

HR4469- Johnson Bill

A RESOLUTION

WHEREAS, H.R.4469, "The Child Support Distribution Act of 2000," introduced by Congresswoman Johnson of Connecticut, mandates changes to the rules for distribution of child support collections; and, although well-intentioned, does not define the means to fund the mandated changes, the cost of which could approach \$1.5 to \$2 billion and which would jeopardize the IV-D program in many states; and

WHEREAS, H.R.4469, "The Child Support Distribution Act of 2000," gives States the option of providing non-IV-D entities (not under contract with IV-D agencies) with IV-D information and enforcement remedies; and

WHEREAS, the ability of any one State to exercise the option of making IV-D data and enforcement remedies available to either non-IV-D public child support agencies or private collection agencies, effectively makes the IV-D resources of all other States as well as the Federal government available to those non-IV-D entities, thereby negating the significance of State "option" (non-IV-D entities could funnel all requests through one state); and

WHEREAS, the bill is counter to Congressional and State legislation based on the premise that many databases held by both governmental and private entities – at both State and Federal levels – would be available only for IV-D child support purposes; and

WHEREAS, the IV-D child support community is bound by federal and state laws that prescribe safeguards for using and maintaining the confidentiality of the data and ensuring due process for enforcement actions; and

WHEREAS, the bill provides no meaningful or practical mechanism for extending these mandated safeguards to public non-IV-D child support agencies and private collection agencies or for monitoring and enforcing their compliance with the safeguards once these non-IV-D entities obtain IV-D data or avail themselves of IV-D enforcement mechanisms; and

WHEREAS, the bill would make financial institution data matches available to non-IV-D public and private collection agencies even as the Administration, the US Congress, State Attorneys General and State legislatures are reassessing the consumer privacy provisions in the recently enacted legislation to overhaul the financial services sector; and

WHEREAS, the bill violates the current federal and state rules governing funding of the IV-D program and will result in a significant increase in the funding requirements to be absorbed by state programs at a time when IV-D incentive funding is federally capped and federal financial participation (FFP) is in jeopardy of reduction; and

WHEREAS, the bill would require significant re-programming of statewide automated systems to process requests for information or use of enforcement remedies for either public non-IV-D or private collection agencies at a time when enhanced funding for systems modifications is federally capped; and

WHEREAS, the bill increases the risk of data misuse for unauthorized purposes, as evidenced by the number of complaints from customers about private collections agencies and diverts scarce resources from IV-D child support enforcement;



NOW, THEREFORE, BE IT RESOLVED, this day of May, 2000, that the Eastern Regional Interstate Child Support Association, its President and its Board of Directors, respectfully urges all members of Congress to oppose H.R.4469.

T. Vernon Drew, President

