

## CHILD SUPPORT SERVICES DIVISION ARREARS

Arrears occurs when the non-custodial parent falls behind on their current child support obligation. These missed payments accumulate over time, and the total unpaid amount is referred to as arrears or back child support.

Possible causes of missed child support payments could be due to financial hardship, illness, unexpected expenses, and underemployment. These can affect a non-custodial parent's ability to pay.

- **Financial hardship.** Loss of employment or decrease in overall income.
- Miscommunication. Changes in custody arrangements or support orders that are not updated or communicated effectively may lead to confusion and missed payments.
- Illness. Substance abuse or mental health issues.
- **Willful non-compliance**. A parent might intentionally avoid making payment due to disputes or disregard for legal obligations.
- **Disability.** An illness or injury can affect a parent's ability to work and earn income.

Regardless of the reason, falling behind on child support can have serious consequences beyond the impact to the child and custodial family. Consequences to the non-custodial parent include credit bureau reporting, tax offset, license suspension, passport holds, attachment of bank accounts and lottery winnings, and liens.

## **Arrears Data:**

In SFY 2024, the total number of Montana Child Support Services Division (CSSD) cases was 26,840, and of those 24,177 cases had arrears. Of the 24,177 cases, 5,556 cases are arrears only cases.

Numerator 24,177 2024 # of cases with arrears

Denominator 26,840 2024 # of total cases

Percent 90.08 % 90% of our cases have an arrears balance

Of those 24,177 arrears cases, 15,465 cases had at least one payment made towards their arrears during the fiscal year.

Numerator 15,465 # of cases that made at least 1 payment

Denominator 24,177 # of cases with arrears

Percent 64% Cases that have had an arrears payment

In SFY 2024, CSSD collected and distributed \$69 million dollars in child support, of which \$15,920,624.40 was arrears, which equates to 23% of the total collected and distributed child support.

Numerator \$69,000,000.00 Amount of child support collected and distributed



Denominator \$15,920,624.40 Amount of arrears collected and distributed Of total collected and distributed was arrears

## Managing and resolving arrearages included the following efforts:

- Special project to review top 39 arrears case
- Specialized positions
- Modifications
- Lump sum payments
- Right size orders
- Payment plans
- Referral for legal review to determine if there are other available enforcement options