

105TH CONGRESS  
1ST SESSION

# S. 639

To require the same distribution of child support arrearages collected by Federal tax intercept as collected directly by the States, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

APRIL 23, 1997

Ms. SNOWE (for herself and Mr. ROCKEFELLER) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To require the same distribution of child support arrearages collected by Federal tax intercept as collected directly by the States, and for other purposes.

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

3 **SECTION 1. DISTRIBUTION OF CHILD SUPPORT ARREAR-**  
4 **AGES COLLECTED THROUGH FEDERAL IN-**  
5 **COME TAX REFUND OFFSET.**

6 (a) SAME DISTRIBUTION AS AMOUNTS DIRECTLY  
7 COLLECTED.—

8 (1) Section 457(a)(2)(B) of the Social Security  
9 Act (42 U.S.C. 657(a)(2)(B)) is amended—

1 (A) in clause (i)(II)(aa), by striking  
2 “(other than any amount described in clause  
3 (iv))”;

4 (B) in clause (ii)(II)(aa), by striking  
5 “(other than any amount described in clause  
6 (iv))”;

7 (C) in clause (v), by striking “, except for  
8 amounts collected pursuant to section 464,”;  
9 and

10 (D) by striking clause (iv) and by redesignating  
11 clause (v) as clause (iv).

12 (2) CONFORMING AMENDMENT.—Section  
13 408(a)(3)(A) of such Act (42 U.S.C. 608(a)(3)(A))  
14 is amended by striking “(other than support col-  
15 lected pursuant to section 464)”.

16 (b) CHANGED ORDER OF REFUND DISTRIBUTION  
17 UNDER INTERNAL REVENUE CODE.—The third sentence  
18 of section 6402(c) of the Internal Revenue Code of 1986  
19 (relating to offset of past-due support against overpay-  
20 ments) is amended—

21 (1) by striking “has been assigned” and insert-  
22 ing “has not been assigned”;

23 (2) by striking “402(a)(26)” and inserting  
24 “408(a)(3)”; and

1           (3) by striking “and shall be applied” and all  
2 that follows through the period and inserting “and  
3 shall thereafter be applied in accordance with section  
4 457 of the Social Security Act to satisfy any past-  
5 due support that has been so assigned.”.

6           (c) ELIMINATION OF DISPARITIES IN TREATMENT OF  
7 ASSIGNED AND NONASSIGNED ARREARAGES.—

8           (1) IN GENERAL.—Section 464(a) of the Social  
9 Security Act (42 U.S.C. 664(a)) is amended—

10                   (A) in paragraph (1)—

11                           (i) in the first sentence, by striking  
12 “which has been assigned to such State  
13 pursuant to section 402(a)(26) or section  
14 471(a)(17)”; and

15                           (ii) in the second sentence, by striking  
16 “in accordance with section 457” and in-  
17 serting “as provided in paragraph (2)”;

18                   (B) by striking paragraph (2) and insert-  
19 ing the following:

20                   “(2) The State agency shall distribute amounts paid  
21 by the Secretary of the Treasury pursuant to paragraph  
22 (1) in accordance with section 457.”; and

23                   (C) in paragraph (3)—

24                           (i) by striking “or (2)” each place it  
25 appears; and

1                   (ii) in the last sentence of subpara-  
 2                   graph (B), by striking “paragraph (2)”  
 3                   and inserting “paragraph (1)”.

4                   (2) NOTICES OF PAST-DUE SUPPORT.—Section  
 5                   464(b) of such Act (42 U.S.C. 664(b)) is amended—

6                   (A) by striking “(b)(1)” and inserting  
 7                   “(b)”;

8                   (B) by striking paragraph (2).

9                   (3) DEFINITION OF PAST-DUE SUPPORT.—Sec-  
 10                  tion 464(c) of such Act (42 U.S.C. 664(c)) is  
 11                  amended—

12                  (A) by striking “(c)(1) Except as provided  
 13                  in paragraph (2), as” and inserting “(c) As”;  
 14                  and

15                  (B) by striking paragraphs (2) and (3).

16                  (4) CONFORMING AMENDMENT.—Section  
 17                  454(6) of such Act (42 U.S.C. 654(6)) is amended  
 18                  by striking subparagraph (C) and by redesignating  
 19                  subparagraphs (D) and (E) as subparagraphs (C)  
 20                  and (D), respectively.

21                  (d) EFFECTIVE DATE.—The amendments made by  
 22                  this section take effect as if included in the amendments  
 23                  made by section 302 of the Personal Responsibility and  
 24                  Work Opportunity Reconciliation Act of 1996.

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