

SUBCOMMITTEE RECOMMENDATION

Item 22: Department of Justice Child Support Payment Processing Services

To:	Ways and Means Full Committee
From:	Public Safety Subcommittee
Carrier:	Representative Sollman

The Public Safety Subcommittee recommends that the Joint Interim Committee on Ways and Means including an authorization to abolish 12 permanent full-time positions (12.00 FTE), a decrease of \$213,517 General Fund, a decrease of \$37,146 in Other Funds expenditure limitation, and a decrease of \$486,565 in Federal Funds expenditure limitation, for the Department of Justice, Division of Child Support, in a budget reconciliation bill during the 2022 legislative session, for a child support receipting and payment services vendor contract.

The receipting and payment process collects all physically deposited child support payments, which are applied to child support cases, and then disbursed to families. This includes the processing of approximately 30,000 non-cash payments totaling an estimated \$10 million per month. This process has been operated in-house using state staff and various vendor products. The vendor products, however, became outdated and no longer supported nor compliant with state and federal data security regulations.

In September of 2019, Division of Child Support completed a business case/cost-benefit analysis on the replacement of the receipting and payment process and, after evaluating four options, signed a contract-for-services or outsourced service option on October 1, 2020.

The Subcommittee was surprised to learn of the 12 unneeded positions after the Legislature in 2021 undertook a concerted effort to fully fund all of the Division of Child Support's vacant positions.

The Subcommittee recommends approval.