

## Slide 1

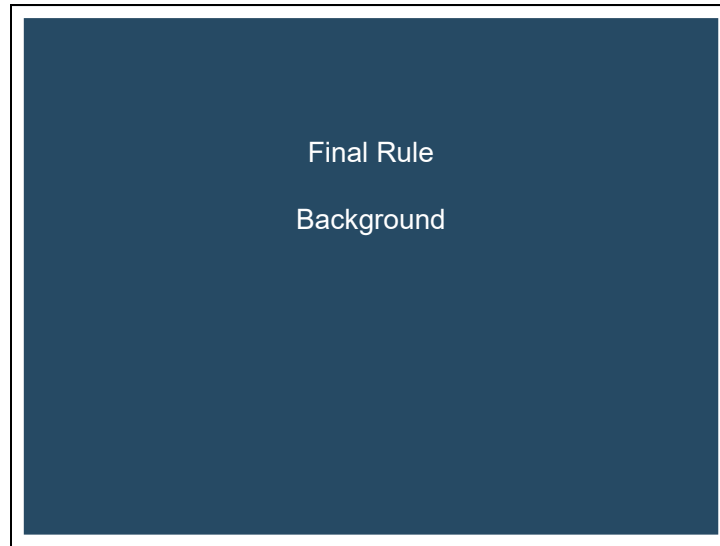


### Notes:

Introductory Slide.

This presentation outlines regulation updates in the Technical Corrections Final Rule. The rule explains amendments or removal of regulations. We encourage you to review the published regulation in its entirety, including the preamble and response to comments.

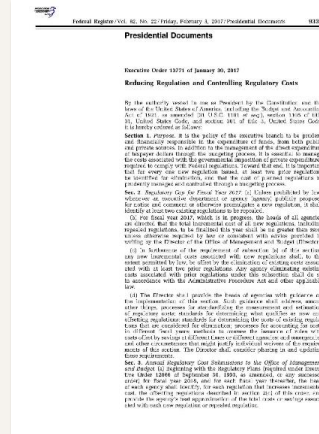
## Slide 2



### Notes:

Before we explain the final rule, we thought it would be helpful to give you a little bit of the background necessitating the rule.

- E.O. 13771 – Reducing Regulation and Controlling Regulatory Costs
- E.O. 13777 – Enforcing the Regulatory Reform Agenda



Key highlights of:

E.O. 13771 -

Signed by President Trump on January 30, 2017.

Directs that all agencies repeal at least two existing regulations for each new regulation issued in FY 2017 and following years.

Directs that agencies act in such a way that the total costs of regulations does not increase.

E.O. 13777 –

Signed by President Trump on February 24, 2017.

Designed to lessen unnecessary regulatory burdens, as well as identify regulations to repeal, replace, or modify.

Requires agencies to establish a Regulatory Reform Task Force that shall evaluate existing regulations and make recommendations to the agency head regarding their repeal, replacement, or modification, consistent with applicable law.

This final rule carries out the President's directives in both Executive Orders and eliminates identified regulatory requirements that are outdated and unnecessary.

## Slide 4

**Bipartisan Budget Act of 2018**  
**Public Law 115-123**

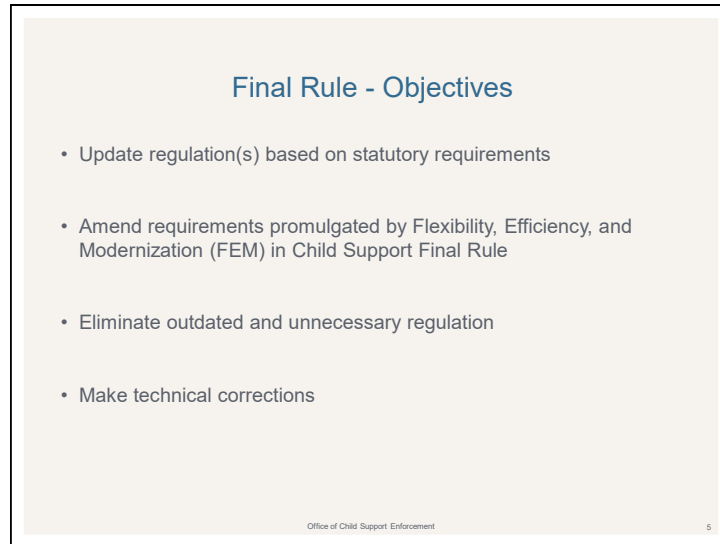
- Signed on February 9, 2018
- Amended section 454(6)(B)(ii) of the Social Security Act
- Increased the \$25 annual fee to \$35
- Changed the annual collections amount before collecting the fee from \$500 to \$550

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## Notes:

On February 9, 2018, the President signed the Bipartisan Budget Act of 2018, Public Law (Pub. L.) 115-123. Section 53117 of Pub. L. 115-123, Modernizing child support enforcement fees, amends section 454(6)(B)(ii) of the Social Security Act to increase the annual collection fee from \$25 to \$35 for services provided by the State child support agency to individuals not receiving title IV-A assistance, i.e., Temporary Assistance for Needy Families (TANF). The law also revises the amount from \$500 to \$550 that the State must collect and disburse to the family before imposing the fee each Federal fiscal year. This final rule codifies these statutory requirements.

## Slide 5



The slide is titled "Final Rule - Objectives" in blue text. It contains a bulleted list of four objectives. At the bottom, there is a footer that reads "Office of Child Support Enforcement" and a small number "5" in the bottom right corner.

### Final Rule - Objectives

- Update regulation(s) based on statutory requirements
- Amend requirements promulgated by Flexibility, Efficiency, and Modernization (FEM) in Child Support Final Rule
- Eliminate outdated and unnecessary regulation
- Make technical corrections

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## Notes:

So, in order to comply with the Executive Orders, several outdated and unnecessary regulations were removed, technical corrections were made to the FEM final rule, and regulations were updated based on statutory requirements.

Regulatory Provisions  
Impacted by the Final Rule

## Slide 7



The slide has a light beige background with a dark border. The title "Compliance Date" is centered at the top in a blue font. Below the title is a bulleted list with one item. At the bottom, there is a small footer with the text "Office of Child Support Enforcement" and a small number "7" to its right.

### Compliance Date

- The compliance date by which states must follow the rule will be August 10, 2020, except for those provisions that allow an alternate compliance date.

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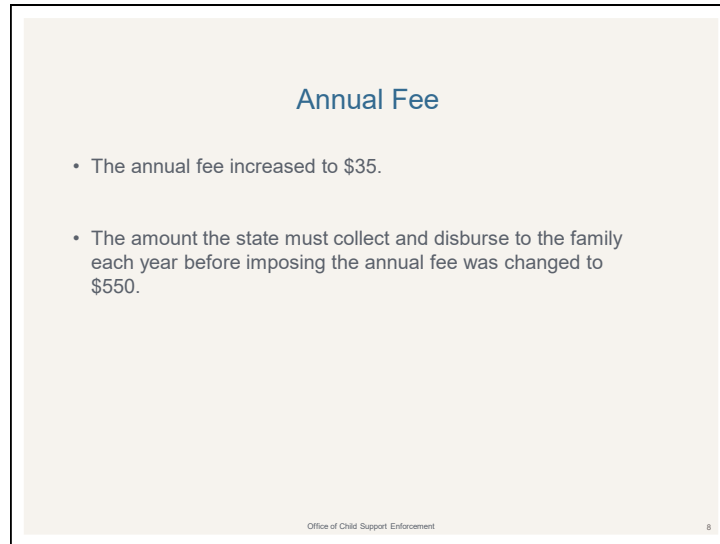
## Notes:

### Compliance dates:

The compliance date by which States must follow the rule will be August 10, 2020.

There are specific provisions which allow an alternate compliance date, and are provided at the end of the slide description for that provision.

## Slide 8



The slide is titled "Annual Fee" in a blue font. It contains two bullet points. The first bullet point states that the annual fee increased to \$35. The second bullet point states that the amount the state must collect and disburse to the family each year before imposing the annual fee was changed to \$550. At the bottom of the slide, there is a small footer that reads "Office of Child Support Enforcement" and a small number "8".

### Annual Fee

- The annual fee increased to \$35.
- The amount the state must collect and disburse to the family each year before imposing the annual fee was changed to \$550.

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## Notes:

### Annual fee:

As discussed earlier, the Bipartisan Budget Act of 2018, amends the regulation and updates the Code of Federal Regulations (CFR) to reflect the change in the annual fee and amount to be collected.



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### Annual Fee (continued)

- The final rule amends all sections of the CFR that reference the fees:
  - § 302.33(e) - Services to individuals not receiving title IV-A assistance changes \$25 to \$35 and \$500 to \$550
  - § 302.51(a)(5) - Distribution of support collections changes \$25 to \$35
  - § 303.7(f) - Provision of services in intergovernmental IV-D cases changes \$25 to \$35

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## Notes:

The increase in the annual fee also amends a few parts of the CFR which referenced the fee:

§ 302.33(e) Services to individuals not receiving title IV-A assistance.

§ 302.51(a)(5) Distribution of support collections.

§ 303.7(f) Provision of services in intergovernmental IV-D cases.

## Slide 10

### Annual Fee (continued)

Compliance date:

- October 1, 2018, unless the Secretary of Health and Human Services determines that the state must pass legislation (other than legislation appropriating funds) to meet the requirements in section 454(6)(B)(ii) of the Social Security Act [42 U.S.C. 654(6)(B)(ii)].

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Notes:

## Slide 11

### Annual Fee (continued)

Compliance date (continued):

- In such a case, the state shall not be regarded as failing to meet such requirements before the first day of the first calendar quarter beginning after the first regular session of the State legislature that begins after February 9, 2018.
- For states with a 2-year legislative session, each year of the session is deemed to be a separate regular session of the state legislature.

Notes:

### Review and Adjustment of Child Support Orders § 303.8(b)(7)(ii)

- Amends the compliance date for § 303.8(b)(7)(ii):  
For those states that consider incarceration to be voluntary unemployment, this final rule will delay the compliance date for sending notices to 1 year after completion of the first quadrennial review of the state's guidelines that commences on or after December 21, 2017.

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Notes:

Review and Adjustment of Child Support Orders  
§ 303.8(b)(7)(ii):

OCSE revises the compliance date for *Review and adjustment of child support orders* in § 303.8(b)(7)(ii). The FEM final rule indicates that the compliance date for this Federal requirement is 1 year from the date of publication of the final rule, or December 20, 2017, and if State law changes are needed, the compliance date will be the first day of the second calendar quarter beginning after the close of the first regular session of the State legislature that begins after the effective date of the final rule (January 20, 2017).

This final rule, amends the compliance date for § 303.8(b)(7)(ii) to add that for those States that consider incarceration to be voluntary unemployment, the compliance date is 1 year after completion of the first quadrennial review of the State's guidelines that commences more than 1 year after publication of the final rule (December 20, 2016).

### Case Closure Criteria - § 303.11(b)(9)(ii)

- Amends § 303.11(b)(9)(ii) to allow case closure when the noncustodial parent is also receiving concurrent Supplemental Security Income (SSI) and Social Security Retirement (SSR) benefits
- Reminds that case closure is optional

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Notes:

Let's take a look at the amendments to Case Closure § 303.11(b)(9)(ii):

The final rule adds Social Security Retirement (SSR) to case closure when it is received concurrently with SSI. The rationale for closing SSI and concurrent Social Security Disability Income (SSDI) cases, applies equally to SSI and concurrent SSR cases, because the noncustodial parent meets the low-income means-tested criteria for the SSI program. The concurrent SSI/SSR noncustodial parent receives no more income than a SSI/SSDI recipient. SSDI and SSR benefits are related in that SSR benefits take the place of SSDI when an individual reaches retirement age. Additionally, this provision remains optional, and provides States with the flexibility to close the case when deemed appropriate by the State.

### Requests for Full Collection Services by the Secretary of the Treasury - § 303.71

- This provision was promulgated on April 14, 1982.
- It provided authority to state child support agencies to use the IRS's full collection process to collect past-due child support.
- OCSE has since developed other more effective enforcement tools, and this provision is almost never used.

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Notes:

Requests for Full Collection Services by the Secretary of the Treasury § 303.71:

Originally promulgated April 14, 1982, this provision allowed States to use the IRS full collection process to collect past due support. It allows the IV-D agency to request that a case be sent for full collections after meeting certain criteria and at least \$750 in arrears.

However, over the years there has been a decline in the use of this provision, mainly due to other more effective enforcement procedures (such as Federal Tax Refund Offset program). Since the inception of this provision, we have made a number of more effective enforcement procedures available to States.

### Requests for Full Collection Services by the Secretary of the Treasury (continued)

- OCSE proposed removal because states are no longer widely using this enforcement tool (no new cases for enforcement since 2013).
  - However, this is still in statute [42 U.S.C. 652(b)].
  - States may contact [scollections@acf.hhs.gov](mailto:scollections@acf.hhs.gov) for guidance if they elect to use this provision.

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Notes:

Given that States are no longer widely using this enforcement tool, we are streamlining the regulations by removing it. However, this provision is statutory, therefore the removal of § 303.71 will not impact a State's ability to use this procedure, if it so chooses.

States may contact OCSE at [scollections@acf.hhs.gov](mailto:scollections@acf.hhs.gov) for guidance, if they elect to use this provision.

### Applications to Use the Courts of the United States to Enforce Court Orders - § 303.73

- This provision, originally promulgated in 1975, addresses a state seeking use of federal courts to enforce a child support order in another state.
- The enactment of interstate laws such as the Uniform Interstate Family Support Act (UIFSA) reduced the need to use this provision.

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Notes:

Applications to use the Courts of the United States to Enforce Court Orders § 303.73:

This provision, originally promulgated in 1975 was needed to enforce interstate orders, it involves a State seeking to use the Federal courts to enforce a child support order against an absent parent in another State, by applying to the Secretary for permission to use a United States district court to enforce support orders across States.

Since then, the Uniform Interstate Family Support Act also known as UIFSA, has reduced the need to use § 303.73.



### Applications to Use the Courts of the United States to Enforce Court Orders (continued)

- Further, the 2008 amendments to UIFSA were officially adopted by all states and established procedures for enforcing interstate orders.
- OCSE removed the regulation, but it is still in statute [42 U.S.C. 652(a)(8) and 660].
- Find guidance on this provision at [OCSE-AT-76-1](#) and [OCSE-AT-76-8](#)

#### Notes:

UIFSA 2008 officially adopted as of September 30, 2008 by the National Conference of Commissioners on Uniform State Laws has been in effect for all States.

The UIFSA law, made the requirements in this provision obsolete since it establishes procedures for enforcing interstate orders. However, this is still a statutory provision, therefore guidance for using this provision can be located at Action Transmittals: AT-76-1 and AT-76-8.

**Quarterly Wage and Unemployment  
Compensation Claims Reporting to the NDNH -  
§ 303.108**

- Prior to this final rule, the provision within § 303.108 required that the State Directory of New Hires furnish the NDNH with quarterly wage information no later than the end of the fourth month following the reporting period.
- OCSE amended § 303.108(c) to require that the State Directory of New Hires furnish quarterly wage information no later than the end of the second month following the reporting period.

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Notes:

Quarterly Wage and Unemployment Compensation Claims Reporting to the NDNH § 303.108(c):

In the NPRM, OCSE proposed to change this provision to reduce the timeframe for reporting quarterly wage data, proposing that States report by the end of the first month following the reporting period. This would align the timeframes for when States must report wage and unemployment compensation claims data to the NDNH, and help ensure State child support programs receive data more timely, to locate parents and to establish and enforce support orders. However, the timeframe OCSE proposed garnered alternate suggestions, as a result we amended the timeframe. States will now be required to report quarterly wage information to the NDNH by the end of the second month following the reporting period. This will assist in streamlining the receipt of timely data to the NDNH, and help State child support programs receive data to locate parents and to establish and enforce support orders, in a more timely manner.

### Quarterly Wage and Unemployment Compensation Claims Reporting to the NDNH (continued)

- Compliance date:
  - 1 year after June 9, 2020
  - However, if state law revisions are needed, the compliance date is the first day of the second calendar quarter beginning after the close of the first regular session of the state legislature that begins after July 9, 2020.

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Notes:

The compliance date of this provision is 1 year after June 9, 2020.

If State law revisions are needed, the compliance date is the first day of the second calendar quarter beginning after the close of the first regular session of the State legislature that begins after July 9, 2020.

### Functional Requirements for Computerized Support Enforcement Systems in Operation by October 1, 2000 - § 307.11

- The FEM final rule added § 307.11(c)(3)(i) and (ii), which precludes garnishment of financial accounts for SSI recipients and concurrent SSI and SSDI recipients.
- After determining that funds have been incorrectly garnished from financial accounts, states need to return those funds within 5 business days.

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Notes:

Functional Requirements for Computerized Support Enforcement Systems in Operation by October 1, 2000:

In the FEM final rule, § 307.11(c)(3)(i) precludes garnishment of financial accounts for SSI recipients and concurrent SSI and SSDI recipients. Paragraph (c)(3)(ii) requires the State to make the SSI recipient whole if the State inappropriately garnishes the SSI benefit or concurrent SSI and SSDI benefits from the noncustodial parent's financial account, and return these monies within 5 business days after the State becomes aware that the noncustodial parent was inappropriately garnished.

Functional Requirements for Computerized  
Support Enforcement Systems in Operation by  
October 1, 2000 (continued)

- OCSE amends § 307.11(c)(3)(i) and (ii) to include Social Security Retirement (SSR), so as to preclude garnishment of financial accounts for concurrent SSI and SSR recipients.

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Notes:

This Technical Corrections final rule will add to the existing provision to include noncustodial parents who receive concurrent Supplemental Security Income (SSI) and Social Security Retirement (SSR) benefits under title II of the Act. In the NPRM for this rule, OCSE proposed amending these provisions to also apply these requirements to concurrent SSI and SSR benefits. As indicated in the NPRM, a disabled noncustodial parent qualifies for the means-tested SSI benefit on the basis of his or her income and assets, but also qualifies for the SSDI or SSR benefits because of employment credits. Individuals eligible to receive SSR may be eligible to receive SSI benefits when their SSR benefit is below SSI income and assets limits. Given that the noncustodial parent is eligible for concurrent benefits, meets the SSI means-tested criteria, and receives the same benefit amount as a SSI beneficiary, the State should not garnish the SSDI or the SSR portion from the noncustodial parent's financial account.

### Functional Requirements for Computerized Support Enforcement Systems in Operation by October 1, 2000 (continued)

- OCSE adds an optional component at § 307.11(c)(3)(iii) that precludes garnishment via income withholding and requires funds be returned in accordance with § 303.100(a)(8).
- This optional provision will give states flexibility regarding concurrent SSI and SSDI or SSR beneficiaries.

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Notes:

An optional provision was added at § 307.11(c)(3)(iii).

This optional provision adds garnishment via income withholding. For those noncustodial parents who are beneficiaries of SSI and concurrent SSDI or SSR, the State has to option to prevent garnishment of the SSDI or SSR payment from the noncustodial parent through an income withholding order. The State should return funds improperly garnished from an income withholding order in accordance with § 303.100(a)(8).

### Functional Requirements for Computerized Support Enforcement Systems in Operation by October 1, 2000 (continued)

- Compliance date:
  - Applies to § 307.11(c)(3)(i) and (ii)
  - February 4, 2021, for system enhancements to add Social Security Retirement (SSR) with concurrent Supplemental Security Income (SSI) to prevent garnishment of these funds from the noncustodial parent's financial account.

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Notes:

States will have until February 4, 2021 to be compliant with § 307.11(c)(3)(i) and (ii).





### Federal Financial Participation (FFP) §§ 307.30. and 307.31

- FFP at the 90% rate for statewide computerized support enforcement systems § 307.30.
  - In effect during federal fiscal years 1996 and 1997
- FFP at the 80% rate for computerized support enforcement systems § 307.31.
  - Available until September 30, 2001

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Notes:

Federal Financial Participation (FFP):

OCSE proposed removing § 307.30 and § 307.31 because they are outdated. The 90 percent enhanced funding was only available for expenditures for the planning, design, development, installation, or enhancement of a statewide computerized support enforcement system during the Federal fiscal years 1996 and 1997.

The 80 percent enhanced funding was only available for expenditures for the planning, design, development, installation, or enhancement of a statewide system until September 30, 2001.

### Federal Financial Participation (FFP) (continued)

- OCSE no longer has the authority to provide enhanced FFP funding at the 90% or 80% rates, so the preceding outdated provisions were removed.

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Notes:

OCSE no longer has the authority to provide enhanced FFP funding at the 90 or 80 percent rate for statewide computerized support enforcement systems.

### Technical Corrections

- *State cooperation in audit* § 305.65(b)
  - Corrects section citation from “305.2” to “305.1”
- *Who submits a Tribal IV-D program application and where?* § 309.20(b)
  - Removes an outdated address and replaces it with “Federal Office of Child Support Enforcement”

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Notes:

This slide and the next two outlines technical corrections made to the Code of federal regulations:

*Part 305.65: State cooperation in audit.* For this technical correction, OCSE is removing “§ 305.2” and replacing it with “§ 305.1” to correct the citation.

*Part 309.20: Who submits a Tribal IV-D program application and where?* OCSE removes an outdated address and replaces it with “Federal Office of Child Support Enforcement”.

### Technical Corrections (continued)

- *What administrative and management procedures must a Tribe or Tribal organization include in a Tribal IV-D plan?* § 309.75(d)
  - Updates reference to the Uniform Administrative Requirements, by removing the words “OMB Circular A-133” and adding “45 CFR part 75, subpart F”

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Notes:

Continuing on this slide:

*Part 309.75: What administrative and management procedures must a Tribe or Tribal organization include in a Tribal IV-D plan?* OCSE amends the citation by removing the words “OMB Circular A-133” and adding “45 CFR part 75, subpart F”.

### Technical Corrections (continued)

- *What uses of Tribal IV-D program funds are not allowable?*  
§ 309.155(g)
  - Updates reference to the Uniform Administrative Requirements, by removing the words “OMB Circular A-87” and adding “45 CFR part 75, subpart E”.
- *What statistical and narrative reporting requirements apply to Tribal IV-D programs?* § 309.170(a)
  - Updates form designation by replacing “OCSE-34A” with “OCSE-34”
  - Updates reporting period by changing “30 days” to “45 days”

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Notes:

And finally the last of the technical changes for this rule:

*Part 309.155: What uses of Tribal IV-D program funds are not allowable?*

OCSE replaces the words “OMB Circular A-87” and adds the words “45 CFR part 75, subpart E”.

*Part 309.170: What statistical and narrative reporting requirements apply to Tribal IV-D programs?*

OCSE finalizes the technical change to 45 CFR 309.170(a) by replacing “OCSE-34A” with “OCSE-34,” and changing “30 days” to “45 days.”

