



United States House Committee on
Ways & Means
CHAIRMAN JASON SMITH

H.R. 7906, *Strengthening State and Tribal Child Support Enforcement Act*
Reps. Hern (R-OK), LaHood (R-IL), Schweikert (R-AZ), Smucker (R-PA), Moore (D-WI),
and DelBene (D-WA)

Background:

- The Child Support Enforcement (CSE) program is a federal-state partnership dedicated to obtaining child support on behalf of custodial parents. **This vital support system serves 12.7 million families and 18% of all children in the U.S.**
- As one of the most cost-effective federal programs, in fiscal year (FY) 2023, the program collected nearly **\$30 billion** in payments from non-custodial parents. For every \$1 spent on program operations, nearly \$5 was collected for families.
- **A key tool in collection of past-due child support is the Treasury Offset Program (TOP).** When a non-custodial parent is due a tax refund and owes past-due child support, the Internal Revenue Service (IRS) can withhold the tax refund on behalf of the state CSE agency to provide to the custodial parent.

Issue:

- A conflict between two federal laws threatens the ability of states and tribes to efficiently run their CSE programs. The Social Security Act allows states to administer programs using contractors and requires use of the TOP to intercept past-due child support. However, the Internal Revenue Code strictly limits contractors' access to federal taxpayer information.
- For decades the IRS "held in abeyance" findings that states used contractors for the CSE program, acknowledging that legislation was needed to harmonize the two laws.
- In February, the IRS reversed course and, on October 1, 2024, will require states to discontinue use of contractors. **This could result in hundreds of millions in costs to states and the federal government, and suspend child support payments to millions of families.**
- Congressional action is needed to provide a permanent solution that recognizes state use of contractors without compromising the privacy of federal taxpayer information.
- Furthermore, tribal CSE programs have never had direct access to TOP and are forced to contract with states to collect past-due support on behalf of children.

The Strengthening State and Tribal Child Support Act:

- This bipartisan bill provides a legislative fix to **formally authorize state use of contractors for purposes of child support enforcement and the TOP.**
- **Authorizes tribal access to the TOP** providing parity for tribal enforcement agencies.
- The Congressional Budget Office estimates this bill would save **\$777 million.**

Endorsements: *National Child Support Engagement Association, National Council of Child Support Directors, National Tribal Child Support Association, National Association of Tribal Child Support Directors, American Public Human Services Association, National Association of County Human Services Administrators, National Association of Counties, and additional state and tribal organizations.*