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OutFront-Child Support, Bjt, 1200
OUT FRONT: After \$1.5 billion, child support system lacking

WASHINGTON (AP) Sixteen years ago, the federal government agreed to pay states to develop computer systems to track deadbeat parents. Taxpayers have spent \$1.5 billion since then but only a dozen states have operational systems.

The money, most of it spent in the past two years, went to computer companies, state workers and numerous consultants. There were consultants to design the systems, to write bids, to build software and even to police other consultants, an Associated Press review of audits and other documents shows.

The purpose was to modernize the collection of overdue support money a figure that has grown to \$35 billion owed to 29 million children.

But when officials are asked why more has not been accomplished, fingerpointing abounds:

State officials say they received bad advice and systems that didn't work.

Vendors say technical difficulties and changing federal requirements are to blame.

Federal officials say some states didn't manage the projects properly.

And congressional auditors contend the federal agency overseeing the effort did little to hold states accountable.

"A lot of energy is being spent on trying to figure out whose fault this is," said Elisabeth Hirschhorn Donahue, an attorney for the National Women's Law Center, a nongovernmental outfit that tracks child support policy.

The computers are expected to deliver big payoffs. They'll store all case data, process and distribute payments, connect to tax and welfare agency computers and share information with other states.

The last is a crucial component because one-third of all child support cases involve out-of-state parents.

But a year and a half after the federal deadline passed for states to computerize their collection systems, only three states Washington, Virginia and Wyoming have met all federal requirements.

Washington developed its own system, without using consultants, for \$30 million. After a false start with one vendor, Virginia jointly developed a system with a contractor for \$21 million. Wyoming maintained strict control over the consultants it hired and built a system in three years for under \$10 million. All three states have relatively small caseloads.

Nine states have been given conditional federal certification, meaning their systems meet most of the requirements but need minor adjustments to gain final approval.

Many other states have spent tens of millions of dollars on contractors but only have partial systems, at best, to show for it. When the federal deadline for completing the systems passed in 1995, Congress extended it two more years, and hundreds of millions of dollars of additional federal aid has flowed to these states.

"No one is denying that there's much more to do," said David Ross, deputy director of the U.S. Department of Health and Human Services' Office of Child Support, the agency that oversees the effort.

Michigan serves as a case in point.

With one of the largest child support caseloads at 1.4 million, that state has spent \$116 million in federal and state funds to build a computer system. But the system is riddled with technical flaws and doesn't meet federal standards.

State auditors found Michigan gave several consultants noncompetitive contracts that essentially allowed them to earn full payment even if they only worked 85 percent of the hours promised.

Some contractors lacked technical know-how, so the state paid for their training at a cost of \$100,000 for classes and lost time on the job, auditors said. Some sessions had nothing to do with technology. A seminar entitled "Seven Habits of Highly Effective People" cost the state \$30,770.

Michigan went \$35 million over budget, state auditors concluded. The consultants are still on the job with new, more stringent contracts. Officials say they're needed to fix the system.

North Carolina says it needs an additional \$25 million for its project. It has already spent over \$40 million, but its system is missing crucial pieces.

An IBM subsidiary, which was paid \$18 million, had problems because it was redesigning a system from another state that was meant to handle a much smaller caseload, said Jim Edgerton, assistant secretary at North Carolina's human resources agency.

North Carolina paid a consulting firm \$2 million to monitor the project. But now it is retooling the system itself.

Ohio fired its first developer after paying a \$400,000 settlement for breaking its contract and started over from scratch, using in-house staff and 100 contract employees.

Its system has cost \$43 million so far and is running in only three of the state's 88 counties. Ohio officials say they need another \$60 million.

The government first agreed in 1980 to provide federal funding for states to build computerized child support collection systems. In 1988, the government made it mandatory for all states and gave them seven years.

As the deadline approached, federal spending revved up. In 1995 alone, the government distributed \$591 million.

States with only part of their systems in place already are reaping benefits. Nationwide, collections rose to \$12 billion last year from \$8 billion in 1992.

When the deadline passed, the government did not shut off funding as the 1988 law required. Instead, Congress extended the deadline, and an additional \$481 million was distributed in 1996, according to preliminary figures.

Government officials and vendors say the costs are staggering because the projects are so complex. Hundreds of thousands of case files must be converted from old computers and data from offices must be linked. Some states began developing the computers several years ago. Most expect to have systems complete in time to make the new October 1997 deadline.

The federal government complicated matters by changing system requirements along the way and making states import systems designed by other states, officials say.

"It sounds like an easy thing to do, but it hasn't been," Ross said.

Children's groups disagree.

"Every business has a database with customers' names, social security numbers, and how much they owe on their account," said

Geraldine Jensen, national president of Toledo-based Association for Children For Enforcement of Support Inc. (ACES). "It doesn't make any sense that private industry can do this and the government can't."

HHS is permitted to cut off funding if states fall behind in development or don't adhere to their federally approved plan.

But in 1992, congressional auditors concluded the agency failed to take quick action. The General Accounting Office said HHS continued to fund three severely flawed systems, at a cost of \$32 million, before suspending payments until states fixed the problems.

HHS has not suspended any state funding since 1992.

At the request of Rep. Henry Hyde, R-Ill., GAO is again investigating the program.

"We expect the report will confirm what we already know that the federal effort to finance state systems has been a failure," said Sam Stratman, Hyde's spokesman.

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FAX TO
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Government Employs Thousands Who Refuse to Pay Child Support

WASHINGTON (AP) More than 100,000 federal workers and Postal Service employees are wanted by states for failing to pay child support or refusing to acknowledge paternity, says the agency that found the deadbeat parents on the payroll.

About three-fourths of the non-paying parents work for the Defense Department as either military or civilian employees and the rest work for an assortment of federal agencies, the judiciary or the Postal Service, according to figures provided by the Department of Health and Human Services.

The number of deadbeat federal workers could be embarrassing for President Clinton, who promised tougher child support enforcement during his campaign, made it a central part of his welfare reform plan and brought it up during his State of the Union address in January.

Paula Roberts, a child support specialist with the Center for Law and Social Policy, a liberal research and advocacy organization, said the federal government has known about the problem for years but has done little to fix it.

"It's really a disgrace. It's a little hard for them to get on the moral high ground about all the deadbeats out there, when they can't even clean their own house," Roberts said. "The government does have the ability to go after its own, and reinforce the moral and financial message, and it has chosen not to do that."

States are responsible for collecting child support and establishing paternity the first step in getting court-ordered support but they need help from Washington if the parent is a federal employee.

When a state requests help, the federal Office of Child Support Enforcement, a part of HHS, searches federal and military personnel records for the addresses and employers of non-paying parents.

With that information, states can try to get the parents into court and deduct child support from their paychecks. But Roberts and federal officials say the process is cumbersome and in need of reform.

Melissa Skolfield, a spokeswoman for HHS, said the issue involves a "maze of laws and court decisions."

"The issues are particularly complicated as they affect the armed forces, and we are actively reviewing a number of strategies for making improvements," she said.

According to HHS, its locator service last year found 74,880 non-paying parents employed by the Defense Department, either military or civilian, and 30,831 deadbeat parents working in other parts of the government.

HHS did not break down the number of parents by agency or military service branch.

The department does not track how much money is owed, but an investigation six years ago documented the cost of the problem. In 1989, the HHS inspector general found 64,310 federal employees who owed as much as \$284 million in child support. In two-thirds of the cases, the children were on welfare.

Nationwide, deadbeat parents owe an estimated \$34 billion in support payments to 14 million children, federal figures show.

According to current HHS estimates, non-paying parents represent 3.2 percent of the Defense Department's work force and 1.3 percent of the overall federal work force, including the Postal Service.

David Gray Ross, who oversees the federal child support office, said the government is sending the wrong message by failing to get

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⁶tough with its own employees.

But legislation being drafted in Congress as part of welfare reform will help address the problem by establishing central registries that track child support orders and all new hires, he said.

Rep. Clay Shaw, R-Fla., who is overseeing the Republican effort to rewrite the nation's welfare laws, said it is the "height of hypocrisy" for the White House to claim to be tough on deadbeat parents when it has failed to make federal workers pay.

Shaw said Clinton should use the power of his office to force federal employees to pay, and that the government should set the standard for the rest of the nation.

Roberts of the Center for Law and Social Policy said the president could address at least part of the problem by executive order, starting with a requirement that the military cooperate with state agencies.

Some base commanders refuse to allow employees to be served with court orders requiring them to pay or appear in court, or refuse to let parents attend hearings until they are on leave or out of the service, she said.

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Child support study: Car loans come first

By Mimi Hall
USA TODAY

Adults are more likely to take good on their car loans than on their child support payments, a study out today says.

The Children's Defense Fund report finds the national delinquency rate for child support owed to mothers is 49% — compared with 3% for cars.

The system "is failing to deliver on its most basic promise to children that parents will be held responsible" for their maintenance, says CDF's Maria Wright Edelman.

And the dismal collection rate forces thousands of families onto public assistance.

Among CDF's findings:

► Collection rates improved

little: Support payments were made in 14.7% of cases in 1983, 18.7% in 1992.

A main reason: Paternity is established for only 35% of births to single mothers.

► State agencies are swamped: Non-welfare caseloads rose from 1.7 million to 6.5 million, 1983-92.

► At the current rate of improvement, it would take 160 years for each child to get part of what's owed.

Fathers' rights advocate David Levy says solving visitation disputes would help.

"When you make a car payment, you have the car. But after making a child support payment, the odds are 50-50 you'll ever get to see the child."

Collections by state

Percentage of child support collected in fiscal years 1983 and 1992:

State	Collected in FY '83	Collected in FY '92	Rank
Ala.	17.4%	23.8%	16
Alaska	21.7%	17.4%	35
Ariz.	18.8%	8.7%	50
Ark.	12.2%	23.5%	16
Calif.	15.1%	14.1%	42
Colo.	6.2%	14.0%	43
Conn.	35.7%	19.6%	27
Del.	27.5%	27.1%	10
D.C.	3.9%	11.9%	47
Fla.	6.3%	16.9%	37
Ga.	6.0%	16.5%	38
Hawaii	11.5%	32.5%	4
Idaho	6.2%	29.2%	7
Ill.	7.7%	9.2%	49
Ind.	12.3%	14.0%	43
Iowa	19.2%	22.7%	18
Kan.	6.3%	25.1%	11
Ky.	4.9%	16.7%	39
La.	11.7%	15.6%	40
Maine	19.8%	21.7%	21
Md.	19.8%	24.9%	12
Mass.	24.4%	20.2%	24
Mich.	21.6%	17.6%	34
Minn.	26.5%	33.6%	3
Miss.	5.4%	9.3%	48
Mo.	3.2%	19.9%	26
Mont.	5.2%	24.8%	13
Neb.	23.0%	18.8%	31
Nev.	25.8%	19.5%	28
N.H.	30.6%	26.6%	8
N.J.	20.1%	20.1%	25
N.M.	5.1%	17.2%	36
N.Y.	15.4%	17.7%	32
N.C.	13.1%	19.2%	30
N.D.	9.4%	21.0%	22
Ohio	8.3%	20.4%	23
Okla.	9.3%	14.9%	41
Ore.	24.6%	17.7%	32
Pa.	24.9%	30.6%	6
R.I.	12.6%	8.6%	51
S.C.	6.0%	24.1%	14
S.D.	10.4%	28.2%	9
Tenn.	12.0%	11.9%	46
Texas	4.6%	12.7%	45
Utah	18.7%	22.7%	18
Vt.	24.7%	40.3%	1
Va.	7.9%	22.9%	17
Wash.	31.9%	33.7%	2
W.Va.	5.3%	19.5%	28
Wis.	23.0%	31.3%	5
Wyo.	10.0%	22.3%	20
USA	14.7%	18.7%	

Source: Children's Defense Fund

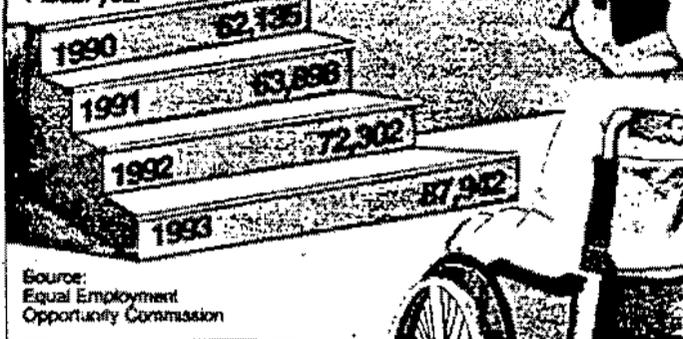
USA SNAPSHOTS®

A look at statistics that shape your finances

More employees claiming bias

Expanded coverage of the Americans With Disabilities Act helped push job-bias claims to a record high in fiscal year 1993. Total claims:

Fiscal year



Source: Equal Employment Opportunity Commission

By Anne R. Carey and Web Bryant, USA TODAY

Dow rebounds as inflation fears fade

By Eric D. Randall
USA TODAY

Stocks and bonds rallied Thursday as investors' inflation jitters eased.

The Dow Jones industrial average, fueled by some late buying, jumped 21 points to 3814, rebounding from Wednesday's 24 point drop. Bond prices climbed, pushing the yield on the 30-year Treasury bond to 7.35% from 7.39% Wednesday.

Behind Thursday's gains: easing commodity prices. The Commodities Research Bureau index of 21 commodity prices jumped 3.31 points to 238.61 Wednesday — a 3½-year high — as corn, soybean gold and oil prices surged. Thursday, the CRB fell 1.33 to 237.28.

Stocks, especially blue chips, have been showing signs of strength. The Dow and the Standard & Poor's 500 index have climbed five of the past six sessions.

"I expect stocks to drift a little higher," says Eric Miller, chief investment officer at Donaldson, Lufkin & Jenrette.

But other market watchers say the gains may not hold.

"The mood is still cautious and jittery," says First Albany strategist Hugh Johnson.

Expect trading to be volatile today. This is the market's quarterly "triple-witching" session, when stocks typically churn as options on stock indexes, stock index futures and individual stocks expire.

► Market highlights, 3B.

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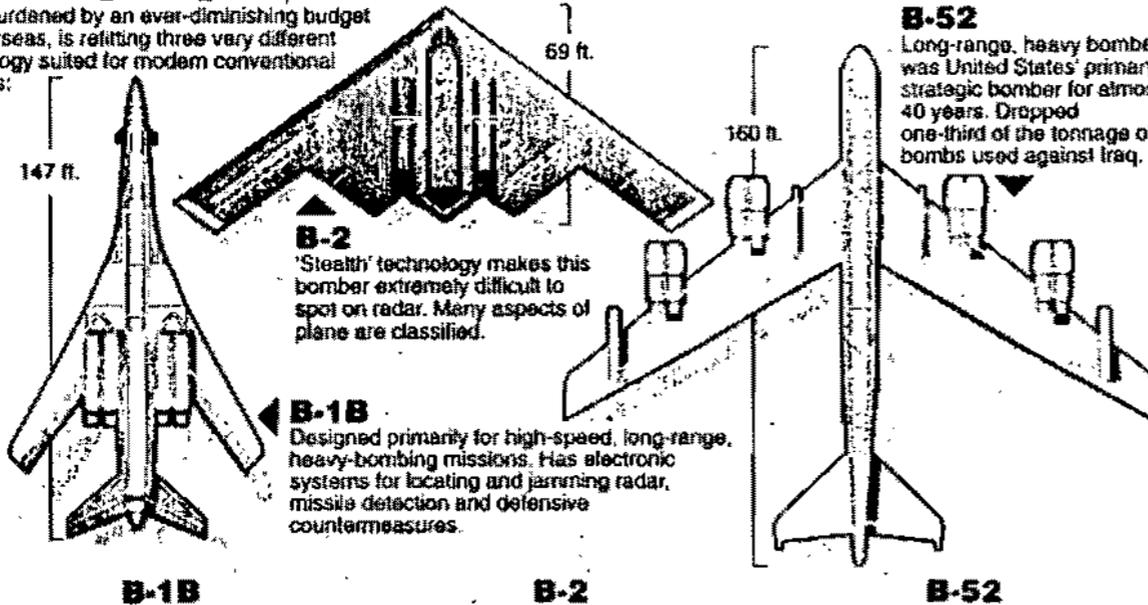
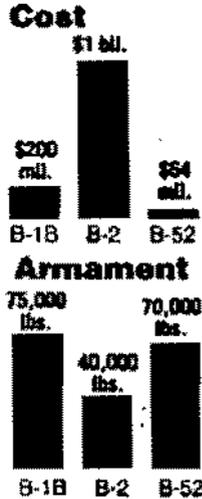
Child Support - News clips

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WASHINGTON AND THE WORLD

Air Force prepares bombers for new role

The U.S. Air Force, burdened by an ever-diminishing budget and fewer bases overseas, is refitting three very different bombers with technology suited for modern conventional warfare. The bombers:



	B-1B	B-2	B-52
Inventory	95	20 are planned	About 75 in active service.
When deployed	June 1985	One in 1993	1959, current H model delivered in 1982
Wingspan	Adjustable wings spread to 137 feet wide	172 feet	185 feet
Maximum weight	477,000 pounds	477,000 pounds	488,000 pounds
Speed	More than 900 mph (supersonic)	Around 700 mph	Around 650 mph
Range	Intercontinental without refueling	6,900 miles without refueling	8,600 miles without refueling
Flight ceiling	30,000 feet	50,000 feet	50,000 feet
Crew	4 (commander, co-pilot, offensive and defensive systems officers)	Two (pilot and mission commander)	5 (commander, pilot, radar-navigator, navigator, electronics warfare officer)
Armament	42,000 pounds of conventional bombs with capability for 12 additional weapons. Once fitted with convention weapons, would be difficult to reconfigure for nuclear role.	40,000 pounds of conventional bombs, short-range nuclear attack missiles or gravity weapons	70,000 pounds of nuclear or conventional bombs, cruise missiles, or a wide variety of other munitions including mines.

Carter meets Kim; S. Korea calms a bit

From wire reports

Former president Jimmy Carter's trip to North Korea appeared to calm war jitters in South Korea Thursday.

Across South Korea, people seemed to regain their equilibrium after two days of rushing to buy up canned food and gas masks.

Supermarkets reported lines were only half as long as on Wednesday, and stock prices rebounded after a two-day fall.

Carter, who met with North Korean President Kim Il Sung for three hours at a presidential palace on the outskirts of Pyongyang, said he had briefed the White House on the discussions. Another meeting is set for today.

North Korea's official news agency, monitored in Tokyo, described Carter's talks with Kim as amicable, but did not elaborate.

Carter said he was encouraged by the Communist leader's attitude and his willingness to allow international nuclear inspectors to remain in North Korea.

"I look on this commitment of President Kim Il Sung as being a very important and



INTRODUCTION: Former president Jimmy Carter introduces his wife, Rosalynn, to North Korean President Kim Il Sung.

positive step toward the resolution of this crisis," Carter said in a telephone interview with Cable News Network.

Kim's hard-line regime has blocked full inspections of its nuclear program for 15 months, increasing fears in the region that it is building atomic arms in violation of its obligations under the Nuclear Non-Proliferation Treaty.

The North Koreans insist their research is peaceful.

A major problem had been

North Korea's refusal to allow inspectors to examine fuel rods at its 5-megawatt reactor at Yongbyon.

The latest crisis was sparked by the withdrawal of fuel rods two weeks ago, which was seen as an attempt to destroy evidence of a 1989 diversion of fuel. The United States suspects North Korea used the fuel for a nuclear weapons program.

► Clinton urges caution, 1A