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Contact: Michael Kharfen (202) 401-9215

Headline: CHILD SUPPORT TO RECEIVE VICE PRESIDENTIAL AWARD

HHS Secretary Donna E. Shalala announced today that the HHS Office of Child Support Enforcement received Vice President Gore's Hammer Award for its success in collecting delinquent child support payments through the National Directory of New Hires.

In its first year of operation, the National Directory of New Hires located 1.2 million parents who were delinquent in their child support payments, a figure that more than doubled to 2.8 million in fiscal year 1999.

"We are very proud of the success of the National Directory of New Hires and the dedicated federal staff who make it work everyday to help children," said Secretary Shalala. "The directory is now indispensable to the child support enforcement program because it assures that children receive the support they need and deserve."

The National Directory of New Hires, proposed by the Clinton administration, was a key provision of the child support enforcement reforms contained in the 1996 welfare reform law. Under the program, the nation's 6.4 million employers report information on newly hired employees to the state child support agency. States then forward the information, along with quarterly wage and unemployment insurance records to the National Directory of New Hires, an automated centralized repository of employment information. The information is used to quickly locate a parent so that child support assistance can be obtained for children.

"Receiving the Hammer Award is a tribute to an incredible partnership, including the team that worked so hard implementing a complex system on time and within budget, and to the millions of employers who make it work everyday. Without the help of the nation's employers we could never have done it," said Olivia A. Golden, HHS assistant secretary for children and families. "But,

knowing that we are helping children is the greatest reward we in the nation's child support program can ever receive."

Nearly 30 percent of the nation's 19 million child support cases involve parents who live or work in a different state than their children. Also, as individuals move from state to state it becomes more difficult to locate parents who are delinquent in their child support payments. In fiscal year 1998, information from the National Directory of New Hires was provided to states on nearly 1.2 million noncustodial parents in interstate cases. The number of parents found more than doubled to 2.8 million in fiscal year 1999. Approximately 60 percent of all child support is paid through automatic wage withholding by employers.

"I am very proud of the nation's child support workers and the nation's employers," said David Gray Ross, commissioner, HHS office of child support enforcement. "Together, we successfully implemented the National Directory of New Hires on time, thereby helping our ultimate customer, children, in need. This is a government-private sector partnership at its best, truly achieving results Americans care about."

The President announced in his State of the Union address new enforcement initiatives that will collect nearly \$2 billion for children over the next five years. These measures include booting the cars and intercepting large gambling winnings of delinquent parents, denying passports to parents who owe more than \$2,500 in past due support (lowering the amount from the current \$5,000), prohibiting Medicare participation by providers who owe support and requiring more frequent updating of child support orders.

In 1999, \$15.5 billion was collected for children by the child support enforcement program, nearly doubling the amount collected in 1992. The federal government collected a record \$1.3 billion in overdue child support from federal tax refunds. A new program to match delinquent parents with financial records found 662,000 accounts since August 1999 with a value of about \$1 billion. Nearly 1.5 million men acknowledged paternity in 1998, an increase of 12 percent in one year alone and three times as many as in 1992. The Passport Denial Program has collected more than \$2.25 million in lump sum child support payments and is currently denying 30 to 40 passports to delinquent parents per day.

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