

105TH CONGRESS
1ST SESSION

S. 1223

To protect personal employment information reported to the National
Directory of New Hires.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26, 1997

Mr. BURNS introduced the following bill; which was read twice and referred
to the Committee on Finance

A BILL

To protect personal employment information reported to the
National Directory of New Hires.

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 “Employee Information
5 Protection Act of 1997”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress finds the following:

8 (1) The Personal Responsibility and Work Op-
9 portunity Reconciliation Act of 1996 (Public Law
10 104–193; 110 Stat.2105) requires Federal and State

1 child support enforcement agencies to implement
2 new programs to collect overdue child support pay-
3 ments, thereby reducing the burden on taxpayers by
4 lowering welfare payments.

5 (2) Among the new programs created under
6 such Act and the amendments made by such Act, is
7 the National Directory of New Hires, to be adminis-
8 tered by the Social Security Administration, under
9 agreement with the Office of Child Support Enforce-
10 ment of the Department of Health and Human
11 Services. Under this program, States are required to
12 develop a reporting system whereby employers must
13 report to their respective States the name, address,
14 and social security number of all newly hired em-
15 ployees. States must forward the new hire data with-
16 in 3 days of receipt to the National Directory of
17 New Hires, where the data will be checked against
18 the Federal Case Registry of Child Support Orders
19 to detect overdue child support.

20 (3) The Personal Responsibility and Work Op-
21 portunity Reconciliation Act of 1996 does not limit
22 how long employee data may remain in the National
23 Directory of New Hires, and the Office of Child
24 Support Enforcement of the Department of Health
25 and Human Services has not developed any such

1 limits as of September 15, 1997. In addition to the
2 Office of Child Support Enforcement of the Depart-
3 ment of Health and Human Services and the Social
4 Security Administration, the Department of the
5 Treasury has access to the directory and the Sec-
6 retary of Health and Human Services has the dis-
7 cretion to provide researchers access to the direc-
8 tory.

9 (4) The overwhelming majority of newly hired
10 individuals do not have child support orders entered
11 against them, yet their personal data can be viewed
12 by Federal agencies without such individuals' knowl-
13 edge or consent.

14 (5) Recent disclosures of unauthorized viewing
15 of taxpayer information by officials of the Internal
16 Revenue Service highlight the potential for abuse of
17 such information and the need for safeguarding
18 measures.

19 (6) Several States with new hire reporting pro-
20 grams have time limits on data retention ranging
21 from 6 to 9 months.

22 (7) A 6-month limit on retention of new hire
23 data in the National Directory of New Hires, from
24 the date such data is entered, would allow sufficient
25 time to check the data against the Federal Case

1 Registry of Child Support Orders and to initiate ac-
 2 tion against individuals with overdue child support,
 3 and would reduce the potential for abuse and misuse
 4 of the data.

5 (b) PURPOSE.—The purpose of this Act is to safe-
 6 guard personal information concerning employees who do
 7 not have child support orders pending against them by
 8 placing a reasonable time limit on the retention of new
 9 hire data reported to the National Directory of New Hires.

10 **SEC. 3. LIMIT ON NEW HIRE DATA RETENTION.**

11 (a) REQUIREMENT TO DELETE DATA AFTER 6
 12 MONTHS.—Section 453(i)(2) of the Social Security Act
 13 (42 U.S.C. 653(i)(2)) is amended by adding at the end
 14 the following: “Information entered into such database
 15 shall be deleted 6 months after the date of entry.”.

16 (b) EFFECTIVE DATE.—The amendment made by
 17 subsection (a) shall take effect as if included in the enact-
 18 ment of title III of the Personal Responsibility and Work
 19 Opportunity Reconciliation Act of 1996 (Public Law 104–
 20 193; 110 Stat. 2198).

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