

SUBJECT: Privatizing child support collection in certain counties

COMMITTEE: Juvenile Justice and Family Issues — favorable, with amendment

VOTE: 8 ayes — Goodman, Staples, J. Jones, McClendon, McReynolds, A. Reyna, Smith, Williams
0 nays
1 absent — Naishtat

SENATE VOTE: On final passage, April 15 — voice vote

WITNESSES: For — Mary Rhoads, Wichita County Family Court Services; Theo Bedard
Against — David Shelton, Texas Fathers Alliance; Robert L. (Bob) Green, Jr., Primary Nurturing Fathers of Texas and Texas Fathers Alliance

DIGEST: SB 1161, as amended, would allow certain counties to privatize child support collection efforts. The bill would apply to counties with a population of 1.8 million or more that did not have the authority to contract with a private entity to receive, disburse and record payments or restitution of child support on January 1, 1997, i.e. Dallas and Harris counties.

The county, acting through its commissioners court or domestic relations office, could contract with a private entity to:

- enforce, collect, receive and disburse child support payments, fees, and other amounts due under a court order for child support;
- maintain appropriate records, including records of child support and other amounts and fees due, past due, paid or delinquent and furnish statements to parents;
- locate absent parents;
- perform any duty or function that a local child support registry was authorized to perform;

- perform any duty or function in connection with the state case registry established and operated by the state child support enforcement agency; and
- provide another child support or visitation enforcement service authorized by the commissioners court, including mediation of disputes related to child support or visitation.

The commissioners court or domestic relations office would have to include all appropriate terms and conditions in the contract that it determined were reasonable to secure the services of a private entity. The contract would have to stipulate the county's right to terminate the contract with 30 days notice because of an ongoing pattern of wilful and gross misconduct subjecting delinquent obligors to unconscionable duress, abuse or harassment.

To recover the costs of providing child support services, a commissioners court could charge a reasonable fee for filing a suit affecting the parent-child relationship, a \$3 fee per month to be paid with child support, and a late payment fee of \$4 per month to be imposed on obligors. The court could provide for reasonable exemptions from these fees or require payment of the \$3 monthly fee annually and in advance. The court could not charge the \$3 monthly fee in cases in which the amount of child support ordered was less than \$100 per month.

SB 1161 would require child support obligees to provide to the local child support registry the necessary bank account information to complete acceptable electronic payments.

SB 1161 would take effect September 1, 1997.

**SUPPORTERS
SAY:**

SB 1161 would increase efficiency of child support collection in Dallas and Harris counties and provide children more quickly and reliably with the support payments on which they depend.

The bill would help ensure that a county received quality services from an entity with which it contracted for child support collection by requiring inclusion of specific contract terms, such as the services required to be

provided, financial accounting, auditing, and security of funds, and stipulating the county's right to terminate a contract for misconduct.

SB 1161 would also address enforcement of visitation orders by authorizing the county commissioners court to contract with a private entity to provide visitation enforcement services, including mediation of visitation disputes.

The bill would provide some relief to low-income child support obligors owing less than \$100 per month by exempting them from the \$3 monthly fee.

**OPPONENTS
SAY:**

This bill could send a good deal of Texas money to out-of-state companies hired to administer child support in the affected counties.

Visitation orders need to be as strongly enforced as child support orders. Enforcing visitation is one of the best ways of ensuring payment of child support by noncustodial parents. The bill should require a county that contracts for child support collection to provide equally for enforcement of visitation. The provision authorizing the commissioners court to contract with a private entity for visitation enforcement would not go far enough because it would be merely permissive.

**OTHER
OPPONENTS
SAY:**

Dallas County is the only Texas county over 1.5 million that does not have a domestic relations office to provide full services to parents and children. Dallas County should be required to open a full service domestic relations office rather than being allowed to merely contract out child support services.

NOTES:

The committee amendment would authorize a county to contract with a private entity to perform functions in connection with the state case registry.