

LEGISLATIVE PROPOSALS FOR MODERNIZING THE CHILD SUPPORT PROGRAM

The National Child Support Engagement Association (NCSEA) proposes a package of legislative proposals to modernize the Title IV-D Child Support Enforcement Program (program). While this document is a summary of the proposed changes, NCSEA provides more detail in two companion documents. One is a more thorough description of the proposed changes. The second is an explanation of their rationale.

I. End Retained Child Support Collections for TANF Cases to Improve Self-Sufficiency and Streamline Administration		
Proposal	Benefit	Support
End recoupment of cash assistance previously provided to former Temporary Assistance for Needy Families (TANF) families	Increases self-sufficiency of one-parent families and streamlines administration of the child support program.	The child support program provides more than three and one-half times as much in financial resources to one-parent families as does the TANF program.
End retained collections for current TANF families	Encourages higher payment rates with knowledge that payments are going to the family. Provides consistency with program mission shift from recovery to family support.	Currently only 3.4 percent of child support collections repay the government for TANF benefits, compared to 24 percent at the time welfare reform was enacted.

II. Strengthen Enforcement and Intergovernmental Remedies		
Proposal	Benefit	Details
Improvements to enforcement and intergovernmental remedies (interstate actions as well as those between states and tribes, or states and the military).	Adapts the program to changes to the economy, including the increased prevalence of gig workers. Reflects operational experience with the child support program.	Major recommendations: Extend new hire reporting to independent contractors. Establish a nationwide standard for employer reporting of lump sums. Mandate that states intercept gambling winnings, including from sports betting. Mandate compliance with interstate income withholding orders by state unemployment insurance agencies.

III. Raise the Bar and Improve Efficacy of Performance Measures

Proposal	Benefit	Details
<p>Raise the bar on performance goals</p> <p>Make technical changes to the measures</p>	<p>Strengthens the performance measures to reflect the program's improved performance and operational experience</p> <p>Improves Performance Measure efficacy</p>	<p>Tie the <i>Paternity Establishment Percentage (PEP)</i> to the current year's, rather than prior year's, non-marital caseload, and eliminate the paternity penalty.</p> <p>Track all paternity cases active within the current year.</p> <p>Raise minimum and maximum thresholds for paternity establishment and support order establishment.</p> <p>Raise minimum threshold for collections on current support.</p> <p>Re-define collections on child support arrearages based on the proportion of arrearages collected.</p> <p>Increase the minimum and maximum thresholds for cost-effectiveness.</p>

IV. Make Performance-Based Funding Changes to Support Greater Role in Safety Net

Proposal	Benefit	Support
<p>Increase performance-based funding component by 150 percent</p>	<p>Avoids compromising the effectiveness of the program from loss of funding resulting from elimination of recoupments and retained collections.¹</p> <p>Greatly increases state motivation for improved performance.</p>	<p>Ending recoupments reduces program funding equivalent to 9 percent of the state share of administrative costs.</p> <p>Ending retained collections reduces program funding equivalent to an additional 7 percent of the state share of administrative costs.¹</p>
<p>Modernize allowable program activities to provide:</p>	<p>Establishment of parenting time orders to ensure both parents participate in their child's upbringing (subject to domestic violence safeguards)</p>	

07/27/2025

¹ Despite the loss of funding from ending recouped and retained TANF collections, the child support program will still almost pay for itself. The program generates substantial savings due to *avoided* costs in various government assistance programs such as SNAP, Medicaid, SSI, and housing subsidies.