

"PASS THROUGH + DISREGARD" ADVOCACY FOR ILLINOIS FAMILIES

The Welfare Reform Act of 1996 required families who receive public assistance, known as Temporary Assistance for Needy Families (TANF), to assign their rights to child support (i.e. reallocate) payments to the state. States are required to collect and distribute child support payments between parents, but are permitted to keep the money to "reimburse" it and the federal government for the TANF assistance.

TO A DEGREE, THE STATES CONTROL THE PORTION OF CHILD SUPPORT PAYMENTS ARE "PASSED THROUGH" TO THE FAMILY AND HOW MUCH THAT PAYMENT REDUCES TANF BENEFITS.

SINCE 2017, ILLINOIS PERMITS "PASS THROUGH" OF UP TO \$100 FOR ONE CHILD AND \$200 FOR TWO OR MORE CHILDREN AND DISREGARDS THE AMOUNT WHEN DETERMINING TANF ELIGIBILITY. THIS IS VERY CLOSE TO THE AVERAGE SUPPORT PAYMENT, LEAVING ONLY A SMALL AMOUNT GOING TO THE STATE.

WHEN CHILD SUPPORT GOES UNPAID, IT ACCRUES AS DEBT* TO THE STATE, NOT TO THE CHILDREN OR THE PARENT. TYPICALLY, THAT DEBT CANNOT BE FORGIVEN BY AGREEMENT WITH THE PARENTS.

*MOST OF THE OUTSTANDING UNPAID SUPPORT OBLIGATIONS THAT ARE OWED IN ILLINOIS ARE LIKELY MORE THAN THREE YEARS OLD.

24 STATES PASS THROUGH ZERO DOLLARS OF THE CHILD SUPPORT TO THE FAMILY, WHILE ALSO CONSIDERING THAT SUPPORT IN TANF AWARDS.

COOK COUNTY SEES AN AVERAGE OF 10,000 NEW CHILD SUPPORT PETITIONS, NOT ASSOCIATED WITH DIVORCES, AND ABOUT 6,000 NEW DIVORCE CASES WITH CHILD SUPPORT NEEDED FILED IN THE DOMESTIC RELATIONS COURT ANNUALLY.

Colorado is the first state to enact a full pass-through and disregard policy, meaning that 100% of the child support collected on behalf of TANF recipients is "passed through" to the family and disregarded for purposes of TANF eligibility.

Early data in Colorado and from other pilots shows an increase to child support payments when no portion is assigned to the state. Minnesota and Maryland also have full pass-through policies, but the TANF award may be reduced.

POLICY REFORM RECOMMENDATIONS

NONPAYMENT OF CHILD SUPPORT IS OFTEN THE RESULT OF ECONOMIC HARDSHIP, NOT A REFUSAL TO PAY. A FULL "PASS THROUGH AND DISREGARD" POLICY WOULD BENEFIT ILLINOIS, AS WOULD FORGIVENESS OF OLD DEBT.

THE COLLECTION RATE FOR DEBTS OUTSTANDING FOR LONG PERIODS OF TIME IS VERY LOW. RATHER THAN PURSUING THESE AMOUNTS, ILLINOIS IS BETTER OFF SIMPLY FORGIVING THE AMOUNTS IN ARREARS OWED TO THE STATE.