North Dakota’s State Disbursement Unit reaches milestone: $1 billion in child support collections

BISMARCK, N.D. – North Dakota’s State Child Support Disbursement Unit has reached a milestone: $1 billion in collections since its inception just over a decade ago. The unit, which is part of the North Dakota Department of Human Services’ Child Support Enforcement Division, receives and distributes child support payments to children residing in North Dakota, as well as other states and countries.

Centralized payment processing centers were required under the 1996 federal welfare reform legislation passed by Congress. The department began handling payments through a centralized state disbursement unit in November 1998. Prior to that, clerks of court in each county received and distributed the payments and maintained the related payment records.

Child Support Enforcement Division Director Mike Schwindt has been responsible for the unit since its inception and said, “The unit is convenient. Employers, individuals, and government entities have one central place to send payments.”

Schwindt said the state child support enforcement program collects about $10 million per month in support, and the amount continues to grow. About 90 percent is sent directly to families primarily through direct deposits to bank accounts or debit cards. Five percent is sent to other states for further distribution, and the rest is retained to provide funds for Temporary Assistance for Needy Families and foster care services, he said.

The unit handles about 16,000 checks plus other payments received through electronic fund transfers each month. North Dakota’s child support enforcement program serves about 60,000 children.