

MEMO# 10520

December 1, 1998

FEDERAL OFFICE OF CHILD SUPPORT ENFORCEMENT - FINANCIAL INSTITUTION DATA MATCH PROGRAM

1 "Financial institutions" as defined in PRWORA include money market mutual funds.
[10520] December 1, 1998 TO: PRIMARY CONTACTS - MEMBER COMPLEX No. 112-98 SEC
RULES COMMITTEE No. 122-98 OPERATIONS COMMITTEE No. 45-98 TRANSFER AGENT
ADVISORY COMMITTEE No. 80-98 RE: FEDERAL OFFICE OF CHILD SUPPORT ENFORCEMENT -
FINANCIAL INSTITUTION DATA MATCH PROGRAM

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), also known as welfare reform, requires all 54 states and territories to conduct a quarterly data match with financial institutions¹ operating in a state or territory in order to locate assets belonging to parents who are delinquent in their child support obligations. Compliance with PRWORA would have been administratively burdensome for both states and financial institutions operating in more than one state. The Child Support Performance and Incentive Act of 1998 further clarified those requirements and simplified the process for multistate financial institutions. The amended act allows the Federal Office of Child Support Enforcement (OCSE) to serve as a conduit between states and multistate financial institutions using the expanded Federal Parent Locator Service, thus permitting the receipt and distribution of data required by PRWORA at a single locale. Financial institutions will have the option of participating in the Data Match program through the OCSE or reporting separately to those states in which they do business. The OCSE held a workshop this fall to discuss the implementation of the Financial Institution Data Match program. Several members of the Institute's Transfer Agent Advisory Committee attended. The OCSE also requested that we forward to Institute members the enclosed overview on the Data Match program, which was recently mailed to financial institutions identified in the OCSE database. These materials may have been mailed to an affiliate of your complex. Additional information about the multistate Data Match program will be provided by the OCSE during January 1999, and copies of the Financial Data Match Specifications Handbook and further details may be obtained from their web site at www.acf.dhhs.gov/programs/cse/index.html. 2Members that are interested in participating in the Financial Institution Data Match program through the OCSE may contact Ann Barkley of the OCSE at (202) 255-8985. Please contact either of the undersigned (Kathy Joaquin at 202-326-5930 or Marguerite Bateman at 202-326-5813) if you have any other questions regarding this issue. Kathleen C. Joaquin Director - Transfer Agency & International Operations Marguerite C. Bateman Associate Counsel attachment

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