

House Committee on General Government Budget February 25, 2014

Testimony in Support of HB 2469

Presented by:

Trisha Thomas

Director of Child Support Services

Kansas Department for Children and Families

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Testimony of:

Trisha Thomas, Director of Child Support Services
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Topeka, Kansas

Presented to:

Honorable Chairman DeGraaf and Members of the committee

DCF testimony on HB 2469 - Lottery, gaming, parimutuel winnings, debt set off; child support.

Chairman DeGraaf, Vice-Chair Howell, Ranking Member Lane and Committee Members:

Good afternoon Mr. Chairman and members of the committee. I am Trisha Thomas, Director of Child Support Services (CSS) for the Kansas Department for Children and Families (DCF). I appreciate the opportunity to testify today in support of House Bill 2469, which would require state-owned casinos and other gambling or racing facilities to match any winnings subject to federal tax withholding against the State debt set off files, and withhold the debt owed to the state.

CSS administers the State's child support services program under the authority of Title IV-D of the Social Security Act. CSS is charged with establishing and enforcing support on more than 137,000 cases affecting Kansas children.CSS' primary purpose is to ensure those children have adequate means of support.CSS is measured by the federal government in five key areas, including paternity establishment percentage; percentage of cases with support orders; collection of current support; collection of support arrears; and cost-effectiveness ratio. The changes sought in this bill would positively impact CSS' collection of current support and support arrears, which would in turn, help ensure that more Kansas children are adequately supported.

This legislation would utilize the well-established processes of the state debt set off act in order to require withholding of child support and other state-owed debts from gambling winnings, in which a Form W-2G is required. This threshold is important because gaming and racing facilities cannot immediately pay out a prize of this size. They must stop and collect the necessary information from the prize winner. This means there would be no undue burden on the facility or its customers for this process. Additionally, this bill would also prevent gaming and racetrack facility managers and licensees from being held liable in the event winnings are wrongfully withheld due to

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incorrect information in the debt set off database. DCF believes that this serves an important purpose without being unduly burdensome on gambling and racing facilities or their customers.

Additionally, there is a potentially positive financial impact to CSS as well as Kansas families. DCF estimates a possible increased child support collection of \$157,300 per year. An estimated \$133,678 of those annual collections would go to Kansas families.

Thank you for the opportunity to testify in support of this bill today. I will be glad to stand for any questions you may have.

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