For Immediate Release Thursday, April 15, 2004

Grassley: New report identifies ways to improve delivery of child support payments

WASHINGTON — A new government report says that \$657 million in child support payments were delayed or never reached the intended families in fiscal year 2002.

"While over \$20 billion was collected and distributed without problems, \$657 million is far too high when, for many families, child support payments are critical to paying rent and putting food on the table," said Sen. Chuck Grassley, who requested the study by the General Accounting Office.

Grassley is chairman of the Senate Finance Committee. He said he requested the study because the federal government plays a major role in the child support program even though state enforcement agencies administer the program.

In a formal response to the report's findings, the Department of the Treasury said that more should be done by the federal government to share information with states regarding joint tax refunds. Grassley welcomed this statement. "This kind of positive action by the Treasury Department will result in more dollars being put in the hands of single parents," he said.

At the same time, Grassley said he was discouraged by the response of the Department of Health and Human Services to the findings. "The department seems to want to find excuses instead of solutions when it comes to verifying and reviewing undistributed collection data. It's important that we stop guessing and start knowing the extent and scope of the problem of undistributed child support payments," Grassley said.

Grassley also said the Treasury and Health and Human Services departments need to do a better job of working with each other to improve the child support payment system at the federal level.

The report of the General Accounting Office is titled GAO-04-377, CHILD SUPPORT ENFORCEMENT Better Data and More Information on Undistributed Collections Are Needed. It is posted at www.gao.gov. The General Accounting Office is the investigative arm of Congress.