



CHILD SUPPORT DIVISION

June 10, 2020
Mr. Scott M. Lekan
Commissioner of Child Support Enforcement
HHS Administration for Children and Families
Office of Child Support Enforcement
330 C Street, SW
Washington, DC 20201

Dear Commissioner Lekan:

The Texas Office of the Attorney General - Child Support Division (OAG-CSD) received approval from the Federal Office of Child Support Enforcement on August 21, 2019 to reinvest up to \$2.5 million of performance incentive payments to support the operation of the NCP Choices program during the period of October 1, 2019 through September 30, 2020. Funding was approved to maintain NCP Choices program services for all unemployed and underemployed noncustodial parents in 22 program sites. These sites assist in reaching 74 percent of the families we serve with open full-service child support cases. This letter provides an update on performance to date for State Fiscal Year 2020 and requests OCSE approval for the use of up to \$2.5 million dollars of incentive funds during Federal Fiscal Year 2021 and to extend the OCSE approval for the same annual \$2.5 million incentive funds through Federal Fiscal Year 2025. This extension to reinvest annual incentive funding will allow OAG-CSD to continue providing NCP Choices services and benefits to eligible customers. The Texas Office of the Attorney General-Child Support Division would greatly appreciate OCSE approval in this matter.

BACKGROUND

In 2005, OAG-CSD partnered with the Texas Workforce Commission (TWC) and the IV-D courts to implement NCP Choices to address the problem of inconsistent, unreliable support by noncustodial parents (NCPs) with unstable work histories. The program pairs workforce development services provided by TWC with enhanced child support compliance activities administered by the OAG-CSD. The goal of the NCP Choices program is for noncustodial parents to successfully and consistently comply with court-ordered child support payments and achieve economic self-sufficiency by overcoming substantial barriers to employment and career advancement.

In the past, the Ray Marshall Center at the University of Texas evaluated the NCP Choices program. When compared to a comparison group, NCP Choices parents paid support more often, paid more support and paid more consistently over time. The results continue two and four years after enrollment into the program. The number of NCPs paying through an active wage garnishment nearly doubled that of the comparison group. NCP Choices participants paid \$0 in child support eight months prior to program enrollment but paid \$1500.00 in the eight months after program entry. Eight out of ten compliant participants of the program found employment within eight weeks of program entry, while 61% of those parents retained employment six months after program entry. Child support collections on NCP Choices cases increased by 122%, and NCP Choices participants on average paid 90% more child support payments. On average, NCP Choices participants' payment consistency increased by roughly 23%.

The NCP Choices program model is effective and straightforward: the OAG-CSD identifies unemployed or under-employed NCPs who are unable to meet their child support obligations; a court orders NCPs into the program; and TWC, in partnership with the local workforce boards, provide NCPs with the tools and knowledge to find and keep stable employment, earn enough to support themselves, and fulfill their responsibilities and obligations as parents. The resources and tools offered to NCP enrollees include one-on-one career counseling, job referrals, résumé building, interview skills training, and numerous other employment services and support services. The services provided to program participants mirror the services provided to TANF recipients through Texas' TANF employment and training program, providing intensive case management and employment and supportive services tailored to each individual's needs.

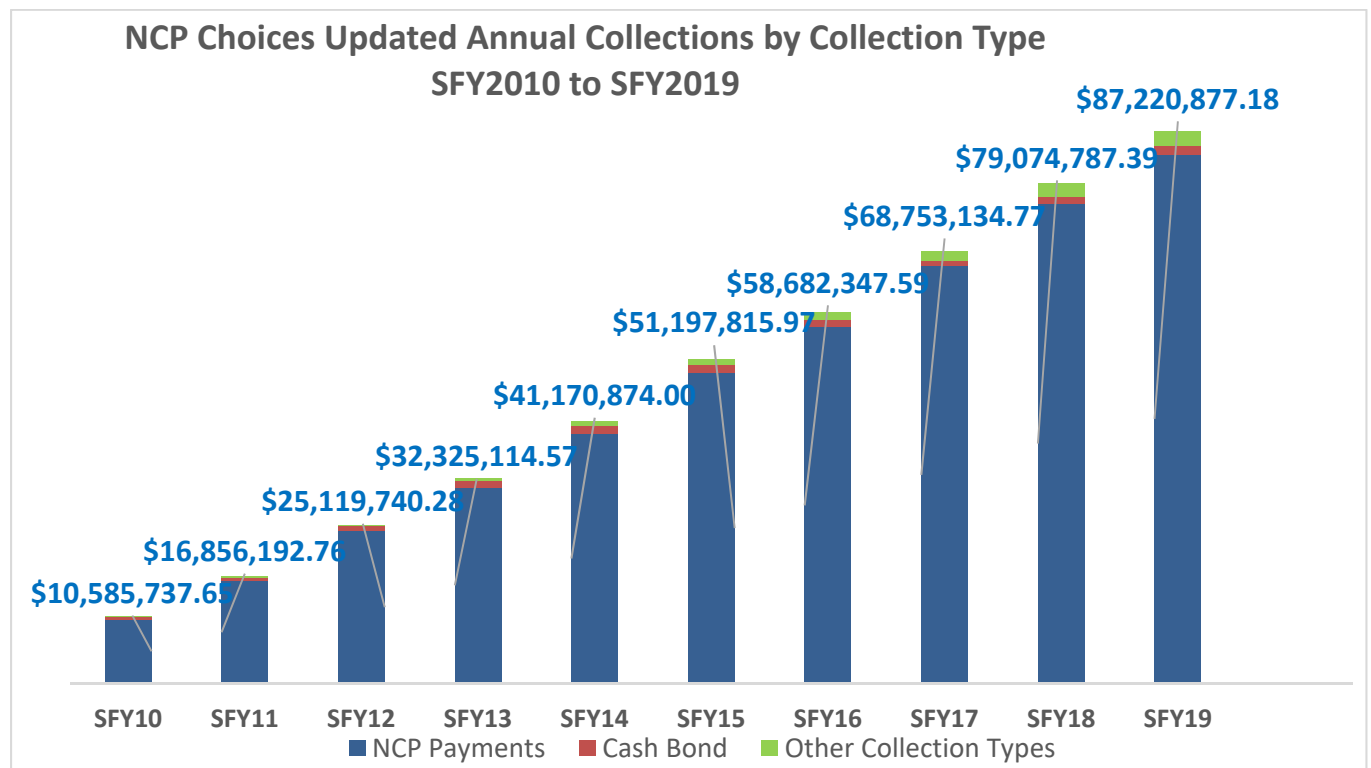
UPDATE

TWC reportsⁱ:

- 71% of program participants enter employment;
- On average, they enter employment within eight weeks; and
- 77% retain employment for at least six months.

During FY19, NCP Choices program expenditures totaled \$6,253,228.88 between the OAG-CSD and TWC. This total expenditure included the OAG annual incentive funds in addition to TWC TANF funds. State FY19 data analysis showed 4,690 NCPs were enrolled with total NCP Choices from NCP payments accounting for \$87,220,877.18 collections.

During FY20, OAG-CSD and TWC continued their successful collaboration to operate the NCP Choices program. As of May 12, 2020, 2,048 NCPs were enrolled during the first eight and half months of the State Fiscal Year with total payments from NCP's enrolled in the program totaling \$64,008,190.55. The following chart summarizes the cumulative annual collections by payment type: Please note the data from the previous years has been updated accordingly to match the most current calculations.



In State Fiscal Year 2020, TWC continued its commitment to fund NCP Choices operations, maintaining \$4 million in TANF funding support for all eligible NCPs including current and former TANF and Medicaid recipients; an additional \$4 million commitment of funding has been extended into State Fiscal Year 2021. TWC and the OAG-CSD will continue to explore expansion of the program service area and criteria, particularly in light of the currently evolving economic landscape.

We invite any questions you may have about our request to use incentive payments to fund this very worthwhile program. Please contact me at 512-460-6662 or Ruth.Thornton@oag.texas.gov if you would like to discuss this further.

Sincerely,

/s/

Ruth Anne Thornton
Director of Child Support (IV-D Director)
Office of the Attorney General – Child Support Division

CS:TPM: RS

cc: Artish Jacobs, OCSE Regional Program Supervisor, Region VI
Dana Huckabee, OCSE Regional Program Manager, Region VI

ⁱ TWC performance reported online - <https://twc.texas.gov/programs/noncustodial-parent-choices-program-overview>