

SUBJECT: Relating to accountability in expenditure of child support payments

COMMITTEE: Juvenile Justice and Family Issues — committee substitute recommended

VOTE: 6 ayes — Goodman, A. Reyna, E. Reyna, Menendez, Morrison, Naishtat
0 nays
3 absent — P. King, Nixon, Tillery

WITNESSES: For — Lori Bennington; David Shelton, Texas Fathers Alliance; Courtney Trolinger; Shirley West
Against — None
On — Howard Baldwin, Office of the Attorney General

BACKGROUND: Family Code, sec. 154.243 establishes guidelines for court-ordered child support, including the manner and place of payment. The Title IV–D agency, a local registry, or the state disbursement unit may comply with a subpoena or other order to produce a certified copy of a child support payment record to be given to the court that ordered the record.

DIGEST: Under CSHB 336, a court could, on the request of a party to a child support order and with good cause, order an accounting of the expenditure of child support payments if the total child support payment were more than \$750 per month. The accounting of the expenditure could not include an accounting for money deposited into the account before the 12 months preceding the order.

If the court found that the child support payments were not being used for the benefit of the child, the court could order the recipient of the payments to open a child support account to be used solely for child support payments.

An electronic benefits transfer in a case with the Office of the Attorney General (OAG) child support division would be exempt from this section.

CSHB 336 would take effect September 1, 2001.

NOTES:

HB 336 would have no fiscal impact on the state, but it would have varying impact on localities. Travis County estimates a cost of \$165,000 for the first year and \$147,600 for the second year. Harris County estimates no fiscal impact because most payments there are processed via electronic transfer. Smaller counties estimate costs up to \$25,000 per year.

The substitute made several changes to the original, including:

- ! authorizing a court to order an accounting of expenditure upon the request of a party involved and with good cause if the total child support payments were more than \$750 per month;
- ! allowing rather than requiring a court to order that a special child support account be set up;
- ! prohibiting accounting from including money deposited into an account before the 12 months preceding the order;
- ! removing a provision that the obligee must notify the OAG or other appropriate entities about the separate account; and
- ! exempting OAG electronic benefits transfers.