between spouses,

19 (B) any right of a spouse with respect to  
20 such an accrued benefit was waived without the  
21 informed consent of such spouse, or

22 (C) the right of a spouse as a participant  
23 under a pension plan to an accrued benefit  
24 under such plan was divided so that the other  
25 spouse received less than such other spouse's

1           pro rata share of the accrued benefit under the  
2           plan, or

3           (2) a court of competent jurisdiction determines  
4           that any further action is appropriate with respect  
5           to any matter to which a prior domestic relations  
6           order entered before such date applies,  
7 nothing in the provisions of section 104, 204, or 303 of  
8 the Retirement Equity Act of 1984 (Public Law 98-397)  
9 or the amendments made thereby shall be construed to  
10 require or permit the treatment, for purposes of such pro-  
11 visions, of a domestic relations order, which is entered on  
12 or after the date of the enactment of this Act and which  
13 supercedes, amends the terms of, or otherwise affects such  
14 prior domestic relations order, as other than a qualified  
15 domestic relations order solely because such prior domestic  
16 relations order was entered before January 1, 1985.

17           (b) DEFINITIONS.—For purposes of this section—

18           (1) IN GENERAL.—Terms used in this section  
19           which are defined in section 3 of the Employee Re-  
20           tirement Income Security Act of 1974 (29 U.S.C.  
21           1002) shall have the meanings provided such terms  
22           by such section.

23           (2) PRO RATA SHARE.—The term “pro rata  
24           share” of a spouse means, in connection with an ac-

1       crued benefit under a pension plan, 50 percent of  
2       the product derived by multiplying—

3               (A) the actuarial present value of the ac-  
4       crued benefit, by

5               (B) a fraction—

6                       (i) the numerator of which is the pe-  
7       riod of time, during the marriage between  
8       the spouse and the participant in the plan,  
9       which constitutes creditable service by the  
10      participant under the plan, and

11                      (ii) the denominator of which is the  
12      total period of time which constitutes cred-  
13      itable service by the participant under the  
14      plan.

15               (3) PLAN.—All pension plans in which a person  
16      has been a participant shall be treated as one plan  
17      with respect to such person.

## 18   **Subtitle C—Social Security Reform**

### 19   **SEC. 601. SHORT TITLE.**

20       This subtitle may be cited as the “Social Security  
21      Caregiver Act of 1993”.

### 22   **SEC. 602. INCREASE IN NUMBER OF YEARS DISREGARDED.**

23       (a) IN GENERAL.—Section 215(b)(2) of the Social  
24      Security Act (42 U.S.C. 415(b)(2)) is amended—

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

3 (2) by striking “Clause (ii), once” after and  
4 below clause (ii) of subparagraph (A) and inserting  
5 the following:

6 “and reduced further to the extent provided in subpara-  
7 graph (B). Clause (ii), once”;

8 (3) by striking “If an individual” in the matter  
9 following clause (ii) of subparagraph (A) and all that  
10 follows through the end of subparagraph (A);

11 (4) by redesignating subparagraph (B) as sub-  
12 paragraph (F); and

13 (5) by inserting after subparagraph (A) the fol-  
14 lowing new subparagraphs:

15 “(B) Subject to subparagraph (C), in any case in  
16 which—

17 “(i) in any calendar year which is included in  
18 an individual’s computation base years—

19 “(I) such individual is living with a child  
20 (of such individual or his or her spouse) under  
21 the age of 12, or

22 “(II) such individual is living with a child  
23 (of such individual or his or her spouse), a par-  
24 ent (of such individual or his or her spouse), or  
25 such individual’s spouse while such child, par-

1 ent, or spouse is a chronically dependent indi-  
2 vidual,

3 “(ii) such calendar year is not disregarded pur-  
4 suant to subparagraphs (A) and (E) (in determining  
5 such individual’s benefit computation years) by rea-  
6 son of the reduction in the number of such individ-  
7 ual’s elapsed years under subparagraph (A), and

8 “(iii) at any time during or after such calendar  
9 year and on or before the date of the application by  
10 such individual for benefits based on such individ-  
11 ual’s wages and self-employment income, such indi-  
12 vidual submits to the Secretary, in such form as the  
13 Secretary shall prescribe by regulations, a written  
14 statement that the requirements of clause (i) are  
15 met with respect to such calendar year,

16 then the number by which such elapsed years are reduced  
17 under this paragraph pursuant to subparagraph (A) shall  
18 be increased by one (up to a combined total not exceeding  
19 5) for each such calendar year.

20 “(C)(i)(I) No calendar year shall be disregarded by  
21 reason of subparagraph (B) (in determining such individ-  
22 ual’s benefit computation years) unless the individual had  
23 less than the applicable dollar amount (in effect for such  
24 calendar year under this clause) of earnings as described  
25 in section 203(f)(5) for such year.

1       “(II) Except as otherwise provided in subclause (III),  
2 the applicable dollar amount in effect under this clause  
3 for any calendar year is \$2,000.

4       “(III) In each calendar year after 1993, the Sec-  
5 retary shall determine and publish in the Federal Register,  
6 on or before November 1 of such calendar year, the appli-  
7 cable dollar amount which shall be effective under this  
8 clause for the next calendar year. Such dollar amount shall  
9 be equal to the larger of the applicable dollar amount  
10 which is effective under this clause for the calendar year  
11 in which such determination is made or, subject to  
12 subclause (VII), the product described in subclause (IV).

13       “(IV) The product described in this subclause is the  
14 product derived by multiplying the applicable dollar  
15 amount which is effective under this clause for the cal-  
16 endar year in which the determination under subclause  
17 (III) is made, by the ratio of the amount described in  
18 subclause (V) to the amount described in subclause (VI).

19       “(V) The amount described in this subclause is the  
20 deemed average total wages (as defined in section  
21 209(k)(1)) for the calendar year before the calendar year  
22 in which the determination under subclause (III) is made.

23       “(VI) The amount described in this subclause is the  
24 deemed average total wages (as defined in section  
25 209(k)(1)) for 1992 or, if later, the calendar year before

1 the most recent calendar year in which a determination  
2 resulting in an increase in the applicable dollar amount  
3 was made under subclause (III).

4 “(VII) If the product described in subclause (IV) is  
5 not a multiple of \$1.00, such product shall be rounded  
6 to the next higher multiple of \$1.00 in any case in which  
7 such product is a multiple of \$0.50 but not of \$1.00, and  
8 to the nearest multiple of \$1.00 in any other case.

9 “(ii) No calendar year shall be disregarded by reason  
10 of subparagraph (B) (in determining such individual’s  
11 benefit computation years) in connection with a child re-  
12 ferred to in subparagraph (B)(i)(I) (and not referred to  
13 in subparagraph (B)(i)(II)) unless the individual was liv-  
14 ing with the child substantially throughout the period in  
15 such year in which the child was alive and under the age  
16 of 12 in such year.

17 “(iii) No calendar year shall be disregarded by reason  
18 of subparagraph (B) (in determining such individual’s  
19 benefit computation years) in connection with a child, par-  
20 ent, or spouse referred to in subparagraph (B)(i)(II) un-  
21 less the individual was living with such child, parent, or  
22 spouse substantially throughout a period of 180 consecu-  
23 tive days in such year throughout which such child, par-  
24 ent, or spouse was a chronically dependent individual.

1       “(iv) The particular calendar years to be disregarded  
2 under this subparagraph (in determining such benefit  
3 computation years) shall be those years (not otherwise dis-  
4 regarded under subparagraph (A)) which, before the appli-  
5 cation of subsection (f), meet the conditions of the preced-  
6 ing provisions of this subparagraph.

7       “(v) This subparagraph shall apply only to the extent  
8 that its application would not result in a lower primary  
9 insurance amount.

10       “(D)(i) For purposes of this paragraph, the term  
11 ‘chronically dependent individual’ means an individual  
12 who—

13               “(I) is dependent on a daily basis on another  
14 person who is living with the individual and is assist-  
15 ing the individual without monetary compensation in  
16 the performance of at least 2 of the activities of  
17 daily living (described in clause (ii)), and

18               “(II) without such assistance could not perform  
19 such activities of daily living.

20       “(ii) The ‘activities of daily living’, referred to in  
21 clause (i), are the following:

22               “(I) Eating.

23               “(II) Bathing.

24               “(III) Dressing.

25               “(IV) Toileting.

1           “(V) Transferring in and out of a bed or in and  
2           out of a chair.

3           “(E) The number of an individual’s benefit computa-  
4           tion years as determined under this paragraph shall in no  
5           case be less than 2.”.

6   **SEC. 603. EFFECTIVE DATE AND RELATED PROVISIONS.**

7           (a) IN GENERAL.—The amendments made by this  
8           Act shall apply only with respect to computation base  
9           years after 1982, and only with respect to benefits payable  
10          for months after December 1993.

11          (b) NOTICE AND PROCEDURES.—

12                 (1) 60-DAY GRACE PERIOD AFTER INITIAL ISSU-  
13                 ANCE OF FINAL REGULATIONS FOR CURRENT BENE-  
14                 FICIARIES AND APPLICANTS.—The requirements of  
15                 clause (iii) of section 215(b)(2)(B) of the Social Se-  
16                 curity Act (as amended by this Act) shall be treated  
17                 as satisfied, in the case of a statement—

18                         (A) which is filed by an individual who is,  
19                         as of the date of the first issuance in final form  
20                         of the regulations required under such clause, a  
21                         recipient of monthly benefits under section  
22                         202(a) or 223 of the Social Security Act, or an  
23                         applicant for such benefits, and

1 (B) with respect to which the requirements  
2 of such clause would be met but for the date of  
3 the filing of such statement,  
4 if such statement is submitted to the Secretary of  
5 Health and Human Services not later than 60 days  
6 after the date of the first issuance in final form of  
7 such regulations.

8 (2) NOTICE REQUIREMENTS.—

9 (A) NOTICE TO CURRENT BENEFICIARIES  
10 AND APPLICANTS.—The Secretary of Health  
11 and Human Services shall issue, not later than  
12 the date of the first issuance in final form of  
13 the regulations required under clause (iii) of  
14 section 215(b)(2)(B) of the Social Security Act  
15 (as amended by this Act), regulations establish-  
16 ing procedures to ensure that—

17 (i) persons who are, as of such date,  
18 recipients of monthly benefits under sec-  
19 tion 202(a) or 223 of the Social Security  
20 Act, or applicants for such benefits, are  
21 fully informed of the amendments made by  
22 this Act; and

23 (ii) such persons are invited to com-  
24 ply, and given a reasonable opportunity to  
25 comply, with the requirements of section

1           215(b)(2)(B)(iii) of the Social Security Act  
2           (as amended by this Act), as provided in  
3           paragraph (1).

4           Upon receiving from a recipient described in  
5           clauses (i) and (ii) a written statement referred  
6           to in clause (iii) of section 215(b)(2)(B) of the  
7           Social Security Act (as amended by this Act)  
8           with respect to which the requirements of such  
9           clause are treated as satisfied, the Secretary  
10          shall redetermine the amount of such benefits  
11          to the extent necessary to take into account the  
12          amendments made by this Act (and if such re-  
13          determination results in an increase in such  
14          amount the increase shall be effective as pro-  
15          vided in subsection (a)).

16          (B) NOTICE TO FUTURE APPLICANTS.—  
17          Such regulations required under subparagraph  
18          (A) shall also provide procedures to ensure that  
19          applicants for benefits under section 202(a) or  
20          223 of the Social Security Act are given the op-  
21          portunity, at the time of their application, to in-  
22          dicate and verify any additional years which  
23          may be disregarded under section 215(b)(2)(B)  
24          of the Social Security Act (as amended by this  
25          Act).

1 **SEC. 604. REPEAL OF 7-YEAR RESTRICTION ON ELIGIBILITY**  
2 **FOR WIDOW'S AND WIDOWER'S INSURANCE**  
3 **BENEFITS BASED ON DISABILITY.**

4 (a) WIDOW'S INSURANCE BENEFITS.—

5 (1) IN GENERAL.—Section 202(e) of the Social  
6 Security Act (42 U.S.C. 402(e)) is amended—

7 (A) in paragraph (1)(B)(ii), by striking  
8 “which began before the end of the period spec-  
9 ified in paragraph (4)”;

10 (B) in paragraph (1)(F)(ii), by striking  
11 “(I) in the period specified in paragraph (4)  
12 and (II)”;

13 (C) by striking paragraph (4) and by re-  
14 designating paragraphs (5) through (9) as  
15 paragraphs (4) through (8), respectively; and

16 (D) in paragraph (4)(A)(ii) (as redesign-  
17 ated), by striking “whichever” and all that fol-  
18 lows through “begins” and inserting “the first  
19 day of the seventeenth month before the month  
20 in which her application is filed”.

21 (2) CONFORMING AMENDMENTS.—

22 (A) Section 202(e)(1)(F)(i) of such Act  
23 (42 U.S.C. 402(e)(1)(F)(i)) is amended by  
24 striking “paragraph (5)” and inserting “para-  
25 graph (4)”.

1 (B) Section 202(e)(1)(C)(ii)(III) of such  
2 Act (42 U.S.C. 402(e)(2)(C)(ii)(III)) is amend-  
3 ed by striking “paragraph (8)” and inserting  
4 “paragraph (7)”.

5 (C) Section 202(e)(2)(A) of such Act (42  
6 U.S.C. 402(e)(2)(A)) is amended by striking  
7 “paragraph (7)” and inserting “paragraph  
8 (6)”.

9 (D) Section 226(e)(1)(A)(i) of such Act  
10 (42 U.S.C. 426(e)(1)(A)(i)) is amended by  
11 striking “202(e)(4)”.

12 (b) WIDOWER’S INSURANCE BENEFITS.—

13 (1) IN GENERAL.—Section 202(f) of such Act  
14 (42 U.S.C. 402(f)) is amended—

15 (A) in paragraph (1)(B)(ii), by striking  
16 “which began before the end of the period spec-  
17 ified in paragraph (5)”;

18 (B) in paragraph (1)(F)(ii), by striking  
19 “(I) in the period specified in paragraph (5)  
20 and (II)”;

21 (C) by striking paragraph (5) and by re-  
22 designating paragraphs (6) through (9) as  
23 paragraphs (5) through (8), respectively; and

24 (D) in paragraph (5)(A)(ii) (as redesign-  
25 ated), by striking “whichever” and all that fol-

1 lows through “begins” and inserting “the first  
2 day of the seventeenth month before the month  
3 in which his application is filed”.

4 (2) CONFORMING AMENDMENTS.—

5 (A) Section 202(f)(1)(F)(i) of such Act (42  
6 U.S.C. 402(f)(1)(F)(i)) is amended by striking  
7 “paragraph (6)” and inserting “paragraph  
8 (5)”.

9 (B) Section 202(f)(1)(C)(ii)(III) of such  
10 Act (42 U.S.C. 402(f)(2)(C)(ii)(III)) is amend-  
11 ed by striking “paragraph (8)” and inserting  
12 “paragraph (7)”.

13 (C) Section 226(e)(1)(A)(i) of such Act (as  
14 amended by subsection (a)(2)) is further  
15 amended by striking “, 202(f)(1)(B)(2), and  
16 202(f)(5)” and inserting “and  
17 202(f)(1)(B)(2)”.

18 (c) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply with respect to benefits for months  
20 after December 1993 for which applications are filed or  
21 pending on or after January 1, 1994.

1 **SEC. 605. FULL BENEFITS FOR DISABLED WIDOWS AND**  
2 **WIDOWERS WITHOUT REGARD TO AGE.**

3 (a) ELIGIBILITY FOR WIDOW'S INSURANCE BENE-  
4 FITS.—Section 202(e) of the Social Security Act (42  
5 U.S.C. 402(e)) is amended—

6 (1) in paragraph (1)(B), by striking “has at-  
7 tained age 50 but has not attained age 60 and”;

8 (2) in paragraph (3)(A), by striking “after at-  
9 taining age 50 if she was entitled before such mar-  
10 riage occurred” and inserting “after having been en-  
11 titled”; and

12 (3) in paragraph (3)(B), by striking “after at-  
13 taining age 50”.

14 (b) ELIGIBILITY OF WIDOWER'S INSURANCE BENE-  
15 FITS.—Section 202(f) of such Act (42 U.S.C. 402(f)) is  
16 amended—

17 (1) in paragraph (1)(B), by striking “has at-  
18 tained age 50 but has not attained age 60 and”;

19 (2) in paragraph (3)(A), by striking “after at-  
20 taining age 50 if he was entitled before such mar-  
21 riage occurred” and inserting “after having been en-  
22 titled”; and

23 (3) in paragraph (3)(B), by striking “after at-  
24 taining age 50”.

1 **SEC. 606. EXEMPTION FROM REDUCTIONS IN BENEFITS.**

2 Section 202(q) of the Social Security Act (42 U.S.C.  
3 402(q)) is amended—

4 (1) in paragraph (3)(A), by striking “age 50”  
5 and inserting “age 60”; and

6 (2) by adding at the end the following new  
7 paragraph:

8 “(12) Notwithstanding any other provision of this  
9 section, there shall be no reduction under this subsection  
10 in the widow’s or widower’s insurance benefit of an indi-  
11 vidual for any month in which such individual is under  
12 a disability (as defined in section 223(d)); and none of  
13 the provisions of this subsection shall apply with respect  
14 to such benefit even though such benefit may have been  
15 so reduced prior to the onset of such disability.”.

16 **SEC. 607. EFFECTIVE DATE AND REDETERMINATION OF**  
17 **BENEFITS.**

18 The amendments made by this Act shall apply with  
19 respect to monthly insurance benefits payable under title  
20 II of the Social Security Act for months after the month  
21 in which this Act is enacted. The Secretary of Health and  
22 Human Services (without the necessity of any application  
23 therefor) shall redetermine the amount of any widow’s or  
24 widower’s insurance benefit which is payable for the  
25 month in which this Act is enacted in order to reflect such  
26 amendments as provided in the preceding sentence.

1           **Subtitle D—Former Military**  
2                           **Spouses Protection**

3   **SEC. 701. APPLICABILITY TO PREVIOUS DIVORCES OF**  
4                           **CHANGE IN RULES FOR COMPUTING MAXI-**  
5                           **MUM FORMER SPOUSE SHARE OF MILITARY**  
6                           **RETIRED PAY.**

7           (a) CHANGE IN APPLICABILITY.—Paragraph (2) of  
8 section 555(e) of the National Defense Authorization Act  
9 for Fiscal Year 1991 (Public Law 101–510; 104 Stat.  
10 1570) is amended to read as follows:

11           “(2) The amendments made by subsections (b), (c),  
12 and (d) apply to divorces, dissolutions of marriage, annul-  
13 ments, and legal separations that become effective at any  
14 time, whether before, on, or after the date of the enact-  
15 ment of this Act.”.

16           (b) EFFECTIVE DATE OF CHANGES.—Any change in  
17 payments of military retired or retainer pay by reason of  
18 subsection (a) may apply only to payments of military re-  
19 tired or retainer pay payable for months beginning after  
20 the end of the 90-day period beginning on the date of the  
21 enactment of this Act.

1     **Subtitle E—Unremunerated Work**  
2                                     **Act**

3     **SEC. 801. SHORT TITLE.**

4             This subtitle may be cited as the “Unremunerated  
5     Work Act of 1993”.

6     **SEC. 802. FINDINGS.**

7             The Congress finds the following:

8                     (1) Women perform  $\frac{2}{3}$  of the work in the world  
9             relating to the production of goods and services.

10                    (2) The United Nations General Assembly in  
11             1985 adopted a resolution which included part of the  
12             Forward Looking Strategies for the Advancement of  
13             Women, which states that “the remunerated and, in  
14             particular, the unremunerated contributions of  
15             women to all aspects and sectors of development  
16             should be recognized, and appropriate efforts should  
17             be made to measure and reflect these contributions  
18             in national accounts and economic statistics and in  
19             the gross national product”.

20                    (3) The resolution also states that “concrete  
21             steps should be taken to quantify the unremunerated  
22             contribution of women to agriculture, food produc-  
23             tion, reproduction, and household activities”.

1           (4) The unremunerated contribution by women  
2           to the economy of the United States should be rec-  
3           ognized.

4 **SEC. 803. CALCULATION OF MONETARY VALUE OF**  
5 **UNREMUNERATED WORK.**

6           (a) **TIME USE SURVEYS OF UNREMUNERATED**  
7 **WORK.**—The Commissioner of the Bureau of Labor Sta-  
8 tistics shall periodically conduct time use surveys of  
9 unremunerated work performed in the United States, in-  
10 cluding household work, work related to child care and  
11 other care services, agricultural work, work related to food  
12 production, work related to family businesses, and volun-  
13 teer work.

14           (b) **MONETARY VALUE OF UNREMUNERATED**  
15 **WORK.**—On the basis of the time use surveys of  
16 unremunerated work conducted under subsection (a), the  
17 Commissioner shall calculate the monetary value of such  
18 unremunerated work. Separate monetary values shall be  
19 calculated for men and women.

20           (c) **INCLUSION IN GROSS NATIONAL PRODUCT.**—Be-  
21 ginning three years after the date of the enactment of this  
22 Act, the monetary value of the unremunerated work cal-  
23 culated pursuant to subsection (b) shall be included in sta-  
24 tistics used to determine the annual gross national product  
25 of the United States.

1 (d) METHOD OF CALCULATION.—Not later than 90  
2 days after the date of the enactment of this Act, the Com-  
3 missioner shall submit a report to the Congress describing  
4 the method by which the Commissioner will conduct time  
5 use surveys of unremunerated work performed in the  
6 United States and calculate the monetary value of such  
7 unremunerated work.

○

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