United States Code

Title 42, Chapter 7, Subchapter IV, Part D*

Social Security Act <u>Title IV</u>, Part D (Title IV-D)*

• Appropriates various forms of funding to assist states in their operation of Child Support Enforcement program.

*The US Code which created the federal "IV-D" Child Support Enforcement (CSE) welfare program within Title IV-D of the Social Security Act is designed to recover taxpayer money spent on providing services from several other federal welfare programs – specifically Titles IV-A, IV-E, XIX, and the federal Food Stamp Act of 1977.

The intent of the federal child support program is supposed to be to recoup taxpayer money already spent on providing these specific welfare services to children who have been willfully abandoned by a parent (or parents) and are therefore left to rely on the government to self-sustain through one of these programs.

Title IV-D provides for the appropriation of specific Social Security funding which is administered by the Secretary of the US Department of Health and Human Services (DHHS) through various federal agencies to the states for their **voluntary participation** in creating and operating their own state child support enforcement programs, which are sometimes called "IV-D" or "CSE" programs.

These state-run IV-D programs provide public assistance with locating parents and establishing paternity, as well as assistance with establishing, enforcing and collecting on court-orders for child support. This is all done in an effort to recoup federal and state welfare expenditures and to offset any risk of need for public assistance.

The states' operational costs for voluntarily providing these child support enforcement services are currently reimbursed using Social Security funding through Section 455 of Title IV-D at a rate of 66% for enforcement activities, 80% for technology costs, and 90% for genetic testing costs.

Section 458 of Title IV-D also provides participating states with a competitive pool of incentive funding as well. The amount set aside for incentive funding totaled \$452M in FY2006, and was split up between states which had improved collection activities based on a sliding scale using certain criteria. States can "waiver" this funding into their general fund for use as the states see fit; and until passage of the federal Deficit Reduction Act (DRA) of 2005, this funding was also federally matched if it was reinvested in the state's program – which made running a state program very lucrative, if not profitable, for states.

According to the US DHHS budget, the US Taxpayer will have spent \$4.2Billion in Fiscal Year 2006 on providing child support enforcement and collection services to children of mostly affluent families, with state and local taxpayers across the country spending billions more.

US Department of Health and Human Services

(DHHS)

 Receives appropriation of IV-D funds allocated by the Social Security Act to be administered by the Administration of Children and Families.

US Administration of Children and Families

(ACF)

• Receives block grant funds from DHHS for use in operation and administration of OCSE activities.

US Office of Child Support Enforcement

(OCSE)

• Oversees and administers central operation of IV-D program activities throughout the states and provides reporting to ACF and DHHS of distribution of incentive and reimbursement grant funding to state IV-D/CSE agencies' programs.

State IV-D Child Support Enforcement Agencies

(Varies by state; in Michigan it's OCS, who then contracts the legal services of local prosecutors and foc offices. OCS is run by the Michigan Department of Human Services, or DHS.)

 Receives and administers state funding converted from federal IV-D program to fund contracts with local prosecutors and child support enforcement offices.

Michigan Department of Human Services (DHS)

- Receives and administers federal IV-D funding to be converted and then appropriated by state legislature to use in operating state IV-D program in compliance with federal guidelines.
- Oversees operations of Michigan Office of Child Support (OCS) branch within DHS.
- •Contracts with county prosecutors and circuit court employees (friends of the court) throughout the state to perform IV-D child support activities.

Michigan Office of Child Support (OCS)

- Receives state funding converted from federal IV-D program to operate state IV-D program in compliance with federal requirements.
- Oversees operation of contracts with counties for performance of IV-D activities within program guidelines.

Circuit Courts / Chief Judges

(Family Courts)

• Signs contract with state through county to provide enforcement services of circuit court employee who reports directly to chief judge, friend of the court.

Friends of the Court

(FOC)

- Receives local funding through property taxes and state funding converted from federal IV-D program through contract with state to perform child support order establishment and enforcement services in compliance with state/federal IV-D program guidelines.
- Receives funding from statutory service fees added to support orders and collected from payers of support.

County Prosecutors (PA)

- Receives local funding directly from taxpayers, and funding converted from state IV-D program through contract with state, to perform paternity establishment and other functions in compliance with state/federal IV-D program guidelines.
- Provides enforcement services by bringing criminal charges against non-payers of support.