

## **8.0 ENSURING COMPUTER SECURITY AND CONFIDENTIALITY OF DATA**

Computer security and confidentiality of data are important considerations for State IV-D agency personnel who are users of the Federal Offset Program. Liability for violation of security and confidentiality requirements can be substantial, including the imposition of penalties and fines against individual users of the Federal Offset Program under some circumstances.

Federal law establishes general rules relating to the safeguarding of information handled by the State IV-D agency. Although these general rules are applicable to the Federal Offset Program, there are also specific rules governing computer security and confidentiality of data, depending upon such factors as –

Where the data relating to the Federal Offset Program is maintained;

How the Federal Offset data is transmitted; and

The source of a Federal payment subject to offset.

This section highlights the key security and confidentiality considerations that affect users of the Federal Offset Program. It begins by describing the general safeguarding rules that apply to all information handled by the State IV-D agency, including Federal offset information.

The section proceeds to summarize the specific rules that apply when data relating to the Federal Offset Program is maintained in the IV-D agency's Statewide automated system. The section continues by examining special considerations that arise when Federal offset data is transmitted between the State IV-D agency and OCSE or between two or more State IV-D agencies. Finally, Section 8.0 concludes by focusing on the safeguarding provisions that apply when the type of Federal payment subject to offset for the purpose of collecting delinquent child support obligations is a Federal income tax refund.

### **8.1 General Safeguarding Requirements**

Federal law requires that the State IV-D agency have in effect safeguards, applicable to all confidential information handled by the State agency, designed to protect the privacy rights of the parties. To the extent that data used in the Federal Offset Program is confidential information, State IV-D agencies must apply these safeguards to the Federal Offset Program. In pertinent part, these safeguards include the following:

- Safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish, modify, or enforce support, or to make or enforce a child custody determination;
- Prohibitions against the release of information on the whereabouts of one party or the

child to another party against whom a protective order with respect to the former party or the child has been entered;

- Prohibitions against the release of information on the whereabouts of one party or the child to another person if the State has reason to believe that the release of information to that person may result in physical or emotional harm to the party or the child.

## 8.2 Computer Security and Confidentiality Requirements Related to the Statewide Automated System

Case information submitted to OCSE for offset is typically maintained in the Statewide automated system required pursuant to Federal law. Thus, the safeguards governing data in the automated system apply to data used by the State IV-D agency for purposes of the Federal offset program.

Federal law requires the IV-D agency to have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system. As described in more detail below, these safeguards must include policies restricting access, systems controls, training and information, and penalties.

- **Policies Restricting Access.** The State agency must have written policies concerning access to data by State agency personnel and sharing of data with other persons. These policies must permit access to, and use of, data only to the extent necessary to carry out the State IV-D program and must specify the data which may be used for particular program purposes and the personnel permitted access to such data.
- **Systems Controls.** The State agency must have systems controls, such as passwords or blocking fields, to ensure strict adherence to the written policies described immediately above.
- **Monitoring of Access.** The State agency must routinely monitor access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and properly identify unauthorized access or use.
- **Training and Information.** The State agency must have procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use confidential program data are informed of applicable requirements and penalties (including those in section 6103 of the Internal Revenue Code of 1986), and are adequately trained in security procedures.
- **Penalties.** The State agency must have administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure of, confidential data.

In addition, users of the Federal Offset Program must ensure that they comply with Federal regulations pertaining to automated systems, as well as the computer security and data confidentiality requirements set forth in the OCSE publication *Automated Systems for Child Support Enforcement: A Guide for States*.

### **8.3 Computer Security and Confidentiality Requirements That Apply to the Transmission of Data**

When submitting a case to the Federal Offset Program, a State IV-D agency may transmit the required data to FMS via OCSE by using CONNECT:Direct or the Federal Offset Program On-line System. OCSE returns offset data and payments to the State IV-D agency via CONNECT:Direct.

In a situation where a State IV-D agency is exchanging Federal offset information with another State IV-D agency, interstate communication may occur by one of two available methods. The preferred mode of data exchange is CSENet 2000. States may also exchange Federal offset information using the interstate transmittal forms approved by OCSE, the topic of OCSE Action Transmittal 97-06.

Both the exchange of Federal offset data between a State IV-D agency and OCSE and the exchange of Federal offset data between a State IV-D agency and the IV-D agency of another State are governed by the general rules relating to safeguarding data handled by the IV-D agency, described in subsection 8.1 above. For data exchanges via CSENet 2000, the *CSENet Interface Guidance Document* provides further detail about this method for exchanging Federal offset information.

In addition, however, special rules may apply if the information received by the State pertains to the offset of a Federal income tax refund. These special rules are described in subsection 8.4 below.

### **8.4 Computer Security and Confidentiality Requirements that Apply in Cases of Federal Income Tax Refund Offset**

If the Federal payment subject to offset for the purpose of collecting delinquent child support obligations is a Federal income tax refund, the offset is subject to special computer security and confidentiality requirements. These requirements are set forth in section 6103 of the Internal Revenue Code of 1986 and the IRS' Publication 1075, *Tax Information Security Guidelines for Federal, State and Local Agencies*, revised March 1999.