



Engrossed House Bill 1012 – Child Support

Senate Appropriations Committee | HR Division

Senator Dick Dever, Chairman

March 24, 2025 | Jim Fleming, Director | Child Support Section



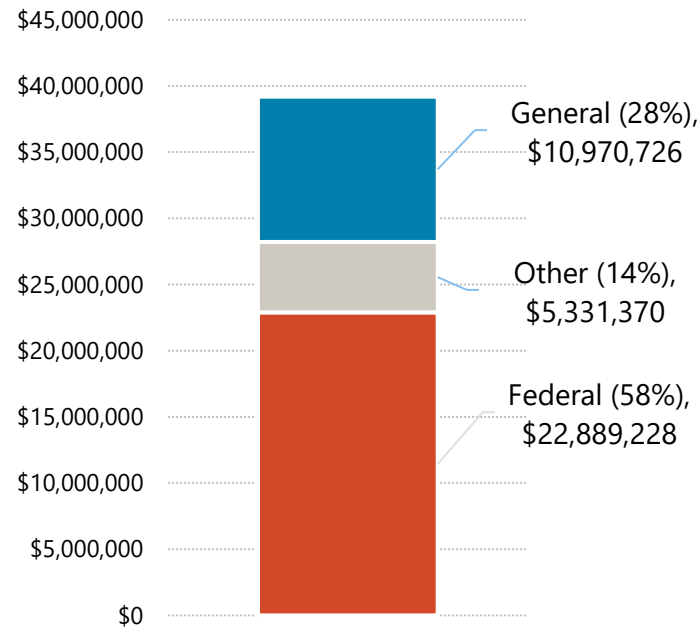
Health & Human Services

Budget Overview

Child Support: \$39.2 million total budget

- Primary funding source is a federal grant through the Office of Child Support (OCS) in the Department of Health & Human Services / Administration for Children & Families (ACF)
- Allowable costs reimbursed at 66/34 federal/state share
- Work to continue on replacement of Child Support technology platform and parallel retirement of the existing mainframe-based system (FACSES)

25-27 EBR – Child Support



0.6%
total HHS Budget

- 78.58% - Collection of current **monthly support**
- 90.32% - Open cases with a **support order established**
- \$254 million – **Arrears owed** at the end of CY 2024 (lower than what was owed in 2016)
- \$192.2 million – **Total collections** in CY2024 (record high – up from \$185.9 in 2023)

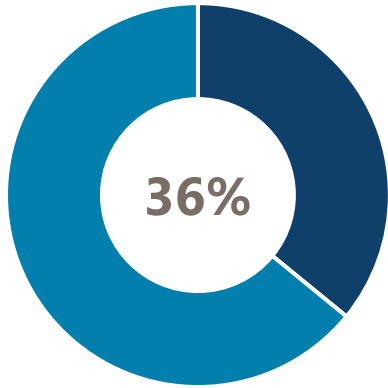
The Child Support section delivers programs and services to:

66,325 children	50,805 cases
85,211 parents	• Full service – 29,925
87,258 employers	• Limited service – 20,880

As of 1-1-2-25

Child Support - Who We Serve

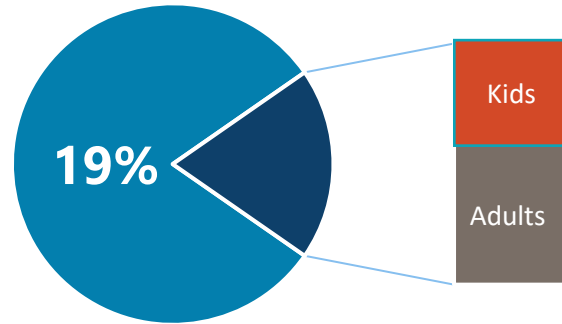
66,325



1 in 3 ND kids

In 2024, 66,325 children received child support services. That is more than 1 of every 3 children under age 18 in the state.

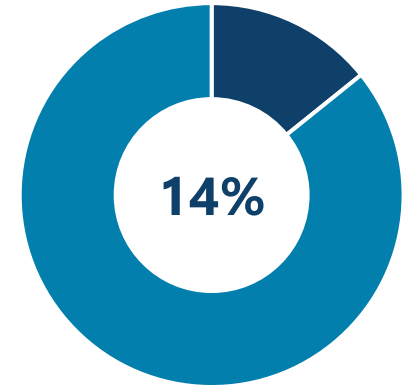
151,536



1 in 5 North Dakotans

151,536 people received child support services in North Dakota in 2024.

85,211



1 in 7 ND adults

In 2024, 85,211 parents received child support services. That means nearly 1 of every 7 adults (age 18+) in the state has a connection to the child support division.

Child Support section provides services that promote family self sufficiency



Establish paternity

- In-hospital paternity acknowledgment program
- Genetic tests
- Paternity judgment



Customer Service

- 24/7/365 information on website and interactive phone system
- Customer service call center
- Appointments



Establish and modify court orders for child and medical support

- Child Support guidelines
- Periodic reviews



Enforcement

- Income withholding
- Tax refunds
- License suspension
- Employment assistance



Account Management

- Receive payments
- Maintain payment ledger
- Disburse payments

What we do – Full Service and Limited Service

All Cases

Customer service | Income withholding | Account management

Full-Service Cases (IV-D)

- Establishment of paternity
- Establishment of a child support and medical support order
- Other enforcement actions such as tax refund offset and license suspension
- Employment services
- Periodic review and modification of child support obligation
- Opening a full-service case: TANF Referral, Medicaid Referral, Foster Care Referral, Referral from another state or tribal or international child support program, Application by a parent



Meet Bobbi Jo & Tanner



Bobbi Jo is 22 years old and lives in Devils Lake. She used to live with the father of her two-year old son Tanner.

Tanner's father acknowledged his paternity in the hospital when Tanner was born but broke up with Bobbi Jo when Tanner was a baby.

Bobbi Jo has a part-time job at a local convenience store. She is receiving health coverage for herself and Tanner under the Medicaid program.

She is struggling to make ends meet, but currently makes too much income to be eligible for SNAP or TANF.

Meet Molly and Mark

Molly and Jack got divorced when Mark was 5. Jack has been in and out of jail and has not been a regular part of Mark's life since the divorce.

Molly lost her job and started drinking too much. Eventually, Mark was placed in Foster Care at age 16.

HHS is working with Molly, who is committed to overcoming her addiction, regaining employment, and reuniting with Mark in her home.

What about Jack?





Supportive Services for Homeless Veterans

- Community Action Partnership of North Dakota
- Improving Communication, including Delivery of Legal Notices
- Understanding Child Support Guidelines and the Modification Process

Child Support Partners



- Employers
- Judges
- Clerks of court
- Sheriffs
- ND state and local government agencies
- Other state and tribal child support programs
- Private attorneys
- Car dealers
- Gaming operators

Child Support Tribal Partnerships

- “Lack of jurisdiction” cases are excluded from federal performance measures
- Partnership with Three Affiliated Tribes and Standing Rock Sioux Tribe child support programs
- Bring actions in Turtle Mountain and Spirit Lake tribal courts
- Host Tribal Offset Partnership so tribes can access federal offset services



Child Support Return on Investment

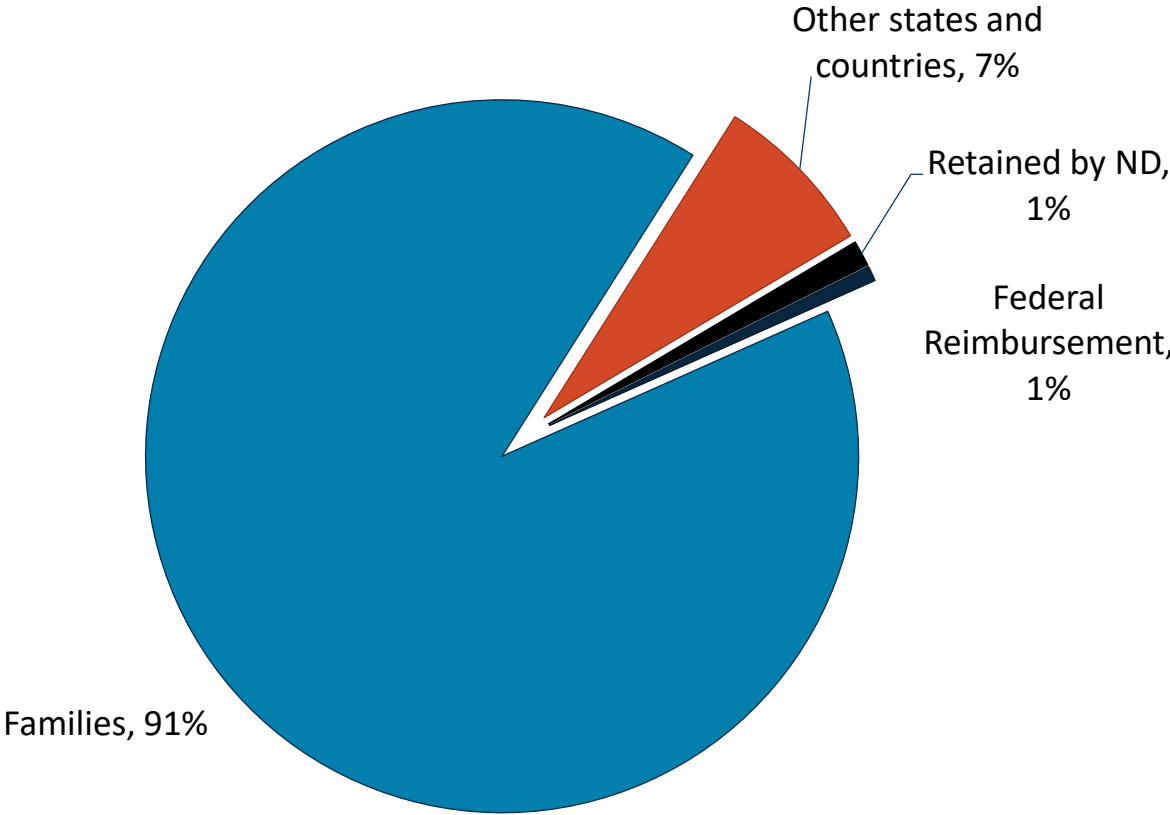
When child support is received, the child is able to grow up in a more secure and stable environment.

- Studies have shown that for every **\$1.00** a family **receives** in child support, **\$0.19** is **saved** in reduced need for TANF, SNAP, Medicaid and other programs (nearly \$20 million in FY 2024)
- Every **\$1.00 spent** on Child Support **generated \$6.52 for family recipients**
- Every **\$1.00 in state General Funds spent** on Child Support **generates \$19.18 in support for family recipients**



Collections - Where the \$115 million goes (FY 2024)

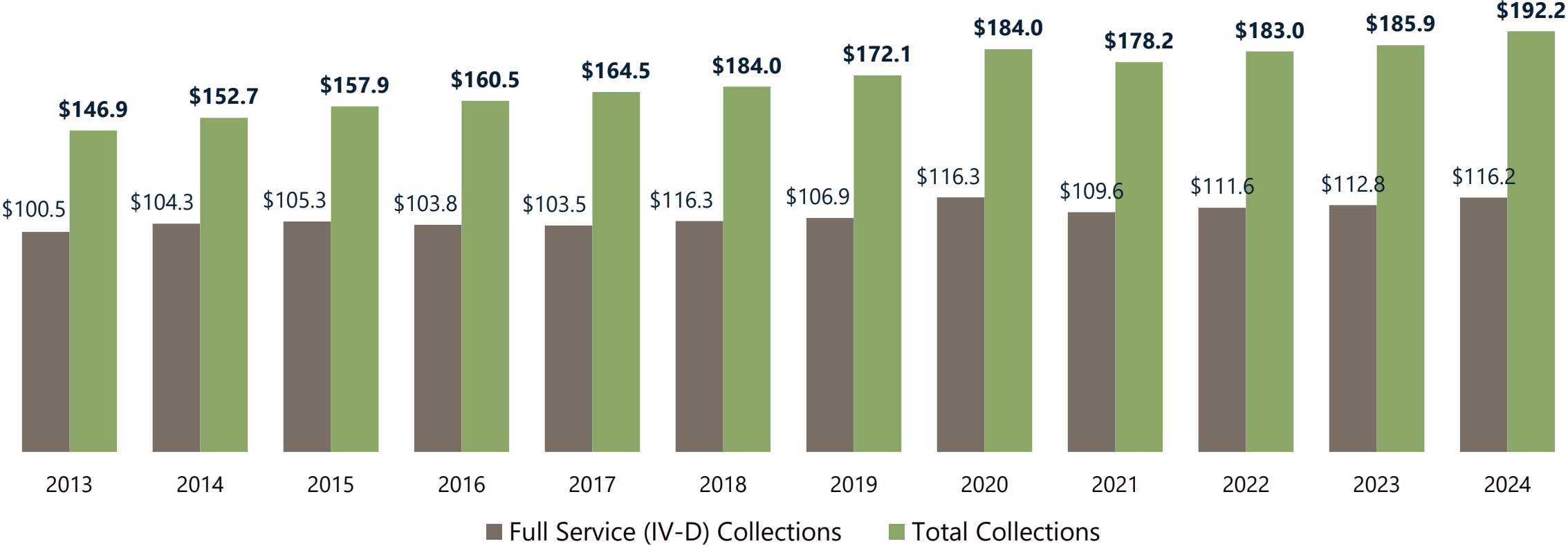
Child support agencies work collaboratively, across state lines, to ensure that families receive the child support they are owed regardless of where they live.



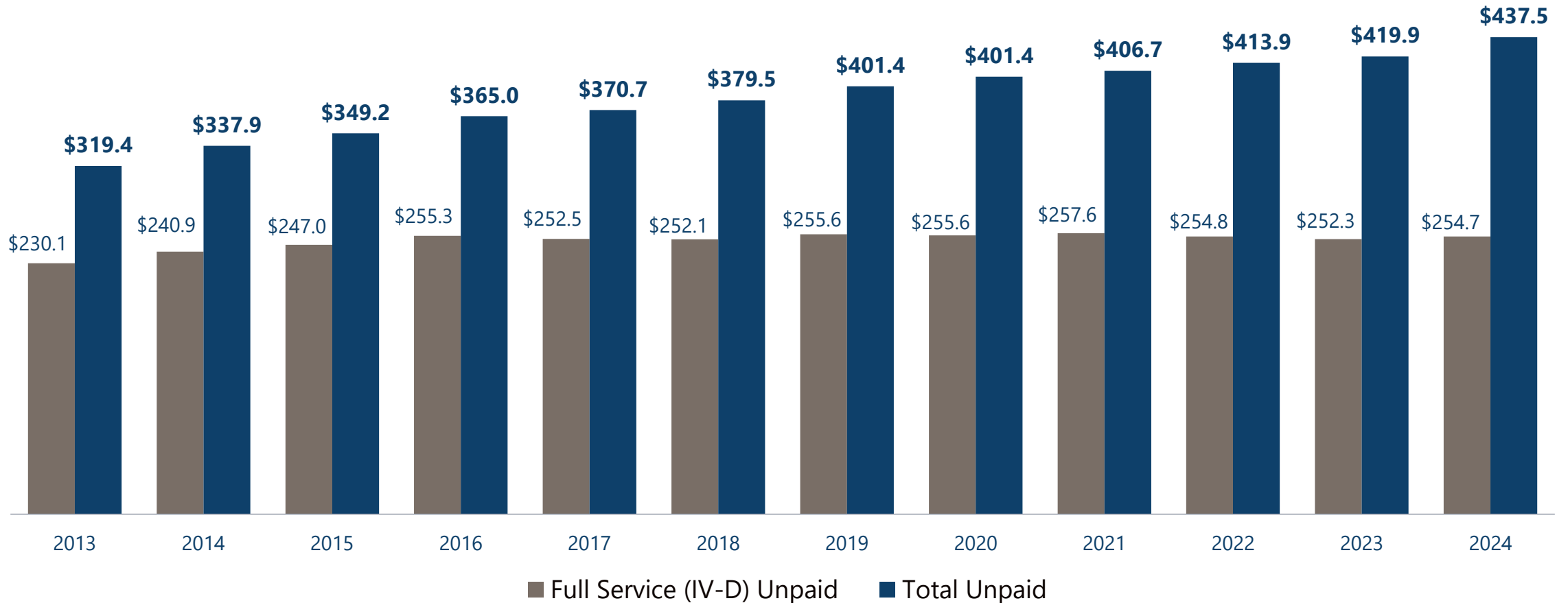
Child Support Performance Measures

	Orders Established	Paternity Established	Current Support	Cases with Arrears Collection	Cost Benefit
ND FFY 2024	90.43% (15)	109.95% (5)	78.55% (2)	70.73% (6)	\$6.52 (6)
ND FFY 2023	91.36% (13)	107.46% (5)	77.36% (2)	68.52% (10)	\$5.64 (11)
#1 State	94.99%	184.10%	82.56%	84.33%	\$9.65
#5 State	94.27%	109.95%	74.38%	70.97%	\$6.75
#10 State	91.60%	103.12%	71.15%	68.32%	\$5.51
US FFY 2023	90.43%	99.59%	65.30%	63.36%	\$4.18

Child Support collections continue to increase



Unpaid support in Full Service cases is being contained



On the Horizon

Supporting Family Stability & Economic Health

20,000

Over 20,000 families who are owed child support are not receiving the program's full services

\$25.5 million

More than \$25.5 million in child support per year is not received in the month when it is due

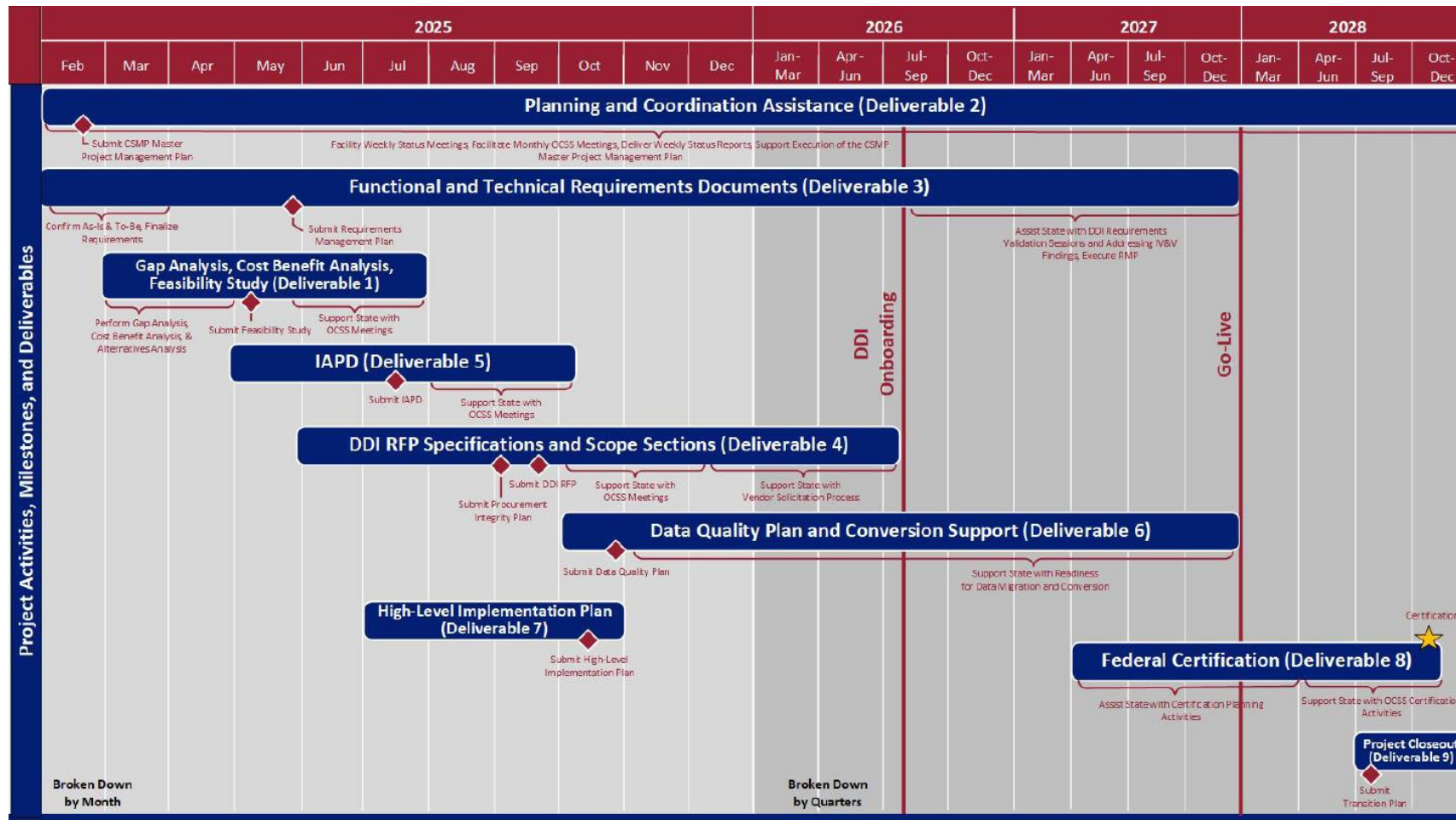
\$254 million

More than \$254 million is owed in past-due support in full-service cases and over \$437.4 million total in all cases

On the Horizon

Replacing the Child Support Technology Platform

HB1012 | Section 25(3) - Carryover Request



- 5-year Child Support IT System replacement project
- Funding approved by 68th Legislative Assembly (2/3 federal, 1/3 state)
- Anticipated Certification of new system – October 2028
- Project includes conversion of existing data, re-establishment of all affected interfaces, and retirement of legacy system
- Carryover request \$20,366,271 (Community Trust Fund) & \$39,534,525 (Federal Funds)

Team Structure and Function

Position Numbers Assigned/ Funding Exists	Positions Filled	# of Vacancies	# of Temporary Staff
161.2	156.2	5*	4*

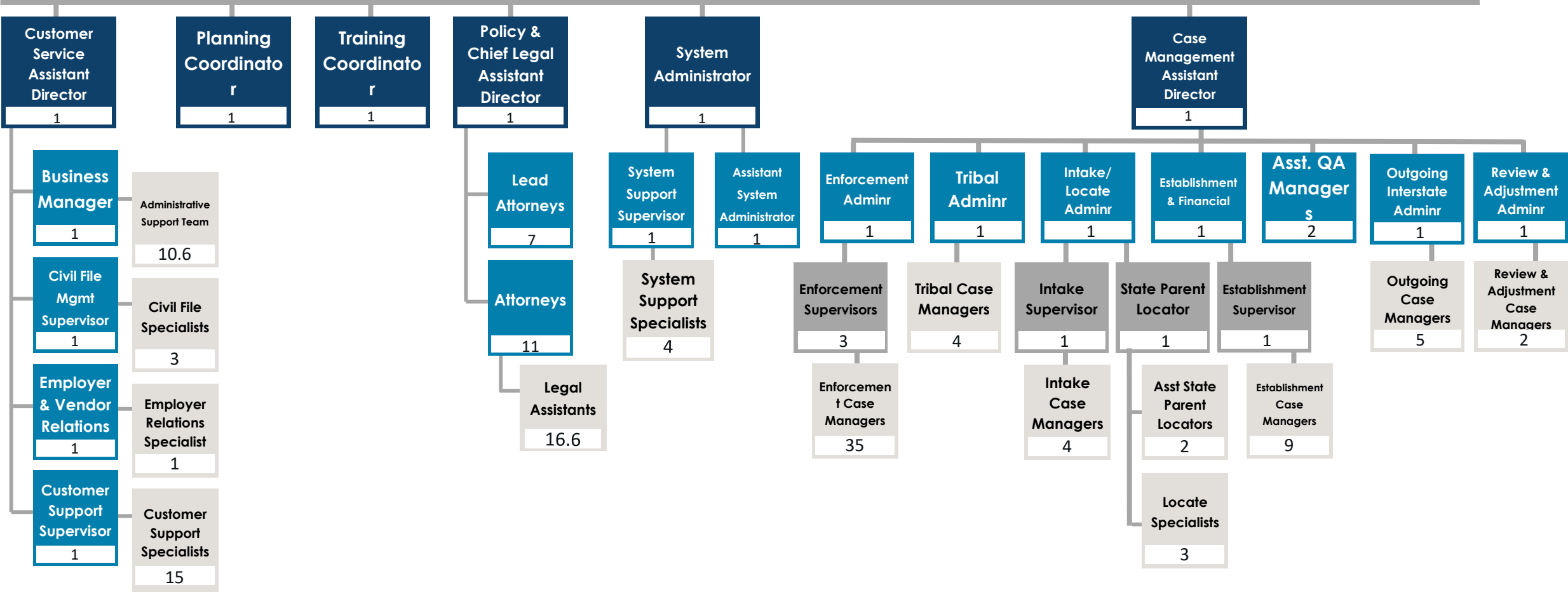
*Numbers as of 12/1/2024

Average Age	49
Avg Years of Service	13.2
Retirement Risk	5%
Turnover 2021	5%
Turnover 2022	7%
Turnover 2023	7%
Turnover 2024	7%



Child Support Director

James Fleming



Comparison of budgets and funding

By Major Expense

DESCRIPTION	2023-25 LEGISLATIVE BASE	INCREASE / (DECREASE)	2025-27 EXECUTIVE BUDGET RECOMMENDATION	INCREASE / (DECREASE)	ENGROSSED HB 1012
Salaries & Benefits	\$ 31,111,386	\$ 2,237,933	\$ 33,349,319	\$ (821,891)	\$ 32,527,428
Operating	2,505,706	(528,576)	1,977,130	-	1,977,130
IT Services	165,053	3,699,822	3,864,875	-	3,864,875
Total	\$ 33,782,145	\$ 5,409,179	\$ 39,191,324	\$ (821,891)	\$ 38,369,433
General Fund	\$ 9,412,781	\$ 1,557,945	\$ 10,970,726	\$ (821,891)	\$ 10,148,835
Federal Funds	20,455,789	2,433,439	22,889,228	0	22,889,228
Other Funds	3,913,575	1,417,795	5,331,370	-	5,331,370
Total Funds	\$ 33,782,145	\$ 5,409,179	\$ 39,191,324	\$ (821,891)	\$ 38,369,434

Child Support Budget as % of HHS

Budget

- 0.6%

Budget by Funding Source

- 26% General
- 60% Federal
- 14% Other

Budget by Pass Through

- 2.8% Paid to private providers
- 87.1% Admin
- 10.7% IT

Changes to Base Budget

By Ongoing, One-Time and Funding Source

BASE BUDGET CHANGES	DESCRIPTION	2025-27 EXECUTIVE BUDGET		ENGROSSED HB 1012	
		GENERAL	OTHER	GENERAL	OTHER
FTE Block Grant Reduction	FTE Block Grant Reduction			-\$821,891	

Comparison of budget expenditures and projections

By Program

PROGRAMS	2023-25 LEGISLATIVE BASE	ONE-TIME / CARRYOVER	2023-25 EXPENSES THROUGH DECEMBER	2023-25 PROJECTED EXPENDITURES	2025-27 EXECUTIVE BUDGET RECOMMENDATION	INCREASE / (DECREASE)	ENGROSSED HB 1012	GENERAL	FEDERAL	OTHER
CHILD SUPPORT ADMINISTRATION	\$ 2,803,315	\$ -	\$ 3,466,093	\$ 4,432,052	\$ 3,914,159	\$ (120,000)	\$ 3,794,159	\$ 1,373,096	\$ 2,421,063	\$ -
CHILD SUPPORT OPERATIONS	27,132,132	-	17,556,408	23,884,474	31,019,543	(572,891)	30,446,652	7,466,207	17,649,075	5,331,370
CHILD SUPPORT IT (FACSES)	1,202,586	-	1,055,829	1,366,550	1,250,946	(39,000)	1,211,946	386,322	825,624	-
CUSTOMER SERVICE	2,444,108	-	2,044,774	2,756,257	2,806,677	(90,000)	2,716,677	923,210	1,793,466	-
SUPERVISION VISITATION PROGRAM	200,000	-	122,128	172,128	200,000	-	200,000	-	200,000	-
TOTAL	\$ 33,782,142	\$ -	\$ 24,245,232	\$ 32,611,462	\$ 39,191,324	\$ (821,891)	\$ 38,369,434	\$ 10,148,835	\$ 22,889,228	\$ 5,331,370

Summary and key takeaways

- **Program efficiency** continues to improve
- **Revised referral strategies** will further improve program integration
- **Program performance** is strong but has further room for improvement
- **Service improvements** are anticipated from a modern case management system



Contact Info

Jim Fleming

Director, Child Support Section

jfleming@nd.gov



childsupport@nd.gov



(800) 231-4255

