

Government, Military and Veterans Affairs Committee

LB505

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Division of Children and Family Services
Department of Health and Human Services

Good afternoon, my name is Matt Wallen (M-A-T-T-W-A-L-L-E-N) and I am the Director of the Division of Children and Family Services in the Department of Health and Human Services (DHHS). I am here to testify in a neutral capacity to LB505.

I'm before you today because Child Support Enforcement is part of the Division of Children and Family Services. The Child Support Enforcement program is intended to help families gain self-sufficiency. The goals of the program are to ensure that children have the financial and medical support of both their parents; foster responsible behavior towards children; and emphasize that children need both parents involved in their lives.

CFS is the State's designated Title IV-D Division, which means we're responsible for the State's Title IV-D plan being in compliance and for identifying an appropriate State Disbursement Unit to collect and make payments of behalf of the IV-D Division. State statute, 43-3342, includes that the State Disbursement Unit shall be administered and operated by a public or private entity as designated by the Title IV-D Division. We have chosen to work with the Treasurer's office to provide this service. This is unique, in that we are the only state in the country to use the Treasurer's office – other states either do it themselves or engage a private entity to perform these services.

As written, LB505 includes provisions that could put \$73 million dollars that Nebraska receives from the federal government annually to fund the Title IV-D and TANF programs at risk. The bill also raised serious concerns with regard to our responsibility to assure that families have the financial means to meet the child support needs of their children.

As the State's Title IV-D Division, the Division of Children and Family Services looks forward to working with Senator Brewer and the Nebraska State Treasurer in drafting an amendment for LB505 that will address concerns noted in the original introduced bill. After meeting with Senator Brewer's office and the State Treasurer we were able to better understand the intent of the legislation. We have reached an agreement in principle, as to the changes that will need to be made to the legislation to assure that it is consistent with the State's approved Title IV-D plan and federal requirements. Further, we have a strong commitment from my office and the Treasurer's office to execute an MOU for the administration and operation of the State Disbursement Unit on behalf of the Division of Children and Family Services.

Thank you for the opportunity to testify before you today. I'm happy to answer any questions you may have.