

withholding under section 466(b)(8) of the Act.

6. *Comment:* Two commenters pointed out a conflict between § 303.100(e)(2) and (3) that require income withholding notices to employers to be issued within 15 calendar days while Federal law at section 454A(g)(1)(A)(i) of the Act requires notices to be sent to employers within 2 business days. This commenter asked whether there are actually 2 different requirements.

Response: Sections 453A(g)(1) of the Act requires the State to transmit an income withholding notice to an employer within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires. Section 454A(g)(1)(A)(i) of the Act and implementing regulations at § 307.11(c)(1)(i) require the statewide automated system to transmit income withholding orders and notices to employers and other debtors within 2 business days after receipt of notice of income and the income source subject to withholding from a court, another State, an employer, the Federal Parent Locator Service, or another source recognized by the State. Under these provisions, the 2-day time frame for sending a withholding order or notice applies only to situations in which the State Directory of New Hires or the statewide automated system receives notice of the new hire or income source subject to withholding. We have revised paragraphs (e)(2) and (3) to include reference to the 2-day timeframe for sending the withholding notice as described above and retained the 15-day time frame in the current regulation for other situations where notification is not received by the State Directory of New Hires or the automated system.

7. *Comment:* One commenter noted that the reference to “paragraph (f)(1) of this section” in paragraph (e)(4) is in error. The correct reference should be to “paragraph (e)(1)”.

Response: We agree with the commenter and in response to this technical error have made the correction to paragraph (e)(4) by replacing the citation “paragraph (f)(1) of this section” with “paragraph (e)(1) of this section”.

Expedited Processes—§ 303.101

1. *Comment:* A commenter recommended that paragraph (b)(2) be revised to reference review and adjustment timeframes at § 303.8(e).

Response: As currently written, § 303.101 provides for expedited processes for establishing and enforcing support orders. The commenter suggests

a modification to this section to add expedited review and adjustment of orders. We consider this to be a substantive change that is not appropriate for this technical rulemaking. We will consider this comment in any future revision to this section.

We are making a technical correction in paragraph (a) of this section by inserting a period after “Definition”.

Collection of Overdue Support by State Income Tax Refund Offset—§ 303.102

1. *Comment:* One commenter noted in § 303.102(a)(1) the word “or” needs to be inserted following “section 408(a)(3) of the Act”.

Response: We agree with this comment. In § 303.102(a)(1), we are making a technical correction by inserting the word “or” following “section 408(a)(3) of the Act”. In addition, we are making an editorial change to the language of paragraph (g)(1) because, as it currently reads, subparagraph (ii) is a sentence fragment with no subject.

Procedures for the Imposition of Liens against Real and Personal Property—§ 303.103

1. *Comment:* One commenter suggested that Federal guidance regarding implementing lien requirements is necessary.

Response: To clarify the issue of direct imposition of liens across State lines, we issued OCSE-PIQ-99-06 on August 16, 1999. We believe further guidance in this area is more appropriate through development of technical assistance publications and examples of model practices used by States. Current information on State lien and levy laws may be found on the OCSE Web site at “www.acf.dhhs.gov/programs/cse”. Click on “Online Interstate Roster and Referral Guide (IRG)”, then click on a particular State, and then click on “View State FIDM Information” for a matrix of lien information specific to each State.

Availability and Rate of Federal Financial Participation—§ 304.20

1. *Comment:* One commenter suggested that paragraph (b)(1)(iii)(C) be revised to include “Indian Tribes or Tribal Organizations” as added in § 302.34. Section 304.20(b)(1)(iii)(C) cross-references § 302.34.

Response: We agree with the commenter. We have revised § 304.20(b)(1)(iii)(C) to read: “Cooperation with courts, law enforcement officials, and Indian Tribes or Tribal organizations pursuant to § 302.34 of this chapter.”

2. *Comment:* One commenter indicated that paragraphs (b)(1)(viii)(C) and (ix)(C) were removed because the IV-A agency no longer determines cooperation. The commenter suggests that these paragraphs be reinstated and revised, as there is still an exchange of information between IV-D and IV-A about cooperation determinations made by the IV-D agency. Section 304.20(b)(1)(ix) prior paragraph (D) was removed for the same reasons and it should also be reinstated and revised.

Response: In § 304.20, paragraphs (b)(1)(viii)(C) and (b)(1)(ix)(C) were removed because of the transfer of responsibility for determining cooperation from the IV-A agency and the Medicaid agency to the IV-D agency. Therefore, agreements are no longer necessary. Any activity associated with the IV-D agency’s determination of cooperation under section 454(29) of the Act is an allowable cost under the IV-D program.

Determination of Federal Share of Collections—§ 304.26

1. *Comment:* One commenter indicated that regulations for the determination of the Federal share of collections are confusing. The commenter recommends deleting “to the extent of its participation in the financing of the title IV-A and title IV-E payments” in paragraph (a) and indicating that the Federal share be determined pursuant to section 457(c)(2) of the Act.

Response: We agree and revised paragraph (a) by deleting the confusing language and adding that, in computing the Federal share of support collections for assistance made under titles IV-A and IV-E, the State must use the Federal medical assistance percentage (FMAP) in effect for the fiscal year in which the amount is distributed, as defined in section 457(c)(3) of the Act.

2. *Comment:* One commenter notes that the 4th, 5th and 6th sentences of the preamble description are inaccurate and should be replaced with: “Section 457(c)(3)(A) defines the FMAP rate to be 75 percent in the case of Puerto Rico, the Virgin Islands, Guam and American Samoa. Section 457(c)(3)(B) specifies that the FMAP rates as defined at section 1905(b) of the Act be used for any other State.” The commenter also suggests that we revise paragraph (a) by removing “to the extent of its participation in the financing of the title IV-A and title IV-E payment” and add “the Federal share of the support collections” in its place and revise the next sentence to read: “In computing the Federal share of support collections for assistance made under titles IV-A