



September 29, 2021

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

Re: Congressional Child Support Program Priorities

Dear Speaker Pelosi, Mr. Minority Leader McCarthy, Mr. Majority Leader Schumer and Mr. Minority Leader McConnell:

The National Child Support Enforcement Association (NCSEA) is an organization of child support professionals that works to shape the future of child support. On behalf of our members, we respectfully request your consideration regarding priorities we have identified that will positively impact the bipartisan child support program and the families and children we serve.

The child support program, authorized under Title IV-D of the Social Security Act, is administered by a network of federal, state, local, and tribal child support agencies working together with various agencies, stakeholders, and other partners to provide children and their families the services needed to establish paternity and support orders, process payments, and take appropriate actions when support is not paid. In FY 2020, \$34.9 billion was collected for 13.8 million children across the country, and 95 percent of those collections were sent to the families. This is more than five times the \$6.5 billion paid in cash benefits to single-parent families by the Temporary Assistance for Needy Families (TANF) program.

Our employer partners were responsible for 65 percent of the collections. One of the most effective government programs—collecting \$5.51 for each dollar spent—the child support program ranks behind only the Medicaid and Supplemental Nutrition Assistance Program (SNAP) programs in the number of children served. All this said, only 66

percent of current child support obligations are paid on time, and therefore child support arrears have increased.

NCSEA has published a range of resolutions and position papers that request specific legislative actions Congress could take both to make the nation's child support program more effective and efficient and to help state programs better serve families and children in the modern environment. Those statements can be found [here](#) on our website.

In the following paragraphs, we provide a sample of actions that would substantially improve the child support program, categorized by the targeted impact:

Evolution of the Child Support Program

1. Recognize **the child support program has evolved from a welfare cost-recovery** program into an essential component of the nation's social safety net that promotes and facilitates familial self-sufficiency and personal responsibility by:
 - a. **Designating additional activities as allowable program expenditures** eligible for 66 percent federal financial participation, such as developing parenting time schedules and providing effective access to employment services for parents owing support;
 - b. **Promoting expansion of the number of states with policies requiring full pass-through and disregard 100 percent of child support payments** to current and former TANF families. This includes elimination of the federal share of retained collections for current TANF assistance families (to the extent that the state pays both the federal and state share to the family and disregards the amount in the determination of eligibility or degree of need for TANF assistance), and providing additional federal funding to state child support programs to offset related systems programming costs and loss in state share of retained collections; and,
 - c. **Amending the existing federal law on earned income tax credits** to allow parents who pay child support to receive an earned income tax credit under qualifying circumstances comparable to the earned income tax credit presently available only to parents with a qualifying child.
2. Ensure any federal legislation that results in increases of Title IV-D state child support program costs or in reduced state child support program revenue also includes a **fully offsetting increase in federal funding** so state child support programs and services to families are not adversely impacted.

3. **Authorize tribal child support programs to access Internal Revenue Service (IRS) and federal Office of Child Support Enforcement (OCSE) databases** and processes on a similar basis to existing access by state child support agencies.
4. **Authorize IRS information to be disclosed by state and tribal child support agencies for child support purposes** with parents (including attorneys and other third parties authorized by the parent), courts, attorneys, public assistance agencies, and vendors providing services to a government child support agency.
5. **Eliminate the current disconnect between the paternity establishment percentage** required for a state to receive the full incentive allocation for that performance measure (80 percent) and the higher paternity percentage required to avoid penalties (90 percent) by making both 80 percent. The paternity establishment measure is one of the five performance measures which determine both potential incentive payments and performance penalties for the state child support programs.

Modern Technology

1. Promote the needed replacement of the aging legacy child support systems in the majority of the states by **funding a specifically designated 90 percent federal financial participation rate for states to modernize their legacy Title IV-D child support automated computer systems**, similar to the federal funding provided to the Medicaid program. The pandemic brought to light the inability of many legacy child support systems to accommodate needed immediate changes to child processes, not only negatively impacting families and children, but also creating extra work for child support caseworkers.

Child Support Program Partners and Partner Agencies

1. Mandate states enact laws **requiring employers to report information on newly hired independent contractors** on a similar basis to the current reporting of all new employees.
2. **Prohibit the IRS from holding states liable for fraudulent tax returns** and refunds that are later reversed by the IRS.
3. **Require state unemployment agencies to honor income withholding orders** for unemployment insurance benefits issued by another state, including orders that combine child support and spousal support.
4. **Require cell phone companies, cable companies, and utilities to participate in an electronic data-matching with state child support agencies**, multi-state child support consortia, or the federal OCSE to locate parents.

5. **Require states to enact laws mandating insurance companies to report** pending insurance claims, including the Social Security number of the claimant.
6. Lessen the burden on employers by **requiring federal OCSE to provide a single point of contact for employers to report employees' lump-sum payments** in lieu of reporting them separately to each state in which the employer does business.

NCSEA appreciates the opportunity to provide these suggestions, and we value the continued interest from Congress in improving the child support program for the children and families it serves. We respectfully urge Congress to examine and act on our suggestions, and we welcome any questions we can answer or clarification we can provide.

Submitted on behalf of NCSEA by:



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Executive Director

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cc : Senate Finance Committee
House Ways and Means Committee