

H.R. 7906, Strengthening State and Tribal Child Support Enforcement Act
 As ordered reported by the House Committee on Ways and Means on July 24, 2024

By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-2034
Direct Spending (Outlays)	0	-427	-777
Revenues	0	*	*
Increase or Decrease (-) in the Deficit	0	-427	-777
Spending Subject to Appropriation (Outlays)	0	0	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2035?	No	Statutory pay-as-you-go procedures apply?	Yes
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2035?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between -\$500,000 and \$500,000.			

H.R. 7906 would amend the Internal Revenue Code and the Social Security Act to allow contractors to state, local, and tribal child support enforcement agencies to access federal taxpayer information (FTI) that employees of state or local child support enforcement agencies access under current law. CBO estimates that enacting the bill would decrease net direct spending by \$777 million over the 2024-2034 period. The staff of the Joint Committee on Taxation (JCT) estimate that enacting H.R. 7906 would have a negligible effect on revenues over the 2024-2034 period.

Access to FTI by Contractors

H.R. 7906 would allow contractors to child support enforcement agencies to access additional FTI for the purpose of collecting and disbursing child support, eliminating the need for such agencies to prevent that access going forward. In June 2023, the Internal Revenue Service issued a Security and Privacy Alert Memo requiring those agencies to prevent contractors from accessing FTI other than an individual’s address, Social Security number, and the amount of any tax refund offset for payment of child support. Using information from the Department of Health and Human Services (HHS), states, and child support enforcement associations, CBO estimates that HHS would spend \$777 million over the 2024-2034 period to reimburse child support enforcement agencies for costs incurred to

See also

[CBO’s Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



protect data. CBO's baseline projections for the child support enforcement program include that cost, which is classified as direct spending. Thus, CBO estimates that enacting the bill would reduce direct spending by \$777 million over the 2024-2034 period.

Access to FTI by Tribal Child Support Enforcement Agencies

Under current law, neither employees nor contractors of tribal governments have direct access to FTI. Based on information from HHS, CBO expects that, under H.R. 7906, 25 tribes would implement the safeguards required to access FTI and would use that data to collect additional child support. Federal costs and savings associated with that access are anticipated to roughly offset one another.

CBO expects that tribes would incur costs to access and protect FTI and to collect additional child support. CBO estimates that such costs, which are reimbursed by the federal government, would total about \$2 million over the 2024-2034 period.

Savings associated with allowing tribes to access FTI also would total about \$2 million over the 2024-2034 period, CBO estimates. Most of those savings arise because a portion of the child support collected on behalf of families receiving cash benefits from the Temporary Assistance for Needy Families program is retained by the federal government and recorded in the budget as an offsetting receipt (or a reduction in direct spending). In addition, CBO expects that, because some families would receive child support that would not otherwise be collected, their income would increase. As a result, they would qualify for smaller Supplemental Security Income (SSI) benefits. CBO estimates that the reduction in SSI benefits would total less than \$500,000 over the 2024-2034 period.

Effect on Revenues

JCT estimates that enacting H.R. 7906 could change individuals' behavior around income tax filing. Those changes could increase or decrease revenues by small amounts.

The costs of the legislation, detailed in Table 1, fall within budget function 600 (income security).



Table 1.
Estimated Budgetary Effects of H.R. 7906

	By Fiscal Year, Millions of Dollars											2024-2029	2024-2034
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034		
	Decreases (-) in Direct Spending												
Estimated Budget Authority	0	-78	-85	-101	-101	-62	-62	-62	-70	-78	-78	-427	-777
Estimated Outlays	0	-78	-85	-101	-101	-62	-62	-62	-70	-78	-78	-427	-777

The staff of JCT estimate that enacting H.R. 7906 would have a negligible effect on revenues over the 2024-2034 period.

Mandates

CBO and JCT have determined that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Susanne Mehlman. The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

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