SUBJECT:

Allowing child support payments to be electronically deposited

COMMITTEE: Juvenile Justice and Family Issues — committee substitute recommended

VOTE: 7 ayes — Goodman, Cook, Brady, De La Garza, Naishtat, Puente, Van De

Putte

0 nays

2 absent — H. Cuellar, Williamson

WITNESSES: For — Jack Tucker, Texas Fathers Alliance

Against — None

BACKGROUND: The state and many counties use electronic funds transfer to reduce

paperwork, cut down on administrative costs and save money, as

recommended in 1991 in the Texas Performance Review.

Some counties use EFT for child support payments. All Texas counties are required to establish local registries, usually at the district court level, to receive and disburse child support payments and maintain records of those

payments.

DIGEST: CSHB 170 would require all local child support registries in counties that

use EFT for transfers to personal bank accounts, by April 1, 1995, to electronically transfer child support payments directly into the personal bank accounts of individuals being paid child support payments who have accounts. With court approval, a person who owed child support could use EFT to make payments directly to the account of the person owned the support. The person making the child support payments would be required to provide verification to the local registry of the deposits made. The bill

would take effect January 1, 1996.

NOTES: The original versions would have required all counties with a population of

30,000 of more to use EFT, did not have the provision that allows a child support obligor to make payments directly to an obligee's bank account with the court's approval and had an effective date of September 1, 1995.