



## **Senate Bill 2012**

Senate Appropriations Committee | HR Section

*Senator Dever, Chairman*

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Child Support Section | Jim Fleming, Director | January 27, 2023

NORTH  
**Dakota**  
Be Legendary.

| Health & Human Services

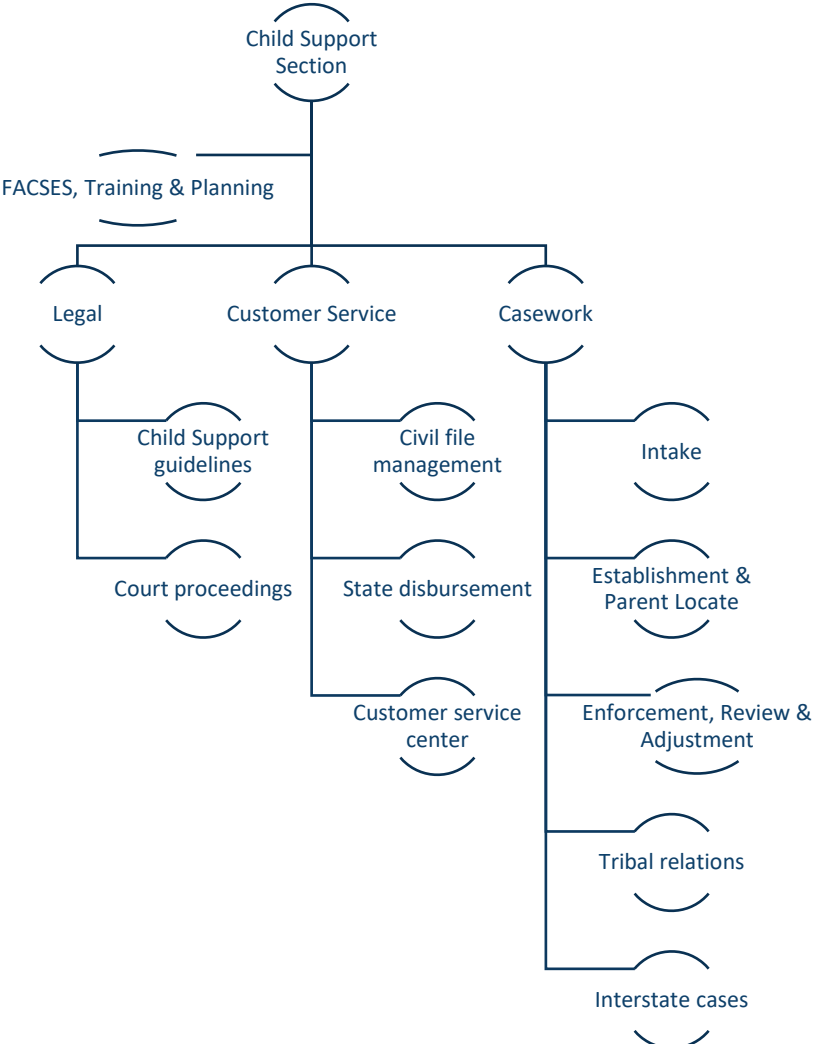
# Child Support: Staffing and Team Structure

The purpose of the Child Support program is to help parents meet the needs of their children by securing appropriate and sustainable child support.

## Child Support

21-23 Authorized FTE Base	23-25 Executive Budget FTE	12-31-22 Vacancies (from base)
161.2	161.2	6.00

Avg Age	Avg Yrs of Service	Turnover 2021	Turnover 2022
<b>49</b>	<b>14</b>	<b>6.5%</b>	<b>9.6%</b>



# Who we serve

As of 2022, the Child Support section delivers programs and services to:

- 67,136 children
- 86,050 parents
- 53,318 cases
  - Full service. – 32,797
  - Limited service – 20,521
- Employers 79,176





# Child Support

## What we do – Full Service and Limited Service

### All Cases

- Customer service
- Income withholding
- Account management

### Full-Service Cases

- Establishment of paternity
- Establishment of a child support and medical support order
- Other enforcement actions such as tax refund offset and license suspension
- Employment services
- Periodic review and modification of child support obligation



# How we measure success

## Collection of payments owed

When child support is received, the child is able to grow up in a more secure and stable environment.

Studies have shown that for every \$1 a family receives in child support, \$0.19 is saved in reduced need for TANF, SNAP, Medicaid and other programs.





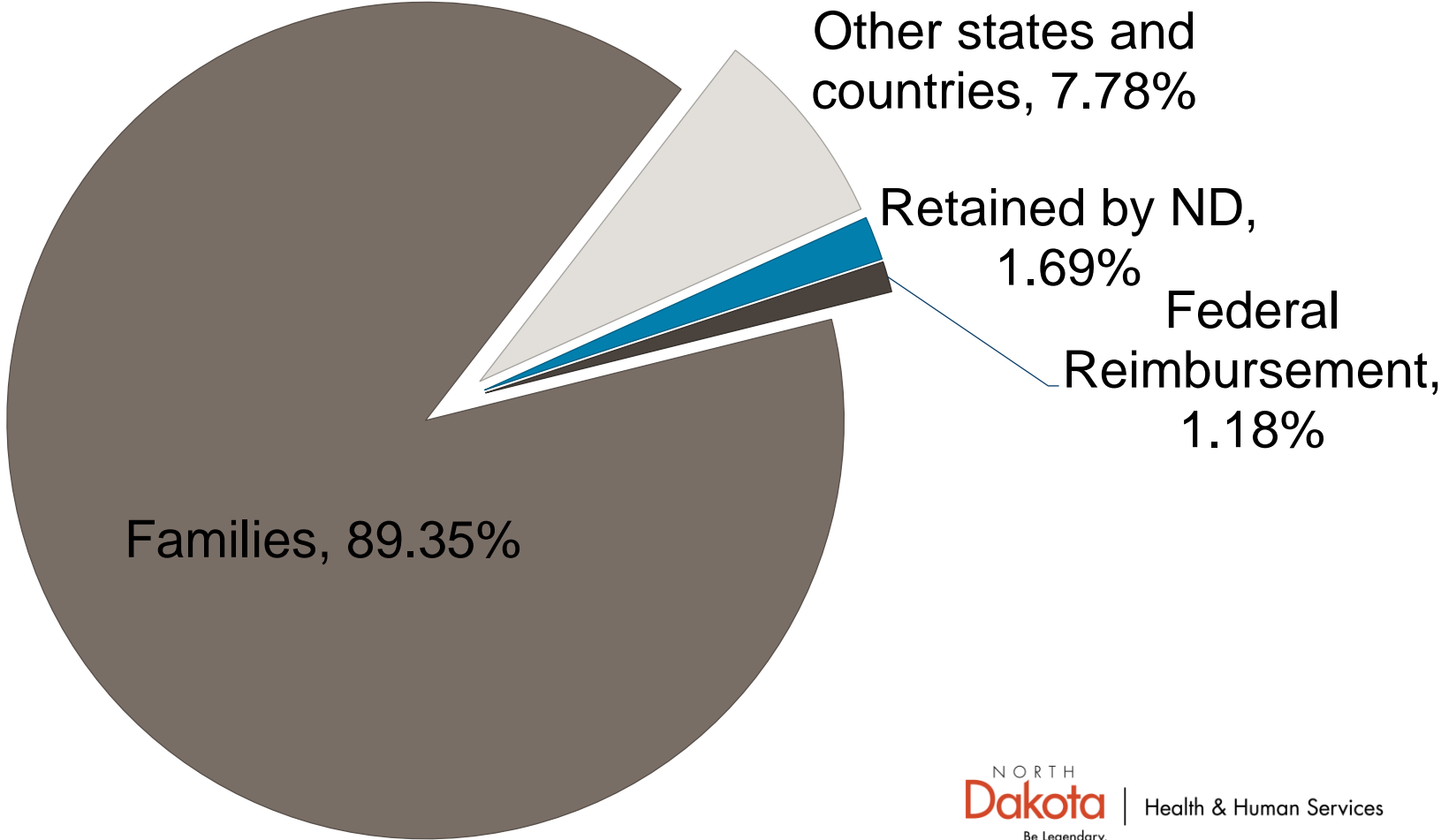
# Child Support Return on Investment

- Every **\$1.00 spent** on Child Support generated **\$6.31 for family recipients**
- Every **\$1.00 in state General Funds spent** on Child Support generates **\$18.55 in support for family recipients**



# Collections - Where the \$183 million goes

Child support agencies work collaboratively, across state lines, to ensure that families receive the child support they are owed regardless of where they live.



# HHS Child Support: Overview of budget changes

Description	2021 - 2023 Budget Base	Increase/ (Decrease)	2023 - 2025 Executive Budget
Salaries and Benefits	\$ 27,413,957	\$ 2,733,526	\$ 30,147,483
Operating	3,461,249	(917,645)	2,543,604
IT Services	99,555	27,600	127,155
Capital Asset Expense	-	-	-
Capital Assets	-	-	-
Grants	-	-	-
<b>Total</b>	<b>\$ 30,974,761</b>	<b>\$ 1,843,481</b>	<b>\$ 32,818,242</b>

<b>General Fund</b>	<b>\$ 8,486,110</b>	<b>\$ 980,259</b>	<b>\$ 9,466,369</b>
<b>Federal Funds</b>	<b>18,465,044</b>	<b>973,254</b>	<b>19,438,298</b>
<b>Other Funds</b>	<b>4,023,607</b>	<b>(110,032)</b>	<b>3,913,575</b>
<b>Total Funds</b>	<b>\$ 30,974,761</b>	<b>\$ 1,843,481</b>	<b>\$ 32,818,242</b>

Full Time Equivalent (FTE)	161.20	-	161.20
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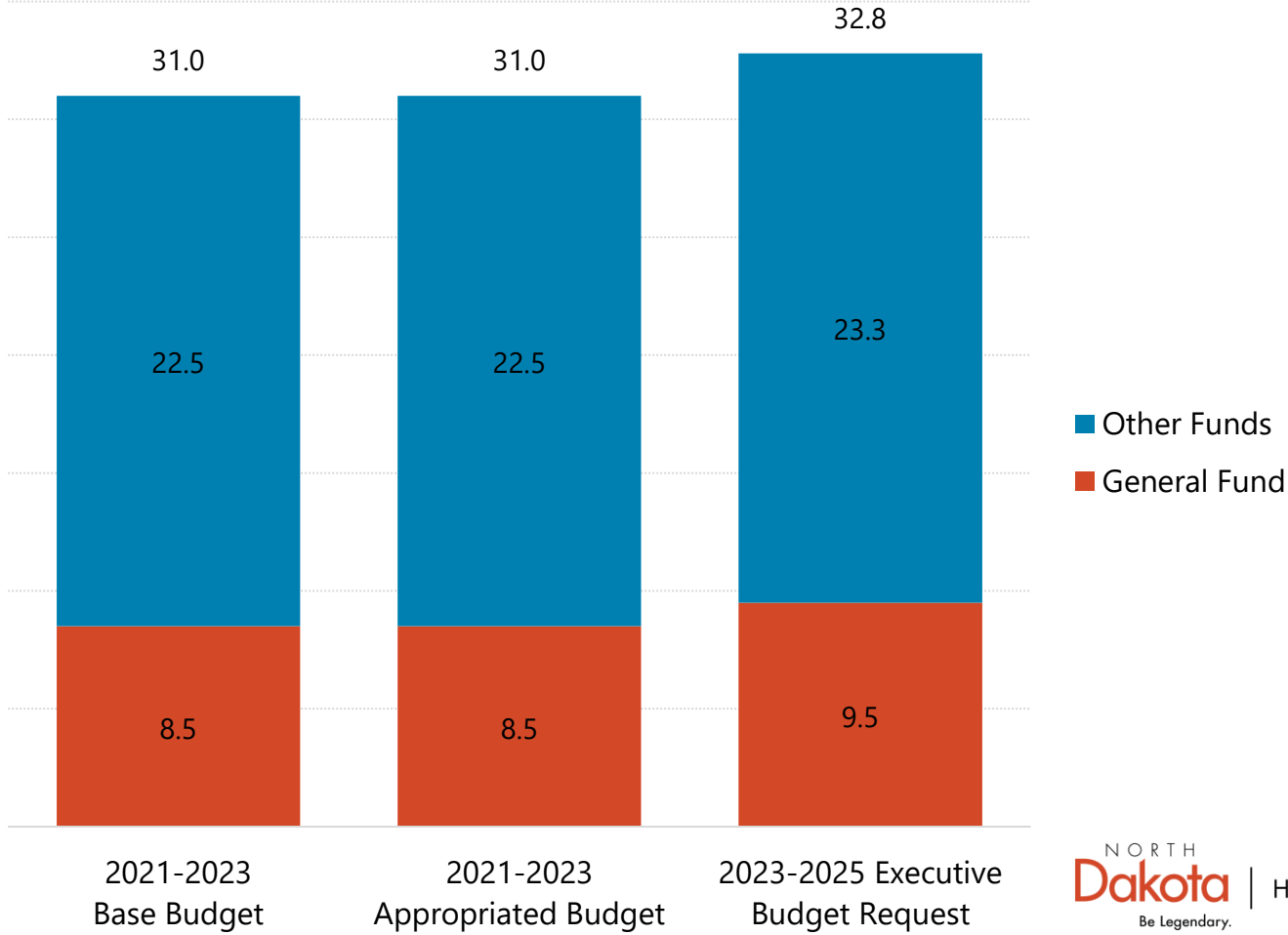


# Child Support: Overview of budget changes (IN MILLIONS)

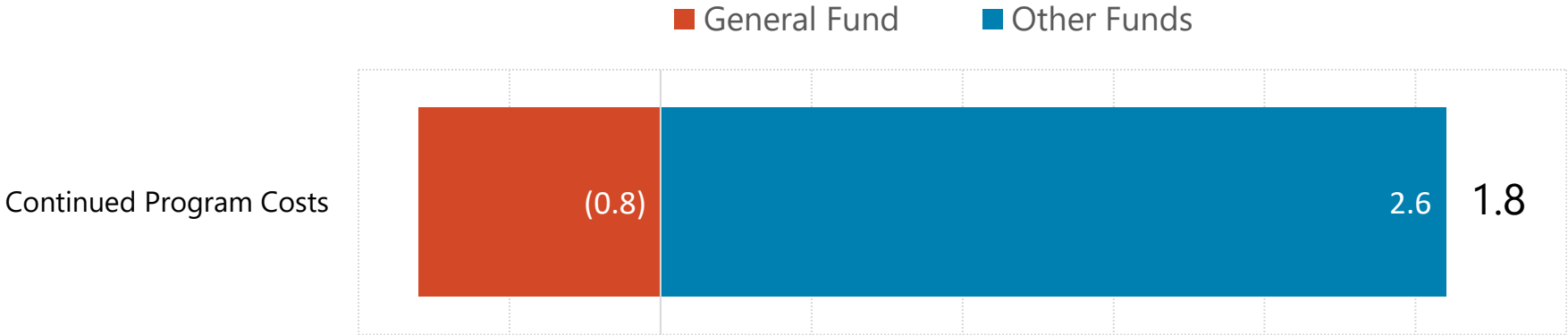
INCREASE FROM BASE TO EXECUTIVE RECOMMENDATION  
**\$1.8 MILLION**

Highlights:

- Remote customer service
- Transition to Telework
- IT request for new case management system



# Child Support: Overview of budget changes (IN MILLIONS)



# About Child Support Contracts

- \$800,000 Supreme Court (all federal)
- \$618,646 Rent (\$1.3 million for 2019-2021)
- \$389,090 Data matching and Locate
- \$200,000 Access and Visitation (all federal)
- \$96,000 Service of legal documents





## Child Support

Description	2021 - 2023 Budget Base	Increase/ (Decrease)	2023 - 2025 Executive Budget
511x Salaries - Regular	\$ 18,319,787	\$ 1,397,819	\$ 19,717,606
512x Salaries - Other	-	-	-
513x Salaries Temp	81,920	8,192	90,112
514x Salaries Overtime	-	-	-
516x Salaries Benefits	9,012,249	1,327,516	10,339,765
<b>Total Salaries &amp; Benefits</b>	<b>\$ 27,413,957</b>	<b>\$ 2,733,526</b>	<b>\$ 30,147,483</b>
52x Travel	34,840	5,057	39,897
53x Supply	31,789	(6,495)	25,294
54x Postage & Printing	294,202	(133,732)	160,470
55x Equipment under \$5,000	9,000	(1,750)	7,250
56x Utilities	-	-	-
57x Insurance	1,000	(350)	650
58x Rent/Leases - Bldg/Equip	906,674	(253,225)	653,449
59x Repairs	69,688	(23,747)	45,941
61x Professional Development	19,110	2,670	21,780
62x Fees - Operating & Professional	2,094,946	(506,073)	1,588,873
67x Expenses	-	-	-
53x Supplies	58,000	42,000	100,000
60x IT Expenses	41,555	(14,400)	27,155
68x Land, Building, Other Capital	-	-	-
69x Over	-	-	-
69x Equipment Over \$5,000	-	-	-
71x Grants, Benefits, & Claims	-	-	-
72x Transfers	-	-	-
<b>Total Operating</b>	<b>\$ 3,560,804</b>	<b>\$ (890,045)</b>	<b>\$ 2,670,759</b>
<b>Total</b>	<b>\$ 30,974,761</b>	<b>\$ 1,843,481</b>	<b>\$ 32,818,242</b>

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# SB 2012 Section 6

## Estimated Income – Community Health Trust Fund

SENATE BILL NO. 2012  
DEPARTMENT OF HEALTH AND HUMAN SERVICES' BUDGET  
CHILD SUPPORT SECTION

SECTION 2 (SECTION 2 of Governor's Recommendation). ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Child Support System Replacement	0	60,000,000

SECTION 6 (SECTION 7 of Governor's Recommendation). ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND. The estimated income line item in subdivision 2 of section 1 of this Act includes the sum of ~~\$31,500,000~~ 20,400,000 from the community health trust fund for defraying expenses ~~in the medical services division for the~~ replacement of the child support system.



# On the Horizon

## Supporting Family Stability & Economic Health

**20,000**

Over 20,000 families who are owed child support are not receiving the program's full services

**\$27 million**

More than \$27 million in child support per year is not received in the month when it is due

**\$250 million**

More than \$250 million is owed in past-due support in full-service cases and nearly \$414 million total in all cases

# Summary and key takeaways

- **Program efficiency** continues to improve
- **Revised referral strategies** will further improve program integration
- **Program performance** is strong but has further room for improvement
- **Service improvements** depend on legislative support for a modern case management system







# Contact information

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