

**Testimony**  
**Department Of Human Services**  
**Administrative Rules Committee**  
**Senator Tom Fischer, Chairman**  
**March 12, 2008**

Chairman Fischer, members of the Administrative Rules Committee, I am Mike Schwindt, Director of the Child Support Enforcement Program in the Department of Human Services. I am here to respond to the Committee's request for information on implementing 2005 legislation regarding income withholding.

By way of background, Senator Fischer sponsored legislation in 2005 authorizing us to refrain from issuing income withholding orders if an obligor authorizes an automatic withdrawal from his or her bank account. To our knowledge only one state offers a version of the service we are implementing and no other state is looking to comprehensively implement this "autopayment" authority. North Dakota was recognized in the OCSE Compendium of Best State Practices as a result of the legislation.

Implementation of this law has been a priority for our program since 2005 as one of several things we are trying to do to improve customer service. Unfortunately, due to internal specialization within Information Technology Department (ITD) and other demands on programming resources, only one of the programming staff available to the Child Support program has the required expertise needed to lead the project.

An autopayment requires an electronic funds transfer using the Federal Reserve System. In addition, income withholding within our computer system is highly automated because of federal mandates for issuing

income withholding orders within two business days after a new hire is reported. Thus, integrating these two activities is very intricate.

We share the frustration that the 2005 legislation has not yet been implemented. When the legislation was passed in the spring of 2005, we were implementing a large project to suspend licenses by administrative order, a project mandated by the 2003 Legislature. That legislation required extensive changes to our automated system and was expected to increase collections. The license suspension project ran into unprecedented difficulties, and implementation was not completed until June 2006. The ITD analyst who helped complete the license suspension project is the same analyst needed for the autopayment project.

Since then, that analyst has been tied up in a series of priority projects including preparing for mainframe migration, and imposition of fees required under the federal Deficit Reduction Act. He only became available in September 2007 to begin the autopayment project. We expect the project to be completed by June 1, 2008.

We do not expect the autopayment project to be further delayed by administrative rulemaking. The language of the 2005 legislation, combined with the governing federal regulations, leave fairly little room for interpretation, and we feel a rulemaking process will not be needed to implement the legislation once the programming is completed.

Mr. Chairman, I hope this information addresses the Committee's concerns.