

SUBJECT: Delinquent child support obligor ineligible for student financial aid

COMMITTEE: Juvenile Justice and Family Issues — favorable, without amendment

VOTE: 5 ayes — Dutton, Goodman, Baxter, J. Moreno, Morrison
0 nays
4 absent — Castro, Dunnam, Hodge, Reyna

WITNESSES: For — None
Against — Roy Getting, Texas Fathers Alliance
On — Robert Green, Texas Fathers Alliance, Lone Star Fatherhood Initiative, and Men and Fathers Resource Center

BACKGROUND: Under Family Code, sec. 231.006, an obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an interest of at least 25 percent are not eligible to receive a state-funded grant or loan. The obligor remains ineligible until all overdue moneys have been paid or the obligor has complied with a written repayment agreement or court order regarding any existing delinquency.

DIGEST: HB 529 would specify that an obligor and business entity delinquent in paying child support would be ineligible for a scholarship, a loan associated with an educational loan repayment program, and any other student financial assistance conditioned on the performance of some service obligation after graduation, or for a federally funded educational loan administered by the state.
The bill would take effect September 1, 2003.

SUPPORTERS SAY: HB 529 would clarify that a delinquent child-support obligor is not eligible for any state-funded educational scholarships or loans. It also would close a

loophole in current law that allows delinquent obligors to obtain federally funded student loans administered by the state.

HB 529 would send a strong message that parents' first obligations are to their children, and it would apply even more pressure on the obligor to fulfill child-support obligations. The obligor would have to pay any delinquent child support to qualify for financial aid and student loans.

A person who violates a court order does not deserve loans or grants funded or administered by the state. This bill would not prevent delinquent parents from obtaining a higher education, because these parents could obtain other forms of federal financial aid that are not administered by the state, as well as private scholarships.

Thirty days is a reasonable period of time after which the obligor should become ineligible for financial aid. During that period, the parent on the receiving end of child support and the children must make do without necessary income that they depend on.

A child-support obligor serves as a good role model for children by taking responsibility for their financial needs and upbringing. Going to school at a time when the obligor is delinquent in payments and the children's needs are being neglected sends the wrong message. The promise of higher wages down the line is not enough to sustain children during the years when the obligor is pursuing a university degree. They depend on child-support payments to meet their basic everyday needs.

**OPPONENTS
SAY:**

HB 529 would be counterproductive because it would deny parents the opportunity to increase their incomes through education. Because child-support payments are based on the obligor's net income, allowing the parent to obtain a degree and a higher-paying job could result in higher child-support payments down the line, to the benefit of the child-support recipient.

HB 529 would be contrary to the best interests of a child. By going back to school and working to further themselves professionally, parents serve as good role models for their children. Without financial assistance, many parents would be denied this opportunity.

The 30-day period after which the denial of access to financial aid would kick in is too short, especially in a weak economic period. For example, an obligor might lose his or her job and miss a month's worth of child-support payments but might hope to return to school to open the door for a new career. HB 529 would not necessarily encourage obligors to pay child-support if they could not find or keep well-paying jobs during tough economic times.

NOTES: The companion bill, SB 830 by Deuell, has been referred to the Senate Jurisprudence Committee.