April 27, 2020
Commissioner Deirdre Gifford
55 Farmington Avenue
Hartford, CT 06105
By email,

Re: Prioritizing families when distributing stimulus payments intercepted for child support arrearages

Dear Commissioner Gifford,

As you know, Connecticut residents have begun to receive $1200 stimulus payments and additional $500 payments for dependent children under age 17. While the Cares Act protects these payments from being intercepted at the federal level to repay student loans or benefit overpayments, the payment can be intercepted for child support debt. We are writing to request that amounts intercepted for child support arrearages be distributed to arrearages owing to families, before they are applied to arrearages owing to the State. Clearly families who are owed child support must be the first in line to receive this money. For them it likely means paying for basic necessities. The state’s coffers can wait.

While federal distribution rules now prioritize families, the one allowable exception is for child support collected through intercepting federal income tax refunds. (Tax refund intercepts include tax credits, to the extent they are part of a tax refund.) States can choose to prioritize state arrears in this situation, and Connecticut has chosen to do so in its state plan.

Under Connecticut law amounts collected through federal tax intercept “shall be distributed as required by Title IV-D of the Social Security Act.” Con. Gen. Stats. §52-362e. Given Connecticut’s election under the federal framework, this means child support collected through federal interception of tax refunds goes to satisfy
arrearages owing to the state first, and then to families, once state arrears are satisfied.

We are asking that Connecticut change its election under its state plan, or seek an exemption from the Secretary of Health and Human Services so that it can distribute amounts collected through offset of the stimulus payments to families who are owed child support arrearages first. Once the family’s arrearage is satisfied, the balance could of course go to the arrearage owing to the State of Connecticut. In this dire time, we hope you will agree that this is the appropriate course.

Sincerely,

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