



Greater Hartford Legal Aid, Inc.
Testimony before Human Services Committee
February 10, 2009
Submitted by Lucy Potter
Greater Hartford Legal Aid

S.B. 816, "An Act Concerning Child Support Collections" SUPPORT

I am an attorney at Greater Hartford Legal Aid. I have represented low income Hartford area residents in public benefit and child support matters for many years. I have also served on the past four Child Support Guideline Commissions. I am here to speak in support of this bill which would maximize the ability of family's to benefit from the state's child support collection efforts.

This bill authorizes Connecticut to favor families first in the distribution of all child support collections, including collections through the federal tax intercept program.

To understand this bill, a little background is necessary. A family that receives Temporary Family Assistance (TFA) must give the State the right to collect all child support owing for the time the family receives TFA. When the family stops receiving TFA, the state continues to have the right to collect any child support still owing from the period during which the family got TFA. This arrearage to the state becomes a child support obligation that competes with the support obligation which continues to be owing to the family. Historically, there were complex federal rules about how these competing obligations would be distributed, depending in part on the method of collection. But since 1997, federal changes have simplified the process so that now the family is given priority. The reason for the shift away from state collections and favoring families, was that it was part of the promise of welfare reform. No longer will families have a "right" to welfare, but they should be assured full payment of whatever child support is collected on their behalf.

There remained one situation, however, where states retained priority in distribution. Money collected from intercepting federal tax refunds that are owed to a child support obligor was still paid to satisfy arrearages owing to states before family arrearages.

The Deficit Reduction Act of 2005 (P.L. 109-171) finally addressed this last area. It authorized states to favor families first in the distribution of child support collected via federal tax intercept, as in every other situation.

This bill authorizes Connecticut to exercise the option that DEFRA affords.

I urge you to support this proposal which finally ranks families first for the distribution of all child support collected.

