
SUBJECT: Expanding eligibility of counties to privatize child-support collection

COMMITTEE: Juvenile Justice and Family Issues — committee substitute recommended

VOTE: 8 ayes — Goodman, Pickett, Isett, P. King, Morrison, Naishtat, A. Reyna, E. Reyna
0 nays
1 absent — Truitt

WITNESSES: None

BACKGROUND: Under the Human Resources Code, chapter 153, enacted in 1997, only counties with populations exceeding 1,800,000, currently Harris and Dallas, may enter into contracts with private entities to enforce the collection of child-support payments. This authority also extends to enforcement of child-visitation orders and mediation of disputes related to child support or visitation.

DIGEST: CSHB 624 would lift population-based restrictions on a county's authority to contract with private entities to collect child-support payments.

CSHB 624 would transfer authorization for child support collection by a private entity from Title 5 of the Family Code to a new Chapter 204 of the Human Resources Code and also change the terms "payor" and "payee" to "obligor" and "obligee," respectively. The bill also would remove a reference to the federal statute that authorizes the establishment and operation of state child-support case registries.

CSHB 624 would take effect September 1, 1999.

SUPPORTERS SAY: CSHB 624 would enable all counties in Texas to increase the efficiency of their child-support collection by giving them the option of contracting out child support collection. It would provide additional resources to county domestic-relations offices in their effort to clear the backlog of uncollected child support and provide children more quickly and reliably with the support payments on which they depend.

The bill would extend to smaller counties the option now available only to Dallas and Harris counties. Existing provisions of the law ensure that smaller counties would receive high-quality services from entities with which they contracted for child-support collection, since current law requires the inclusion in such contracts of specific terms such as the services to be provided, financial accounting, auditing, security of funds, and stipulations on the county's right to terminate a contract for misconduct.

CSHB 624 would not result in overlapping collection efforts among collection entities. Current law authorizes the Office of the Attorney General to collect child support primarily connected to welfare cases, while counties collect child support for other types of cases.

**OPPONENTS
SAY:**

CSHB 624 could result in Texas money going to out-of-state companies hired to administer child-support collection for Texas counties.

The bill could put too many entities into child-support collection. A party seeking to recover child-support payments could find it hard to locate the entity holding the funds.

**OTHER
OPPONENTS
SAY:**

Enforcing visitation orders is one of the best ways to ensure payment of child support by noncustodial parents. CSHB 624 should require that a county that contracts with a private entity for child-support collection enforce visitation orders as strongly as it enforces child-support orders, rather than making such enforcement permissive.

NOTES:

The committee substitute deleted a county population threshold of 500,000 in the original bill.