



Strong Families Make a Strong Kansas

Joint Committee on Administrative Rules and Regulations

November 16, 2015

Testimony on:

Amendment of K.A.R. 30-44-2 and Promulgation of K.A.R. 30-44-6

Presented by:

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**Jt Cmte on Adm Rules and
Regulations**

Attachment 2.

Date 11-16-2015

Testimony of:

Trisha Thomas, Child Support Services Director
Kansas Department for Children and Families

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Amendment of K.A.R. 30-44-2 and Promulgation of K.A.R. 30-44-6.

Chair Schwartz, Vice Chair Schmidt and Members of the Committee:

The Kansas Department for Children and Families' (DCF) Child Support Services (CSS) seeks to make two changes. The first would give DCF the option to reduce or eliminate collection fees for those we serve. The second is to clarify that the DCF Secretary can forgive child support arrears.

Fees

Child support payments currently made to custodial parents in non-public-assistance cases include a 4 percent enforcement fee to DCF. These are families that are not receiving Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP) Child Care Assistance or Medical Assistance. The 4 percent fee generated approximately \$2.5 million in fiscal year 2015; however, because CSS is heavily funded by the federal government, 66 percent of these fees (approximately \$1.6 million per year) is required to be sent back to the federal government. CSS only retains about 34 percent (around \$800,000).

If K.A.R. 30-44-2 is amended, as suggested, to give the Secretary the discretion to lower or waive the enforcement fee, this change would give CSS the option to charge up to 4 percent (anywhere from nothing to 4 percent, depending on funding). As the DCF budget allows, we would like to ultimately put these fee dollars back in the pockets of custodial parents and their children. There is no economic impact to any State agency other than DCF.

Arrears

In an effort to help non-custodial parents and their children, DCF would like to reduce the arrears non-custodial parents owe. When a non-custodial parent owes a significant amount of past due child support, commonly called arrears, he/she becomes discouraged and more likely to pursue earning cash income, which is very difficult for us to collect for the families we serve. When a custodial parent receives assistance, he/she assigns the child support rights to the State. Child support due when a child receives TANF or while in State care (foster care or Kansas Department of Corrections Juvenile Services), is assigned to the State. However, if support is not paid by the non-custodial parent during this time, there are child support arrears due the State. We want to

incentivize these non-custodial parents to put themselves and their children in a better place.

The regulation we would suggest in K.A.R. 30-44-6 would allow CSS to offset arrears in accordance with several types of arrears forgiveness programs. CSS currently administers three types of these programs to incentivize parents and assist them in providing for their children. The first involves a 529 child educational savings account. The account is owned by the State, while the child is the beneficiary. This means neither parent can withdraw the funds, only the child when he/she is an adult pursuing higher education. For every \$1 deposited into the State 529 account, CSS reduces \$2 of State-assigned child support arrears. The second program is encouraging non-custodial parents to obtain a GED, technical education, a bachelor's degree, or other type of college degree. For each degree earned since November 2012, we make an adjustment to reduce State-assigned child support arrears. The last program is for hours spent taking specific courses that will improve the non-custodial parent's skills (like parenting classes, financial literacy classes, work-readiness classes, and other approved classes).

Both of these changes help the children and families of Kansas.

Thank you for this opportunity to appear before you. I am happy to stand for any questions you may have.