

Kansas Department of

Social and Rehabilitation Services

Gary Daniels, Secretary
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Senate Judiciary Committee
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HB 2706 - Drivers License Sanction

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HB 2706 - Driver' s License Sanctions

Chair Vratil and members of the Committee, I am Jamie Corkhill, Policy Attorney with SRS. Thank you for the opportunity to testify about HB 2706 - Driver's License Sanctions and the Kansas Child Support Enforcement Program (CSE).

Lack of child support income is an ongoing challenge for many families today. Of the 131,000 cases served by the CSE Program, 54 percent of children receive the financial support to which they are entitled. That performance, although meaningful to many Kansas families, places Kansas 37th in state rankings. Within our own federal region, Kansas lags far behind Nebraska (#7) and Iowa (#16).

HB 2706 is part of a package of changes intended to improve Kansas' efforts to efficiently and effectively enforce support orders whenever they go unpaid. This measure expands the existing Kansas driver's license sanction for nonpayment of support. Currently, driving privileges may only be restricted under a judge's order in contempt proceedings. Although this has given judges an additional remedy to apply in those difficult cases, it is clear from the experience of other states that Kansas could be using sanctions against driving privileges much more effectively.

Contempt proceedings are not a cost-efficient remedy for nonpayment of support. Because imprisonment is one possible result, they are invariably labor-intensive, always require the use of an attorney, and require case-by-case preparation for court. Contempt proceedings are best suited to debtors who avoid regular employment or who intentionally hide income to avoid paying support. Due to the relatively high cost, contempt proceedings are a remedy of last resort; as a consequence, the current driver's license sanction is also a remedy of last resort in Kansas.

Other states have taken a different approach to the use of driver's license sanctions. Rather than limiting driver license sanctions to those who are in contempt of court, other states treat the driving privilege as one which may be revoked if the driver does not fulfill fundamental responsibilities toward the driver's family. By expanding driver license sanctions beyond contempt of court proceedings, states are able to apply them to driver-debtors who are more sensitive to the status of their driving privileges and are, therefore, strongly motivated to voluntarily comply with their support orders. Their families benefit both financially and emotionally from their compliance, and scarce state resources can be

focused on more difficult cases.

This bill would authorize SRS to notify drivers who are seriously delinquent in paying support of the proposed sanction against their driving privileges, outlining the debtor-driver's options to prevent the sanction or protest the proposed action. After this notice and opportunity for relief have been provided, SRS would ask the Department of Revenue to impose license sanctions against the debtor-drivers using procedures in K.S.A. 8-255. Following imposition of the sanction, the individual would be able to regain his or her lost driving privileges by establishing and following a regular payment plan.

Our goal is not for child support debtors to lose their driving privileges, but to encourage them to avoid losing their license by paying their support obligations on time and in full. Outreach and voluntary compliance are what have made this measure successful in other states, and those states have found they actually impose the sanction in a relatively small number of cases. We believe that would be true in Kansas, too. We know parents value their children's financial well-being at least as much as they value their own driving privileges; we just want to ensure their actions are in line with those values.

Also included in this bill is language to provide the Child Support Program access to driver photos. Currently, access is limited to law enforcement agencies. In CSE cases, a photograph is often essential to ensure legal pleadings are served by law enforcement officers and process servers upon the correct person, especially when service occurs in another state. Many custodial parents are unable to furnish a usable photo of the noncustodial parent, so providing CSE with access to driver images will frequently facilitate accurate service of process.

Kansas has a long history of enacting progressive laws to protect and provide for our children, reflecting the high value we as a people place on our most vulnerable citizens. This legislation builds upon that history and affirms that children continue to hold that priority today.

This concludes my prepared remarks. I will be glad to stand for questions.

Note: Attached is a CSE Fact Sheet that provides background information about the Child Support Enforcement Program and its recent achievements.

2005 CSE Fact Sheet

- The Kansas Child Support Enforcement Program, operated under Title IV-D of the federal social security act, has two purposes: (1) to ease the taxpayers' burden for public assistance to children not being supported by both parents, and (2) to promote financial stability for the appalling number of children living in or near poverty. By pursuing these goals CSE helps families become and remain independent of public assistance, which in turn allows the State to extend its finite resources to more families in need. CSE's work helps custodial parents expand their children's opportunities to grow, learn, and develop their abilities to the fullest.
- The Department of Social and Rehabilitation Services is the designated Title IV-D (CSE) agency for the State of Kansas. CSE operates within the Integrated Service Delivery Division of SRS. The CSE caseload consists of approximately 131,000 TAF and Non-TAF cases serving over a quarter million people.
- The Kansas CSE Program is a multifaceted operation that combines state, county, judicial, and private resources to meet detailed federal requirements concerning all phases of operation. CSE services include:
 - Locating absent parents and their assets;
 - Establishing parentage, as needed;
 - Establishing support orders, including medical coverage;
 - Ensuring regular payment of support through income withholding orders;
 - Enforcing past due support through administrative action, such as interception of federal and state tax refunds;
 - Enforcing past due support through court action, such as garnishment of bank accounts; and
 - Modifying ongoing support orders, as needed, to reflect the child's current needs and the parent's ability to provide support.
- CSE services are provided across Kansas by full and part-time SRS staff and by more than 20 contractors. CSE's enforcement contractors are selected through competitive procurement and presently include a county prosecutor, several district court trustees, and a variety of private sector vendors. Other private contractors include the vendor operating the Kansas Payment Center, a paternity testing laboratory, credit bureaus, and process servers.

- CSE cases fall into two broad categories:
 - Temporary Assistance to Families (TAF). When a child's custodian applies for TAF (Temporary Assistance to Families), that child's support rights are assigned to the State. If CSE collects support in a TAF case, it is used to reimburse the state and federal governments for public assistance provided to the child's family. Any collections beyond the claim for reimbursement are passed on to the family. If the TAF eligibility worker determines that monthly child support collections for a family are regularly exceeding the monthly TAF grant, the TAF cash grant may be ended. When that happens, appropriate transitional services and supports for the family continue, including CSE services.
 - Non-TAF. Federal law requires the CSE Program to provide services to any family, regardless of income, that applies for support enforcement services. CSE is also required to provide Non-TAF services when a family stops receiving cash TAF benefits, at the custodial parent's discretion. The idea is to prevent the need for TAF and other forms of public assistance by insuring reliable child support income, and to provide equal treatment under the law for all children. It is important to note that nearly 2 out of 3 Kansas Non-TAF families formerly received public assistance.

The CSE Non-TAF caseload also includes families receiving only Child Care Assistance from SRS. When CSE successfully collects support in such a case, current support (and any past due support that is not subject to an SRS claim for reimbursement) goes to the family. Child support income enables the family to make co-payments while eligible for Child Care Assistance and, after Child Care Assistance ends, to pay independently for child care services from the provider of their choice.

- Although SRS normally deducts a 4% cost recovery fee from Non-TAF collections, families receiving Child Care Assistance, Medicaid, or Food Assistance are all exempt from the fee. In addition, all CSE cases are automatically exempt from any district court trustee fee that might otherwise apply.
- In state fiscal year 2005, CSE's total support collections topped \$156 million, most of which was passed on to families. Altogether, more than 1.8 *billion* dollars of support have been collected for families and taxpayers since the Kansas IV-D program's inception in 1976.

- In state fiscal year 2005, CSE established over 9,800 child support obligations. The Child Support Guidelines, used to calculate all current support orders in Kansas, call for work-related child care expenses to be factored into the monthly support award, so that the parent who pays for child care will receive a fair contribution toward that expense from the other parent. Whenever appropriate, CSE also establishes a medical support order that requires the noncustodial parent to provide group health coverage for the child.
- Paternity establishment by the CSE Program also plays a vital role in SRS' mission. Children benefit from having their parentage established because it opens the avenue to cash and medical support from the second parent, assures them access to complete family medical information, and paves the way for potential inheritance and other rights. It also gives the child certainty about his or her family background, which is so important to the child's emotional development and confidence.
- Federal rules permit TAF cash assistance to be ended when current support payments regularly exceed the cash grant. Such closures provide significant advantages to the State, allowing scarce public assistance resources to be focused on the people most in need. CSE services to the former TAF family continue automatically, providing a safety net that reduces the risk of the family returning to dependence on public assistance. This is especially important for people affected by the five-year lifetime limit on TAF eligibility.

Whenever CSE secures regular child support income for a household receiving Child Care Assistance, the State also has the opportunity to stretch its limited resources to help more families -- including families who do not have the option of child support income from an absent parent. Regular, dependable child support income gives a working family greater assurance that, regardless of the ups and downs of public human services, they will be able to purchase the child care services that they need.

- In October 2000 the Kansas Payment Center (KPC), a joint venture of CSE and the Kansas Office of Judicial Administration, became Kansas' central unit for collection and disbursement of all support payments. The KPC offers a number of customer services statewide that were not feasible before 2000. Examples include 24-hour access to payment and disbursement information by phone or through the Internet, a toll-free customer service center, and direct deposit of support disbursements. Taken together, these elements enable families to monitor support payments independently and use up-to-date information for planning and managing their own household expenses.
- Historic information about the Kansas CSE Program:

	State FY 2002	State FY 2003	State FY 2004	State FY 2005
CSE cases	150,204	144,544	134,115	131,616
Total collections	\$143.1 million	\$146.8 million	\$151.7 million	\$156.3 million
State's share	\$15.3 million	\$15.7 million	\$17.2 million	\$16.8 million