



Strong Families Make a Strong Kansas

Committee on Judiciary

February 16, 2015

Testimony on:

SB 183

Presented by:

Trisha Thomas

Director of Child Support Services

Kansas Department for Children and Families

Testimony of:

Trisha Thomas, Child Support Services Director
Kansas Department for Children and Families
Topeka, Kansas

Testimony on:

SB 183, Collection of debts owed to courts

Chairman King, Vice-Chair Smith, Ranking Member and Members of the Committee:

Thank you for the opportunity to provide neutral testimony for SB 183.

SB 183 would amend the statute to provide for the opportunity for courts to collect fees using Department of Administration's set off procedures. The bill would also give the Department of Administration the ability to charge the cost of collection to the debtor, in addition to the initial debt amount. Currently, Department of Administration sets off the debt to the debtor, and charges the cost of collection to the agency or court it is assisting.

The Department of Administration's current reasonable collection assistance fee is 17% of the total collection; however they currently charge Child Support Services a 5% fee since that fee must be cost based.

CSS would request that the bill be amended to exclude IV-D cases from the change of charging the debtors the collection fee and our current process with Department of Administration be continued. If the bill remains unchanged, the CSS fiscal impact would be an approximately \$200,000 decrease in collections if CSS debtors get charged the 5% or a decrease of approximately \$675,000 if Department of Administration charges 17%. In addition, there would be additional CSS staffing costs to reconcile accounts and explain how state tax offset is treated differently than federal tax offset. Currently both state and federal tax offset are treated the same and the custodial parent and/or the State gets the entire offset amount. Our Federal partners will have issues if CSS or its debtors pay the 17% fee, given their requirement that any fee be cost based and reasonable.

I thank you for the opportunity to address this important issue and I am happy to answer any questions the committee may have.