

TESTIMONY
SENATE BILL 2207 - DEPARTMENT OF HUMAN SERVICES
SENATE APPROPRIATIONS COMMITTEE
SENATOR RAY HOLMBERG, CHAIRMAN
FEBRUARY 1, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Mike Schwindt, Director of the Child Support Enforcement Division of the Department of Human Services. I am here to testify in support of SB 2207 so that we can look at alternative ways to better serve our customers and stakeholders.

We have made great strides in recent years in providing customer service in the traditional ways.

- Gone are the days when we needed cell phones to make a call because all the incoming lines were tied up by unhappy customers wanting to know the status of their support payments.
- The inquiries from the congressional delegation and the Governor's office are way down.
- The referrals by legislators have dropped to a point where I receive very few per year. Most are referrals where an individual contacts many legislators on the same issue.

Many people deserve credit for these improvements:

- The State Disbursement Unit processes in excess of \$100 million each year, most of which is distributed and paid out the same day we receive payment.
- Our payment records, while not perfect, have withstood the test of time. The numerous challenges we once had have dwindled significantly.

- Regional Child Support Enforcement Unit (RCSEU) staff are more available to their local customers.
- People can monitor their accounts 24/7 via the phones or the Web site.
- Clerks are providing information to us more quickly and consistently, as well as working their alerts more expeditiously.
- Employers have a better understanding of what is expected and have been most helpful in providing the information and payments.
- State agencies have been willing partners in the service delivery. My thanks go to all those who have worked with us, especially to the Secretary of State, DOT, Health Department, Game and Fish Department, the Courts, the Legislature, Tax Department, Attorney General's office, and of course, other divisions within DHS.

While we have made significant progress, there is much more to be done.

We are taking steps to improve where we can. For some, we will never get it right. Most recently, we:

- Reworked our website to make it more user friendly.
- Developed a customer service survey for those using the web.
- Implemented a notification system so we can introduce customers to the CSE program and provide alerts on significant events in their case.
- Developed mechanisms so that we can set up payment plans that parents can use to better address their obligations.

When I review customer issues, in addition to addressing the specific concerns, I look to see what gives rise to the contacts, to determine what themes are surfacing. Not surprisingly, the answers are different depending on whether the customer is a noncustodial or custodial parent.

Noncustodial parents are frustrated on a number of subjects, primarily:

- Visitation
- Access to the courts – ability to hire an attorney
- Obligation amount/changed circumstances
- IV-D appearing to represent the other party
- How the money is used
- Timeliness of services
- Medical insurance
- Interest

Custodial parents have their own set of frustrations, primarily but not limited to:

- Nonpayment of child support
- Nonpayment of medical costs
- Access to the courts
- Obligations set too low
- Poor customer service from the program

We need to know what we can do differently to have a positive impact on our customers, the kids and the taxpayers.

- We see things other states are doing that could work here.
- We “borrow” their ideas where we can but that, for the most part, has been piecemeal and slow because we need to do that

with the existing resources, which never contemplated some of the potential improvements.

- Our initial results with the Parental Employment Pilot Program are very positive.
- We have received funding under an 1115 demonstration grant to look for ways to improve the interactions between foster care and child support.

The steps I've just described have led to the bill before you. Through improved customer service, we have tried to encourage both noncustodial and custodial parents to cooperate with us. However, a big challenge that remains has to do with the current adversarial process for making custody and support decisions, which often focuses on the perceived negatives of each parent rather than the best interests of the children.

We are not suggesting that the courts be replaced as the authority for establishing child support obligations, but the reality is that many parents in our caseload cannot afford an attorney and are too intimidated by the unfamiliar environment of a court to represent themselves, even when a change in custody or the child support obligation is warranted.

We believe the solution lies in spending additional time working with parents to focus on cooperation and the best interests of the children, so the parties can reach an agreement on custody and support that can be ratified by the court. For the few cases where those efforts fail, we also believe that there are ways to help parents address their differences in court even if they cannot afford an attorney.

We are at a point where, to reach the next level in customer service, we need to know what works in our environment, considering the cultural, governmental, legal, financial and social factors within our state.

The language in Section One suggests many things that could be included within the pilot programs. This stems from some ongoing work at the national level dealing with interactions between courts and foster care and/or child support as well as federal initiatives for increased collaborative efforts between Child Support Enforcement, Foster Care, TANF and Medicaid. We also know of programs underway to determine if there are alternative ways to handle these types of domestic cases without involving an adversarial court process. We would like to see some of the preliminary results and test those efforts in North Dakota.

We are aware of at least two study resolutions dealing with custody, visitation and child support orders. We believe there are enough potential areas for improvement that the subjects contained in those resolutions, should they be selected for study, can readily dovetail with and not duplicate any efforts we would undertake here.

We don't know if what we will test will actually make a difference; hence the request for funding to run some pilot projects.

To move in that direction, we ask that you approve the concept behind SB 2207 and the general fund appropriation.

Mr. Chairman, that concludes my testimony. I'd be happy to answer questions.