



House Committee on Children and Families
March 15, 2012

Testimony
on HB 2775

Presented by:

Trisha Thomas, Director of Child Support Enforcement

Kansas Department of Social and Rehabilitation Services

For additional information, contact:
Michelle Schroeder, Director of Legislative and Constituent Services & Public Policy
Docking State Office Building, 6th Floor North
(785) 296-3271

Good morning Mr. Chairman and members of the committee. I am Trisha Thomas, Director of Child Support Enforcement (CSE) for SRS. I appreciate the opportunity to provide information on how intercepting gambling winnings would impact CSE. SRS' position is neutral on this bill.

CSE administers the State's child support enforcement program under the authority of Title IV-D of the Social Security Act. CSE is charged with establishing and enforcing support on more than 130,000 cases affecting Kansas' children; our primary purpose is to ensure those children have adequate means of support. Last year, we collected over \$200,000,000 for Kansas families.

This bill would authorize and require collection of child support owed by non-custodial parents from winnings at State-owned casinos in cases administered by CSE. It appears to be based on Colorado's existing process for gambling setoff. The operation of the system created by this legislation would be simple and give instantaneous results to those checking to see if the "winners" have a CSE case and the amount of arrears they owe.

SRS/CSE would create an electronic interface portal that casino staff would be required to check before paying a prize of \$1,200 or more for child support debtors owing more than \$25 in past due support. The amount of \$1200 would be used because it is the general IRS threshold for reporting/withholding income taxes. The interface would be updated daily and when searched would return a match immediately. If a match was made, the appropriate amount of the winner's payout would be intercepted to pay the child support debt. If the payout is more than the child support debt, the debtor would then receive the difference from the casino immediately. The portal would either allow for the electronic submission of the funds or ensure payments are promptly sent to our Kansas Payment Center to distribute.

The ability to perform gambling setoff would provide more options to CSE's child support collection efforts. Developing the portal for instantaneous look up would have initial one-time costs of \$150,000 and ongoing yearly costs of \$35,000. If collections in Colorado hold true, we would expect increased child support collections in Kansas of \$157,300 per year.

I will be glad to stand for any questions you may have.