

## Strengthening State and Tribal Child Support Act (H.R. 7906)

**Background:** The Child Support program is dedicated to establishing and enforcing child support obligations and helping families address economic barriers to financial stability. In Federal Fiscal Year 2023, the Wisconsin child support program collected \$859 million in child support payments. Tribal child support programs in Wisconsin collected \$8.3 million over the same time period. Across the country, tribal child support programs collected \$51 million for tribal families during this period.

**Issue:** State child support agencies have several tools at their disposal to collect child support from non-custodial parents. One of these is the Federal Tax Offset Refund program administered by the Internal Revenue Service (IRS). With this program, states can intercept tax refunds of non-custodial parents to collect child support on behalf of custodial parents. Federal law prohibits tribal child support programs from accessing federal tax information (FTI). Until now, the tribal child support programs using Wisconsin's automated system to manage their caseloads have been able to submit their cases for tax intercept.

For decades the IRS "held in abeyance" findings that states shared FTI collected through the tax offset program with tribes as part of their child support operations.

In February 2023, the IRS reversed course and set a deadline of October 1, 2024, for states to discontinue disclosures of FTI from the Federal Tax Offset Refund program to tribes.

The IRS pointed to a conflict between the Social Security Act and the Internal Revenue Code, acknowledging legislation was needed to provide explicit statutory authority for such disclosures. Without a legislative fix, the IRS's October deadline could cost state, tribal and federal governments hundreds of millions of dollars and suspend child support payments to millions of families, including the 8679 families served by tribal child support programs in Wisconsin.

HR 7906 was introduced in the House of Representatives and referred to the House Ways and Means Committee in April 2024 to provide tribes with direct access to FTI, providing much-needed parity for tribes. Wisconsin Rep. Gwen Moore is one of the bill's lead sponsors and the bill has wide bipartisan support. Supporters of H.R. 7906 include the National Child Support Engagement Association, National Council of Child Support Directors, National Tribal Child Support Association, National Association of Tribal Child Support Directors and the American Public Human Services Association.