

F. Disbursement of Child Support Payments

INTENT

- To explain how the child support payments are disbursed;
- To explain the process for determining when support payments are kept to reimburse public assistance benefits and when support payments are paid to the family.

1. Child support disbursement on active TANF cases; Division of Child Support (DCS) responsibilities

Distribution formula. When DCS receives a support payment on an active TANF support case, the support payments, other than support payments that are passed through and disregarded pursuant to OAR [461-145-0080](#), will be kept by the state up to the total amount of unreimbursed assistance (URA). URA does not include any amount of child support pass-through and disregard. (For any period of time that a case is considered JOBS Plus, SFPSS or Post-TANF or for clients eligible for cash benefits as a two-parent household, distribution is handled as described in “Child Support Disbursement on Closed TANF Cases,” item 3 below, ([CS-F.3](#))).

Procedures when support collections exceed monthly grant amount.

- For TANF cases that are converted to another program without being formally closed, CSEAS will begin to send child support to the obligee once the coding on the DHS case is updated;
- For cases converted from another program to TANF without formally being closed, if CSEAS has been sending a support payment to the obligee, CSEAS will begin retaining the child support (up to the amount of unreimbursed assistance) once the coding on the DHS case is updated. DCS will follow the procedure for child support disbursement on active TANF cases;
- For TANF cases that are not closed or converted to another program effective by the end of the month:
 - Except for any amount of child support pass-through pursuant to OAR [461-145-0080](#), if the case has past unreimbursed TANF, DCS will apply all support collected for the month toward reimbursement of that past TANF;
 - If all past TANF on the case has been reimbursed, DCS will send the obligee a check for all funds remaining under the steps listed above.

2. Child support disbursement on active TANF cases; branch office responsibilities

End TANF benefits no later than the end of the third consecutive month when ongoing monthly support, either by itself or with other ongoing income (and not including any amount of child support pass through and disregard pursuant to OAR [461-145-0080](#)), exceeds the monthly benefit amount, unless there is reason to believe that regular ongoing support will not continue (such as if the noncustodial parent has just become unemployed.).

- If the monthly court-ordered support amount, minus the amount of child support pass through and disregard pursuant to OAR [461-145-0080](#), exceeds the benefit amount and the ordered amount is received by DCS, assume that the support will be ongoing income in excess of need;
- When the monthly court-ordered support amount, minus the amount of child support pass through and disregard pursuant to OAR [461-145-0080](#), is for less than the monthly benefit amount, but a support payment is received that exceeds the benefit amount, consider the payment to include a one-time payment on support arrearage.

Notify the client when TANF benefits are being ended because support payments to DCS exceed the family's need at TANF standards. Inform the client that DCS will send future support payments directly to the client, and that the client will need to notify DCS directly (not the Department of Human Services (DHS) branch) if the client's mailing address later changes.

When a TANF case that has support payments going to DCS has a change in need or income, access CSEAS to determine if the new total income exceeds need.

Before reactivating any TANF case that has gone "no action" due to support payments that place total income in excess of need, *access CSEAS* to verify if DCS has forwarded funds to the obligee.

3. Child support disbursement on closed TANF cases

Effective October 1, 2000, several changes to child support assignment and distribution were implemented in accordance with federal legislation. When a family receives cash assistance under TANF, they assign their rights to child support up to the total amount of unreimbursed assistance (URA). However, as of October 1, 2000, the assignment has categories which results in changes to distribution.



SEE SECTION B OF THIS CHAPTER ([CS-B](#)) FOR ASSIGNMENT OF SUPPORT RIGHTS.

Distribution formula. For any month in which DCS receives support payment(s) on a case where TANF assistance ended in a previous month, DCS will disburse the payments (except payments collected through IRS tax refunds) as follows:

- Current support to the family;
- Arrears since closure to the family (unassigned arrears*);
- Arrears prior to assistance to the family (conditionally assigned arrears*);
- Arrears during assistance to the state (permanently assigned arrears*).

Payment received through IRS tax refunds are disbursed as follows:

- Arrears during assistance to the state (permanently assigned arrears*);
- Arrears prior to assistance to the state (conditionally assigned arrears*);
- Arrears since closure to the family (unassigned arrears*).



*SEE ITEM [F.4](#) FOR DEFINITIONS AND DISTRIBUTION GUIDE.

DCS disbursements to obligees who are former clients. Whenever a former client is entitled to a payment under the above formula, DCS will mail a check directly to the former client. DCS will not route checks to the branch office and will not hold checks at DCS.

If the DHS branch learns or suspects that a former TANF client has not received all payments due the client, contact the DCS caseworker to discuss.

4. Child support distribution guide

Definitions:

Current support: The monthly support amount ordered by a court or administrative process for the benefit of a child and/or a former spouse.

Permanently-assigned arrears: Past-due support which accrues while the family receives cash assistance.

Temporarily-assigned arrears: Past-due support assigned to the state during cash assistance periods, but which accrued during nonassistance periods. These arrears revert to the family as Conditionally-assigned arrears when the family is not receiving cash assistance.

The exception is that past-due support assigned to the state in a pre-October 1997 assignment remains permanently assigned to the state.

Unassigned arrears: Past-due support which accrues after the family's most recent period of cash assistance or past-due support for a family who has never received cash assistance.

Distribution on open TANF cases (except IRS money):

	Current Support	Temporarily Assigned Arrears	Permanently Assigned Arrears
Family		4	
DHS	1	3 (up to URA)	2

The numbers signify the order that support payments are distributed.

Distribution on former TANF (except IRS money):

	Current Support	Unassigned Arrears (arrears since closure)	Conditionally Assigned Arrears	Permanently Assigned Arrears
Family	1	2	3	
DHS				4

The numbers signify the order that support payments are distributed.

Distribution of IRS money:

	Current Support	Unassigned Arrears (arrears since closure)	Conditionally/Temporarily Assigned Arrears	Permanently Assigned Arrears
Family		4	3 (\$ Kept by State)	
DHS			2	1

The numbers signify the order that support payments are distributed.